



**Auditor of State
Betty Montgomery**

**EUCLID CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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**EUCLID CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**Schedule of Federal Awards Expenditures
for the year ended June 30, 2004**

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U. S. Department of Agriculture						
<i>Passed Through the Ohio Department of Education:</i>						
Food Distribution	N/A	10.550	\$0	\$163,011	\$0	\$163,011
Child Care - Summer School Meals	05PU-03	10.553	16,182	0	16,182	0
Child Care - Summer School Meals	05PU-04	10.553	192,044	0	192,044	0
Subtotal Child Care - Summer School Meals			208,226	0	208,226	0
National School Lunch Program	LL-P1 04	10.555	4,256	0	4,256	0
National School Lunch Program	LL-P4 03	10.555	138,511	0	138,511	0
National School Lunch Program	LL-P4 04	10.555	653,494	0	653,494	0
Subtotal National School Lunch Program			796,261	0	796,261	0
National School Breakfast Program	23-PU 03	10.559	17,167	0	17,167	0
National School Breakfast Program	24-PU 03	10.559	1,753	0	1,753	0
Subtotal Child Care Food Program			18,920	0	18,920	0
Total U. S. Department of Agriculture - Nutrition Cluster			1,023,407	163,011	1,023,407	163,011
U. S. Department of Education						
<i>Passed Through the Ohio Department of Education:</i>						
Special Education Cluster:						
Title VI-B	6B-SF-03P	84.027	65,979	0	83,563	0
Title VI-B	6B-SF-04	84.027	868,679	0	868,679	0
Subtotal Title 6-B			934,658	0	952,242	0
Preschool Grant	PG-S1-03P	84.173	414	0	6,747	0
Preschool Grant	PG-S1-04	84.173	36,462	0	30,779	0
Subtotal Preschool			36,876	0	37,526	0
Total Special Education Cluster			971,534	0	989,768	0
Adult Basic Education	AB-S1-02	84.002	(6,038)	0	0	0
Adult Basic Education	AB-S1-03 C	84.002	6,038	0	6,038	0
Adult Basic Education	AB-S1-04	84.002	57,501	0	57,501	0
Adult Basic Education	AB-S2-03	84.002	(276)	0	0	0
Adult Basic Education	AB-S2-03 C	84.002	276	0	1,428	0
Adult Basic Education Special Demonstration	AB-S2-04	84.002	35,488	0	32,064	0
Adult Basic Education Special Demonstration	AB-S3-03	84.002	(1,521)	0	0	0
Adult Basic Education Special Demonstration	AB-S3-03 C	84.002	1,521	0	13,682	0
Adult Basic Education Special Demonstration	AB-S3-04	84.002	96,777	0	96,694	0
Adult Basic State Leadership	AB-SL-03	84.002	46,881	0	69,455	0
Adult Basic State Leadership	AB-SL-03	84.002	(6,346)	0	0	0
Adult Basic State Leadership	AB-SL-03 C	84.002	37,619	0	37,619	0
Adult Basic State Leadership	AB-SL-04	84.002	319,726	0	315,187	0
Total Adult Basic Education			587,646	0	629,668	0
Title I	C1-S1-03	84.010	44,511	0	112,215	0
Title I	C1-S1-03	84.010	(25,262)	0	0	0
Title I	C1-S1-04	84.010	687,497	0	598,947	0
Total Title I			706,746	0	711,162	0
Drug Free Schools Grant - State Grant	DR-S1-03	84.186	6,871	0	2,443	0
Drug Free Schools Grant - State Grant	DR-S1-03	84.186	(981)	0	0	0
Drug Free Schools Grant - State Grant	DR-S1-04	84.186	19,607	0	19,614	0
Total Drug Free Schools - State Grant			25,497	0	22,057	0

(continued)

**EUCLID CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**Schedule of Federal Awards Expenditures
for the year ended June 30, 2004
(Continued)**

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U. S. Department of Education						
<i>Passed Through the Ohio Department of Education:</i>						
Drug Free Schools Grant - National Grant	T4-S1-03	84.184C	3,290	0	8,226	0
Drug Free Schools Grant - National Grant	T4-S1-04P	84.184C	21,710	0	18,249	0
Drug Free Schools Grant - National Grant	T4-S1-04	84.184C	22,411		25,679	
Total Drug Free School Grant - National Grant			47,411	0	52,154	0
Goals 2000 - 21st Century	T1-S1-04	84.287	186,274	0	181,120	0
Eisenhower Professional Development	MS-S1-02	84.281	0	0	449	0
Total Eisenhower Professional Development			0	0	449	0
Innovative Education Program Strategies	C2-S1-03	84.298	(5,650)	0	4,761	0
Innovative Education Program Strategies	C2-S1-04	84.298	13,980	0	7,182	0
Total Innovative Education Program Strategies			8,330	0	11,943	0
Tech Literacy Challenge	TJ-S1-03	84.318	26,164	0	22	0
Tech Literacy Challenge	TJ-S1-04	84.318	164,303	0	164,328	0
Total Tech Literacy Challenge- Virtual Middle School			190,467	0	164,350	0
Advanced Placement Incentive	AV-S1-03	84.330	650	0	650	0
Comprehensive School Reform Demonstration	RF-CC-03	84.332	12,717	0	18,872	0
Comprehensive School Reform Demonstration	RF-CC-03	84.332	(5,028)	0	0	0
Comprehensive School Reform Demonstration	RF-CC-04	84.332	29,533	0	29,031	0
Comprehensive School Reform Demonstration	RF-K1-02	84.332	33,680	0	33,680	0
Comprehensive School Reform Demonstration	RF-K1-03	84.332	16,320	0	16,320	0
			87,222	0	97,903	0
School Renovation Grant	AT-S3-02	84.352A	(786)	0	820	0
Title III - Immigrant Grant	T3-S1-04	84.365	20,964		22,936	
Title III - Immigrant Grant	T3-S2-04	84.365	32,086		34,942	
Total Title III - Immigrant Grant			53,050	0	57,878	0
Improving Teacher Quality State Grant	TR-S1-03	84.367	38,936	0	70,293	0
Improving Teacher Quality State Grant	TR-S1-03	84.367	(27,606)	0	0	0
Improving Teacher Quality State Grant	TR-S1-04	84.367	306,883	0	267,762	0
Total Improving Teacher Quality State Grant			318,213	0	338,055	0
<i>Total Passed Through the Ohio Department of Education</i>			3,182,254	0	3,257,977	0
Total U. S. Department of Education			3,182,254	0	3,257,977	0
U. S. Department of Health and Human Services						
<i>Passed Through the Ohio Department of MRDD:</i>						
Medicaid	N/A	93.778	191,710	0	191,710	0
Total U.S. Department of Health and Human Services			191,710	0	191,710	0
Total Federal Assistance			\$4,397,371	\$163,011	\$4,473,094	\$163,011

The accompanying notes to the Schedule of Federal Award Expenditures are an integral part of this schedule.

**EUCLID CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
FISCAL YEAR ENDED JUNE 30, 2004**

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A – 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.

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State and local grant monies. It is assumed federal monies are expended first.

NOTE C – FEDERAL TRANSFERS

The Ohio Department of Education (ODE) transferred federal monies remaining from the 2003 grant year to the 2004 grant year for three separate grants. These amounts are shown as negative receipts for the 2003 grant year and positive receipts in the 2004 grant year. This action by ODE allowed the District to extend the availability period for expenditure of these receipts.

CFDA – Catalog of Federal Domestic Assistance

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Auditor of State Betty Montgomery

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

Board of Education
Euclid City School District
Cuyahoga County
651 East 222nd Street
Euclid, Ohio 44123

We have audited the financial statements of governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Euclid City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2004. 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 directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2004-001.

We also noted certain immaterial instances of noncompliance that we have reported to the District's management in a separate letter dated December 22, 2004.

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 opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 22, 2004.

Euclid City School District
Cuyahoga County
Independent Accountants' Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management, Board of Education, 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

December 22, 2004



Auditor of State Betty Montgomery

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

Board of Education
Euclid City School District
Cuyahoga County
651 East 222nd Street
Euclid, Ohio 44123

Compliance

We have audited the compliance of the Euclid 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 program for the year ended June 30, 2004. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs are the responsibility of 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 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 programs for the year ended June 30, 2004.

Internal Control Over Compliance

The management of 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. However, we noted a certain instance involving the internal control over federal compliance that we have reported to the management of the District in a separate letter dated December 22, 2004.

Schedule of Federal Expenditures

We have audited the basic financial statements of the District as of and for the year ended June 30, 2004, and have issued our report thereon dated December 22, 2004. 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 purposes of 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 audit committee, management, Board of Education, 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

December 22, 2004

**EUCLID CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
JUNE 30, 2004**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster / 84.027 and 84.173; Adult Education 84.002; Improving Teacher Quality 84.367; and Medicaid 93.778
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

Finding Number	2004-001
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Ohio Revised Code Section 5705.10 states, in part, money paid into any fund shall be used only for purposes for which the fund is established. The District had the following deficit fund balances as of March 31, 2004:

Special Revenue Funds:

Transformation Initiative Grant Fund	\$ (361,746)
Student Intervention Fund	(23,684)
Idea-Part B Special Education Fund	(31,919)
Limited English Proficiency	(45,788)

**EUCLID CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
JUNE 30, 2004**

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

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Finding Number (Continued)	2004-001
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The District had the following deficit fund balances at June 30, 2004:

Special Revenue Funds:

Transformation Initiative Grant Fund	\$ (40,803)
Alternative School Fund	(67,587)
Adult Basic Education Fund	(2,571)
Goal 2000 Proficiency Improvement	(24,309)
Student Intervention Fund	(9,124)

The deficit fund balances indicate money from another fund was used to pay expenditures of the aforementioned funds. We recommend that the District monitor fund balance and transfer and/or advance monies from the general fund when necessary. This transfer/advance, since it must be approved by the Board of Education ensures management and legislative recognition.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

EUCLID CITY
SCHOOL
DISTRICT
EUCLID, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

INTRODUCTORY SECTION

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**EUCLID CITY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL
FINANCIAL REPORT FOR
THE FISCAL YEAR ENDED
JUNE 30, 2004**

**ISSUED BY: TREASURER'S OFFICE
STEPHEN A. VASEK, TREASURER**

EUCLID CITY SCHOOL DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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EUCLID CITY SCHOOL DISTRICT
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EUCLID CITY SCHOOL DISTRICT
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EUCLID CITY SCHOOL DISTRICT
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Euclid City Schools

651 East 222 Street • Euclid, OH 44123-2090 • (216) 797-2915 • FAX: (216) 289-8845

December 22, 2004

e-mail: svasek@euclid.k12.oh.us

Stephen Vasek, Treasurer

Members of the Board of Education and
Residents of the Euclid City School District

Dear Board Members and Residents:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Euclid City School District. This CAFR, which includes an opinion from the Auditor of the State of Ohio, conforms to 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 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 District. This report will provide the taxpayers of the Euclid City School District with comprehensive financial data in a format enabling them to gain an understanding of the District's financial affairs. Copies will be made available to the Cuyahoga County Public Library, major taxpayers, financial rating services, 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, Government Finance Officer's Association (GFOA) Certificate of Achievement, List of Principal Officials, and an Organization Chart of the District.
2. The Financial Section, which begins with the Independent Accountants' Report, and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the District's financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends, and the fiscal capacity of the Euclid City School District.

The School District

Euclid was officially settled in 1797 by eleven families. In 1830, the village meeting minutes indicated that a sum of \$300 was to be paid to the directors of the Euclid City School District. In 1868, a class of six high school pupils was organized. In 1895, the first high school building was erected. The first class graduated from that building in 1897. By 1896, the Euclid City School District was patterned after a district plan dividing the City into eleven districts. The eleven districts were consolidated into five buildings. At the close of 1918, there were two high schools, Central and Shore.

During the peak enrollment years of the 1960s and 1970s, the District maintained an enrollment of approximately 11,000 students, precipitating the need for additional buildings to be constructed. As enrollment declined during the 1980s by approximately 5,000 students, three elementary buildings and one junior high building were closed. Due to the reinstatement of all day, everyday kindergarten continued enrollment increases, two of the closed elementary buildings were reopened in 2004. The District currently consists of one high school, one middle school, and six elementary schools.

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in Division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide educational services authorized and mandated by State and/or Federal agencies.

The Reporting Entity and Services Provided

The District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units. Excluded from the reporting entity because they are fiscally independent of the District are the City of Euclid, the Parent Teacher Organization, and the Parochial Schools. The District is associated with two organizations, the Ohio Schools Council and the Euclid Public Library. The Ohio Schools Council Association is a jointly governed organization whose relationship to the District is described in Note 15 to the accompanying financial statements. The Euclid Public Library is a related organization and is described in Note 16 to the accompanying financial statements.

A complete discussion of the District's reporting entity is provided in Note 1 to the basic financial statements.

Organizational Structure

The District uses a team approach to meet today's educational challenges and to make school improvements a reality. This team consists of a five-member Board of Education which serves as the taxing authority, contracting body, and policy developers for the District. The Board adopts the annual operating budget and approves all expenditures of the District's monies. The administrative team consists of the Superintendent, who is the Chief Administrative Officer of the District and is responsible for providing educational and administrative management leadership for the total operation of the District, and the Treasurer, who is the Chief Fiscal Officer of the District and is responsible for maintaining records of all financial matters, issuing warrants and payment of liabilities incurred by the District, and who also serves as the Chief Financial Officer of all District funds and investments as specified by law.

The remaining administrative team members appointed by the Superintendent/School Board include the following: two Assistants to the Superintendent, Director of Pupil Personnel Services, Director of Business Affairs and Director of Professional Development. The above four individuals, along with the Superintendent and the Treasurer, constitute the administrative cabinet which meets to provide recommendations to the Superintendent and also provides problem-solving and policy implementing management to the District.

Present

The District currently consists of ten operational schools: Euclid Senior High School, Central Middle School (6, 7 & 8), Forest Park Middle School (6, 7& 8), Glenbrook Elementary (K-5), Lincoln Elementary (K-5), Roosevelt Elementary (K-5), Upson Elementary (K-5), Memorial Elementary (K-5), Indian Hills (K-5)and Thomas Jefferson Magnet School (K-6). The District operates a Day School enterprise known as the Euclid Child Development Center. Russell Erwine Elementary School is currently closed and is being utilized by the District's building trades as their headquarters.

Euclid city services are considered excellent and a very progressive public library system is in place. The community is served by two major highways, Interstate 90 and Route 2. Students enjoy a lakefront setting with municipal parks, a public golf course, and a large City-owned park/recreation area. The City is host to four parochial schools (K-8). Approximately 1,500 students are involved in the various parochial elementary schools.

The District's Day Care Center services approximately 300 children of working parents in the community on a daily basis. The District provides an extremely active adult community education program which provides adults with instruction, adult basic literacy, GED preparation, and English as a second language. The District and City maintain tennis courts, several swimming pools and baseball fields that the students and citizens can enjoy.

The population within the District is multiracial and multicultural with many students of various ethnic groupings. Minority groups comprise approximately 60 percent of the District's public school population.

Economic Outlook

The District has the same boundaries as the City of Euclid. The City is bounded on the west by the City of Cleveland, on the north by Lake Erie, and on the south and east by smaller cities.

The City of Euclid has experienced a stagnation of its commercial property tax base in recent years. The District's commercial and industrial real estate assessed valuation has only increased from \$193 million in 1994 to \$203 million in 2003. The tangible personal property assessed valuation has decreased from \$111 million to \$89 million in that same time frame. The total assessed valuation for all property was \$774 million in 1994 compared to \$865 million in 2003. The City of Euclid has enacted a number of programs, including tax incentive programs, to encourage business growth and development.

Of the District's General Fund operations, 43 percent of the General Fund revenue is received from real estate taxes on residential, commercial, and industrial properties. Another 11 percent is received from tangible personal property taxpayers with 9 percent being received from the shared City income tax. Approximately 31 percent is received from various forms of State aid, with the balance representing interest earnings and miscellaneous receipts.

During the last five years, the District's average daily membership has increased from approximately 6,000 to 6,400. The average daily membership for the 2003-2004 school year was 6,423.

After five unsuccessful attempts to pass a property tax operating levy from November 1998 through May 1999, a 6.9 mill operating levy was approved by the District's voters in November, 1999. Collections of this new levy, which began in 2000, total approximately \$5.5 million dollars annually.

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920 which mandates that any reappraised property increase results in an approximately equal value decrease in millage. As a result, school districts throughout Ohio must place operating funding issues on the ballot at regular intervals to keep pace with inflation and added programming.

In July 1994, the Perry County Common Pleas Court ruled that Ohio's system of funding elementary and secondary public schools was unconstitutional. The State of Ohio appealed the decision which was overturned in a split opinion by the 5th District Court of Appeals. The case was then appealed to the Ohio Supreme Court with the original decision being upheld. The legislature was then ordered by the Court to devise a new structure to fund public education in the State by February, 1998. As a result, several pieces of legislation were enacted to address the Court's ruling. Those legislative reforms were determined to be insufficient as stated in a subsequent Supreme Court rulings. Further legislative returns were enacted which prompted yet another Supreme Court ruling. Note 18 details the latest ruling.

Future Projects

The Euclid City School District is the only school district in the State of Ohio with an enacted shared City/school income tax. The shared City income tax, enacted in 1994, is a .85 percent City voted income tax shared .47 percent for the schools and .38 percent for the City. The District and City continue to be partners in redeveloping various industrial sites in the City of Euclid that are currently vacant and/or under-utilized.

The District currently has a .50 mill Permanent Improvement levy which was to expire at the end of 2000. In November, 2000, the District successfully passed a renewal of that Permanent Improvement levy. The renewal levy will provide approximately \$370 thousand annually through 2005.

During 2003 and into 2004, the District convened a group of concerned citizens and staff to address concerns of overcrowding, changing community expectations and achievement. The group recommended a Reorganization of the District that entailed reinstating all day, every day kindergarten, reopening two closed elementary schools and converting Forest Park Upper Elementary School to a second Middle School. A 2.5 mill Permanent Improvement Levy was passed by the voters in 2004 which made the reorganization a reality for the 2004-2005 school year. In addition, this levy will provide a continuing funding source for District capital improvements and renovations.

The District has a comprehensive technology plan for moving into the twenty-first century. The District is well known for accomplishments in the area of integrating technology into the instructional process. The District has a full-time technology resource teacher in every building. Several of the schools have been recognized annually by their winning entries into the National Computer Learning Month competition.

Major Initiatives

In February, 1994, the District's Board of Education adopted the following mission statement:

It is the mission of the Euclid City Schools to provide an environment for learning. Our graduates will be prepared for the world of work and a place in our community as good citizens. The responsibility for resources and support lies with everyone in our community. The responsibility to learn lies with the students.

District Planning

Since 1994, the District has maintained a Five-Year Plan, which has guided the District's strategies and major initiatives. Effective with the 1999-2000 school year, the State Department of Education required each urban school district to develop and maintain a Continuous Improvement Plan. The Continuous Improvement Plan has many of the same aspects as the District's Five-Year Plan. Therefore, for the District, the development of the Continuous Improvement Plan was primarily a revision of the Five-Year Plan.

A Continuous Improvement Planning Advisory Panel consisting of the District's Board members, administrators, teaching staff, non-teaching staff, parents, and citizens oversees the planning process and is divided into committees which address each of six major areas. These areas include: **1.** Teaching/Learning/Assessment; **2.** Professional Development; **3.** Student Services; **4.** Family, Business, and Community Involvement; **5.** Facilities and Environment; and **6.** Organizational Governmental Resource Leveraging. The committees develop long range vision statements, supporting background data, strategies, and process indicators which serve to evaluate the progress of enacted strategies.

The Vision Statements for each committee are as follows:

Teaching/Learning/Assessment

Within five years, an effective teaching staff will instruct all students at a level that will ensure proficient academic achievement in all subject areas. The community will support the teaching/learning process by providing the resources for an enriched educational environment. Resources such as textbooks, materials, supplies, and technology needed to implement the curriculum will be readily available. The curriculum will include instructional alignment with the State of Ohio standards and the District's courses of study. Students will understand the responsibility for learning lies within themselves. A variety of assessments will be utilized to demonstrate the effectiveness of teaching and learning. Assessments will include such data as passage rates on the Ohio Proficiency Tests, attendance, graduation and dropout rates, promotion and retention, and any student, staff, or District recognition at the local, state, or national level.

Professional Development

The Professional Development Committee is committed to coordinating professional development for everyone who affects student learning. The training will be guided by professional, curricular, and personal needs of the staff. The committee views high quality staff development programs as essential to creating schools in which all staff members are learners who continually improve their performance.

Administrators and teachers will have to develop an ethos of inquiry, constantly examining their own practice: seeking new knowledge about subject matter, instructional methods, and student development: questioning what they learn in light of their own experience, doing research, and thinking deeply about overall improvement.

Student Services

Improve services to all students, including special education students, those who are at risk of failure, and students who are in conflict with the goals and objectives of the District.

Maintain and enhance our school environment so the educational atmosphere is conducive to learning. The school environment will be free from violence, alcohol, tobacco, and other drugs. A positive school climate will exist due to parental involvement, a consistently enforced discipline code, adequate security, and strong positive programming that includes student services to the community and student support to ensure the safety and security of all students and staff.

A variety of assessments will be used to demonstrate improvement, such as: District discipline audit, handicapped services data, drug and safety incidents, annual expulsion report, profile of services, safe schools from the buildings, District report card, and average daily membership report.

Family, Business, and Community Involvement

To improve the awareness, communications, and community-wide relationships between the District's personnel, students, parents, and community and businesses.

Facilities and Environment

To assure the efficient operation of the District's facilities and grounds by maintaining the physical plant and grounds in a condition of operating excellence. A safe, healthy, and aesthetically pleasing environment enables students to receive the maximum positive impact of the educational process.

Organization, Governance, and Resource Leveraging

The District will provide an environment which fosters improved student performance by optimizing the available human and financial resources of the District. This can be accomplished by providing a strong organizational structure, efficient operating procedures, clear communications, and responsible financial management.

School Based Management

School management at the building level is an extension of the District's strategic planning process. Each of the District's elementary buildings has a Building Management Team consisting of administrators, certificated and classified staff, and parents. The middle school and high school operate on a team leader concept. These teams plan and organize building operations.

Financial Information

Internal Accounting and Budgetary Control: The District's accounting system is organized on a fund basis. Each fund and account group is a distinct self-balancing accounting entity. Reports for general governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

In developing the 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 costs of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The District utilizes a fully automated accounting system, as well as an automated system of controls 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 either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, a permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months after the start 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. Budgets are controlled at the object account level within each function for the general fund and the fund level for all other funds. All purchase order requests must be approved by the Building Principal or Department head and the Director of Business Affairs and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year to date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each administrator or department head and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible.

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

The basis of accounting and the various funds utilized by the District are fully described in Note 2 of the financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

Financial Condition

This is the second year the 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 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 many businesses. The government-wide statements distinguish between those activities of the 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. Nonmajor 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.

Statements 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 District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for 2004 and the outlook for the future. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

Financial Highlights

Enterprise Funds - Food Service, Uniform School Supplies, Customer Services, and Adult Education, are classified as enterprise operations as they resemble those activities found in private industry. Management periodically desires to determine the amount of profit/loss resulting from these operations that are significantly financed from user fees. In total, the Enterprise Funds had a net income of \$43,624 for the fiscal year ending June 30, 2004. The Food Service Fund experienced a net income of \$37,000, Adult and Community Education experienced a loss of \$5,159. The Uniform School Supply Fund experienced a net gain of \$7,485 and Customer Services experienced a net gain of \$4,298.

Internal Service Funds - The internal service funds carried on the financial records of the District are Special Rotary Fund, Health Reserve, and Worker's Compensation. Special Rotary Fund accounts for purchased services and equipment for internal use. Health Reserve fund accounts for the provision of dental, vision and medical benefits to District employees. Worker's Compensation Fund accounts for claims and premiums paid to the State for worker's compensation insurance. As of June 30, 2004, Special Rotary Fund had net assets of \$246,882, compared with \$247,121 at June 30, 2003, reflecting a net loss of \$239. Health Reserve fund had net assets of \$1,134,340 compared with \$1,969,181 at June 30, 2003, reflecting a net loss of \$834,841. Worker's Compensation Fund had net assets of \$222,092, compared with \$1,325,634 at June 30, 2003, reflecting a net loss of \$1,103,542.

Fiduciary Fund - The School District's only agency fund, which accounts for student activities has total assets of \$42,802 equaling total liabilities.

Cash Management: The Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently depositing cash which is insured by the Federal Deposit Insurance Corporation, as well as investing available cash in instruments issued by the United States Government and the State of Ohio (STAROhio). The total amount of interest earned was \$362,585 for the year ending June 30, 2004, with \$329,774 being credited directly to the General Fund.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Risk Management: The District manages the medical/surgical and dental insurance benefits for its employees on a self insured basis. A third party administrator processes and pays the claims. Unobligated reserves at June 30, 2004 are more than sufficient to meet claim obligations. All employees of the District are covered by a blanket bond while certain positions in decision/policy making roles are covered by separate higher bond coverage.

The District contracts for general liability with Coregis Insurance. The limits of coverage are \$1,000,000 per occurrence and \$3,000,000 per aggregate.

The District has insurance coverage for vehicle insurance and crime protection.

Pension Plans

All District employees are covered by the state-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the District to pay the employer's share as determined by each retirement system. See Note 12 to the accompanying financial statements for complete details.

Independent Audit

State statutes require the District to be subjected to an annual audit by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Betty Montgomery, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2004. The opinion appears at the beginning of the financial section of this report.

Pursuant to State statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The District adopted and has been in conformance with that 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 Euclid City School District for its comprehensive annual financial report for the year ended June 30, 2003. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

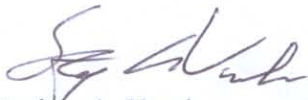
Acknowledgments

The publication of this report maintains a high level of accountability of the District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the School Treasurer's Office and Finance Department and various administrators and employees of the District. Assistance of the County Auditor's office staff and other outside agencies made possible the fair presentation of the statistical data.

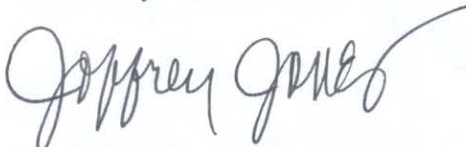
In addition, special appreciation is expressed to the firm of James G. Zupka, CPA, Inc. for the advice and guidance rendered to the production of this report.

Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully submitted,



Stephen A. Vasek
Treasurer
Euclid City School District



Dr. Joffrey Jones
Superintendent
Euclid City School District

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Euclid City School District,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

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.



Nancy L. Ziehl

President

Jeffrey R. Emer

Executive Director

**EUCLID CITY SCHOOL DISTRICT
PRINCIPAL OFFICIALS
JUNE 30, 2004**

BOARD OF EDUCATION

Mrs. Carol DeWine
Mrs. Kay VanHo
Mrs. Carol Bechtel
Mr. Brian Palisin
Mrs. Kent Smith

President
Vice-Member
Member
Member
Member

Treasurer

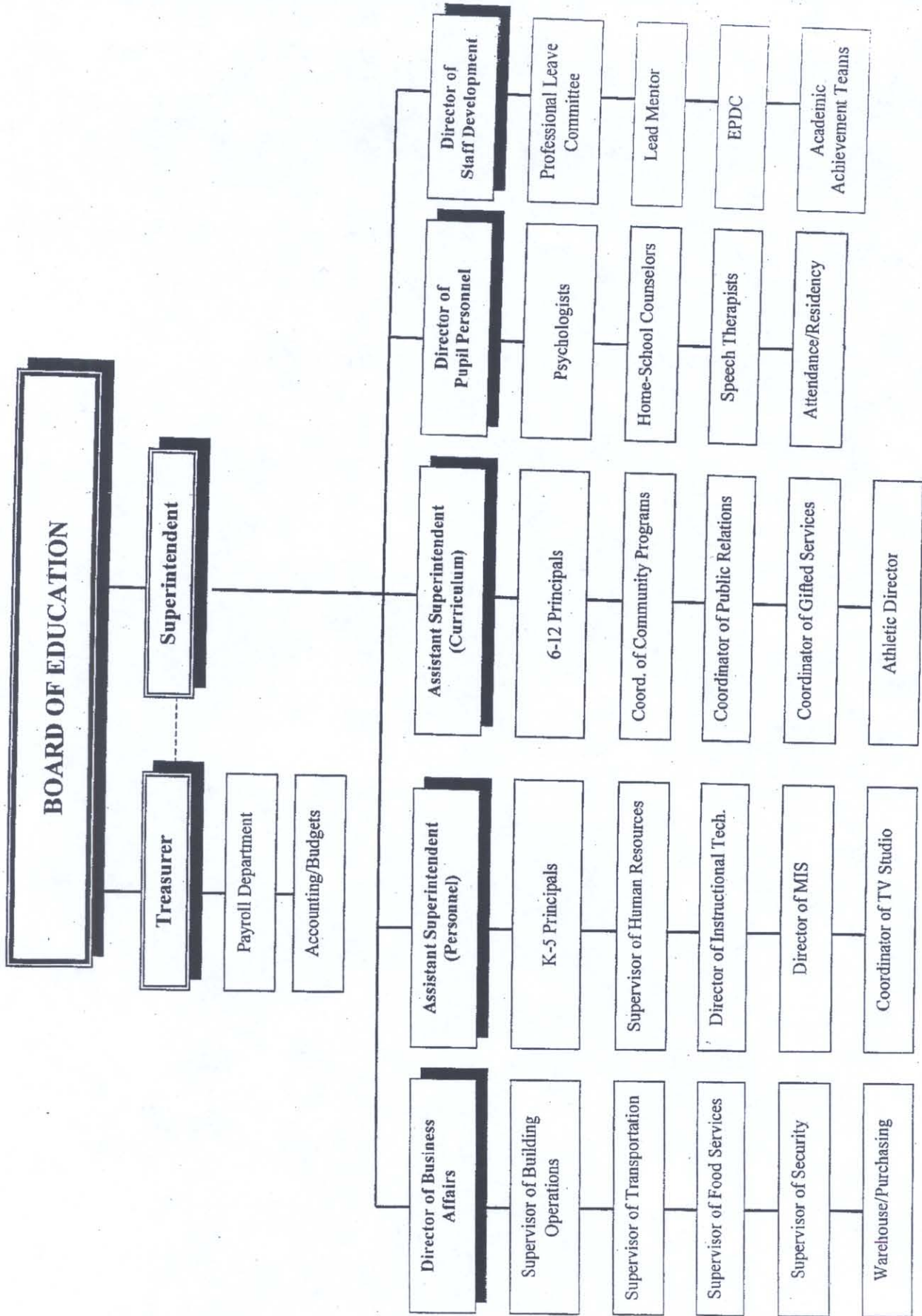
Mr. Stephen A. Vasek

Administration

Dr. Joffrey Jones
Mr. John Fell
Dr. Janice M. Gallagher
Mr. John Clapacs
Mr. David Van Leer
Mr. John Schweitzer

Superintendent
Assistant Superintendent
Assistant Superintendent
Director, Business Affairs
Director, Pupil Personnel
Director, Staff Development

Euclid City Schools
Organizational Chart 2004-05



(7/16/04)

FINANCIAL SECTION



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Board of Education
Euclid City School District
Cuyahoga County
651 East 222nd Street
Euclid, Ohio 44123

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Euclid City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2004, 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, business-type activities, each major fund and the aggregate remaining fund information of the Euclid City School District, Cuyahoga County, Ohio, as of June 30, 2004, and the respective changes in financial position and the cash flows, where applicable, and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2004 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 applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the 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 non-major fund statements and schedules and statistical statements are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual 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

December 22, 2004

EUCLID CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2004
Unaudited

The discussion and analysis of the Euclid City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2004 are as follows:

- In total, net assets decreased \$6,966,503. Net assets of governmental activities decreased \$7,010,127 which represents an 17 percent decrease from 2003 to 2004. Net assets of business-type activities increased \$43,624 or 5.3 percent from 2003.
- General revenues accounted for \$55,937,858 in revenue or 83.3 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$11,202,062 or 16.7 percent of total revenues of \$67,139,920.
- Total assets of governmental activities decreased by \$869,969 as current assets decreased by \$1,280,399.
- The District had \$71,525,069 in expenses related to governmental activities; only \$8,579,902 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$55,935,040 were adequate to provide for these programs.
- Among major funds, the general fund had \$60,377,599 in revenues and \$59,969,949 in expenditures. The general fund's fund balance increased to \$19,446,237 from \$18,969,528.

