

**NORTH OLMSTED CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2004**



**Auditor of State  
Betty Montgomery**



**NORTH OLMSTED CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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**NORTH OLMSTED CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2004**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
<b>Child Nutrition Cluster:</b>						
Food Distribution Program	N/A	10.550		\$58,012		\$58,012
National School Lunch Program	044529 LL P4 03	10.555	\$77,579		\$77,579	
National School Lunch Program	044529 LL P4 04	10.555	226,684		226,684	
<b>Total U.S. Department of Agriculture - Child Nutrition Cluster</b>			<b>304,263</b>	<b>58,012</b>	<b>304,263</b>	<b>58,012</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
<b>Special Education Cluster:</b>						
Special Education Grants to States, IDEA Part B	044529 6B SD 03	84.027	18,160		25,194	
Special Education Grants to States, IDEA Part B	044529 6B SF 03	84.027	-		36,134	
Special Education Grants to States, IDEA Part B	044529 6B SD 04	84.027	9,383		16,501	
Special Education Grants to States, IDEA Part B	044529 6B SF 04	84.027	381,342		477,970	
<b>Total Special Education Grants to States, IDEA Part B</b>			<b>408,885</b>	-	<b>555,799</b>	-
Special Education Preschool Grants	044529 PG S1 04	84.173	21,800		23,203	
<b>Total Special Education Preschool Grants</b>			<b>21,800</b>	-	<b>23,203</b>	-
<b>Total Special Education Cluster</b>			<b>430,685</b>	-	<b>579,002</b>	-
Title I, Part A, ESEA	044529 C1 S1 03	84.010	-		28,450	
Title I, Part A, ESEA	044529 C1 S1 04	84.010	178,922		175,734	
<b>Total Title I, Part A, ESEA</b>			<b>178,922</b>	-	<b>204,184</b>	-
Safe and Drug Free Schools National Program	044529 T4 S1 04	84.184C	6,873		10,356	
<b>Total Safe and Drug Free Schools National Program</b>			<b>6,873</b>	-	<b>10,356</b>	-
Safe and Drug Free Schools	044529 DR S1 03	84.186	21,105		5,645	
Safe and Drug Free Schools	044529 DR S1 04	84.186	10,009		11,734	
<b>Total Safe and Drug Free Schools</b>			<b>31,114</b>	-	<b>17,379</b>	-
Innovation Education Program Strategies, Title V	044529 C2 S1 03	84.298	1,364		2,831	
Innovation Education Program Strategies, Title V	044529 C2 S1 04	84.298	5,937		27,813	
<b>Total Innovation Education Program Strategies, Title V</b>			<b>7,301</b>	-	<b>30,644</b>	-
Education Technology State Grants, Title II-D	044529 TJ S1 04	84.318	922		5,427	
<b>Total Education Technology State Grants, Title II-D</b>			<b>922</b>	-	<b>5,427</b>	-
Limited English Proficiency, Title III	044529 T3 S1 04	84.365	18,113		17,230	
Limited English Proficiency, Title III	044529 T3 S2 04	84.365	4,335		5,349	
<b>Total Limited English Proficiency, Title III</b>			<b>22,448</b>	-	<b>22,579</b>	-
Improving Teacher Quality, Title II-A	044529 TR S1 03	84.367	-		1,069	
Improving Teacher Quality, Title II-A	044529 TR S1 04	84.367	113,417		116,589	
<b>Total Improving Teacher Quality, Title II-A</b>			<b>113,417</b>	-	<b>117,658</b>	-
Learn and Serve America	044529 SV S5 03	94.004	-		2,865	
Learn and Serve America	044529 SV S5 04	94.004	40,237		50,000	
<b>Total Learn and Serve America</b>			<b>40,237</b>	-	<b>52,865</b>	-
<b>Total U.S. Department of Education</b>			<b>831,919</b>	-	<b>1,040,094</b>	-
<b>Total All Federal Funds</b>			<b>\$1,136,182</b>	<b>\$58,012</b>	<b>\$1,344,357</b>	<b>\$58,012</b>

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

**NORTH OLMSTED CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (Schedule) summarizes the activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**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. Values may change from month to month and are entirely subjective. At June 30, 2004, the District had no significant food commodities in inventory.

**NOTE C - NATIONAL SCHOOL LUNCH PROGRAM**

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

N/A - Not applicable.

CFDA - Catalog of Federal Domestic Assistance.



## Auditor of State Betty Montgomery

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

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

We have audited the financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the North Olmsted City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 11, 2005. 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 tested 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 no instance of noncompliance that we must report under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the District's management in a separate letter dated January 11, 2005.

#### 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 the District's management in a separate letter dated January 11, 2005.

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

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

**Betty Montgomery**  
Auditor of State

January 11, 2005





## **Auditor of State Betty Montgomery**

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

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

#### **Compliance**

We have audited the compliance of the North Olmsted City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal programs for the year ended June 30, 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 the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2004.

#### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated January 11, 2005.

#### **Schedule of Federal Awards Receipts and 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 January 11, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying schedule of federal awards receipts and 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 management, the Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

January 11, 2005

**NORTH OLMSTED CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 Section .505  
JUNE 30, 2004**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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(d)(1)(i)	<b><i>Type of Financial Statement Opinion</i></b>	Unqualified
(d)(1)(ii)	<b><i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i></b>	No
(d)(1)(ii)	<b><i>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</i></b>	No
(d)(1)(iii)	<b><i>Was there any reported non-compliance at the financial statement level (GAGAS)?</i></b>	No
(d)(1)(iv)	<b><i>Were there any material internal control weakness conditions reported for major federal programs?</i></b>	No
(d)(1)(iv)	<b><i>Were there any other reportable internal control weakness conditions reported for major federal programs?</i></b>	No
(d)(1)(v)	<b><i>Type of Major Programs' Compliance Opinion</i></b>	Unqualified
(d)(1)(vi)	<b><i>Are there any reportable findings under Sec. .510?</i></b>	No
(d)(1)(vii)	<b><i>Major Programs (list)</i></b>	Special Education Cluster: Special Education Grants to States and Special Education – Preschool Grants CFDA #84.027, 84.173 Child Nutrition Cluster CFDA # 10.550, 10.555
(d)(1)(viii)	<b><i>Dollar Threshold: Type A/B Programs</i></b>	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	<b><i>Low Risk Auditee?</i></b>	No

<b>2. FINDING RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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None

<b>3. FINDINGS FOR FEDERAL AWARDS</b>
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None



**NORTH OLMSTED**  
**CITY SCHOOL DISTRICT**  
North Olmsted, Ohio

**Comprehensive**  
**Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2004**

Prepared by  
Treasurer's Office  
Robert J. Matson CPA  
Treasurer



**North Olmsted City School District**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2004**  
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## North Olmsted City School District

24100 Palm Drive  
North Olmsted, Ohio 44070



January 11, 2005

Members of the North Olmsted Board of Education:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the North Olmsted City School District for the year ended June 30, 2004. This CAFR includes an opinion from the State Auditor and conforms to U.S. generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the North Olmsted City School District with comprehensive financial data in a format that will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the North Olmsted Public Library, major taxpayers, financial rating services, local bankers and other interested parties.

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

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

### **SCHOOL DISTRICT**

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

The School District was chartered in 1831 by the Ohio State legislature two years after the name "Olmstead" was assigned to the area. The region was named after Aaron Olmstead, an investor and Revolutionary War soldier who purchased land in the area in 1794. The exact time and reason for changing to the current spelling is unclear from the historical records. In 1837, under

the auspices of the Office of the State Superintendent of Common School Education, Township Trustees were authorized to levy compulsory taxes for the support of public education. In 1853 State laws were enacted to create locally elected boards of education to govern local school districts. Today, the North Olmsted Board of Education is comprised of five members, elected at large, with staggered four year terms.

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

### **THE REPORTING ENTITY**

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

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

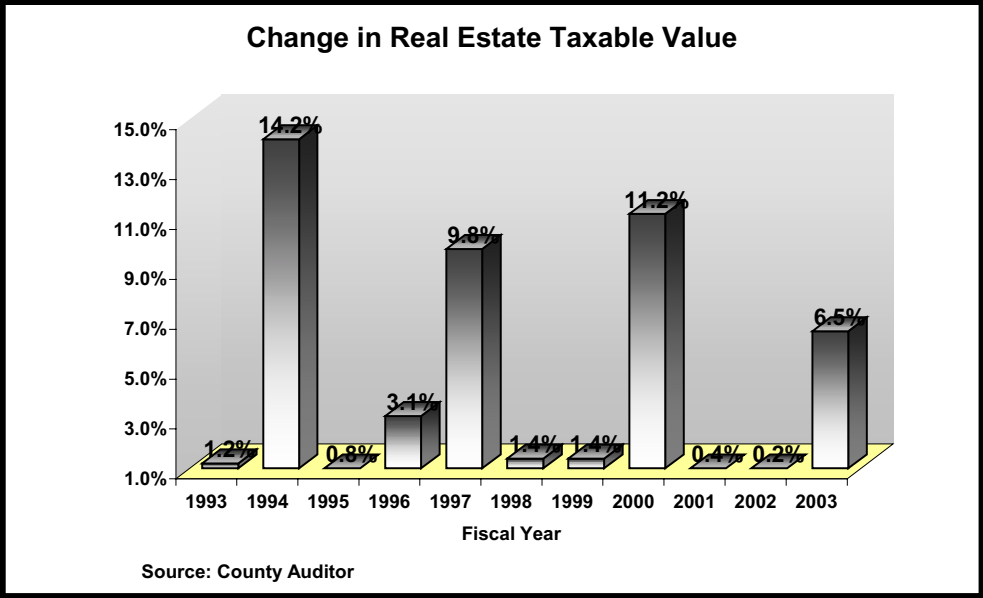
The School District is a member of the Lake Erie Educational Computer Association, the Polaris Career Center, the North Olmsted City Schools Education Foundation and the Ohio Schools Council Association. The relationship of these jointly governed organizations with the School District is described in more detail in Note 17 of the basic financial statements.

### **ECONOMIC CONDITION AND OUTLOOK**

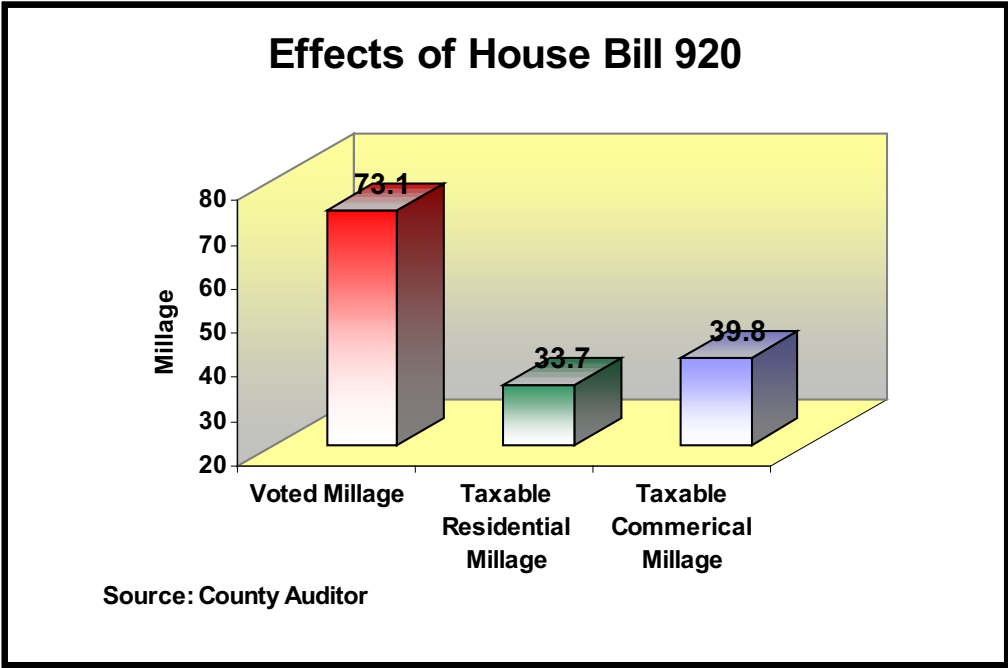
The District's financial position stabilized with the passage in May 2002 of a 7.9 mill operating levy. This levy generates \$6.4 million dollars in additional revenue annually. The collection of this revenue was phased in over a two year period beginning in fiscal year 2003. The School District is currently reviewing its five year financial forecast and is considering placing another operating levy on the ballot during calendar year 2005 or 2006.

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

The District's primary source of operating revenues (68.2 percent) comes from the levying of real estate taxes on residential and commercial property located within the community. The City of North Olmsted is a mature community with limited vacant land available for new commercial or residential development. Increases in the School District's tax base come primarily from reevaluation of the taxable value of real estate by the County Auditor every three years and is illustrated in the graph on the following page.



Unfortunately, current state law prevents school districts in Ohio from receiving additional tax revenue when the County Auditor reevaluates property values. In 1976, the Ohio General Assembly passed House Bill 920. This law requires the tax rate to be lowered by the same percentage property values are increased by the County Auditor's reevaluation. North Olmsted City Schools has levied 77.0 mills of taxes to fund its operation, of which 73.1 is voted millage. House Bill 920 has lowered the effective millage to 33.7 mills for residential properties and 39.8 mills for commercial property and is illustrated in the graph below.



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

The School District also faces a future loss of revenue from the collection of tangible personal property taxes. This tax is assessed on the value of inventory and equipment owned by businesses located within the community and represents approximately 7.6 percent of General Fund operating revenues received in fiscal year 2004.

In June 2003, the Ohio General Assembly passed House Bill 95, which will phase-out the inventory portion of the tax assessment. The phase-out period will be over 10 years beginning in calendar year 2006. Once fully implemented, the School District estimates that its operating revenue will be reduced \$2,400,000 dollars annually.

Another significant source of revenue that is declining for the School District is funding received from the State of Ohio through its State Foundation Program. In fiscal year 1991, the Foundation Program provided over 26 percent of the School District's General Fund operating revenue. Today, the Foundation Program accounts for only 16.5 percent of the School District's General Fund operating revenue. The formula used to allocate State aid among school districts in Ohio redistributes these funds from school districts with a large real estate and personal property tax base, such as North Olmsted, to school districts with a smaller tax base. It is anticipated that money received from the State of Ohio will continue to decline as a major source of revenue as the financial burden of funding public education shifts to the local taxpayer.

## **MAJOR INITIATIVES - FISCAL YEAR 2004**

### **Excellence in Academics, the Arts and Leaders in Community Service**

In keeping with the above District theme, the following highlights give a snapshot look at the caliber of student graduation from the North Olmsted City Schools.

#### **Academic Excellence**

The Class of 2004 had 406 graduates of which 86% enrolled in a two or four-year college, university or technical school to further their education.

Students continued to score above the national average on the American College Test (ACT) with a composite of 22.1, and on the Scholastic Assessment Test, with a verbal composite of 606 and math composite of 663.

North Olmsted High School offers 13 Advanced Placement classes. 70% of the students enrolled were able to transfer High School credit towards their college degrees.

The graduates received 101 Honors Diplomas, 95 Ohio Award of Merit honors, and 74 President's Awards of Academic Excellence.

The High School was the recipient of the National School of Excellence Award from the United States Department of Education and received a top rating of "Excellent" on the 2003/2004 Ohio School Report Card.

The Class of 2004 also received over \$4,000,000 in scholarship offers for their continuing education and over \$60,000 in community scholarships. Two students were recognized as Commended Students in the National Merit Scholarship program.

## **The Arts**

The High School marching band earned first place honors in the annual St. Patrick's Day parade in downtown Cleveland, and were invited to perform in the Cherry Blossom Festival parade in Washington, D.C.

Students were selected to perform as members of the Cleveland Orchestra Youth Orchestra, and band and orchestra students continue to earn top ratings in the Greater Cleveland Instrumental Solo and Ensemble contests.

High School students had 29 pieces of art accepted into the final judging of the Ohio Governor's Art Show. Two students received "Best in Region" awards.

## **Service to the Community**

The SITES service learning program continued to receive local, state and national recognition, including coordination of the Ohio Bicentennial Service-Learning Schools Project that involved all 88 counties in Ohio.

This project is described in the Students in Service to America guidebook. The guidebook is issued by President George Bush's USA Freedom Corps and describes the bicentennial initiative as the only "organized statewide service-learning project in the country."

The SITES program also received the Ohio Department of Education's Learn and Serve Ohio grant and serves as one of the state's "model programs" for service-learning.

Key Club collected a record-breaking 200 pints of blood for the American Red Cross.

The Quiz Bowl Team competed on the WEWS television program "Academic Challenge."

The athletic program produced SWC champions in wrestling and girl's varsity softball.

The Athletic Hall of Fame welcomed its fifth class of inductees that included former athletes and coaches.

## ***What does excellence in academics, the arts, athletics and service mean for our community?***

This exemplary showing is one reason why the North Olmsted City Schools have earned the prestigious Gold Medal Award of Excellence, given by the Greater Cleveland Growth Association and Expansion Management Magazine. The magazine, which advises 45,000 corporate clients on where to locate or expand their businesses, said the system's students were well prepared to enter the workforce or go to college after high school graduation.

The District has also received the "What Parents Want Award," presented by SchoolMatch, an independent nationwide service that provides research from over 15,000 public school districts across the U.S.

SchoolMatch recognized NOCS as "meeting the needs and desires of both students and parents" and for "being competitive in academics with appropriate expenditures for staff and services."

## **Strategic Continuous Improvement Plan**

The District spent the year working on a new five-year Strategic Continuous Improvement Plan during the 2003/2004 school year, which was presented in draft form to the Board of Education on June 21, 2004.

The plan was designed to bring a focus, consistency and stability to our school culture by creating a common understanding of what we need to accomplish in order to increase student achievement.

Through the yearlong work on the five-year Continuous Improvement Plan, the District gave thoughtful consideration to the long-term goals and needs of the District and formulated a data driven plan for improved student achievement across all grade levels.

## **Kaufmann's Donation**

At the Board of Education meeting on Monday, June 21, 2004, Melissa Thurstone, General Manager of Kaufmann's at Great Northern Mall, presented the North Olmsted City Schools with a check for \$25,000 to form a new corporate partnership with the schools.

The donation will be used to offset the cost of a new scoreboard at the High School athletic field and to help fund the cost of the District's community calendar.

The donation has set a new precedent for Kaufmann's. They have 102 stores, and the partnership with the North Olmsted Schools is a first.

On Friday, August 27, 2004 at half-time of the North Olmsted High School football game, the Board of Education accepted \$111,000 in funds raised by the community in 2003/2004 for a new scoreboard and track in the first phase of improvements to the athletic facilities: \$40,000 from the athletic Eagle Boosters; \$6,000 from Medical Mutual; \$25,000 from Kaufmann's Great Northern and \$40,000 from ACIG (Athletic Complex Improvement Group).

## **Other Awards and Honors**

Board Member Donald S. Frazier, was one of five public school board members named to the Ohio School Boards Association" (OSBA) 2004 All-Ohio School Board during the 49<sup>th</sup> annual OSBA Capital Conference and Trade Show.

Every year, OSBA names one board of education member from each of its five regions – Central, Northeast, Northwest, Southeast and Southwest – to the All-Ohio School Board. The award recognizes outstanding service to public education and represents the dedication shown by thousands of board members across the state.

## **FINANCIAL INFORMATION**

### **Internal Accounting and Budgetary Control**

In developing the School District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is



based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

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

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure. A permanent appropriation measure is subsequently adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. The legal level of appropriations is at the fund/object level for the General Fund and Debt Service Fund, at the fund/special cost center level for the Other Grants Fund, Miscellaneous State Grants Fund, Auxiliary Services Fund and Miscellaneous Federal Grants Fund, and at the fund level for all other funds. All budgets are maintained at the object account level within a function and fund. All purchase order requests must be approved by either the Superintendent or Assistant Superintendent and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors. Those requests that exceed the available appropriation are rejected until additional appropriations are secured.

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

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

## **Financial Condition**

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

**Government-wide financial statements** - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The District has no business-type activities.

