



**Auditor of State
Betty Montgomery**

YOUNGSTOWN CITY SCHOOL DISTRICT
MAHONING COUNTY

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YOUNGSTOWN CITY SCHOOL DISTRICT
 MAHONING COUNTY
 FEDERAL AWARDS EXPENDITURES SCHEDULE
 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	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program	045161	10.550		\$ 360,793		\$ 360,793
National School Breakfast Program	03-PU	10.553	\$ 695,570		\$ 695,570	
National School Lunch Program	05-PU	10.555	2,310,050		2,310,050	
Total U.S. Department of Agriculture - Nutrition Cluster			<u>3,005,620</u>	<u>\$ 360,793</u>	<u>3,005,620</u>	<u>\$ 360,793</u>
<u>U.S. DEPARTMENT OF DEFENSE</u>						
<i>Direct Program</i>						
Junior Reserve Officer Training Corp		12.000	38,057		38,057	
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States (IDEA Part B)	6B-SF	84.027	2,302,465		2,310,587	
Special Education - Preschool Grant	PG-S1	84.173	83,506		84,585	
Total Special Education Cluster			<u>2,385,971</u>		<u>2,395,172</u>	
Adult Education- State Grant Program	AB-S1	84.002	353,496		483,495	
Grants to Local Educational Agencies (ESEA Title I)	C1-SS/SD	84.010	6,720,968		7,070,901	
Vocational Education Basic Grants to States	20-C2	84.048	426,067		422,178	
Pell Grant Program		84.063	266,988		266,988	
Drug-Free Schools Grant - National	DR-S1	84.184	24,593		49,326	
Drug-Free Schools Grant - State	DR-S1	84.186	234,694		197,457	
Homeless Child Education	HC-S1	84.196	83,963		90,754	
Improvement of Education Grant	P1-S1	84.215			1,861	

YONGSTOWN CITY SCHOOL DISTRICT
MAHONING COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF EDUCATION (Continued)</u>						
<i>Passed Through Ohio Department of Education:</i>						
Goals 2000 - Subsidy Grant	G2-S8	84.276			65	
Eisenhower Professional Development State Grant	MS-S1	84.281			11,414	
Innovative Educational Program Strategies	C2-S1	84.298	101,149		93,081	
Education Technology	TJ-S1	84.318	179,022		128,300	
Comprehensive School Demonstration	RF-S1	84.332	42,150		67,349	
Class Size Reduction Subsidy	CR-S1	84.340			200	
Assistive Technology Infusion	AT-S3	84.352	6,753		15,939	
Reading First State Grant	RS-S1	84.357	841,508		760,096	
English Language Acquisition	T3-S1	84.365	10,423		22,699	
Improving Teacher Quality	TR-S1	84.367	1,937,382		1,700,406	
Total U.S. Department of Education			<u>13,615,127</u>		<u>13,777,681</u>	
<u>U.S. Department of Health and Human Services</u>						
<i>Passed Through Ohio Department of MRDD</i>						
Medical Assistance Program - CAFS		93.778	665,670		665,670	
<u>Corp. for National & Community Service</u>						
<i>Direct Program</i>						
Americorps Allocation Grant		94.006	191,909		68,965	
Totals			<u>17,516,383</u>	<u>\$360,793</u>	<u>17,555,993</u>	<u>\$360,793</u>

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

**YOUNGSTOWN CITY SCHOOL DISTRICT
MAHONING COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
JUNE 30, 2004**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – CHILD NUTRITION CLUSTER

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Youngstown City School District
Mahoning County
20 West Wood Street
Youngstown, Ohio 44501

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Youngstown City School District, Mahoning County, (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 June 10, 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting to determine our auditing procedures in order to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when 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. In a separate letter to the District's management dated June 10, 2005, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the District's management dated June 10, 2005, we reported other matter related to noncompliance we deemed immaterial.

Voinovich Government Center / 242 Federal Plaza W. / Suite 302 / Youngstown, OH 44503
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We intend this report solely for the information and use of the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for 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

June 10, 2005



**Auditor of State
Betty Montgomery**

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

Youngstown City School District
Mahoning County
20 West Wood Street
Youngstown, Ohio 44501

To the Board of Education:

Compliance

We have audited the compliance of Youngstown City School District, Mahoning County, (the "District") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that apply to each of its major federal programs for the year ended June 30, 2004. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the Government'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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe 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 Youngstown City School District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2004.

Internal Control Over Compliance

The District's management 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 directly and materially affect a major federal program 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 reportable 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 caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when 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 not requiring inclusion in this report, that we reported to the District's management in a separate letter dated June 10, 2005.

Federal Awards Expenditures Schedule

We have audited the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Youngstown City School District, as of and for the year ended June 30, 2004, and have issued our report thereon dated June 10, 2005. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information 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 intend this report solely for the information and use of the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Betty Montgomery
Auditor of State

June 10, 2005.

**YOUNGSTOWN CITY SCHOOL DISTRICT
MAHONING COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	NO
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	NO
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	NO
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	NO
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	NO
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	NO
<i>(d)(1)(vii)</i>	Major Programs (list):	Title I -- CFDA #84.010 Reading First -- CFDA #84.357 Improving Teachers -- CFDA #84.367
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 537,504 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	YES

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

Finding Number	None
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3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Finding Number	None
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YOUNGSTOWN CITY SCHOOL DISTRICT

YOUNGSTOWN, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2004

Issued By:
Treasurer's Office

Carolyn P. Funk
Treasurer

Youngstown City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2004
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Comprehensive Annual Financial Report
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Comprehensive Annual Financial Report
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Youngstown Board of Education

Jacqueline Taylor
President

Michael Write
Vice-President
Chair: Legal, Legislative
& Policy

Lock P. Beachum, Sr.
Chair: Business, Non-Instructional,
& Non-Certificated Personnel

Jamael Brown
Chair: Extra-Curricular
& Sports

Kathryn Hawks-Haney
Chair: Certificated Personnel
& Community Relations

John Maluso
Chair: Finance, Accounting
& Investments

Shelley Murray
Chair: Curriculum &
Career Technical

Wendy E. Webb, Ed.D.
Superintendent

Carolyn P. Funk
Treasurer

P.O. Box 550, 20 W. Wood Street
Youngstown, OH 44501
Phone: 330-744-6996, 330-744-6917
Fax: 330-744-5290, 330-743-1157

February 25, 2005

Board of Education Members and Residents of the Youngstown City School District:

We are pleased to submit the fifth Comprehensive Annual Financial Report (CAFR) of the Youngstown City School District. This report is the School District's official annual financial report for the fiscal year ended June 30, 2004 and includes an opinion from the Auditor of the State of Ohio. This report presents the School District's financial information in a comprehensive manner that conforms to generally accepted accounting principles as applicable to governmental entities. Generally Accepted Accounting Principles are uniform minimum standards and guidelines for financial accounting and reporting. These national standards provide a consistent and standard format for the reader to analyze and interpret the financial data presented. The Governmental Accounting Standards Board (GASB) is the authoritative body that prescribes and administers the guidelines and standards relative to financial reporting.

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 Youngstown City School District with comprehensive financial data in a format enabling them to gain an understanding of the financial affairs of the School District. We will also provide copies to the Mahoning County Public Library, major taxpayers, and financial rating services. Copies are available in the Treasurer's Office for all other interested parties.

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

1. The Introductory Section contains a table of contents, letter of transmittal, list of principal officials, an organizational chart of the School District and GFOA Certificate of Achievement.

2. The Financial Section begins with the Independent Accountants' Report, and includes the Basic Financial Statements and Notes that provide an overview of the School District's financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section presents social and economic data, financial trends, student enrollment statistics and projections, and staffing information prepared for a multi-year time period.

The Statistical Section presents social and economic data, financial trends, student enrollment statistics and projections, and staffing information prepared for a multi-year time period.

The School District

The Youngstown City School District is one of 613 school districts in the State of Ohio and one of the 15 Mahoning County school districts. Located an equal distance from Cleveland to the northwest and Pittsburgh to the southeast, Youngstown City School District encompasses approximately 40 square miles of north central and northeast Mahoning County. It includes all the territory of Youngstown City plus a portion of Coitsville Township on the east and portions of Boardman Township on the south. Several residents of Coitsville Township submitted an annexation petition to the State of Ohio Board of Education to join Lowellville School District. The Youngstown City School Board did not oppose the transfer, however, the State Board of Education did not approve the request.

The Reporting Entity

The Youngstown City School District has reviewed the reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, The Financial Reporting Entity. In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the School District and its potential component units. A complete discussion of the School District's reporting entity is provided in Note 1 to the basic financial statements.

Student Enrollment

The School District currently ranks as the 23rd largest school district by current enrollment among the now 783 public and community schools in the State and is the largest in Mahoning County. For fiscal year 2004, the average daily membership (ADM) was 9,177 students. This ADM does not include Youngstown students who are enrolled in community schools or who attend other districts within the State on open enrollment or as foster, court-placed or handicapped students placed in residential programs in other districts. Actual enrollment for fiscal year 2004 was 11,891 for all students attending Youngstown City School facilities, including School District pre-school programs and adult education programs.

Employees

As reported to EMIS, the School District employs 926 professional educators and administrators and 723 non-certificated personnel. These counts include full time adult instructors but not hourly, part-time personnel. Of the total number of professional educators, 83 are administrators. Additionally, 15 non-certificated administrators are employed in various positions in the School District, largely in business operations, for a total of 98 administrators.

A Statewide public employee bargaining law applies generally to public employee relations and collective bargaining. The School District's certificated staff, including psychologists and other educational support personnel, is represented by the Youngstown Education Association (Y.E.A.), a labor organization affiliated with the Ohio Education Association. The contract in affect during the reporting year between the Board of Education and the Y.E.A. expires June 30, 2006. For the reporting year, the starting salary for a teacher with a Bachelor's Degree and no experience was \$26,816; the maximum salary under that contract was \$59,317 for a teacher with a doctoral degree and 24 years of experience.

The School District's non-certificated staff including secretarial, custodial, maintenance, transportation, aides, bus drivers, and food service staff are represented by AFSCME Local 1143, a labor organization affiliated with the AFL-CIO. The agreement expires January 31, 2006.

A third bargaining unit includes the skilled trades laborers, i.e. electricians, carpenters, plumbers and painters. The board of education negotiates with the various unions representing these groups but under one umbrella resulting in one agreement with a common section applying to all skilled trades and separate sections with provisions applying only to the members of the applicable trade. This contract runs parallel to the AFSME agreement and also expires January 31, 2006.

Economic Outlook and Condition

The City of Youngstown which represents 95 percent of the territory of the Youngstown City School District has made progress in establishing a viable local economy based on a diversified industry base and is able to retain and attract jobs along a broad spectrum of both manufacturing and service industries. Through local tax abatement programs achieved through the establishment of enterprise zones and community redevelopment areas, and through the establishment of the Economic Development Assistance Program, vacant and defunct steel mills have been demolished and the ground reclaimed for construction of new, although smaller, industries and businesses. These programs have been the primary catalyst for most of the commercial growth within the City.

Until December, 1998, the School District cooperated in the various tax incentive and abatement efforts promoted by the City of Youngstown's Department of Development in exchange for certain services and payments promised by City Council under the terms of an agreement allowing for those abatements. City Council has made no effort to negotiate a new agreement since the expiration of the original. Recent meetings, however, have produced a common cooperative attitude in which council members and the Department of Development staff indicate satisfaction with the status quo, which limits abatements to 75 percent for the most part. The Board of Education is optimistic that Youngstown City Council and Youngstown Board of Education will work cooperatively in the future in the interests of the economic well being of the community.

The School District is served by diversified transportation facilities including access to a number of State and Interstate highways including I-80 and the Ohio Turnpike. The School District is also served by rail service (including Amtrak service).

Major commercial banks with offices in the School District include Bank One, National City Bank, Firststar Bank, Sky Bank, KeyBank, First National Bank, and Home Savings and Loan.

Current Facilities

The numbers of students reported as attending Choffin include those enrolled in special programs provided by the school. Vocational students are reported at their home schools.

Other Area Institutions include early college, pre-school facilities, neglected and delinquent institutions and other types of facilities.

The School District's classroom and other facilities are as follows:

Facility	Grade Levels	Dates of Constuction and Addition and/or Major Improvement	Number of Classrooms	ADM as of October 2003	Per Pupil Expenditure FY 2003-2004
Paul C. Bunn	K-6	1957, 1960	23	233	\$14,397.04
Mary Haddow	K-4	1960	23	251	8,851.29
Kirkmere	K-6	1953, 1957	23	443	8,298.58
North	K-4	1940	25	450	11,291.91
Sheridan	K-6	1926, 1990	31	509	8,757.69
Williamson	K-4	1949	20	215	12,331.65
East Middle	Grades 5-8	1925, 1940, 1953	63	613	10,289.03
Rayen	Grades 9-12	1922, 1940, 1962	61	906	8,482.09
Volney Rogers	Grades 7-8	1959, 1991	30	432	9,320.31
Wilson	Grades 9-12	1928, 1940, 1952	62	864	8,066.69
Chaney	Grades 9-12	1953, 1966	46	920	8,269.47
Choffin	Grades 9, 11-12	1973, 1974	66	65	259,443.91
Bennett	K-6	1929, 1978	26	390	9,855.66
Cleveland	K-6	1926	21	301	10,805.90
Harding	K-4	1921, 1948	19	255	10,619.53
Jackson	K-6	1916, 1961	19	286	9,651.55
M.L. King	K-4	1940	20	286	13,567.16
Taft	K-6	1921	17	279	8,435.10
West	K-6	1921, 1925, 1940, 1961	56	770	8,859.71
Hayes	Grades 5-8	1927, 1961	37	485	9,401.78
Hillman	Grades 5-8	1940	20	519	9,287.04
Other Area Institutions and Facilities	Various	N/A	N/A	288	N/A
Total			708	9,760	N/A

The School District offers a wide variety of educational programs for all segments of the community. Vocational programs are available in all the high schools but Choffin Career and Technical Center offers multi-year vocational programs leading to career passports upon completion. Additionally, the School District offers post-secondary programs in Practical Nursing, Medical Assisting, Dental Assisting, Machine Trades and Diversified Office Skills plus a number of smaller, part-time continuing education programs. Extensive special education programs are offered in all schools at all grade levels. As a percentage of total student populations, over 17 percent of the student enrollments qualify as handicapped and are placed in special education programs. At the other end of the spectrum, the School District provides gifted programs in middle schools and advance placement courses at high school levels. Kindergarten students attend all-day, every day kindergarten classes.