EUCLID CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2004
Unaudited

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Euclid City School District as a financial whole, an entire 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 District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provides the next level of detail. For governmental funds, these statements tell how services were financed in the short term, as well as what remains for future spending. The fund financial statements also look at the District's most significant funds, with all other nonmajor funds presented in total in one column. In the case of the Euclid City School District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2004?" The Statement of Net Assets and Statement of Activities answer this question. These statements include *all assets* and *all liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those 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 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 District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

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

- Governmental Activities - Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.

EUCLID CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2004
Unaudited

- Business-Type Activities - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District's adult and community education programs, food service, uniform school supplies, and customer service are reported as business activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major funds begins on page 15. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund and debt service fund.

Governmental Funds Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the 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 Statement of Activities) and governmental *funds* is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

EUCLID CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2004
Unaudited

The School District as a Whole

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

Table 1 provides a summary of the District's net assets for 2004 compared to 2003:

Table 1 - Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Assets						
Current and Other Assets	\$74,663,538	\$ 75,943,937	\$ 1,060,285	\$ 1,031,424	\$ 75,723,823	\$ 76,975,361
Capital Assets	<u>22,336,890</u>	<u>21,926,460</u>	<u>39,556</u>	<u>25,832</u>	<u>22,376,446</u>	<u>21,952,292</u>
Total Assets	<u>\$ 97,000,428</u>	<u>\$ 97,870,397</u>	<u>\$ 1,099,841</u>	<u>\$ 1,057,256</u>	<u>\$ 98,100,269</u>	<u>\$ 98,927,653</u>
Liabilities						
Long-Term Liabilities	\$ 22,972,298	16,927,495	\$ 74,990	\$ 11,156	\$ 23,047,288	\$ 16,938,651
Other Liabilities	<u>39,733,761</u>	<u>39,638,406</u>	<u>156,351</u>	<u>221,224</u>	<u>39,890,112</u>	<u>39,859,630</u>
Total Liabilities	<u>62,706,059</u>	<u>56,565,901</u>	<u>231,341</u>	<u>232,380</u>	<u>62,937,400</u>	<u>56,798,281</u>
Net Assets						
Invested in Capital Assets						
Net of Debt	2,724,425	8,276,904	39,556	25,832	2,763,981	8,302,736
Restricted	9,682,840	4,027,688	0	0	9,682,840	4,027,688
Unrestricted (Deficit)	<u>21,887,104</u>	<u>28,999,904</u>	<u>828,944</u>	<u>799,044</u>	<u>22,716,048</u>	<u>29,798,948</u>
Total Net Assets	<u>\$ 34,294,369</u>	<u>\$ 41,304,496</u>	<u>\$ 868,500</u>	<u>\$ 824,876</u>	<u>\$ 35,162,869</u>	<u>\$ 42,129,372</u>

Total assets decreased \$827,384. Equity in pooled cash and cash equivalents and investments increased by \$4,827,222. Taxes receivable decreased \$6,870,680; of this decrease, \$3,881,320 is offset by a decrease in deferred revenue. This is reflective of an overall reduction in property tax revenues in fiscal 2004.

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The net assets of the District's business-type activities increased by \$43,624 or 5.3 percent. Management has reviewed and, where feasible, increased fees.

Table 2 shows the changes in net assets for fiscal year 2004.

Table 2 - Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Revenues						
Program Revenues:						
Charges for Services	\$ 1,730,326	\$ 1,084,574	\$ 1,408,142	\$ 1,465,991	\$ 3,138,468	\$ 2,550,565
Operating Grants and Contributions	6,746,185	5,729,433	1,214,018	934,248	7,960,203	6,663,681
Capital Grants and Contributions	103,391	94,612	0	0	103,391	94,612
General Revenues:						
Property Taxes	28,209,458	35,361,908	0	0	28,209,458	35,361,908
Income Tax	5,221,774	5,221,422	0	0	5,221,774	5,221,422
Grants and Entitlements	21,995,348	19,127,511	0	0	21,995,348	19,127,511
Investment Earnings	332,955	488,399	2,818	3,990	335,773	492,389
Other	175,505	352,734	0	12,342	175,505	365,076
Total Revenues	\$ 64,514,942	\$ 67,460,593	\$ 2,624,978	\$ 2,416,571	\$ 67,139,920	\$ 69,877,164
Program Expenses						
Instruction:						
Regular	\$ 27,599,909	\$ 25,121,894	\$ 0	\$ 0	\$ 27,599,909	\$ 25,121,894
Special	10,051,513	7,996,936	0	0	10,051,513	7,996,936
Vocational	1,229,947	953,176	0	0	1,229,947	953,176
Adult Continuing	108,816	112,754	0	0	108,816	112,754
Support Services:						
Pupil	3,898,995	3,516,098	0	0	3,898,995	3,516,098
Instructional Staff	4,474,740	3,766,168	0	0	4,474,740	3,766,168
Board of Education	55,903	51,081	0	0	55,903	51,081
Administration	5,080,997	4,028,170	0	0	5,080,997	4,028,170
Fiscal	1,683,433	1,639,518	0	0	1,683,433	1,639,518
Business	755,259	729,558	0	0	755,259	729,558
Operation and Maintenance of Plant	8,274,032	8,031,948	0	0	8,274,032	8,031,948
Pupil Transportation	2,961,979	2,924,521	0	0	2,961,979	2,924,521
Central	1,412,449	1,258,017	0	0	1,412,449	1,258,017
Other	47,253	0	0	0	47,253	0
Operation of Non-Instructional Services						
Services	1,010,153	1,229,449	0	0	1,010,153	1,229,449
Extracurricular Activities	1,367,238	1,151,165	0	0	1,367,238	1,151,165
Interest and Fiscal Charges	1,509,349	1,482,413	0	0	1,509,349	1,482,413
Other	3,104	2,389	0	0	3,104	2,389
Food Service	0	0	1,937,798	1,781,271	1,937,798	1,781,271
Uniform School	0	0	5,973	11,202	5,973	11,202
Customer Service	0	0	621,281	19,073	621,281	19,073
Adult Education	0	0	16,302	16,378	16,302	16,378
Day Care	0	0	0	681,424	0	681,424
Total Program Expenses	71,525,069	63,995,255	2,581,354	2,509,348	74,106,423	66,504,603
Increase (Decrease) in Net Assets	\$ (7,010,127)	\$ 3,465,338	\$ 43,624	\$ (92,777)	\$ (6,966,503)	\$ 3,372,561

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Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 43.7 percent of revenues for governmental activities for the Euclid Schools in fiscal year 2004.

Instruction comprises 54.5 percent of governmental program expenses. Interest expense was 2.1 percent. Most of the interest expense was attributable to outstanding debt issues previously approved by the residents of the district to fund capital projects. Approximately 9 percent of the interest expense was attributable to unvoted debt which funded energy conservation related capital improvements.

The Statement of Activities shows the cost of program services, and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3 - Governmental Activities

	Total Cost of Services <u>2004</u>	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2004</u>	Net Cost of Services <u>2003</u>
Instruction	\$ 38,990,185	\$ 34,184,760	\$ 34,364,062	\$ 29,392,862
Support Services:				
Pupil and Instructional Staff	8,373,735	7,282,266	7,682,072	7,204,398
Board of Education, Administration, Fiscal, and Business	7,575,592	6,448,327	6,981,863	6,421,644
Operation and Maintenance of Plant	8,274,032	8,031,948	7,973,609	7,775,213
Pupil Transportation	2,961,979	2,924,521	2,872,419	2,858,101
Central	1,412,449	1,258,017	1,389,192	1,235,084
Other	50,357	2,389	49,935	2,389
Operation of Non-Instructional Service	1,010,153	1,229,449	(99,076)	136,055
Extracurricular Activities	1,367,238	1,151,165	222,113	578,477
Interest and Fiscal Charges	<u>1,509,349</u>	<u>1,482,413</u>	<u>1,508,974</u>	<u>1,482,413</u>
Total Expenses	<u>\$ 71,525,069</u>	<u>\$ 63,995,255</u>	<u>\$ 62,945,167</u>	<u>\$ 57,086,636</u>

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The dependence upon general revenues for governmental activities is apparent. Over 83 percent of instructional activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is over 86 percent of total governmental revenues. The community, as a whole, is the primary support for the Euclid City School District.

Business-Type Activities

Business-type activities include the food service operation, the sale of uniform school supplies, adult education, and an automotive shop customer service operation. Day Care operations were ceased in 2004 by the School District. These programs had revenues of \$2,622,160 and expenditures of \$2,581,354 in fiscal 2004. The net change, an increase in net assets of \$43,624 included a net income of \$37,000 in the Food Service Program. Reviews of these operations, including consideration of price adjustments and expense control is ongoing.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$76,604,202 and expenditures of \$70,296,537. The net increase in fund balance of \$6,307,665 was due to the proceeds of a \$6,500,000 long-term note issuance credited to the Capital Projects Fund. Excluding these proceeds, including \$122,503 in premiums received, the Governmental Funds would have had a decrease in fund balances of \$314,838.

Due to increased intergovernmental revenues, the General Fund experienced a net increase in fund balance of \$476,709. The following funds have an impact on overall decrease in fund balance, Special Trusts (\$43,897), Public School Support(\$23,024), Miscellaneous State Grants (\$21, 336) and Goals 2000 Proficiency Grant (\$77,009).

General Fund Budgeting Highlights

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

During the course of fiscal 2004 the District amended its general fund budget numerous times, none significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, budget basis revenue was increased to \$57,832,661 from the original budget estimates of \$56,763,046, due to more optimistic tax estimates.

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The original appropriations of \$63,243,079 were increased to \$63,351,990. Salary costs provided to be higher than anticipated in the original budget. Increased demand for meeting the needs of special education students required additional certified and support staff. In addition, significant increases in sick leave (13 percent) and professional leave (38.9 percent) required more to be paid in substitute wages than originally expected.

The District's ending unobligated cash balance was \$2,234,199 above the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2004, the District had \$22,376,446 invested in land, buildings, equipment, and vehicles of which, \$22,336,890 represented governmental activities. Table 4 shows fiscal 2004 balances compared to 2003:

Table 4 - Capital Assets at June 30

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Land	\$ 2,052,789	\$ 2,052,789	\$ 0	\$ 0	\$ 2,052,789	\$ 2,052,789
Construction in Progress	1,035,466	0	0	0	1,035,466	0
Land Improvements	396,536	445,408	0	0	396,536	445,408
Buildings and Improvements	16,968,845	17,516,485	0	0	16,968,845	17,516,485
Furniture and Equipment	991,139	948,980	39,556	25,832	1,030,695	974,812
Vehicles	892,115	962,798	0	0	892,115	962,798
Totals	\$ 22,336,890	\$ 21,926,460	\$ 39,556	\$ 25,832	\$ 22,376,446	\$ 21,952,292

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The primary increase occurred in buildings and improvements which include construction projects for renovations including window replacement, heating and lighting systems.

For fiscal year 2004, Ohio law required school districts to set aside three percent of certain revenues for capital improvements and textbooks. For fiscal year 2004, this amounted to \$910,382 for each set aside. For fiscal year 2004, the District had qualifying disbursements or offsets exceeding these requirements. The District has budgeted to meet these requirements.

Additional information on capital asset policies and activity are contained in Notes to the Basic Financial Statement 2 and 9.

Debt

At June 30, 2004, the District had \$19,612,464 in bonds outstanding, \$492,356 due within one year. Table 5 summarizes bonds and notes outstanding.

Table 5 - Outstanding Debt at Year End

	Governmental Activities <u>2004</u>	Governmental Activities <u>2002</u>
General Obligation Bonds:		
School Refunding	\$ 7,285,669	\$ 7,646,440
Library Improvements	3,426,795	3,468,116
Energy Conservation	2,400,000	2,535,000
Long-Term Tax Anticipation Notes	<u>6,500,000</u>	<u>0</u>
Total	<u>\$19,612,464</u>	<u>\$13,649,556</u>

The energy conservation bond was issued to replace heating systems and lighting systems at several schools. It is to be repaid in 15 years from the bond retirement fund.

In 1995, the District issued \$5 million in bonds to provide for library improvements.

In 1995, the District issued \$13.3 million in bonds providing for facility improvements in most buildings, and other improvements.

In 2004, the District issued \$6.5 million, ten year tax anticipation notes for the renovation and equipping of three school buildings, parking lot resurfacing and track resurfacing.

At June 30, 2004 the District's overall legal debt margin was \$60,332,050 with an unvoted debt margin of \$865,436. The District maintains an A-1 bond rating.

Additional information on debt policies and activity are contained in Notes to the Basic Financial Statements 2 and 10.

EUCLID CITY SCHOOL DISTRICT
Management's Discussion and Analysis
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For the Future

The Euclid City School District is currently financially sound. Two major factors contributing to the current financial state are the community's support of an operating levy which provided additional funding beginning in 2000, and significant additional State support beginning in the 2002 fiscal year. Current forecasts show the District operating through 2005 at the current level of programs and services before additional funding is needed.

Previously, it was believed the District could operate through 2006 without additional funding. Recent events, primarily changes in state funding laws have changed that outlook. It is now believed that additional operating revenue will be required after the 2005 fiscal year in order to maintain the current level of programs and services.

The Euclid City Schools does not anticipate any meaningful growth in revenue in the near future outside of any ballot issue. The static nature of property taxes combined with economic issues at the State and local levels give no reason to believe otherwise. With that in mind, it is anticipated the District will seek some type of operating levy in the year 2005.

During the 2004 fiscal year, the District organized a committee of community and staff members to consider the reorganization of the District to address overcrowding, building and educational needs. The committee recommended a plan to the Board of Education which the Board adopted. The plan called for the reopening of two school buildings closed years ago because of declining enrollment. This would enable the District to operate two middle schools instead of one, operate five K-5 buildings and institute all day-every day Kindergarten.

A 2.5 mill continuing permanent improvement levy which would provide funding for this plan, plus a continued source of capital improvement funding was approved by the voters in March, 2004. This reorganization plan was implemented immediately thereafter.

In conclusion, the District has committed itself to financial excellence for many years. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1997.

In addition, the District's system of budget and internal controls are well regarded. All of the District's financial abilities will be needed to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Stephen Vasek, Treasurer at Euclid City School District, 651 East 222 Street, Euclid, Ohio 44123-2090, or E-Mail at svasek@euclid.k12.oh.us.

EUCLID CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2004

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 18,236,662	\$ 857,947	\$ 19,094,609
Accrued Interest Receivable	96,386	0	96,386
Accounts Receivable	613,648	0	613,648
Intergovernmental Receivable	728,338	178,975	907,313
Prepays	68,840	320	69,160
Materials and Supplies Inventory	107,828	23,043	130,871
Taxes Receivable	38,895,020	0	38,895,020
Investments	15,916,816	0	15,916,816
Nondepreciable Capital Assets	3,088,255	0	3,088,255
Depreciable Capital Assets, Net	<u>19,248,635</u>	<u>39,556</u>	<u>19,288,191</u>
Total Assets	<u>\$ 97,000,428</u>	<u>\$ 1,099,841</u>	<u>\$ 98,100,269</u>
<u>Liabilities</u>			
Accounts Payable	\$ 1,178,306	\$ 3,682	\$ 1,181,988
Contracts Payable	1,035,466	0	1,035,466
Accrued Wages	5,915,002	44,411	5,959,413
Intergovernmental Payable	2,236,982	108,258	2,345,240
Deferred Revenue	27,253,661	0	27,253,661
Accrued Interest Payable	224,508	0	224,508
Insurance Claims Payable	1,889,836	0	1,889,836
Deferred Charges	122,503	0	122,503
Long-Term Liabilities:			
Due Within One Year	2,172,389	4,264	2,176,653
Due Within More than One Year	<u>20,677,406</u>	<u>70,726</u>	<u>20,748,132</u>
Total Liabilities	<u>62,706,059</u>	<u>231,341</u>	<u>62,937,400</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	2,724,425	39,556	2,763,981
Restricted for:			
Set-Asides for Budget Stabilization	1,169,331	0	1,169,331
Capital Projects	5,964,957	0	5,964,957
Debt Service Fund	2,124,221	0	2,124,221
Other Purposes	424,331	0	424,331
Unrestricted	<u>21,887,104</u>	<u>828,944</u>	<u>22,716,048</u>
Total Net Assets	<u>\$ 34,294,369</u>	<u>\$ 868,500</u>	<u>\$ 35,162,869</u>

See accompanying notes to the basic financial statements.

**EUCLID CITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services and Sales	Operating Grants, Interest, & Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction:							
Regular	\$ 27,599,909	\$ 300,341	\$ 3,334,815	\$ 102,840	\$ (23,861,913)	\$ 0	\$ (23,861,913)
Special	10,051,513	1,908	787,823	0	(9,261,782)	0	(9,261,782)
Vocational	1,229,947	0	0	551	(1,229,396)	0	(1,229,396)
Adult/Continuing	108,816	0	97,845	0	(10,971)	0	(10,971)
Support Services:							
Pupil	3,898,995	0	242	0	(3,898,753)	0	(3,898,753)
Instructional Staff	4,474,740	0	691,417	0	(3,783,323)	0	(3,783,323)
Board of Education	55,903	0	0	0	(55,903)	0	(55,903)
Administration	5,080,997	4,195	589,534	0	(4,487,268)	0	(4,487,268)
Fiscal	1,683,433	0	0	0	(1,683,433)	0	(1,683,433)
Business	755,259	0	0	0	(755,259)	0	(755,259)
Operation and Maintenance							
of Plant Services	8,274,032	225,236	75,187	0	(7,973,609)	0	(7,973,609)
Pupil Transportation	2,961,979	72,404	17,156	0	(2,872,419)	0	(2,872,419)
Central	1,412,449	0	23,257	0	(1,389,192)	0	(1,389,192)
Other	47,253	0	0	0	(47,253)	0	(47,253)
Operation of Non-Instructional							
Services	1,010,153	0	1,109,229	0	99,076	0	99,076
Extracurricular Activities	1,367,238	1,125,820	19,305	0	(222,113)	0	(222,113)
Interest and Fiscal Charges	1,509,349	0	375	0	(1,508,974)	0	(1,508,974)
Other	3,104	422	0	0	(2,682)	0	(2,682)
Total Governmental Activities	71,525,069	1,730,326	6,746,185	103,391	(62,945,167)	0	(62,945,167)
Business-Type Activities							
Food Service	1,937,798	761,329	1,212,118	0	0	35,649	35,649
Uniform School Supplies	5,973	13,458	0	0	0	7,485	7,485
Customer Service	621,281	624,112	0	0	0	2,831	2,831
Adult Education	16,302	9,243	1,900	0	0	(5,159)	(5,159)
Total Business-Type Activities	2,581,354	1,408,142	1,214,018	0	0	40,806	40,806
Totals	\$ 74,106,423	\$ 3,138,468	\$ 7,960,203	\$ 103,391	\$ (62,945,167)	\$ 40,806	\$ (62,904,361)
General Revenues							
Property Taxes Levied for:							
General Purposes					26,129,561	0	26,129,561
Debt Service					1,637,167	0	1,637,167
Capital Outlay					442,730	0	442,730
Income Tax Levied for:							
General Purposes					5,221,774	0	5,221,774
Grants and Entitlements not Restricted to Specific Programs					21,995,348	0	21,995,348
Payment in Lieu of Taxes					52,915	0	52,915
Investment Earnings					332,955	2,818	335,773
Gain or (Loss) on Sale of Capital Assets					(1,423)	0	(1,423)
Miscellaneous					124,013	0	124,013
Total General Revenues and Transfers					55,935,040	2,818	55,937,858
Change in Net Assets					(7,010,127)	43,624	(6,966,503)
Net Assets Beginning of Year, as Restated					41,304,496	824,876	42,129,372
Net Assets End of Year					\$ 34,294,369	\$ 868,500	\$ 35,162,869

See accompanying notes to the basic financial statements.

EUCLID CITY SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2004

	<u>General</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 3,626,555	\$ 6,671,915	\$ 2,705,549	\$ 13,004,019
Restricted Cash	1,169,331	0	0	1,169,331
Investments	15,916,816	0	0	15,916,816
Receivables:				
Taxes	35,534,079	1,386,683	1,974,258	38,895,020
Accounts	613,648	0	0	613,648
Accrued Interest	96,386	0	0	96,386
Intergovernmental	0	0	728,338	728,338
Interfund	14,768	122,503	0	137,271
Prepaid Items	68,840	0	0	68,840
Inventory	<u>107,828</u>	<u>0</u>	<u>0</u>	<u>107,828</u>
Total Assets	<u>\$ 57,148,251</u>	<u>\$ 8,181,101</u>	<u>\$ 5,408,145</u>	<u>\$ 70,737,497</u>
<u>Liabilities and Fund Balances</u>				
Accounts Payable	\$ 481,087	\$ 64,346	\$ 344,440	\$ 889,873
Contracts Payable	0	1,035,466	0	1,035,466
Accrued Wages	5,573,795	0	341,207	5,915,002
Interfund Payable	0	0	137,271	137,271
Intergovernmental Payable	1,248,827	0	55,487	1,304,314
Deferred Revenue	30,023,735	1,323,713	1,589,435	32,936,883
Retirement Payout Liability	<u>374,570</u>	<u>0</u>	<u>0</u>	<u>374,570</u>
Total Liabilities	<u>37,702,014</u>	<u>2,423,525</u>	<u>2,467,840</u>	<u>42,593,379</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	906,777	5,245,973	463,280	6,616,030
Reserved for Inventory	107,828	0	0	107,828
Reserved for Prepays	68,840	0	0	68,840
Reserved for Property Taxes	5,217,964	62,970	384,823	5,665,757
Reserved for Budget Stabilization	1,169,331	0	0	1,169,331
Unreserved, Undesignated, Reported in:				
General Fund	11,975,497	0	0	11,975,497
Debt Service Funds	0	0	1,670,486	1,670,486
Special Revenue	0	0	281,783	281,783
Capital Project Funds	<u>0</u>	<u>448,633</u>	<u>139,933</u>	<u>588,566</u>
Total Fund Balances	<u>19,446,237</u>	<u>5,757,576</u>	<u>2,940,305</u>	<u>28,144,118</u>
Total Liabilities and Fund Balances	<u>\$ 57,148,251</u>	<u>\$ 8,181,101</u>	<u>\$ 5,408,145</u>	<u>\$ 70,737,497</u>

See accompanying notes to the basic financial statements.

**EUCLID CITY SCHOOL DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2004**

Total Governmental Fund Balances		\$ 28,144,118
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital Assets used in governmental activities are not functional resources and therefore are not reported in the funds.		22,316,903
Taxes are not available to pay for current-period expenditures and therefore are deferred in the funds		5,683,222
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.		1,603,314
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	(13,112,464)	
Tax Anticipation Notes Payable	(6,500,000)	
Compensated Absences	(2,741,262)	
Retirement Payout Liability	(121,499)	
Intergovernmental Payable	(630,952)	
Accrued Interest Payable	(224,508)	
Deferred Charge	(122,503)	
Total		<u>(23,453,188)</u>
Net Assets of Governmental Activities		<u>\$ 34,294,369</u>

EUCLID CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	General	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 36,682,832	\$ 329,264	\$ 1,888,488	\$ 38,900,584
Intergovernmental	22,750,841	38,082	5,687,410	28,476,333
Tuition and Fees	101,327	0	0	101,327
Transportation Fees	57,354	0	39,099	96,453
Investment Earnings	329,774	0	3,557	333,331
Extracurricular Activities	0	0	372,366	372,366
Classroom Materials and Fees	150,721	0	0	150,721
Charges for Services	245,012	0	118,835	363,847
Miscellaneous	59,738	0	791,840	851,578
Total Revenues	60,377,599	367,346	8,901,595	69,646,540
Expenditures				
Current:				
Instruction:				
Regular	24,496,687	8,270	1,500,667	26,005,624
Special	7,739,133	0	1,854,758	9,593,891
Vocational Education	1,183,846	0	1,985	1,185,831
Adult/Continuing	50,135	0	109,906	160,041
Support Services:				
Pupil	3,662,310	0	17,234	3,679,544
Instructional Staff	3,686,628	0	736,763	4,423,391
Board of Education	53,770	0	1,168	54,938
Administration	4,153,254	0	595,562	4,748,816
Fiscal Services	1,664,051	0	0	1,664,051
Business	701,986	42,212	0	744,198
Operation and Maintenance	7,428,938	656,900	0	8,085,838
Pupil Transportation	2,888,397	0	3,182	2,891,579
Central Services	1,323,509	30,513	40,639	1,394,661
Operation of Non-Instructional Services	177,255	10,625	1,180,915	1,368,795
Extracurricular Activities	760,050	1,951	566,817	1,328,818
Capital Outlay	0	945,089	3,912	949,001
Debt Service:				
Principal Retirement	0	0	537,093	537,093
Interest and Fiscal Charges	0	0	1,480,427	1,480,427
Total Expenditures	59,969,949	1,695,560	8,631,028	70,296,537
Excess of Revenues Over (Under) Expenditures	407,650	(1,328,214)	270,567	(649,997)
Other Financing Sources (Uses)				
Operating Transfers In	95	0	244,964	245,059
Operating Transfers Out	(244,773)	0	(286)	(245,059)
Proceeds from Sale of Notes	0	6,622,503	0	6,622,503
Refund by Expenditures (Receipts)	313,737	0	21,422	335,159
Total Other Financing Sources (Uses)	69,059	6,622,503	266,100	6,957,662
Net Change in Fund Balances	476,709	5,294,289	536,667	6,307,665
Fund Balances Beginning of Year	18,969,528	463,287	2,403,638	21,836,453
Fund Balances End of Year	\$ 19,446,237	\$ 5,757,576	\$ 2,940,305	\$ 28,144,118

See accompanying notes to the basic financial statements.

**EUCLID CITY SCHOOL DISTRICT
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

Net Change in Fund Balances - Total Governmental Funds		\$ 6,307,665
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statements of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital Additions	1,470,096	
Loss on Sale of Assets	(1,423)	
Current Year Depreciation	<u>(1,057,632)</u>	
Total		411,041
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Taxes	<u>(5,469,351)</u>	
Total		(5,469,351)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
		537,092
New issuance of Tax Anticipation payable is a long-term liabilities in the governmental funds		
		(6,500,000)
Note Premium will be amortized over the life of the notes on the Statement of Net Assets		
		(122,503)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
		(28,921)
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.		
Intergovernmental Payable	25,774	
Compensated Absences Payable	(292,254)	
Retirement Payout Liability	<u>59,952</u>	
Total		(206,528)
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.		
		<u>(1,938,622)</u>
Change in Net Assets of Governmental Activities.		<u><u>\$ (7,010,127)</u></u>

EUCLID CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<u>Revenues</u>				
Taxes	\$34,124,208	\$35,925,529	\$34,397,177	\$(1,528,352)
Intergovernmental	21,693,238	20,961,532	23,072,398	2,110,866
Tuition and Fees	87,500	87,500	104,715	17,215
Transportation Fees	48,500	48,500	57,354	8,854
Earnings on Investments	425,000	425,000	300,851	(124,149)
Classroom Materials and Fees	135,000	135,000	112,954	(22,046)
Charges for Services	207,000	207,000	207,683	683
Miscellaneous	42,600	42,600	53,277	10,677
Total Revenues	<u>56,763,046</u>	<u>57,832,661</u>	<u>58,306,409</u>	<u>473,748</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction	24,942,803	25,165,769	24,945,515	220,254
Special Instruction	9,179,573	9,023,529	8,591,263	432,266
Vocational Education	1,836,848	1,296,150	1,292,863	3,287
Support Services:				
Pupil	3,729,954	3,757,716	3,683,055	74,661
Instructional Staff	3,670,876	4,051,952	3,904,030	147,922
Board of Education	89,292	100,781	53,576	47,205
Administrative	4,251,605	4,240,969	4,172,413	68,556
Fiscal Services	1,906,192	1,896,675	1,687,644	209,031
Business	835,372	803,041	709,945	93,096
Operations and Maintenance of Plant				
Services	7,684,601	7,684,501	7,480,652	203,849
Pupil Transportation	2,649,345	2,912,238	2,892,085	20,153
Central Services	1,445,109	1,471,112	1,346,924	124,188
Operation of Non-Instructional Services	230,788	182,785	180,033	2,752
Extracurricular Activities	790,721	764,772	757,590	7,182
Total Expenditures	<u>63,243,079</u>	<u>63,351,990</u>	<u>61,697,588</u>	<u>1,654,402</u>
Excess of Revenue Over (Under)				
Expenditures	<u>(6,480,033)</u>	<u>(5,519,329)</u>	<u>(3,391,179)</u>	<u>2,128,150</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	95	95	95	0
Operating Transfers Out	(244,773)	(244,773)	(244,773)	0
Advances In	22,067	22,067	22,067	
Advances Out	(80,000)	(80,000)	(14,581)	65,419
Contingencies	(150,000)	(41,089)	0	41,089
Refund of Prior Year Receipts	(1,500)	(1,500)	(1,959)	(459)
Total Other Financing Sources (Uses)	<u>(454,111)</u>	<u>(345,200)</u>	<u>(239,151)</u>	<u>106,049</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP) AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Net Change in Fund Balance	(6,934,144)	(5,864,529)	(3,630,330)	2,234,199
Fund Balance Beginning of Year	19,142,476	19,142,476	19,142,476	0
Prior Year Encumbrances Appropriated	<u>2,529,273</u>	<u>2,529,273</u>	<u>2,529,273</u>	<u>0</u>
Fund Balance End of Year	<u>\$14,737,605</u>	<u>\$15,807,220</u>	<u>\$18,041,419</u>	<u>\$ 2,234,199</u>

See accompanying notes to the basic financial statements.