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

governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

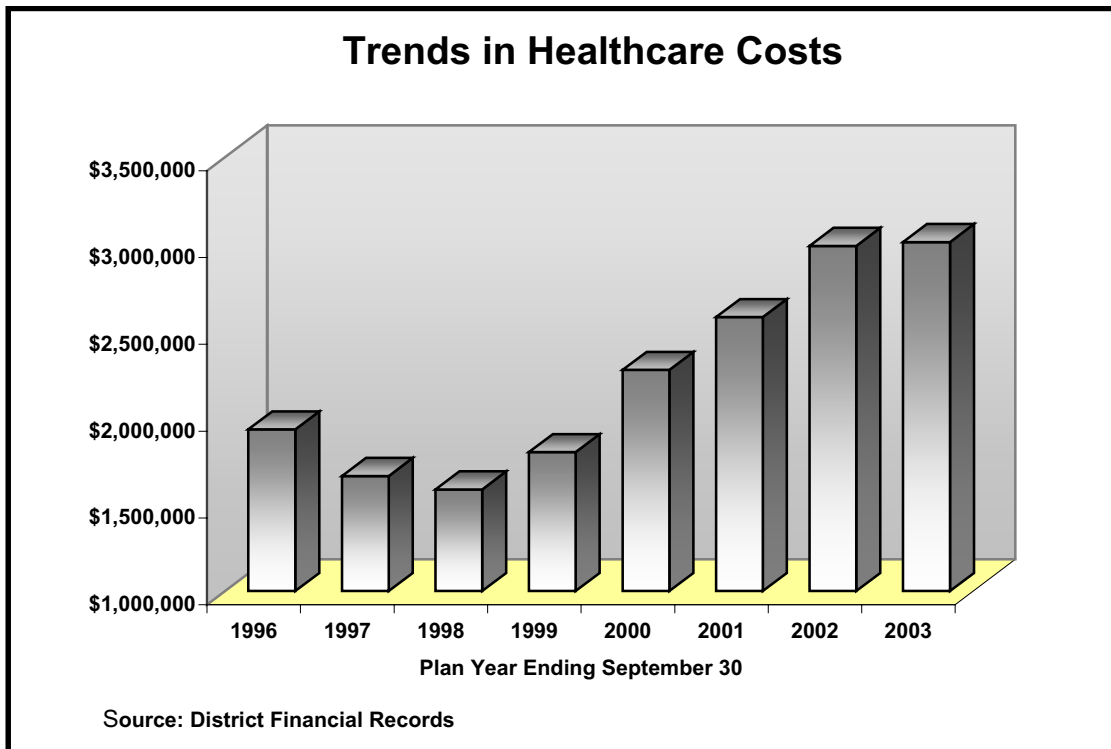
**Statement of budgetary comparisons** - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion follows the Independent Accountants' Report and provides an assessment of the School District's finances for 2004 and a discussion of current issues affecting the School District in the future. Because that discussion focuses on major funds, other non-major funds are discussed briefly in this letter.

### Financial Highlight - Internal Service Fund

The Internal Service Fund accounts for all activities in which the School District provides goods and/or services to other governmental agencies or to students on a cost plus reimbursement basis. During fiscal year 2004, only one activity, the Self-Insurance Fund, is reported under this category. The Self-Insurance Fund accounts for the revenue and expenses associated with the School District's medical, prescription drug and dental benefits provided to its employees.

As of June 30, 2004, the Self-Insurance Fund has a fund balance of \$272,000. The District is concerned with spiraling healthcare costs. As illustrated in the graph below, healthcare costs have increased 89.8 percent in the past five years. The dramatic reduction in costs obtained in fiscal years 1997 and 1998 from the redesign of the District's medical plans have been off-set by rising healthcare costs. The District continues in its efforts to contain rising healthcare costs. With the co-operation of the District's unions, wages were frozen during fiscal year 2004 to help off-set rising healthcare costs.



## **Financial Highlight - Agency Fund**

Included in this category are student managed activities assets held by the School District in a trustee capacity. Total assets in these funds at June 30, 2004 were \$71,661.

## **Cash Management**

The Board has developed and implemented a cash management program to maximize investment earnings while maintaining the security of principal and meeting the daily cash flow demands of the School District. The program utilizes sweep accounts that enables the Board to maintain minimum account balances. For the year ended June 30, 2004, the District's investment earnings totaled \$238,534 of which \$231,900 was credited to the General Fund.

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

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

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

## **Risk Management**

The School District provides employees and their dependents a comprehensive medical, prescription drug, dental and eye care program. The program is self-insured and an internal service fund is maintained to account for and finance this program. Medical Mutual of Ohio administers the plan and reviews all claims. The District limits its liability for medical claims by maintaining a specific stop-loss insurance threshold of \$100,000 per individual.

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

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

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

## **INDEPENDENT AUDIT**

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

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

## **AWARDS**

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Olmsted City School District for its Comprehensive Annual Financial Report for the year ended June 30, 2003. In 1985, North Olmsted City School District was the first school district in Ohio to receive this award and has received the award for nineteen consecutive years. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. 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 our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

### **ASBO International Certificate of Excellence**

The School District received the Association of School Business Officials (ASBO) International Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the year ended June 30, 2003. This is the seventeenth consecutive Certificate of Excellence award that North Olmsted City Schools has received. The Certificate of Excellence in Financial Reporting Program was designed by ASBO International to enable school business officials to achieve a high standard of financial reporting.

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

## **ACKNOWLEDGMENTS**

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

Respectfully submitted,

**Robert J. Matson**

Robert J. Matson, CPA  
Chief Financial Officer

**Dr. Kurt T. Stanic**

Dr. Kurt T. Stanic,  
Superintendent of Schools

North Olmsted City School District  
Principal Officials  
June 30, 2004

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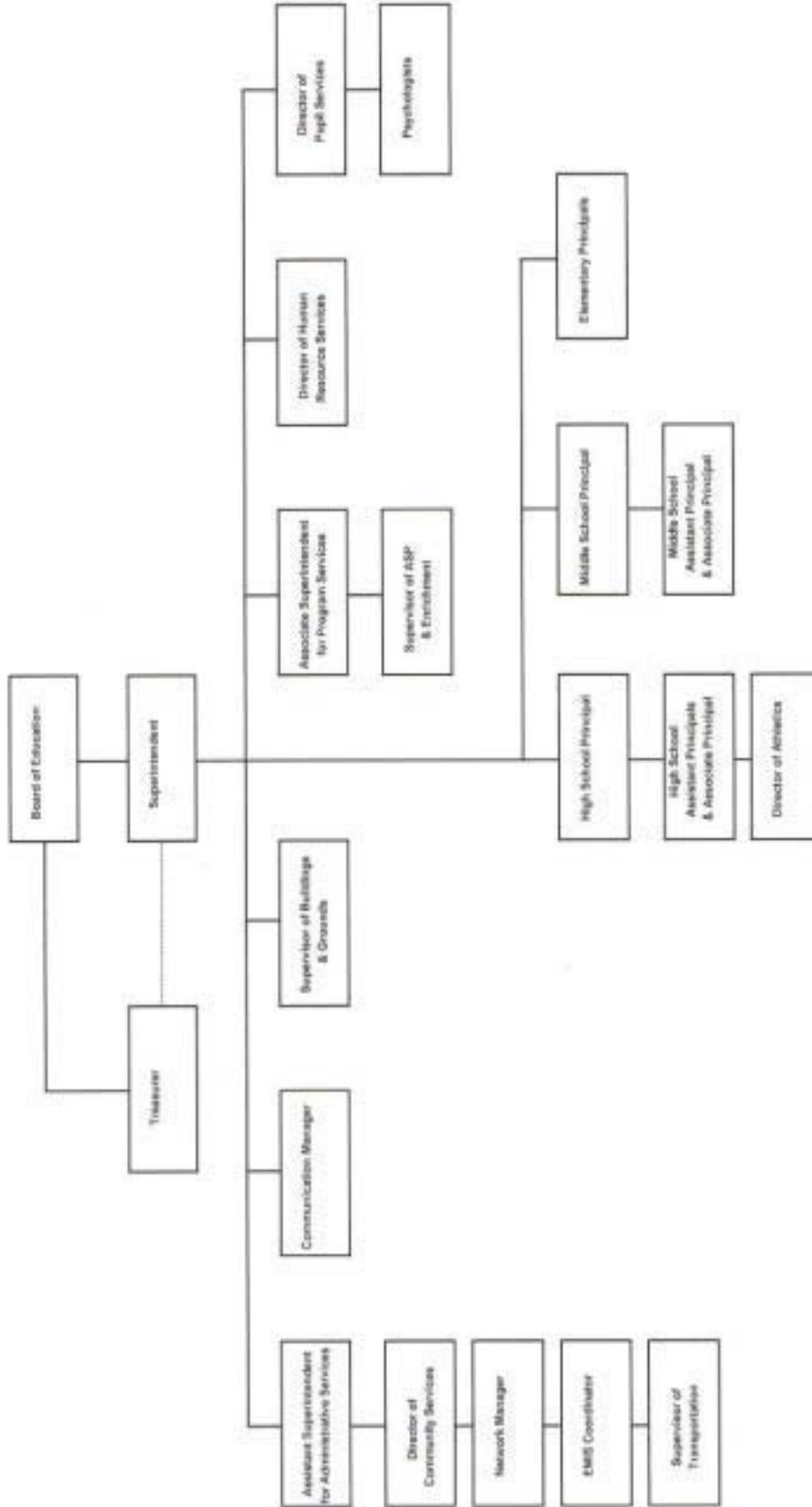
**Board of Education**

Mr. Michael Raig	President
Mr. Thomas Herbster	Vice-President
Mr. Donald Frazier	Member
Mrs. Joanne DiCarlo	Member
Mr. John J. Lasko, Jr.	Member

**Administration**

Dr. Kurt T. Stanic	Superintendent
Dr. Cheryl Dubsky	Associate Superintendent
Dr. Douglas A. Sebring	Assistant Superintendent
Mr. Robert J. Matson, CPA	Treasurer
Mr. Gary Novak	Director of Personnel
Mrs. Sharon Humphrey	Director of Pupil Services
Mrs. Vera Brewer	Communications Manager

**North Olmsted City School District Organizational Chart**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

North Olmsted City  
School District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 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. Zjelle*

President

*Jeffrey R. Emer*

Executive Director



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL



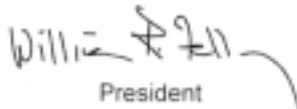
This Certificate of Excellence in Financial Reporting is presented to

**NORTH OLMSTED CITY SCHOOLS**

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2003

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

  
President

  
Executive Director

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2005 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

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

**Betty Montgomery**  
Auditor of State

January 11, 2005

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2004*  
*Unaudited*

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The management discussion and analysis of North Olmsted City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2004. The intent of this management discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key Financial Highlights for 2004 are as follows:

Net assets increased \$5.3 million from the previous year.

The General Fund maintains a strong cash position of \$12.9 million at June 30, 2004.

Revenues for governmental activities totaled \$50.5 million in fiscal year 2004 as compared to \$42.7 million in fiscal year 2003.

91.5 percent of total revenue consisted of General revenues while Program revenues accounted for the remaining balance of 8.5 percent.

Total program expenses increased only 1.0 percent from the previous year to \$45.3 million. Instructional expenses made up 58.4 percent of this total while support services accounted for 34.9 percent. Other expenses rounded out the remaining 6.7 percent.

Reporting the School District as a Whole

*Statement of Net Assets and the Statement of Activities*

*The Statement of Net Assets and Statement of Activities* have been prepared using the accrual basis of accounting, similar to the method used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2004  
Unaudited

**Reporting the School District's Most Significant Funds**

*Governmental Fund Financial Statements*

The Governmental Fund financial statements provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these governmental fund financial statements focus on the School District's most significant funds. The School District has only one major governmental fund, the General Fund.

*Governmental Funds*

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

**The School District as a Whole**

The Statement of Net Assets provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net assets for 2004 compared to 2003.

**TABLE 1**  
Net Assets  
Governmental Activities

	2004	2003
<b>Assets</b>		
Current and other assets	\$ 50,414,409	\$ 47,090,549
Capital assets, net	12,996,351	12,526,066
Total assets	\$ 63,410,760	\$ 59,616,615
<b>Liabilities</b>		
Current liabilities	\$ 34,442,668	\$ 35,618,100
Long-term liabilities		
Due in one year	667,762	623,328
Due in more than one year	2,867,185	3,208,416
Total liabilities	37,977,615	39,449,844
<b>Net Assets</b>		
Invested in capital assets, net of related debt	12,761,807	12,218,897
Restricted for:		
Capital projects	884,816	855,637
Other purposes	142,192	44,323
Unrestricted	11,644,330	7,047,914
Total net assets	\$ 25,433,145	\$ 20,166,771

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2004*  
*Unaudited*

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The financial position of the School District can be derived from a comparison of its assets and liabilities. At June 30, 2004, the total net assets of the School District increased \$5.3 million from the previous year. The majority of this increase is attributable to a 19.8% increase in total general revenue. Approximately half of the increase in total general revenue is temporary in nature and due to normal yearly fluctuation in the tax collections by the County Treasurer.

Prudent management of operating expenses by the Administration has allowed the School District to accumulate a General Fund cash balance of \$12.9 million at June 30, 2004. This cash reserve allows the School District to insulate itself from the effects of fluctuation in revenue due to economic conditions, dramatic cuts in programs and services.

#### Governmental Activities

The vast majority of revenues supporting all Governmental Activities is General revenues. General revenue totaled \$46.2 million or 91.5 percent of the total revenue. The most significant portion of the General revenues is local property tax. Property tax revenue in fiscal year 2004 increased \$7.9 million from the previous year. Half of the increase represents a normal year to year fluctuation in the tax collections by the County Treasurer. The remaining increase is due primarily from the passage of a 7.9 mill operating levy in May, 2002. The levy generated an additional \$6.4 million in property tax revenue annually. However, the full financial impact of this levy was phased in over a period of two fiscal years. Future increases in property tax collections will be minimal because of legislative law that eliminates inflationary growth in revenues.

The remaining amount of revenue received in the form of program revenues of \$4.3 million or only 8.5 percent of total revenue.

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

Table 2 summarizes the revenue, expenses and changes in net assets for fiscal years 2004 and 2003.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2004  
Unaudited

**TABLE 2**  
Governmental Activities

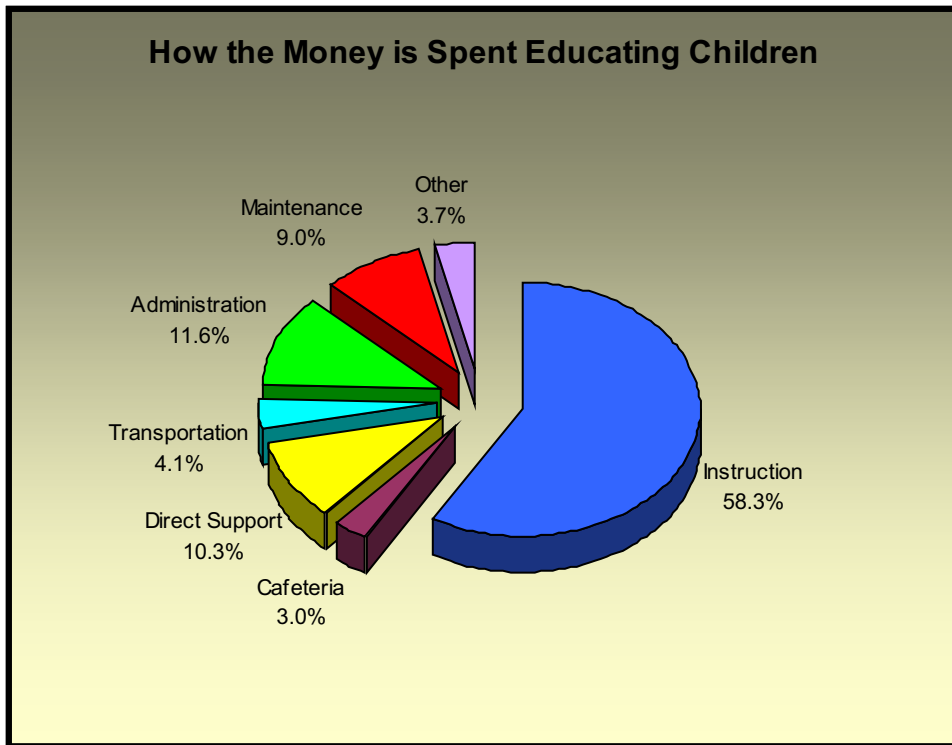
	2004	2003
Revenues		
Program revenues		
Charges for services and sales	\$ 2,159,872	\$ 1,843,031
Operating grants and contributions	2,093,133	2,220,495
Capital grants and contributions	46,092	36,718
Total program revenues	4,299,097	4,100,244
General revenue		
Property tax	34,474,896	26,507,150
Grants and entitlements	11,446,852	11,377,257
Investment earnings	238,534	439,975
Miscellaneous	82,488	278,610
Total general revenues	46,242,770	38,602,992
Total revenues	50,541,867	42,703,236
Program expenses		
Instruction		
Regular	\$ 20,649,582	20,216,074
Special	4,639,555	5,011,288
Vocational	756,455	726,168
Adult/continuing	72,566	120,007
Other instruction	296,051	100,779
Supporting services		
Pupil	3,445,989	3,061,499
Instructional staff	1,200,750	1,326,206
Board of education	204,220	224,903
Administration	3,176,333	3,275,887
Fiscal services	955,088	861,122
Business	150,934	138,036
Operation and maintenance	4,057,511	3,950,519
Pupil transportation	1,840,301	1,892,034
Central services	786,758	917,579
Operation of non-instructional		
Food service operation	1,355,537	1,346,509
Community services	477,934	514,523
Extracurricular activities		
Academic and subject oriented	235,171	278,589
Sports oriented	963,284	808,648
Debt service		
Interest	11,474	65,557
Total program expenses	45,275,493	44,835,927
Increase (decrease) in net assets	5,266,374	(2,132,691)
Net assets, beginning of year	20,166,771	22,299,462
Net assets, end of year	\$ 25,433,145	\$ 20,166,771



**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2004*  
*Unaudited*

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Approximately 58.3 percent of the School District's budget is used to fund instructional expenses. Additional supporting services for pupils, staff and business operations encompass an additional 34.9 percent. The remaining program expenses of 6.8 percent, are budgeted to maintain programs such as the food service, numerous extracurricular activities, and debt service. This can be seen on the graph below.



The Administration continues to develop and implement cost containment and revenue enhancement programs to manage the School District's funds in an efficient and economic manner. With the cooperation of the District's unions, wages were frozen during fiscal year 2004 which enabled the increase in program expenses to be limited to only 1.0% over the previous year.

One method of evaluation the effective use of funds is to compare our cost per pupil expenditures with those of neighboring school districts. Based upon the Ohio Department of Education "2004 Expenditure Flow Model Report", the North Olmsted City School's cost per pupil expenditure was the 22nd lowest among the 31 school districts in Cuyahoga County.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2004  
Unaudited

**Table 3**  
Cost per Pupil as of June 30, 2004

<u>School District</u>	<u>Cost Per Pupil</u>	<u>Ranking in Cuyahoga County (31 Districts)</u>
Bay Village	\$10,247	18
Berea	9,443	23
Fairview Park	10,351	15
Lakewood	9,816	21
North Olmsted	9,793	22
Olmsted Falls	8,926	27
Rocky River	10,028	20
Strongsville	8,679	30
Westlake	10,601	14

Source: Ohio Department of Education

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

**Table 4**  
Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>Governmental Activities</b>				
Instruction	\$ 26,414,209	\$ 26,174,316	\$ (24,403,880)	\$ (24,328,841)
Supporting services	15,817,884	15,647,785	(15,105,560)	(15,243,266)
Operation of non-instructional				
Food service operation	1,355,537	1,346,509	(68,614)	(93,753)
Community services	477,934	514,523	(406,267)	(121,848)
Extracurricular activities	1,198,455	1,087,237	(980,601)	(882,418)
Debt service - interest	11,474	65,557	(11,474)	(65,557)
<b>Total</b>	<u>\$ 45,275,493</u>	<u>\$ 44,835,927</u>	<u>\$ (40,976,396)</u>	<u>\$ (40,735,683)</u>

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2004*  
*Unaudited*

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Program revenues provided only 9.5 percent in 2004 and 9.1 percent in 2003 of the funds necessary to operate the School District. The remaining portion of operating expenses is funded by general revenues.

The primary source of general revenue is property taxes levied. In fiscal 2004, property taxes accounted for 74.5 percent of general revenue. For fiscal year 2003, it was 68.7 percent. Clearly, the North Olmsted community is by far the greatest source of financial support for the students of the North Olmsted City Schools.

**School District Funds**

The School District's major funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$50.0 million and expenditures of \$46.5 million. The net change in fund balance for the year was most significant in the General Fund, an increase of \$2.7 million as compared to a decrease of \$1.8 million in fiscal year 2003.

**General Fund Budgeting Highlights**

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

During fiscal year 2004, the School District amended its General Fund Appropriation Budget several times, none significantly.