DeRolph v. State of Ohio

The Ohio Coalition for Equity & Adequacy of School Funding filed the DeRolph case in December 1991. The Court ruled in favor of the Plaintiffs on March 24, 1997, May 11, 2000, September 6, 2001 and December 11, 2002. After the December 11, 2002 ruling, the Court did not retain jurisdiction. The case was returned to Perry County for enforcement action. Further proceedings have resulted in the Ohio Supreme Court's blocking Perry County Common Pleas Court Judge Linton Lewis from holding any further hearings in the DeRolph school-funding lawsuit. The Coalition plans to continue its efforts until all school children are afforded high quality educational opportunities and have been joined in that effort

by other grass roots organizations. Economic conditions at the state-level, however, appear to be impeding attempts to further DeRolph efforts and the School District does not expect a resolution in the near future.

Major Initiatives

The Youngstown City School District is currently undertaking several major initiatives. The framework initiative, mandated by the Ohio Legislature, is the adoption and implementation of a Continuous Improvement Plan defining strategies directed at improving student scores and bringing the School District from academic watch status to continuous improvement status. The School District moved from academic emergency to academic watch for the 2004 school year. The Continuous Improvement Plan (CIP) adopted by the Board of Education states that the Youngstown City School District will operate on the premise that all children can and will achieve, and sets forth several initiatives herein in order to promote a culture of achievement. Rigorous curriculum, innovative instruction and special intervention and enrichment programs create a climate of scholarship helping students to believe that graduation and going to college are possible. By offering the requisite academic course work and the support that students need to get into and be successful in post secondary educational experiences and the highly skilled world of work, we will help to assure success for each student. As set forth in that plan:

- The School District will continue to align actions that support the belief, mission, and vision statements in the CIP; and,

Update: The School District's vision, mission and belief statements are posted on walls, printed as stationary headings and recited by students at the start of the school day. Citizens (parents) who have requested to speak before the Board at Board of Education meetings often open with the School District's mission statement. These speakers refer to it as the guiding principle that the School District should use to undertake strategies for school improvement.

Since the inception of the School District's vision, mission and belief statements, all departments at central office and all schools have written mission statements to align systemically with their part of the School District's big picture for continuous improvement.

Baldrige training continues for School District staff. Baldrige is a process designed to improve student educational practices as well as the organization's performance at all levels: classroom, building and administrative. The process helps to assess and measure performance on a wide range of key performance indicators. These indicators are built upon a foundation of core values vital to the organization. Also, the Baldrige criteria can help the organization better align resources, improve communication, productivity and effectiveness, and achieve strategic goals. The School District is in the process of institutionalizing several leadership organizational procedures: an agenda format to maximize meeting productivity and accountability, plus/delta records from School District meetings will be used to determine efficiency and effectiveness of meetings in the seven Baldrige categories, any staff requesting a program change will complete an operational and program change proposal, and action request for principals and surveys will be cleared through the newly developed approval procedures and all elementary schools now have mission statements for each classroom.

- The School District will promote and advocate for the new governance process as designed in the CIP.

Update: The governance process is designed to maximize community advisory input by having all School District advisory groups connected to the School District's Urban Congress. The Urban Congress is made up of all community stakeholders: parents, businesses, social agencies, mental health agencies, juvenile justice systems, certificated and non-certificated union representation, ministerial alliance organization, block watch groups, councilmen and any other community stakeholders that want to be represented. The Urban Congress has served to improve communication,

leverage resources, and provide the superintendent with a pulse of the community. Collaborative efforts among stakeholders have served to reduce duplication of services. The Urban Congress has a membership list of 152 people. The chairperson and the executive committee provide the leadership for the Urban Congress.

The governance process is also supported by the implementation components: family readiness concept in conjunction with the MDSAT referral process, CIP Action Teams (Proficiency, Graduation Rate, Safe-Disciplined Schools, and Community Partnerships), Internal CIP Action Team, Communication and Resource Liaison, Alternative Programming, Instruction and the School Improvement Departments' Leadership.

- by promoting an inclusive shared decision-making process.

Update: All School District Continuous Improvement teams must have diverse school staff representation on the team. Parents, community, and students must also be a part of the team.

- by supporting an advisory board represented by all entities of community stakeholders (i.e. ministerial alliances, social and emotional health agencies, community centers, judicial agencies, government agencies, businesses, higher education institutions, board president and parents).

Update: The advisory board concept developed into the Urban Congress which has been described in a previous paragraph.

- through the Family Readiness Center concept, which sets forth a process to build capacity causing students to come to school ready to learn.

Update: At the conception of this paper, the family learning center concept with a community and family advocate was in three buildings. Presently 18 buildings have community and family advocates. The concept is serving to produce comprehensive individual action plans for students. The plans focus on resiliency factors and academic assistance. The position of Community Partnership Liaison has been added to monitor, evaluate, and strengthen partnerships between the School District and community.

- through the formation of Multidisciplinary Student Achievement Team (MDSAT) – a student referral and problem solving process that provides student assistance through the building of partnerships with community agencies.

Update: The MDSAT is the actual team that develops and implements the plan. The team is made up of teachers, the child's parent(s), and social agencies deemed necessary.

- by establishing alternative programming that serves the purpose of prevention, intervention and late intervention student needs. Such programs include drop out prevention, tutoring, conflict mediation, intensive English, peer tutoring, diversion program, literacy based community program, club and organization membership, family advocacy, volunteer mentoring, community service, truancy prevention and life skills training.

Update: An alternative continuum has been developed based on student data. This data has been used to establish programs based on various needs of students. Then student needs are matched with specific programs. The prevention programming is the School District's inoculation piece. The inoculation is a result of a healthy School District (affective) with rigor and relevant teaching (cognitive development). The intervention

programming serves to catch and redirect the student's path before his/her behavior becomes chronic. The late intervention programs serve the most chronic students. Our goal is to become more effective on the inoculation side, which then leads to eliminating the chronic side.

- The School District will diligently strive to meet the School Districts' Continuous Improvement Plan's performance and goals:
 - Goal 1 – By the Year 2006, the Youngstown City School District will institutionalize the process of community school partnerships as a primary component of building level and School District level administration and leadership. Community/school/family stakeholders will have an active role in the development of effective, family center and student focused programming that result in designated increases in performance standards on the School District Report Card.
 - Goal 2 – By the 2006 school year, all schools will demonstrate a safe, disciplined building climate, which is conducive to learning, and nurtures students in developing a healthy self-worth. This will be accomplished by providing a comprehensive model for the delivery of Pre-K through 12, intervention and support services.
 - Goal 3 – By 2006, students in the Youngstown City School District will meet or exceed the State academic performance standards. Students will leave grades 4, 6, 10, and 12 having demonstrated competency on the Ohio Proficiency Test so they may be prepared for further learning and for productive employment in our nation's modern economy.
 - Goal 4 – By the year 2006, the School District graduation rate will meet or exceed the State standards. The School District level CIP serves as a necessary foundation and ongoing support to building level CIPs.
- The five components of the CIP are Community-School Partnership, Safe Drug Free Schools, Proficiency, Technology and Graduation.
- The Youngstown City School District's Family Readiness Center (FRC) will provide a seamless school based, student-focused delivery system of community and educational services that will increase the utilization of these services (prevention, intervention and aftercare services for all students).
- Beginning with the 2001 school year, all students actively engaged in age appropriate, developmentally based instructional strategies designed to increase resilience, improve academic performance and reduce the risk of use of alcohol, tobacco, other drugs and violence.
- By 2006, through comprehensive professional development, all students grades Pre-K through 12 will experience research based, Best Practice instruction which will provide an infrastructure for curriculum development in the proficiency areas.
- Students will achieve higher grades and meet or exceed proficiency standards once the curriculum is aligned to Ohio State Standards; and administrators, teachers and parents understand and promote the standards with consistency and join forces to build capacity for the enhancement of curriculum

INSTRUCTION/TRANSFORMATION INITIATIVES

- Several new initiatives have been integrated into the CIP strategies to move academic achievement and to increase the graduation rate.

Update: The School District has set forth a balanced literacy program. A goal of paramount importance in the Youngstown City School District Literacy Initiative is to develop and implement a balanced literacy model that reflects scientifically designed research. This “balanced” model would include components targeting the development of speaking, listening, reading, writing, viewing and research. To do this, the School District must develop meaningful curriculum built on the Ohio English Language Arts Standards. The curriculum would encourage questioning and investigation while emphasizing the “basics” of reading, writing, speaking, listening, viewing and research presented in a sequential, explicit format. By using Bloom’s taxonomy to design instruction, higher order thinking skills will be incorporated into student work and projects. Reading programs will include a balance of comprehensive experiences with literature and language as well as organized explicit systematic code instruction. Skills training will include word recognition, print awareness, letter recognition, alphabetic principal, phonologic and phonemic awareness, spelling and reading. Finally, extensive reading aloud by the teacher to the group and individually and independently by the student, will be a cornerstone in the development of truly fluent, literate autonomous learners.

School Improvement Update 2003-2004

Adequate Yearly Progress by Building

Local Report Card Status

5 percent (1/20) Effective
45 percent (9/20) Continuous Improvement
20 percent (4/20) Academic Watch
30 percent (6/20) Academic Emergency

Accountability Status

42.9 percent (9/21) of our schools **MET** Building AYP
47.6 percent (10/21) of our schools **MET** AYP for Reading
47.6 percent (10/21) of our schools **MET** AYP for Math

Attendance and Graduation

The School District met the attendance progress goal for all students with an attendance rate of 93.8 percent, a .9 increase of a percentage point over the 2003 school year and also met the progress goals for graduation by increasing from a rate of 53.5 percent in 2003 to 54.1 percent in 2004.

Improvement Summary Data Interpretation

The State of Ohio uses 18 indicators to measure the progress of a school district. The Youngstown City Schools improved in 13 or 18 performance standards and achieved an average increase of 3.54 percentage points.

In addition to the measurement indicators the State uses a performance index score which is a weighted average of all students tested in grades 3, 4, and 6. The index is a scale of 0 to 120 points with 100 points being the goal. The School District had a 68.5 percent performance index, a 3.8 percent increase from the 2003 school year.

The following chart is a comparison of student results (percentage of students at or above proficient level) as reported by the Ohio Department of Education for the School District' yearly progress report card:

<u>STATE INDICATORS</u>	<u>2003-2004</u>	<u>2002-2003</u>	<u>CHANGE</u>
<i>3rd Grade</i>			
Reading	51.1%	49.4%	1.7%
<i>4th Grade</i>			
Writing	63.3%	54.4%	8.9%
Reading	51.6%	41.7%	9.9%
Math	44.2%	36.9%	7.3%
Citizenship	37.7%	36.6%	1.1%
Science	48.2%	38.2%	10.0%
<i>6th Grade</i>			
Writing	71.0%	71.0%	0.0%
Reading	35.6%	36.3%	-0.7%
Math	29.3%	24.8%	4.5%
Citizenship	37.5%	45.8%	-8.3%
Science	24.8%	32.4%	-7.6%
<i>10th Grade (9th Grade Test)</i>			
Writing	95.8%	88.0%	7.8%
Reading	92.5%	85.6%	6.9%
Math	65.3%	61.4%	3.9%
Citizenship	88.1%	78.4%	9.7%
Science	77.6%	70.3%	7.3%

School Facilities (OSFC) Projects

Another major initiative addresses the issue of school facilities. The School District's strategic plan addressed this issue by committing to the implementation of a facilities plan that successfully provides quality space to efficiently and effectively meet the needs of the School District's educational programs for the future. The quality of the environment created by this plan will encourage the retention of present students and attract others.

Project Status Report

During fiscal year 2003 the School District began actual construction on two projects, both new elementary schools. Contracts were given for the construction of the new Harding Elementary School totaling \$6,657,683. As of June 30, 2004, the project was 85 percent complete and scheduled to be ready for occupancy by October, 2004.

\$7,345,818 in contracts were also given for the construction of the new Taft Elementary School. This project is presently almost 100 percent complete and it, too, is scheduled for a fall, 2004 occupancy.

Other projects which were substantially under way by June 30, 2004 included Chaney High School, the new West Elementary, P. Ross Berry Middle School, the new East High School and Williamson Elementary School.

The School Facilities Plan as promulgated by the Ohio School Facilities Commission (OSFC) is designed to accommodate the declining enrollment of the School District. The OSFC has amended the target population of that plan for the 2005 school year to 9,974. The enrollment in the School District has been declining steadily since the mid-1960's when the enrollment exceeded 28,000 students. During the last ten years enrollments have declined from 14,990 during the 1990 school year to 10,703 for the 2000 school year. The creation of community schools in fiscal year 1999 has exacerbated declining enrollments in the School District by siphoning off significant number of students who would otherwise be part of the School District's in-school enrollment. As a result of these declines, the OSFC has reassessed the School District's overall plan, reducing allocations in some cases but determining to build new buildings as opposed to renovating old in other cases. The School District reached agreement with the Ohio School Facilities Commission increasing the total projects from \$163,198,000 to \$198,432,748, thereby increasing the School District share from \$33,198,000 to \$39,286,520.

Financial Information

Internal Accounting and Budgetary Control

The School District's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Reporting for general governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available and expenditures are recognized when goods and services are received. Reporting of the Schools District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually 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 of Education. Budgets are controlled at the fund level. The Treasurer has been given authority to allocate board appropriations to the function and object levels within each fund. All purchase order requests must be approved by either the Superintendent or the Executive Director of School Business Affairs and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors.

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.

As demonstrated by the statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound fiscal management. The general fund balance was \$7,485,573 on June 30, 2004.

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

Financial Condition

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

Government-wide Financial Statements: these statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by 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 School 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 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 also responsible for preparing a Management's Discussion and Analysis of the School District. This discussion appears after the Independent Accountants' Report in the financial section of this report. Managements' Discussion and Analysis provides an assessment of the School District's finances for 2004. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

Financial Highlights – Internal Service Fund

The only internal service fund on the financial records relates to self-insurance. This fund accounts for the revenues and expenses related to the provision of medical, prescription drug, vision and dental benefits to the School District employees. The internal service fund had net assets of \$3,946,906 as of June 30, 2004, compared with net assets of \$4,280,962 at June 30, 2003, reflecting a decrease in net assets of \$334,056.