EUCLID CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2004

	<u>Business-Type Activities Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
<u>Assets</u>		
<u>Current Assets</u>		
Equity in Pooled Cash and Cash Equivalents	\$ 857,947	\$ 4,063,313
Intergovernmental Receivable	178,975	0
Prepaid Items	320	0
Materials and Supplies Inventory	<u>23,043</u>	<u>0</u>
Total Current Assets	<u>1,060,285</u>	<u>4,063,313</u>
Capital Assets, Net	<u>39,556</u>	<u>19,987</u>
Total Assets	<u>1,099,841</u>	<u>4,083,300</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts Payable	3,682	288,433
Accrued Wages and Benefit Payable	44,411	0
Intergovernmental Payable	108,258	301,717
Compensated Absences Payable	74,990	0
Insurance Claim Payable	<u>0</u>	<u>1,889,836</u>
Total Current Liabilities	<u>231,341</u>	<u>2,479,986</u>
Total Liabilities	<u>231,341</u>	<u>2,479,986</u>
<u>Net Assets</u>		
Invested in Capital Assets	39,556	19,987
Unrestricted	<u>828,944</u>	<u>1,583,327</u>
Total Net Assets	<u>\$ 868,500</u>	<u>\$ 1,603,314</u>

See accompanying notes to the basic financial statements.

EUCLID CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Business-Type Activities Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
<u>Operating Revenues</u>		
Tuition	\$ 588,510	\$ 71,926
Transportation Fees	16,095	4,988
Food Services	771,748	0
Extracurricular Activities	0	1,975
Classroom Materials and Fees	6,343	113,537
Charge for Services	0	6,771,954
Miscellaneous	<u>25,446</u>	<u>33,027</u>
Total Operating Revenues	<u>1,408,142</u>	<u>6,997,407</u>
<u>Operating Expenses</u>		
Salaries and Wages	1,110,104	40,086
Fringe Benefits	381,903	8,701,038
Purchased Services	87,113	16,753
Supplies and Materials	943,678	31,423
Depreciation	14,784	3,671
Capital Outlay	30,716	18,851
Other Expenses	<u>13,056</u>	<u>150,643</u>
Total Operating Expenses	<u>2,581,354</u>	<u>8,962,465</u>
Operating Income (Loss)	<u>(1,173,212)</u>	<u>(1,965,058)</u>
<u>Non-Operating Revenue</u>		
Earnings on Investments	2,818	26,436
Operating Grants	1,050,286	0
Donated Commodities	<u>163,732</u>	<u>0</u>
Total Non-Operating Revenue	<u>1,216,836</u>	<u>26,436</u>
Change in Net Assets	43,624	(1,938,622)
Net Assets - Beginning of Year	<u>824,876</u>	<u>3,541,936</u>
Net Assets - End of Year	<u>\$ 868,500</u>	<u>\$ 1,603,314</u>

See accompanying notes to the basic financial statements.

**EUCLID CITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
<i>Increase (Decrease) in Cash and Cash Equivalents</i>		
Cash Flows from Operating Activities		
Cash Received from Customers	\$ 1,408,142	\$ 6,997,407
Cash Payments for Goods and Services	(1,046,096)	(72,286)
Cash Payments to Employees for Services	(1,105,884)	(41,120)
Cash Payments for Employee Benefits	(387,780)	(7,177,772)
Cash Payments for Other Operating Expenses	(9,374)	(150,643)
Net Cash Provided by (Used for) Operating Activities	<u>(1,140,992)</u>	<u>(444,414)</u>
Cash Flows from Noncapital Financing Activities		
Operating Grants Received	1,075,613	0
Net Cash Provided by Noncapital Financing Activities	<u>1,075,613</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities		
Payments for Capital Acquisition	(28,508)	(3,060)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(28,508)</u>	<u>(3,060)</u>
Cash Flows from Investing Activities		
Earnings on Investments	2,818	26,436
Net Cash Provided by Investing Activities	<u>2,818</u>	<u>26,436</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(91,069)	(421,038)
Cash and Cash Equivalents Beginning of Year	949,016	4,484,351
Cash and Cash Equivalents End of Year	<u>\$ 857,947</u>	<u>\$ 4,063,313</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Operating Income (Loss)	\$ (1,173,212)	\$ (1,965,058)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation	14,784	3,671
(Increase) Decrease in Assets:		
Prepaid Expenses	41	0
Materials and Supplies Inventory	18,434	0
Increase (Decrease) in Liabilities:		
Accounts Payable	618	282,321
Accrued Salaries and Benefits Payable	4,220	(1,019)
Interfund Payable	0	136,178
Intergovernmental Payable	(7,678)	0
Employee Benefit Obligations Payable	1,801	0
Claims Payable	0	1,099,493
Total Adjustments	<u>32,220</u>	<u>1,520,644</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (1,140,992)</u>	<u>\$ (444,414)</u>

Schedule of Noncash Financing Activities

During the year, the Food Services Enterprise Fund received Donated Commodities of \$163,732.

See accompanying notes to the basic financial statements.

**EUCLID CITY SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
JUNE 30, 2004**

	<u>Agency Fund</u>
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 42,802
Total Assets	<u>\$ 42,802</u>
<u>Liabilities</u>	
Due to Students	\$ 42,802
Total Liabilities	<u>\$ 42,802</u>

See accompanying notes to the basic financial statements.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

NOTE 1: DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY

The Euclid City School District (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under an elected Board of Education (five members) and is responsible for the provision of public education to residents of the District.

Average daily membership as of June 30, 2004 was 6,423. The District employed 1,194 certified and non-certified employees.

The Reporting Entity

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

Nonpublic Schools - Within the Districts' boundaries, Holy Cross, St. Christine, St. Felicitas, St. Paul, St. Robert, and St. William schools are operated through the Cleveland Catholic Diocese. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial schools. The activity of these state monies by the District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the District is financially accountable. 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 two organizations which are defined as a jointly governed organization and a related organization. The Ohio School Council Association is a jointly governed organization and the Euclid Public Library is a related organization. The jointly governed organization is presented in Note 15 and the related organization is presented in Note 16 to the basic financial statements.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

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 proprietary funds provided they do not conflict with or contradict GASB pronouncements. The District has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds. The more significant of the District's accounting policies are described below.

A. Fund Accounting

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

Governmental Funds

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 purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

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

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A. **Fund Accounting** (Continued)

Governmental Funds (Continued)

Permanent Improvement Fund - The permanent improvement fund is used to account for all transactions related to the acquiring, constructing, or improving facilities.

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

Proprietary Funds

Proprietary funds focus on the determination of the changes in net assets, financial position and cash flows and are classified as either enterprise or internal service.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's Enterprise Funds account for the provision of food services, uniform school supplies, adult and community education, child care and services to the general public financed by user charges. The District has no major enterprise funds.

Internal Service Funds - Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governmental units, on a cost-reimbursement basis. The internal service funds of the District account for a self-insurance program which provides medical, dental and vision benefits to employees, workers compensation claims and purchase of services and equipment for internal use.

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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only agency fund is student activities.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. Basis of Presentation

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. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in how the preparation of the proprietary fund financial statements are prepared, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanation to better identify the relationship between the government-wide statements and the statement for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District’s government activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as needed 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 business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund 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. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. Basis of Presentation (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the 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 activities.

Agency funds do not report a resources measurement focus as they do not report operations.

C. 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 fiduciary funds also use the accrual basis of accounting.

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. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

For the District, available means expected to be received within sixty days of year end.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Basis of Accounting** (Continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include income tax, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income tax is recognized in the fiscal year in which the exchange on which the tax is imposed takes place and revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). 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 fiscal 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 non-exchange transactions must also be available before it can be recognized.

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

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, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenues.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Basis of Accounting** (Continued)

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.

D. **Cash and Cash Equivalents**

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as “equity in pooled cash and cash equivalents” on the financial statements.

During fiscal year 2004, investments were limited to Federal Home Loan Bank Bonds, Federal National Mortgage Association Benchmark Bills, Federal Home Loan Mortgage Notes, overnight Repurchase Agreements, and STAROhio.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits and repurchase agreements are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2004 amounted to \$329,774, which includes \$231,557 assigned from the other District funds.

For presentation on the financial statement, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

E. Restricted Assets

Restricted assets represent cash and cash equivalents and other current assets whose use is limited by legal requirements. Restricted assets in the General Fund include amounts required by statute to be set aside for budget stabilization. See Note 20 for additional information regarding set-asides.

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

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 while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds types when used.

Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

H. 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 in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

H. Capital Assets

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District’s capitalization threshold is \$1,500 during 2004. 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. Interest incurred during the construction of capital assets is not capitalized.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvement	20 years	N/A
Buildings and Improvements	20-80 years	N/A
Furniture and Equipment	3-10 years	3-10 years
Vehicles	5-10 years	N/A

I. 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 and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

J. Compensated Absences

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for 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. The District records a liability for accumulated unused vacation time when earned by all employees with more than one year of service.

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

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

K. Accrued Liabilities and Long-Term Obligations

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

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

K. **Accrued Liabilities and Long-Term Obligations** (Continued)

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

L. **Fund Balance Reserves**

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 this portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, inventories of supplies and materials, prepaids, property tax, and budget stabilization.

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

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.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

M. **Net Assets** Continued)

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

N. **Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are tuition for adult education classes, sales for food service and uniform school supplies, and charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that is the primary activity of the fund.

O. **Interfund Transactions**

Transfers between governmental and business-type activities on the government wide statements are reported in the same manner as general revenues.

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

P. **Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2004.

Q. **Estimates**

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

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

R. **Budgetary Accounting**

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

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

Tax Budget

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. Public hearings are publicized and conducted to obtain taxpayer's comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. The budget includes proposed expenditures and the means of financing for all funds. By no later than January 20, the Board-adopted budget is filed with the Cuyahoga County Budget Commission for rate determination.

Estimated Resources

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District's Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2004.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

R. **Budgetary Accounting** (Continued)

Appropriations

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

Encumbrances

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

Lapsing of Appropriations

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

**EUCLID CITY SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004
 (CONTINUED)**

NOTE 3: **COMPLIANCE AND ACCOUNTABILITY**

A. **Legal Compliance**

Expenditures Exceeding Appropriations

Section 5704.41 (B), Ohio Revised Code, states no subdivision shall make any expenditure of money unless it has been appropriated. Section 5704.41 (D), Ohio Revised Code, states in part that encumbrances should be charged against proper appropriations and actual disbursements plus outstanding encumbrances should not be greater than the total appropriations. The following fund had expenditures in excess of appropriations:

	Final		
	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
<u>General Fund</u>			
Other Financing Sources (Uses)			
Refund of Prior Year Receipts	\$ 1,500	\$ 1,959	\$ (459)

Appropriations Exceeding Estimated Resources

The following funds had final appropriations exceeding estimated resources contrary to Ohio Revised Code Section 5705.39.

	Estimated		
	<u>Resources</u>	<u>Appropriations</u>	<u>Excess</u>
<u>Capital Projects</u>			
Permanent Improvement	\$ 7,242,139	\$ 7,265,000	\$ (22,861)
<u>Internal Service</u>			
Special Rotary Fund	1,293,092	1,303,728	(10,636)

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 3: **COMPLIANCE AND ACCOUNTABILITY** (Continued)

A. **Legal Compliance** (Continued)

Negative Fund Balances

The following had negative fund balances at March 31, 2004, contrary to Ohio Revised Code Section 5705.10.

<u>Special Revenue</u>	<u>Fund Balance</u>
Transformation Initiative Grant	\$(361,746)
Student Intervention Fund	(23,684)
Idea-Part B Special Education Fund	(31,919)
Limited English Proficiency	(45,788)

The following funds had negative fund balances at June 30, 2004 contrary to Ohio Revised Code Section 5705.10 in the Schedule of Revenue, Expenditures and Fund Balance budget (Non GAAP Basis).

<u>Special Revenue</u>	<u>Fund Balance</u>
Transformation Initiative Grant	\$ (40,803)
Alternative School Fund	(67,587)
Adult Basic Education	(2,571)
Goal 2000 Proficiency Improvement	(24,039)
Student Intervention	(9,124)

B. **Accountability**

The following funds had deficit fund balances at June 30, 2004.

<u>Fund</u>	<u>Deficit</u>
Special Revenue:	
Preschool Grant	\$ (848)
Vocational Education Enhancement	(148)
Goal 2000 Proficiency Improvement	(61,124)
Capital Projects:	
Vocational Education Equipment	(91)

The fund deficits in the vocational education capital projects fund and preschool grant, vocational education enhancement, and goal 2000 proficiency improvement special revenue funds resulted from the recognition of expenditures on the modified accrual basis of accounting that are greater than expenditures recognized on the budgetary basis. The general fund is liable for the deficits and will provide operating transfers when cash is required, not when accruals occur.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 4: BUDGETARY BASIS OF ACCOUNTING

While the District is reporting financial position, results of operations, and changes in fund balances 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 for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the fund liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP basis).
4. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
5. Principal and interest payments on notes and the corresponding revenues are reported in the bond retirement fund (budget) rather than in the general fund (GAAP basis).

**EUCLID CITY SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004
 (CONTINUED)**

NOTE 4: BUDGETARY BASIS OF ACCOUNTING (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

	Net Changes in Fund Balance
GAAP Basis	\$ 476,709
Revenue Accruals	(2,386,286)
Expenditure Accruals	705,584
Advance In	22,067
Advance Out	(14,581)
2004 Encumbrances Recognized on a Budgetary Basis	<u>(2,433,823)</u>
Budgetary Basis	<u><u>\$ (3,630,330)</u></u>

NOTE 5: 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 that 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.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 5: **DEPOSITS AND INVESTMENTS** (Continued)

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

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

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

1. United States Treasury notes, bills, bonds, or other obligation or security issued by the United States Treasury or any other obligation guaranteed as to payment of principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, 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 securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 5: **DEPOSITS AND INVESTMENTS** (Continued)

7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and
8. Under limited circumstances, 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 until maturity. Investments may only be made through specified dealers and institutions. Payments 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.

Cash on Hand

At fiscal year end, the District had \$2,130 in undeposited cash on hand, which is included on the balance sheet of the District as part of "Equity in Pooled Cash and Cash Equivalents".

The following information classifies deposits and investments by categories of risk, as defined in GASB Statement 3, *Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements*.

Deposits

At year end, the carrying amount of the District's deposits was \$3,089,320 and the bank balance was \$4,484,367. \$200,000 of the bank balance was covered by federal depository insurance and \$4,284,367 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging financial institution's trust department in the District's name and all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements would potentially subject the District to a successful claim by the FDIC.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 5: **DEPOSITS AND INVESTMENTS** (Continued)

Investments

GASB Statement No. 3 requires the District's investments be 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 or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments which 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. The District invested in the State Treasury Asset Reserve of Ohio (STAROhio) during the 2003-2004 fiscal 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, 2004.

<u>Description</u>	<u>Risk Category</u> 3	<u>Carrying Amount</u>	<u>Fair Value</u>
STAROhio	Noncategorized	\$ 5,941,081	\$ 5,941,081
Repurchase Agreement	\$ 10,136,420	10,136,420	10,136,420
Federal Home Loan Bank Bonds	3,997,306	3,997,306	3,956,478
Federal National Mortgage Association Benchmark Bills	6,959,493	6,959,493	6,940,771
Federal Home Loan Mortgage Corporation Notes	1,008,180	1,008,180	999,917
Federal Home Loan Mortgage Corporation Discount Notes	<u>3,951,837</u>	<u>3,951,837</u>	<u>3,988,110</u>
Total Investments	<u>\$ 26,053,236</u>	<u>\$ 31,994,317</u>	<u>\$ 31,962,777</u>

**EUCLID CITY SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004
 (CONTINUED)**

NOTE 5: **DEPOSITS AND INVESTMENTS** (Continued)

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. A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB statement No. 3 is as follows:

	Cash and Cash Equivalents/ <u>Deposits</u>	<u>Investments</u>
GASB Statement 9	\$ 19,168,951	\$ 15,885,276
Petty Cash	(2,130)	0
Investments:		
Repurchase Agreement	(10,136,420)	10,136,420
STAROhio	<u>(5,941,081)</u>	<u>5,941,081</u>
GASB Statement 3	<u>\$ 3,089,320</u>	<u>\$ 31,962,777</u>

NOTE 6: **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 collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar 2004 represents collections of calendar year 2003 taxes. Real property taxes received in calendar year 2004 were levied after April 1, 2003, on the assessed value listed as of January 1, 2003, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2004 represents collections of calendar year 2003 taxes. Public utility real and tangible personal property taxes received

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 6: **PROPERTY TAXES** (Continued)

in calendar year 2004 became a lien December 31, 2002, were levied after April 1, 2003 and are collected in 2004 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue during calendar 2004 (other than public utility property) represents the collection of 2004 taxes. Tangible personal property taxes received in calendar year 2004 were levied after April 1, 2003, on the value as of December 31, 2003. Tangible personal property is currently assessed at twenty-five percent of true value for capital assets and twenty-four percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

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 County by June 30, 2004, are available to finance fiscal year 2004 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property; public utility property and tangible personal property taxes which are measurable as of June 30, 2004 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenues at fiscal year end. The portion receivable not levied to finance current year fiscal operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2004 was \$5,217,964 in the general fund, \$384,823 in the bond retirement fund and \$62,970 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2003 was \$2,954,856 in the general fund, \$217,845 in the bond retirement fund, and \$35,612 in the permanent improvement capital projects fund. The increase in advance is due to the timing of the collections by the County.

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

**EUCLID CITY SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004
 (CONTINUED)**

NOTE 6: **PROPERTY TAXES** (Continued)

The assessed values upon which the fiscal year 2004 taxes were collected are:

	<u>2003 Second-Half Collections</u>		<u>2004 First-Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 701,793,380	85.95%	\$ 751,895,150	86.88%
Public Utility	24,563,360	3.01%	24,947,560	2.88%
Tangible Personal Property	<u>90,128,261</u>	<u>11.04%</u>	<u>88,592,903</u>	<u>10.24%</u>
	<u>\$ 816,485,001</u>	<u>100.00%</u>	<u>\$ 865,435,613</u>	<u>100.00%</u>
 Tax Rate per \$1,000 of Assessed valuation	 \$ 73.10		 \$ 88.40	

NOTE 7: **INCOME TAXES**

The District levies a voted tax of one percent for general operations on the income of residents and of estates. The tax was effective on January 1, 1996, and is for a continuing period. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

NOTE 8: **RECEIVABLES**

Receivables at June 30, 2004 consisted of property and income taxes, accounts (rent, billings for user charged services, and student fees), intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 8: **RECEIVABLES** (Continued)

A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Activities</u>
Preschool Grant	\$ 10,989
Summer Intervention	9,895
Vocational Education Enhancement	1,286
Alternative Learning Opportunities	67,736
Adult Basic Education	135,153
Title III - Immigrant	4,828
Title I	336,315
Title VI	68,329
Drug Free School	8,626
Preschool Grants for Handicapped	4,972
Goals 2000 Proficiency	80,209
Grand Total	<u>\$ 728,338</u>

NOTE 9: **CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2004, was as follows:

	<u>Balance at June 30, 2003</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at June 30, 2004</u>
<u>Governmental Activities</u>				
Capital Assets not being Depreciated:				
Land	\$ 2,052,789	\$ 0	\$ 0	\$ 2,052,789
Construction in Progress	0	1,035,466	0	1,035,466
Total Capital Assets, not Being Depreciated	<u>2,052,789</u>	<u>1,035,466</u>	<u>0</u>	<u>3,088,255</u>
Capital Assets being Depreciated:				
Land Improvements	2,213,076	0	0	2,213,076
Buildings and Building Improvements	46,154,629	0	0	46,154,629
Furniture and Equipment	4,737,978	289,935	(88,795)	4,939,118
Vehicles	3,330,448	144,084	(58,638)	3,415,894
Total Capital Assets being Depreciated	<u>56,436,131</u>	<u>434,019</u>	<u>(147,433)</u>	<u>56,722,717</u>
<u>Less Accumulated Depreciation</u>				
Land Improvements	\$ (1,767,668)	\$ (48,872)	\$ 0	\$ (1,816,540)
Building and Building Improvements	(28,638,144)	(547,640)	0	(29,185,784)
Furniture and Equipment	(3,788,998)	(246,353)	87,372	(3,947,979)
Vehicles	(2,367,650)	(214,767)	58,638	(2,523,779)
Total Accumulated Depreciation	<u>(36,562,460)</u>	<u>*(1,057,632)</u>	<u>146,010</u>	<u>(37,474,082)</u>
Total Capital Assets, Being Depreciated, Net	<u>19,873,671</u>	<u>(623,613)</u>	<u>(1,423)</u>	<u>19,248,635</u>
Governmental Activities Capital Assets, Net	<u>\$ 21,926,460</u>	<u>\$ 411,853</u>	<u>\$ (1,423)</u>	<u>\$ 22,336,890</u>

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 9: **CAPITAL ASSETS** (Continued)

A summary of the changes in the enterprise funds' fixed assets are as follows:

	<u>Balance at</u> <u>June 30, 2003</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at</u> <u>June 30, 2004</u>
Business-Type Activities				
Furniture and Equipment	\$ 298,204	\$ 28,508	\$ 0	\$ 326,712
Less Accumulated Depreciation	<u>(272,372)</u>	<u>(14,784)</u>	<u>0</u>	<u>(287,156)</u>
 Business-Type Activities, Capital Assets, Net	 \$ 25,832	 \$ 13,724	 \$ 0	 \$ 39,556
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

* Depreciation was charged to governmental functions as follows:

Instruction:	
Regular	\$ 401,900
Special	137,492
Vocational	31,729
Support Services:	
Pupils	52,882
Instructional Staff	63,458
Administration	63,458
Fiscal	31,729
Business	21,153
Operation and Maintenance of Plant	126,916
Pupil Transportation	52,882
Central Service	31,729
Food Service	10,576
Extracurricular Activities	<u>31,728</u>
 Total Depreciation Expense	 \$ 1,057,632
	<u>=====</u>

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 10: LONG-TERM OBLIGATIONS

The changes in the District's long-term obligations during fiscal year 2004 were as follows:

	Principal Outstanding at 6/30/03	Additions	Deductions	Principal Outstanding at 6/30/04	Amounts Due in One Year
<i>General Obligation Bonds</i>					
School Refunding Bond - 6.55% Bond Series 1995-	\$ 7,646,440	\$ 0	\$ (360,771)	\$ 7,285,669	\$ 311,660
Library Improvement- 6.40%	3,468,116	0	(41,321)	3,426,795	35,696
1996 Energy Conservation Bond 4.40%	2,535,000	0	(135,000)	2,400,000	145,000
Permanent Improvement Tax Anticipation 4.25%	<u>0</u>	<u>6,500,000</u>	<u>0</u>	<u>6,500,000</u>	<u>0</u>
<i>Total General Obligation Bonds</i>	<u>13,649,556</u>	<u>6,500,000</u>	<u>(537,092)</u>	<u>19,612,464</u>	<u>492,356</u>
<i>Other General Long-Term Obligations</i>					
Retirement Payout Liability	828,931	0	(332,862)	496,069	232,653
Compensated Absences Payable	<u>2,449,008</u>	<u>636,645</u>	<u>(344,391)</u>	<u>2,741,262</u>	<u>1,447,380</u>
<i>Total Other General Long-Term Obligations</i>	<u>\$ 3,277,939</u>	<u>\$ 636,645</u>	<u>\$ (677,253)</u>	<u>\$ 3,237,331</u>	<u>\$ 1,680,033</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 16,927,495</u>	<u>\$ 7,136,645</u>	<u>\$ (1,214,345)</u>	<u>\$ 22,849,795</u>	<u>\$ 2,172,389</u>
<i>Business-Type Activities</i>					
Compensated Absences	<u>\$ 73,189</u>	<u>\$ 6,065</u>	<u>\$ (4,264)</u>	<u>\$ 74,990</u>	<u>\$ 4,264</u>

In prior years, the District issued \$13,325,000 in voted general obligation school improvement refunding bonds for the purpose of renovating, remodeling, rehabilitating, improving, furnishing, and equipping school facilities by providing a portion of the funds necessary to refund outstanding 1993 general obligation bonds of the District issued for that purpose and authorizing an escrow agreement for that refunding. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from the District's Government-wide financial statements. As of June 30, 2004, the amount of defeased debt outstanding but removed from the financial statements amounted to \$8,390,000.

In 1995, the Euclid City School District, acting as the taxing authority for the Euclid Public Library, issued tax related debt in the form of a voted general obligation bond issue for enlarging, renovating, remodeling, furnishing, and equipping the existing Euclid Public Library, including energy conservation and handicapped access improvements in the amount of \$5,000,000. The bonds were issued for a 20-year period with final maturity at December 1, 2015.

The 1996 energy conservation bonds were issued for a fifteen year period to replace heating and lighting systems at several schools, with final maturity at December, 2011. The bonds will be retired from the bond retirement fund.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR JUNE 30, 2004
(CONTINUED)**

NOTE 10: **LONG-TERM OBLIGATIONS** (Continued)

In 2004, the District issued \$6,500,000 in long-term tax anticipation notes to provide for the renovation of the school buildings and other District improvements. These notes will be paid off over a ten year period of time with proceeds from a Contingency Permanent Improvement Levy.

Retirement Incentive will be paid from the fund from which the employees' salaries are paid. Compensated absences will be paid from the general fund, public school support, auxiliary services, public school preschool, Ohio reads grant, alternative learning opportunities, adult basic education, Title I, EHA preschool grants for handicapped, and goals 2000 proficiency funds.

The District's voted legal debt margin was \$60,332,050 with an unvoted debt margin of \$865,436 at June 30, 2004.

Principal and interest requirements to retire the general obligation debt outstanding at June 30, 2004 are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 492,356	\$ 1,797,210	\$ 2,289,566
2006	975,108	1,849,900	2,825,008
2007	1,970,000	791,479	2,761,479
2008	2,070,000	722,028	2,792,028
2009	2,165,000	617,684	2,782,684
2010-2014	9,735,000	1,488,235	11,223,235
2015-2017	<u>2,205,000</u>	<u>106,700</u>	<u>2,311,700</u>
	<u>\$ 19,612,464</u>	<u>\$ 7,373,236</u>	<u>\$ 26,985,700</u>

NOTE 11: **OTHER EMPLOYEE BENEFITS**

A. **Compensated Absences**

Employees earn vacation at rates specified under State of Ohio law and based on credited service. Clerical, technical, and maintenance and operation employees with one or more years of service are entitled to vacation ranging from 5 to 25 days. Employees with less than one year of service earn one vacation day per month worked, not to exceed five days. Unused vacation is not cumulative to the next year. Teachers do not earn vacation.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 11: **OTHER EMPLOYEE BENEFITS** (Continued)

A. **Compensated Absences** (Continued)

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service (earned on a pro rata basis for less than full-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 40 days.

B. **Special Termination Benefits**

The District's Board of Education offered employees participation in an early retirement incentive program. The money those employees will receive depends upon the different union contracts, and will be paid over a period of 5 years along with the employee's severance. This program is administered by the District.

NOTE 12: **DEFINED BENEFIT PENSION PLANS**

A. **School Employees Retirement System**

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations, with the remainder being used to fund health care benefits; for fiscal year 2004, 9.09 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2003, 8.17 percent

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 12: **DEFINED BENEFIT PENSION PLANS** (Continued)

A. **School Employees Retirement System** (Continued)

of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by SERS' Retirement Board. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2004, 2003, and 2002, were \$1,564,912, \$1,466,512, and \$1,478,514, respectively; 82.66 percent has been contributed for fiscal year 2004 and 100 percent for the fiscal years 2003 and 2002.

B. **State Teachers Retirement System**

The District participates in the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

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

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 12: DEFINED BENEFIT PENSION PLANS (Continued)

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

For the fiscal year ended June 30, 2004, plan members are required to contribute 9.3 percent of their annual covered salaries. The District is required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2002, the portion used to fund pension obligations was 9.5 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2004, 2003, and 2002, were \$3,988,251, \$3,792,662, and \$3,492,105, respectively; 80 percent has been contributed for fiscal year 2004 and 100 percent for fiscal years 2003 and 2002. Contributions to the DC and Combined Plans for fiscal year 2004 were \$32,456 made by the District and \$86,722 made by the plan member.

NOTE 13: POSTEMPLOYMENT BENEFITS

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

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently, 14 percent of covered payroll. For the fiscal year ended June 30, 2004, the STRS Board allocated employer contributions equal to 1.0 percent of covered payroll to the Health Care Reserve Fund.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 13: **POSTEMPLOYMENT BENEFITS** (Continued)

For the District, this amount equaled \$284,875 for fiscal year 2004.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2004 (the latest information available) the balance in the fund was \$3.1 billion. For the year ended June 30, 2004, net health care costs by STRS were \$268,739,000 and STRS had 111,853 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Effective January 1, 2004, all retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility and retirement status. A safety net is in place for retirees whose household income falls below federal poverty levels. Premiums are reduced by 50 percent for those who apply.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2004, employer contributions to fund health care benefits were 4.91 percent of covered payroll a decrease of .92 percent from fiscal year 2003. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2004, the minimum pay has been established at \$24,500. For the District, the amount to fund health care benefits, including surcharge, during the 2004 fiscal year equaled \$823,782.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2004, were \$223,443,805 and the target level was \$335.2 million. At June 30, 2004, SERS had net assets available for payment of health care benefits of \$300.8 million. SERS has approximately 62,000 participants currently receiving health care benefits.

NOTE 14: **RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2004, the District contracted with Coregis Insurance for fleet and liability insurance, with Travelers Insurance for boiler and machinery, and with Crum and Forster for property and inland marine coverage. Coverages provided were as follows:

**EUCLID CITY SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004
 (CONTINUED)**

NOTE 14: **RISK MANAGEMENT** (Continued)

Building, Contents, Boiler and Machinery	
Contents (\$1,000 deductible)	\$ 145,193,500
Crime Insurance (\$1,000 deductible)	250,000
Automobile Liability (Buses \$1,000 Autos \$250/500)	2,000,000
Uninsured Motorists (\$250 deductible)	250,000
General Liability (per occurrence)	1,000,000
General Liability (total per year)	3,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no change from prior years coverage.

Self-Insurance Program

The self-insurance program for health care was administered by Mutual of Omaha through December, 1999. Medical Mutual of Ohio began administering the program in January, 2001. Payments are made to Medical Mutual of Ohio for the actual amount of claims processed, monthly stop-loss premiums, and administrative charges. Operating revenues of the fund consist of payments from other funds and are based on self-insurance losses, policy stop-loss premiums, and other operating expenses.