During the course of the year, the District lowered its projected tax revenues by approximately \$ 500,000 primarily due to a shortfall in personal property tax collections. Personal property taxes are assessed on business inventories and equipment. The lower than expected tax collections are attributed to the general economic slowdown experienced statewide. Tax collections should experience a partial recovery next year with the expiration of Moen's tax abatement agreement and the addition of Dillard Department Store to the tax duplicate. Investment earnings of \$231,900 were 38.2% less than the previous year due to historically low interest rates. Three years ago, the District earned \$1,036,705 on its investments. It is anticipated interest rates will remain at their present depressed levels during the next 12 to 18 months.

Actual expenses were consistent with annual budget expectations and the School District finished the year with an overall positive variance of \$1.3 million.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2004*  
*Unaudited*

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**Capital Assets and Debt Administration**

Capital Assets

All capital assets, except land, are reported net of depreciation. At the end of fiscal 2004, the School District had \$13.0 million invested in land, buildings, equipment and vehicles. Table 5 shows fiscal 2004 values compared to fiscal 2003.

**Table 5**  
Net Capital Assets at June 30  
Governmental Activities

	2004	2003
Land	\$ 1,088,848	\$ 955,597
Land improvements	484,469	510,369
Building and improvements	8,383,444	8,039,179
Furniture and equipment	1,588,943	1,599,422
Vehicles	1,450,647	1,421,499
Total capital assets	<u>\$ 12,996,351</u>	<u>\$ 12,526,066</u>

During fiscal 2004, the School District purchased \$1,241,828 of capital assets. Approximately 44.3 percent or \$550,000 of the purchases was for the former County library building that will be converted for use as an administrative center.

Debt Administration

At June 30, 2004 the School District had no outstanding bonds. The School District's long-term debt is limited to a \$61,000 note payable. Proceeds from the note were used for the acquisition of school buses in fiscal year 1998. The note is to be repaid in annual equal payments of interest and principal through fiscal year 2006.

The School District's overall legal debt margin was \$76,965,545 with an unvoted debt margin of \$855,173. Because the School District has no outstanding bonds for over ten years, the School District has no official bond rating.

In August 2004, the School District issued \$855,000 of Capital Improvement Notes for the purchase and renovation of a new administrative center. The notes mature in varying amounts over a period of ten years and will be repaid by the School District's Permanent Improvement Fund.

**School District Outlook**

The School District has a strong financial position as indicated by its General Fund cash balance of \$12.9 million at June 30, 2004. However, the School District's financial future is not without challenges. The nature of school funding in Ohio severely restricts the growth in the School District's operating revenues and requires the School District to periodically seek additional funds from the taxpayers to offset rising operating costs. The North Olmsted voters continue to show their support for the schools as illustrated with the passage of a 7.9 mill operating levy in May 2002.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2004*  
*Unaudited*

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In addition, with the problem of limited growth in revenue, school districts are faced with the challenge of losing traditional sources of tax revenue through the Ohio General Assembly legislative actions. In June 2003, the Ohio General Assembly passed House Bill 95 that will phase-out, over a period of 10 years, the taxation on business inventories. Once fully implemented, the School District's operating revenue will be reduced \$2,400,000 annually. In June 1999, the Ohio General Assembly passed Senate Bill 3 to deregulate the electric utility industry in Ohio. Under this legislation, the assessment rate on electric utility property was dramatically reduced and will result in the annual loss of over \$900,000 in tax revenue for the School District.

Financial aid from the State of Ohio through the State Foundation Program has been declining as a major source of operating revenue for the North Olmsted City School District. Because North Olmsted City Schools is considered a wealthy district in terms of property values, it receives a relatively small amount of revenue from the State to fund operating expenses. Increasing property values and declining enrollment has reduced State funding to State minimum levels. The long term implications are the School District will experience no growth in State aid for the foreseeable future.

As a result of the challenges mentioned above, the School District's administration continues to carefully and prudently plan its expenditures to provide adequate resources to meet student needs over the next several years. The administration is currently reviewing the merits of implementing an early retirement incentive program to reduce operating costs. All programs and services are being reviewed with the goal of delivering these programs and services in a more economic manner.

The North Olmsted City School District has committed itself to financial excellence for many years. The School District was the first school district in Ohio to receive the Government Financial Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 1985 and has received the award for nineteen consecutive years. The District has also received the Association of School Business Officials (ASBO) Certificate of Achievement for Excellence in Financial Reporting for the past seventeen years.

**Contacting the School District's Financial Management**

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

NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS

JUNE 30, 2004

	Governmental Activities
Assets	
Equity in pooled cash	\$ 15,463,170
Accounts receivable	180,395
Due from other governments	1,112,965
Inventories and supplies	148,564
Taxes receivable	33,509,315
Capital assets	
Nondepreciable capital assets	1,088,848
Depreciable capital assets	11,907,503
Total assets	<u>63,410,760</u>
Liabilities	
Accounts and contracts payable	129,438
Accrued salaries, wages and benefits	5,254,641
Claims payable	628,000
Due to other governments	1,234,932
Unearned revenue	27,195,657
Long term liabilities	
Due within one year	667,762
Due in more than one year	2,867,185
Total liabilities	<u>37,977,615</u>
Net assets	
Invested in capital assets, net of related debt	12,761,807
Restricted for:	
Capital projects	884,816
Other purposes	142,192
Unrestricted (deficit)	11,644,330
Total net assets	<u>\$ 25,433,145</u>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2004

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants Interest and Contributions	Capital Grants and Contributions	
Governmental activities					
Instruction					
Regular	\$ 20,649,582	\$ 715,734	\$ 533,319	\$ -	\$ (19,400,529)
Special	4,639,555	313,941	268,801	-	(4,056,813)
Vocational	756,455	-	111,800	-	(644,655)
Adult/continuing	72,566	-	66,734	-	(5,832)
Other instruction	296,051	-	-	-	(296,051)
Supporting services					
Pupil	3,445,989	-	517,446	-	(2,928,543)
Instructional staff	1,200,750	503	33,352	-	(1,166,895)
Board of education	204,220	6,846	-	-	(197,374)
Administration	3,176,333	1,688	113	-	(3,174,532)
Fiscal services	955,088	16,867	-	-	(938,221)
Business	150,934	-	-	31,140	(119,794)
Operation and maintenance	4,057,511	14,424	-	-	(4,043,087)
Pupil transportation	1,840,301	58,515	-	14,952	(1,766,834)
Central services	786,758	-	16,478	-	(770,280)
Operation of non-instructional					
Food service operation	1,355,537	863,642	423,281	-	(68,614)
Community services	477,934	-	71,667	-	(406,267)
Extracurricular activities					
Academic and subject oriented	235,171	-	-	-	(235,171)
Sports oriented	963,284	167,712	50,142	-	(745,430)
Debt service					
Interest	11,474	-	-	-	(11,474)
Totals	<u>\$ 45,275,493</u>	<u>\$ 2,159,872</u>	<u>\$ 2,093,133</u>	<u>\$ 46,092</u>	<u>(40,976,396)</u>

General revenues

Property taxes levied for:

General purpose	33,372,329
Capital improvements	1,102,567
Grants and entitlements not restricted to specific purposes	11,446,852
Investment earnings	238,534
Miscellaneous	82,488
Total general revenues	<u>46,242,770</u>

Change in net assets

Change in net assets	5,266,374
Net assets at beginning of year	20,166,771
Net assets at end of year	<u>\$ 25,433,145</u>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

BALANCE SHEET -  
GOVERNMENTAL FUNDS

JUNE 30, 2004

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Equity in pooled cash	\$ 12,880,657	\$ 1,459,440	\$ 14,340,097
Restricted cash	223,073	-	223,073
Receivables, net of allowance			
Taxes, current	31,236,904	1,045,611	32,282,515
Taxes, delinquent	1,187,000	39,800	1,226,800
Accounts and other	179,116	1,279	180,395
Due from other governments	706,914	406,051	1,112,965
Interfund receivable	316,308	-	316,308
Inventories and supplies	113,311	35,253	148,564
<b>Total assets</b>	<b>\$ 46,843,283</b>	<b>\$ 2,987,434</b>	<b>\$ 49,830,717</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts and contracts payable	\$ 55,667	\$ 73,771	\$ 129,438
Accrued wages and benefits	5,138,756	115,885	5,254,641
Due to other governments	788,257	32,459	820,716
Interfund payable	-	316,308	316,308
Deferred revenue			
Taxes	27,501,905	920,552	28,422,457
Other	809,882	67,815	877,697
Compensated absences	587,703	4,824	592,527
<b>Total liabilities</b>	<b>34,882,170</b>	<b>1,531,614</b>	<b>36,413,784</b>
<b>Fund balances</b>			
Reserved for budget stabilization	223,073	-	223,073
Reserved for inventories	113,311	35,253	148,564
Reserved for property taxes	4,921,999	164,859	5,086,858
Reserved for encumbrances	218,982	334,722	553,704
Unreserved, reported in			
General Fund	6,483,748	-	6,483,748
Special Revenue Funds	-	486,108	486,108
Debt Service Fund	-	-	-
Capital Projects Funds	-	434,878	434,878
<b>Total fund balances</b>	<b>11,961,113</b>	<b>1,455,820</b>	<b>13,416,933</b>
 <b>Total liabilities and fund balances</b>	 <b>\$ 46,843,283</b>	 <b>\$ 2,987,434</b>	 <b>\$ 49,830,717</b>

See accompanying notes to the basic financial statements.



NORTH OLMSTED CITY SCHOOL DISTRICT  
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
 NET ASSETS OF GOVERNMENTAL ACTIVITIES

JUNE 30, 2004

Total governmental funds balances		\$ 13,416,933
Amount reported for governmental activities in the statement of net assets are different because		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.		12,996,351
Other long term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Property taxes	1,226,800	
Intergovernmental receivables	877,697	
		2,104,497
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		272,000
Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.		(414,216)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(2,707,876)	
Capital leases	(173,544)	
Notes payable	(61,000)	
		(2,942,420)
Net assets of governmental activities		\$ 25,433,145

See accompanying notes to the basic financial statements.

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

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Taxes	\$ 32,937,250	\$ 1,091,351	\$ 34,028,601
Tuition and fees	426,529	-	426,529
Interest	231,900	6,634	238,534
Intergovernmental	11,143,504	2,374,761	13,518,265
Charges for services	-	909,899	909,899
Extracurricular	-	528,690	528,690
Other	250,037	137,517	387,554
<b>Total revenues</b>	<b>44,989,220</b>	<b>5,048,852</b>	<b>50,038,072</b>
<b>Expenditures</b>			
<b>Current</b>			
<b>Instruction</b>			
Regular	20,123,546	817,755	20,941,301
Special	4,395,047	247,406	4,642,453
Vocational	694,802	50,229	745,031
Adult/continuing	-	72,566	72,566
Other instruction	296,051	-	296,051
<b>Supporting services</b>			
Pupil	2,928,867	522,890	3,451,757
Instructional staff	1,170,766	28,234	1,199,000
Board of education	204,220	-	204,220
Administration	3,437,655	242,032	3,679,687
Fiscal services	951,108	15,785	966,893
Business	101,159	48,082	149,241
Operation and maintenance	3,618,720	732,989	4,351,709
Pupil transportation	1,628,191	249,083	1,877,274
Central services	748,104	64,002	812,106
<b>Operation of non-instructional</b>			
Food service operation	51,092	1,333,638	1,384,730
Community services	24,187	402,336	426,523
<b>Extracurricular activities</b>			
Academic and subject oriented	234,904	-	234,904
Sports oriented	741,620	222,376	963,996
<b>Debt service</b>			
Principal	44,625	28,000	72,625
Interest	7,024	4,450	11,474
<b>Total expenditures</b>	<b>41,401,688</b>	<b>5,081,853</b>	<b>46,483,541</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>3,587,532</b>	<b>(33,001)</b>	<b>3,554,531</b>
<b>Other financing sources (uses)</b>			
Transfers-in	-	144,450	144,450
Transfers-out	(844,450)	-	(844,450)
<b>Total other financing sources (uses)</b>	<b>(844,450)</b>	<b>144,450</b>	<b>(700,000)</b>
<b>Net change in fund balances</b>	<b>2,743,082</b>	<b>111,449</b>	<b>2,854,531</b>
<b>Fund balances, beginning of year</b>	<b>9,224,714</b>	<b>1,343,008</b>	<b>10,567,722</b>
<b>Increase (decrease) in reserve for inventory</b>	<b>(6,683)</b>	<b>1,363</b>	<b>(5,320)</b>
<b>Fund balances, end of year</b>	<b>\$ 11,961,113</b>	<b>\$ 1,455,820</b>	<b>\$ 13,416,933</b>

See accompanying notes to the basic financial statements.

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

Net change in fund balances - total governmental funds \$ 2,854,531

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

Governmental funds report capital outlays as expenditures.

How ever, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by w hich depreciation and deletions exceeded capital outlays in the current period.

Capital outlay	1,241,828	
Depreciation expense	(771,543)	
Total	470,285	470,285

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

Property taxes	446,295	
Intergovernmental revenue	67,812	
Other	(10,313)	
	503,794	503,794

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

72,625

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

Compensated absences	785,180	
Intergovernmental payable	3,279	
Change in inventory	(5,320)	
	783,139	783,139

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-w ide 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.

582,000

Change in net assets of governmental activities

\$ 5,266,374

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 31,097,000	\$ 30,597,000	\$ 30,855,615	\$ 258,615
Tuition and fees	382,000	382,000	418,785	36,785
Interest	380,000	380,000	231,900	(148,100)
Intergovernmental	11,010,000	11,110,000	11,410,702	300,702
Other	347,000	281,382	328,858	47,476
<b>Total revenues</b>	<b>43,216,000</b>	<b>42,750,382</b>	<b>43,245,860</b>	<b>495,478</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Instruction</b>				
Regular	20,485,470	19,913,695	19,800,147	113,548
Special	4,282,530	4,400,931	4,378,665	22,266
Vocational	693,361	684,173	679,015	5,158
Other instruction	716,664	756,805	641,674	115,131
<b>Supporting services</b>				
Pupil	2,795,295	2,985,348	2,908,853	76,495
Instructional staff	1,207,996	1,276,942	1,194,146	82,796
Board of education	229,080	239,370	215,666	23,704
Administration	2,655,720	2,766,921	2,746,900	20,021
Fiscal services	929,860	963,855	937,972	25,883
Business	142,400	135,310	103,459	31,851
Operation and maintenance	3,427,392	3,601,944	3,507,314	94,630
Pupil transportation	1,649,191	1,673,060	1,608,188	64,872
Central services	810,668	846,064	782,134	63,930
<b>Operation of non-instructional</b>				
Food service operation	63,734	49,800	49,747	53
Community services	25,000	26,500	24,187	2,313
Extracurricular activities	937,707	970,635	960,032	10,603
Capital outlay	51,224	606,874	584,825	22,049
<b>Total expenditures</b>	<b>41,103,292</b>	<b>41,898,227</b>	<b>41,122,924</b>	<b>775,303</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>2,112,708</b>	<b>852,155</b>	<b>2,122,936</b>	<b>1,270,781</b>
<b>Other financing sources (uses)</b>				
Advances-in	43,469	643,469	643,469	-
Refund prior year expenditure	4,000	4,000	3,503	(497)
Advances-out	-	(316,308)	(316,308)	-
Transfers-out	(164,300)	(880,950)	(845,950)	35,000
<b>Total other financing sources (uses)</b>	<b>(116,831)</b>	<b>(549,789)</b>	<b>(515,286)</b>	<b>34,503</b>
<b>Net change in fund balances</b>	<b>1,995,877</b>	<b>302,366</b>	<b>1,607,650</b>	<b>1,305,284</b>
Fund balances, beginning of year	10,848,239	10,848,239	10,848,239	-
Prior year encumbrances appropriated	373,192	373,192	373,192	-
<b>Fund balances, end of year</b>	<b>\$ 13,217,308</b>	<b>\$ 11,523,797</b>	<b>\$ 12,829,081</b>	<b>\$ 1,305,284</b>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF FUND NET ASSETS  
INTERNAL SERVICE FUND

JUNE 30, 2004

	<u>Self Insurance</u>
Assets	
Equity in pooled cash	\$ 900,000
Liabilities	
Claims payable	<u>628,000</u>
Net assets	
Unrestricted	<u><u>\$ 272,000</u></u>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -  
INTERNAL SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Self Insurance</u>
Operating revenues	
Charges for services	\$ 4,093,743
Operating expenses	
Purchased services	406,885
Claims	3,804,858
Total operating expenses	4,211,743
Operating loss	(118,000)
Transfers in	700,000
Change in net assets	582,000
Net assets, beginning of year	(310,000)
Net assets, end of year	\$ 272,000

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS -  
INTERNAL SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2004

	<u>Self Insurance</u>
Cash flows from operating activities	
Cash received from interfund services	\$ 4,093,743
Cash payments for goods and services	(406,885)
Cash payments for claims	<u>(3,686,858)</u>
Net cash provided by operating activities	<u>-</u>
Cash flows from noncapital financing activities	
Transfer from other funds	700,000
Return of advance from other funds	<u>(600,000)</u>
Net cash provided by noncapital financing activities	<u>100,000</u>
Net increase in cash and cash equivalents	100,000
Cash and cash equivalents, beginning of year	<u>800,000</u>
Cash and cash equivalents, end of year	<u>\$ 900,000</u>
Reconciliation of operating loss to net cash used for operating activities	
Operating loss	<u>\$ (118,000)</u>
Adjustments	
Increase in claims payable	<u>118,000</u>
	<u>118,000</u>
Net cash used for operating activities	<u>\$ -</u>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUND  
JUNE 30, 2004

	<u>Student Activities</u>
Assets	
Equity in pooled cash	<u>\$ 71,661</u>
Total assets	<u><u>71,661</u></u>
Liabilities	
Due to students	<u>71,661</u>
Total liabilities	<u><u>\$ 71,661</u></u>

See accompanying notes to the basic financial statements.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

The North Olmsted City School District (the District) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city school district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the District. Average daily membership on, or as of, October 1, 2003 was 4,418. The District employs 374 certificated and 269 non-certificated employees.

**REPORTING ENTITY**

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

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

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

The District is associated with the Lake Erie Educational Computer Association, the Polaris Career Center, the North Olmsted City Schools Education Foundation, and the Ohio Schools Council, which are considered to be jointly governed organizations. The District also participates in a public risk pool managed by the Ohio Schools Boards Association Workers' Compensation Group Rating Program. These organizations and their relationships with the District are described in more detail in Notes 10 and 17 of these financial statements.

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. FUND ACCOUNTING

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

Governmental Funds

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

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

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

Proprietary Fund

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

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

Fiduciary Funds

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS

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

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

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

D. BASIS OF ACCOUNTING

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BASIS OF ACCOUNTING (continued)

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

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

Deferred Revenue

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

Property taxes for which there is an enforceable legal claim as of June 30, 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.

Expenditures/Expenses

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETARY PROCESS

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

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

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

F. CASH AND INVESTMENTS

Cash received by the District is deposited in one central bank account with individual fund balance integrity maintained through District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAROhio) or other short term investments. Under existing Ohio statutes, interest earnings are allocated to funds based on average monthly cash balances. Interest income earned for the year ended June 30, 2004 totaled \$ 238,534.

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

The District has invested in the State Treasury Asset Reserve of Ohio (STAROhio) during the year. STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2004.

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. INVENTORY

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

On fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased.

H. RESTRICTED ASSETS

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

I. CAPITAL ASSETS

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$ 2,500. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. The majority of capital outlay is made from the Permanent Improvements Fund. Actual amounts capitalized for reporting purposes may differ due to the capitalization policy.

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

Asset	Estimated useful life
Land improvements	25 - 30 years
Buildings	60 - 80 years
Building improvements	25 years
Furniture and equipment	8 - 35 years
Vehicles	15 years

J. INTERFUND BALANCES

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. COMPENSATED ABSENCES

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

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

A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

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

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

M. NET ASSETS

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

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

N. FUND BALANCE RESERVES AND DESIGNATIONS

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



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. FUND BALANCE RESERVES AND DESIGNATIONS (continued)

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

O. OPERATING REVENUES AND EXPENSES

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

P. INTERFUND TRANSACTIONS

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

Q. ESTIMATES

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

NOTE 3 - DEFICIT FUND EQUITY

At June 30, 2004, the Limited English Proficiency and Preschool Special Revenue Funds had deficit fund balances of \$ 132 and \$ 1,403, respectively. These deficits resulted from adjustments for accrued liabilities. The General Fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While the District is reporting financial position, results of operations, and changes in fund balances/retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis statements are the following:

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

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

Net Change in Fund Balance	
	General Fund
Budget basis	\$ 1,607,650
Adjustments, increase (decrease)	
Revenue accruals	1,743,360
Expenditure accruals	(278,764)
Other sources (uses)	(329,164)
GAAP basis, as reported	\$ 2,743,082

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

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

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

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

Interim monies may be invested in the following securities:

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2004

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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

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

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

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

At fiscal year end, the carrying amount of the District's deposits and cash on hand was \$ 10,235,212 and the bank balance was \$ 10,791,196, all of which was covered by federal depository insurance or by collateral held by a qualified third party trustee in the name of the North Olmsted City School District.