Cash Management

Cash temporarily idle during the year was invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), demand deposits and obligations of the US Treasury and other agencies and repurchase agreements. The School District's funds earned interest revenue of \$694,068 on all investments for the fiscal year. The School District's investment policy is to minimize credit and market risks, while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal

depository insurance or collateralized. As required under Ohio law, pooled securities have been pledged in an amount equal to 105 percent of the total deposits, to secure the repayment of all public monies deposited in a financial institution.

Risk Management

\$50,000 performance bonds are maintained for the board president, superintendent, and business manager. A higher bond in the amount of \$250,000 is maintained for the treasurer. These bonds are with the Nationwide Agribusiness Insurance Company. The School District also contracts with the Hartford Insurance Company for property, general and professional liability insurance and with the Westfield Insurance Company for vehicle insurance.

The School District participates in the State of Ohio's Workers' Compensation Retrospective Rating program. The School District employs a Risk Manager who is responsible for managing the School District's workers compensation claims, as well as, implementing and designing safety and transitional work programs. Active claims management resulted in a refund of \$3,243 in the reporting year. The School District intends to continue in the retrospective program.

Pension Plans

The State-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS) covers all School District employees. The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Note 11 to the basic financial statements for complete details.

Independent Audit

State statutes require the School District to be subjected to an annual audit 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 as of and for the year ended June 30, 2004. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school districts in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for 1981.

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 Youngstown City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

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

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

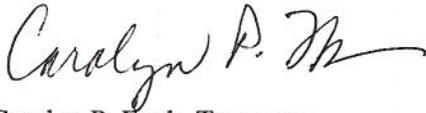
Acknowledgments

The publication of this report significantly increases the accountability of the School District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office, the Office of the Assistant Superintendent and various administrators and employees of the School District. Assistance of the County Auditor's office staff and other outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to the Local Government Services Section of State Auditor Betty Montgomery's office for assistance in planning, designing and reviewing this financial report.

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

Respectfully,



Carolyn P. Funk, Treasurer



Wendy Webb, Superintendent

Youngstown City School District

List of Principal Officials

June 30, 2004

Board of Education

Jacqueline Taylor	President
Michael Write	Vice-President
Shelley Murray	Member
Lock P. Beachmum, Sr.	Member
Jamael Brown	Member
Kathryn Hawks-Haney	Member
John Maluso	Member

Treasurer

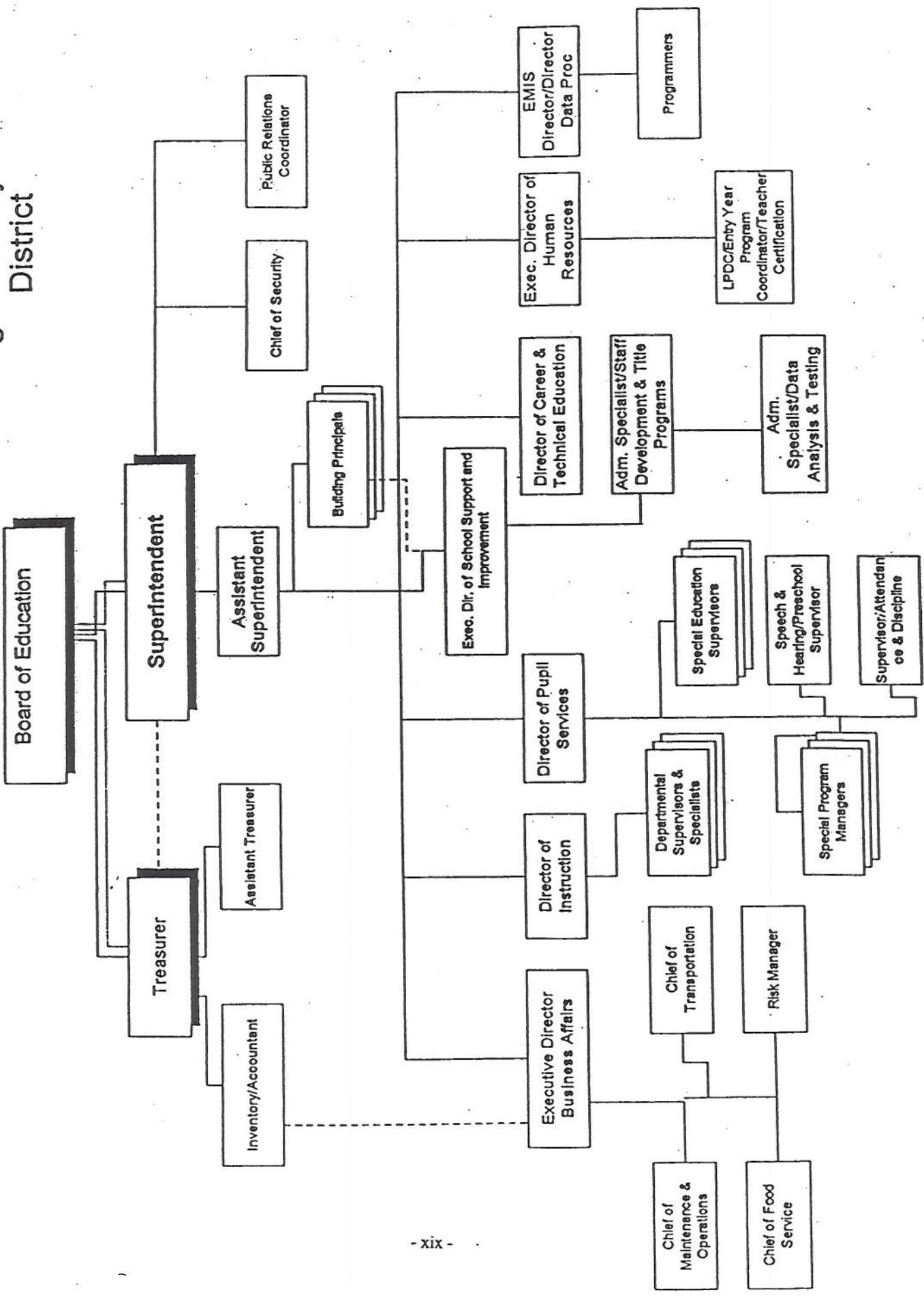
Carolyn P. Funk

Administration/Cabinet Members

Ben McGee*	Superintendent
Wendy Webb	Assistant to the Superintendent
Anthony DiRenzo	Executive Director of School Improvement
Anthony DeNiro, Jr.	Executive Director of School Business Affairs
Germaine Bennett	Executive Director of Human Resources
Mike McNair	Community Relations
Ted Terlesky	Chief of Security
Rosie Marich	Director of Testing, Data, and EMIS
Karen Green	Director of Externally Funded Programs
Judith Hatchner	Director of Regular Instruction
Cindy Caudill	Director of Pupil Personnel
Joe Maranto	Director of Vocational Programs

*Ben McGee retired from the office of Superintendent as of June 30, 2004. Wendy Webb has been appointed Superintendent.

Youngstown City School District



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Youngstown 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. Zjelke

President

Jeffrey R. Emer

Executive Director



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Youngstown City School District
Mahoning County
20 West Wood Street
Youngstown, Ohio 44501

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Youngstown City School District, Mahoning 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 an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Youngstown City School District, Mahoning 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, Food Service Fund and Disadvantaged Pupil Impact Aid 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 February 25, 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 required supplementary information. However, we did not audit the information and express no opinion on it.

Voinovich Government Center / 242 Federal Plaza W. / Suite 302 / Youngstown, OH 44503
Telephone: (330) 797-9900 (800) 443-9271 Fax: (330) 797-9949
www.auditor.state.oh.us

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining 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

February 25, 2005

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

The discussion and analysis of Youngstown 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 discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and the financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for the 2004 fiscal year are as follows:

- In total, net assets of governmental activities increased by \$21,311,539 which represents an increase of 13.89 percent from fiscal year 2003.
- General revenues accounted for \$116,743,301 in revenues or 77.67 percent of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for \$33,567,146 or 22.33 percent of total revenues.
- The School District had \$128,998,908 in expenses related to governmental activities; only \$33,567,146 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$116,743,301 were adequate to provide for these programs.
- The School District's major governmental funds are the general fund, the food service fund, the disadvantaged pupil impact aid fund, the bond retirement fund and the classroom facilities fund.
- The School District's governmental fund balance increased from \$40,818,098 in fiscal year 2003 to \$46,181,155 in fiscal year 2004.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

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

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

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

These two statements report the School District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the School 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 property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, the School District's performance, required educational programs, demographic and socio-economic factors, the willingness of the community to support the School District and other factors.

In the Statement of Net Assets and Statement of Activities, all of the School District's programs are classified as 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.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major governmental funds begins on page 9. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds include the general fund, food service fund, disadvantaged pupil impact aid fund, bond retirement fund and classroom facilities fund (Ohio School Facilities Commission).

Governmental Funds

Most of the School District's activities are reported in governmental funds that focus on how money flows into and out of those funds and the balances left at year-end that are available for spending in future periods. These funds are reported using the *modified accrual* accounting method that 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.

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Fiduciary Funds

The School District is the trustee, or fiduciary, for its college scholarship programs. This activity is presented as a private purpose trust fund. The School District also acts as an agent for individuals, private organizations and/or other governmental units. These activities are reported in agency funds. All of the School District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

The School District as a Whole

You may recall that the Statement of Net Assets provides the perspective of the School District as a whole. Table 1 provides a comparison of the School District's Net Assets for 2004 compared to 2003:

Table 1
 Net Assets
 Governmental Activities

	2004	2003
Assets		
Current and Other Assets	\$236,536,330	\$227,773,841
Capital Assets, Net	30,958,489	13,491,493
Total Assets	267,494,819	241,265,334
Liabilities		
Current Liabilities	67,634,248	76,081,196
Long-Term Liabilities		
Due Within One Year	12,115,070	721,746
Due in More Than One Year	12,948,162	10,976,592
Total Liabilities	92,697,480	87,779,534
Net Assets		
Invested in Capital Assets, Net of Related Debt	8,408,510	7,485,384
Restricted for:		
Capital Projects	168,003,125	132,004,019
Debt Service	4,496,448	3,163,386
Set Asides	1,639,585	992,085
Other Purposes	1,268,652	1,020,613
Unrestricted	(9,018,981)	8,820,313
Total Net Assets	\$174,797,339	\$153,485,800

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Total assets increased \$26,229,485. On June 24, 2004 the Ohio School Master Facilities Plan for the School District was amended. As a result of this agreement, intergovernmental receivables increased by more than \$13 million. The amended plan agreement changed the original project cost of \$163 million to a plan totaling approximately \$193 million. This change increased the amount of construction funds to be received by the School District. In addition, the School District still continues to have improved cash flow from federal funds due to the Ohio Department of Educations' draw-down procedures.

Total liabilities increased \$4,917,946 with an increase in contracts payable of \$2,126,959. The increase in contracts payable is a result of the School District entering into new contracts as construction continues on new buildings and the increase in deferred revenue represents the balance of funds to be received from the Ohio Schools Facilities Commission which the School District will use to make future payments on construction projects.

By comparing assets and liabilities, one can see the overall position of the School District has improved as evidenced by the increase in net assets of \$21,311,539.

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

Table 2
Change in Net Assets
Governmental Activities

	2004	2003
Revenues		
Program Revenues		
Charges for Services	\$2,167,477	\$1,898,202
Operating Grants and Contributions	31,096,043	30,267,424
Capital Grants and Contributions	303,626	187,868
<i>Total Program Revenues</i>	<i>33,567,146</i>	<i>32,353,494</i>
General Revenues		
Property Taxes	24,935,178	24,494,409
Grants and Entitlements	90,374,828	60,408,284
Investment Earnings	679,680	2,328,611
Gain on Sale of Capital Assets	0	10,074
Miscellaneous	753,615	523,800
<i>Total General Revenues</i>	<i>116,743,301</i>	<i>87,765,178</i>
<i>Total Revenues</i>	<i>\$150,310,447</i>	<i>\$120,118,672</i>

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Table 2
 Change in Net Assets
 Governmental Activities

	2004	2003
Program Expenses		
Instruction:		
Regular	\$49,344,569	\$43,511,312
Special	18,173,866	16,600,142
Vocational	4,026,251	3,948,158
Adult/Continuing	375,988	433,775
Support Services:		
Pupils	7,270,781	7,001,495
Instructional Staff	10,050,927	9,684,322
Board of Education	1,041,192	660,111
Administration	9,119,246	7,439,354
Fiscal	2,022,720	1,641,357
Business	1,179,357	600,963
Operation and Maintenance of Plant	12,179,767	11,897,949
Pupil Transportation	5,799,343	5,540,683
Central	954,196	846,629
Operation of Non-Instructional Services	2,440,469	2,540,111
Food Service Operation	3,892,089	3,313,870
Extracurricular Activities	485,862	938,708
Interest and Fiscal Charges	642,285	1,344,445
<i>Total Program Expenses</i>	<u>128,998,908</u>	<u>117,943,384</u>
<i>Increase in Net Assets</i>	21,311,539	2,175,288
Net Assets Beginning of Year	<u>153,485,800</u>	<u>151,310,512</u>
Net Assets End of Year	<u><u>\$174,797,339</u></u>	<u><u>\$153,485,800</u></u>

Governmental Activities

Net assets of the School District's governmental activities increased by \$21,311,539 in fiscal year 2004. Program revenues of \$33,567,146 and general revenues of \$116,743,301 were sufficient to cover governmental expenses of \$128,998,908. Program revenues supported 26.02 percent of the total governmental expenses, a decrease of nearly 1.41 percent from fiscal year 2003 and expenses increased 9.37 percent over fiscal year 2003. However, general revenues increased from fiscal year 2003 to fiscal year 2004 by \$28,978,123 or 33.02 percent. Total revenues increased by 25.13 percent with the greatest increase in general revenues from "Grants and Entitlements."