The claims liability of \$1,052,900 reported in the fund at June 30, 2004 was estimated by the third party administrator and is based on the requirements of Governmental Standards Board Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating 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 (GASB 30). Changes in the fund's claims liability amount for the fiscal years ended June 30, 2002, 2003 and 2004 were:

	<u>Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
June 30, 2002	\$ 261,774	\$4,936,875	\$(4,393,243)	\$ 805,406
June 30, 2003	\$ 805,406	\$5,155,611	\$(5,028,517)	\$ 932,500
June 30, 2004	\$ 932,500	\$6,412,134	\$(6,291,734)	\$1,052,900

The above claim payments include management fees in the amount of \$605,535.

Self-Insured Workers' Compensation Program

The self-insurance program for workers' compensation is administered by Acordia of Ohio. Payments are made directly to the Ohio Bureau of Workers' Compensation for actual claims processed. Monthly stop-loss premiums and administration charges are made to Acordia of Ohio. Operating revenues of the fund consist of payments from other funds and earnings on the investing of these funds that are based on self-insurance losses, policy stop-loss premiums, and other operating expenses.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 14: **RISK MANAGEMENT** (Continued)

The claims liability of \$836,936 reported in the fund at June 30, 2004 was estimated by the third party administrator and is based on the requirement of Governmental Standards Board Statement No. 30, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. Changes in the fund's current claims liability amount for the fiscal years ended June 30, 2002, 2003 and 2004 were:

	<u>Beginning</u> <u>Of Year</u>	<u>Current</u> <u>Year Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Interest</u> <u>Earned</u>	<u>Balance at</u> <u>End of Year</u>
June 30, 2002	\$ 365,738	\$ 0	\$ (162,580)	\$ 57,109	\$ 260,267
June 30, 2003	\$ 260,267	\$ 116,152	\$ (78,725)	\$ 28,939	\$ 326,633
June 30, 2004	\$ 326,633	\$ 1,989,521	\$(1,496,252)	\$ 17,034	\$ 836,936

NOTE 15: **JOINTLY GOVERNED ORGANIZATION**

The Ohio Schools' Council Association (Council) is a jointly governed organization among 83 school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. The Council sponsors an insurance purchasing plan in which the District participates. The Council also sponsors a workers' compensation group rating plan which is an insurance purchasing pool. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose terms rotate every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2004, the District paid \$799,771 to the Council. Financial information can be obtained by contacting Kathleen T. Neal, Executive Secretary, at the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The District participates in the Council's electric purchase program which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corporation, a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to prepurchase eight years of electricity from Cleveland Electric Illuminating (CEI) 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 school district is required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corporation.

EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)

NOTE 15: **JOINTLY GOVERNED ORGANIZATION** (Continued)

The District also participates in the Council's prepaid natural gas program which was implemented during fiscal year 2002. 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 month 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 their participants. 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.

NOTE 16: **RELATED ORGANIZATION**

Euclid Public Library- The Euclid Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Euclid City School District's Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District serves as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Euclid Public Library at 631 East 222nd Street, Euclid, Ohio 44123.

NOTE 17: **CONTINGENCIES**

A. **Grants**

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, 2004.

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 17: **CONTINGENCIES** (Continued)

B. Litigation

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

NOTE 18: **STATE SCHOOL FUNDING DECISION**

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.

NOTE 19: **INTERFUND TRANSACTIONS**

Interfund balances on fund financial statements at June 30, 2004 consist of the following:

	<u>Receivable</u>	<u>Payable</u>
<u>Major Funds</u>		
General Fund	\$ 14,768	\$ 0
Permanent Improvement Fund	<u>122,503</u>	<u>0</u>
<u>Nonmajor Funds</u>		
Debt Service Fund	\$ 0	\$ 122,503
Special Revenue	0	14,677
Capital Projects Fund	<u>0</u>	<u>91</u>
Total	<u>\$ 137,271</u>	<u>\$ 137,271</u>

Transfers

Transfers of \$245,059 were eliminated since they were within the governmental activity.

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 95	\$ 244,773
Debt Service Fund	244,773	0
Special Revenue Fund	191	191
Capital Project Fund	<u>0</u>	<u>95</u>
Total	<u>\$ 245,059</u>	<u>\$ 245,059</u>

**EUCLID CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(CONTINUED)**

NOTE 20: SET ASIDE REQUIREMENTS

The District is required by State statute to annually set aside in the general fund an amount 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 and carried forward to be used for the same purposes in future years. In prior years, the District was also required to set aside money for budget stabilization. At June 30, 2004, only the unspent portion of certain workers' compensation refunds continue to be a set-aside.

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

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-Aside Reserve Balance as of June 30, 2003	\$ 0	\$ 0	\$ 1,169,331
Current Year Set-Aside Requirements	910,382	910,382	0
Qualifying Disbursements	(1,084,600)	(828,996)	0
Permanent Improvement Levy Revenues	<u>0</u>	<u>(339,988)</u>	<u>0</u>
Totals	<u>(174,218)</u>	<u>(258,602)</u>	<u>1,169,331</u>
Set-Aside Balance Carried Forward to Future Fiscal Years	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,169,331</u>
Set-Aside Reserve Balance as of June 30, 2004	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,169,331</u>

The District had qualifying expenditures during the fiscal year that reduced the textbooks set-aside amount below zero. This amount may be used to reduce the set-aside requirements of future years. Although the District had qualifying disbursements during the year that reduced the capital improvements set-aside amount below zero, these extra amounts may not be used to reduce the set-aside requirement in future years.

EUCLID CITY SCHOOL DISTRICT

COMBINING STATEMENTS OF INDIVIDUAL FUND SCHEDULES

EUCLID CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Following is a description of the District's nonmajor special revenue funds:

Special Trust - this fund accounts for monies used for purposes that are beneficial to the overall operation of the District.

Public School Support - this fund is used for the general support of the school building, staff, and students.

Transformation Initiative Grant - this fund accounts for funds to be used to narrow the achievement gap that exists between white and African American students of the District. Improving student achievement is the first goal by providing professional development to staff on alternative teaching methods, involving parents with family resource management skills and involving community partnerships. Funds will be used for teacher salaries and benefits, purchased services, supplies and equipment for the program.

Student Activity - this fund accounts for revenues from athletic events and all costs (except supplemental coaching contracts) of the District's athletic program.

Auxiliary Services - this fund accounts for state funds for the purchase of science and math materials, as well as psychological and other supplemental services at the parochial schools within the District.

Educational Management Information System - funds provided by the State of Ohio to be used solely for costs associated with the requirements of the education management information system required by Senate Bill 140.

Public School Preschool Grant - this fund accounts for the state revenues which address the educational needs of 4 year olds who are at risk of being poor achievers.

School Net Professional Development - this fund was established to provide training for teachers to become practitioners. They will develop lesson labs related to proficiency outcomes.

Ohio Reads - the Ohio Reads Grants were established to provide funds to be utilized to improve reading skills for students in grades K-3. These funds will be used for salaries, benefits, supplies and purchased services associated with this program.

Student Intervention - this fund was established to provide a tutorial program utilizing retired teachers as reading coaches. These programs will be aimed at students who are not proficient in reading skills. Funds will be used to pay coaches, purchase supplies, and teacher salaries/benefits.

(Continued)

EUCLID CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

(Continued)

Vocational Education Enhancement - this fund was established to provide funds to purchase vocational equipment with a value of \$300 or more with the State reimbursing the District, upon completion, up to 40 percent of the final cost.

Alternative Schools - this grant was established to provide funding for Saturday School for discipline problem students. The funds will be used for salaries, benefits, supplies, purchased services and equipment associated with the program.

Miscellaneous State Grants - this fund represents State monies that support academic and enrichment programs for the student body.

Adult Basic Education - this fund accounts for federal monies used to provide computer equipment, library resource materials, salaries, and room rental for adult education classes.

Eisenhower Professional Development - this fund was established to improve the skills of teachers in instruction of mathematics and science. These federal funds are used for in-service training, instructional materials, and workshops.

IDEA, Part B Special Education - the purpose of this federal program is to assist schools in the identification of handicapped children and provide educational opportunities for handicapped children at the preschool, elementary, and secondary levels.

Limited English Proficiency - the purpose of these funds are to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Title I - the purpose of this federal program is to provide financial assistance to state and local education agencies to meet the special needs of educationally deprived children.

Title VI - this fund accounts for federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, and in-service and staff development.

Drug-Free Schools - this fund accounts for federal revenues to implement programs to educate and encourage students to live lives free of drug dependency.

IDEA Preschool Grants for the Handicapped - this grant addressed the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

(Continued)

EUCLID CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

(Continued)

Goals 2000 Proficiency - this fund accounts for federal monies which are used to pay for all costs involved in conducting proficiency improvement in-service, including substitute costs, presenter fees, supplies, and materials.

Nonmajor Debt Service Fund

Debt Service funds are used to account for the accumulation of resources for, and the payment of, general long-term principal, interest and related costs.

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

Nonmajor Capital Projects Funds

Capital Projects funds are used to account for the acquisition or construction of major capital facilities.

Building Fund - to account for the receipts and expenditures related to all special bond funds in the District.

Replacement Fund - this fund exists for the replacement of equipment and other items not covered by the District's building and contents insurance.

Vocational Education Equipment - to account for the purchase of equipment used for vocational education purposes.

School Net Plus - a fund to account for monies received from the State of Ohio for the purpose of purchasing computers for K-4 grades.



Nonmajor Enterprise Funds

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private sector businesses where the intent is that the expense (including depreciation) of providing goods or services is primarily or solely to the general public be financed or recovered primarily through user charges.

Food Service - this fund accounts for the provision of food service to the District.

Uniform School Supplies - this fund accounts for the purchase of necessary supplies, materials, or other school related items above these items provided for general instruction, paid for by students.

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Enterprise Funds (Continued)

Customer Services - this fund accounts for services provided primarily to the general public which are financed or recovered through user charges.

Adult and Community Education - this fund accounts for the provision of adult education classes to the District.

Internal Service Funds

Internal Service Funds are used to account for the financing of services provided by one department to other departments of the government or to other districts on a cost reimbursement basis.

Special Rotary - this fund provides for the purchase of services and equipment by internal persons and organizations.

Health Reserve - this fund is to account for the receipt and expenditure of funds for medical and dental claims for employees.

Workers' Compensation - to account for the claims and premiums paid to the State for worker's compensation insurance.

Fiduciary Funds

Fiduciary funds are used to account for assets when a governmental unit is functioning either as a trustee or an agent for another party. Because the governmental unit is functioning in a fiduciary capacity, the authority to employ, dispose of, or otherwise use the assets is determined not by a legislative body or oversight board but by the public laws and private agreements that create the trustee or agency relationship.

Agency Fund

Student Activities - This fund accounts for resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

**EUCLID CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2004**

	Nonmajor Debt Service Funds	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,792,989	\$ 772,392	\$ 140,168	\$ 2,705,549
Receivables:				
Taxes	1,974,258	0	0	1,974,258
Intergovernmental	<u>0</u>	<u>728,338</u>	<u>0</u>	<u>728,338</u>
Total Assets	<u>\$ 3,767,247</u>	<u>\$ 1,500,730</u>	<u>\$ 140,168</u>	<u>\$ 5,408,145</u>
<u>Liabilities</u>				
Accounts Payable	\$ 0	\$ 344,440	\$ 0	\$ 344,440
Accrued Wages	0	341,207	0	341,207
Interfund Payables	122,503	14,677	91	137,271
Intergovernmental Payable	0	55,487	0	55,487
Deferred Revenue	<u>1,589,435</u>	<u>0</u>	<u>0</u>	<u>1,589,435</u>
Total Liabilities	<u>1,711,938</u>	<u>755,811</u>	<u>91</u>	<u>2,467,840</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	0	463,136	144	463,280
Reserved for Property Taxes	384,823	0	0	384,823
Unreserved, Undesignated, Reported in:				
Debt Service	1,670,486	0	0	1,670,486
Special Revenue Funds	0	281,783	0	281,783
Capital Projects Fund	<u>0</u>	<u>0</u>	<u>139,933</u>	<u>139,933</u>
Total Fund Balances	<u>2,055,309</u>	<u>744,919</u>	<u>140,077</u>	<u>2,940,305</u>
Total Liabilities and Fund Balances	<u>\$ 3,767,247</u>	<u>\$ 1,500,730</u>	<u>\$ 140,168</u>	<u>\$ 5,408,145</u>

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Nonmajor Debt Service Funds	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 1,888,488	\$ 0	\$ 0	\$ 1,888,488
Intergovernmental	224,305	5,463,105	0	5,687,410
Transportation Fees	0	39,099	0	39,099
Earnings on Investments	0	2,048	1,509	3,557
Extracurricular Activities	0	372,366	0	372,366
Charges for Services	0	118,835	0	118,835
Miscellaneous	0	791,840	0	791,840
Total Revenues	<u>2,112,793</u>	<u>6,787,293</u>	<u>1,509</u>	<u>8,901,595</u>
Expenditures				
Current:				
Instruction:				
Regular	0	1,484,438	16,229	1,500,667
Special	0	1,854,758	0	1,854,758
Vocational Education	0	1,985	0	1,985
Adult/Continuing	0	109,906	0	109,906
Support Services:				
Pupil	0	17,234	0	17,234
Instructional Staff	0	736,763	0	736,763
Board of Education	0	1,168	0	1,168
Administrative	0	595,562	0	595,562
Pupil Transportation	0	3,182	0	3,182
Central Services	0	40,639	0	40,639
Capital Outlay	0	0	3,912	3,912
Other Operation of Non-Instructional	0	1,180,915	0	1,180,915
Extracurricular Activities	0	566,817	0	566,817
Debt Service:				
Principal Retirement	537,093	0	0	537,093
Interest and Fiscal Charges	1,480,427	0	0	1,480,427
Total Expenditures	<u>2,017,520</u>	<u>6,593,367</u>	<u>20,141</u>	<u>8,631,028</u>
Excess of Revenues Over (Under) Expenditures	<u>95,273</u>	<u>193,926</u>	<u>(18,632)</u>	<u>270,567</u>
Other Financing Sources (Uses)				
Transfers In	244,773	191	0	244,964
Transfers Out	0	(191)	(95)	(286)
Refund by Expenditures (Receipts)	0	21,422	0	21,422
Total Other Financing Sources (Uses)	<u>244,773</u>	<u>21,422</u>	<u>(95)</u>	<u>266,100</u>
Net Changes in Fund Balances	340,046	215,348	(18,727)	536,667
Fund Balances Beginning of Year	<u>1,715,263</u>	<u>529,571</u>	<u>158,804</u>	<u>2,403,638</u>
Fund Balance End of Year	<u>\$ 2,055,309</u>	<u>\$ 744,919</u>	<u>\$ 140,077</u>	<u>\$ 2,940,305</u>

**EUCLID CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2004**

	<u>Special Trust</u>	<u>Public School Support</u>	<u>Transformation Initiative Grants</u>	<u>Student Activity</u>	<u>Auxiliary Services</u>	<u>Educational Management Information System</u>
<u>Assets</u>						
Equity in Pooled Cash and Cash Equivalents	\$ 52,146	\$ 43,924	\$ 170,214	\$ 71,875	\$ 181,225	\$ 16,467
Receivables						
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 52,146</u>	<u>\$ 43,924</u>	<u>\$ 170,214</u>	<u>\$ 71,875</u>	<u>\$ 181,225</u>	<u>\$ 16,467</u>
<u>Liabilities</u>						
Accounts Payable	\$ 0	\$ 5,023	\$ 15,303	\$ 8,890	\$ 20,050	\$ 0
Accrued Salaries and Benefits Payable	0	0	85,194	0	46,284	0
Interfund Payable	0	0	0	0	96	0
Intergovernmental Payable	<u>0</u>	<u>0</u>	<u>12,801</u>	<u>0</u>	<u>8,504</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>5,023</u>	<u>113,298</u>	<u>8,890</u>	<u>74,934</u>	<u>0</u>
<u>Fund Equity</u>						
Reserved for Encumbrances	570	3,999	195,174	100	137,172	0
Unreserved, Undesignated (Deficit)	<u>51,576</u>	<u>34,902</u>	<u>(138,258)</u>	<u>62,885</u>	<u>(30,881)</u>	<u>16,467</u>
Total Fund Balances (Deficit)	<u>52,146</u>	<u>38,901</u>	<u>56,916</u>	<u>62,985</u>	<u>106,291</u>	<u>16,467</u>
Total Liabilities and Fund Balances	<u>\$ 52,146</u>	<u>\$ 43,924</u>	<u>\$ 170,214</u>	<u>\$ 71,875</u>	<u>\$ 181,225</u>	<u>\$ 16,467</u>

(Continued)

**EUCLID CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2004**

	<u>Public School Preschool</u>	<u>School Net Professional Development</u>	<u>Ohio Reads Grant</u>	<u>Student Intervention</u>	<u>Vocational Education Enhancement</u>	<u>Alternative Schools</u>
<u>Assets</u>						
Equity in Pooled Cash and Cash Equivalents	\$ 3,543	\$ 1,680	\$ 28,245	\$ 208	\$ 7,004	\$ 23
Receivables						
Intergovernmental	<u>10,989</u>	<u>0</u>	<u>0</u>	<u>9,895</u>	<u>1,286</u>	<u>67,736</u>
Total Assets	<u>\$ 14,532</u>	<u>\$ 1,680</u>	<u>\$ 28,245</u>	<u>\$ 10,103</u>	<u>\$ 8,290</u>	<u>\$ 67,759</u>
<u>Liabilities</u>						
Accounts Payable	\$ 1,469	\$ 0	\$ 16,340	\$ 3,498	\$ 1,985	\$ 34,534
Accrued Salaries and Benefits Payable	12,143	0	304	689	0	11,470
Interfund Payable	0	0	0	0	6,453	0
Intergovernmental Payable	<u>1,768</u>	<u>0</u>	<u>44</u>	<u>96</u>	<u>0</u>	<u>2,438</u>
Total Liabilities	<u>15,380</u>	<u>0</u>	<u>16,688</u>	<u>4,283</u>	<u>8,438</u>	<u>48,442</u>
<u>Fund Equity</u>						
Reserved for Encumbrances	0	0	11,433	5,757	4,432	33,054
Unreserved, Undesignated (Deficit)	<u>(848)</u>	<u>1,680</u>	<u>124</u>	<u>63</u>	<u>(4,580)</u>	<u>(13,737)</u>
Total Fund Balances (Deficit)	<u>(848)</u>	<u>1,680</u>	<u>11,557</u>	<u>5,820</u>	<u>(148)</u>	<u>19,317</u>
Total Liabilities and Fund Balances	<u>\$ 14,532</u>	<u>\$ 1,680</u>	<u>\$ 28,245</u>	<u>\$ 10,103</u>	<u>\$ 8,290</u>	<u>\$ 67,759</u>

(Continued)

**EUCLID CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2004**

	Miscellaneous State <u>Grant</u>	Adult Basic <u>Education</u>	Eisenhower Professional <u>Development</u>	IDEA Part B Special <u>Education</u>	Limited English <u>Proficiency</u>	<u>Title I</u>
<u>Assets</u>						
Equity in Pooled Cash and Cash Equivalents	\$ 2,545	\$ 17,881	\$ 26,142	\$ 0	\$ 0	\$ 89,052
Receivables						
Intergovernmental	<u>0</u>	<u>135,153</u>	<u>0</u>	<u>0</u>	<u>4,828</u>	<u>336,315</u>
Total Assets	<u>\$ 2,545</u>	<u>\$ 153,034</u>	<u>\$ 26,142</u>	<u>\$ 0</u>	<u>\$ 4,828</u>	<u>\$ 425,367</u>
<u>Liabilities</u>						
Accounts Payable	\$ 0	\$ 2,619	\$ 26,142	\$ 0	\$ 0	\$ 73,095
Accrued Salaries and Benefits Payable	0	42,761	0	0	0	92,424
Interfund Payable	0	0	0	0	4,828	0
Intergovernmental Payable	<u>0</u>	<u>8,779</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,896</u>
Total Liabilities	<u>0</u>	<u>54,159</u>	<u>26,142</u>	<u>0</u>	<u>4,828</u>	<u>179,415</u>
<u>Fund Equity</u>						
Reserved for Encumbrances	2,545	16,960	0	0	0	14,247
Unreserved, Undesignated (Deficit)	<u>0</u>	<u>81,915</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>231,705</u>
Total Fund Balances (Deficit)	<u>2,545</u>	<u>98,875</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>245,952</u>
Total Liabilities and Fund Balances	<u>\$ 2,545</u>	<u>\$ 153,034</u>	<u>\$ 26,142</u>	<u>\$ 0</u>	<u>\$ 4,828</u>	<u>\$ 425,367</u>

(Continued)

**EUCLID CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2004**

	<u>Title VI</u>	<u>Drug Free School</u>	<u>Pre-School Grants</u>	<u>Goals 2000 Proficiency</u>	<u>Totals</u>
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 6,799	\$ 0	\$ 5,683	\$ 47,736	\$ 772,392
Receivables					
Intergovernmental	<u>68,329</u>	<u>8,626</u>	<u>4,972</u>	<u>80,209</u>	<u>728,338</u>
Total Assets	<u>\$ 75,128</u>	<u>\$ 8,626</u>	<u>\$ 10,655</u>	<u>\$ 127,945</u>	<u>\$ 1,500,730</u>
<u>Liabilities</u>					
Accounts Payable	\$ 450	\$ 0	\$ 0	\$ 135,042	\$ 344,440
Accrued Salaries and Benefits Payable	0	0	5,566	44,372	341,207
Interfund Payable	0	7	0	3,293	14,677
Intergovernmental Payable	<u>0</u>	<u>0</u>	<u>799</u>	<u>6,362</u>	<u>55,487</u>
Total Liabilities	<u>450</u>	<u>7</u>	<u>6,365</u>	<u>189,069</u>	<u>755,811</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	1,337	0	0	36,356	463,136
Unreserved, Undesignated (Deficit)	<u>73,341</u>	<u>8,619</u>	<u>4,290</u>	<u>(97,480)</u>	<u>281,783</u>
Total Fund Balances (Deficit)	<u>74,678</u>	<u>8,619</u>	<u>4,290</u>	<u>(61,124)</u>	<u>744,919</u>
Total Liabilities and Fund Balances	<u>\$ 75,128</u>	<u>\$ 8,626</u>	<u>\$ 10,655</u>	<u>\$ 127,945</u>	<u>\$ 1,500,730</u>

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Special Trust	Public School Support	Transformation Initiative Grants	Student Activity	Auxiliary Services	Educational Management Information System
Revenues						
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 922,219	\$ 23,257
Transportation Fees	0	15,051	0	24,048	0	0
Earnings on Investments	375	0	0	0	1,673	0
Extracurricular Activities	0	147,565	0	224,801	0	0
Charges for Services	19,305	37,239	0	62,291	0	0
Miscellaneous	0	15,692	774,180	1,968	0	0
Total Revenues	<u>19,680</u>	<u>215,547</u>	<u>774,180</u>	<u>313,108</u>	<u>923,892</u>	<u>23,257</u>
Expenditures						
Current:						
Instruction:						
Regular	62,827	0	219,070	0	0	0
Special	0	0	0	0	0	0
Adult/Continuing	0	0	0	0	0	0
Support Services:						
Pupils	0	0	0	0	0	0
Instructional Staff	0	0	0	0	0	0
Board of Education	0	0	0	0	0	0
Administrative	0	0	498,194	0	0	0
Pupil Transportation	0	0	0	0	0	0
Central Services	0	0	0	0	0	40,639
Operation of Non-Instructional Services:						
Community Services	750	0	0	0	928,882	0
Extracurricular Activities	0	260,600	0	306,217	0	0
Total Expenditures	<u>63,577</u>	<u>260,600</u>	<u>717,264</u>	<u>306,217</u>	<u>928,882</u>	<u>40,639</u>
Excess of Revenues Over (Under) Expenditures	<u>(43,897)</u>	<u>(45,053)</u>	<u>56,916</u>	<u>6,891</u>	<u>(4,990)</u>	<u>(17,382)</u>
Other Financing Sources (Uses)						
Transfers In	0	191	0	0	0	0
Transfers Out	0	0	0	(191)	0	0
Refund by Expenditures (Receipts)	0	21,838	0	370	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>22,029</u>	<u>0</u>	<u>179</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(43,897)	(23,024)	56,916	7,070	(4,990)	(17,382)
Fund Balances Beginning of Year	<u>96,043</u>	<u>61,925</u>	<u>0</u>	<u>55,915</u>	<u>111,281</u>	<u>33,849</u>
Fund Balances (Deficit) End of Year	<u>\$ 52,146</u>	<u>\$ 38,901</u>	<u>\$ 56,916</u>	<u>\$ 62,985</u>	<u>\$ 106,291</u>	<u>\$ 16,467</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Public School <u>Preschool</u>	School Net Professional <u>Development</u>	Ohio Reads <u>Grant</u>	Student <u>Intervention</u>	Vocational Education <u>Enhancement</u>	Alternative <u>Schools</u>
Revenues						
Intergovernmental	\$ 91,575	\$ 4,140	\$ 87,500	\$ 112,735	\$ 1,837	\$ 259,981
Transportation Fees	0	0	0	0	0	0
Earnings on Investments	0	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0	0
Charges for Services	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Total Revenues	<u>91,575</u>	<u>4,140</u>	<u>87,500</u>	<u>112,735</u>	<u>1,837</u>	<u>259,981</u>
Expenditures						
Current:						
Instruction:						
Regular	98,116	2,460	83,089	106,915	0	184,128
Special	0	0	0	0	0	0
Adult/Continuing	0	0	0	0	1,985	0
Support Services:						
Pupils	0	0	0	0	0	824
Instructional Staff	0	0	0	0	0	25,425
Board of Education	0	0	0	0	0	0
Administrative	1,475	0	0	0	0	16,230
Pupil Transportation	0	0	0	0	0	668
Central Services	0	0	0	0	0	0
Operation of Non-Instructional Services:						
Community Services	0	0	0	0	0	19,048
Extracurricular Activities	0	0	0	0	0	0
Total Expenditures	<u>99,591</u>	<u>2,460</u>	<u>83,089</u>	<u>106,915</u>	<u>1,985</u>	<u>246,323</u>
Excess of Revenues Over (Under)						
Expenditures	<u>(8,016)</u>	<u>1,680</u>	<u>4,411</u>	<u>5,820</u>	<u>(148)</u>	<u>13,658</u>
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Refund by Expenditures (Receipts)	0	0	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(8,016)	1,680	4,411	5,820	(148)	13,658
Fund Balances Beginning of Year	<u>7,168</u>	<u>0</u>	<u>7,146</u>	<u>0</u>	<u>0</u>	<u>5,659</u>
Fund Balances (Deficit) End of Year	<u>\$ (848)</u>	<u>\$ 1,680</u>	<u>\$ 11,557</u>	<u>\$ 5,820</u>	<u>\$ (148)</u>	<u>\$ 19,317</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Miscellaneous State <u>Grant</u>	Adult Basic <u>Education</u>	Eisenhower Professional <u>Development</u>	IDEA Part B Special <u>Education</u>	Limited English <u>Proficiency</u>	<u>Title I</u>
Revenues						
Intergovernmental	\$ 21,780	\$ 719,533	\$ 26,164	\$ 868,679	\$ 57,878	\$ 1,073,054
Transportation Fees	0	0	0	0	0	0
Earnings on Investments	0	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0	0
Charges for Services	0	0	0	0	0	0
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>21,780</u>	<u>719,533</u>	<u>26,164</u>	<u>868,679</u>	<u>57,878</u>	<u>1,073,054</u>
Expenditures						
Current:						
Instruction:						
Regular	39,220	0	449	0	57,878	68,493
Special	0	0	0	750,703	0	716,551
Adult/Continuing	0	109,906	0	0	0	0
Support Services:						
Pupils	0	0	0	0	0	0
Instructional Staff	3,896	544,788	26,164	0	0	49,023
Board of Education	0	0	0	0	0	1,168
Administrative	0	19,500	0	0	0	12,383
Pupil Transportation	0	0	0	0	0	0
Central Services	0	0	0	0	0	0
Operation of Non-Instructional Services:						
Community Services	0	0	0	117,976	0	22,160
Extracurricular Activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>43,116</u>	<u>674,194</u>	<u>26,613</u>	<u>868,679</u>	<u>57,878</u>	<u>869,778</u>
Excess of Revenues Over (Under) Expenditures	<u>(21,336)</u>	<u>45,339</u>	<u>(449)</u>	<u>0</u>	<u>0</u>	<u>203,276</u>
Other Financing Sources (Uses)						
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Refund by Expenditures (Receipts)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(21,336)	45,339	(449)	0	0	203,276
Fund Balances Beginning of Year	<u>23,881</u>	<u>53,536</u>	<u>449</u>	<u>0</u>	<u>0</u>	<u>42,676</u>
Fund Balances (Deficit) End of Year	<u>\$ 2,545</u>	<u>\$ 98,875</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 245,952</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Title VI</u>	<u>Drug Free School</u>	<u>Pre-School Grants</u>	<u>Goals 2000 Proficiency</u>	<u>Totals</u>
Revenues					
Intergovernmental	\$ 76,659	\$ 30,542	\$ 41,433	\$ 1,044,139	\$ 5,463,105
Transportation Fees	0	0	0	0	39,099
Earnings on Investments	0	0	0	0	2,048
Extracurricular Activities	0	0	0	0	372,366
Charges for Services	0	0	0	0	118,835
Miscellaneous	0	0	0	0	791,840
Total Revenues	<u>76,659</u>	<u>30,542</u>	<u>41,433</u>	<u>1,044,139</u>	<u>6,787,293</u>
Expenditures					
Current:					
Instruction:					
Regular	1,087	16,712	0	543,994	1,484,438
Special	0	0	36,810	350,694	1,854,758
Vocational Education	0	0	0	0	1,985
Adult/Continuing	0	0	0	0	109,906
Support Services:					
Pupils	0	0	0	16,410	17,234
Instructional Staff	0	0	0	87,467	736,763
Board of Education	0	0	0	0	1,168
Administrative	0	0	0	47,780	595,562
Pupil Transportation	0	0	0	2,514	3,182
Central Services	0	0	0	0	40,639
Operation of Non-Instructional Services:					
Community Services	9,468	11,128	0	71,503	1,180,915
Extracurricular Activities	0	0	0	0	566,817
Total Expenditures	<u>10,555</u>	<u>27,840</u>	<u>36,810</u>	<u>1,120,362</u>	<u>6,593,367</u>
Excess of Revenues Over (Under) Expenditures	<u>66,104</u>	<u>2,702</u>	<u>4,623</u>	<u>(76,223)</u>	<u>193,926</u>
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	191
Transfers Out	0	0	0	0	(191)
Refund by Expenditures (Receipts)	0	0	0	(786)	21,422
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(786)</u>	<u>21,422</u>
Net Change in Fund Balances	66,104	2,702	4,623	(77,009)	215,348
Fund Balances Beginning of Year	<u>8,574</u>	<u>5,917</u>	<u>(333)</u>	<u>15,885</u>	<u>529,571</u>
Fund Balances (Deficit) End of Year	<u>\$ 74,678</u>	<u>\$ 8,619</u>	<u>\$ 4,290</u>	<u>\$ (61,124)</u>	<u>\$ 744,919</u>