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

	Category			Fair Value
	1	2	3	
U. S. Government securities	\$ -	\$ -	\$ 4,865,838	\$ 4,865,838
Investment in State Treasurer's Investment Pool				433,781
				\$ 5,299,619

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2004

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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

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

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$ 15,534,831	\$ -
U. S. Government securities	(4,865,838)	4,865,838
Investment in State Treasurer's Investment Pool	(433,781)	433,781
GASB Statement No. 3	\$ 10,235,212	\$ 5,299,619

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 distributions are received by the District in the second half of the fiscal year. Second-half tax distributions are received in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real and public utility property tax revenues received in calendar year 2004 represent the collection of calendar year 2003 taxes. Real property taxes for 2004 were levied after April 1, 2004, on the assessed values as of January 1, 2004, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2004 represents collections of calendar 2003 taxes. Public utility real and tangible personal property taxes received 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 received during calendar 2004 (other than public utility property) represents the collection of 2004 taxes. Tangible personal property taxes received in calendar 2004 were levied after April 1, 2004, 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-three 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.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2004

NOTE 6 - PROPERTY TAXES (continued)

The District receives property taxes from Cuyahoga County. The County Auditor periodically advances 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 2004/2005 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes which were measurable as of June 30, 2004 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at June 30, nor were they levied to finance fiscal year 2004 operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance was recognized as revenue.

The amount available as an advance at June 30, 2004, was \$ 4,921,999 in the General Fund and \$ 164,859 in the Permanent Improvements Fund. The amount available as an advance at June 30, 2003, was \$ 2,768,919 in the General Fund and \$ 92,582 in the Permanent Improvements Fund.

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

	2003 Second Half Collections		2004 First Half Collections	
	Amount	%	Amount	%
Agricultural Residential				
Real Estate	\$ 527,745,130	65.20 %	\$ 561,498,960	65.66 %
Other Commercial	219,476,710	27.12	234,285,150	27.40
Public Utility Tangible	16,116,080	1.99	16,245,870	1.90
Tangible Personal Property	46,093,216	5.69	43,142,745	5.04
	<u>\$ 809,431,136</u>	<u>100.00 %</u>	<u>\$ 855,172,725</u>	<u>100.00 %</u>
 Tax Rate per \$ 1,000 of Assessed Valuation:	 <u>77.0</u>		 <u>77.0</u>	

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2004, consisted of property taxes, accounts, interfund and due from other governments. All receivables are considered substantially collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year. A summary of the principal items of due from other governments follows:

	Amount
Governmental Activities	
General Fund	\$ 706,914
Food Service	89,744
Limited English Proficiency	35,547
Alternative Education	13,110
Title VIB	194,634
Title 1	14,998
Title V	23,924
Drug Free Schools	4,251
Preschool	5,400
Title II-A	3,303
Miscellaneous Federal Grants	21,140
Due from other governments	\$ 1,112,965

**NOTE 8 - CAPITAL ASSETS**

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

	Balance June 30, 2003	Additions	Disposals	Balance June 30, 2004
Governmental Activities				
Nondepreciable capital assets				
Land	\$ 955,597	\$ 133,251	\$ -	\$ 1,088,848
Depreciable capital assets				
Land improvements	822,855	12,302	-	835,157
Buildings and improvements	16,675,889	695,758	49,648	17,321,999
Furniture and equipment	2,499,820	215,185	69,223	2,645,782
Vehicles	2,633,549	185,332	23,908	2,794,973
Total capital assets being depreciated	22,632,113	1,108,577	142,779	23,597,911
Less accumulated depreciation				
Land improvements	312,486	38,202	-	350,688
Buildings and improvements	8,636,710	325,003	23,158	8,938,555
Furniture and equipment	900,398	190,545	34,104	1,056,839
Vehicles	1,212,050	156,184	23,908	1,344,326
Total accumulated depreciation	11,061,644	709,934	81,170	11,690,408
Depreciable capital assets, net of accumulated depreciation	11,570,469	398,643	61,609	11,907,503
Governmental activities capital assets, net	\$ 12,526,066	\$ 531,894	\$ 61,609	\$ 12,996,351

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2004

NOTE 8 - CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Instruction		
Regular	\$	254,423
Special		28,817
Vocational		16,289
Supporting services		
Pupil		431
Instructional staff		43,072
Administration		40,185
Fiscal		3,761
Business		1,693
Operation and maintenance of plant		114,518
Pupil transportation		160,629
Central services		13,211
Operation of non-instructional services		
Food service		19,090
Extracurricular activities		
Academic oriented		267
Sports oriented		13,548
Total depreciation expense	\$	<u>709,934</u>

NOTE 9 - INTERFUND ASSETS/LIABILITIES

On the fund financial statements at June 30, 2004, interfund balances consisted of the following:

	Receivable	Payable
General Fund	\$ 316,308	\$ -
Special Revenue Funds		
Limited English Proficiency	-	35,547
Alternative Education	-	13,110
Title VIB	-	194,634
Title 1	-	14,997
Title V	-	23,925
Drug Free Schools	-	4,251
Preschool	-	5,400
Title II-A	-	3,304
Miscellaneous Federal Grants	-	21,140
	\$ 316,308	\$ 316,308

These amounts are represented as "Interfund Receivable/Payable" on the balance sheet. The loans were made to support programs and projects in the Special Revenue Funds until permanent funding is received.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 10 - RISK MANAGEMENT

A. PROPERTY AND LIABILITY

The District is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2004, the District contracted with Indiana Insurance Company for property insurance. Professional liability is protected by Indiana Insurance Company with a \$ 2 million per occurrence and a \$ 5 million aggregate limit. Vehicles are covered by Indiana Insurance Company. Automobile liability coverage is \$ 1 million for each occurrence, \$ 2 million aggregate limit and a \$ 5 million supplemental umbrella policy. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from prior years. Position bonds of \$ 30,000 are maintained for the Superintendent and Board President and \$ 100,000 for the Treasurer from Ohio Casualty. The District provides life insurance, disability and accidental death and dismemberment insurance to its employees, through Standard Life Insurance Company.

B. WORKERS' COMPENSATION

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

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

C. EMPLOYEE MEDICAL BENEFITS

The District provides employee medical, surgical, prescription drug and dental benefits through a self-insurance program administered by Medical Mutual of Ohio. The District limits its liability for medical and surgical claims by maintaining a specific stop-loss threshold of \$ 100,000.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2004

NOTE 10 - RISK MANAGEMENT (continued)

C. EMPLOYEE MEDICAL BENEFITS (continued)

The claim liability of \$ 628,000 reported at June 30, 2004 was estimated by Medical Mutual of Ohio and is based on the requirements of Governmental Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs related to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balance of claims liability during the year ended June 30, 2004 and 2003 are summarized below. Incurred claims and claims payments are not segregated between current and prior years claims due to the impracticability of obtaining such information.

	June 30, 2004	June 30, 2003
Unpaid claims, beginning of year	\$ 510,000	\$ 500,000
Incurred claims	3,804,858	2,829,679
Claims payments	(3,686,858)	(2,819,679)
Unpaid claims, end of year	\$ 628,000	\$ 510,000

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS)

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

Plan members are required to contribute 10 percent of their annual covered salary and the North Olmsted City School District is required to contribute at an actuarially determined rate. The current 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 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 the SERS' Retirement Board. The District's required contributions for pension obligations to SERS for the years ended June 30, 2004, 2003, and 2002 were \$ 556,950, \$ 500,048, and \$ 326,898, respectively. The full amount has been contributed for 2003 and 2002. For 2004, \$ 377,400 (68%) has been contributed with the remainder being reflected as an intergovernmental payable.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

B. STATE TEACHERS RETIREMENT SYSTEM (STRS)

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

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

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

Benefits are increased annually by 3% of the original base amount for Defined Benefit Plan participants.

The Defined Benefit and Combined Plans offer access to health care coverage to retirees who participated in the plans and their dependents. Coverage under the current program includes hospitalization, physician fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A Defined Benefit or Combined Plan member with five or more years' 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. A death benefit of \$ 1,000 is payable to the beneficiary of each deceased retired member who participated in the Defined Benefit Plan. Death benefit coverage up to \$ 2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to member's beneficiaries.

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

For the fiscal year ended June 30, 2004, plan members were required to contribute 10.0% of their annual covered salaries. The District was required to contribute 14%; 13% was the portion used to fund pension obligations. For fiscal year 2003, 9.5% was the portion used to fund pension obligations. The North Olmsted City School District's required contributions for pension obligations to STRS for the years ended June 30, 2004, 2003, and 2002 were \$ 2,874,150, \$ 2,882,922, and \$ 2,033,339, and respectively. The full amount has been contributed for 2003 and 2002. For 2004, \$ 2,549,100 (89%) has been contributed with the remainder being reported as a liability within the respective funds.

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM

The Ohio Revised Code gives the School Employees Retirement System (SERS) the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. 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% for those who apply.

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. At June 30, 2004, the healthcare allocation rate is 4.91%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal 2004, the minimum pay has been established as \$ 25,400. The surcharge rate added to the unallocated portion of the 14% employer contribution rate provides for maintenance of the asset target level for the health care fund.

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2004 were \$ 223,443,805 and the target level was \$ 335.2 million. At June 30, 2004, the Retirement System's net assets available for payment of health care benefits was \$ 300.8 million.

The number of benefit recipients receiving health care benefits is approximately 62,000. The portion of the District's contributions that were used to fund post-employment benefits amounted to \$ 395.686.

B. STATE TEACHERS RETIREMENT SYSTEM

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

The Revised Code grants authority to STRS Ohio to provide health care coverage to benefit recipients, spouses, and dependents. By Ohio law, health care benefits are not guaranteed and the cost of the coverage paid from STRS Ohio funds shall be included in the employer contribution rate, currently 14% of covered payroll.

The Retirement Board allocates employer contributions to the Health Care Stabilization Fund from which health care benefits are paid. For the fiscal years ended June 30, 2004, and June 30, 2003, the board allocated employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. The balance in the Health Care Stabilization Fund was \$ 3.1 billion on June 30, 2004.

For the year ended June 30, 2004, net health care costs paid by STRS Ohio were \$ 268,739,000. There were 111,853 eligible benefit recipients.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 13 - LONG-TERM OBLIGATIONS**

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

	Balance June 30, 2003	Increase	Decrease	Balance June 30, 2004	Amounts Due In One Year
Notes payable					
1998, 5%, Bus acquisition	\$ 89,000	\$ -	\$ 28,000	\$ 61,000	\$ 29,000
Capital lease	218,169	-	44,625	173,544	46,235
Compensated absences	3,524,575	323,893	548,065	3,300,403	592,527
	<u>\$ 3,831,744</u>	<u>\$ 323,893</u>	<u>\$ 620,690</u>	<u>\$ 3,534,947</u>	<u>\$ 667,762</u>

The overall debt margin of the District is \$ 76,965,545 with an unvoted debt margin of \$ 855,173.

In 1998 the District issued \$ 212,000 notes payable for the acquisition of school busses.

Principal and interest requirements to retire the bus acquisition notes outstanding at June 30, 2004, are as follows:

Fiscal Year Ending	Principal	Interest	Total
2005	\$ 29,000	\$ 3,050	\$ 32,050
2006	32,000	1,600	33,600
Totals	<u>\$ 61,000</u>	<u>\$ 4,650</u>	<u>\$ 65,650</u>

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

**NOTE 14 - INTERFUND TRANSFERS**

During the year ended June 30, 2004, the General Fund transferred \$ 144,450 to certain Special Revenue Funds and \$ 700,000 to the Internal Service Fund to provide for payment of expenditures.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 15 – CAPITAL LEASES

The District has entered into a lease agreement for financing certain copier equipment. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of June 30, 2004. The assets acquired through capital lease consist of:

	Cost	Accumulated Depreciation	Net
Copier equipment	\$ 237,000	\$ 45,427	\$ 191,573

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2004, are as follow:

	Year ending June 30,	Amount
	2005	\$ 51,648
	2006	51,648
	2007	51,648
	2008	30,128
Total future minimum lease payments		185,072
Less amount representing interest		(11,528)
Net present value of minimum lease payments		\$ 173,544

NOTE 16 – OPERATING LEASES

The District is obligated under certain leases accounted for as operating leases. During 2004, expenditures for operating leases totaled \$ 112,610.

The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2004.

	Year ending June 30,	Amount
	2005	\$ 111,940
	2006	87,150
	2007	48,000
	2008	28,000
Future minimum lease payments		\$ 275,090

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 17 - JOINTLY GOVERNED ORGANIZATION

A. LAKE ERIE EDUCATION COMPUTER ASSOCIATION

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

LEECA is governed by a board of directors chosen from the general membership of the LEECA assembly. The board of directors consists of a representative from the fiscal agent, the chairman of each operating committee, and at least one assembly member from each county from which participating districts are located. Financial information can be obtained by contacting the Treasurer at the Educational Service Center of Lorain County, which serves as fiscal agent, located at 1885 Lake Avenue, Elyria, Ohio 44035. During the year ended June 30, 2004, the District paid \$ 54,849 to LEECA.

B. POLARIS CAREER CENTER

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

C. NORTH OLMSTED CITY SCHOOLS EDUCATION FOUNDATION

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

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



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 17 - JOINTLY GOVERNED ORGANIZATION (continued)

D. OHIO SCHOOLS COUNCIL

The Ohio Schools Council (Council) is a jointly governed organization among eighty-three school districts. The Council was formed to offer supplies and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee for the services provided. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2004 the District paid \$ 3,260 to the Council.

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

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

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

The North Olmsted City Schools also participates in the Council's group life insurance and school bus acquisition programs. Financial information can be obtained by contacting David A. Cottrell, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

NOTE 18 - SCHOOL FOUNDATION PROGRAM

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 19 - CONTINGENCIES

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies.

Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2004.

NOTE 20 - SET-ASIDES

The District is required by State statute to annually set aside, in the General Fund, an amount based on a statutory formula for the purchase of textbooks and other instructional materials, and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end. These amounts must be carried forward and used for the same purposes in future years. In addition, the District has set aside money for budget stabilization. The following cash basis information identifies the changes in the fund balance reserves for textbooks, capital improvements, and budget stabilization during fiscal year 2004.

	Textbook	Capital Maintenance	Budget Stabilization
Balance, July 1, 2003	\$ -	\$ -	\$ 223,073
Required set aside	646,802	646,802	-
Offset credits	-	(646,802)	-
Qualifying expenditures	(646,802)	-	-
Balance June 30, 2004	\$ -	\$ -	\$ 223,073

Expenditures and offset credits for textbooks and capital maintenance during the year were \$ 2,856,350 and \$ 1,154,969, respectively, which exceeded the required set-aside and the reserve balance. Textbook expenditures have exceeded statutory requirements by \$ 2,209,548 which may be used as offset credits for future years' set aside requirements.

NOTE 21 - SUBSEQUENT EVENTS

On August 11, 2004 the District issued \$ 855,000 capital improvement notes for the purchase and renovation of a new administration center.

**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

## **NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**

### **SPECIAL REVENUE FUNDS**

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

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

Miscellaneous Local Projects – This fund accounts for local revenues to support scholarships and curriculum improvements.

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

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

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

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

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

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

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

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

Entry Year Teacher – This fund accounts for monies used to support an entry year program for beginning teachers that hold a two year provisional teaching license and are teaching in their license field.

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

Schoolnet – This fund accounts for workstations and training of personnel and for wiring upgrades at the individual schools.

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

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

## **NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**

### **SPECIAL REVENUE FUNDS**

Limited English Proficiency – This fund provides support for programs designed to help immigrant children develop academic literacy in the English language.

Student Intervention – This fund accounts for state revenue received for the purpose of staff development and materials used to assist primary students with reading disabilities.

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

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

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

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

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

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

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

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

Title II-A – This fund accounts for Federal revenue used to hire additional teachers in grade 1 through 3 and provide professional development support.

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

### **DEBT SERVICE FUND**

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

### **CAPITAL PROJECTS FUNDS**

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

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

Schoolnet Plus – This fund accounts for money received from the State of Ohio for the purpose of supporting the District's voice, video and data communications network.

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2004

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in pooled cash	\$ 715,399	\$ -	\$ 744,041	\$ 1,459,440
Receivables, net of allowance				
Taxes, current	-	-	1,045,611	1,045,611
Taxes, delinquent	-	-	39,800	39,800
Accounts and other	1,279	-	-	1,279
Due from other governments	406,051	-	-	406,051
Inventories and supplies	35,253	-	-	35,253
<b>Total assets</b>	<b>\$ 1,157,982</b>	<b>\$ -</b>	<b>\$ 1,829,452</b>	<b>\$ 2,987,434</b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ 9,887	\$ -	\$ 63,884	\$ 73,771
Accrued salaries, wages and benefits	115,885	-	-	115,885
Due to other governments	32,459	-	-	32,459
Interfund payable	316,308	-	-	316,308
Deferred revenue				
Taxes	-	-	920,552	920,552
Other	67,815	-	-	67,815
Compensated absences	4,824	-	-	4,824
<b>Total liabilities</b>	<b>547,178</b>	<b>-</b>	<b>984,436</b>	<b>1,531,614</b>
<b>Fund balances</b>				
Reserved for inventories	35,253	-	-	35,253
Reserved for property taxes	-	-	164,859	164,859
Reserved for encumbrances	89,443	-	245,279	334,722
Unreserved	486,108	-	434,878	920,986
<b>Total fund balances</b>	<b>610,804</b>	<b>-</b>	<b>845,016</b>	<b>1,455,820</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,157,982</b>	<b>\$ -</b>	<b>\$ 1,829,452</b>	<b>\$ 2,987,434</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2004

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ -	\$ -	\$ 1,091,351	\$ 1,091,351
Interest	1,109	-	5,525	6,634
Intergovernmental	2,248,933	-	125,828	2,374,761
Charges for services	909,899	-	-	909,899
Extracurricular	528,690	-	-	528,690
Other	137,517	-	-	137,517
Total revenues	<u>3,826,148</u>	<u>-</u>	<u>1,222,704</u>	<u>5,048,852</u>
Expenditures				
Current				
Instruction				
Regular	803,705	-	8,679	812,384
Special	252,777	-	-	252,777
Vocational	50,229	-	-	50,229
Adult/continuing	72,566	-	-	72,566
Supporting services				
Pupil	523,251	-	-	523,251
Instructional staff	27,873	-	-	27,873
Administration	767	-	241,265	242,032
Fiscal services	-	-	15,785	15,785
Business	48,082	-	-	48,082
Operation and maintenance	-	-	732,989	732,989
Pupil transportation	64,967	-	184,116	249,083
Central services	51,688	-	12,314	64,002
Operation of non-instructional services				
Food service operations	1,333,638	-	-	1,333,638
Community service	402,336	-	-	402,336
Extracurricular activities				
Sports oriented	222,376	-	-	222,376
Debt service				
Principal	-	28,000	-	28,000
Interest	-	4,450	-	4,450
Total expenditures	<u>3,854,255</u>	<u>32,450</u>	<u>1,195,148</u>	<u>5,081,853</u>
Excess revenues over expenditures	<u>(28,107)</u>	<u>(32,450)</u>	<u>27,556</u>	<u>(33,001)</u>
Other financing sources (uses)				
Transfers-in	112,000	32,450	-	144,450
Total other financing sources (uses)	<u>112,000</u>	<u>32,450</u>	<u>-</u>	<u>144,450</u>
Excess (deficiency) of expenditures and other sources	83,893	-	27,556	111,449
Fund balances, beginning of year	525,548	-	817,460	1,343,008
Increase in reserve for inventory	1,363	-	-	1,363
Fund balances, end of year	<u>\$ 610,804</u>	<u>\$ -</u>	<u>\$ 845,016</u>	<u>\$ 1,455,820</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2004