The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements. These two revenue sources represent 76.71 percent of total governmental revenue. Property taxes, alone, represent 16.59 percent of revenues. Real estate property is revalued every six

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years. As a result of the last revaluation in 1999, the School District's tax valuation increased by 8 percent. The Board of Education's policy to disallow 100 percent abatements has resulted in minor growth in real estate valuation, as new construction is not subject to the reduction factors of House Bill 920. These increases, though, are usually offset by decreases in valuation caused by the economic condition of the area. These conditions have resulted in business closings, property abandonment, demolitions, and valuation appeals from existing property owners seeking to reduce their taxes usually by claiming market value decreases resulting from area economic forces. Local economic conditions, in fact, is the major reason that the School District has not sought additional operating millage since the passage of the last operating levy of 14.5 mills in 1987.

HB920, enacted in 1976, does not allow for revenue increases caused by inflationary growth of real property. Increases in valuation prompt corresponding annual reductions in the "effective millage," the tax rates applied to real property.

The following table illustrates the low rate of growth in property values which has negatively impacted the School District:

Property Tax Growth/Last Ten Years		
Calendar Year	Total Valuation	Growth Rate
2004	\$670,122,208	3.50%
2003	647,474,020	-0.10%
2002	648,128,280	-1.12%
2001	655,454,960	0.61%
2000	651,482,280	8.01%
1999	603,143,410	1.22%
1998	595,864,880	1.89%
1997	584,810,620	4.61%
1996	559,064,660	-1.04%
1995	564,961,967	-1.24%

The average rate of growth over the last 10 years is 1.6 percent.

Because of the low per pupil valuation, the School District is highly dependent on State funding to maintain financial stability. In recent years, support from the State in terms of foundation increases, reconfiguration of DPIA funding, the implementation of weighted funding for special education students and career-tech students, equity aid, parity aid and other new State funding mechanisms have combined to improve the financial condition of the School District. State support for educational programs in terms of the per pupil allocation has increased annually by an average of 5.7 percent over the last three years. The School District anticipation for future growth, based on the financial projections for the state economy are less than 2 percent per year. As reflected in the 5 year forecast, this low rate of growth will probably result in the School District's return to a deficit operating position in FY09.

Program revenues covered 26.02 percent of program expenses overall. The remaining 73.98 percent is supported through tax revenues and other general revenues. In fiscal year 2004, however, revenues totaled 116.5 percent of expenses resulting in an increase in net assets of \$21,311,539.

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The Statement of Activities shows the cost of program services and the charges for services and grants and contributions offsetting those services. The following table shows the total cost of services and the net cost of services. That is, it identifies the cost of those services supported by tax revenue and unrestricted State grants and entitlements.

Table 3
 Total and Net Cost of Program Services
 Governmental Activities

	Total Cost of Services 2004	Net Cost of Services 2004	Total Cost of Services 2003	Net Cost of Services 2003
Program Expenses				
Instruction:				
Regular	\$49,344,569	(\$40,879,134)	\$43,511,312	(\$34,689,860)
Special	18,173,866	(11,516,736)	16,600,142	(9,952,600)
Vocational	4,026,251	(2,994,174)	3,948,158	(2,859,249)
Adult/Continuing	375,988	(235,958)	433,775	(56,446)
Support Services:				
Pupils	7,270,781	(5,067,468)	7,001,495	(4,407,691)
Instructional Staff	10,050,927	(3,991,732)	9,684,322	(6,040,563)
Board of Education	1,041,192	(1,033,663)	660,111	(660,111)
Administration	9,119,246	(7,927,928)	7,439,354	(6,140,942)
Fiscal	2,022,720	(1,678,888)	1,641,357	(1,455,769)
Business	1,179,357	(1,171,117)	600,963	(600,963)
Operation and Maintenance of Plant	12,179,767	(11,149,645)	11,897,949	(10,928,999)
Pupil Transportation	5,799,343	(5,562,049)	5,540,683	(5,162,772)
Central	954,196	(941,403)	846,629	(840,160)
Operation of Non-Instructional Services	2,440,469	(215,734)	2,540,111	204,845
Food Service Operation	3,892,089	(70,190)	3,313,870	56,407
Extracurricular Activities	485,862	(353,658)	938,708	(710,572)
Interest and Fiscal Charges	642,285	(642,285)	1,344,445	(1,344,445)
<i>Total</i>	<u>\$128,998,908</u>	<u>(\$95,431,762)</u>	<u>\$117,943,384</u>	<u>(\$85,589,890)</u>

The School District's reliance on local tax revenues for the governmental activities is crucial. Over 19 percent of expenses are directly supported by local property taxes. Grants and entitlements not restricted to specific programs support 70 percent while investments and other miscellaneous type revenues support the remaining activity costs.

The School District's Funds

The School District's governmental funds (as presented on the balance sheet on page 16) reported a combined fund balance of \$46,181,155, which is greater than fiscal year 2003's year end balance of

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\$40,818,098. The June 30, 2003, fund balances have been restated as described in Note 3 to the basic financial statements.

The general fund showed increases in the property taxes and intergovernmental revenues. The increase in real property taxes is attributable to the county treasurer's tax lien sale program whereby delinquent properties are bundled and sold at auction in order to pay delinquent taxes. Intergovernmental revenue increased due to statutory increase in parity aide which began in fiscal year 2002 and increased 20 percent each year, based on a formula using income tax information which defines district wealth. Additionally, special education weighted funding, preschool unit funding and transportation reimbursement have increased significantly due to an increasing number of students enrolled in community schools.

The increasing in instruction expenses is a result of a number of factors. The first issue concerns the increase in tuition expense paid by the district to community schools. This expense increased more than \$3 million from fiscal year 2003 to fiscal year 2004. In addition to community schools the School District has undertaken a number of non-grant funded programs focusing on increasing test scores, graduation rates, attendance rates and other targeted areas in which improvement must be achieved under the NCLB (No Child Left Behind) federal legislation.

The following table illustrates the financial activities of the general fund and the affect those activities have on the general fund balance:

	<u>Fiscal Year</u> 2004	<u>Fiscal Year</u> 2003	<u>Increase</u> <u>(Decrease)</u>
Revenues			
Property Taxes	\$23,962,141	\$20,089,779	\$3,872,362
Intergovernmental	64,944,690	60,165,649	4,779,041
Interest	679,570	619,774	59,796
Other Revenues	<u>1,457,637</u>	<u>855,160</u>	<u>602,477</u>
<i>Total</i>	<u><u>\$91,044,038</u></u>	<u><u>\$81,730,362</u></u>	<u><u>\$9,313,676</u></u>
Expenditures			
Instruction	\$55,229,726	\$47,142,577	\$8,087,149
Support Services	38,098,538	36,809,842	1,288,696
Operation of Non-Instructional Services	55,733	21,094	34,639
Extracurricular Activities	393,538	615,905	(222,367)
Capital Outlay	703,750	96,468	607,282
Debt Service	<u>221,235</u>	<u>693,864</u>	<u>(472,629)</u>
<i>Total</i>	<u><u>\$94,702,520</u></u>	<u><u>\$85,379,750</u></u>	<u><u>\$9,322,770</u></u>

Other major funds of the School District include the food service fund, the disadvantaged pupil impact aid fund, the bond retirement fund and the classroom facilities fund. The classroom facilities fund balance increased by \$6,722,485. This increase can be attributed to the continuing receipt of grant monies from the Ohio School Facilities Commission to be used in the ongoing school construction projects.

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General Fund Budgeting Highlights

The School District's appropriations are prepared according to Ohio law and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant and the only fund appropriated at the object level is the general fund.

In fiscal year 2004, the School District adopted its appropriations prior to October 1, 2003 and amended those appropriations on June 30, 2004. For the general fund, final budgeted revenues were \$88,000,053, an increase of \$732,301 from the original budget. The final budget for other financing sources was \$10,069 an increase of \$83 from the original budget.

General fund original appropriations of \$92,500,565 were increased to \$100,348,035 in the final appropriation measure primarily due to increases in expenditures in certain areas prior to the end of the year. With the probable opening of Taft and Harding in the fall we were planning on the purchase of new computers for those schools. We also wanted funds available to move to the Self-funded Insurance Fund in the event it didn't meet the reserve requirements of ORC 9.833. Appropriations were increased in order to accommodate higher salary and wage expenditures during the year, largely as a result of the expenditure of general fund monies for expanded intervention programs at all levels. As a final accommodation, the appropriation for community school tuition was increased to cover actual expenditures for the year which exceeded original estimates by nearly \$4.3 million. We did not reduce appropriations in those areas which constitute HB412 set aside funds. The result was that expenditures did not meet anticipated levels, leaving over \$5 million unexpended.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2004, the School District had \$30,958,489 invested in land, buildings and improvements, furniture and equipment, vehicle, textbooks and construction in progress. The following table shows fiscal 2004 balances compared to 2003.

Table 4
 Capital Assets at June 30
 (Net of Depreciation)
 Governmental Activities

	2004	2003
Land	\$1,002,781	\$1,002,781
Buildings and Improvements	4,815,593	5,099,658
Furniture and Equipment	4,358,289	3,697,610
Vehicles	795,162	544,765
Textbooks	311,863	331,695
Construction in Progress	19,674,801	2,814,984
<i>Total Capital Assets</i>	\$30,958,489	\$13,491,493

Capital Assets (net of depreciation) increased \$17,466,996 overall. As the School District continues to build and open new schools, construction in progress and buildings and improvements will fluctuate between increases and decreases as projects are completed. Furniture and equipment will also increase

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due to purchases being made to update and replace equipment for existing buildings and to furnish new schools as they are completed .

The increase in value for vehicles is primarily due to the purchase of six new school buses. The School District's threshold for capitalization is \$1,000. For additional information on capital assets see Note 9 to the basic financial statements.

Debt

As of June 30, 2004 the School District had \$47,329,432 in outstanding obligations. Table 5 below summarizes the School District's obligations.

Table 5
Outstanding Long-Term Obligations at Fiscal Year End
Governmental Activities

	2004	2003
Asbestos Abatement Loans	\$46,107	\$86,876
Compensated Absences	12,911,658	11,032,502
Claims	478,459	560,934
Capital Leases	0	1,393
State Loan	0	3,010,000
Classroom Facilities Notes	11,627,008	31,625,000
Energy Conservation Loan	0	1,430,000
	\$25,063,232	\$47,746,705
Total		

During fiscal year 2004 the School District made the final payment for one of the three Asbestos Abatement Loans. The two remaining loans will be fully paid by fiscal year 2006. These loans are interest free as long as the School District remains current on repayment. The increase in total long-term obligations is due to the assumptions calculated for accounting purposes regarding the number of employees that could possibly retire and the benefits that would be paid. At June 30, 2004 the School District's overall legal debt margin was \$33,044,763 with unvoted debt margin of \$670,122. For additional information on long-term and fund obligations see Notes 16 and 17 to the basic financial statements.

Challenges and Opportunities

The goal of the Youngstown City School District continues to be to maintain the highest standards of service to our students, parents and community. In keeping with its mission statement, the Board of Education has adopted a Comprehensive Continuous School Improvement Plan through which the School District intends to satisfy the rigorous requirements of the Leave No Child Behind Act. Through the implementation of such processes as Baldrige (educational piece) the School District has been able to bring about improvements that will result in achieving School Improvement status as defined by the Ohio Department of Education. The ultimate achievement of this goal would indicate is that the School District has narrowed the gap between the highest and lowest achieving students leading to total academic success.

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The mission of the Youngstown City School District, a School District determined to be a beacon of hope and encouragement, is developing caring, life-long learners with a vision, who are well prepared and productive citizens, by respecting individuality and utilizing all resources available.

In order to meet the goals mentioned above, it is imperative that the School District's management and staff continue to carefully and prudently plan in order to provide the resources and education required to meet student needs over the next several years.

The School District has achieved a large measure of financial stability in the past five years and forecasts a continuation of that stability at least through the first three years of the five years of the forecast period. However, administrators are cognizant of the vulnerability of this stability. Largely dependent on State funding sources (nearly 77 percent of the School District's operating funds come from State foundation payments and other entitlements), the fact that Ohio budgets foundation levels biennially may compromise the accuracy of those forecasts. Prior to *DeRolph*, these increases were not sufficient to fund local increases in operating costs. The Board of Education and administrators continue to closely monitor both revenues and expenses. The Treasurer continues to prepare annually monthly cash flow estimates in order to ascertain that actual revenues meet or exceed estimated revenues and actual expenditures do not exceed estimates.

Recent national events have impacted the School District negatively resulting in a heightened local recession that has caused several of the remaining steel mills in the area to close. Additionally, there is little growth of new or additional industry in the area.

Youngstown City School District has committed itself to financial reporting excellence for many years. The School District has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting since fiscal year 2000.

Contacting the School District's Financial Management Personnel

This financial report is designed to provide our citizen's, taxpayers, investors 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 questions about this report or need additional financial information contact Carolyn Funk, Treasurer, Youngstown City School District, 20 W. Wood St., PO Box 550, Youngstown, OH 44501, 330-744-6996. You may also contact the Treasurer through e-mail at youn_cpf@access-k12.org.