**EUCLID CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2003**

	<u>Building</u>	<u>Replacement</u>	<u>Vocational Education Equipment</u>	<u>School Net Plus</u>	<u>Total</u>
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 140,168	\$ 0	\$ 0	\$ 140,168
Total Assets	<u>\$ 0</u>	<u>\$ 140,168</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 140,168</u>
<u>Liabilities</u>					
Interfund Payable	\$ 0	\$ 0	\$ 91	\$ 0	\$ 91
Total Liabilities	<u>0</u>	<u>0</u>	<u>91</u>	<u>0</u>	<u>91</u>
<u>Fund Equity</u>					
Reserved for:					
Encumbrances	0	144	0	0	144
Unreserved, Undesignated	<u>0</u>	<u>140,024</u>	<u>(91)</u>	<u>0</u>	<u>139,933</u>
Total Fund Equity (Deficit)	<u>0</u>	<u>140,168</u>	<u>(91)</u>	<u>0</u>	<u>140,077</u>
Total Liabilities and Fund Equity	<u>\$ 0</u>	<u>\$ 140,168</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 140,168</u>

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Building</u>	<u>Replacement</u>	<u>Vocational Education Equipment</u>	<u>School Net Plus</u>	<u>Total</u>
<u>Revenues</u>					
Earnings on Investments	\$ 0	\$ 1,509	\$ 0	\$ 0	\$ 1,509
Total Revenues	<u>0</u>	<u>1,509</u>	<u>0</u>	<u>0</u>	<u>1,509</u>
<u>Expenditures</u>					
Instruction:					
Regular	0	0	0	16,229	16,229
Capital Outlay	<u>0</u>	<u>3,912</u>	<u>0</u>	<u>0</u>	<u>3,912</u>
Total Expenditures	<u>0</u>	<u>3,912</u>	<u>0</u>	<u>16,229</u>	<u>20,141</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(2,403)</u>	<u>0</u>	<u>(16,229)</u>	<u>(18,632)</u>
<u>Other Financing Sources (Uses)</u>					
Operating Transfers In (Out)	<u>(95)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(95)</u>
Total Other Financing Sources (Uses)	<u>(95)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(95)</u>
Net Change in Fund Balances	(95)	(2,403)	0	(16,229)	(18,727)
Fund Balances (Deficit) Beginning of Year, as Restated (See Note 3)	<u>95</u>	<u>142,571</u>	<u>(91)</u>	<u>16,229</u>	<u>158,804</u>
Fund Balances (Deficit) -End of Year	<u>\$ 0</u>	<u>\$ 140,168</u>	<u>\$ (91)</u>	<u>\$ 0</u>	<u>\$ 140,077</u>

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2004

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Customer Service</u>	<u>Adult Education</u>	<u>Total</u>
<u>Assets</u>					
Current Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 448,100	\$ 26,239	\$ 308,292	\$ 75,316	\$ 857,947
Intergovernmental	178,975	0	0	0	178,975
Prepaid Expenses	0	0	320	0	320
Materials and Supplies Inventory	<u>23,043</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>23,043</u>
Total Current Assets	<u>650,118</u>	<u>26,239</u>	<u>308,612</u>	<u>75,316</u>	<u>1,060,285</u>
Fixed Assets (Net of Depreciation)	35,397	0	2,919	1,240	39,556
Total Assets	<u>\$ 685,515</u>	<u>\$ 26,239</u>	<u>\$ 311,531</u>	<u>\$ 76,556</u>	<u>\$ 1,099,841</u>
<u>Liabilities</u>					
Current Liabilities:					
Accounts Payable	\$ 2,614	\$ 0	\$ 1,068	\$ 0	\$ 3,682
Accrued Wages and Benefits Payable	22,725	0	21,686	0	44,411
Intergovernmental Payable	69,248	0	39,010	0	108,258
Compensated Absences Payable	<u>44,852</u>	<u>0</u>	<u>30,138</u>	<u>0</u>	<u>74,990</u>
Total Current Liabilities	<u>139,439</u>	<u>0</u>	<u>91,902</u>	<u>0</u>	<u>231,341</u>
<u>Net Assets</u>					
Invested in Capital Assets	35,397	0	2,919	1,240	39,556
Retained Earnings:					
Unreserved	<u>510,679</u>	<u>26,239</u>	<u>216,710</u>	<u>75,316</u>	<u>828,944</u>
Total Net Assets	<u>546,076</u>	<u>26,239</u>	<u>219,629</u>	<u>76,556</u>	<u>868,500</u>
Total Fund Equity	<u>\$ 685,515</u>	<u>\$ 26,239</u>	<u>\$ 311,531</u>	<u>\$ 76,556</u>	<u>\$ 1,099,841</u>

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Food Service	Uniform School Supplies	Customer Service	Adult Education	Total
<u>Operating Revenues</u>					
Tuition	\$ 0	\$ 0	\$ 585,610	\$ 2,900	\$ 588,510
Transportation Fees	0	0	16,095	0	16,095
Food Services	761,329	0	10,419	0	771,748
Classroom Materials and Fees	0	0	0	6,343	6,343
Miscellaneous	0	13,458	11,988	0	25,446
Total Revenues	<u>761,329</u>	<u>13,458</u>	<u>624,112</u>	<u>9,243</u>	<u>1,408,142</u>
<u>Operating Expenses</u>					
Salaries and Wages	731,651	0	364,852	13,601	1,110,104
Fringe Benefits	248,586	0	131,301	2,016	381,903
Purchased Services	25,718	0	61,020	375	87,113
Supplies and Materials	884,426	0	59,252	0	943,678
Depreciation	13,979	0	495	310	14,784
Capital Outlay	29,647	0	1,069	0	30,716
Other	5,258	5,973	1,825	0	13,056
Total Operating Expenses	<u>1,939,265</u>	<u>5,973</u>	<u>619,814</u>	<u>16,302</u>	<u>2,581,354</u>
Operating Income (Loss)	<u>(1,177,936)</u>	<u>7,485</u>	<u>4,298</u>	<u>(7,059)</u>	<u>(1,173,212)</u>
<u>Non-Operating Revenues</u>					
Earnings on Investments	2,818	0	0	0	2,818
Operating Grants	1,048,386	0	0	1,900	1,050,286
Donated Commodities	163,732	0	0	0	163,732
Total Non-Operating Revenues	<u>1,214,936</u>	<u>0</u>	<u>0</u>	<u>1,900</u>	<u>1,216,836</u>
Change in Net Asset	37,000	7,485	4,298	(5,159)	43,624
Net Assets, Beginning of Year	<u>509,076</u>	<u>18,754</u>	<u>215,331</u>	<u>81,715</u>	<u>824,876</u>
Total Net Assets, End of Year	<u>\$ 546,076</u>	<u>\$ 26,239</u>	<u>\$ 219,629</u>	<u>\$ 76,556</u>	<u>\$ 868,500</u>

**EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS -
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

	Food Service	Uniform School Supplies	Customer Service	Adult Education	Total
<i>Increase (Decrease) in Cash and Cash Equivalents</i>					
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 761,329	\$ 13,458	\$ 624,112	\$ 9,243	\$ 1,408,142
Cash Payments for Goods and Services	(923,828)	0	(121,893)	(375)	(1,046,096)
Cash Payments to Employees for Services	(730,090)	0	(362,193)	(13,601)	(1,105,884)
Cash Payments for Employee Benefits	(252,254)	0	(133,510)	(2,016)	(387,780)
Cash Payments for Other Operating Expenses	(2,644)	(5,973)	(757)	0	(9,374)
Net Cash Provided by (Used for) Operating Activities	<u>(1,147,487)</u>	<u>7,485</u>	<u>5,759</u>	<u>(6,749)</u>	<u>(1,140,992)</u>
Cash Flows from Non-Capital Financing Activities					
Operating Grants Received	<u>1,073,713</u>	<u>0</u>	<u>0</u>	<u>1,900</u>	<u>1,075,613</u>
Net Cash Provided by Non-Capital Financing Activities	<u>1,073,713</u>	<u>0</u>	<u>0</u>	<u>1,900</u>	<u>1,075,613</u>
Cash Flows from Capital and Related Financing Activities					
Payments for Capital Acquisitions	<u>(28,508)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(28,508)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(28,508)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(28,508)</u>
Cash Flows from Investing Activities					
Earnings on Investments	<u>2,818</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,818</u>
Net Cash Provided by Investing Activities	<u>2,818</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,818</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(99,464)	7,485	5,759	(4,849)	(91,069)
Cash and Cash Equivalents-Beginning of Year	<u>547,564</u>	<u>18,754</u>	<u>302,533</u>	<u>80,165</u>	<u>949,016</u>
Cash and Cash Equivalents - End of Year	<u>\$ 448,100</u>	<u>\$ 26,239</u>	<u>\$ 308,292</u>	<u>\$ 75,316</u>	<u>\$ 857,947</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities					
Operating Income (Loss)	\$(1,177,936)	\$ 7,485	\$ 4,298	\$ (7,059)	\$(1,173,212)
Adjustments to Reconcile Operating (Loss) Income to Net Cash Provided by Operating Activities:					
Depreciation	13,979	0	495	310	14,784
(Increase) Decrease in Assets:					
Prepaid Items	65	0	(24)	0	41
Materials and Supplies Inventory	18,434	0	0	0	18,434
Increase (Decrease) in Liabilities:					
Accounts Payable	78	0	540	0	618
Accrued Salaries and Benefits Payable	1,561	0	2,659	0	4,220
Intergovernmental Payable	(6,110)	0	(1,568)	0	(7,678)
Employee Benefit Obligations Payable	2,442	0	(641)	0	1,801
Total Adjustments	<u>30,449</u>	<u>0</u>	<u>1,461</u>	<u>310</u>	<u>32,220</u>
Net Cash Provided by (Used In) Operating Activities	<u>\$(1,147,487)</u>	<u>\$ 7,485</u>	<u>\$ 5,759</u>	<u>\$ (6,749)</u>	<u>\$(1,140,992)</u>

Schedule of Noncash Financing Activities

During the year, the Food Services Enterprise Fund received Donated Commodities of \$163,732.

**EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2004**

	<u>Special Rotary</u>	<u>Health Reserve</u>	<u>Workers' Compensation</u>	<u>Total</u>
<u>Assets</u>				
<u>Current Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 227,748	\$ 2,187,240	\$ 1,648,325	\$ 4,063,313
Total Current Assets	<u>227,748</u>	<u>2,187,240</u>	<u>1,648,325</u>	<u>4,063,313</u>
Fixed Assets (Net of Depreciation)	<u>19,987</u>	<u>0</u>	<u>0</u>	<u>19,987</u>
Total Assets	\$ 247,735	\$ 2,187,240	\$ 1,648,325	\$ 4,083,300
<u>Liabilities</u>				
<u>Current Liabilities</u>				
Accounts Payable	\$ 853	\$ 0	\$ 287,580	\$ 288,433
Intergovernmental Payable	0	0	301,717	301,717
Insurance Claims Payable	0	1,052,900	0	1,052,900
Worker's Comp. Claims Payable	<u>0</u>	<u>0</u>	<u>836,936</u>	<u>836,936</u>
Total Liabilities	<u>853</u>	<u>1,052,900</u>	<u>1,426,233</u>	<u>2,479,986</u>
<u>Net Assets</u>				
Unreserved	<u>246,882</u>	<u>1,134,340</u>	<u>222,092</u>	<u>1,603,314</u>
Total Net Assets	\$ 247,735	\$ 2,187,240	\$ 1,648,325	\$ 4,083,300

EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Special Rotary	Health Reserve	Workers' Compensation	Total
<u>Operating Revenues</u>				
Tuition	\$ 71,926	\$ 0	\$ 0	\$ 71,926
Transportation Fees	4,988	0	0	4,988
Extracurricular Activities	1,975	0	0	1,975
Classroom Materials and Fees	113,537	0	0	113,537
Charges for Services	934,265	5,447,991	389,698	6,771,954
Miscellaneous	<u>33,027</u>	<u>0</u>	<u>0</u>	<u>33,027</u>
Total Operating Revenues	<u>1,159,718</u>	<u>5,447,991</u>	<u>389,698</u>	<u>6,997,407</u>
<u>Operating Expenses</u>				
Salaries and Wages	40,086	0	0	40,086
Fringe Benefits	913,052	6,291,734	1,496,252	8,701,038
Purchased Services	16,753	0	0	16,753
Supplies and Materials	18,401	0	13,022	31,423
Depreciation	3,671	0	0	3,671
Capital Outlay	18,851	0	0	18,851
Other Expenses	<u>149,143</u>	<u>500</u>	<u>1,000</u>	<u>150,643</u>
Total Operating Expenses	<u>1,159,957</u>	<u>6,292,234</u>	<u>1,510,274</u>	<u>8,962,465</u>
Operating Income (Loss)	<u>(239)</u>	<u>(844,243)</u>	<u>(1,120,576)</u>	<u>(1,965,058)</u>
<u>Non-Operating Revenues</u>				
Earnings on Investments	<u>0</u>	<u>9,402</u>	<u>17,034</u>	<u>26,436</u>
Total Non-Operating Revenues	<u>0</u>	<u>9,402</u>	<u>17,034</u>	<u>26,436</u>
Change in Net Assets	(239)	(834,841)	(1,103,542)	(1,938,622)
Net Assets - Beginning of Year	<u>247,121</u>	<u>1,969,181</u>	<u>1,325,634</u>	<u>3,541,936</u>
Net Assets - End of Year	<u>\$ 246,882</u>	<u>\$ 1,134,340</u>	<u>\$ 222,092</u>	<u>\$ 1,603,314</u>

**EUCLID CITY SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

	Special Rotary	Health Reserve	Workers' Compensation	Total
<i>Increase (Decrease) in Cash and Cash Equivalents</i>				
<u>Cash Flows from Operating Activities</u>				
Cash Received from Customers	\$ 1,159,718	\$ 5,447,991	\$ 389,698	\$ 6,997,407
Cash Payments for Goods and Services	(59,164)	0	(13,122)	(72,286)
Cash Payments to Employees for Services	(41,120)	0	0	(41,120)
Cash Payments for Employee Benefits	(913,052)	(5,702,544)	(562,176)	(7,177,772)
Cash Payments for Other Operating Expenses	(149,143)	(500)	(1,000)	(150,643)
Net Cash Provided by (Used for)				
Operating Activities	<u>(2,761)</u>	<u>(255,053)</u>	<u>(186,600)</u>	<u>(444,414)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>				
Payments for Capital Acquisition	(3,060)	0	0	(3,060)
Net Cash (Used for) Capital and Related Financing Activities	<u>(3,060)</u>	<u>0</u>	<u>0</u>	<u>(3,060)</u>
<u>Cash Flows from Investing Activities</u>				
Earnings on Investments	0	9,402	17,034	26,436
Net Cash Provided by Investing Activities	<u>0</u>	<u>9,402</u>	<u>17,034</u>	<u>26,436</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(5,821)	(245,651)	(169,566)	(421,038)
Cash and Cash Equivalents - Beginning of Year	233,569	2,432,891	1,817,891	4,484,351
Cash and Cash Equivalents - End of Year	<u>\$ 227,748</u>	<u>\$ 2,187,240</u>	<u>\$ 1,648,325</u>	<u>\$ 4,063,313</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Operating Income (Loss)	\$ (239)	\$ (844,243)	\$(1,120,576)	\$(1,965,058)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation	3,671	0	0	3,671
Increase/(Decrease) in Liabilities:				
Accounts Payable	(5,159)	0	287,480	282,321
Accrued Salaries and Benefits Payable	(1,019)	0	0	(1,019)
Intergovernmental Payable	(15)	0	136,193	136,178
Claims Payable	0	589,190	510,303	1,099,493
Total Adjustments	<u>(2,522)</u>	<u>589,190</u>	<u>933,976</u>	<u>1,520,644</u>
Net Cash Provided by (Used for)				
Operating Activities	<u>\$ (2,761)</u>	<u>\$ (255,053)</u>	<u>\$ (186,600)</u>	<u>\$ (444,414)</u>

**EUCLID CITY SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

	<u>Balance 6/30/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/04</u>
<i>Student Activities</i>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 34,377	\$ 123,941	\$ 115,516	\$ 42,802
Total Assets	<u>\$ 34,377</u>	<u>\$ 123,941</u>	<u>\$ 115,516</u>	<u>\$ 42,802</u>
<u>Liabilities</u>				
Accounts Payable	\$ 438	\$ 0	\$ 438	\$ 0
Due to Students	<u>33,939</u>	<u>8,863</u>	<u>0</u>	<u>42,802</u>
Total Liabilities	<u>\$ 34,377</u>	<u>\$ 8,863</u>	<u>\$ 438</u>	<u>\$ 42,802</u>

EUCLID CITY SCHOOL DISTRICT

**INDIVIDUAL FUND SCHEDULE OF
REVENUES, EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND
ACTUAL**

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
- BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Taxes	\$34,124,208	\$35,925,529	\$34,397,177	\$(1,528,352)
Intergovernmental	21,693,238	20,961,532	23,072,398	2,110,866
Tuition and Fees	87,500	87,500	104,715	17,215
Transportation Fees	48,500	48,500	57,354	8,854
Earnings on Investments	425,000	425,000	300,851	(124,149)
Classroom Materials and Fees	135,000	135,000	112,954	(22,046)
Charges for Services	207,000	207,000	207,683	683
Miscellaneous	42,600	42,600	53,277	10,677
Total Revenues	<u>56,763,046</u>	<u>57,832,661</u>	<u>58,306,409</u>	<u>473,748</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	17,204,866	17,114,866	17,052,323	62,543
Fringe Benefits	5,349,452	5,266,452	5,251,818	14,634
Purchased Services	291,147	305,676	300,730	4,946
Supplies and Materials	1,557,849	1,700,081	1,575,067	125,014
Capital Outlay	538,839	777,484	764,367	13,117
Other	650	1,210	1,210	0
Total Regular Instruction	<u>24,942,803</u>	<u>25,165,769</u>	<u>24,945,515</u>	<u>220,254</u>
Special Instruction:				
Salaries and Wages	4,451,195	4,285,519	4,208,606	76,913
Fringe Benefits	1,304,334	1,306,426	1,292,066	14,360
Purchased Services	3,260,813	3,281,210	3,008,706	272,504
Supplies and Materials	104,968	94,261	61,028	33,233
Capital Outlay	58,263	56,113	20,857	35,256
Total Special Instruction	<u>9,179,573</u>	<u>9,023,529</u>	<u>8,591,263</u>	<u>432,266</u>
Vocational Education:				
Salaries and Wages	641,733	708,733	708,144	589
Fringe Benefits	191,233	209,233	208,900	333
Purchased Services	970,039	345,805	345,095	710
Supplies and Materials	31,943	31,980	30,693	1,287
Capital Outlay	1,900	399	31	368
Total Vocational Education	<u>1,836,848</u>	<u>1,296,150</u>	<u>1,292,863</u>	<u>3,287</u>
Total Instruction	<u>35,959,224</u>	<u>35,485,448</u>	<u>34,829,641</u>	<u>655,807</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
- BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Support Services:				
Pupil:				
Salaries and Wages	2,620,128	2,632,128	2,631,853	275
Fringe Benefits	816,487	822,487	822,317	170
Purchased Services	244,587	250,729	190,674	60,055
Supplies and Materials	39,487	44,004	31,630	12,374
Capital Outlay	9,000	8,103	6,501	1,602
Other	265	265	80	185
Total Pupil	<u>3,729,954</u>	<u>3,757,716</u>	<u>3,683,055</u>	<u>74,661</u>
Instructional Staff:				
Salaries and Wages	2,304,460	2,373,460	2,364,355	9,105
Fringe Benefits	825,054	924,724	923,709	1,015
Purchased Services	306,980	312,492	198,325	114,167
Supplies and Materials	157,313	350,590	332,869	17,721
Capital Outlay	74,529	87,018	82,129	4,889
Other	2,540	3,668	2,643	1,025
Total Instructional Staff	<u>3,670,876</u>	<u>4,051,952</u>	<u>3,904,030</u>	<u>147,922</u>
Board of Education:				
Salaries and Wages	10,000	10,000	9,600	400
Fringe Benefits	2,242	2,241	1,327	914
Purchased Services	27,450	38,115	28,534	9,581
Supplies and Materials	2,000	2,000	795	1,205
Other	47,600	48,425	13,320	35,105
Total Board of Education	<u>89,292</u>	<u>100,781</u>	<u>53,576</u>	<u>47,205</u>
Administrative:				
Salaries and Wages	2,711,398	2,687,398	2,686,427	971
Fringe Benefits	1,097,666	1,090,141	1,089,234	907
Purchased Services	121,351	119,570	71,377	48,193
Supplies and Materials	49,382	61,610	43,366	18,244
Capital Outlay	2,740	25	0	25
Other	269,068	282,225	282,009	216
Total Administrative	<u>4,251,605</u>	<u>4,240,969</u>	<u>4,172,413</u>	<u>68,556</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
-BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Fiscal Services:				
Salaries and Wages	596,702	606,702	606,650	52
Fringe Benefits	197,232	197,232	196,624	608
Purchased Services	395,492	360,497	246,831	113,666
Supplies and Materials	98,450	99,933	65,160	34,773
Capital Outlay	24,000	50,995	41,901	9,094
Other	<u>594,316</u>	<u>581,316</u>	<u>530,478</u>	<u>50,838</u>
Total Fiscal Services	<u>1,906,192</u>	<u>1,896,675</u>	<u>1,687,644</u>	<u>209,031</u>
Business:				
Salaries and Wages	321,701	321,701	321,537	164
Fringe Benefits	127,440	118,640	118,398	242
Purchased Services	276,201	240,233	172,360	67,873
Supplies and Materials	104,230	112,026	91,434	20,592
Capital Outlay	2,000	6,641	4,641	2,000
Other	<u>3,800</u>	<u>3,800</u>	<u>1,575</u>	<u>2,225</u>
Total Business	<u>835,372</u>	<u>803,041</u>	<u>709,945</u>	<u>93,096</u>
Operation and Maintenance of Plant Services:				
Salaries and Wages	3,415,354	3,382,353	3,381,698	655
Fringe Benefits	1,308,104	1,371,104	1,370,319	785
Purchased Services	2,313,154	2,270,101	2,158,475	111,626
Supplies and Materials	333,933	367,297	307,327	59,970
Capital Outlay	152,049	129,689	110,343	19,346
Other	<u>162,007</u>	<u>163,957</u>	<u>152,490</u>	<u>11,467</u>
Total Operation and Maintenance of Plant Services	<u>7,684,601</u>	<u>7,684,501</u>	<u>7,480,652</u>	<u>203,849</u>
Pupil Transportation:				
Salaries and Wages	1,369,310	1,497,308	1,497,170	138
Fringe Benefits	462,738	494,537	494,361	176
Purchased Services	377,250	458,217	450,120	8,097
Supplies and Materials	253,148	279,680	279,283	397
Capital Outlay	135,969	131,526	131,389	137
Other	<u>50,930</u>	<u>50,970</u>	<u>39,762</u>	<u>11,208</u>
Total Pupil Transportation	<u>2,649,345</u>	<u>2,912,238</u>	<u>2,892,085</u>	<u>20,153</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Central Services:				
Salaries and Wages	441,338	421,336	412,596	8,740
Fringe Benefits	163,428	160,527	160,381	146
Purchased Services	599,103	532,758	424,010	108,748
Supplies and Materials	126,438	164,382	159,431	4,951
Capital Outlay	112,802	190,407	190,083	324
Other	2,000	1,702	423	1,279
Total Central Services	<u>1,445,109</u>	<u>1,471,112</u>	<u>1,346,924</u>	<u>124,188</u>
Total Support Services	<u>26,262,346</u>	<u>26,918,985</u>	<u>25,930,324</u>	<u>988,661</u>
Operation of Non-Instructional Services:				
Food Services:				
Salaries and Wages	32,922	32,922	31,496	1,426
Fringe Benefits	<u>17,044</u>	<u>16,041</u>	<u>15,757</u>	<u>284</u>
Total Food Services	<u>49,966</u>	<u>48,963</u>	<u>47,253</u>	<u>1,710</u>
Community Services:				
Salaries and Wages	141,881	97,881	97,056	825
Fringe Benefits	<u>38,941</u>	<u>35,941</u>	<u>35,724</u>	<u>217</u>
Total Community Services	<u>180,822</u>	<u>133,822</u>	<u>132,780</u>	<u>1,042</u>
Total Operation of Non-Instructional Services	<u>230,788</u>	<u>182,785</u>	<u>180,033</u>	<u>2,752</u>
Extracurricular Activities:				
Academic-Subject Oriented Activities:				
Salaries and Wages	94,940	84,940	84,432	508
Fringe Benefits	15,395	14,194	13,862	332
Purchased Services	3,000	2,155	2,106	49
Capital Outlay	<u>1,500</u>	<u>1,500</u>	<u>0</u>	<u>1,500</u>
Total Academic-Subject Oriented Activities	<u>114,835</u>	<u>102,789</u>	<u>100,400</u>	<u>2,389</u>
Occupation Oriented Activities:				
Salaries and Wages	7,984	9,184	8,993	191
Fringe Benefits	<u>1,295</u>	<u>1,694</u>	<u>1,496</u>	<u>198</u>
Total Occupation Oriented Activities	<u>9,279</u>	<u>10,878</u>	<u>10,489</u>	<u>389</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Sport Oriented Activities:				
Salaries and Wages	463,955	445,844	445,409	435
Fringe Benefits	117,810	114,910	114,755	155
Purchased Services	4,750	4,860	1,610	3,250
Supplies and Materials	4,400	3,424	3,332	92
Capital Outlay	7,500	8,475	8,475	0
Other	3,000	3,000	2,800	200
<u>Total Sport Oriented Activities</u>	<u>601,415</u>	<u>580,513</u>	<u>576,381</u>	<u>4,132</u>
Co-Curricular:				
Salaries and Wages	56,096	60,496	60,300	196
Fringe Benefits	9,096	10,096	10,020	76
<u>Total Co-Curricular</u>	<u>65,192</u>	<u>70,592</u>	<u>70,320</u>	<u>272</u>
<u>Total Extracurricular Activities</u>	<u>790,721</u>	<u>764,772</u>	<u>757,590</u>	<u>7,182</u>
Total Expenditures	<u>63,243,079</u>	<u>63,351,990</u>	<u>61,697,588</u>	<u>1,654,402</u>
Excess of Revenue Over (Under) Expenditures	<u>(6,480,033)</u>	<u>(5,519,329)</u>	<u>(3,391,179)</u>	<u>2,128,150</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	95	95	95	0
Operating Transfers Out	(244,773)	(244,773)	(244,773)	0
Advances In	22,067	22,067	22,067	0
Advances Out	(80,000)	(80,000)	(14,581)	65,419
Contingencies	(150,000)	(41,089)	0	41,089
Refund of Prior Year Receipts	(1,500)	(1,500)	(1,959)	(459)
Total Other Financing Sources (Uses)	<u>(454,111)</u>	<u>(345,200)</u>	<u>(239,151)</u>	<u>106,049</u>
Net Change in Fund Balance	(6,934,144)	(5,864,529)	(3,630,330)	2,234,199
Fund Balance Beginning of Year	19,142,476	19,142,476	19,142,476	0
Prior Year Encumbrances Appropriated	<u>2,529,273</u>	<u>2,529,273</u>	<u>2,529,273</u>	<u>0</u>
Fund Balance End of Year	<u>\$14,737,605</u>	<u>\$15,807,220</u>	<u>\$18,041,419</u>	<u>\$ 2,234,199</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
BOND RETIREMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 1,936,662	\$ 1,753,380	\$ 1,721,510	\$ (31,870)
Intergovernmental	<u>0</u>	<u>215,744</u>	<u>224,305</u>	<u>8,561</u>
Total Revenues	<u>1,936,662</u>	<u>1,969,124</u>	<u>1,945,815</u>	<u>(23,309)</u>
<u>Expenditures</u>				
Current:				
Debt Service:				
Principal and Retirement	557,726	557,726	537,093	20,633
Interest and Fiscal Charges	<u>1,537,299</u>	<u>1,537,299</u>	<u>1,480,427</u>	<u>56,872</u>
Total Debt Service	<u>2,095,025</u>	<u>2,095,025</u>	<u>2,017,520</u>	<u>77,505</u>
Total Expenditures	<u>2,095,025</u>	<u>2,095,025</u>	<u>2,017,520</u>	<u>77,505</u>
Excess of Revenues Over (Under) Expenditures	<u>(158,363)</u>	<u>(125,901)</u>	<u>(71,705)</u>	<u>54,196</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Notes	0	0	122,503	122,503
Operating Transfers In	<u>0</u>	<u>244,773</u>	<u>244,773</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>244,773</u>	<u>367,276</u>	<u>122,503</u>
Net Change in Fund Balance	(158,363)	118,872	295,571	176,699
Fund Balance Beginning of Year	1,497,418	1,497,418	1,497,418	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 1,339,055</u></u>	<u><u>\$ 1,616,290</u></u>	<u><u>\$ 1,792,989</u></u>	<u><u>\$ 176,699</u></u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SPECIAL TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Earnings on Investments	\$ 0	\$ 435	\$ 375	\$ (60)
Miscellaneous	<u>30,000</u>	<u>4,853</u>	<u>19,305</u>	<u>14,452</u>
Total Revenues	<u>30,000</u>	<u>5,288</u>	<u>19,680</u>	<u>14,392</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	20,100	20,100	20,100	0
Fringe Benefits	3,105	3,105	3,105	0
Purchased Services	63	2,300	2,300	0
Supplies and Materials	5,817	5,140	2,637	2,503
Capital Outlay	<u>40,340</u>	<u>42,621</u>	<u>37,135</u>	<u>5,486</u>
Total Regular Instruction	<u>69,425</u>	<u>73,266</u>	<u>65,277</u>	<u>7,989</u>
Special:				
Purchased Services	<u>362</u>	<u>362</u>	<u>0</u>	<u>362</u>
Total Special Instruction	<u>362</u>	<u>362</u>	<u>0</u>	<u>362</u>
Total Instruction	<u>69,787</u>	<u>73,628</u>	<u>65,277</u>	<u>8,351</u>
Operation of Non-Instructional Services:				
Community Service:				
Supplies and Materials	4,043	4,705	0	4,705
Other	<u>17,240</u>	<u>16,578</u>	<u>1,250</u>	<u>15,328</u>
Total Community Services	<u>21,283</u>	<u>21,283</u>	<u>1,250</u>	<u>20,033</u>
Total Operation of Non-Instructional Services	<u>21,283</u>	<u>21,283</u>	<u>1,250</u>	<u>20,033</u>
Extracurricular Activities:				
Academic-Subject Oriented Activities:				
Capital Outlay	<u>8,801</u>	<u>8,801</u>	<u>0</u>	<u>8,801</u>
Total Academic-Subject Oriented Activities	<u>8,801</u>	<u>8,801</u>	<u>0</u>	<u>8,801</u>
Total Extracurricular Activities	<u>8,801</u>	<u>8,801</u>	<u>0</u>	<u>8,801</u>
Total Expenditures	<u>99,871</u>	<u>103,712</u>	<u>66,527</u>	<u>37,185</u>
Net Change in Fund Balance	(69,871)	(98,424)	(46,847)	51,577
Fund Balance - Beginning of Year	70,429	70,429	70,429	0
Prior Year Encumbrances Appropriated	<u>27,995</u>	<u>27,995</u>	<u>27,995</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 28,553</u>	<u>\$ 0</u>	<u>\$ 51,577</u>	<u>\$ 51,577</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
PUBLIC SCHOOL SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 24,439	\$ 4,809	\$ 21,953	\$ 17,144
Transportation Fees	16,755	10,500	15,051	4,551
Food Services	0	200	0	(200)
Extracurricular	164,274	185,054	147,565	(37,489)
Miscellaneous	<u>58,841</u>	<u>43,500</u>	<u>52,856</u>	<u>9,356</u>
Total Revenues	<u>264,309</u>	<u>244,063</u>	<u>237,425</u>	<u>(6,638)</u>
<u>Expenditures</u>				
Current:				
Extracurricular Activities:				
Co-Curricular:				
Purchased Services	61,142	65,716	86,500	(20,784)
Supplies and Materials	155,024	158,200	148,865	9,335
Capital Outlay	22,250	20,750	6,319	14,431
Other	<u>36,700</u>	<u>36,950</u>	<u>23,079</u>	<u>13,871</u>
Total Co-Curricular	<u>275,116</u>	<u>281,616</u>	<u>264,763</u>	<u>16,853</u>
Total Extracurricular Activities	<u>275,116</u>	<u>281,616</u>	<u>264,763</u>	<u>16,853</u>
Total Expenditures	<u>275,116</u>	<u>281,616</u>	<u>264,763</u>	<u>16,853</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(10,807)</u>	<u>(37,553)</u>	<u>(27,338)</u>	<u>10,215</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	191	191	191	0
Operating Transfers Out	(8,000)	(7,200)	0	7,200
Contingencies	(21,012)	(15,312)	0	15,312
Refund of Prior Year Receipts	<u>(2,100)</u>	<u>(2,100)</u>	<u>(40)</u>	<u>2,060</u>
Total Other Financing Sources (Uses)	<u>(30,921)</u>	<u>(24,421)</u>	<u>151</u>	<u>24,572</u>
Net Change in Fund Balance	(41,728)	(61,974)	(27,187)	34,787
Fund Balance Beginning of Year	42,129	42,129	42,129	0
Prior Year Encumbrances Appropriated	<u>19,845</u>	<u>19,845</u>	<u>19,845</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 20,246</u>	<u>\$ 0</u>	<u>\$ 34,787</u>	<u>\$ 34,787</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TRANSFORMATION INITIATIVE GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive <u>(Negative)</u>
<u>Revenues</u>				
Miscellaneous	\$ 956,000	\$ 956,000	\$ 774,180	\$ (181,820)
Total Revenues	<u>956,000</u>	<u>956,000</u>	<u>774,180</u>	<u>(181,820)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	0	123,000	116,662	6,338
Fringe Benefits	0	24,000	22,883	1,117
Purchased Services	0	266,000	231,488	34,512
Supplies and Materials	0	30,000	31,375	(1,375)
Capital Outlay	0	10,000	9,995	5
Total Regular Instruction	<u>0</u>	<u>453,000</u>	<u>412,403</u>	<u>40,597</u>
Total Instruction	<u>0</u>	<u>453,000</u>	<u>412,403</u>	<u>40,597</u>
Support Services:				
Administrative:				
Fringe Benefits	0	359,000	288,027	70,973
Purchased Services	0	144,000	114,553	29,447
Total Administrative	<u>0</u>	<u>503,000</u>	<u>402,580</u>	<u>100,420</u>
Total Support Services	<u>0</u>	<u>503,000</u>	<u>402,580</u>	<u>100,420</u>
Total Expenditures	<u>0</u>	<u>956,000</u>	<u>814,983</u>	<u>141,017</u>
Net Change in Fund Balance	956,000	0	(40,803)	(40,803)
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 956,000</u>	<u>\$ 0</u>	<u>\$ (40,803)</u>	<u>\$ (40,803)</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL -
STUDENT ACTIVITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 4,972	\$ 10,450	\$ 3,327	\$ (7,123)
Transportation Fees	35,942	47,100	24,048	(23,052)
Food Services	0	8,210	0	(8,210)
Extracurricular	335,986	315,405	224,801	(90,604)
Miscellaneous	93,100	89,366	62,291	(27,075)
Total Revenues	<u>470,000</u>	<u>470,531</u>	<u>314,467</u>	<u>(156,064)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Academic-Subject Oriented Activities:				
Purchased Services	74,041	74,041	33,303	40,738
Supplies and Materials	72,293	72,293	33,652	38,641
Capital Outlay	25,129	25,129	14,105	11,024
Other	25,796	25,796	22,891	2,905
Total Academic-Subject Oriented Activities	<u>197,259</u>	<u>197,259</u>	<u>103,951</u>	<u>93,308</u>
Sport-Oriented Activities:				
Purchased Services	62,000	62,000	45,119	16,881
Supplies and Materials	10,030	10,030	9,604	426
Capital Outlay	71,046	71,046	61,337	9,709
Other	26,184	26,184	18,537	7,647
Total Sport-Oriented Activities	<u>169,260</u>	<u>169,260</u>	<u>134,597</u>	<u>34,663</u>
Co-Curricular Activities:				
Purchased Services	51,850	51,850	40,255	11,595
Supplies and Materials	69,458	69,458	23,039	46,419
Capital Outlay	8,460	8,460	317	8,143
Other	4,680	4,680	1,021	3,659
Total Co-Curricular Activities	<u>134,448</u>	<u>134,448</u>	<u>64,632</u>	<u>69,816</u>
Total Extracurricular Activities	<u>500,967</u>	<u>500,967</u>	<u>303,180</u>	<u>197,787</u>
Total Expenditures	<u>500,967</u>	<u>500,967</u>	<u>303,180</u>	<u>197,787</u>
Excess of Revenues Over (Under) Expenditures	<u>(30,967)</u>	<u>(30,436)</u>	<u>11,287</u>	<u>41,723</u>
Other Financing Sources (Uses)				
Operating Transfers Out	(8,991)	(8,991)	(191)	8,800
Contingencies	(15,570)	(15,570)	0	15,570
Refund of Prior Year Receipts	(3,770)	(3,770)	(989)	2,781
Total Other Financing Sources (Uses)	<u>(28,331)</u>	<u>(28,331)</u>	<u>(1,180)</u>	<u>27,151</u>
Net Change in Fund Balance	<u>(59,298)</u>	<u>(58,767)</u>	<u>10,107</u>	<u>68,874</u>
Fund Balance Beginning of Year	61,268	61,268	61,268	0
Prior Year Encumbrances Appropriated	550	550	550	0
Fund Balance End of Year	<u>\$ 2,520</u>	<u>\$ 3,051</u>	<u>\$ 71,925</u>	<u>\$ 68,874</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL -
AUXILIARY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,064,070	\$ 1,003,964	\$ 922,219	\$ (81,745)
Earnings on Investments	1,930	1,674	1,673	(1)
Total Revenues	1,066,000	1,005,638	923,892	(81,746)
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Service:				
Salaries and Wages	298,167	298,525	269,707	28,818
Fringe Benefits	89,935	83,611	82,147	1,464
Purchased Services	260,792	376,150	354,021	22,129
Supplies and Materials	390,363	378,067	334,790	43,277
Capital Outlay	51,837	64,637	57,080	7,557
Other	600	600	600	0
Total Community Service	1,091,694	1,201,590	1,098,345	103,245
Total Operation of Non-Instructional Services	1,091,694	1,201,590	1,098,345	103,245
Total Expenditures	1,091,694	1,201,590	1,098,345	103,245
Excess of Revenues Over (Under)				
Expenditures	(25,694)	(195,952)	(174,453)	21,499
Other Financing Sources (Uses)				
Advances Out	(13,277)	(13,277)	(13,277)	0
Total Other Financing Sources (Uses)	(13,277)	(13,277)	(13,277)	0
Net Change in Fund Balance	(38,971)	(209,229)	(187,730)	21,499
Fund Balance Beginning of Year	39,351	39,351	39,351	0
Prior Year Encumbrances Appropriated	170,698	170,698	170,698	0
Fund Balance End of Year	\$ 171,078	\$ 820	\$ 22,319	\$ 21,499