	Food Service	Miscellaneous Local Projects	Uniform School Supplies	Rotary	Public Support Services	Other Grants
<b>Assets</b>						
Equity in pooled cash	\$ 9,834	\$ 2,239	\$ -	\$ 90,745	\$ 157,602	\$ 61,847
Accounts receivable and other	1,279	-	-	-	-	-
Due from other governments	89,744	-	-	-	-	-
Inventories and supplies	35,253	-	-	-	-	-
<b>Total assets</b>	<b>\$ 136,110</b>	<b>\$ 2,239</b>	<b>\$ -</b>	<b>\$ 90,745</b>	<b>\$ 157,602</b>	<b>\$ 61,847</b>
<b>Liabilities and fund balances</b>						
<b>Liabilities</b>						
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ 550	\$ -
Accrued salaries, wages and benefits	65,546	-	-	-	-	-
Due to other governments	19,332	-	-	-	-	-
Interfund payable	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Other	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-
<b>Total liabilities</b>	<b>84,878</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>550</b>	<b>-</b>
<b>Fund balances</b>						
Reserved for inventories	35,253	-	-	-	-	-
Reserved for encumbrances	-	-	-	-	-	2,741
Unreserved	15,979	2,239	-	90,745	157,052	59,106
<b>Total fund balances</b>	<b>51,232</b>	<b>2,239</b>	<b>-</b>	<b>90,745</b>	<b>157,052</b>	<b>61,847</b>
<b>Total liabilities and fund balances</b>	<b>\$ 136,110</b>	<b>\$ 2,239</b>	<b>\$ -</b>	<b>\$ 90,745</b>	<b>\$ 157,602</b>	<b>\$ 61,847</b>



Data Communication Support	Athletic	Auxiliary Services	Education M.I.S.	Entry Year Teacher	Data Communication	Schoolnet	Video Distance Learning
\$ 5,391	\$ 96,204	\$ 61,168	\$ -	\$ 14,573	\$ 23,400	\$ 1,078	\$ 893
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 5,391</u>	<u>\$ 96,204</u>	<u>\$ 61,168</u>	<u>\$ -</u>	<u>\$ 14,573</u>	<u>\$ 23,400</u>	<u>\$ 1,078</u>	<u>\$ 893</u>
\$ -	\$ 2,758	\$ 3,365	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	13,106	-	-	-	-	-
-	-	2,617	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	4,824	-	-	-	-	-
<u>-</u>	<u>2,758</u>	<u>23,912</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	2,098	40,105	-	-	-	-	-
5,391	91,348	(2,849)	-	14,573	23,400	1,078	893
<u>5,391</u>	<u>93,446</u>	<u>37,256</u>	<u>-</u>	<u>14,573</u>	<u>23,400</u>	<u>1,078</u>	<u>893</u>
<u>\$ 5,391</u>	<u>\$ 96,204</u>	<u>\$ 61,168</u>	<u>\$ -</u>	<u>\$ 14,573</u>	<u>\$ 23,400</u>	<u>\$ 1,078</u>	<u>\$ 893</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2004

(CONCLUDED)

	Ohio Reads	Limited English Proficiency	Student Intervention	Parent Mentor Program	Alternative Education	Miscellaneous State Grants
<b>Assets</b>						
Equity in pooled cash	\$ 7,087	\$ 35,415	\$ 5,132	\$ 3,661	\$ -	\$ 16,249
Accounts receivable and other	-	-	-	-	-	-
Due from other governments	-	35,547	-	-	13,110	-
Inventories and supplies	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 7,087</b>	<b>\$ 70,962</b>	<b>\$ 5,132</b>	<b>\$ 3,661</b>	<b>\$ 13,110</b>	<b>\$ 16,249</b>
<b>Liabilities and fund balances</b>						
<b>Liabilities</b>						
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries, wages and benefits	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Interfund payable	-	35,547	-	-	13,110	-
Deferred revenue						
Other	-	35,547	-	-	-	-
Compensated absences	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>71,094</b>	<b>-</b>	<b>-</b>	<b>13,110</b>	<b>-</b>
<b>Fund balances</b>						
Reserved for inventories	-	-	-	-	-	-
Reserved for encumbrances	6,968	10,932	5,131	-	-	-
Unreserved	119	(11,064)	1	3,661	-	16,249
<b>Total fund balances</b>	<b>7,087</b>	<b>(132)</b>	<b>5,132</b>	<b>3,661</b>	<b>-</b>	<b>16,249</b>
<b>Total liabilities and fund balances</b>	<b>\$ 7,087</b>	<b>\$ 70,962</b>	<b>\$ 5,132</b>	<b>\$ 3,661</b>	<b>\$ 13,110</b>	<b>\$ 16,249</b>

Title VIB	Title I	Title V	Drug Free Schools	Preschool	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 90,888	\$ 18,185	\$ 2,857	\$ 3,434	\$ 3,997	\$ 131	\$ 3,389	\$ 715,399
-	-	-	-	-	-	-	1,279
194,634	14,998	23,924	4,251	5,400	3,303	21,140	406,051
-	-	-	-	-	-	-	35,253
<u>\$ 285,522</u>	<u>\$ 33,183</u>	<u>\$ 26,781</u>	<u>\$ 7,685</u>	<u>\$ 9,397</u>	<u>\$ 3,434</u>	<u>\$ 24,529</u>	<u>\$ 1,157,982</u>
\$ 3,214	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,887
33,378	3,855	-	-	-	-	-	115,885
9,628	882	-	-	-	-	-	32,459
194,634	14,997	23,925	4,251	5,400	3,304	21,140	316,308
23,753	-	-	1,100	5,400	-	2,015	67,815
-	-	-	-	-	-	-	4,824
<u>264,607</u>	<u>19,734</u>	<u>23,925</u>	<u>5,351</u>	<u>10,800</u>	<u>3,304</u>	<u>23,155</u>	<u>547,178</u>
-	-	-	-	-	-	-	35,253
17,124	-	269	-	3,944	131	-	89,443
3,791	13,449	2,587	2,334	(5,347)	(1)	1,374	486,108
<u>20,915</u>	<u>13,449</u>	<u>2,856</u>	<u>2,334</u>	<u>(1,403)</u>	<u>130</u>	<u>1,374</u>	<u>610,804</u>
<u>\$ 285,522</u>	<u>\$ 33,183</u>	<u>\$ 26,781</u>	<u>\$ 7,685</u>	<u>\$ 9,397</u>	<u>\$ 3,434</u>	<u>\$ 24,529</u>	<u>\$ 1,157,982</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—  
 NONMAJOR SPECIAL REVENUES FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2004

	Food Service	Miscellaneous Local Projects	Uniform School Supplies	Rotary	Public Support Services	Other Grants
<b>Revenues</b>						
Interest	\$ 452	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	423,281	-	-	-	-	22,993
Charges for services	845,208	-	-	55,474	-	-
Extracurricular	-	-	-	-	367,006	-
Other	-	-	-	5,050	60,269	32,263
<b>Total revenues</b>	<u>1,268,941</u>	<u>-</u>	<u>-</u>	<u>60,524</u>	<u>427,275</u>	<u>55,256</u>
<b>Expenditures</b>						
<b>Current</b>						
<b>Instruction</b>						
Regular	-	-	11,598	2,009	401,090	24,590
Special	-	-	-	-	-	-
Vocational	-	-	-	-	-	-
Adult/continuing	-	-	-	-	-	-
<b>Supporting services</b>						
Pupil	-	-	-	-	-	-
Instructional staff	-	-	-	-	561	-
Administration	-	-	-	-	767	-
Business	-	-	-	-	-	-
Pupil transportation	-	-	-	64,967	-	-
Central services	-	-	-	-	-	-
<b>Operation of non-instructional services</b>						
Food service operations	1,333,638	-	-	-	-	-
Community service	-	-	-	-	-	-
<b>Extracurricular activities</b>						
Sports oriented	-	-	-	-	6,720	-
<b>Total expenditures</b>	<u>1,333,638</u>	<u>-</u>	<u>11,598</u>	<u>66,976</u>	<u>409,138</u>	<u>24,590</u>
<b>Excess revenues over expenditures</b>	<u>(64,697)</u>	<u>-</u>	<u>(11,598)</u>	<u>(6,452)</u>	<u>18,137</u>	<u>30,666</u>
<b>Other financing sources (uses)</b>						
Transfers-in	92,000	-	-	15,000	5,000	-
<b>Total other financing sources (uses)</b>	<u>92,000</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>5,000</u>	<u>-</u>
<b>Excess (deficiency) of expenditures and other sources</b>	27,303	-	(11,598)	8,548	23,137	30,666
Fund balances, beginning of year	22,566	2,239	11,598	82,197	133,915	31,181
Increase in reserve for inventory	1,363	-	-	-	-	-
<b>Fund balances, end of year</b>	<u>\$ 51,232</u>	<u>\$ 2,239</u>	<u>\$ -</u>	<u>\$ 90,745</u>	<u>\$ 157,052</u>	<u>\$ 61,847</u>

Data Communication Support	Athletic	Auxiliary Services	Education M.I.S.	Entry Year Teacher	Data Communication	Schoolnet	Video Distance Learning
\$ -	\$ -	\$ 657	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	400,774	16,478	16,500	27,000	4,140	-
-	-	-	-	-	-	-	-
-	161,684	-	-	-	-	-	-
-	49,152	-	-	-	-	-	-
-	210,836	401,431	16,478	16,500	27,000	4,140	-
-	-	-	-	1,927	-	-	8,700
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	40,420	7,662	-
-	-	-	51,688	-	-	-	-
-	-	-	-	-	-	-	-
-	-	348,700	-	-	-	-	-
-	215,656	-	-	-	-	-	-
-	215,656	348,700	51,688	1,927	40,420	7,662	8,700
-	(4,820)	52,731	(35,210)	14,573	(13,420)	(3,522)	(8,700)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(4,820)	52,731	(35,210)	14,573	(13,420)	(3,522)	(8,700)
5,391	98,266	(15,475)	35,210	-	36,820	4,600	9,593
-	-	-	-	-	-	-	-
\$ 5,391	\$ 93,446	\$ 37,256	\$ -	\$ 14,573	\$ 23,400	\$ 1,078	\$ 893

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—  
 NONMAJOR SPECIAL REVENUES FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2004

(CONCLUDED)

	Ohio Reads	Limited English Proficiency	Student Intervention	Parent Mentor Program	Alternative Education	Miscellaneous State Grants
Revenues						
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	58,900	22,194	82,483	24,375	124,497	4,500
Charges for services	-	-	-	-	-	-
Extracurricular	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>58,900</u>	<u>22,194</u>	<u>82,483</u>	<u>24,375</u>	<u>124,497</u>	<u>4,500</u>
Expenditures						
Current						
Instruction						
Regular	31,680	22,580	77,351	-	124,497	6,790
Special	-	-	-	-	-	-
Vocational	-	-	-	-	-	-
Adult/continuing	-	-	-	-	-	-
Supporting services						
Pupil	21,062	-	-	-	-	-
Instructional staff	-	-	-	24,370	-	-
Administration	-	-	-	-	-	-
Business	-	-	-	-	-	-
Pupil transportation	-	-	-	-	-	-
Central services	-	-	-	-	-	-
Operation of non-instructional services						
Food service operations	-	-	-	-	-	-
Community service	-	-	-	-	-	-
Extracurricular activities						
Sports oriented	-	-	-	-	-	-
Total expenditures	<u>52,742</u>	<u>22,580</u>	<u>77,351</u>	<u>24,370</u>	<u>124,497</u>	<u>6,790</u>
Excess revenues over expenditures	<u>6,158</u>	<u>(386)</u>	<u>5,132</u>	<u>5</u>	<u>-</u>	<u>(2,290)</u>
Other financing sources (uses)						
Transfers-in	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of expenditures and other sources	6,158	(386)	5,132	5	-	(2,290)
Fund balances, beginning of year	929	254	-	3,656	-	18,539
Increase in reserve for inventory	-	-	-	-	-	-
Fund balances, end of year	<u>\$ 7,087</u>	<u>\$ (132)</u>	<u>\$ 5,132</u>	<u>\$ 3,661</u>	<u>\$ -</u>	<u>\$ 16,249</u>

Title VI-B	Title I	Title V	Drug Free Schools	Preschool	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,109
579,767	193,921	29,175	12,947	21,800	116,229	66,979	2,248,933
-	-	-	-	-	-	-	900,682
-	-	-	-	-	-	-	528,690
-	-	-	-	-	-	-	146,734
<u>579,767</u>	<u>193,921</u>	<u>29,175</u>	<u>12,947</u>	<u>21,800</u>	<u>116,229</u>	<u>66,979</u>	<u>3,826,148</u>
407	-	-	12,111	-	72,948	5,427	803,705
97,985	153,793	-	-	999	-	-	252,777
-	-	-	-	-	-	50,229	50,229
-	-	24,327	-	-	43,996	4,243	72,566
464,361	-	-	5,268	22,204	-	10,356	523,251
-	2,942	-	-	-	-	-	27,873
-	-	-	-	-	-	-	767
-	-	-	-	-	-	-	48,082
-	-	-	-	-	-	-	64,967
-	-	-	-	-	-	-	51,688
-	-	-	-	-	-	-	1,333,638
30,169	16,739	6,317	-	-	411	-	402,336
-	-	-	-	-	-	-	222,376
<u>592,922</u>	<u>173,474</u>	<u>30,644</u>	<u>17,379</u>	<u>23,203</u>	<u>117,355</u>	<u>70,255</u>	<u>3,854,255</u>
(13,155)	20,447	(1,469)	(4,432)	(1,403)	(1,126)	(3,276)	(28,107)
-	-	-	-	-	-	-	112,000
-	-	-	-	-	-	-	112,000
(13,155)	20,447	(1,469)	(4,432)	(1,403)	(1,126)	(3,276)	83,893
34,070	(6,998)	4,325	6,766	-	1,256	4,650	525,548
-	-	-	-	-	-	-	1,363
<u>\$ 20,915</u>	<u>\$ 13,449</u>	<u>\$ 2,856</u>	<u>\$ 2,334</u>	<u>\$ (1,403)</u>	<u>\$ 130</u>	<u>\$ 1,374</u>	<u>\$ 610,804</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS

JUNE 30, 2004

	Permanent Improvements	Schoolnet Plus	Total Non-Major Capital Projects Funds
<b>Assets</b>			
Equity in pooled cash	\$ 744,041	\$ -	\$ 744,041
Receivables, net of allowance			
Taxes, current	1,045,611	-	1,045,611
Taxes, delinquent	39,800	-	39,800
<b>Total assets</b>	<b>\$ 1,829,452</b>	<b>\$ -</b>	<b>\$ 1,829,452</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts and contracts payable	\$ 63,884	\$ -	\$ 63,884
Deferred revenue			
Taxes	920,552	-	920,552
<b>Total liabilities</b>	<b>984,436</b>	<b>-</b>	<b>984,436</b>
<b>Fund balances</b>			
Reserved for property taxes	164,859	-	164,859
Reserved for encumbrances	245,279	-	245,279
Unreserved	434,878	-	434,878
<b>Total fund balances</b>	<b>845,016</b>	<b>-</b>	<b>845,016</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,829,452</b>	<b>\$ -</b>	<b>\$ 1,829,452</b>



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

	Permanent Improvements	Schoolnet Plus	Total Non-Major Capital Projects Funds
<b>Revenues</b>			
Taxes	\$ 1,091,351	\$ -	\$ 1,091,351
Interest	5,525	-	5,525
Intergovernmental	125,828	-	125,828
<b>Total revenues</b>	<u>1,222,704</u>	<u>-</u>	<u>1,222,704</u>
<b>Expenditures</b>			
<b>Current</b>			
<b>Instruction</b>			
Regular	8,679	-	8,679
<b>Supporting services</b>			
Administration	241,265	-	241,265
Fiscal services	15,785	-	15,785
Operation and maintenance	732,989	-	732,989
Pupil transportation	184,116	-	184,116
Central services	-	12,314	12,314
<b>Total expenditures</b>	<u>1,182,834</u>	<u>12,314</u>	<u>1,195,148</u>
<b>Excess revenues over expenditures</b>	<u>39,870</u>	<u>(12,314)</u>	<u>27,556</u>
<b>Fund balances, beginning of year</b>	<u>805,146</u>	<u>12,314</u>	<u>817,460</u>
<b>Fund balances, end of year</b>	<u>\$ 845,016</u>	<u>\$ -</u>	<u>\$ 845,016</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Beginning Balance, June 30, 2003	Additions	Deductions	Ending Balance, June 30, 2004
<b>Assets</b>				
Equity in pooled cash	\$ 99,129	\$ 238,617	\$ 266,085	\$ 71,661
<b>Total assets</b>	<b>99,129</b>	<b>238,617</b>	<b>266,085</b>	<b>71,661</b>
<b>Liabilities</b>				
Due to students	99,129	238,617	266,085	71,661
<b>Total liabilities</b>	<b>\$ 99,129</b>	<b>\$ 238,617</b>	<b>\$ 266,085</b>	<b>\$ 71,661</b>

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Taxes	\$ 31,097,000	\$ 30,597,000	\$ 30,855,615	\$ 258,615
Tuition and fees	382,000	382,000	418,785	36,785
Interest	380,000	380,000	231,900	(148,100)
Intergovernmental	11,010,000	11,110,000	11,410,702	300,702
Other	347,000	281,382	328,858	47,476
Total revenues	<u>43,216,000</u>	<u>42,750,382</u>	<u>43,245,860</u>	<u>495,478</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	14,926,900	14,516,343	14,496,300	20,043
Benefits	4,488,403	4,613,300	4,600,962	12,338
Purchased services	177,996	287,160	271,308	15,852
Materials and supplies	858,171	462,892	399,061	63,831
Other	34,000	34,000	32,516	1,484
Total regular	<u>20,485,470</u>	<u>19,913,695</u>	<u>19,800,147</u>	<u>113,548</u>
Special				
Salaries	3,243,500	3,314,200	3,305,951	8,249
Benefits	975,295	1,024,300	1,021,531	2,769
Purchased services	19,178	18,124	16,061	2,063
Materials and supplies	44,557	44,307	35,122	9,185
Total special	<u>4,282,530</u>	<u>4,400,931</u>	<u>4,378,665</u>	<u>22,266</u>
Vocational				
Salaries	524,200	499,900	499,882	18
Benefits	157,623	155,200	154,818	382
Purchased services	1,760	1,688	1,188	500
Materials and supplies	9,778	27,385	23,127	4,258
Total vocational	<u>693,361</u>	<u>684,173</u>	<u>679,015</u>	<u>5,158</u>
Other instruction				
Salaries	48,900	48,900	48,716	184
Benefits	14,704	15,100	15,039	61
Purchased services	653,060	692,805	577,919	114,886
Total other instruction	<u>716,664</u>	<u>756,805</u>	<u>641,674</u>	<u>115,131</u>
Total instruction	<u>26,178,025</u>	<u>25,755,604</u>	<u>25,499,501</u>	<u>256,103</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

GENERAL FUND - (CONTINUED)

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Supporting services				
Pupil				
Salaries	1,960,800	2,007,900	1,994,740	13,160
Benefits	589,597	633,300	631,328	1,972
Purchased services	162,350	262,155	212,460	49,695
Materials and supplies	82,548	81,993	70,325	11,668
Total pupil	<u>2,795,295</u>	<u>2,985,348</u>	<u>2,908,853</u>	<u>76,495</u>
Instructional staff				
Salaries	733,500	746,300	739,046	7,254
Benefits	220,558	227,400	226,556	844
Purchased services	135,590	184,542	130,496	54,046
Materials and supplies	116,348	116,106	95,640	20,466
Other	2,000	2,594	2,408	186
Total instructional staff	<u>1,207,996</u>	<u>1,276,942</u>	<u>1,194,146</u>	<u>82,796</u>
Board of education				
Salaries	15,000	15,000	12,385	2,615
Benefits	4,510	1,800	1,789	11
Purchased services	203,970	216,970	196,317	20,653
Materials and supplies	600	600	467	133
Other	5,000	5,000	4,708	292
Total board of education	<u>229,080</u>	<u>239,370</u>	<u>215,666</u>	<u>23,704</u>
Administration				
Salaries	1,991,500	2,053,300	2,047,425	5,875
Benefits	598,829	638,800	636,773	2,027
Purchased services	24,700	35,374	29,327	6,047
Materials and supplies	28,691	28,447	22,416	6,031
Other	12,000	11,000	10,959	41
Total administration	<u>2,655,720</u>	<u>2,766,921</u>	<u>2,746,900</u>	<u>20,021</u>
Fiscal services				
Salaries	309,300	301,400	301,129	271
Benefits	93,505	118,500	112,575	5,925
Purchased services	15,535	15,535	5,395	10,140
Materials and supplies	8,500	9,000	3,706	5,294
Other	503,020	519,420	515,167	4,253
Total fiscal services	<u>929,860</u>	<u>963,855</u>	<u>937,972</u>	<u>25,883</u>
Business				
Purchased services	142,400	135,310	103,459	31,851
Total business	<u>142,400</u>	<u>135,310</u>	<u>103,459</u>	<u>31,851</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