Youngstown City School District

Statement of Net Assets

June 30, 2004

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$87,130,202
Accounts Receivable	63,064
Intergovernmental Receivable	120,201,101
Prepaid Items	448,269
Inventory Held for Resale	43,984
Materials and Supplies Inventory	518,737
Taxes Receivable	28,130,973
Nondepreciable Capital Assets	20,677,582
Depreciable Capital Assets, net	<u>10,280,907</u>
<i>Total Assets</i>	<u>267,494,819</u>
Liabilities	
Accounts Payable	1,279,032
Accrued Wages	10,286,622
Contracts Payable	2,624,957
Intergovernmental Payable	2,820,353
Deferred Revenue	26,429,711
Accrued Interest Payable	193,801
Claims Payable	1,678,232
State Operating Loan Payable	1,555,000
Classroom Facilities Loan Payable	20,026,540
Energy Conservation Loan Payable	740,000
Long-Term Liabilities:	
Due Within One Year	12,115,070
Due In More Than One Year	<u>12,948,162</u>
<i>Total Liabilities</i>	<u>92,697,480</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	8,408,510
Restricted for:	
Capital Projects	168,003,125
Debt Service	4,496,448
Set Asides	1,639,585
Other Purposes	1,268,652
Unrestricted (Deficit)	<u>(9,018,981)</u>
<i>Total Net Assets</i>	<u><u>\$174,797,339</u></u>

See accompanying notes to the basic financial statements

Youngstown City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2004

	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants, Contributions and Interest		
Governmental Activities:					
Instruction:					
Regular	\$49,344,569	\$298,665	\$8,162,973	\$3,797	(\$40,879,134)
Special	18,173,866	95,953	6,561,177	0	(11,516,736)
Vocational	4,026,251	763,502	268,575	0	(2,994,174)
Adult/Continuing	375,988	3,812	136,218	0	(235,958)
Support Services:					
Pupils	7,270,781	122,929	2,080,384	0	(5,067,468)
Instructional Staff	10,050,927	61,526	5,776,641	221,028	(3,991,732)
Board of Education	1,041,192	7,529	0	0	(1,033,663)
Administration	9,119,246	205,225	986,093	0	(7,927,928)
Fiscal	2,022,720	10,967	332,865	0	(1,678,888)
Business	1,179,357	8,240	0	0	(1,171,117)
Operation and Maintenance of Plant	12,179,767	97,418	932,704	0	(11,149,645)
Pupil Transportation	5,799,343	49,101	109,392	78,801	(5,562,049)
Central	954,196	6,843	21,790	0	(925,563)
Operation of Non-Instructional Services	2,440,469	1,984	2,206,911	0	(231,574)
Food Service Operation	3,892,089	302,479	3,519,420	0	(70,190)
Extracurricular Activities	485,862	131,304	900	0	(353,658)
Interest and Fiscal Charges	642,285	0	0	0	(642,285)
<i>Total Governmental Activities</i>	<u>\$128,998,908</u>	<u>\$2,167,477</u>	<u>\$31,096,043</u>	<u>\$303,626</u>	<u>(95,431,762)</u>

General Revenues

Property Taxes Levied for:

General Purposes	23,285,938
Capital Projects	1,360,205
Other Purposes	289,035
Grants and Entitlements not Restricted to Specific Programs	90,374,828
Investment Earnings	679,680
Miscellaneous	753,615

Total General Revenues 116,743,301

Change in Net Assets 21,311,539

Net Assets Beginning of Year - Restated (See Note 3) 153,485,800

Net Assets End of Year \$174,797,339

See accompanying notes to the basic financial statements

Youngstown City School District

Balance Sheet

Governmental Funds

June 30, 2004

	General	Food Service	Disadvantaged Pupil Impact Aid	Bond Retirement	Classroom Facilities
Assets					
Equity in Pooled Cash and Cash Equivalents	\$14,640,815	\$1,215,469	\$204,520	\$4,385,304	\$53,295,587
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	1,639,585	0	0	0	0
Accounts Receivable	34,737	12,299	0	0	0
Interfund Receivable	662,182	0	0	0	0
Intergovernmental Receivable	462,380	475,722	0	0	116,641,712
Prepaid Items	448,269	0	0	0	0
Materials and Supplies Inventory	473,323	45,414	0	0	0
Inventory Held for Resale	0	43,984	0	0	0
Taxes Receivable	24,777,894	0	0	1,799,225	488,312
<i>Total Assets</i>	<u>\$43,139,185</u>	<u>\$1,792,888</u>	<u>\$204,520</u>	<u>\$6,184,529</u>	<u>\$170,425,611</u>
Liabilities					
Accounts Payable	\$517,514	\$5,041	\$0	\$0	\$41,773
Accrued Wages	7,648,522	116,583	1,334,687	0	0
Contracts Payable	24,920	0	0	0	2,408,908
Intergovernmental Payable	1,102,865	28,653	174,933	0	0
Deferred Revenue	24,804,791	0	0	1,799,225	117,130,024
Accrued Interest Payable	0	0	0	0	62,466
Interfund Payable	0	0	0	0	0
Classroom Facilities Loan Payable	0	0	0	26,540	20,000,000
Energy Conservation Loan Payable	0	0	0	0	0
State Operating Loan Payable	1,555,000	0	0	0	0
<i>Total Liabilities</i>	<u>35,653,612</u>	<u>150,277</u>	<u>1,509,620</u>	<u>1,825,765</u>	<u>139,643,171</u>
Fund Balances					
Reserved for Encumbrances	996,064	67,719	1,121	0	16,005,218
Reserved for Textbooks	374,505	0	0	0	0
Reserved for Capital Improvements	788,525	0	0	0	0
Reserved for Budget Stabilization	476,555	0	0	0	0
Reserved for Unclaimed Monies	23,924	0	0	0	0
Unreserved:					
Designated for Scholarships	3,000,000	0	0	0	0
Undesignated, Reported in:					
General Fund	1,826,000	0	0	0	0
Special Revenue Funds (Deficit)	0	1,574,892	(1,306,221)	0	0
Debt Service Funds	0	0	0	4,358,764	0
Capital Projects Funds	0	0	0	0	14,777,222
<i>Total Fund Balances (Deficit)</i>	<u>7,485,573</u>	<u>1,642,611</u>	<u>(1,305,100)</u>	<u>4,358,764</u>	<u>30,782,440</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$43,139,185</u>	<u>\$1,792,888</u>	<u>\$204,520</u>	<u>\$6,184,529</u>	<u>\$170,425,611</u>

See accompanying notes to the basic financial statements

Youngstown City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2004*

Other Governmental Funds	Total Governmental Funds		
		Total Governmental Funds Balances	\$46,181,155
		<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
\$5,932,655	\$79,674,350	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	30,958,489
0	1,639,585	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
16,028	63,064	Property Taxes	1,701,262
0	662,182	Tuition and Fees	26,897
2,621,287	120,201,101	School Facilities Monies	116,641,712
0	448,269	Grants	<u>1,663,869</u>
0	518,737		
0	43,984		
1,065,542	28,130,973	Total	120,033,740
<u>\$9,635,512</u>	<u>\$231,382,245</u>	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.	3,946,906
\$714,704	\$1,279,032	Intergovernmental Payable includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore are not reported in the funds.	(1,143,061)
1,186,830	10,286,622	In the statement of activities, interest is accrued on outstanding notes, whereas in governmental funds, an interest expenditure is reported when due.	(116,658)
0	2,433,828	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	
370,841	1,677,292	Compensated Absences	(12,911,658)
2,729,411	146,463,451	Claims Payable	(478,459)
14,677	77,143	Asbestos Loans Payable	(46,107)
662,182	662,182	Classroom Facilities Loan Payable	<u>(11,627,008)</u>
0	20,026,540		
740,000	740,000	Total	(25,063,232)
0	1,555,000	<i>Net Assets of Governmental Activities</i>	<u><u>\$174,797,339</u></u>
6,418,645	185,201,090		
877,068	17,947,190		
0	374,505		
0	788,525		
0	476,555		
0	23,924		
0	3,000,000		
0	1,826,000		
2,091,048	2,359,719		
0	4,358,764		
248,751	15,025,973		
3,216,867	46,181,155		
<u>\$9,635,512</u>	<u>\$231,382,245</u>		

Youngstown City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2004

	General	Food Service	Disadvantaged Pupil Impact Aid	Bond Retirement	Classroom Facilities
Revenues					
Property Taxes	\$23,962,141	\$0	\$0	\$35,685	\$633,906
Intergovernmental	64,944,690	3,519,420	10,230,662	1,585,818	10,900,000
Interest	679,570	110	0	0	0
Tuition and Fees	668,499	0	0	0	0
Fines	199	0	0	0	0
Rentals	78,916	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Contributions and Donations	2,523	0	0	0	0
Charges for Services	0	302,479	0	0	0
Miscellaneous	707,500	2,757	0	0	0
<i>Total Revenues</i>	<u>91,044,038</u>	<u>3,824,766</u>	<u>10,230,662</u>	<u>1,621,503</u>	<u>11,533,906</u>
Expenditures					
Current:					
Instruction:					
Regular	40,615,224	0	6,726,290	0	0
Special	11,378,442	0	1,382,557	0	0
Vocational	3,236,060	0	0	0	0
Adult/Continuing	0	0	0	0	0
Support Services:					
Pupils	4,799,367	0	30,000	0	0
Instructional Staff	4,367,650	0	729,571	0	0
Board of Education	1,046,179	0	0	0	0
Administration	7,466,388	0	210,953	0	0
Fiscal	1,483,900	0	0	156,899	0
Business	1,108,297	0	0	0	0
Operation and Maintenance of Plant	11,008,657	0	846,340	0	0
Pupil Transportation	5,897,254	46	0	0	0
Central	919,453	0	0	0	0
Operation of Non-Instructional Services	55,733	0	0	0	0
Food Service Operation	0	3,866,645	0	0	0
Extracurricular Activities	393,538	0	0	0	0
Capital Outlay	703,750	0	0	0	16,232,572
Debt Service:					
Principal Retirement	1,393	0	0	40,769	0
Interest and Fiscal Charges	221,235	0	0	80,480	203,849
<i>Total Expenditures</i>	<u>94,702,520</u>	<u>3,866,691</u>	<u>9,925,711</u>	<u>278,148</u>	<u>16,436,421</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,658,482)</u>	<u>(41,925)</u>	<u>304,951</u>	<u>1,343,355</u>	<u>(4,902,515)</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	10,212	0	0	0	0
Notes Issued	0	0	0	0	11,625,000
Premium on Notes Issued	0	0	0	53,940	0
Transfers In	0	0	0	0	0
Transfers Out	(72,972)	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(62,760)</u>	<u>0</u>	<u>0</u>	<u>53,940</u>	<u>11,625,000</u>
<i>Net Change in Fund Balances</i>	<u>(3,721,242)</u>	<u>(41,925)</u>	<u>304,951</u>	<u>1,397,295</u>	<u>6,722,485</u>
<i>Fund Balances (Deficit) Beginning of Year - Restated (See Note 3)</i>	<u>11,206,815</u>	<u>1,684,536</u>	<u>(1,610,051)</u>	<u>2,961,469</u>	<u>24,059,955</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$7,485,573</u>	<u>\$1,642,611</u>	<u>(\$1,305,100)</u>	<u>\$4,358,764</u>	<u>\$30,782,440</u>

See accompanying notes to the basic financial statements

Youngstown 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 Fiscal Year Ended June 30, 2004*

Other Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	\$5,363,057
		<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
		Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
\$1,071,437	\$25,703,169	Capital Outlay	19,312,422
17,319,879	108,500,469	Depreciation	(1,760,439)
14,388	694,068		
865,493	1,533,992		
0	199		
0	78,916		
312,449	312,449		
36,438	38,961		
0	302,479		
43,358	753,615	Total	17,551,983
19,663,442	137,918,317		
		Governmental funds only report the disposal of fixed assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	(84,987)
		Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
1,427,103	48,768,617	Property Taxes	(767,991)
5,007,595	17,768,594	Tuition and Fees	(60,558)
873,362	4,109,422	School Facilities Monies	12,989,163
366,155	366,155	Grants	231,516
2,352,942	7,182,309		
4,604,598	9,701,819		
0	1,046,179		
947,396	8,624,737		
333,055	1,973,854		
0	1,108,297		
51,234	11,906,231		
111,957	6,009,257		
5,150	924,603		
2,368,317	2,424,050		
0	3,866,645		
203,880	597,418		
310,182	17,246,504		
0	42,162		
71,995	577,559		
19,034,921	144,244,412		
628,521	(6,326,095)		
		Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
0	10,212	Accrued Interest on Bonds	(116,658)
0	11,625,000	Amortization on Premium	51,932
0	53,940		
72,972	72,972		
0	(72,972)		
72,972	11,689,152		
701,493	5,363,057		
		Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable (which represents contractually required pension contributions), do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
2,515,374	40,818,098	Compensated Absences	(1,879,156)
\$3,216,867	\$46,181,155	Pension Obligation	(78,403)
		Claims Payable	82,475
		Total	(1,875,084)
		The internal service fund used by management to charge the costs of insurance to individual funds are not reported in the district wide statement of activities. Governmental fund expenditures are related internal service fund revenues are eliminated. The net revenue (expense) of internal service fund is allocated among the governmental activities.	(334,056)
		Other financing sources in the governmental funds increase long-term liabilities in the statement of net assets.	
		Classroom Facilities Note	(11,625,000)
		Premium on Note	(53,940)
		Total	(11,678,940)
		<i>Change in Net Assets of Governmental Activities</i>	\$21,311,539

Youngstown City School District
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$22,212,685	\$22,399,080	\$22,716,134	\$317,054
Intergovernmental	62,993,627	63,522,233	64,421,375	899,142
Interest	624,883	630,127	639,046	8,919
Tuition and Fees	663,346	668,913	678,381	9,468
Fines	195	196	199	3
Rentals	77,167	77,815	78,916	1,101
Contributions and Donations	2,467	2,488	2,523	35
Miscellaneous	693,382	699,201	709,098	9,897
<i>Total Revenues</i>	87,267,752	88,000,053	89,245,672	1,245,619
Expenditures				
Current:				
Instruction:				
Regular	39,333,485	42,575,123	40,550,849	2,024,274
Special	10,967,727	11,897,876	11,337,995	559,881
Vocational	2,892,501	3,231,956	3,228,660	3,296
Adult/Continuing	635	689	0	689
Support Services:				
Pupils	4,865,183	5,277,789	4,902,864	374,925
Instructional Staff	6,416,427	5,939,076	4,350,352	1,588,724
Board of Education	1,229,727	1,315,302	1,144,017	171,285
Administration	6,083,292	7,348,577	7,348,577	0
Fiscal	1,372,548	1,507,666	1,507,666	0
Business	1,035,373	1,123,179	1,107,237	15,942
Operation and Maintenance of Plant	10,162,686	11,337,501	11,337,501	0
Pupil Transportation	5,702,206	6,156,996	6,058,348	98,648
Central	846,143	946,703	946,703	0
Operation of Non-Instructional Services	20,712	47,586	47,586	0
Extracurricular Activities	584,918	612,106	455,674	156,432
Capital Outlay	987,002	1,029,910	742,025	287,885
<i>Total Expenditures</i>	92,500,565	100,348,035	95,066,054	5,281,981
<i>Excess of Revenues Under Expenditures</i>	(5,232,813)	(12,347,982)	(5,820,382)	6,527,600
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	9,986	10,069	10,212	143
Transfers Out	(90,163)	(97,809)	(72,972)	24,837
<i>Total Other Financing Sources (Uses)</i>	(80,177)	(87,740)	(62,760)	24,980
<i>Net Change in Fund Balance</i>	(5,312,990)	(12,435,722)	(5,883,142)	6,552,580
<i>Fund Balance Beginning of Year</i>	20,453,071	20,453,071	20,453,071	0
Prior Year Encumbrances Appropriated	716,496	716,496	716,496	0
<i>Fund Balance End of Year</i>	\$15,856,577	\$8,733,845	\$15,286,425	\$6,552,580