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
EDUCATIONAL MANAGEMENT INFORMATION SYSTEM FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 24,000	\$ 20,000	\$ 23,257	\$ 3,257
Total Revenues	<u>24,000</u>	<u>20,000</u>	<u>23,257</u>	<u>3,257</u>
<u>Expenditures</u>				
Current:				
Support Services:				
Central:				
Purchased Services	<u>53,849</u>	<u>53,849</u>	<u>40,639</u>	<u>13,210</u>
Total Central Services	<u>53,849</u>	<u>53,849</u>	<u>40,639</u>	<u>13,210</u>
Total Support Services	<u>53,849</u>	<u>53,849</u>	<u>40,639</u>	<u>13,210</u>
Total Expenditures	<u>53,849</u>	<u>53,849</u>	<u>40,639</u>	<u>13,210</u>
Net Change in Fund Balance	(29,849)	(33,849)	(17,382)	16,467
Fund Balance Beginning of Year	33,849	33,849	33,849	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 4,000</u>	<u>\$ 0</u>	<u>\$ 16,467</u>	<u>\$ 16,467</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
PUBLIC SCHOOL PRESCHOOL GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 95,000	\$ 91,575	\$ 80,586	\$ (10,989)
Total Revenues	<u>95,000</u>	<u>91,575</u>	<u>80,586</u>	<u>(10,989)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	74,671	74,671	63,303	11,368
Fringe Benefits	27,647	27,647	24,478	3,169
Purchased Services	1,000	1,000	885	115
Supplies and Materials	7,000	7,000	6,883	117
Capital Outlay	<u>1,000</u>	<u>1,000</u>	<u>1,012</u>	<u>(12)</u>
Total Regular Instruction	<u>111,318</u>	<u>111,318</u>	<u>96,561</u>	<u>14,757</u>
Total Instruction	<u>111,318</u>	<u>111,318</u>	<u>96,561</u>	<u>14,757</u>
Support Services:				
Pupil:				
Supplies and Materials	<u>322</u>	<u>322</u>	<u>322</u>	<u>0</u>
Total Pupil	<u>322</u>	<u>322</u>	<u>322</u>	<u>0</u>
Administrative:				
Salaries and Wages	<u>0</u>	<u>0</u>	<u>1,475</u>	<u>(1,475)</u>
Total Administrative	<u>0</u>	<u>0</u>	<u>1,475</u>	<u>(1,475)</u>
Total Support Services	<u>322</u>	<u>322</u>	<u>1,797</u>	<u>(1,475)</u>
Total Expenditures	<u>111,640</u>	<u>111,640</u>	<u>98,358</u>	<u>13,282</u>
Net Change in Fund Balance	(16,640)	(20,065)	(17,772)	2,293
Fund Balance Beginning of Year	19,743	19,743	19,743	0
Prior Year Encumbrances Appropriated	<u>322</u>	<u>322</u>	<u>322</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 3,425</u>	<u>\$ 0</u>	<u>\$ 2,293</u>	<u>\$ 2,293</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SCHOOL NET PROFESSIONAL DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 5,000	\$ 4,140	\$ 4,140	\$ 0
Total Revenues	<u>5,000</u>	<u>4,140</u>	<u>4,140</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	0	1,380	0	1,380
Fringe Benefits	0	230	135	95
Purchased Services	<u>0</u>	<u>2,530</u>	<u>2,325</u>	<u>205</u>
Total Regular Instruction	<u>0</u>	<u>4,140</u>	<u>2,460</u>	<u>1,680</u>
Total Instruction	<u>0</u>	<u>4,140</u>	<u>2,460</u>	<u>1,680</u>
Total Expenditures	<u>0</u>	<u>4,140</u>	<u>2,460</u>	<u>1,680</u>
Net Change in Fund Balance	5,000	0	1,680	1,680
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 5,000</u>	<u>\$ 0</u>	<u>\$ 1,680</u>	<u>\$ 1,680</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
OHIO READS GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 113,500	\$ 87,500	\$ 87,500	\$ 0
Total Revenues	<u>113,500</u>	<u>87,500</u>	<u>87,500</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	78,891	47,890	47,591	299
Fringe Benefits	14,615	9,668	9,618	50
Purchased Services	8,200	500	500	0
Supplies and Materials	19,047	44,806	44,807	(1)
Capital Outlay	<u>0</u>	<u>140</u>	<u>140</u>	<u>0</u>
Total Regular Instruction	<u>120,753</u>	<u>103,004</u>	<u>102,656</u>	<u>348</u>
Support Services:				
Instructional Staff:				
Supplies and Materials	<u>0</u>	<u>250</u>	<u>250</u>	<u>0</u>
Total Instruction Staff	<u>0</u>	<u>250</u>	<u>250</u>	<u>0</u>
Total Support Services	<u>0</u>	<u>250</u>	<u>250</u>	<u>0</u>
Total Expenditures	<u>120,753</u>	<u>103,254</u>	<u>102,906</u>	<u>348</u>
Net Change in Fund Balance	(7,253)	(15,754)	(15,406)	348
Fund Balance Beginning of Year	7,278	7,278	7,278	0
Prior Year Encumbrances Appropriated	<u>8,476</u>	<u>8,476</u>	<u>8,476</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 8,501</u>	<u>\$ 0</u>	<u>\$ 348</u>	<u>\$ 348</u>

**EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL -
STUDENT INTERVENTION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 112,736	\$ 112,736	\$ 102,840	\$ 9,896
Total Revenues	<u>112,736</u>	<u>112,736</u>	<u>102,840</u>	<u>9,896</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	0	74,485	73,823	662
Fringe Benefits	0	12,494	12,385	109
Purchases Services	0	3,299	3,299	0
Supplies and Materials	<u>0</u>	<u>22,458</u>	<u>22,457</u>	<u>1</u>
Total Regular Instruction	<u>0</u>	<u>112,736</u>	<u>111,964</u>	<u>772</u>
Total Expenditures	<u>0</u>	<u>112,736</u>	<u>11,964</u>	<u>772</u>
Net Change in Fund Balance	112,736	0	(9,124)	(9,124)
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 112,736</u>	<u>\$ 0</u>	<u>\$ (9,124)</u>	<u>\$ (9,124)</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL -
VOCATIONAL EDUCATION ENHANCEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 1,837	\$ 8,290	\$ 7,004	\$ (1,286)
Total Revenues	<u>1,837</u>	<u>8,290</u>	<u>7,004</u>	<u>(1,286)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Vocational Education:				
Capital Outlay	<u>0</u>	<u>8,290</u>	<u>6,453</u>	<u>1,837</u>
Total Vocational Education	<u>0</u>	<u>8,290</u>	<u>6,453</u>	<u>1,837</u>
Total Instruction	<u>0</u>	<u>8,290</u>	<u>6,453</u>	<u>1,837</u>
Total Expenditures	<u>0</u>	<u>8,290</u>	<u>6,453</u>	<u>1,837</u>
Net Change in Fund Balance	1,837	0	551	551
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 1,837</u>	<u>\$ 0</u>	<u>\$ 551</u>	<u>\$ 551</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ALTERNATIVE SCHOOL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive <u>(Negative)</u>
Revenues				
Intergovernmental	\$ 278,200	\$ 259,982	\$ 192,245	\$ (67,737)
Total Revenues	<u>278,200</u>	<u>259,982</u>	<u>192,245</u>	<u>(67,737)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	62,823	104,830	104,830	0
Fringe Benefits	18,618	29,999	29,999	0
Purchased Services	22,978	10,894	10,745	149
Supplies and Materials	25,062	21,132	21,132	0
Capital Outlay	<u>18,236</u>	<u>38,535</u>	<u>38,535</u>	<u>0</u>
Total Regular Instruction	<u>147,717</u>	<u>205,390</u>	<u>205,241</u>	<u>149</u>
Total Instruction	<u>147,717</u>	<u>205,390</u>	<u>205,241</u>	<u>149</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	15,250	24,632	24,632	0
Fringe Benefits	2,561	4,052	4,053	(1)
Purchased Services	4,893	2,350	2,350	0
Supplies and Materials	<u>750</u>	<u>1,375</u>	<u>1,375</u>	<u>0</u>
Total Instructional Staff	<u>23,454</u>	<u>32,409</u>	<u>32,410</u>	<u>(1)</u>
Administrative:				
Salaries and Wages	11,538	11,538	11,538	0
Fringe Benefits	1,844	2,338	2,338	0
Purchased Services	<u>3,000</u>	<u>6,854</u>	<u>6,854</u>	<u>0</u>
Total Administrative	<u>16,382</u>	<u>20,730</u>	<u>20,730</u>	<u>0</u>
Operation and Maintenance of Plant Services:				
Capital Outlay	<u>6,900</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Operation and Maintenance of Plant Services	<u>6,900</u>	<u>0</u>	<u>0</u>	<u>0</u>
Pupil Transportation:				
Purchases Services	<u>1,500</u>	<u>1,492</u>	<u>1,492</u>	<u>0</u>
Total Pupil Transportation	<u>1,500</u>	<u>1,492</u>	<u>1,492</u>	<u>0</u>
Total Support Services	<u>48,236</u>	<u>54,631</u>	<u>54,632</u>	<u>(1)</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ALTERNATIVE SCHOOL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Operation of Non-Instructional Services:				
Community Service:				
Salaries and Wages	47,172	4,112	4,112	0
Fringe Benefits	18,700	918	918	0
Purchased Services	22,950	15,081	15,080	1
Supplies and Materials	1,658	180	180	0
Total Community Service	<u>90,480</u>	<u>20,291</u>	<u>20,290</u>	<u>1</u>
Total Operation of Non-Instructional Services	<u>90,480</u>	<u>20,291</u>	<u>20,290</u>	<u>1</u>
Total Expenditures	<u>286,433</u>	<u>280,312</u>	<u>280,163</u>	<u>149</u>
Net Change in Fund Balance	(8,233)	(20,330)	(87,918)	(67,588)
Fund Balance Beginning of Year	8,306	8,306	8,306	0
Prior Year Encumbrances Appropriated	<u>12,025</u>	<u>12,025</u>	<u>12,025</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 12,098</u>	<u>\$ 1</u>	<u>\$ (67,587)</u>	<u>\$ (67,588)</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
MISCELLANEOUS STATE GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 38,000	\$ 21,780	\$ 21,780	\$ 0
Total Revenues	<u>38,000</u>	<u>21,780</u>	<u>21,780</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	3,126	10,876	16,351	(5,475)
Fringe Benefits	694	2,243	2,870	(627)
Purchased Services	18,000	21,500	18,000	3,500
Supplies and Materials	<u>2,000</u>	<u>5,700</u>	<u>1,999</u>	<u>3,701</u>
Total Regular Instruction	<u>23,820</u>	<u>40,319</u>	<u>39,220</u>	<u>1,099</u>
Total Instruction	<u>23,820</u>	<u>40,319</u>	<u>39,220</u>	<u>1,099</u>
Support Services:				
Instructional Staff:				
Supplies and Materials	<u>5,341</u>	<u>5,341</u>	<u>5,341</u>	<u>0</u>
Total Instructional Staff	<u>5,341</u>	<u>5,341</u>	<u>5,341</u>	<u>0</u>
Total Support Services	<u>5,341</u>	<u>5,341</u>	<u>5,341</u>	<u>0</u>
Total Expenditures	<u>29,161</u>	<u>45,660</u>	<u>44,561</u>	<u>1,099</u>
Excess of Revenues Over (Under)				
Expenditures	<u>8,839</u>	<u>(23,880)</u>	<u>(22,781)</u>	<u>1,099</u>
<u>Other Financing Sources (Uses)</u>				
Refund of Prior Year Receipts	<u>0</u>	<u>0</u>	<u>(1,100)</u>	<u>(1,100)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(1,100)</u>	<u>(1,100)</u>
Net Change in Fund Balance	8,839	(23,880)	(23,881)	(1)
Fund Balance Beginning of Year	61	61	61	0
Prior Year Encumbrances Appropriated	<u>23,820</u>	<u>23,820</u>	<u>23,820</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 32,720</u>	<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ (1)</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ADULT BASIC EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive <u>(Negative)</u>
Revenues				
Intergovernmental	\$ 755,546	\$ 766,413	\$ 631,261	\$ (135,152)
Total Revenues	<u>755,546</u>	<u>766,413</u>	<u>631,261</u>	<u>(135,152)</u>
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	59,170	68,388	67,537	851
Fringe Benefits	16,732	19,492	17,348	2,144
Purchased Services	23,930	24,402	21,336	3,066
Supplies and Materials	6,618	6,181	4,714	1,467
Capital Outlay	<u>1,700</u>	<u>1,665</u>	<u>1,665</u>	<u>0</u>
Total Adult/Continuing	<u>108,150</u>	<u>120,128</u>	<u>112,600</u>	<u>7,528</u>
Total Instruction	<u>108,150</u>	<u>120,128</u>	<u>112,600</u>	<u>7,528</u>
Support Services:				
Instruction Staff:				
Salaries and Wages	357,746	346,316	285,090	61,226
Fringe Benefits	119,911	100,107	91,602	8,505
Purchased Services	130,954	181,972	133,449	48,523
Supplies and Materials	30,097	38,488	30,582	7,906
Capital Outlay	6,522	16,522	14,392	2,130
Other	<u>1,610</u>	<u>1,610</u>	<u>4,847</u>	<u>(3,237)</u>
Total Instructional Staff	<u>646,840</u>	<u>685,015</u>	<u>559,962</u>	<u>125,053</u>
Administrative:				
Salaries and Wages	18,000	18,000	18,000	0
Purchased Services	<u>1,200</u>	<u>1,500</u>	<u>1,500</u>	<u>0</u>
Total Administrative	<u>19,200</u>	<u>19,500</u>	<u>19,500</u>	<u>0</u>
Total Support Services	<u>666,040</u>	<u>704,515</u>	<u>579,462</u>	<u>125,053</u>
Total Expenditures	<u>774,190</u>	<u>824,643</u>	<u>692,062</u>	<u>132,581</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(18,644)</u>	<u>(58,230)</u>	<u>(60,801)</u>	<u>2,571</u>
Other Financing Sources (Uses)				
Operating Transfers In	45,454	45,454	45,454	0
Operating Transfers Out	<u>(45,454)</u>	<u>(45,454)</u>	<u>(45,454)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ADULT BASIC EDUCATION FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive <u>(Negative)</u>
Net Change in Fund Balance	(18,644)	(58,230)	(60,801)	(2,571)
Fund Balance Beginning of Year	19,420	19,420	19,420	0
Prior Year Encumbrances Appropriated	<u>38,810</u>	<u>38,810</u>	<u>38,810</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 39,586</u>	<u>\$ 0</u>	<u>\$ (2,571)</u>	<u>\$ (2,571)</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
EISENHOWER PROFESSIONAL DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 21,000	\$ 26,164	\$ 26,164	\$ 0
Total Revenues	<u>21,000</u>	<u>26,164</u>	<u>26,164</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	364	364	364	0
Fringe Benefits	<u>85</u>	<u>85</u>	<u>85</u>	<u>0</u>
Total Regular Instruction	<u>449</u>	<u>449</u>	<u>449</u>	<u>0</u>
Total Instruction	<u>449</u>	<u>449</u>	<u>449</u>	<u>0</u>
Support Services:				
Instructional Staff:				
Capital Outlay	<u>19,094</u>	<u>26,164</u>	<u>26,164</u>	<u>0</u>
Total Instructional Staff	<u>19,094</u>	<u>26,164</u>	<u>26,164</u>	<u>0</u>
Total Support Services	<u>19,094</u>	<u>26,164</u>	<u>26,164</u>	<u>0</u>
Total Expenditures	<u>19,543</u>	<u>26,613</u>	<u>26,613</u>	<u>0</u>
Net Change in Fund Balance	1,457	(449)	(449)	0
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>449</u>	<u>449</u>	<u>449</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 1,906</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
IDEA - PART B, SPECIAL EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 1,019,000	\$ 934,658	\$ 934,658	\$ 0
Total Revenues	<u>1,019,000</u>	<u>934,658</u>	<u>934,658</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Special Instruction:				
Purchased Services	<u>834,675</u>	<u>834,266</u>	<u>834,266</u>	<u>0</u>
Total Special Instruction	<u>834,675</u>	<u>834,266</u>	<u>834,266</u>	<u>0</u>
Total Instruction	<u>834,675</u>	<u>834,266</u>	<u>834,266</u>	<u>0</u>
Operation of Non-Instructional Services:				
Community Service:				
Salaries and Wages	85,863	85,863	85,863	0
Fringe Benefits	<u>32,113</u>	<u>32,113</u>	<u>32,113</u>	<u>0</u>
Total Community Service	<u>117,976</u>	<u>117,976</u>	<u>117,976</u>	<u>0</u>
Total Operation of Non-Instructional Services	<u>117,976</u>	<u>117,976</u>	<u>117,976</u>	<u>0</u>
Total Expenditures	<u>952,651</u>	<u>952,242</u>	<u>952,242</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>66,349</u>	<u>(17,584)</u>	<u>(17,584)</u>	<u>0</u>
<u>Other Financing Sources (Uses)</u>				
Advances Out	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>0</u>
Net Change in Fund Balance	64,349	(19,584)	(19,584)	0
Fund Balance Beginning of Year	(63,979)	(63,979)	(63,979)	0
Prior Year Encumbrances Appropriated	<u>83,563</u>	<u>83,563</u>	<u>83,563</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 83,933</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
LIMITED ENGLISH PROFICIENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 40,172	\$ 57,878	\$ 53,050	\$ (4,828)
Total Revenues	<u>40,172</u>	<u>57,878</u>	<u>53,050</u>	<u>(4,828)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	0	36,972	36,972	0
Fringe Benefits	0	20,906	20,906	0
Purchased Services	31,344	0	0	0
Supplies and Materials	<u>7,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Regular Instruction	<u>38,344</u>	<u>57,878</u>	<u>57,878</u>	<u>0</u>
Operation of Non-Instructional Services:				
Community Service:				
Purchased Services	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Community Services	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Operation of Non-Instructional Services	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>40,344</u>	<u>57,878</u>	<u>57,878</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(172)</u>	<u>0</u>	<u>(4,828)</u>	<u>(4,828)</u>
<u>Other Financing Sources (Uses)</u>				
Advances In	4,828	4,828	4,828	0
Refund of Prior Year Receipts	<u>0</u>	<u>(4,828)</u>	<u>0</u>	<u>4,828</u>
Total Other Financing Sources (Uses)	<u>4,828</u>	<u>0</u>	<u>4,828</u>	<u>4,828</u>
Net Change in Fund Balance	4,656	0	0	0
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 4,656</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE I FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 1,930,710	\$ 1,130,283	\$ 793,967	\$ (336,316)
Total Revenues	<u>1,930,710</u>	<u>1,130,283</u>	<u>793,967</u>	<u>(336,316)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	526,737	29,538	25,680	3,858
Fringe Benefits	138,899	4,648	4,051	597
Purchased Services	294,422	46,922	51,397	(4,475)
Supplies and Materials	31,132	6,032	6,032	0
Total Regular Instruction	<u>991,190</u>	<u>87,140</u>	<u>87,160</u>	<u>(20)</u>
Special Instruction:				
Salaries and Wages	531,431	592,852	489,124	103,728
Fringe Benefits	156,517	171,517	135,063	36,454
Purchased Services	15,075	35,075	14,911	20,164
Supplies and Materials	97,709	98,591	20,085	78,506
Capital Outlay	27,882	27,882	14,886	12,996
Total Special Instruction	<u>828,614</u>	<u>925,917</u>	<u>674,069</u>	<u>251,848</u>
Total Instruction	<u>1,819,804</u>	<u>1,013,057</u>	<u>761,229</u>	<u>251,828</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	14,353	21,788	20,880	908
Fringe Benefits	5,936	6,996	7,340	(344)
Purchased Services	80,000	80,000	12,928	67,072
Supplies and Materials	8,803	10,804	8,880	1,924
Total Instructional Staff	<u>109,092</u>	<u>119,588</u>	<u>50,028</u>	<u>69,560</u>
Administrative:				
Salaries and Wages	27,043	27,043	9,849	17,194
Fringe Benefits	8,408	8,409	1,937	6,472
Total Administrative	<u>35,451</u>	<u>35,452</u>	<u>11,786</u>	<u>23,666</u>
Total Support Services	<u>144,543</u>	<u>155,040</u>	<u>61,814</u>	<u>93,226</u>
Operation of Non-Instructional Services:				
Community Service:				
Salaries and Wages	25,000	30,851	8,715	22,136
Fringe Benefits	7,500	7,500	1,426	6,074
Supplies and Materials	20,275	20,275	21,062	(787)
Capital Outlay	8,000	7,708	738	6,970
Total Community Service	<u>60,775</u>	<u>66,334</u>	<u>31,941</u>	<u>34,393</u>
Total Operation of Non-Instructional Services	<u>60,775</u>	<u>66,334</u>	<u>31,941</u>	<u>34,393</u>
Total Expenditures	<u>2,025,122</u>	<u>1,234,431</u>	<u>854,984</u>	<u>379,447</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE I FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
Excess of Revenues Over (Under) Expenditures	<u>(94,412)</u>	<u>(104,148)</u>	<u>(61,017)</u>	<u>43,131</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	30,290	30,290	30,290	0
Operating Transfers Out	<u>(30,290)</u>	<u>(30,290)</u>	<u>(30,290)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(94,412)	(104,148)	(61,017)	43,131
Fund Balance Beginning of Year	64,752	64,752	64,752	0
Prior Year Encumbrances Appropriated	<u>39,396</u>	<u>39,396</u>	<u>39,396</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 9,736</u>	<u>\$ 0</u>	<u>\$ 43,131</u>	<u>\$ 43,131</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE VI FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$ 41,350	\$ 76,659	\$ 8,330	\$ (68,329)
Total Revenues	<u>41,350</u>	<u>76,659</u>	<u>8,330</u>	<u>(68,329)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	27,533	27,533	2,533	25,000
Fringe Benefits	7,191	7,191	391	6,800
Supplies and Materials	2,500	14,530	0	14,530
Capital Outlay	1,500	25,000	0	25,000
Total Regular Instruction	<u>38,724</u>	<u>74,254</u>	<u>2,924</u>	<u>71,330</u>
Total Instruction	<u>38,724</u>	<u>74,254</u>	<u>2,924</u>	<u>71,330</u>
Support Services:				
Instructional Staff:				
Purchased Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instructional Staff	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operation of Non-Instructional Services:				
Community Service:				
Salaries and Wages	2,180	2,180	0	2,180
Fringe Benefits	334	334	0	334
Purchased Services	2,200	3,000	5,222	(2,222)
Supplies and Materials	3,888	5,724	2,537	3,187
Capital Outlay	1,877	1,577	1,259	318
Total Community Service	<u>10,479</u>	<u>12,815</u>	<u>9,018</u>	<u>3,797</u>
Total Operation of Non-Instructional Services	<u>10,479</u>	<u>12,815</u>	<u>9,018</u>	<u>3,797</u>
Total Expenditures	<u>49,203</u>	<u>87,069</u>	<u>11,942</u>	<u>75,127</u>
Excess of Revenues Over (Under) Expenditures	<u>(7,853)</u>	<u>(10,410)</u>	<u>(3,612)</u>	<u>6,798</u>
Other Financing Sources (Uses)				
Operating Transfers In	5,650	5,650	5,650	0
Operating Transfers Out	<u>(7,487)</u>	<u>(5,650)</u>	<u>(5,650)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(1,837)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(9,690)	(10,410)	(3,612)	6,798
Fund Balance Beginning of Year	4,074	4,074	4,074	0
Prior Year Encumbrances Appropriated	<u>6,337</u>	<u>6,337</u>	<u>6,337</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 721</u>	<u>\$ 1</u>	<u>\$ 6,799</u>	<u>\$ 6,798</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
DRUG FREE SCHOOLS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 35,012	\$ 34,123	\$ 28,787	\$ (5,336)
Total Revenues	<u>35,012</u>	<u>34,123</u>	<u>28,787</u>	<u>(5,336)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	11,000	11,000	12,769	(1,769)
Fringe Benefits	1,580	1,580	2,056	(476)
Purchased Services	6,869	4,850	2,638	2,212
Supplies and Materials	3,945	3,945	1,692	2,253
Total Regular Instruction	<u>23,394</u>	<u>21,375</u>	<u>19,155</u>	<u>2,220</u>
Total Instruction	<u>23,394</u>	<u>21,375</u>	<u>19,155</u>	<u>2,220</u>
Support Services:				
Instructional Staff:				
Purchased Services	4,000	858	0	858
Supplies and Materials	<u>0</u>	<u>3,142</u>	<u>0</u>	<u>3,142</u>
Total Instructional Staff	<u>4,000</u>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Total Support Services	<u>4,000</u>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Operation of Non-Instructional Services:				
Community Service:				
Purchased Services	8,225	8,225	8,225	0
Supplies and Materials	<u>0</u>	<u>3,000</u>	<u>2,903</u>	<u>97</u>
Total Community Services	<u>8,225</u>	<u>11,225</u>	<u>11,128</u>	<u>97</u>
Total Operation of Non-Instructional Services	<u>8,225</u>	<u>11,225</u>	<u>11,128</u>	<u>97</u>
Total Expenditures	<u>35,619</u>	<u>36,600</u>	<u>30,283</u>	<u>6,317</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(607)</u>	<u>(2,477)</u>	<u>(1,496)</u>	<u>981</u>
Other Financing Sources (Uses)				
Operating Transfers In	981	981	981	0
Operating Transfers Out	0	0	(981)	(981)
Advances In	7	7	7	0
Advances Out	<u>(6,790)</u>	<u>(6,790)</u>	<u>(6,790)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(5,802)</u>	<u>(5,802)</u>	<u>(6,783)</u>	<u>(981)</u>
Net Change in Fund Balance	(6,409)	(8,279)	(8,279)	0
Fund Balance Beginning of Year	(2,391)	(2,391)	(2,391)	0
Prior Year Encumbrances Appropriated	<u>10,670</u>	<u>10,670</u>	<u>10,670</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 1,870</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
IDEA PRESCHOOL GRANTS FOR THE HANDICAPPED FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 42,000	\$ 41,848	\$ 36,875	\$ (4,973)
Total Revenues	<u>42,000</u>	<u>41,848</u>	<u>36,875</u>	<u>(4,973)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Special Instruction:				
Salaries and Wages	35,558	35,558	28,722	6,836
Fringe Benefits	<u>12,623</u>	<u>12,623</u>	<u>8,804</u>	<u>3,819</u>
Total Special Instruction	<u>48,181</u>	<u>48,181</u>	<u>37,526</u>	<u>10,655</u>
Total Instruction	<u>48,181</u>	<u>48,181</u>	<u>37,526</u>	<u>10,655</u>
Total Expenditures	<u>48,181</u>	<u>48,181</u>	<u>37,526</u>	<u>10,655</u>
Net Change in Fund Balance	(6,181)	(6,333)	(651)	5,682
Fund Balance Beginning of Year	6,239	6,239	6,239	0
Prior Year Encumbrances Appropriated	<u>95</u>	<u>95</u>	<u>95</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 153</u>	<u>\$ 1</u>	<u>\$ 5,683</u>	<u>\$ 5,682</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
GOALS 2000 PROFICIENCY IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive <u>(Negative)</u>
Revenues				
Intergovernmental	\$ 1,689,101	\$ 1,770,039	\$ 963,930	\$ (806,109)
Total Revenues	<u>1,689,101</u>	<u>1,770,039</u>	<u>963,930</u>	<u>(806,109)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	162,057	242,784	209,768	33,016
Fringe Benefits	45,731	90,986	74,155	16,831
Purchased Services	117,560	126,402	126,402	0
Supplies and Materials	42,060	42,060	41,992	68
Capital Outlay	<u>81,248</u>	<u>81,248</u>	<u>81,248</u>	<u>0</u>
Total Regular Instruction	<u>448,656</u>	<u>583,480</u>	<u>533,565</u>	<u>49,915</u>
Special Instruction:				
Salaries and Wages	180,977	180,977	82,833	98,144
Fringe Benefits	49,769	49,769	19,803	29,966
Purchased Services	678,673	678,673	127,730	550,943
Supplies and Materials	68,914	67,904	21,057	46,847
Capital Outlay	<u>2,725</u>	<u>416</u>	<u>416</u>	<u>0</u>
Total Special Instruction	<u>981,058</u>	<u>977,739</u>	<u>251,839</u>	<u>725,900</u>
Total Instruction	<u>1,429,714</u>	<u>1,561,219</u>	<u>785,404</u>	<u>775,815</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	12,400	7,560	7,560	0
Fringe Benefits	2,028	1,215	7,786	(6,571)
Purchased Services	150,334	96,834	89,322	7,512
Supplies and Materials	<u>37,024</u>	<u>18,935</u>	<u>17,079</u>	<u>1,856</u>
Total Instructional Staff	<u>201,786</u>	<u>124,544</u>	<u>121,747</u>	<u>2,797</u>
Administrative:				
Salaries and Wages	12,200	15,200	15,200	0
Fringe Benefits	1,979	2,772	2,772	0
Purchased Services	22,615	23,508	23,508	0
Other	<u>6,301</u>	<u>6,301</u>	<u>6,301</u>	<u>0</u>
Total Administrative	<u>43,095</u>	<u>47,781</u>	<u>47,781</u>	<u>0</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
GOALS 2000 PROFICIENCY IMPROVEMENT FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
Pupil Transportation:				
Purchased Services	11,424	18,924	18,924	0
Total Pupil Transportation	<u>11,424</u>	<u>18,924</u>	<u>18,924</u>	<u>0</u>
Total Support Services	<u>256,305</u>	<u>191,249</u>	<u>188,452</u>	<u>2,797</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	43,431	70,354	70,189	165
Supplies and Materials	<u>22,400</u>	<u>7,000</u>	<u>7,000</u>	<u>0</u>
Total Community Services	<u>65,831</u>	<u>77,354</u>	<u>77,189</u>	<u>165</u>
Total Operation of Non-Instructional Services	<u>65,831</u>	<u>77,354</u>	<u>77,189</u>	<u>165</u>
Total Expenditures	<u>1,751,850</u>	<u>1,829,822</u>	<u>1,051,045</u>	<u>778,777</u>
Excess of Revenues Over (Under) Expenditures	<u>(62,749)</u>	<u>(59,783)</u>	<u>(87,115)</u>	<u>(27,332)</u>
Other Financing Sources (Uses)				
Operating Transfers In	27,606	27,606	27,606	0
Operating Transfers Out	(24,106)	(27,606)	(27,606)	0
Advances In	3,293	3,293	3,293	0
Refund of Prior Year Receipts	<u>(786)</u>	<u>(4,079)</u>	<u>(786)</u>	<u>3,293</u>
Total Other Financing Sources (Uses)	<u>6,007</u>	<u>(786)</u>	<u>2,507</u>	<u>3,293</u>
Net Change in Fund Balance	(56,742)	(60,569)	(84,608)	(24,039)
Fund Balance Beginning of Year	14,745	14,745	14,745	0
Prior Year Encumbrances Appropriated	<u>45,824</u>	<u>45,824</u>	<u>45,824</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 3,827</u>	<u>\$ 0</u>	<u>\$ (24,039)</u>	<u>\$ (24,039)</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL
PERMANENT IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
<u>Revenues</u>				
Taxes	\$ 354,114	\$ 317,154	\$ 301,906	\$ (15,248)
Intergovernmental	24,000	37,226	38,082	856
Total Revenues	378,114	354,380	339,988	(14,392)
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Supplies and Materials	0	1,035	1,035	0
Capital Outlay	10,000	533,407	405,634	127,773
Total Regular Instruction	10,000	534,442	406,669	127,773
Total Instruction	10,000	534,442	406,669	127,773
Support Services:				
Business:				
Purchased Services	0	10,300	10,300	0
Supplies and Materials	0	168,318	168,318	0
Total Business	0	178,618	178,618	0
Operation and Maintenance of Plant Services:				
Purchased Services	104,150	1,238,296	1,226,357	11,939
Supplies and Materials	41,765	167,415	130,266	37,149
Capital Outlay	125,000	385,158	384,846	312
Total Operation and Maintenance of Plant Services	270,915	1,790,869	1,741,469	49,400
Central Services:				
Capital Outlay	0	67,611	67,525	86
Total Central Services	0	67,611	67,525	86
Total Support Services	270,915	2,037,098	1,987,612	49,486
Operation of Non-Instructional:				
Food Services:				
Capital Outlay	0	10,800	10,800	0
Total Food Services	0	10,800	10,800	0
Total Operation of Non-Instructional Food Services	0	10,800	10,800	0