GENERAL FUND - (CONTINUED)

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Operation and maintenance				
Salaries	1,619,900	1,675,800	1,672,916	2,884
Benefits	487,091	522,300	520,244	2,056
Purchased services	1,085,675	1,139,308	1,058,585	80,723
Materials and supplies	132,126	158,926	151,827	7,099
Other	102,600	105,610	103,742	1,868
Total operation and maintenance	<u>3,427,392</u>	<u>3,601,944</u>	<u>3,507,314</u>	<u>94,630</u>
Pupil transportation				
Salaries	908,500	921,700	920,704	996
Benefits	273,179	282,100	281,105	995
Purchased services	310,312	289,792	253,857	35,935
Materials and supplies	157,200	179,468	152,522	26,946
Total pupil transportation	<u>1,649,191</u>	<u>1,673,060</u>	<u>1,608,188</u>	<u>64,872</u>
Information and data services				
Central services				
Salaries	354,400	355,500	355,255	245
Benefits	106,565	130,400	129,246	1,154
Purchased services	256,570	257,931	206,064	51,867
Materials and supplies	93,133	102,233	91,569	10,664
Total central services	<u>810,668</u>	<u>846,064</u>	<u>782,134</u>	<u>63,930</u>
Total supporting services	<u>13,847,602</u>	<u>14,488,814</u>	<u>14,004,632</u>	<u>484,182</u>
Operation of non-instructional				
Food service operation				
Salaries	63,734	49,800	49,747	53
Total food service operation	<u>63,734</u>	<u>49,800</u>	<u>49,747</u>	<u>53</u>
Community services				
Purchased services	25,000	26,500	24,187	2,313
Total community services	<u>25,000</u>	<u>26,500</u>	<u>24,187</u>	<u>2,313</u>
Total operation of non-instructional	<u>88,734</u>	<u>76,300</u>	<u>73,934</u>	<u>2,366</u>
Extracurricular activities				
Academic and subject oriented				
Salaries	168,000	180,900	178,167	2,733
Benefits	50,516	55,300	55,237	63
Total academic and subject oriented	<u>218,516</u>	<u>236,200</u>	<u>233,404</u>	<u>2,796</u>
Sports oriented				
Salaries	535,400	544,100	541,189	2,911
Benefits	160,991	167,200	166,739	461
Purchased services	22,800	23,135	18,700	4,435
Total sports oriented	<u>719,191</u>	<u>734,435</u>	<u>726,628</u>	<u>7,807</u>
Total extracurricular activities	<u>937,707</u>	<u>970,635</u>	<u>960,032</u>	<u>10,603</u>
Capital outlay	51,224	606,874	584,825	22,049
Total expenditures	<u>41,103,292</u>	<u>41,898,227</u>	<u>41,122,924</u>	<u>775,303</u>
Excess (deficiency) of revenues over expenditures	<u>2,112,708</u>	<u>852,155</u>	<u>2,122,936</u>	<u>1,270,781</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

GENERAL FUND - (CONCLUDED)

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses)				
Advances-in	43,469	643,469	643,469	-
Refund prior year expenditure	4,000	4,000	3,503	(497)
Advances-out	-	(316,308)	(316,308)	-
Transfers-out	(164,300)	(880,950)	(845,950)	35,000
Total other financing sources (uses)	<u>(116,831)</u>	<u>(549,789)</u>	<u>(515,286)</u>	<u>34,503</u>
Net change in fund balance	1,995,877	302,366	1,607,650	1,305,284
Fund balance, beginning of year	10,848,239	10,848,239	10,848,239	-
Prior year encumbrances appropriated	<u>373,192</u>	<u>373,192</u>	<u>373,192</u>	<u>-</u>
Fund balance, end of year	<u>\$ 13,217,308</u>	<u>\$ 11,523,797</u>	<u>\$ 12,829,081</u>	<u>\$ 1,305,284</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	FOOD SERVICE FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$ -	\$ 500	\$ 452	\$ (48)
Charges for services	951,257	853,153	854,425	1,272
Intergovernmental	309,847	317,098	317,282	184
Other	4,516	7,216	6,459	(757)
Total revenues	<u>1,265,620</u>	<u>1,177,967</u>	<u>1,178,618</u>	<u>651</u>
Expenditures				
Current				
Operation of non-instructional				
Food service operation				
Salaries	434,304	423,496	424,159	(663)
Benefits	211,205	232,994	232,490	504
Purchased services	630,343	616,000	607,974	8,026
Materials and supplies	3,200	4,309	4,309	-
Total food service operation	<u>1,279,052</u>	<u>1,276,799</u>	<u>1,268,932</u>	<u>7,867</u>
Total operation of non-instructional	<u>1,279,052</u>	<u>1,276,799</u>	<u>1,268,932</u>	<u>7,867</u>
Capital outlay	1,000	-	-	-
Total expenditures	<u>1,280,052</u>	<u>1,276,799</u>	<u>1,268,932</u>	<u>7,867</u>
Excess (deficiency) of revenues over expenditures	<u>(14,432)</u>	<u>(98,832)</u>	<u>(90,314)</u>	<u>8,518</u>
Other financing sources (uses)				
Transfers-in	80,000	92,000	92,000	-
Total other financing sources (uses)	<u>80,000</u>	<u>92,000</u>	<u>92,000</u>	<u>-</u>
Net change in fund balance	65,568	(6,832)	1,686	8,518
Fund balance, beginning of year	8,148	8,148	8,148	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 73,716</u>	<u>\$ 1,316</u>	<u>\$ 9,834</u>	<u>\$ 8,518</u>



NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2004

MISCELLANEOUS LOCAL PROJECTS FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current				
Supporting services				
Pupil				
Instructional staff				
Materials and supplies	\$ 2,239	\$ 2,239	\$ -	\$ 2,239
Total instructional staff	2,239	2,239	-	2,239
Total supporting services	2,239	2,239	-	2,239
Total expenditures	2,239	2,239	-	2,239
Net change in fund balance	(2,239)	(2,239)	-	2,239
Fund balance, beginning of year	2,239	2,239	2,239	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 2,239	\$ 2,239

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2004

UNIFORM SCHOOL SUPPLIES FUND

	Budget Amounts		Actual	Variance w ith Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current				
Instruction				
Regular				
Other	\$ 11,598	\$ 11,598	\$ 11,598	\$ -
Total regular	11,598	11,598	11,598	-
Total instruction	11,598	11,598	11,598	-
Total expenditures	11,598	11,598	11,598	-
Net change in fund balance	(11,598)	(11,598)	(11,598)	-
Fund balance, beginning of year	11,598	11,598	11,598	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	ROTARY FUND			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$ 70,260	\$ 53,832	\$ 55,474	\$ 1,642
Other	-	1,733	5,050	3,317
Total revenues	<u>70,260</u>	<u>55,565</u>	<u>60,524</u>	<u>4,959</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	2,020	2,020	2,009	11
Total regular	<u>2,020</u>	<u>2,020</u>	<u>2,009</u>	<u>11</u>
Total instruction	<u>2,020</u>	<u>2,020</u>	<u>2,009</u>	<u>11</u>
Supporting services				
Pupil transportation				
Purchased services	68,000	68,000	64,967	3,033
Total pupil transportation	<u>68,000</u>	<u>68,000</u>	<u>64,967</u>	<u>3,033</u>
Total supporting services	<u>68,000</u>	<u>68,000</u>	<u>64,967</u>	<u>3,033</u>
Operation of non-instructional				
Community services				
Other	2,109	2,109	-	2,109
Total community services	<u>2,109</u>	<u>2,109</u>	<u>-</u>	<u>2,109</u>
Total operation of non-instructional	<u>2,109</u>	<u>2,109</u>	<u>-</u>	<u>2,109</u>
Total expenditures	<u>72,129</u>	<u>72,129</u>	<u>66,976</u>	<u>5,153</u>
Excess (deficiency) of revenues over expenditures	<u>(1,869)</u>	<u>(16,564)</u>	<u>(6,452)</u>	<u>10,112</u>
Other financing sources (uses)				
Transfers-in	-	15,000	15,000	-
Total other financing sources (uses)	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Net change in fund balance	(1,869)	(1,564)	8,548	10,112
Fund balance, beginning of year	82,197	82,197	82,197	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 80,328</u>	<u>\$ 80,633</u>	<u>\$ 90,745</u>	<u>\$ 10,112</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

PUBLIC SUPPORT SERVICES FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular	\$ 398,620	\$ 362,576	\$ 367,006	\$ 4,430
Other	89,875	55,850	60,269	4,419
Total revenues	<u>488,495</u>	<u>418,426</u>	<u>427,275</u>	<u>8,849</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	223,200	239,951	222,103	17,848
Materials and supplies	176,207	157,344	127,939	29,405
Other	80,647	58,884	50,016	8,868
Total regular	<u>480,054</u>	<u>456,179</u>	<u>400,058</u>	<u>56,121</u>
Total instruction	<u>480,054</u>	<u>456,179</u>	<u>400,058</u>	<u>56,121</u>
Supporting services				
Instructional staff				
Materials and supplies	1,000	1,000	561	439
Total instructional staff	<u>1,000</u>	<u>1,000</u>	<u>561</u>	<u>439</u>
Administration				
Materials and supplies	800	3,300	767	2,533
Total administration	<u>800</u>	<u>3,300</u>	<u>767</u>	<u>2,533</u>
Total supporting services	<u>1,800</u>	<u>4,300</u>	<u>1,328</u>	<u>2,972</u>
Extracurricular activities				
Academic and subject oriented				
Other	-	105	-	105
Total academic and subject oriented	<u>-</u>	<u>105</u>	<u>-</u>	<u>105</u>
Sports oriented				
Other	-	6,720	6,720	-
Total sports oriented	<u>-</u>	<u>6,720</u>	<u>6,720</u>	<u>-</u>
Total extracurricular activities	<u>-</u>	<u>6,825</u>	<u>6,720</u>	<u>105</u>
Capital outlay	22,300	3,325	989	2,336
Total expenditures	<u>504,154</u>	<u>470,629</u>	<u>409,095</u>	<u>61,534</u>
Excess (deficiency) of revenues over expenditures	<u>(15,659)</u>	<u>(52,203)</u>	<u>18,180</u>	<u>70,383</u>
Other financing sources (uses)				
Transfers-in	-	5,000	5,000	-
Total other financing sources (uses)	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balance	(15,659)	(47,203)	23,180	70,383
Fund balance, beginning of year	126,166	126,166	126,166	-
Prior year encumbrances appropriated	8,054	8,054	8,054	-
Fund balance, end of year	<u>\$ 118,561</u>	<u>\$ 87,017</u>	<u>\$ 157,400</u>	<u>\$ 70,383</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	OTHER GRANTS FUND			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 22,993	\$ 22,993	\$ -
Other	3,000	32,263	32,263	-
Total revenues	<u>3,000</u>	<u>55,256</u>	<u>55,256</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	3,000	400	375	25
Benefits	-	100	62	38
Purchased services	1,375	3,875	2,754	1,121
Materials and supplies	2,307	9,021	7,730	1,291
Other	25,099	30,594	16,409	14,185
Total regular	<u>31,781</u>	<u>43,990</u>	<u>27,330</u>	<u>16,660</u>
Total instruction	<u>31,781</u>	<u>43,990</u>	<u>27,330</u>	<u>16,660</u>
Total expenditures	<u>31,781</u>	<u>43,990</u>	<u>27,330</u>	<u>16,660</u>
Net change in fund balance	(28,781)	11,266	27,926	16,660
Fund balance, beginning of year	31,181	31,181	31,181	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 2,400</u>	<u>\$ 42,447</u>	<u>\$ 59,107</u>	<u>\$ 16,660</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2004

DATA COMMUNICATION SUPPORT FUND

	Budget Amounts		Actual	Variance w ith Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current				
Supporting services				
Central services				
Purchased services	\$ 5,391	\$ 5,391	\$ -	\$ 5,391
Total central services	5,391	5,391	-	5,391
Total supporting services	5,391	5,391	-	5,391
Total expenditures	5,391	5,391	-	5,391
Net change in fund balance	(5,391)	(5,391)	-	5,391
Fund balance, beginning of year	5,391	5,391	5,391	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,391</u>	<u>\$ 5,391</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

ATHLETIC FUND				Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Extracurricular	\$ 215,000	\$ 160,553	\$ 161,684	\$ 1,131
Other	61,800	47,450	49,152	1,702
Total revenues	<u>276,800</u>	<u>208,003</u>	<u>210,836</u>	<u>2,833</u>
Expenditures				
Current				
Extracurricular activities				
Sports oriented				
Purchased services	53,600	53,260	45,381	7,879
Materials and supplies	55,027	40,200	33,181	7,019
Other	144,752	120,736	98,048	22,688
Total sports oriented	<u>253,379</u>	<u>214,196</u>	<u>176,610</u>	<u>37,586</u>
Total extracurricular activities	<u>253,379</u>	<u>214,196</u>	<u>176,610</u>	<u>37,586</u>
Capital outlay	59,034	59,034	51,239	7,795
Total expenditures	<u>312,413</u>	<u>273,230</u>	<u>227,849</u>	<u>45,381</u>
Net change in fund balance	(35,613)	(65,227)	(17,013)	48,214
Fund balance, beginning of year	100,847	100,847	100,847	-
Prior year encumbrances appropriated	7,514	7,514	7,514	-
Fund balance, end of year	<u>\$ 72,748</u>	<u>\$ 43,134</u>	<u>\$ 91,348</u>	<u>\$ 48,214</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>AUXILIARY SERVICES FUND</b>				
Revenues				
Interest	\$ 700	\$ 617	\$ 657	\$ 40
Intergovernmental	400,800	400,774	400,774	-
Total revenues	<u>401,500</u>	<u>401,391</u>	<u>401,431</u>	<u>40</u>
Expenditures				
Current				
Operation of non-instructional				
Community services				
Salaries	45,970	76,272	76,272	-
Benefits	10,732	16,619	16,619	-
Purchased services	218,083	114,487	114,487	-
Materials and supplies	115,353	168,406	151,809	16,597
Other	10,992	16,061	16,061	-
Total community services	<u>401,130</u>	<u>391,845</u>	<u>375,248</u>	<u>16,597</u>
Capital outlay	-	8,483	8,514	(31)
Total expenditures	<u>401,130</u>	<u>400,328</u>	<u>383,762</u>	<u>16,566</u>
Excess (deficiency) of revenues over expenditures	<u>370</u>	<u>1,063</u>	<u>17,669</u>	<u>16,606</u>
Other financing sources (uses)				
Refund prior year receipts	-	(865)	-	865
Total other financing sources (uses)	<u>-</u>	<u>(865)</u>	<u>-</u>	<u>865</u>
Net change in fund balance	370	198	17,669	17,471
Fund balance, beginning of year	29	29	29	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 399</u>	<u>\$ 227</u>	<u>\$ 17,698</u>	<u>\$ 17,471</u>



NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2004

	EDUCATION M.I.S. FUND			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 13,653	\$ 16,478	\$ 16,478	\$ -
Total revenues	<u>13,653</u>	<u>16,478</u>	<u>16,478</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Central services				
Purchased services	-	16,478	16,478	-
Total central services	-	16,478	16,478	-
Total supporting services	-	16,478	16,478	-
Capital outlay	35,210	35,210	35,210	-
Total expenditures	<u>35,210</u>	<u>51,688</u>	<u>51,688</u>	<u>-</u>
Net change in fund balance	(21,557)	(35,210)	(35,210)	-
Fund balance, beginning of year	35,210	35,210	35,210	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 13,653</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2004

ENTRY YEAR TEACHER FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 16,500	\$ 16,500	\$ 16,500	\$ -
Total revenues	<u>16,500</u>	<u>16,500</u>	<u>16,500</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	13,803	13,803	1,927	11,876
Benefits	2,298	2,298	-	2,298
Materials and supplies	399	399	-	399
Total regular	<u>16,500</u>	<u>16,500</u>	<u>1,927</u>	<u>14,573</u>
Total instruction	<u>16,500</u>	<u>16,500</u>	<u>1,927</u>	<u>14,573</u>
Total expenditures	<u>16,500</u>	<u>16,500</u>	<u>1,927</u>	<u>14,573</u>
Net change in fund balance	-	-	14,573	14,573
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,573</u>	<u>\$ 14,573</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

DATA COMMUNICATION FUND				Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 27,000	\$ 27,000	\$ 27,000	\$ -
Total revenues	<u>27,000</u>	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Business				
Purchased services	10,800	18,000	14,400	3,600
Total business	<u>10,800</u>	<u>18,000</u>	<u>14,400</u>	<u>3,600</u>
Total supporting services	<u>10,800</u>	<u>18,000</u>	<u>14,400</u>	<u>3,600</u>
Capital outlay	26,020	45,820	26,020	19,800
Total expenditures	<u>36,820</u>	<u>63,820</u>	<u>40,420</u>	<u>23,400</u>
Net change in fund balance	(9,820)	(36,820)	(13,420)	23,400
Fund balance, beginning of year	36,820	36,820	36,820	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 27,000</u>	<u>\$ -</u>	<u>\$ 23,400</u>	<u>\$ 23,400</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	SCHOOLNET FUND			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 4,140	\$ 4,140	\$ 4,140	\$ -
Total revenues	<u>4,140</u>	<u>4,140</u>	<u>4,140</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Business				
Purchased services	4,600	8,740	7,662	1,078
Total business	<u>4,600</u>	<u>8,740</u>	<u>7,662</u>	<u>1,078</u>
Total supporting services	<u>4,600</u>	<u>8,740</u>	<u>7,662</u>	<u>1,078</u>
Total expenditures	<u>4,600</u>	<u>8,740</u>	<u>7,662</u>	<u>1,078</u>
Net change in fund balance	(460)	(4,600)	(3,522)	1,078
Fund balance, beginning of year	4,600	4,600	4,600	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 4,140</u>	<u>\$ -</u>	<u>\$ 1,078</u>	<u>\$ 1,078</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

VIDEO DISTANCE LEARNING FUND

	Budget Amounts		Actual	Variance w ith Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current				
Instruction				
Regular				
Salaries	\$ 873	\$ 873	\$ -	\$ 873
Purchased services	8,220	8,220	8,200	20
Total regular	<u>9,093</u>	<u>9,093</u>	<u>8,200</u>	<u>893</u>
Total instruction	<u>9,093</u>	<u>9,093</u>	<u>8,200</u>	<u>893</u>
Capital outlay	500	500	500	-
Total expenditures	<u>9,593</u>	<u>9,593</u>	<u>8,700</u>	<u>893</u>
Net change in fund balance	(9,593)	(9,593)	(8,700)	893
Fund balance, beginning of year	8,393	8,393	8,393	-
Prior year encumbrances appropriated	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 893</u>	<u>\$ 893</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	OHIO READS FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 18,500	\$ 58,900	\$ 58,900	\$ -
Total revenues	<u>18,500</u>	<u>58,900</u>	<u>58,900</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	-	6,590	6,630	(40)
Benefits	633	3,188	3,154	34
Purchased services	800	9,155	9,155	-
Materials and supplies	4,696	25,096	25,080	16
Total regular	<u>6,129</u>	<u>44,029</u>	<u>44,019</u>	<u>10</u>
Total instruction	<u>6,129</u>	<u>44,029</u>	<u>44,019</u>	<u>10</u>
Supporting services				
Pupil				
Purchased services	18,500	18,500	18,391	109
Materials and supplies	-	2,500	2,500	-
Total pupil	<u>18,500</u>	<u>21,000</u>	<u>20,891</u>	<u>109</u>
Total supporting services	<u>18,500</u>	<u>21,000</u>	<u>20,891</u>	<u>109</u>
Total expenditures	<u>24,629</u>	<u>65,029</u>	<u>64,910</u>	<u>119</u>
Excess (deficiency) of revenues over expenditures	(6,129)	(6,129)	(6,010)	119
Other financing sources (uses)				
Refund prior year receipts	(171)	(171)	(171)	-
Total other financing sources (uses)	<u>(171)</u>	<u>(171)</u>	<u>(171)</u>	<u>-</u>
Net change in fund balance	(6,300)	(6,300)	(6,181)	119
Fund balance, beginning of year	649	649	649	-
Prior year encumbrances appropriated	<u>5,651</u>	<u>5,651</u>	<u>5,651</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119</u>	<u>\$ 119</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