See accompanying notes to the basic financial statements

Youngstown City School District
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$3,374,894	\$3,209,491	\$3,209,494	\$3
Interest	116	110	110	0
Charges for Services	305,940	290,947	290,947	0
Miscellaneous	2,238	2,128	2,128	0
<i>Total Revenues</i>	<u>3,683,188</u>	<u>3,502,676</u>	<u>3,502,679</u>	<u>3</u>
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant	109,860	109,945	109,223	722
Pupil Transportation	2,211	1,992	269	1,723
Food Service Operation	4,087,929	3,671,880	3,515,524	156,356
<i>Total Expenditures</i>	<u>4,200,000</u>	<u>3,783,817</u>	<u>3,625,016</u>	<u>158,801</u>
<i>Net Change in Fund Balance</i>	(516,812)	(281,141)	(122,337)	158,804
<i>Fund Balance Beginning of Year</i>	1,207,036	1,207,036	1,207,036	0
Prior Year Encumbrances Appropriated	54,068	54,068	54,068	0
<i>Fund Balance End of Year</i>	<u>\$744,292</u>	<u>\$979,963</u>	<u>\$1,138,767</u>	<u>\$158,804</u>

See accompanying notes to the basic financial statements

Youngstown City School District
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Disadvantaged Pupil Impact Aid Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$10,230,661	\$10,230,661	\$10,230,662	\$1
Expenditures				
Current:				
Instruction:				
Regular	7,733,699	7,058,463	6,924,559	133,904
Special	1,381,488	1,400,862	1,400,729	133
Support Services:				
Pupils	27,776	30,000	30,000	0
Instructional Staff	147,804	687,014	687,014	0
Administration	125,176	207,708	207,533	175
Operation and Maintenance of Plant	819,085	850,981	843,729	7,252
<i>Total Expenditures</i>	<u>10,235,028</u>	<u>10,235,028</u>	<u>10,093,564</u>	<u>141,464</u>
<i>Net Change in Fund Balance</i>	(4,367)	(4,367)	137,098	141,465
<i>Fund Balance Beginning of Year</i>	167	167	167	0
Prior Year Encumbrances Appropriated	<u>3,559</u>	<u>3,559</u>	<u>3,559</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$641)</u>	<u>(\$641)</u>	<u>\$140,824</u>	<u>\$141,465</u>

See accompanying notes to the basic financial statements

Youngstown City School District
Statement of Fund Net Assets
Internal Service Fund
June 30, 2004

	<u>Insurance</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$5,816,267</u>
Liabilities	
Contracts Payable	191,129
Claims Payable	<u>1,678,232</u>
<i>Total Liabilities</i>	<u>1,869,361</u>
Net Assets	
Unrestricted	<u><u>\$3,946,906</u></u>

See accompanying notes to the basic financial statements

Youngstown City School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Fund
For the Fiscal Year Ended June 30, 2004*

	Insurance
Operating Revenues	
Charges for Services	\$13,374,954
Operating Expenses	
Purchased Services	1,365,551
Claims	12,343,459
<i>Total Operating Expenses</i>	13,709,010
<i>Change in Net Assets</i>	(334,056)
<i>Net Assets Beginning of Year</i>	4,280,962
<i>Net Assets End of Year</i>	\$3,946,906

See accompanying notes to the basic financial statements

Youngstown City School District
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2004

	Insurance
<i>Increase in Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Interfund Services Provided	\$13,374,954
Cash Payments for Goods and Services	(1,184,000)
Cash Payments for Claims	(12,404,227)
<i>Net Decrease in Cash and Cash Equivalents</i>	(213,273)
<i>Cash and Cash Equivalents Beginning of Year</i>	6,029,540
<i>Cash and Cash Equivalents End of Year</i>	\$5,816,267
Reconciliation of Operating Loss to Net Cash Used for by Operating Activities	
Operating Loss	(\$334,056)
Adjustments:	
Increase in Contracts Payable	181,551
Decrease in Claims Payable	(60,768)
Total Adjustments	120,783
<i>Net Cash Used for Operating Activities</i>	(\$213,273)

See accompanying notes to the basic financial statements

Youngstown City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2004

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$242,245	\$181,645
Liabilities		
Undistributed Monies	0	\$16,180
Due to Students	0	165,465
<i>Total Liabilities</i>	0	\$181,645
Net Assets		
Held in Trust for Scholarships	\$242,245	

See accompanying notes to the basic financial statements

Youngstown City School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2004

	<u>Scholarship</u>
Additions	
Contributions and Donations	\$49,694
Deductions	
Scholarships Awarded	<u>130,643</u>
<i>Change in Net Assets</i>	(80,949)
<i>Net Assets Beginning of Year</i>	<u>323,194</u>
<i>Net Assets End of Year</i>	<u><u>\$242,245</u></u>

See accompanying notes to the basic financial statements

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Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Note 1 - Description of the School District

Youngstown City School District (the School District) operates under a locally-elected seven-member Board form of government and provides educational services as authorized by State and Federal agencies. The Board controls the School District's instructional support facilities staffed by 602 non-certified employees, 806 certified full-time teaching personnel and 84 administrative employees, who provide services to students and other community members.

The School District is located in Youngstown, Ohio, Mahoning County, including an area extending roughly five miles around the City. The enrollment for the School District during the 2004 fiscal year was 11,891. The School District operates eight elementary schools (K-6) and five elementary schools (K-4), three middle schools (5-8), one junior high (7-8), three high schools (9-12) and one vocational school.

Reporting Entity

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

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

The following activities are included within the reporting entity:

Non-Public Schools - Within the School District boundaries, there are various non-public schools. Current State legislation provides funding to these parochial schools. These monies are received and disbursed by the School District on behalf of the parochial school by the Treasurer of the School District, as directed by the parochial school. These transactions are reported in a special revenue fund and as a governmental activity of the School District.

The School District participates in two jointly governed organizations, the Access Council of Governments and the Tech Prep Consortium. These organizations are discussed in Note 19 to the basic financial statements.

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service fund unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

A. Basis of Presentation

The School 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 School 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 School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School 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 of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School 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 School District.

Fund Financial Statements During the year, the School District segregates transactions related to certain School 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 School District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

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

General Fund The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund.

Food Service Fund The food service fund accounts for the grants and charges for services related to the food service operations of the School District.

Disadvantaged Pupil Impact Aid Fund This fund accounts for State monies for reducing kindergarten through third grade class size, providing all day kindergarten and for school safety and security.

Bond Retirement Fund The bond retirement fund accounts for property tax revenues that are used for payment of principal and interest and fiscal charges on general obligation debt.

Classroom Facilities Fund This fund accounts for property tax revenues, grants and interest received and expended in connection with contracts entered into by the School District and the Ohio Department of Education for the building and equipping of classroom facilities.

The other governmental funds of the School District account for grants and other resources whose uses are restricted to a particular purpose.

Proprietary Fund Type Proprietary fund reporting focuses on the determination of operating income, changes in net asset, financial position and cash flows. Proprietary funds are classified as enterprise or internal service. The School 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 School District on a cost reimbursement basis. The School District's only internal service fund is a self-insurance fund that accounts for medical, prescription drug, dental and vision claims of the School District's employees.

Fiduciary Fund Type 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 School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District's only trust fund is a private purpose trust fund which accounts for the Youngstown Board of Education's college scholarship fund. The money in the fund is used to grant scholarships to certain eligible students of the School District. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for student advance placement testing and student activities.

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 School District are included on the statement of net assets. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Youngstown City School District
Notes to the Basic Financial Statements
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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 reconciliations 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 School District finances and meets the cash flow needs of its internal service fund.

The private purpose trust fund is accounted for using the economic resources measurement focus.

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 and the statements for the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the 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 values, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year-end.

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

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

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

Property taxes for which there is an enforceable legal claim as of June 30, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The 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.

E. Budgetary Data

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 sets 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 object level for the general fund and at the fund level for all other funds. The treasurer has been given the authority to allocate Board appropriations to the object level within all funds except the general fund.

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

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

F. Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During fiscal year 2004, investments were limited to repurchase agreements, federal home loan bank consolidated bonds, federal home loan mortgage association notes, federal national mortgage association notes, U.S. treasury notes, Tennessee Valley Authority electronotes and STAROhio.

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

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

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.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2004 amounted to \$679,570, which includes \$580,010 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

G. Prepaid Items

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

H. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories consist of donated and purchased food held for resale and materials and supplies held for consumption.

I. Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets in the general fund include amounts required by State statute to be set-aside for the purchase of textbooks and other instructional material, for the purchase or construction of capital improvements and to create a reserve for budget stabilization. See Note 20 for additional information regarding set asides.

J. Capital Assets

All capital assets of the School District are general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

Youngstown City School District
Notes to the Basic Financial Statements
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Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars. The School 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.

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

Description	Estimated Lives
Buildings and Improvements	40 years
Furniture and Equipment	5 - 10 years
Vehicles	10 years
Textbooks	5 years

K. 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 activities column of the statement of net assets.

L. Compensated Absences

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

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

M. Accrued Liabilities and Long-term Obligations

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

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 fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

N. 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 School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include instruction, support services, operation of non-instructional services, food service operations and extracurricular activities.

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

O. Fund Balance Reserves and Designations

The School District reserves those portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, textbooks, capital improvements, budget stabilization and unclaimed monies.

The reserve for budget stabilization represents money required to be set-aside by statute to protect against cyclical changes in revenues and expenditures. The reserve for unclaimed monies represents cash that, under Ohio law, must remain unclaimed for five years before it becomes available for appropriation.

Designations represent tentative plans for future use of financial resources. The School District has begun accumulating resources to provide college scholarships. This amount has been designated for scholarships.

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs that are incurred to provide the good or service that is the primary activity of the fund. Any revenue or expense not meeting the definition of operating is reported as non-operating.

Q. Interfund Activity

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.

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence.

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

S. Estimates

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

Note 3 – Restatement of Prior Year Fund Balance/Net Assets

During fiscal year 2004 it was determined that cash and cash equivalents, accrued wages and intergovernmental payables were misstated at June 30, 2003. These restatements had the following effects on fund balance of the School District funds as they were previously reported.

	General Fund	Food Service Fund	Disadvantaged Pupil Impact Aid Fund	Bond Retirement Fund
Fund Balance, June 30, 2003	\$7,485,497	\$1,684,536	(\$1,610,051)	\$2,961,469
Cash and Cash Equivalents	3,721,318	0	0	0
Accrued Wages	0	0	0	0
Intergovernmental Payables	0	0	0	0
Adjusted Fund Balance, June 30, 2003	<u>\$11,206,815</u>	<u>\$1,684,536</u>	<u>(\$1,610,051)</u>	<u>\$2,961,469</u>

	Classroom Facilities Fund	Nonmajor Funds	Total Governmental Funds
Fund Balance, June 30, 2003	\$27,781,273	\$2,504,023	\$40,806,747
Cash and Cash Equivalents	(3,721,318)	(517)	(517)
Accrued Wages	0	10,129	10,129
Intergovernmental Payables	0	1,739	1,739
Adjusted Fund Balance, June 30, 2003	<u>\$24,059,955</u>	<u>\$2,515,374</u>	<u>\$40,818,098</u>

During fiscal year 2004 it was determined that cash and cash equivalents, intergovernmental receivable, accrued wages, intergovernmental payables and compensated absences were misstated at June 30, 2003. These restatements had the following effects on net assets as they were previously reported.

	Governmental Activities
Net Assets, June 30, 2003	\$49,805,267
Cash and Cash Equivalents	(517)
Intergovernmental Receivable	103,652,549
Accrued Wages	10,129
Compensated Absences	16,633
Intergovernmental Payables	1,739
Adjusted Net Assets, June 30, 2003	<u>\$153,485,800</u>

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Note 4 – Accountability and Compliance

A. Accountability

Fund balances at June 30, 2004, included the following individual fund deficits:

	Deficit Fund Balance
<i>Special Revenue Funds:</i>	
Disadvantaged Pupil Impact Aid	\$1,305,100
Professional Development	33,577
Summer Intervention	192,804
Vocational Education Enhancement	11,699
Adult Basic Education	260,303
Vocational Education	281,565
Limited English Proficiency	2,385
Drug Free Schools Grant	25,307
Preschool Grant	4,871

The deficits in the special revenue and capital projects funds resulted from adjustments for accrued liabilities and because in some funds expenditures exceeded revenues. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, rather than when accruals occur.

B. Compliance

The following funds had original appropriations in excess of estimated resources plus carryover balances contrary to Section 5705.39, Ohio Revised Code.

	Estimated Resources Plus Carryover Balances	Appropriations	Excess
<i>Special Revenue Funds:</i>			
Disadvantaged Pupil Impact Aid	\$10,234,387	\$10,235,028	\$641
Career Development	0	15,194	15,194
Management Information Systems	74,155	74,713	558
Adult Basic Education	258,262	506,285	248,023
Title VI-B	1,741,665	2,561,938	820,273
Vocational Education	(171,487)	482,702	654,189
Drug Free Schools Grant	141,924	189,803	47,879
Reducing Class Size	841,714	2,413,448	1,571,734
Miscellaneous Federal Grants	68,123	1,210,477	1,142,354

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

The following funds had negative cash balances as of June 30, 2004 indicating that revenues from other sources were used to pay obligations of this fund, contrary to Ohio Revised Code Section 5705.10. Management has indicated that all cash balances will be closely monitored to ensure no future violations.