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL
PERMANENT IMPROVEMENT FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Extracurricular Activities:				
Sport Oriented Activities:				
Capital Outlay	0	27,000	26,643	357
Total Sport Oriented Activities	0	27,000	26,643	357
Total Extracurricular Activities	0	27,000	26,643	357
Capital Outlay:				
Site Improvement Services:				
Purchased Services	250,000	970,275	970,253	22
Total Site Improvement Services	250,000	970,275	970,253	22
Architectural and Engineering Services				
Purchased Services	75,000	527,100	522,854	4,246
Total Architectural & Engineering Services	75,000	527,100	522,854	4,246
Building Improvement Services:				
Purchased Services	50,000	3,027,799	3,017,799	10,000
Total Building Improvement Services	50,000	3,027,799	3,017,799	10,000
Total Capital Outlay	375,000	4,525,174	4,510,906	14,268
Total Expenditures	655,915	7,134,514	6,942,630	191,884
Excess of Revenues Over (Under)				
Expenditures	(277,801)	(6,780,134)	(6,602,642)	177,492
Other Financing Sources (Uses)				
Proceeds from Sale of Notes	0	6,500,000	6,500,000	0
Contingencies	(150,000)	(171,401)	0	171,401
Total Other Financing Sources (Uses)	(150,000)	6,328,599	6,500,000	171,401
Net Change in Fund Balance	(427,801)	(451,535)	(102,642)	348,893
Fund Balance Beginning of Year	387,759	387,759	387,759	0
Prior Year Encumbrances Appropriated	40,915	40,915	40,915	0
Fund Balance End of Year	\$ 873	\$ (22,861)	\$ 326,032	\$ 348,893

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
BUILDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
<u>Revenues</u>	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>	0	0	0	0
Excess of Revenues Over (Under) Expenses	0	0	0	0
<u>Other Financing Sources (Uses)</u>				
Operating Transfers Out	(95)	(95)	(95)	0
Total Other Financing Sources (Uses)	(95)	(95)	(95)	0
Net Change in Fund Balance	(95)	(95)	(95)	0
Fund Balance Beginning of Year	95	95	95	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE-BUDGET (NON-GAAP BASIS) AND ACTUAL -
REPLACEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
<u>Revenues</u>				
Earnings on Investments	\$ 10,000	\$ 1,500	\$ 1,509	\$ 9
Total Revenues	<u>10,000</u>	<u>1,500</u>	<u>1,509</u>	<u>9</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Capital Outlay	<u>0</u>	<u>150</u>	<u>144</u>	<u>6</u>
Total Regular Instruction	<u>0</u>	<u>150</u>	<u>144</u>	<u>6</u>
Total Instruction	<u>0</u>	<u>150</u>	<u>144</u>	<u>6</u>
Support Services:				
Instructional Staff:				
Capital Outlay	<u>0</u>	<u>3,912</u>	<u>3,912</u>	<u>0</u>
Total Instructional Staff	<u>0</u>	<u>3,912</u>	<u>3,912</u>	<u>0</u>
Operation and Maintenance of Plant Services:				
Supplies and Materials	<u>1,000</u>	<u>850</u>	<u>0</u>	<u>850</u>
Total Operation and Maintenance of Plant Services	<u>1,000</u>	<u>850</u>	<u>0</u>	<u>850</u>
Total Support Services	<u>1,000</u>	<u>4,762</u>	<u>3,912</u>	<u>850</u>
Total Expenditures	<u>1,000</u>	<u>4,912</u>	<u>4,056</u>	<u>856</u>
Excess of Revenues Over (Under)				
Expenditures	<u>9,000</u>	<u>(3,412)</u>	<u>(2,547)</u>	<u>865</u>
<u>Other Financing Sources (Uses)</u>				
Contingencies	<u>(9,000)</u>	<u>(5,088)</u>	<u>0</u>	<u>5,088</u>
Total Other Financing Sources (Uses)	<u>(9,000)</u>	<u>(5,088)</u>	<u>0</u>	<u>5,088</u>
Net Change in Fund Balance	0	(8,500)	(2,547)	5,953
Fund Balance Beginning of Year	141,571	141,571	141,571	0
Prior Year Encumbrances Appropriated	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 142,571</u>	<u>\$ 134,071</u>	<u>\$ 140,024</u>	<u>\$ 5,953</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
VOCATIONAL EDUCATION EQUIPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 14,000	\$ 0	\$ 0	\$ 0
Total Revenues	<u>14,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	14,000	0	0	0
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 14,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SCHOOL NET PLUS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 90,000	\$ 0	\$ 0	\$ 0
Total Revenues	<u>90,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Capital Outlay	<u>16,229</u>	<u>16,229</u>	<u>16,229</u>	<u>0</u>
Total Regular Instruction	<u>16,229</u>	<u>16,229</u>	<u>16,229</u>	<u>0</u>
Total Instruction	<u>16,229</u>	<u>16,229</u>	<u>16,229</u>	<u>0</u>
Total Expenditures	<u>16,229</u>	<u>16,229</u>	<u>16,229</u>	<u>0</u>
Net Change in Fund Balance	73,771	(16,229)	(16,229)	0
Fund Balance Beginning of Year	16,229	16,229	16,229	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 90,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
<u>Revenues</u>				
Earnings on Investments	\$ 2,760	\$ 3,500	\$ 2,818	\$ (682)
Grant Revenue	1,051,594	1,200,000	1,073,713	(126,287)
Food Services	<u>745,646</u>	<u>835,100</u>	<u>761,329</u>	<u>(73,771)</u>
Total Revenue	<u>1,800,000</u>	<u>2,038,600</u>	<u>1,837,860</u>	<u>(200,740)</u>
<u>Expenses</u>				
Salaries and Wages:				
Operation of Non-Instructional Services:				
Food Service Operations	<u>740,000</u>	<u>732,000</u>	<u>730,090</u>	<u>1,910</u>
Total Operation of Non-Instructional Services	<u>740,000</u>	<u>732,000</u>	<u>730,090</u>	<u>1,910</u>
Total Salaries and Wages	<u>740,000</u>	<u>732,000</u>	<u>730,090</u>	<u>1,910</u>
Fringe Benefits:				
Operation of Non-Instructional Services:				
Food Service Operations	<u>269,000</u>	<u>267,000</u>	<u>252,754</u>	<u>14,246</u>
Total Operation of Non-Instructional Services	<u>269,000</u>	<u>267,000</u>	<u>252,754</u>	<u>14,246</u>
Total Fringe Benefits	<u>269,000</u>	<u>267,000</u>	<u>252,754</u>	<u>14,246</u>
Purchased Services:				
Supporting Services:				
Operation and Maintenance of				
Plant Service	<u>8,975</u>	<u>13,975</u>	<u>8,166</u>	<u>5,809</u>
Total Operation and Maintenance of				
Plant Service	<u>8,975</u>	<u>13,975</u>	<u>8,166</u>	<u>5,809</u>
Operation of Non-Instructional Services:				
Food Service Operations	<u>35,100</u>	<u>31,999</u>	<u>22,693</u>	<u>9,306</u>
Total Operation of Non-Instructional Services	<u>35,100</u>	<u>31,999</u>	<u>22,693</u>	<u>9,306</u>
Total Purchased Services	<u>44,075</u>	<u>45,974</u>	<u>30,859</u>	<u>15,115</u>
Supplies and Materials:				
Supporting Services:				
Operation and Maintenance of				
Plant Services	<u>29,000</u>	<u>29,500</u>	<u>21,483</u>	<u>8,017</u>
Total Supporting Services	<u>29,000</u>	<u>29,500</u>	<u>21,483</u>	<u>8,017</u>
Operation of Non-Instructional Services:				
Food Service Operations	<u>813,426</u>	<u>857,992</u>	<u>847,269</u>	<u>10,723</u>
Total Operation of Non-Instructional Services	<u>813,426</u>	<u>857,992</u>	<u>847,269</u>	<u>10,723</u>
Total Supplies and Materials	<u>842,426</u>	<u>887,492</u>	<u>868,752</u>	<u>18,740</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
FOOD SERVICE FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Capital Outlay:				
Operation of Non-Instructional Services:				
Food Service Operations	<u>114,590</u>	<u>86,540</u>	<u>60,155</u>	<u>26,385</u>
Total Operation of Non-Instructional Services	<u>114,590</u>	<u>86,540</u>	<u>60,155</u>	<u>26,385</u>
Total Capital Outlay	<u>114,590</u>	<u>86,540</u>	<u>60,155</u>	<u>26,385</u>
Other:				
Operation of Non-Instructional Services:				
Food Service Operations	<u>2,000</u>	<u>2,585</u>	<u>2,585</u>	<u>0</u>
Total Operation of Non-Instructional Services	<u>2,000</u>	<u>2,585</u>	<u>2,585</u>	<u>0</u>
Total Other	<u>2,000</u>	<u>2,585</u>	<u>2,585</u>	<u>0</u>
Total Expenses	<u>2,012,091</u>	<u>2,021,591</u>	<u>1,945,195</u>	<u>76,396</u>
Excess of Revenues Over (Under) Expenses	<u>(212,091)</u>	<u>17,009</u>	<u>(107,335)</u>	<u>(124,344)</u>
<u>Other Financing Sources (Uses)</u>				
Contingencies	0	(400)	0	400
Refund of Prior Year Receipts	<u>(10,000)</u>	<u>(100)</u>	<u>(59)</u>	<u>41</u>
Total Other Financing Sources (Uses)	<u>(10,000)</u>	<u>(500)</u>	<u>(59)</u>	<u>441</u>
Net Change in Fund Balance	(222,091)	16,509	(107,394)	(123,903)
Fund Balance - Beginning of Year	536,972	536,972	536,972	0
Prior Year Encumbrances Appropriated	<u>10,591</u>	<u>10,591</u>	<u>10,591</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 325,472</u>	<u>\$ 564,072</u>	<u>\$ 440,169</u>	<u>\$ (123,903)</u>

**EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Miscellaneous Revenue	\$ 12,000	\$ 14,000	\$ 13,458	\$ (542)
Total Revenues	<u>12,000</u>	<u>14,000</u>	<u>13,458</u>	<u>(542)</u>
<u>Expenses</u>				
Supplies and Materials:				
Instruction:				
Regular Instruction	<u>15,000</u>	<u>15,000</u>	<u>11,780</u>	<u>3,220</u>
Total Instruction	<u>15,000</u>	<u>15,000</u>	<u>11,780</u>	<u>3,220</u>
Total Supplies and Materials	<u>15,000</u>	<u>15,000</u>	<u>11,780</u>	<u>3,220</u>
Total Expenses	<u>15,000</u>	<u>15,000</u>	<u>11,780</u>	<u>3,220</u>
Net Change in Fund Balance	(3,000)	(1,000)	1,678	2,678
Fund Balance - Beginning of Year	14,947	14,947	14,947	0
Prior Year Encumbrances Appropriated	<u>3,806</u>	<u>3,806</u>	<u>3,806</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 15,753</u>	<u>\$ 17,753</u>	<u>\$ 20,431</u>	<u>\$ 2,678</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
CUSTOMER SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive <u>(Negative)</u>
<u>Revenues</u>				
Tuition	\$ 750,647	\$ 560,196	\$ 585,610	\$ 25,414
Transportation Fees	20,632	10,000	16,095	6,095
Miscellaneous	15,366	16,000	11,988	(4,012)
Charges for Services	<u>13,355</u>	<u>20,000</u>	<u>10,419</u>	<u>(9,581)</u>
Total Revenues	<u>800,000</u>	<u>606,196</u>	<u>624,112</u>	<u>17,916</u>
<u>Expenses</u>				
Salaries and Wages:				
Operation of Non-Instructional Services:				
Community Services	<u>315,000</u>	<u>385,000</u>	<u>362,193</u>	<u>22,807</u>
Total Salaries and Wages	<u>315,000</u>	<u>385,000</u>	<u>362,193</u>	<u>22,807</u>
Fringe Benefits:				
Operation of Non-Instructional Services:				
Community Services	<u>100,000</u>	<u>155,000</u>	<u>133,510</u>	<u>21,490</u>
Total Fringe Benefits	<u>100,000</u>	<u>155,000</u>	<u>133,510</u>	<u>21,490</u>
Purchased Services:				
Instruction:				
Vocational Instruction	2,000	2,000	0	2,000
Operation and Maintenance of Plant				
Services	45,000	48,000	46,431	1,569
Community Services	<u>18,000</u>	<u>24,500</u>	<u>20,858</u>	<u>3,642</u>
Total Instruction	<u>65,000</u>	<u>74,500</u>	<u>67,289</u>	<u>7,211</u>
Total Purchased Services	<u>65,000</u>	<u>74,500</u>	<u>67,289</u>	<u>7,211</u>
Supplies and Materials:				
Instruction:				
Vocational Education	<u>30,000</u>	<u>30,000</u>	<u>16,810</u>	<u>13,190</u>
Total Instruction	<u>30,000</u>	<u>30,000</u>	<u>16,810</u>	<u>13,190</u>
Supporting Services:				
Operation and Maintenance of Plant				
Services	<u>180</u>	<u>680</u>	<u>416</u>	<u>264</u>
Total Operation and Maintenance of Plant Services	<u>180</u>	<u>680</u>	<u>416</u>	<u>264</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
CUSTOMER SERVICES FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive <u>(Negative)</u>
Operation of Non-Instructional Services:				
Food Service Operations	50,000	70,000	43,108	26,892
Community Services	<u>0</u>	<u>0</u>	<u>269</u>	<u>(269)</u>
Total Operation of Non-Instructional Services	<u>50,000</u>	<u>70,000</u>	<u>43,377</u>	<u>26,623</u>
Total Supplies and Materials	<u>80,180</u>	<u>100,680</u>	<u>60,603</u>	<u>40,077</u>
Capital Outlay:				
Community Services	<u>3,000</u>	<u>3,000</u>	<u>1,069</u>	<u>1,931</u>
Total Capital Outlay	<u>3,000</u>	<u>3,000</u>	<u>1,069</u>	<u>1,931</u>
Other:				
Supporting Services:				
Fiscal Services	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>
Total Supporting Services	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>
Operation of Non-Instructional Services:				
Community Services	<u>300</u>	<u>300</u>	<u>614</u>	<u>(314)</u>
Total Operation of Non-Instructional Services	<u>300</u>	<u>300</u>	<u>614</u>	<u>(314)</u>
Total Other Expenses	<u>800</u>	<u>800</u>	<u>614</u>	<u>186</u>
Total Expenses	<u>563,980</u>	<u>718,980</u>	<u>625,278</u>	<u>93,702</u>
Excess of Revenues Over (Under) Expenditures	<u>236,020</u>	<u>(112,784)</u>	<u>(1,166)</u>	<u>111,618</u>
Other Financing Sources (Uses)				
Contingencies	(10,000)	(9,900)	0	9,900
Refund of Prior Year Receipts	<u>(100)</u>	<u>(200)</u>	<u>(143)</u>	<u>57</u>
Total Other Financing Sources (Uses)	<u>(10,100)</u>	<u>(10,100)</u>	<u>(143)</u>	<u>9,957</u>
Net Change in Fund Balance	225,920	(122,884)	(1,309)	121,575
Fund Balance - Beginning of Year	296,288	296,288	296,288	0
Prior Year Encumbrances Appropriated	<u>6,245</u>	<u>6,245</u>	<u>6,245</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 528,453</u>	<u>\$ 179,649</u>	<u>\$ 301,224</u>	<u>\$ 121,575</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ADULT AND COMMUNITY EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Tuition	\$ 2,402	\$ 2,000	\$ 2,900	\$ 900
Classroom Materials and Fees	3,604	3,000	6,343	3,343
Intergovernmental Revenue	13,994	11,650	1,900	(9,750)
Total Revenues	<u>20,000</u>	<u>16,650</u>	<u>11,143</u>	<u>(5,507)</u>
<u>Expenses</u>				
Salaries and Wages:				
Instruction:				
Adult/Continuing Instruction	<u>10,800</u>	<u>15,800</u>	<u>13,601</u>	<u>2,199</u>
Total Instruction	<u>10,800</u>	<u>15,800</u>	<u>13,601</u>	<u>2,199</u>
Total Salaries and Wages	<u>10,800</u>	<u>15,800</u>	<u>13,601</u>	<u>2,199</u>
Fringe Benefits:				
Instruction:				
Adult/Continuing Instruction	<u>1,728</u>	<u>2,728</u>	<u>2,016</u>	<u>712</u>
Total Instruction	<u>1,728</u>	<u>2,728</u>	<u>2,016</u>	<u>712</u>
Total Fringe Benefits	<u>1,728</u>	<u>2,728</u>	<u>2,016</u>	<u>712</u>
Purchased Services:				
Instruction:				
Adult/Continuing Instruction	<u>100</u>	<u>1,000</u>	<u>375</u>	<u>625</u>
Total Adult/Continuing Instruction	<u>100</u>	<u>1,000</u>	<u>375</u>	<u>625</u>
Supporting Services:				
Operation and Maintenance of Plant				
Services	<u>0</u>	<u>100</u>	<u>0</u>	<u>100</u>
Total Supporting Services	<u>0</u>	<u>100</u>	<u>0</u>	<u>100</u>
Total Purchased Services	<u>100</u>	<u>1,100</u>	<u>375</u>	<u>725</u>
Supplies and Materials:				
Instruction:				
Adult/Continuing Instruction	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Supplies and Materials	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Outlay:				
Instruction:				
Adult/Continuing Instruction	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Outlay	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>15,628</u>	<u>19,628</u>	<u>15,992</u>	<u>3,636</u>
Excess of Revenues Over (Under) Expenses	<u>4,372</u>	<u>(2,978)</u>	<u>(4,849)</u>	<u>(1,871)</u>

(Continued)

**EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ADULT AND COMMUNITY EDUCATION FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Other Financing Sources (Uses)</u>				
Refund of Prior Year Receipts	<u>(150)</u>	<u>(150)</u>	<u>0</u>	<u>150</u>
Total Other Financing Sources (Uses)	<u>(150)</u>	<u>(150)</u>	<u>0</u>	<u>150</u>
Net Change in Fund Balance	4,222	(3,128)	(4,849)	(1,721)
Fund Balance Beginning of Year	80,166	80,166	80,166	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance- End of Year	<u>\$ 84,388</u>	<u>\$ 77,038</u>	<u>\$ 75,317</u>	<u>\$ (1,721)</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SPECIAL ROTARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Tuition	\$ 53,000	\$ 53,000	\$ 71,926	\$ 18,926
Transportation Fees	21,000	21,000	4,988	(16,012)
Classroom Materials and Fees	123,500	123,500	113,537	(9,963)
Extracurricular Activities	0	0	1,975	1,975
Miscellaneous	34,710	34,710	33,027	(1,683)
Charges for Services	<u>842,790</u>	<u>873,200</u>	<u>934,265</u>	<u>61,065</u>
Total Revenues	<u>1,075,000</u>	<u>1,105,410</u>	<u>1,159,718</u>	<u>54,308</u>
<u>Expenses</u>				
Salaries and Wages:				
Instruction:				
Regular Instruction	<u>4,220</u>	<u>9,297</u>	<u>5,689</u>	<u>3,608</u>
Total Instruction	<u>4,220</u>	<u>9,297</u>	<u>5,689</u>	<u>3,608</u>
Supporting Services:				
Operation and Maintenance of Plant Services	<u>6,000</u>	<u>6,000</u>	<u>2,043</u>	<u>3,957</u>
Total Supporting Services	<u>6,000</u>	<u>6,000</u>	<u>2,043</u>	<u>3,957</u>
Operation of Non-Instructional Services:				
Community Services	<u>36,582</u>	<u>38,581</u>	<u>34,502</u>	<u>4,079</u>
Total Operation of Non-Instructional Services	<u>36,582</u>	<u>38,581</u>	<u>34,502</u>	<u>4,079</u>
Total Salaries and Wages	<u>46,802</u>	<u>53,878</u>	<u>42,234</u>	<u>11,644</u>
Fringe Benefits:				
Instruction:				
Regular Instruction	<u>500</u>	<u>1,335</u>	<u>1,024</u>	<u>311</u>
Total Instruction	<u>500</u>	<u>1,335</u>	<u>1,024</u>	<u>311</u>
Supporting Services:				
Operation and Maintenance of Plant Services	<u>1,000</u>	<u>1,000</u>	<u>50</u>	<u>950</u>
Total Supporting Services	<u>1,000</u>	<u>1,000</u>	<u>50</u>	<u>950</u>
Operation of Non-Instructional Services:				
Community Services	<u>855,146</u>	<u>916,146</u>	<u>912,586</u>	<u>3,560</u>
Total Operation of Non-Instructional Services	<u>855,146</u>	<u>916,146</u>	<u>912,586</u>	<u>3,560</u>
Total Fringe Benefits	<u>856,646</u>	<u>918,481</u>	<u>913,660</u>	<u>4,821</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SPECIAL ROTARY FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Purchased Services:				
Instruction:				
Regular Instruction	16,954	9,588	9,513	75
Total Instruction	<u>16,954</u>	<u>9,588</u>	<u>9,513</u>	<u>75</u>
Supporting Services:				
Instructional Staff	10,000	10,000	2,250	7,750
Total Supporting Services	<u>10,000</u>	<u>10,000</u>	<u>2,250</u>	<u>7,750</u>
Operation of Non-Instructional Services:				
Community Services	10,180	14,180	3,179	11,001
Total Operation of Non-Instructional Services	<u>10,180</u>	<u>14,180</u>	<u>3,179</u>	<u>11,001</u>
Extracurricular Activities:				
School and Public Service:				
Co-Curricular Activities	21,000	21,000	4,899	16,101
Total Extracurricular Activities	<u>21,000</u>	<u>21,000</u>	<u>4,899</u>	<u>16,101</u>
Total Purchased Services	<u>58,134</u>	<u>54,768</u>	<u>19,841</u>	<u>34,927</u>
Supplies and Materials:				
Instruction:				
Regular Instruction	22,412	22,709	10,918	11,791
Total Instruction	<u>22,412</u>	<u>22,709</u>	<u>10,918</u>	<u>11,791</u>
Operation of Non-Instructional Services:				
Community Services	15,229	30,246	16,863	13,383
Total Operation of Non-Instructional Services	<u>15,229</u>	<u>30,246</u>	<u>16,863</u>	<u>13,383</u>
Total Supplies and Materials	<u>37,641</u>	<u>52,955</u>	<u>27,781</u>	<u>25,174</u>
Capital Outlay:				
Instruction:				
Regular Instruction	75,766	75,791	1,477	74,314
Total Instruction	<u>75,766</u>	<u>75,791</u>	<u>1,477</u>	<u>74,314</u>
Supporting Services:				
Instructional Staff	2,000	2,000	0	2,000
Total Supporting Services	<u>2,000</u>	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Operation of Non-Instructional Services:				
Community Services	22,076	27,076	21,510	5,566
Total Operation of Non-Instructional Services	<u>22,076</u>	<u>27,076</u>	<u>21,510</u>	<u>5,566</u>
Total Capital Outlay	<u>99,842</u>	<u>104,867</u>	<u>22,987</u>	<u>81,880</u>