LIMITED ENGLISH PROFICIENCY FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 26,546	\$ 57,741	\$ 22,194	\$ (35,547)
Total revenues	<u>26,546</u>	<u>57,741</u>	<u>22,194</u>	<u>(35,547)</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	12,235	33,151	12,235	20,916
Benefits	2,011	5,453	2,011	3,442
Purchased services	8,493	5,138	5,138	-
Materials and supplies	4,060	6,045	5,921	124
Total regular	<u>26,799</u>	<u>49,787</u>	<u>25,305</u>	<u>24,482</u>
Total instruction	<u>26,799</u>	<u>49,787</u>	<u>25,305</u>	<u>24,482</u>
Capital outlay	-	8,207	8,207	-
Total expenditures	<u>26,799</u>	<u>57,994</u>	<u>33,512</u>	<u>24,482</u>
Excess (deficiency) of revenues over expenditures	(253)	(253)	(11,318)	(11,065)
Other financing sources (uses)				
Operating transfers-in	-	254	254	-
Advances-in	-	-	35,547	35,547
Operating transfers-out	-	(254)	(254)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>35,547</u>	<u>35,547</u>
Net change in fund balance	(253)	(253)	24,229	24,482
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>253</u>	<u>253</u>	<u>253</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,482</u>	<u>\$ 24,482</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2004

STUDENT INTERVENTION FUND

	Budget Amounts		Actual	Variance w ith Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 82,483	\$ 82,483	\$ 82,483	\$ -
Total revenues	<u>82,483</u>	<u>82,483</u>	<u>82,483</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	57,483	57,483	57,483	-
Materials and supplies	25,000	25,000	25,000	-
Total regular	<u>82,483</u>	<u>82,483</u>	<u>82,483</u>	<u>-</u>
Total instruction	<u>82,483</u>	<u>82,483</u>	<u>82,483</u>	<u>-</u>
Total expenditures	<u>82,483</u>	<u>82,483</u>	<u>82,483</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

PARENT MENTOR PROGRAM FUND

	Budget Amounts		Actual	Variance w ith Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 24,375	\$ 24,375	\$ 24,375	\$ -
Total revenues	<u>24,375</u>	<u>24,375</u>	<u>24,375</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Instructional staff				
Salaries	15,750	15,750	15,750	-
Benefits	4,001	4,001	4,001	-
Purchased services	3,125	3,125	3,125	-
Materials and supplies	1,499	1,499	1,495	4
Total instructional staff	<u>24,375</u>	<u>24,375</u>	<u>24,371</u>	<u>4</u>
Total supporting services	<u>24,375</u>	<u>24,375</u>	<u>24,371</u>	<u>4</u>
Total expenditures	<u>24,375</u>	<u>24,375</u>	<u>24,371</u>	<u>4</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Other financing sources (uses)				
Refund prior year receipts	(3,657)	(3,657)	-	3,657
Total other financing sources (uses)	<u>(3,657)</u>	<u>(3,657)</u>	<u>-</u>	<u>3,657</u>
Net change in fund balance	(3,657)	(3,657)	4	3,661
Fund balance, beginning of year	3,657	3,657	3,657	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,661</u>	<u>\$ 3,661</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

ALTERNATIVE EDUCATION FUND

	Budget Amounts		Actual	Variance w ith Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 125,632	\$ 124,497	\$ 111,387	\$ (13,110)
Total revenues	<u>125,632</u>	<u>124,497</u>	<u>111,387</u>	<u>(13,110)</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	125,632	124,497	124,497	-
Total regular	<u>125,632</u>	<u>124,497</u>	<u>124,497</u>	<u>-</u>
Total instruction	<u>125,632</u>	<u>124,497</u>	<u>124,497</u>	<u>-</u>
Total expenditures	<u>125,632</u>	<u>124,497</u>	<u>124,497</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(13,110)	(13,110)
Other financing sources (uses)				
Advances-in		-	13,110	13,110
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>13,110</u>	<u>13,110</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

MISCELLANEOUS STATE GRANTS FUND

	Budget Amounts		Actual	Variance w ith Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 4,500	\$ 4,500	\$ 4,500	\$ -
Total revenues	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	17,000	17,000	4,500	12,500
Materials and supplies	5,293	3,003	-	3,003
Total regular	<u>22,293</u>	<u>20,003</u>	<u>4,500</u>	<u>15,503</u>
Total instruction	<u>22,293</u>	<u>20,003</u>	<u>4,500</u>	<u>15,503</u>
Capital outlay	746	3,036	2,290	746
Total expenditures	<u>23,039</u>	<u>23,039</u>	<u>6,790</u>	<u>16,249</u>
Net change in fund balance	(18,539)	(18,539)	(2,290)	16,249
Fund balance, beginning of year	18,539	18,539	18,539	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,249</u>	<u>\$ 16,249</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	TITLE VIB FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 581,020	\$ 603,520	\$ 408,886	\$ (194,634)
Total revenues	581,020	603,520	408,886	(194,634)
Expenditures				
Current				
Instruction				
Regular				
Benefits	9,146	1,647	407	1,240
Total regular	9,146	1,647	407	1,240
Special				
Salaries	17,293	28,693	26,931	1,762
Benefits	2,850	4,740	4,432	308
Purchased services	427,524	45,573	41,643	3,930
Total special	447,667	79,006	73,006	6,000
Total instruction	456,813	80,653	73,413	7,240
Supporting services				
Pupil				
Salaries	70,600	188,644	145,952	42,692
Benefits	2,408	85,609	74,691	10,918
Purchased services	37,000	224,163	217,028	7,135
Materials and supplies	10,018	8,540	8,853	(313)
Total pupil	120,026	506,956	446,524	60,432
Total supporting services	120,026	506,956	446,524	60,432
Operation of non-instructional				
Community services				
Salaries	9,119	9,119	9,119	-
Benefits	1,500	1,500	1,500	-
Purchased services	10,619	10,619	10,619	-
Total community services	21,238	21,238	21,238	-
Total operation of non-instructional	21,238	21,238	21,238	-
Capital outlay	26,110	35,000	34,962	38
Total expenditures	624,187	643,847	576,137	67,710
Excess (deficiency) of revenues over expenditures	(43,167)	(40,327)	(167,251)	(126,924)
Other financing sources (uses)				
Advances-in	-	-	194,634	194,634
Refund prior year receipts	-	(2,840)	-	2,840
Advances-out	(21,000)	(21,000)	(21,000)	-
Total other financing sources (uses)	(21,000)	(23,840)	173,634	197,474
Net change in fund balance	(64,167)	(64,167)	6,383	70,550
Fund balance, beginning of year	25,107	25,107	25,107	-
Prior year encumbrances appropriated	39,060	39,060	39,060	-
Fund balance, end of year	\$ -	\$ -	\$ 70,550	\$ 70,550

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	TITLE I FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 193,919	\$ 193,919	\$ 178,923	\$ (14,996)
Total revenues	<u>193,919</u>	<u>193,919</u>	<u>178,923</u>	<u>(14,996)</u>
Expenditures				
Current				
Instruction				
Special				
Salaries	162,282	162,282	156,638	5,644
Benefits	24,768	24,768	23,161	1,607
Materials and supplies	4,032	4,032	3,522	510
Total special	<u>191,082</u>	<u>191,082</u>	<u>183,321</u>	<u>7,761</u>
Total instruction	<u>191,082</u>	<u>191,082</u>	<u>183,321</u>	<u>7,761</u>
Supporting services				
Instructional staff				
Purchased services	10,637	10,637	2,554	8,083
Materials and supplies	2,933	2,933	749	2,184
Total instructional staff	<u>13,570</u>	<u>13,570</u>	<u>3,303</u>	<u>10,267</u>
Total supporting services	<u>13,570</u>	<u>13,570</u>	<u>3,303</u>	<u>10,267</u>
Operation of non-instructional				
Community services				
Salaries	13,278	13,278	13,456	(178)
Benefits	158	158	-	158
Purchased services	200	200	85	115
Materials and supplies	1,170	1,170	1,128	42
Total community services	<u>14,806</u>	<u>14,806</u>	<u>14,669</u>	<u>137</u>
Total operation of non-instructional	<u>14,806</u>	<u>14,806</u>	<u>14,669</u>	<u>137</u>
Capital outlay	2,911	2,911	2,892	19
Total expenditures	<u>222,369</u>	<u>222,369</u>	<u>204,185</u>	<u>18,184</u>
Excess (deficiency) of revenues over expenditures	<u>(28,450)</u>	<u>(28,450)</u>	<u>(25,262)</u>	<u>3,188</u>
Other financing sources (uses)				
Advances-in		-	14,997	14,997
Refund of prior year receipts	(119)	(119)	(119)	-
Total other financing sources (uses)	<u>(119)</u>	<u>(119)</u>	<u>14,878</u>	<u>14,997</u>
Net change in fund balance	(28,569)	(28,569)	(10,384)	18,185
Fund balance, beginning of year	23,438	23,438	23,438	-
Prior year encumbrances appropriated	5,131	5,131	5,131	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,185</u>	<u>\$ 18,185</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	TITLE V FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 30,540	\$ 30,540	\$ 6,615	\$ (23,925)
Total revenues	<u>30,540</u>	<u>30,540</u>	<u>6,615</u>	<u>(23,925)</u>
Expenditures				
Current				
Operation of non-instructional				
Community services				
Materials and supplies	269	1,600	1,560	40
Total community services	<u>269</u>	<u>1,600</u>	<u>1,560</u>	<u>40</u>
Total operation of non-instructional	<u>269</u>	<u>1,600</u>	<u>1,560</u>	<u>40</u>
Capital outlay	32,424	31,093	29,353	1,740
Total expenditures	<u>32,693</u>	<u>32,693</u>	<u>30,913</u>	<u>1,780</u>
Excess (deficiency) of revenues over expenditures	<u>(2,153)</u>	<u>(2,153)</u>	<u>(24,298)</u>	<u>(22,145)</u>
Other financing sources (uses)				
Transfers-in	-	686	686	-
Advances-in	-	-	23,925	23,925
Advances-out	(1,364)	(1,364)	(1,364)	-
Refund of prior year receipts	(808)	(808)	-	808
Transfers-out	-	(686)	(686)	-
Total other financing sources (uses)	<u>(2,172)</u>	<u>(2,172)</u>	<u>22,561</u>	<u>24,733</u>
Net change in fund balance	(4,325)	(4,325)	(1,737)	2,588
Fund balance, beginning of year	1,494	1,494	1,494	-
Prior year encumbrances appropriated	<u>2,831</u>	<u>2,831</u>	<u>2,831</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,588</u>	<u>\$ 2,588</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

DRUG FREE SCHOOLS FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 35,151	\$ 35,151	\$ 30,901	\$ (4,250)
Total revenues	<u>35,151</u>	<u>35,151</u>	<u>30,901</u>	<u>(4,250)</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	6,830	6,486	5,258	1,228
Benefits	1,122	1,067	865	202
Materials and supplies	5,630	5,957	5,988	(31)
Total regular	<u>13,582</u>	<u>13,510</u>	<u>12,111</u>	<u>1,399</u>
Total instruction	<u>13,582</u>	<u>13,510</u>	<u>12,111</u>	<u>1,399</u>
Supporting services				
Pupil				
Purchased services	6,322	6,394	5,268	1,126
Total pupil	<u>6,322</u>	<u>6,394</u>	<u>5,268</u>	<u>1,126</u>
Total supporting services	<u>6,322</u>	<u>6,394</u>	<u>5,268</u>	<u>1,126</u>
Total expenditures	<u>19,904</u>	<u>19,904</u>	<u>17,379</u>	<u>2,525</u>
Excess (deficiency) of revenues over expenditures	<u>15,247</u>	<u>15,247</u>	<u>13,522</u>	<u>(1,725)</u>
Other financing sources (uses)				
Transfers-in	-	214	214	-
Advances-in	-	-	4,251	4,251
Advances-out	(21,105)	(21,105)	(21,105)	-
Refund of prior year receipts	(908)	(908)	-	908
Transfers-out	-	(214)	(214)	-
Total other financing sources (uses)	<u>(22,013)</u>	<u>(22,013)</u>	<u>(16,854)</u>	<u>5,159</u>
Net change in fund balance	(6,766)	(6,766)	(3,332)	3,434
Fund balance, beginning of year	1,036	1,036	1,036	-
Prior year encumbrances appropriated	5,730	5,730	5,730	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,434</u>	<u>\$ 3,434</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	PRESCHOOL FUND			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 27,200	\$ 27,200	\$ 21,800	\$ (5,400)
Total revenues	<u>27,200</u>	<u>27,200</u>	<u>21,800</u>	<u>(5,400)</u>
Expenditures				
Current				
Supporting services				
Pupil				
Salaries	18,722	18,722	18,722	-
Benefits	3,078	3,078	3,078	-
Materials and supplies	397	397	404	(7)
Total pupil	<u>22,197</u>	<u>22,197</u>	<u>22,204</u>	<u>(7)</u>
Total supporting services	<u>22,197</u>	<u>22,197</u>	<u>22,204</u>	<u>(7)</u>
Capital outlay	5,003	5,003	4,943	60
Total expenditures	<u>27,200</u>	<u>27,200</u>	<u>27,147</u>	<u>53</u>
Excess (deficiency) of revenues over expenditures	-	-	(5,347)	(5,347)
Other financing sources (uses)				
Advances-in	-	-	5,400	5,400
Total other financing sources (uses)	-	-	5,400	5,400
Net change in fund balance	-	-	53	53
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53</u>	<u>\$ 53</u>



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	TITLE II-A FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 116,230	\$ 116,230	\$ 112,926	\$ (3,304)
Total revenues	<u>116,230</u>	<u>116,230</u>	<u>112,926</u>	<u>(3,304)</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	55,970	55,970	57,163	(1,193)
Benefits	15,030	15,030	15,784	(754)
Total regular	<u>71,000</u>	<u>71,000</u>	<u>72,947</u>	<u>(1,947)</u>
Adult/continuing				
Salaries	26,000	26,000	23,552	2,448
Benefits	4,277	4,277	3,540	737
Purchased services	14,469	14,469	15,792	(1,323)
Materials and supplies	1,502	1,502	1,417	85
Total adult/continuing	<u>46,248</u>	<u>46,248</u>	<u>44,301</u>	<u>1,947</u>
Total instruction	<u>117,248</u>	<u>117,248</u>	<u>117,248</u>	<u>-</u>
Operation of non-instructional				
Community services				
Purchased services	542	542	542	-
Total community services	<u>542</u>	<u>542</u>	<u>542</u>	<u>-</u>
Total operation of non-instructional	<u>542</u>	<u>542</u>	<u>542</u>	<u>-</u>
Total expenditures	<u>117,790</u>	<u>117,790</u>	<u>117,790</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(1,560)</u>	<u>(1,560)</u>	<u>(4,864)</u>	<u>(3,304)</u>
Other financing sources (uses)				
Transfers-in	-	491	491	-
Advances-in	-	-	3,304	3,304
Operating transfers-out	-	(491)	(491)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,304</u>	<u>3,304</u>
Net change in fund balance	(1,560)	(1,560)	(1,560)	-
Fund balance, beginning of year	242	242	242	-
Prior year encumbrances appropriated	<u>1,318</u>	<u>1,318</u>	<u>1,318</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

MISCELLANEOUS FEDERAL GRANTS FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 67,881	\$ 68,994	\$ 47,854	\$ (21,140)
Total revenues	<u>67,881</u>	<u>68,994</u>	<u>47,854</u>	<u>(21,140)</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	4,313	4,427	4,502	(75)
Total regular	<u>4,313</u>	<u>4,427</u>	<u>4,502</u>	<u>(75)</u>
Vocational				
Salaries	20,741	20,741	20,741	-
Benefits	2,940	2,940	2,940	-
Purchased services	28,322	28,322	28,322	-
Materials and supplies	862	862	862	-
Total vocational	<u>52,865</u>	<u>52,865</u>	<u>52,865</u>	<u>-</u>
Total instruction	<u>57,178</u>	<u>57,292</u>	<u>57,367</u>	<u>(75)</u>
Supporting services				
Pupil				
Purchased services	13,745	13,745	10,356	3,389
Total pupil	<u>13,745</u>	<u>13,745</u>	<u>10,356</u>	<u>3,389</u>
Total supporting services	<u>13,745</u>	<u>13,745</u>	<u>10,356</u>	<u>3,389</u>
Capital outlay	-	1,000	925	75
Total expenditures	<u>70,923</u>	<u>72,037</u>	<u>68,648</u>	<u>3,389</u>
Excess (deficiency) of revenues over expenditures	(3,042)	(3,043)	(20,794)	(17,751)
Other financing sources (uses)				
Operating transfers-in	-	178	178	-
Advances-in	-	-	21,140	21,140
Refund of prior year receipts	(4,282)	(4,472)	(4,472)	-
Operating transfers-out	-	(178)	(178)	-
Total other financing sources (uses)	<u>(4,282)</u>	<u>(4,472)</u>	<u>16,668</u>	<u>21,140</u>
Net change in fund balance	(7,324)	(7,515)	(4,126)	3,389
Fund balance, beginning of year	7,325	7,325	7,325	-
Prior year encumbrances appropriated	190	190	190	-
Fund balance, end of year	<u>\$ 191</u>	<u>\$ -</u>	<u>\$ 3,389</u>	<u>\$ 3,389</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	DEBT SERVICE FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Expenditures				
Debt service				
Principal	\$ 28,000	\$ 28,000	\$ 28,000	\$ -
Interest and fiscal charges	4,450	4,450	4,450	-
Total debt service	<u>32,450</u>	<u>32,450</u>	<u>32,450</u>	<u>-</u>
Total expenditures	<u>32,450</u>	<u>32,450</u>	<u>32,450</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(32,450)</u>	<u>(32,450)</u>	<u>(32,450)</u>	<u>-</u>
Other financing sources (uses)				
Transfers-in	32,450	32,450	32,450	-
Total other financing sources (uses)	<u>32,450</u>	<u>32,450</u>	<u>32,450</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2004

PERMANENT IMPROVEMENTS FUND

	Budget Amounts		Actual	Variance w ith Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,034,689	\$ 1,021,116	\$ 1,023,615	\$ 2,499
Interest	4,000	4,000	5,525	1,525
Intergovernmental	125,000	125,000	125,828	828
Total revenues	<u>1,163,689</u>	<u>1,150,116</u>	<u>1,154,968</u>	<u>4,852</u>
Expenditures				
Capital outlay	1,339,164	1,539,280	1,433,855	105,425
Total expenditures	<u>1,339,164</u>	<u>1,539,280</u>	<u>1,433,855</u>	<u>105,425</u>
Net change in fund balance	(175,475)	(389,164)	(278,887)	110,277
Fund balance, beginning of year	549,601	549,601	549,601	-
Prior year encumbrances appropriated	<u>164,164</u>	<u>164,164</u>	<u>164,164</u>	<u>-</u>
Fund balance, end of year	<u>\$ 538,290</u>	<u>\$ 324,601</u>	<u>\$ 434,878</u>	<u>\$ 110,277</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2004

	SCHOOLNET PLUS FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Expenditures				
Current				
Supporting services				
Central services				
Purchased services	5,572	5,572	5,572	-
Total central services	5,572	5,572	5,572	-
Total supporting services	5,572	5,572	5,572	-
Capital outlay	6,742	6,742	6,742	-
Total expenditures	12,314	12,314	12,314	-
Net change in fund balance	(12,314)	(12,314)	(12,314)	-
Fund balance, beginning of year	12,314	12,314	12,314	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

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**North Olmsted City School District**  
**Governmental Activities: Revenues by Source**  
**and Expenses by Function**  
**Last Three Fiscal Years**

	<b>2004</b>	<b>2003</b>	<b>2002</b>
<b>Program Revenues</b>			
Charges for Services	\$ 2,159,872	\$ 1,843,031	\$ 1,819,102
Operating Grants, Interest and Contributions	2,093,133	2,220,495	1,725,183
Capital Grants and Contributions	48,082	36,718	41,787
<b>General Revenues</b>			
Property taxes levied for:			
General purposes	88,372,209	85,677,093	89,509,564
Capital improvements	1,193,667	660,097	1,148,089
Grants and entitlements not restricted to to specific purposes	11,446,862	11,377,267	10,658,176
Investment earnings	238,204	439,915	662,300
Miscellaneous	82,488	278,610	334,286
<b>Total</b>	<b>50,541,867</b>	<b>43,703,236</b>	<b>45,488,547</b>
<b>Expenses</b>			
<b>Instruction</b>			
Regular	20,649,562	21,216,074	19,996,464
Special	4,039,255	3,011,288	4,273,749
Vocational	756,455	726,168	682,107
Adult/continuing	72,566	120,007	148,210
Other instructional	296,051	180,779	937,699
<b>Support Services</b>			
Pupil	3,445,889	3,081,499	3,012,740
Instructional staff	1,200,760	1,328,206	1,539,103
Board of education	204,220	224,903	121,793
Administration	3,176,335	3,275,687	3,089,415
Facial services	965,669	861,122	855,813
Business	150,924	138,036	308,056
Operation and Maintenance	4,027,511	3,893,519	3,878,826
Pupil transportation	1,840,301	1,892,034	1,696,739
Central services	786,756	917,579	683,277
Operation of non-instructional	1,356,537	1,349,509	1,449,434
Food service operation	477,934	514,523	608,369
Community services			
Extracurricular activities:			
Academic and subject oriented	286,171	278,669	160,662
Sport oriented	663,284	808,648	603,261
Diet service	11,474	65,557	99,571
<b>Total</b>	<b>45,275,493</b>	<b>44,835,927</b>	<b>43,839,489</b>
<b>Change in Net Assets</b>	<b>\$ 5,266,374</b>	<b>\$ 12,132,691</b>	<b>\$ 1,650,058</b>

Source: School District Financial Records

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

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
Taxes	\$ 32,937,250	\$ 25,618,372	\$ 29,278,504	\$ 25,376,330	\$ 23,836,563	\$ 25,245,354	\$ 24,813,394	\$ 24,005,517	\$ 21,847,971	\$ 19,481,899
Intergovernmental	11,143,504	11,292,756	10,550,937	10,239,639	9,646,045	9,586,604	9,243,646	9,149,386	8,734,330	8,228,350
Tuition and Fees	426,529	158,368	382,047	197,485	199,896	496,914	682,765	199,349	161,871	189,373
Interest	231,900	375,050	566,962	1,036,705	870,069	723,425	613,270	403,054	265,550	172,521
Other	250,037	393,482	284,262	299,947	233,905	115,764	453,364	151,853	92,144	125,387
Other Financing Sources	0	237,000	23,648	0	0	76	454,668	215,183	133,753	4,666
Total	<u>\$ 44,989,220</u>	<u>\$ 38,075,028</u>	<u>\$ 41,086,360</u>	<u>\$ 37,150,106</u>	<u>\$ 34,786,478</u>	<u>\$ 36,168,137</u>	<u>\$ 36,261,107</u>	<u>\$ 34,124,342</u>	<u>\$ 31,235,619</u>	<u>\$ 28,202,196</u>

Source: School District Financial Records.