Special Revenue Funds:

Professional Development	\$25,798
Summer Intervention	131,831
Vocational Education Enhancement	9,517
Adult Basic Education	242,043
Vocational Education	231,363
Drug Free Schools Grant	13,368
Preschool Grant	736

The following funds had expenditures plus encumbrances in excess of appropriations contrary to section 5705.41, Ohio Revised Code:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<i>Special Revenue Funds:</i>			
Vocational Education Enhancement	\$8,271	\$21,252	\$12,981
Miscellaneous State Grants	144,173	155,248	11,075

The following funds had total final appropriations in excess of estimated resources plus carryover balances in violation of Section 5705.39, Ohio Revised Code:

	<u>Estimated Resources Plus Carryover Balances</u>	<u>Appropriations</u>	<u>Excess</u>
<i>Special Revenue Funds:</i>			
Disadvantaged Pupil Impact Aid	\$10,234,387	\$10,235,028	\$641
Miscellaneous Local Grants	1,245,053	1,487,367	242,314
Special Enterprise	66,895	84,001	17,106
Auxiliary Services	2,215,922	2,313,847	97,925
Career Development	0	15,194	15,194
Professional Development	31,074	144,651	113,577
Management Information Systems	74,155	74,713	558
Summer Intervention	113,240	350,855	237,615
Alternative Education Challenge	394,575	394,620	45
Adult Basic Education	340,563	724,071	383,508
Title VI-B	2,444,130	2,550,719	106,589
Vocational Education	189,305	493,125	303,820
Limited English Proficiency	22,190	62,197	40,007
Title I	7,905,335	10,629,688	2,724,353
Title V	145,006	155,071	10,065
Drug Free Schools Grant	183,735	209,284	25,549
Preschool Grant	103,493	141,015	37,522
Reducing Class Size	1,863,777	3,241,989	1,378,212
Miscellaneous Federal Grants	1,108,183	1,319,576	211,393
Classroom Facilities Capital Projects Fund	68,298,351	82,265,078	13,966,727

Youngstown City School District
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Although these violations were not corrected by fiscal year end, management has indicated that appropriations will be closely monitored to ensure no future violations.

Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations and changes in fund balance 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. A Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual is presented in the basic financial statements for the general fund and major special revenue funds. The major differences between the budget basis and GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but is reported on the operating statements prepared using GAAP.
5. Investments are reported at cost (budget) rather than fair value (GAAP)
6. Proceeds from and principal payment on tax and revenue anticipation notes are reported on the operating statement (budget) rather than on the balance sheet (GAAP).
7. The School District repays short-term note debt from the debt service fund (budget) as opposed to the fund that received the proceeds (GAAP). Debt service fund resources used to pay both principal and interest have been allocated accordingly.

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and for the major special revenue funds.

Youngstown City School District
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For the Fiscal Year Ended June 30, 2004

Net Change in Fund Balance
 General and Major Special Revenue Funds

	General	Food Service	Disadvantaged Pupil Impact Aid
GAAP Basis	(\$3,721,242)	(\$41,925)	\$304,951
Revenue Accruals	(286,818)	(322,087)	0
Revenue for Debt Repayment	(1,565,617)	0	0
Beginning Fair Value Adjustment for Investments	54,069	0	0
Ending Unrecorded Cash	110,618	0	0
Expenditure Accruals	(640,069)	309,394	(166,732)
Debt Service:			
Principal	1,455,000	0	0
Interest	110,617	0	0
Encumbrances	(1,399,700)	(67,719)	(1,121)
Budget Basis	<u>(\$5,883,142)</u>	<u>(\$122,337)</u>	<u>\$137,098</u>

Note 6 - Deposits and Investments

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

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

Inactive deposits are public deposits that the School District's 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 as savings or deposit accounts including, but not limited to, passbook accounts.

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

Youngstown City School District
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For the Fiscal Year Ended June 30, 2004

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Federal Home Loan Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain bankers' acceptance and commercial paper notes for a period not to exceed one hundred and eighty days in the amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

Investments in stripped principal or interest obligations reverse repurchase agreements and derivatives are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Undeposited Cash At fiscal year-end, the School District had \$2,225 in undeposited cash on hand which is included on the balance sheet of the School District as part of "equity in pooled cash and cash equivalents."

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

Deposits At year-end, the carrying amount of the School District's deposits was \$6,968,680 and the bank balance was \$10,563,575. Of the bank balance, \$200,000 was covered by federal depository insurance and \$10,363,575 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging financial institutions trust department or agent in the School District's name and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

Investments GASB Statement No. 3 requires the School District's investments to be categorized to give an indication of the level of risk assumed by the School District at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The School District invests in STAROhio, the State Treasurer's Investment Pool, which is not classified by degree of credit risk since it is not evidenced by securities that exist in physical or book entry form.

	Category 3	Carrying Value	Fair Value
Repurchase Agreements	\$1,940,641	\$1,940,641	\$1,940,641
Federal Home Loan Banks Consolidated Bonds	32,170,469	32,170,469	32,170,469
Federal Home Loan Mortgage Association Notes	14,000,421	14,000,421	14,000,421
Federal National Mortgage Association Notes	1,403,150	1,403,150	1,403,150
U.S. Treasury Notes	7,588,143	7,588,143	7,588,143
Tennessee Valley Authority Electronotes	1,032,365	1,032,365	1,032,365
STAROhio	0	22,447,998	22,447,998
Total Investments	\$58,135,189	\$80,583,187	\$80,583,187

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
<i>GASB Statement No. 9</i>	\$87,554,092	\$0
Cash on Hand	(2,225)	0
Investments of the Cash Management Pool:		
Repurchase Agreements	(1,940,641)	1,940,641
Federal Home Loan Banks Consolidated Bonds	(32,170,469)	32,170,469
Federal Home Loan Mortgage Association Notes	(14,000,421)	14,000,421
Federal National Mortgage Association Notes	(1,403,150)	1,403,150
U.S. Treasury Notes	(7,588,143)	7,588,143
Tennessee Valley Authority Electronotes	(1,032,365)	1,032,365
STAROhio	(22,447,998)	22,447,998
<i>GASB Statement No. 3</i>	\$6,968,680	\$80,583,187

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Note 7 - Property Taxes

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

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

Public utility property tax revenue received in calendar 2004 represents collections of calendar year 2003 taxes. Public utility real and tangible personal property taxes received 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 year 2004 were levied after April 1, 2003, on the value as of December 31, 2003. Tangible personal property is currently assessed at twenty-five percent of true value for capital assets and twenty-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 School District prior to June 30.

The School District receives property taxes from Mahoning County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2004, are available to finance fiscal year 2004 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

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

At year-end the School District requested, received and appropriated \$2,040,000 available as an advance. At June 30, 2003 the School District requested, received and appropriated \$1,275,000 available as an advance.

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

Youngstown City School District
Notes to the Basic Financial Statements
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The assessed values upon which fiscal year 2004 taxes were collected are:

	2003 Second - Half Collections		2004 First - Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$490,374,800	75.74%	\$492,735,280	73.53%
Public Utility	61,233,800	9.46	60,377,920	9.01
Tangible Personal Property	95,865,420	14.80	117,009,008	17.46
Total Assessed Value	\$647,474,020	100.00%	\$670,122,208	100.00%
Tax rate per \$1,000 of assessed valuation	\$51.00		\$51.00	

Note 8 - Receivables

Receivables at June 30, 2004, consisted of taxes, accounts (rent, student fees and tuition), and grants. Except for property taxes, receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current fiscal year guarantee of Federal funds. All receivables are expected to be collected within one year.

	Taxes Receivable	Estimated Uncollectible	Net Receivable
Property Taxes	\$52,329,382	\$24,198,409	\$28,130,973

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amounts
Ohio School Facilities Commission	\$116,641,712
Title I Grants	1,912,969
Reducing Class Size Grants	507,707
Federal Assistance	475,722
Reserve Officer Training Corps	435,483
Title VI-B Grants	100,040
Preschool Grants	37,522
Title VI Grants	28,348
Excess Costs	26,897
Limited English Proficiency Grants	21,753
Teacher Development Grants	6,202
Miscellaneous Federal Grants	4,091
Adult Basic Education Grant	2,655
Total	\$120,201,101

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

In June of 2004, the School District signed an amended project agreement with the Ohio Schools Facilities Commission to renovate three schools, build nine schools and abate and demolish sixteen schools. The State and local portions of the project are \$154,146,228 and \$39,286,520, respectively. This receivable will not be collected within one year.

Note 9 – Capital Assets

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

Governmental Activities	Balance 6/30/2003	Additions	Deductions	Balance 6/30/2004
<i>Capital Assets not being Depreciated:</i>				
Land	\$1,002,781	\$0	\$0	\$1,002,781
Construction in Progress	2,814,984	16,859,817	0	19,674,801
<i>Total Nondepreciable Capital Assets</i>	3,817,765	16,859,817	0	20,677,582
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	27,740,302	0	0	27,740,302
Furniture and Equipment	19,913,988	2,023,930	(1,897,217)	20,040,701
Vehicles	2,452,914	332,000	0	2,784,914
Textbooks	615,758	96,675	0	712,433
<i>Total Capital Assets being Depreciated</i>	50,722,962	2,452,605	(1,897,217)	51,278,350
Less Accumulated Depreciation:				
Buildings and Improvements	(22,640,644)	(284,065)	0	(22,924,709)
Furniture and Equipment	(16,216,378)	(1,278,264)	1,812,230	(15,682,412)
Vehicles	(1,908,149)	(81,603)	0	(1,989,752)
Textbooks	(284,063)	(116,507)	0	(400,570)
<i>Total Accumulated Depreciation</i>	(41,049,234)	(1,760,439)	1,812,230	(40,997,443)
<i>Total Assets being Depreciated, Net</i>	9,673,728	692,166	(84,987)	10,280,907
<i>Governmental Activities Capital Assets, Net</i>	\$13,491,493	\$17,551,983	(\$84,987)	\$30,958,489

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular	\$574,722
Special	86,952
Vocational	58,772
Support Services:	
Pupils	7,523
Instructional Staff	681,431
Board of Education	85
Administration	33,157
Fiscal	4,472
Business	586
Operation and Maintenance of Plant	48,369
Pupil Transportation	80,238
Central	24,304
Operation of Non-Instructional Services	96,344
Food Service Operation	38,242
Extracurricular Activities	25,242
Total Depreciation Expense	<u>\$1,760,439</u>

Note 10 - Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2004, the School District contracted with the Hartford Insurance Company for catastrophic property insurance, with a current replacement value in the amount of \$267,109,203. Professional liability is protected by the Nationwide Agribusiness Insurance Company with a \$3,000,000 aggregate limit.

Fleet insurance is provided by the Westfield Insurance Company. Portable buildings and maintenance vehicles have a blanket coverage of \$886,444 and buses have a \$750,000 limit of coverage per accident with \$1,000 comprehensive and \$1,000 collision deductibles.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

\$50,000 performance bonds are maintained for the board president, superintendent, and business manager, a \$250,000 bond is maintained for the treasurer. These bonds are maintained by the Nationwide Agribusiness Insurance Company.

B. Worker's Compensation

Prior to 1997, the School District participated in the State Workers' Compensation retrospective rating and payment system. From January 1, 1998 to December 31, 2001, the School District paid the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs. As of January 1, 2002, the School District was approved for the State Workers' Compensation retrospective rating and payment system. This plan involves the payment of a

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

minimum premium for administrative services and stop-loss coverage plus the actual claim costs for employees injured. During fiscal year 2004, the School District paid the State Workers' Compensation System a premium based on a rate of .009189 per \$100 of salaries.

The balance of claims payable at June 30, 2004 represents an estimate of the liability for unpaid claim costs provided by Workers' Compensation. The claims liability of \$478,459 at June 30, 2004, is based on the requirements of GASB Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in claims activity for the past two years are as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2003	\$569,944	\$131,224	\$140,234	\$560,934
2004	560,934	136,562	219,037	478,459

C. Employee Health Benefits

The School District is self-insured for medical, prescription drug, dental and vision insurance. Medical Mutual administers the medical insurance plan for certified employees. Anthem administers the medical insurance plan for non-certified employees and administrators. Stop-loss coverage has been purchased at \$200,000 for each employee per year in aggregate. Advance PCS is the third party administrator for the prescription drug program. Anthem administers the dental plan for the School District. Medical Mutual Health Services is the third party administrator for vision insurance. The administrators review all claims which are paid by the School District.

The claims liability of \$1,678,232 reported in the internal service fund at June 30, 2004 is based on estimates provided by the third party administrators and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in total claims liability during fiscal years 2003 and 2004 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2003	\$1,601,881	\$11,376,107	\$11,238,988	\$1,739,000
2004	1,739,000	12,343,459	12,404,227	1,678,232

Note 11 - Pension Plans

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State Statute per Chapter 3309 of the Ohio Revised Code. SERS issues a

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 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 a statutory maximum amount, by the SERS's Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2004, 2003 and 2002 were \$1,403,442, \$1,207,815, and \$732,330 respectively; 26.15 percent has been contributed for fiscal year 2004 and 100 percent for fiscal years 2003 and 2002.

B. State Teachers Retirement System

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371 or by calling (614) 227-4090.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB 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. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2004, plan members are required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2004, 2003 and 2002 were \$6,264,306, \$5,912,528 and \$4,023,844, respectively; 98.31 percent has been contributed for fiscal year 2004 and 100 percent for fiscal years 2003 and 2002. Contributions to the DC and Combined Plans for fiscal year 2004 were \$42,200 made by the School District and \$93,230 made by the plan members.

Note 12 - Postemployment Benefits

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

Retirees who participate in the DB or combined plans and their dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2004, the STRS Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$481,870 for fiscal year 2004.

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

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

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2004, employer contributions to fund health care benefits were 4.91 percent of covered payroll, a decrease of .92 percent from fiscal year 2003. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2004, the minimum pay has been established as \$25,400. For the School District, the amount to fund health care benefits, including surcharge, during the 2004 fiscal year equaled \$758,075.

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

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Note 13 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to thirty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 285 days for administrators, 260 days for certified employees and 240 days for classified employees. Upon retirement, payment is made for one-fourth of the total sick leave accumulation for certified employees. Administrators are paid thirty seven and one half percent of accrued unused sick leave upon retirement. Classified employees receive payment for sixty percent of accumulated sick leave up to 144 days. An employee receiving such payment must meet the retirement provisions set by STRS or SERS and must also have ten years of service with the School District.

During fiscal year 2002, the School District negotiated an early retirement incentive payment. The payment is equal to fifty percent of earned severance pay upon retirement, if the employee retires in the first year in which the employee becomes eligible or resigns by April 1. There was no liability as of June 30, 2004 for this plan.