(Continued)

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SPECIAL ROTARY FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Other:				
Extracurricular Activities:				
School and Public Service Co-				
Curricular Activities	<u>155,410</u>	<u>155,410</u>	<u>148,138</u>	<u>7,272</u>
Total Other	<u>155,410</u>	<u>155,410</u>	<u>148,138</u>	<u>7,272</u>
Total Expenses	<u>1,254,475</u>	<u>1,340,359</u>	<u>1,174,641</u>	<u>165,718</u>
Excess of Revenues Over (Under) Expenses	<u>179,475</u>	<u>(234,949)</u>	<u>(14,923)</u>	<u>220,026</u>
<u>Other Financing Sources (Uses)</u>				
Refund of Prior Year Receipts	<u>(7,800)</u>	<u>(9,256)</u>	<u>(1,006)</u>	<u>8,250</u>
Total Other Financing Sources (Uses)	<u>(7,800)</u>	<u>(9,256)</u>	<u>(1,006)</u>	<u>8,250</u>
Net Change in Fund Balance	(187,275)	(244,205)	(15,929)	228,276
Fund Balance - Beginning of Year	187,682	187,682	187,682	0
Prior Year Encumbrances Appropriated	<u>45,887</u>	<u>45,887</u>	<u>45,887</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 46,294</u>	<u>\$ (10,636)</u>	<u>\$ 217,640</u>	<u>\$ 228,276</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
HEALTH RESERVE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
<u>Revenues</u>				
Earnings on Investments	\$ 11,100	\$ 11,100	\$ 9,402	\$ (1,698)
Charges for Services	<u>5,588,900</u>	<u>5,690,000</u>	<u>5,447,991</u>	<u>(242,009)</u>
Total Revenues	<u>5,600,000</u>	<u>5,701,100</u>	<u>5,457,393</u>	<u>(243,707)</u>
<u>Expenses</u>				
Fringe Benefits:				
Supporting Services:				
Central	<u>5,935,000</u>	<u>6,263,701</u>	<u>5,702,544</u>	<u>561,157</u>
Total Supporting Services	<u>5,935,000</u>	<u>6,263,701</u>	<u>5,702,544</u>	<u>561,157</u>
Total Fringe Benefits	<u>5,935,000</u>	<u>6,263,701</u>	<u>5,702,544</u>	<u>561,157</u>
Total Expenses	<u>5,935,000</u>	<u>6,263,701</u>	<u>5,702,544</u>	<u>561,157</u>
Excess of Revenues Over (Under) Expenses	<u>(335,000)</u>	<u>(562,601)</u>	<u>(245,151)</u>	<u>317,450</u>
<u>Other Financing Sources (Uses)</u>				
Refund of Prior Year Receipts	<u>0</u>	<u>(1,000)</u>	<u>(500)</u>	<u>500</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(1,000)</u>	<u>(500)</u>	<u>500</u>
Net Change in Fund Balance	(335,000)	(563,601)	(245,651)	317,950
Fund Balance - Beginning of Year	2,432,891	2,432,891	2,432,891	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 2,097,891</u>	<u>\$ 1,869,290</u>	<u>\$ 2,187,240</u>	<u>\$ 317,950</u>

EUCLID CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
WORKERS' COMPENSATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues</u>				
Earnings on Investments	\$ 20,000	\$ 20,000	\$ 17,034	\$ (2,966)
Charges for Services	<u>310,000</u>	<u>410,000</u>	<u>389,698</u>	<u>(20,302)</u>
Total Revenues	<u>330,000</u>	<u>430,000</u>	<u>406,732</u>	<u>(23,268)</u>
<u>Expenses</u>				
Fringe Benefits:				
Supporting Services:				
Central	<u>950,000</u>	<u>949,000</u>	<u>852,780</u>	<u>96,220</u>
Total Supporting Services	<u>950,000</u>	<u>949,000</u>	<u>852,780</u>	<u>96,220</u>
Total Fringe Benefits	<u>950,000</u>	<u>949,000</u>	<u>852,780</u>	<u>96,220</u>
Purchased Services:				
Supporting Services:				
Central	<u>30,000</u>	<u>30,000</u>	<u>13,297</u>	<u>16,703</u>
Total Supporting Services	<u>30,000</u>	<u>30,000</u>	<u>13,297</u>	<u>16,703</u>
Total Purchased Services	<u>30,000</u>	<u>30,000</u>	<u>13,297</u>	<u>16,703</u>
Other	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total Other	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total Expenses	<u>980,000</u>	<u>980,000</u>	<u>867,077</u>	<u>112,923</u>
Net Changes in Fund Balance	(650,000)	(550,000)	(460,345)	89,655
Fund Balance - Beginning of Year	1,817,891	1,817,891	1,817,891	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 1,167,891</u>	<u>\$ 1,267,891</u>	<u>\$ 1,357,546</u>	<u>\$ 89,655</u>

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STATISTICAL SECTION

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**EUCLID CITY SCHOOL DISTRICT
GENERAL GOVERNMENTAL
EXPENSES/EXPENDITURES BY FUNCTION
LAST TEN YEARS (2)**

	2004		2003		2002	2001
	Accrual (1)	Modified Accrual (1)	Full Accrual (1)	Modified Accrual (1)		
Instruction	\$ 38,990,185	\$ 36,945,387	\$ 34,184,760	\$ 33,705,162	\$ 32,129,612	\$ 31,150,490
Support Services:						
Pupils	3,898,995	3,679,544	3,516,098	3,375,182	3,286,808	3,192,596
Instructional Staff	4,474,740	4,423,391	3,766,168	3,680,310	3,289,662	3,214,649
Board of Education	55,903	54,938	51,081	51,581	65,395	30,205
Administrative	5,080,997	4,748,816	4,028,170	4,003,303	3,913,321	3,586,799
Fiscal Services	1,683,433	1,664,051	1,639,518	1,613,522	1,539,678	1,493,676
Business	755,259	744,198	729,558	714,789	882,140	1,549,928
Operation and Maintenance of Plant Services	8,274,032	8,085,838	8,031,948	7,252,725	7,325,076	6,649,418
Pupil Transportation	2,961,979	2,891,579	2,924,521	2,856,297	2,590,401	2,445,529
Central Services	1,412,449	1,394,661	1,258,017	1,230,512	1,331,554	1,233,995
Operation of Non-Instructional Services	1,010,153	1,368,795	1,229,449	1,173,214	1,214,190	1,225,263
Extracurricular Activities	1,367,238	1,328,818	1,151,165	1,338,965	1,177,861	1,127,192
Capital Outlay	0	949,001	0	1,004,941	1,609,423	151,446
Debt Service	1,509,349	2,017,520	1,482,413	2,119,925	1,848,415	1,856,150
Expenditures and Other Uses	50,357	0	2,389	0	256,185	222,556
Total	\$ 71,525,069	\$ 70,296,537	\$63,995,255	\$64,120,428	\$62,459,721	\$59,129,892

Source: School District financial records

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds for Modified accrual and all Governmental activities for full accrual.

(2) 2003 and 2004 reported on modified accrual and full accrual basis

<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
\$ 28,659,221	\$ 26,479,448	\$ 26,067,793	\$ 23,731,723	\$ 23,304,377	\$ 21,295,542
3,066,599	3,057,372	2,714,278	2,655,878	2,505,122	2,377,150
2,776,812	2,562,470	2,447,742	2,045,038	2,097,371	1,643,531
93,627	22,804	106,735	47,599	64,062	23,021
3,467,715	3,373,175	3,639,099	3,256,517	2,979,318	2,788,777
1,346,252	1,248,433	1,425,763	1,414,727	1,011,624	973,390
833,410	785,414	778,367	743,600	776,878	803,673
5,976,857	5,918,755	5,897,278	6,128,437	6,106,775	5,469,512
1,932,803	2,258,158	1,908,596	2,060,119	1,849,434	1,783,916
875,146	912,381	1,279,120	1,245,625	996,496	919,654
1,181,152	1,443,099	1,055,039	933,094	756,209	70,669
1,040,320	1,105,810	834,469	827,676	732,055	679,344
284,956	1,918,925	1,144,656	956,457	246,020	275,626
1,831,987	4,369,230	1,859,128	1,420,472	3,227,389	3,442,787
<u>606,852</u>	<u>592,420</u>	<u>94,625</u>	<u>140,741</u>	<u>462,551</u>	<u>53,637</u>
<u>\$ 53,973,709</u>	<u>\$ 56,047,894</u>	<u>\$ 51,252,688</u>	<u>\$ 47,607,703</u>	<u>\$ 47,115,681</u>	<u>\$ 42,600,229</u>

**EUCLID CITY SCHOOL DISTRICT
GENERAL GOVERNMENTAL
REVENUES BY SOURCE
LAST TEN YEARS (1)**

	2004		2003		2002	2001
	Full Accrual (1)	Modified Accrual (1)	Full Accrual (1)	Modified Accrual (1)		
<u>Program Revenues</u>						
Charges for Services	\$ 1,730,326	\$ N/A	\$ 1,084,574	\$ N/A	\$ N/A	\$ N/A
Operating Grants and Contributions	6,746,185	N/A	5,729,433	N/A	N/A	N/A
Capital Grants and Contributions	103,391	N/A	94,612	N/A	N/A	N/A
<u>General Revenues</u>						
Taxes	33,431,232	38,900,584	40,583,330	33,785,672	42,686,926	40,005,186
Intergovernmental	21,995,348	28,476,333	19,127,511	24,312,409	24,085,856	20,239,039
Tuition and Fees	0	101,327	0	82,096	121,712	118,497
Transportation Fees	0	96,453	0	88,035	65,650	51,995
Earnings on Investments	332,955	333,331	488,399	488,399	700,550	1,284,388
Food Services	0	0	0	0	0	278
Extracurricular Activities	0	372,366	0	391,968	365,020	313,259
Classroom Materials and Fees	0	150,721	0	177,331	141,209	193,758
Charges for Services	0	363,847	0	223,910	416,439	192,400
Miscellaneous	175,505	851,578	352,734	806,977	4,920,224	883,377
Total	\$ 64,514,942	\$ 69,646,540	\$ 67,460,593	\$ 60,356,797	\$ 73,503,586	\$ 63,282,177

Source: School District financial records

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds for modified accrual and all Governmental Activities for full accrual.

<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
35,735,899	36,450,411	35,796,170	34,419,198	33,564,448	31,035,558
18,234,105	16,814,908	14,219,541	12,283,611	11,148,607	9,294,239
127,422	126,457	185,878	98,832	158,120	159,711
36,281	58,017	39,784	45,426	32,088	24,954
918,120	719,333	711,849	593,907	593,098	307,059
0	650	56	803	118,864	1,737
272,942	240,606	213,135	224,554	205,002	257,645
152,957	148,744	164,307	164,959	162,810	136,819
231,132	405,847	328,292	425,394	0	0
<u>1,248,754</u>	<u>921,376</u>	<u>2,973,939</u>	<u>364,199</u>	<u>3,604,207</u>	<u>2,457,785</u>
<u>\$ 56,957,612</u>	<u>\$ 55,886,349</u>	<u>\$ 54,632,951</u>	<u>\$ 48,620,883</u>	<u>\$ 49,587,244</u>	<u>\$ 43,675,507</u>

**EUCLID CITY SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
REAL AND PERSONAL PROPERTY TAXES (1)
LAST TEN FISCAL YEARS**

Tax Year/ Collection Year	Current Levy	Levy	Total Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collected as a Percent of Current Levy
2003/2004	\$ 36,883,031	\$ 3,810,752	\$ 40,693,783	\$ 33,543,689	90.95	\$ 1,466,873	\$35,010,561	94.92
2002/2003	36,992,571	4,226,058	41,218,629	28,376,462	76.71	1,689,594	30,066,056	81.28
2001/2002	37,451,041	3,369,483	40,820,524	34,531,895	92.21	1,933,726	36,465,621	97.37
2000/2001	37,704,753	3,807,724	41,512,477	36,481,558	96.75	1,012,416	37,493,974	99.44
1999/2000	36,733,539	2,716,767	39,450,306	33,714,924	91.78	1,059,005	34,773,929	94.66
1998/1999	32,812,628	2,827,663	35,640,291	31,723,077	96.68	602,687	32,325,764	98.52
1997/1998	33,208,227	3,012,239	36,220,466	31,549,644	95.01	1,297,365	32,847,009	98.91
1996/1997	32,698,303	507,946	33,206,249	31,247,129	95.56	917,783	32,164,912	98.36
1995/1996	32,022,818	2,881,809	34,904,627	31,239,441	97.55	702,883	31,942,324	99.74
1994/1995	32,610,698	3,713,384	36,324,082	31,278,581	95.52	736,861	32,015,442	98.17

Source: Cuyahoga County Auditor - Data is presented on a fiscal year basis, consistent with the County Auditor's method of maintaining the information.

(1) Includes Homestead/Rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.

**EUCLID CITY SCHOOL DISTRICT
 ASSESSED AND ESTIMATED VALUE OF TAXABLE PROPERTY
 LAST TEN CALENDAR YEARS**

<u>Tax Year/ Collection Year</u>	<u>Agricultural and Residential Real Estate</u>	<u>Other Real Estate</u>	<u>Public Utility Personal</u>	<u>Tangible Personal</u>	<u>Assessed Valuation</u>	<u>Actual Value</u>	<u>Ratio</u>
2003/2004	\$ 549,167,830	\$ 202,727,320	\$ 24,947,560	\$ 88,592,903	\$ 865,435,613	\$2,424,898,656	36%
2002/2003	502,349,750	199,443,630	24,563,360	90,128,261	816,485,001	2,424,898,656	34%
2001/2002	502,484,040	195,662,440	25,710,060	102,144,004	826,000,544	2,432,496,222	34%
2000/2001	502,678,150	191,537,930	31,693,220	102,559,257	828,468,557	2,429,726,566	34%
1999/2000	459,297,580	175,137,390	32,953,180	100,830,156	768,218,306	2,216,029,414	35%
1998/1999	459,091,630	184,734,180	36,010,170	110,781,356	790,617,336	2,323,462,700	34%
1997/1998	459,728,870	185,491,630	36,901,670	111,485,310	793,607,480	2,331,362,100	34%
1996/1997	424,531,580	190,256,120	38,623,560	111,984,245	765,395,505	2,186,844,300	35%
1995/1996	424,366,460	190,785,450	40,351,590	99,697,733	755,201,233	2,288,488,585	33%
1994/1995	426,025,810	192,793,850	44,077,760	111,020,728	773,918,148	2,345,206,509	33%

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis, consistent with the County Auditor's method of maintaining the information.

**EUCLID CITY SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 ASSESSED VALUATION)
LAST TEN CALENDAR YEARS**

Tax Year/ Collection Year	School Levy	County Levy	City Levy	Total Levy	Debt Service Included in Total Levy		
					School	County	Total
2003/2004	88.40	16.45	15.60	120.45	2.28	.50	2.78
2002/2003	73.10	16.20	15.60	104.90	2.58	.86	3.44
2001/2002	72.70	16.20	15.60	104.50	2.18	.86	3.04
2000/2001	72.80	16.20	15.60	104.60	2.28	.79	3.07
1999/2000	72.20	15.30	15.60	103.10	2.38	.85	3.23
1998/1999	65.30	15.30	15.60	96.20	2.38	.72	3.10
1997/1998	65.40	16.60	15.80	97.80	2.48	.90	3.38
1996/1997	62.42	16.60	15.80	97.82	1.90	.63	2.53
1995/1996	65.40	16.60	15.90	97.90	1.90	.87	2.77
1994/1995	64.70	16.80	16.30	97.80	1.80	.76	2.56

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis consistent with the County Auditor's method of maintaining the information.

**EUCLID CITY SCHOOL DISTRICT
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Bonded Debt</u>	<u>Less Debt Service Fund</u>	<u>Net General Bonded Debt</u>	<u>Assessed Value</u>	<u>(1) Population</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Per Capita</u>
2003/2004	\$ 19,612,464	\$ 2,055,309	\$ 17,557,155	\$ 865,435,613	52,717	2.03%	\$ 333
2002/2003	13,649,556	1,715,263	11,934,293	816,485,001	52,717	1.46%	226
2001/2002	14,295,000	4,528,737	9,766,263	826,000,544	52,717	1.18%	185
2000/2001	12,800,000	1,488,350	11,311,650	828,468,557	52,717	1.54%	243
1999/2000	13,965,000	1,344,005	12,620,995	768,218,306	54,875	1.82%	254
1998/1999	15,080,000	1,293,466	13,786,534	790,617,336	54,875	1.91%	275
1997/1998	16,160,000	1,708,685	14,451,315	793,607,480	54,875	2.04%	294
1996/1997	17,205,000	821,842	16,383,158	765,395,505	54,875	2.25%	327
1995/1996	18,325,000	722,508	17,602,492	755,201,233	54,875	2.43%	334
1994/1995	13,770,000	700,974	13,069,026	773,919,000	54,875	1.78%	251

NOTE: (1) Population data for 1994 through 2000 is assumed to be the same as that of the 1990 census, 2001 through 2004 population based on 2000 census provided by the City of Euclid.

**EUCLID CITY SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2004**

Assessed Valuation		<u>\$ 865,435,613</u>
Bonded Debt Limit - 9% of Assessed Value (1)		\$ 77,889,205
Amount of Debt Applicable to Debt Limit:		
Bonded Debt	19,612,464	
Less: Amount Available in Debt Service Fund	<u>(2,055,309)</u>	
		<u>(17,557,155)</u>
Voted Debt Margin		<u>\$ 60,332,050</u>
Bonded Debt Limit - .1% of Assessed Value (1)		\$ 865,436
Amount of Debt Applicable		<u>0</u>
Unvoted Debt Margin		<u>\$ 865,436</u>

- (1) Bond Law by Ohio Revised Code sets a limit of 9% for voted debt margin and .1% for unvoted debt. All District debt subject to the allowable margin is voted.

**EUCLID CITY SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION
AS OF JUNE 30, 2004**

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Applicable to School District</u>
Direct			
Euclid city School District	\$ 13,112,464	100.00%	\$ 13,112,464
Total Direct	<u>13,112,464</u>		<u>13,112,464</u>
Overlapping			
City of Euclid	27,870,102	100.00%	27,870,102
Cuyahoga County	183,239,636	2.86%	5,240,654
Regional Transit Authority	<u>130,795,000</u>	2.86%	<u>3,740,737</u>
Total Overlapping	<u>341,904,738</u>		<u>36,851,493</u>
Grand Total	<u>\$ 355,017,202</u>		<u>\$ 49,963,957</u>

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis, consistent with the County Auditor's method of maintaining the information.

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision by the total assessed valuation, which includes all overlapping valuation. The valuations were used for the 2002 collection year.

**EUCLID CITY SCHOOL DISTRICT
 PRINCIPAL TAXPAYERS
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
 GENERAL BONDED DEBT TO TOTAL GOVERNMENTAL EXPENDITURES
 LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Governmental Expenditures</u>	<u>Ratio of Debt Service to Governmental Expenditures (Percentage)</u>
2003/2004	\$ 537,093	\$ 1,480,427	\$ 2,017,520	\$ 70,296,537	2.79%
2002/2003	645,444	1,436,546	2,081,990	63,970,093	3.26%
2001/2002	1,220,000	575,490	1,795,490	62,459,721	2.87%
2000/2001	1,165,000	585,575	1,750,575	59,129,892	2.96%
1999/2000	1,115,000	633,187	1,748,187	53,973,709	3.24%
1998/1999	1,080,000	805,230	1,885,230	56,047,894	3.36%
1997/1998	1,045,000	814,128	1,859,128	51,252,688	3.63%
1996/1997	890,000	530,472	1,420,472	47,607,703	2.98%
1995/1996	445,000	782,389	1,227,389	47,115,681	2.61%
1994/1995	410,000	1,032,787	1,442,787	42,600,229	3.39%

Source: School District financial records

**EUCLID CITY SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS**

<u>Year</u>	<u>County Population(1)</u>	<u>Euclid City Population(2)</u>	<u>School Enrollment</u>	<u>Unemployment Rate(1)</u>
2004	1,393,978	52,717	6,423	4.5%
2003	1,393,978	52,717	6,116	4.5%
2002	1,401,552	52,717	6,145	4.5%
2001	1,371,717	52,717	6,021	4.6%
2000	1,371,717	54,875	6,021	4.6%
1999	1,380,696	54,875	6,016	4.5%
1998	1,412,140	54,875	6,214	4.0%
1997	1,398,169	54,875	6,199	4.7%
1996	1,412,140	54,875	5,773	4.9%
1995	1,412,140	54,875	5,670	5.3%

Source: Information in this table was provided by the City of Euclid, Cuyahoga, and the City of Cleveland

(1) Represents Cuyahoga County

(2) Population data for 1994-2000 is assumed to be the same as that of the 1990 census, 2001-2004 population based on 2000 census provided by the City of Euclid.

**EUCLID CITY SCHOOL DISTRICT
PROPERTY VALUES, BANK DEPOSITS, AND CONSTRUCTION
LAST TEN YEARS**

<u>Year</u>	Assessed Value Real/Personal Property (Amounts in 000's) (1)	Bank Deposits (Amounts in 000's) (2)	<u>Building Permits Issued (3)</u>	
			<u>Number</u>	<u>Value</u>
2003	\$ 865,435	\$ 97,238,973	1,266	\$ 17,409,525
2002	816,485	95,761,917	1,286	39,586,980
2001	826,000	70,782,246	1,172	26,237,007
2000	768,218	61,942,764	1,115	25,979,661
1999	768,218	60,296,678	1,059	14,819,890
1998	790,617	58,904,596	1,132	11,398,567
1997	793,607	53,941,971	1,192	11,987,836
1996	755,202	27,068,211	1,060	10,170,356
1995	773,919	22,694,304	923	11,469,358
1994	721,690	20,885,453	1,161	17,242,834

Sources: (1) Cuyahoga County Auditor's Office Data Service (the values listed pertain to the year of collection).

(2) Federal Reserve Bank of Cleveland (total demand, time and savings deposits banks in Cuyahoga County).

(3) Division of Building and Housing, City of Euclid.

**EUCLID CITY SCHOOL DISTRICT
TEN LARGEST EMPLOYERS
DECEMBER 31, 2003**

<u>Name of Employer</u>	<u>Nature of Business</u>	<u>Number of Employees</u>
Lincoln Electric Company	Arc welding products	3,300
Euclid Board of Education	Education	1,043
Meridia Euclid Hospital	Hospital	970
City of Euclid	Municipal government	720
Argo-Tech Corporation	Ammunition, aircraft, and engine pumps and torpedoes	450
Turbine Engine Components	Jet engine blades and aerospace forgings	190
Motch Corporation	Grinding machines, lathes	175
Stumco Industries, Inc.	Metal stampings, dies, secondary, operations and heavy gauge specialties	160
U.S. Metal Service, Inc.	Metal slitting and shearing	150
Hose Master, Inc.	Flexible metal, corrugated, exhaust and Dry bulk handling hose	135

Source: 2004 Harris Ohio Industry Directory in cooperation with the Ohio Department of Development, City, and District records.

**EUCLID CITY SCHOOL DISTRICT
PRINCIPAL TAXPAYERS
REAL ESTATE TAX
DECEMBER 31, 2003**

<u>Name of Taxpayer</u>	<u>Percent of Total Assessed Value Assessed Value (1)</u>	<u>Percent of Total of Real Property</u>	<u>Assessed Value</u>
Cleveland Electric Illuminating Co.	\$ 10,850,700	1.44%	1.25%
Lincoln Electric Co.	10,398,550	1.38%	1.20%
Ohio Bell Telephone Company	9,651,740	1.28%	1.11%
Argo Tech Corporation	7,728,840	1.03%	0.89%
Indian Hills Senior Community, Inc.	8,263,500	1.10%	0.95%
Aerc-Watergate, Inc.	7,286,580	0.97%	0.84%
Harbor Crest Ltd.	5,511,100	0.73%	0.64%
Troy CMBS Property, LLC	4,657,980	0.62%	0.54%
Horizon House LTD.	3,642,630	0.49%	0.42%
Euclid Realty, LLC	3,190,960	0.43%	0.37%
Depot Land Co.	3,163,030	0.42%	0.37%
AE Portfolio, LLC	3,155,540	0.42%	0.37%
The Euclid Clinic	3,040,690	0.40%	0.35%
Euclid Retirement Village	<u>2,492,110</u>	<u>0.33%</u>	<u>0.29%</u>
Total	<u>\$ 83,033,950</u>	<u>11.04%</u>	<u>9.59%</u>
Total Assessed Value of Real Property	<u>\$ 751,895,150</u>	<u>100.00%</u>	<u>86.88%</u>
Total Assessed Valuation	<u>\$ 865,435,613</u>		<u>100.00%</u>

Source: Cuyahoga County Auditor

(1) Assessed values are for 2002

**EUCLID CITY SCHOOL DISTRICT
PRINCIPAL TAXPAYERS
TANGIBLE PERSONAL PROPERTY TAX
DECEMBER 31, 2003**

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Tangible Assessed Value</u>	<u>Percent of Total Assessed Value</u>
Lincoln Electric Company	\$ 15,113,520	17.06%	1.75%
HC Starck, Inc.	8,917,690	10.07%	1.03%
Argo Tech Corporation	6,357,930	7.18%	0.73%
GE Lighting Inc.	3,473,040	3.92%	0.40%
Turbine Engine Components	2,629,620	2.97%	0.30%
Stamco Industries, Inc.	2,509,920	2.83%	0.29%
Park Ohio Holdings Corp.	1,964,760	2.22%	0.23%
Kerr Lakeside Incorporated	1,715,700	1.94%	0.20%
Marine Mechanical Corp.	1,596,135	1.80%	0.18%
Marine Mechanical Corp.	1,601,290	1.81%	0.19%
Home Depot USA, Inc.	1,486,340	1.68%	0.17%
Mid America Steel Corp.	1,475,320	1.66%	0.17%
Hose Master Inc.	1,282,530	1.45%	0.15%
K-Mart Corporation	1,039,680	1.17%	0.12%
Tops Markets, LLC	<u>960,330</u>	<u>1.08%</u>	<u>0.11%</u>
Total	<u>\$ 52,123,805</u>	<u>58.84%</u>	<u>6.02%</u>
Total Tangible Assessed Valuation	<u>\$ 88,592,903</u>	<u>100.00%</u>	<u>10.24%</u>
Total Assessed Valuation	<u>\$ 865,435,613</u>		<u>100.00%</u>

Source: Cuyahoga County Auditor

(1) Assessed values are for 2003

EUCLID CITY SCHOOL DISTRICT
PRINCIPAL TAXPAYERS
PUBLIC UTILITIES TAX
DECEMBER 31, 2003

Name of Taxpayer	Assessed Value (1)	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$ 10,850,700	43.49%
Ohio Bell Telephone Company	9,145,220	36.66%
East Ohio Gas Company	1,560,760	6.26%
American Transmission System	1,207,890	4.84%
Norfolk Southern Combined	910,540	3.65%
CSX Transportation - Combined	331,910	1.33%
Sprint Communications, Inc.	179,450	0.72%
Level 3 Communications Corporation	177,170	0.71%
New Par	167,200	0.67%
Alltel Ohio Limited Partner	<u>127,930</u>	<u>0.51%</u>
Total	<u>\$ 24,658,770</u>	<u>98.84%</u>
 Total Public Utility Assessed Valuation	 <u>\$ 24,947,560</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 2003

**EUCLID CITY SCHOOL DISTRICT
PER PUPIL COST
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Governmental Fund Expenditures</u>	<u>Average Per Student Enrollment</u>	<u>Pupil Cost</u>
2003/2004	\$ 71,525,069	6,423	\$ 11,136
2002/2003	63,970,093	6,116	10,459
2001/2002	62,459,721	6,145	10,164
2000/2001	59,129,892	6,021	9,821
1999/2000	53,973,709	6,021	8,964
1998/1999	56,047,894	6,015	9,318
1997/1998	51,252,688	6,214	8,247
1996/1997	47,607,703	6,199	7,679
1995/1996	47,115,681	5,773	8,161
1994/1995	42,600,229	5,670	7,513

Source: School District Financial Records

**EUCLID CITY SCHOOL DISTRICT
TEACHER EDUCATION AND EXPERIENCE
FOR THE YEAR ENDED JUNE 30, 2004**

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	165	34.81%
Master's Degree	307	64.77%
Ph.D.	<u>2</u>	<u>.42%</u>
Total	<u>474</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	130	27.43%
6 - 10	130	27.43%
11 and over	<u>214</u>	<u>45.14%</u>
	<u>474</u>	<u>100.00%</u>



**Auditor of State
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**EUCLID 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
FEBRUARY 10, 2005**