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

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Instruction	\$ 25,509,446	\$ 24,617,116	\$ 24,107,877	23,144,002	\$ 21,776,367	\$ 21,085,160	\$ 19,072,572	\$ 18,172,464	\$ 17,296,675	\$ 17,104,812
Supporting Services	2,928,867	2,764,921	2,830,694	2,620,635	1,914,163	1,861,866	1,836,245	1,957,389	1,838,305	1,710,618
Instructional Support	1,170,766	1,260,719	1,479,975	1,365,748	1,272,092	1,168,332	1,157,305	1,042,688	983,066	890,755
Administration and Board of Education	3,641,875	2,887,046	2,933,233	2,980,985	2,561,035	2,321,846	2,322,301	2,381,844	2,278,410	2,160,694
Fiscal and Business Services	1,052,267	1,020,879	1,074,553	952,772	986,219	982,947	898,038	818,814	783,055	758,296
Operation & Maintenance	3,618,720	3,374,440	3,365,077	3,313,353	3,004,340	2,891,050	2,970,069	2,898,677	2,969,427	2,618,140
Pupil Transportation	1,628,191	1,627,123	1,506,495	1,380,383	1,328,688	1,210,791	1,189,912	1,259,103	1,273,524	1,194,772
Central and Community Services	823,383	1,141,640	793,734	804,239	773,102	661,963	803,487	949,443	638,399	504,268
Extra-Curricular Activities	976,524	880,353	771,580	891,638	785,949	724,963	706,111	662,175	551,319	577,092
Capital Outlay	0	0	39,426	126,048	98,724	78,826	90,928	73,571	76,816	131,439
Debt Service	51,649	21,520	48,972	97,944	97,944	125,740	457,652	190,629	230,672	224,944
Other Financing Uses	844,450	251,484	231,578	314,865	216,317	289,754	118,823	364,121	505,000	300,000
<b>Total</b>	<b>\$ 42,246,138</b>	<b>\$ 39,847,241</b>	<b>\$ 39,183,194</b>	<b>\$ 37,992,612</b>	<b>\$ 34,814,940</b>	<b>\$ 33,383,238</b>	<b>\$ 31,623,443</b>	<b>\$ 30,770,918</b>	<b>\$ 29,424,668</b>	<b>\$ 28,175,830</b>

Source: School District Financial Records.

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

<u>Collection Year (2)</u>	<u>Current Taxes Levy</u>	<u>Delinquent Taxes Levy</u>	<u>Total Taxes Levy</u>	<u>Current Taxes Collections</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collection As Percent of Current Levy</u>
2003	\$ 31,865,015	\$ 1,281,930	\$ 33,146,945	\$ 30,317,124	95.1%	\$ 710,490	\$ 31,027,614	97.4%
2002	25,972,760	1,406,952	27,379,712	24,971,411	96.1%	824,843	25,796,254	99.3%
2001	25,974,633	1,583,758	27,558,391	25,119,931	96.7%	760,608	25,880,539	99.6%
2000	25,675,526	1,383,374	27,058,900	24,757,611	96.4%	617,022	25,374,633	98.8%
1999	25,533,556	1,529,526	27,063,082	24,841,980	97.3%	653,940	25,495,920	99.9%
1998	24,876,522	1,522,238	26,398,760	24,244,799	97.5%	573,279	24,818,078	99.8%
1997	24,595,296	1,353,212	25,948,508	24,225,861	98.5%	423,118	24,648,979	100.2%
1996	24,173,715	852,034	25,025,749	23,960,322	99.1%	353,377	24,313,699	100.6%
1995	23,526,366	1,086,382	24,612,748	22,640,700	96.2%	712,670	23,353,370	99.3%
1994	21,140,434	1,459,923	22,600,357	20,641,456	97.6%	423,214	21,064,670	99.6%

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

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

(2) Represents collection year. 2004 information cannot be presented because all collections have not been made by June 30.

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

Year	Real Property		Public Utility Property		Tangible Personal Property		Total		Assessed Value Ratio
	Assessed Value	Estimated Actual value (1)	Assessed Value	Estimated Actual value (2)	Assessed Value	Estimated Actual value (3)	Assessed Value	Estimated Actual value	
2004	\$ 795,784,110	\$ 2,273,668,886	\$ 16,245,870	\$ 18,461,216	\$ 43,142,745	\$ 179,761,438	\$ 855,172,725	\$ 2,471,891,540	34.6%
2003	747,221,840	2,134,919,543	16,116,080	18,313,727	46,093,216	192,055,067	809,431,136	2,345,288,337	34.5%
2002	745,908,230	2,131,166,371	17,160,110	19,500,125	50,663,682	211,098,675	813,732,022	2,361,765,171	34.5%
2001	743,312,040	2,123,748,686	20,789,070	23,623,943	48,393,017	193,572,068	812,494,127	2,340,944,697	34.7%
2000	668,471,450	1,909,918,429	22,399,090	25,453,511	45,819,672	183,278,688	736,690,212	2,118,650,628	34.8%
1999	659,211,490	1,883,461,400	24,629,710	27,988,307	46,864,374	187,457,496	730,705,574	2,098,907,203	34.8%
1998	649,920,820	1,856,916,629	23,804,710	27,050,807	45,200,585	180,802,340	718,926,115	2,064,769,776	34.8%
1997	591,673,740	1,690,496,400	24,522,540	27,866,523	42,771,806	171,087,224	658,968,086	1,889,450,147	34.9%
1996	573,675,650	1,639,073,286	25,111,460	28,535,750	39,343,895	157,375,580	638,131,005	1,824,984,616	35.0%
1995	568,907,430	1,625,449,800	27,468,570	31,214,284	35,731,767	142,927,068	632,107,767	1,799,591,152	35.1%

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

- (1) This amount is calculated based upon an assessed value of 35 percentage of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percentage of actual value.
- (3) This amount is calculated based upon an assessed value of 24 percentage of actual value from 2004 to 2002, 25 percentage of actual value from 1994 to 2001.

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

<u>Year</u>	<u>School District</u>			<u>Vocational</u>		
	<u>General</u>	<u>Improvements</u>	<u>Total</u>	<u>County</u>	<u>School</u>	<u>City</u>
2004	75.10	1.90	77.00	19.40	2.40	13.40
2003	75.10	1.90	77.00	19.40	2.40	13.40
2002	67.20	1.90	69.10	17.60	2.40	13.60
2001	67.20	1.90	69.10	17.60	2.40	13.70
2000	67.20	1.90	69.10	16.70	2.40	12.70
1999	67.20	1.90	69.10	16.70	2.40	12.70
1998	67.20	1.90	69.10	18.00	2.40	12.70
1997	67.20	1.90	69.10	18.00	2.40	12.70
1996	67.20	1.90	69.10	18.00	2.50	12.80
1995	61.30	1.90	63.20	18.20	2.50	12.60

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

**North Olmsted City School District**

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

<u>Year</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Assessed Value For Operations (2)</u>	<u>Population (3)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
2004	\$ -0-	\$ 855,172,725	33,786	0.000%	\$ -0-
2003	-0-	809,431,136	33,786	0.000%	-0-
2002	-0-	813,732,022	34,113	0.000%	-0-
2001	-0-	812,494,127	34,113	0.000%	-0-
2000	-0-	736,690,212	34,204	0.000%	-0-
1999	-0-	730,705,574	34,204	0.000%	0
1998	-0-	718,926,115	34,486	0.000%	0
1997	-0-	658,968,086	34,524	0.000%	0
1996	-0-	638,131,005	34,562	0.000%	0
1995	-0-	632,107,767	34,683	0.000%	0
1994	-0-	556,167,170	34,734	0.000%	0

**Source of information:**

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

**North Olmsted City School District**  
 Computation of Legal Debt Margin  
 As of June 30, 2004

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Assessed Valuation	<u>\$ 855,172,725</u>
Debt Limit - 9% of Assessed Value (1)	<u>\$ 76,965,545</u>
Amount of Debt Applicable to Debt Limit:	
General Obligation Notes	61,000
Revenue Anticipation Notes	-0-
Less: Amount Available in Debt Service Fund	-0-
Total	<u>61,000</u>
Overall Debt Margin	<u>\$ 76,904,545</u>

Debt Limit - .10% of Assessed Value (1)	\$ 855,173
Amount of Debt Applicable	-0-
Unvoted Debt Margin	<u>\$ 855,173</u>

**Source: Cuyahoga County Auditor and School District Financial Records.**

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

**North Olmsted City School District**  
 Computation of Direct and Overlapping General Obligation Bonded Debt  
 December 31, 2003

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to School District</u>	<u>Amount (1) Applicable to School District</u>
<b>Direct Debt:</b>			
North Olmsted City School District	\$ 89,000	100.00%	\$ 89,000
<b>Underlying Debt:</b>			
Cuyahoga County	183,239,636	2.82%	5,167,358
Regional Transit Authority	100,855,000	2.82%	2,844,111
Polaris Joint Vocational School	0	100.00%	-0-
North Olmsted City	65,170,000	100.00%	65,170,000
Subtotal	<u>349,264,636</u>		<u>73,181,469</u>
Total	<u>\$ 349,353,636</u>		<u>\$ 73,270,469</u>

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

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

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Fund Expenditures (1)</u>	<u>Percent of Debt Service to General Fund Expenditures</u>
2004	\$ -0-	\$ -0-	\$ -0-	\$ 42,246,138	0.00%
2003	-0-	-0-	-0-	39,847,241	0.00%
2002	-0-	-0-	-0-	39,183,194	0.00%
2001	-0-	-0-	-0-	37,992,612	0.00%
2000	-0-	-0-	-0-	34,814,940	0.00%
1999	-0-	-0-	-0-	33,383,238	0.00%
1998	-0-	-0-	-0-	31,623,443	0.00%
1997	-0-	-0-	-0-	30,770,918	0.00%
1996	-0-	-0-	-0-	29,424,668	0.00%
1995	-0-	-0-	-0-	28,175,830	0.00%

Source: School District Financial Records

(1) Includes other financing uses.



**North Olmsted City School District**  
Demographic Statistics  
Last Ten Years

<u>Year</u>	<u>Cuyahoga County Population (1)</u>	<u>North Olmsted City Population (2)</u>	<u>School Enrollment (3)</u>	<u>Cuyahoga County Unemployment Rate (4)</u>
2004	1,363,888	33,786	4,605	6.8%
2003	1,379,049	33,786	4,696	6.0%
2002	1,379,049	34,113	4,663	6.7%
2001	1,393,978	34,113	4,714	4.5%
2000	1,386,803	34,204	4,863	4.0%
1999	1,412,140	34,204	4,983	4.3%
1998	1,380,696	34,486	4,985	4.1%
1997	1,389,559	34,524	4,951	5.0%
1996	1,398,169	34,562	5,056	4.7%
1995	1,398,169	34,683	5,021	5.8%

**Source of information:**

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

**North Olmsted City School District**

Property Value,  
Financial Institution Deposits and Building Permits  
Last Ten Fiscal Years

<u>Year</u>	<u>Real Estate Property Value (1)</u>	<u>Bank Deposits Cuyahoga County (000's)</u>	<u>Value of Residential Building Permits Issued</u>	<u>Value of Commercial Building Permits Issued</u>
2003	\$ 795,784,110	\$ 97,238,973	\$ 7,180,459	\$ 20,052,718
2002	745,908,230	95,761,917 (3)	10,178,440	27,061,724
2001	743,312,040	63,893,769	5,783,836	9,675,166
2000	668,471,450	61,943,764	10,092,256	10,280,276
1999	659,211,490	60,296,678	12,913,535	17,170,778
1998	649,920,820	58,904,596	13,436,512	31,876,717
1997	591,673,740	53,941,971 (2)	14,482,863	21,582,756
1996	573,675,650	24,628,923	11,680,825	10,380,000
1995	568,907,430	22,458,573	9,545,000	10,800,000
1994	498,206,300	20,885,453	6,747,000	26,000,000

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

- (1) Represents assessed value as reported by the Cuyahoga County Auditor.
- (2) Large increase in deposits due to Key Bank becoming single charter in 1997.
- (3) Large increase in deposits due to Charter One Bank converting from a thrift institution to a commercial bank.

North Olmsted City School District  
Principal Taxpayers  
Tangible Personal Property Tax  
December 31, 2023

Name of Taxpayer	Assessed Value, \$	Percent of Total
Riser Foods Company	1,891,549	4.36%
My Department Stores Company	1,883,885	4.37%
Home Depot USA, Inc.	1,440,835	3.24%
Sears Roebuck & Company	1,304,529	3.02%
J.C. Penney Company	1,106,280	2.56%
Wal-Mart Stores, Inc.	1,443,728	3.20%
Great Northern Dodge, Inc.	1,269,570	2.94%
Top's Markets, LLC	668,448	1.52%
Sunnyside Cars, Inc.	794,160	1.84%
Mississ of North Olmsted, LLC	785,840	1.82%
Motorcars Acquisition II, LLC	765,960	1.75%
Motorcars USA, Inc.	731,130	1.69%
Gentley Pontiac, Inc.	714,570	1.63%
Sunnyside Automotive, Inc.	703,870	1.61%
Toys R Us of Ohio	528,880	1.23%
Solarcom, Inc.	525,280	1.22%
Bed Bath & Beyond, Inc.	521,660	1.21%
Marc Glassman, Inc.	509,460	1.18%
CompUSA, Inc.	507,470	1.18%
Motorcars Acquisition II, LLC	493,140	1.14%
Gentley Westside Imports, Inc.	490,250	1.08%
Dick's Sporting Goods, Inc.	487,360	1.08%
Circle K Stores, Inc.	486,000	1.04%
Guitar Center Stores, Inc.	448,960	1.03%
Adelphia of the Midwest, Inc.	428,590	1.00%
Wolfspernal Cleveland, LLC	426,200	0.99%
Halton Automobile, Inc.	414,650	0.96%
Jo Ann Stores, Inc.	410,610	0.95%
Total	\$ 22,268,160	51.65%

Total Value in the School District \$ 43,942,745

Source: Cuyahoga County Auditor

(1) Assessed values are for the 2023 collection year.

**North Olmsted City School District**  
Principal Taxpayers  
Real Estate Tax  
December 31, 2003

<u>Name of Tax Payer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total</u>
DDRC Great Northern, LLC	\$ 21,805,960	2.74%
Great Northern Partnership	20,445,640	2.57%
Great Northern Property Company	6,967,390	0.88%
Butternut Ridge Apartment, LLC	5,642,880	0.71%
Higbee Company	5,117,880	0.64%
B&G Properties, LTD	5,012,880	0.63%
Mays Department Stores	4,967,310	0.62%
Water Towers Apartments, LTD	4,790,670	0.60%
Wal Mart	4,305,810	0.54%
Country Club Hotel Association	3,694,360	0.46%
Sears Roebuck & Company	3,603,500	0.45%
Great Northern Partnership & Pennstead	3,088,060	0.39%
J G North Olmsted Hotel Limited	3,080,010	0.39%
Victoria Plaza, LTD	3,021,660	0.38%
The Westbury Tower Corporation	2,711,630	0.34%
Manor Care of North Olmsted, Inc.	2,628,860	0.33%
GC Acquisition Corporation	2,596,440	0.33%
Bridlewood Apartments	2,569,220	0.32%
Jamestown Development Company	2,518,420	0.32%
BRE/HV Propwerties, LLC	2,409,750	0.30%
Candlewood of Cleveland	2,214,840	0.28%
Chg-Ham, 1, LLC	2,150,050	0.27%
Wellington Place, LTD	2,039,810	0.26%
Brooklor, LLC	1,963,500	0.25%
Tech Park Associates 67.6%	1,757,490	0.22%
Tech Park Associates LTD	1,757,490	0.22%
<b>Total</b>	<b>\$ 122,861,510</b>	<b>15.44%</b>
<b>Total Value in the School District</b>	<b>\$ 795,784,110</b>	

**Source: Cuyahoga County Auditor**

(1) Assessed values are for the 2003 collection year.

**North Olmsted City School District**

Principal Taxpayers

Public Utilities Tax

December 31, 2003

<u>Name of Tax Payer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total</u>
Cleveland Illuminating Company	\$ 7,875,560	48.5%
Ohio Bell Telephone Company	5,333,090	32.8%
American Transmission System	907,620	5.6%
East Ohio Gas Company	808,050	5.0%
Alltel Ohio Limited Partnership	312,870	1.9%
AT&T Wireless	163,240	1.0%
New Par	149,700	0.9%
Total	<u>\$ 15,550,130</u>	<u>95.7%</u>

Total Value in the School District \$ 16,245,870

**Source: Cuyahoga County Auditor**

(1) Assessed values are for the 2003 collection year.

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

<u>Year</u>	<u>General Fund Expenditures</u>	<u>Average Daily Student Enrollment</u>	<u>Cost Per Pupil</u>
2004	\$ 42,246,138	4,605	\$ 9,174
2003	39,847,241	4,696	8,485
2002	39,183,194	4,663	8,403
2001	37,992,612	4,714	8,060
2000	34,814,940	4,863	7,159
1999	33,383,238	4,983	6,699
1998	31,623,443	4,985	6,344
1997	30,770,918	4,951	6,215
1996	29,424,668	5,056	5,820
1995	28,175,830	5,021	5,612

**North Olmsted City School District**  
 Teacher Education and Experience  
 June 30, 2004

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>
Bachelor's	34	10.4%
Bachelor's + 15 credit hours	18	5.5%
Bachelor's + 30 credit hours	32	9.8%
Master's	80	24.5%
Master's + 15 credit hours	48	14.7%
Master's + 30 credit hours	28	8.6%
Master's + 45 credit hours	19	5.8%
Master's + 60 credit hours	65	19.9%
Ph. D.	3	0.8%
<b>Total</b>	<b>327</b>	<b>100.0%</b>

<u>Years of Experience</u>	<u>Number Of Teachers</u>	<u>Percent of Total</u>
0 - 5	61	18.7%
6-10	94	28.7%
11 and Over	172	52.6%
<b>Total</b>	<b>327</b>	<b>100.0%</b>

**Source: School District Personnel Records.**







**Auditor of State  
Betty Montgomery**

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Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**NORTH OLMSTED CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY 17, 2005**