B. Life Insurance

The School District provides life insurance to its employees. Coverage is equal to the employee's salary (rounded to nearest thousand dollars). The maximum amount of coverage is \$300,000 for any full-time permanent non-certified or certified employee. Life insurance coverage is provided through the Reliance Standard Life Insurance Company.

Note 14 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2004.

B. Litigation

The Youngstown City School District is currently a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The School District management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the School District.

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Note 15 – Contractual Commitments

As of June 30, 2004, the School District had the following contractual purchase commitments outstanding:

Contractor	Contract Amount	Amount Paid to date	Remaining Encumbrance
Hively Construction Company	\$5,910,100	\$254,389	\$5,655,711
Tri Area Electric Company	1,884,384	565,598	1,318,786
AA Samuels Sheet Metal	1,273,800	0	1,273,800
Conti Corporation	506,000	21,286	484,714
Rudzik Excavating Incorporated	1,121,225	754,663	366,562
SET Incorporated	739,520	380,806	358,714
Krueger International	306,318	0	306,318
Murphy Contracting Company	508,900	209,420	299,480
ASCC Incorporated	205,610	0	205,610
Desalvo Construction	200,487	0	200,487
Southern Cabinetry Incorporated	156,350	0	156,350
Fire Foe Incorporated	181,325	27,425	153,900
Johnson Controls Incorporated	330,907	193,213	137,694
Midwest Telephone	116,000	0	116,000
Cabling Professionals	94,820	15,099	79,721
Professional Services Industrial Incorporated	82,754	7,842	74,912
XITECH Corporation	283,385	220,491	62,894
Knoll Incorporated	51,596	0	51,596
Coates Construction	47,058	0	47,058
Steinbass Mechanical Contracting Incorporated	296,000	255,654	40,346
Lorco Business Systems	59,917	28,891	31,026
Total	<u>\$14,356,456</u>	<u>\$2,934,777</u>	<u>\$11,421,679</u>

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Note 16 - Long-Term Obligations

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

	Principal Outstanding 6/30/03	Additions	Deductions	Principal Outstanding 6/30/04	Amounts Due in One Year
<i>General Long - Term Obligations</i>					
<i>Classroom Facilities Note</i>					
Classroom Facilities Note 2004-1 2.00%	\$0	\$11,625,000	\$0	\$11,625,000	\$11,625,000
Premium on Note	0	53,940	51,932	2,008	2,008
<i>Total Classroom Facilities Note</i>	<u>0</u>	<u>11,678,940</u>	<u>51,932</u>	<u>11,627,008</u>	<u>11,627,008</u>
<i>Asbestos Abatement Loans</i>					
Asbestos Abatement Loan 1985, 0%	348	0	348	0	0
Asbestos Abatement Loan 1985, 0%	69,395	0	34,697	34,698	34,698
Asbestos Abatement Loan 1985, 0%	17,133	0	5,724	11,409	5,724
<i>Total Asbestos Abatement Loans</i>	<u>86,876</u>	<u>0</u>	<u>40,769</u>	<u>46,107</u>	<u>40,422</u>
Capital Leases Payable	1,393	0	1,393	0	0
Claims Payable	560,934	136,562	219,037	478,459	119,615
Compensated Absences	11,032,502	2,401,873	522,717	12,911,658	328,025
<i>Total General Long - Term Obligations</i>	<u>\$11,681,705</u>	<u>\$14,217,375</u>	<u>\$835,848</u>	<u>\$25,063,232</u>	<u>\$12,115,070</u>

The Classroom Facilities bond anticipation notes were issued with a premium of \$53,940. The note will be paid from the classroom facilities capital projects fund using tax revenue. The notes are backed by the full faith and credit of the Youngstown City School District and mature within one year.

The interest-free asbestos loans originally issued at a total of \$250,831 will be paid with property taxes from the debt service fund. The state workers' compensation claims payable and the capital lease will be paid from the general fund.

Compensated absences reported in the "compensated absences payable" account will be paid from the fund from which the employees' salaries are paid. These funds include the general fund, and the food service, disadvantaged pupil impact aid, adult education, miscellaneous local grants, auxiliary services, alternative schools, adult basic education, title VI-B, vocational education, title I, drug free schools grant, preschool grants and reducing class size special revenue funds.

Youngstown City School District
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For the Fiscal Year Ended June 30, 2004

The School District's overall debt margin was \$33,044,763 with an unvoted debt margin of \$670,122 at June 30, 2004. Principal and interest requirements to retire the asbestos removal loans are as follows:

Fiscal Year Ended June 30,	Asbestos Removal Loans <u>Principal</u>
2005	\$40,422
2006	5,685
Total	<u>\$46,107</u>

Note 17 – Fund Obligations

The School District's note activity for the fiscal year ended June 30, 2004, is as follows:

	Principal Outstanding 6/30/03	Additions	Deductions	Principal Outstanding 6/30/04
<i>General Fund:</i>				
State Loan 1995 6.40%	\$3,010,000	\$0	\$1,455,000	\$1,555,000
<i>Capital Projects Funds:</i>				
<i>Classroom Facilities</i>				
Classroom Facilities Notes 2004-1 2.00%	20,000,000	40,000,000	40,000,000	20,000,000
Premium on Note	0	266,800	240,260	26,540
Classroom Facilities Notes 2004-1 2.00%	11,625,000	0	11,625,000	0
<i>Total Classroom Facilities</i>	<u>31,625,000</u>	<u>40,266,800</u>	<u>51,865,260</u>	<u>20,026,540</u>
<i>Permanent Improvement</i>				
Energy Conservation Loans 7.00%	1,430,000	0	690,000	740,000
<i>Total Capital Projects Funds</i>	<u>33,055,000</u>	<u>40,266,800</u>	<u>52,555,260</u>	<u>20,766,540</u>
<i>Total Notes</i>	<u>\$36,065,000</u>	<u>\$40,266,800</u>	<u>\$54,010,260</u>	<u>\$22,321,540</u>

The Classroom Facilities bond anticipation notes will be paid from the classroom facilities capital projects fund using tax revenue. These notes are backed by the full faith and credit of the Youngstown City School District and mature within one year. The note liability is reflected in the fund which received the proceeds.

The remaining State operating loan outstanding at June 30, 2004 will be retired in fiscal year 2005 with a payment of \$1,555,000 of principal and \$109,213 of interest. The State operating loan will be paid from the general fund with school foundation revenue. The remaining energy conservation tax anticipation loans outstanding at June 30, 2004 will be retired in fiscal year 2005 with a payment of \$740,000 of principal and \$37,910 of interest. The energy conservation tax anticipation loan is reflected in the permanent improvement capital projects fund and will be paid from the tax revenue.

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

Note 18- Interfund Transactions

A. Interfund Transfers

The general fund transferred \$32,776 and \$40,196 to the special enterprise and district managed student activities special revenue funds. These transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

B. Interfund Balances

Interfund Payable	Interfund Receivable General
Nonmajor Special Revenue Funds:	
Miscellaneous Local Grant	\$1,388
Professional Development	25,798
Ohio Reads	165
Summer Intervention	131,831
Vocational Education Enhancement	9,517
Adult Basic Education	242,043
Title VI-B	92
Vocational Education	231,363
Title I	5,881
Drug Free Schools Grant	13,368
Preschool Grant	736
<i>Total All Funds</i>	<i>\$662,182</i>

Interfund receivables and payables are due to the timing of the receipt of grant monies received by the various funds. The general fund provides temporary funding of the program until the grant dollars are received.

Note 19 - Jointly Governed Organizations

A. Access Council of Governments

The Access Council of Governments (COG) is a computer network which provides data services to twenty-three school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the governments of these schools supports COG based upon a per pupil charge, which was \$39 for fiscal year 2004. Youngstown City School District paid \$155,013 to COG during fiscal year 2004. COG is governed by an assembly consisting of the superintendents or other designees of the member school districts. The assembly exercises total control over the operation of COG including budgeting, appropriating, contracting and designating management. All of COG revenues are generated from charges for services and State funding. Financial information can be obtained by contacting

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

the Treasurer at the Mahoning County Educational Service Center, who serves as fiscal agent, at 2801 Market Street, Youngstown, Ohio 44507.

B. Tech Prep Consortium

The Tech Prep Consortium is a cooperative effort between the School District, Youngstown State University and Mahoning County Joint Vocational School District to support programs in business, engineering and health technology through business, industry, labor and educational personnel. All of the consortium revenues are from a federal grant. The consortium is governed by an executive committee consisting of the superintendents of the school districts, the President of Youngstown State University and a representative from business or industry. The committee exercises total control over the operation of the Consortium, including budgeting, appropriating, contracting and designating management.

Note 20 - Set-Aside Calculations

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by 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 to be used for the same purposes in future years. In prior years, the School District was also required to set aside money for budget stabilization. At June 30, 2004, only the unspent portion of certain workers' compensation refunds continues to be a set-aside.

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

	Textbooks	Capital Improvements	Budget Stabilization
Set-Aside Reserve Balance as of June 30, 2003	\$22,985	\$492,545	\$476,555
Current Year Set-Aside Requirement	1,461,019	1,461,019	0
Qualifying Disbursements	(1,109,499)	(1,165,039)	0
Total	\$374,505	\$788,525	\$476,555
Set-Aside Reserve Balance as of June 30, 2004 and Carried Forward to Future Fiscal Years	\$374,505	\$788,525	\$476,555

The total reserve balance for the three set-asides at the end of the fiscal year was \$1,639,585.

Note 21 – State School Funding Decision

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional.

Youngstown City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

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 School District is currently unable to determine what effect, if any, this decision will have its future State funding and on its financial operations.

Note 22 – Subsequent Event

On November 2, 2004, the residents of the School District approved a .05 mill bond issue. Tax revenues from this levy will first be received in January 2005.

On July 9, 2004, the School District issued a \$11,625,000 classroom facilities improvement note at a rate of 2.00 percent with a maturity date of March 9, 2005, to refinance the existing \$11,625,000 classroom facilities improvement note due July 6, 2004.

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Combining and Individual Fund Statements and Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of the School District's Nonmajor special revenue funds:

Adult Education Fund This fund accounts for revenues and expenses involved in upgrading and retraining out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupation or planned occupation as well as providing educational services including preschool.

Public School Support Fund This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs.

Miscellaneous Local Grants Fund This fund accounts for specific local grants, except for State and Federal grants that are legally restricted for specified purposes.

Special Enterprise Fund This fund accounts for the operations of summer school.

Classroom Facilities Maintenance Fund This fund accounts for State monies used for the maintenance of School District facilities.

District Managed Student Activities Fund This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program and other similar types of activities.

Auxiliary Services Fund This fund accounts for grant monies which provide services and materials to pupils attending non-public schools within the School District.

Career Development Fund This fund accounts for State monies received for vocational education career development.

Professional Development Fund This fund accounts for State monies used to assist teachers in gaining new skills and becoming familiar with new teaching methodologies.

Management Information Systems Fund This fund accounts for State monies which support the development of hardware and software or other costs associated with the requirements of the management information system.

Entry Year Programs Fund This fund accounts for State monies used to mentor new teachers into the School District.

Data Communications Fund This fund accounts for State monies to be spent for Ohio Educational Computer Network Connections.

Ohio Reads Fund This fund accounts for State monies intended to provide programs to improve reading outcomes, especially on fourth grade reading proficiency tests, and for operating cost associated with hiring and training volunteers to evaluate the program and expenses associated with administering the program.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Summer Intervention Fund A fund used to account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Revised Code.

Vocational Education Enhancement Fund This fund is used to account for vocational education enhancements to expand the number of students enrolled in tech prep programs, improve student skills and improve vocational instruction.

Alternative Education Challenge Fund This fund accounts for State monies used to account for alternative educational programs for existing and new at-risk and delinquent youth.

Miscellaneous State Grants Fund This fund accounts for State monies which support academic and enrichment programs for the student body.

Adult Basic Education Fund This fund accounts for Federal monies used to provide reading, writing and math competency programs for adults that do not have a high school diploma.

Impact Aid Grant Fund This fund is created to account for significant losses in revenue from taxable real property acquired by the federal government and also for increases in revenue and school attendance as a result of federal activities.

Eisenhower Grant Fund This fund accounts for monies used to improve the skills of teachers and the quality of instruction in mathematics, science, foreign languages and computer learning, and to increase the access of all students to that instruction.

Title VI-B Fund This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Vocational Education Fund This fund accounts for receipts and expenditures involved in the replacement or updating of material essential for the instruction of students in job skills.

Limited English Proficiency Fund This fund accounts for Federal monies used for costs associated with English proficiency.

Title I Fund This fund accounts for Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

Title V Fund This fund accounts for Federal monies used to improve the skills of teachers and the quality of instruction in mathematics, science, foreign languages and computer learning, and to increase the access of all students to that instruction.

Drug Free Schools Grant Fund This fund accounts for Federal revenues which support the implementation of drug abuse education and prevention programs.

Preschool Grant Fund This fund accounts for Federal monies received for the improvement and expansion of services for handicapped children ages three through five.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Goals 2000 Fund A fund used to account for monies to support a broad range of education improvement goals. Competitive grants are used to establish a network of schools that have developed a systematic improvement plan. Funding is targeted at school districts where student performance on the fourth and ninth grade State Proficiency tests are significantly below the state average. Competitive grants are used to support partnerships between school districts and colleges of education to improve teacher education and school instruction.

Reducing Class Size Fund This fund is used to account for Federal monies to hire additional classroom teachers in grades one through three, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund This fund accounts for various monies received through State agencies from the Federal government or directly from the Federal government which are not classified elsewhere.

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the construction or acquisition of major capital facilities. Following is a description of the nonmajor capital projects funds:

Permanent Improvements Fund This fund accounts for financial resources used for the acquisition, construction, or improvement of capital facilities of the School District.

School Net Plus Fund This fund accounts for State monies used to obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

Technology Equity Fund This fund accounts for technology equity funding to low-wealth school districts.

School Building Limited Assistance Fund This fund accounts for monies expended for renovations and repairs of school facilities.

Youngstown City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,685,774	\$1,246,881	\$5,932,655
Accounts Receivable	16,028	0	16,028
Intergovernmental Receivable	2,621,287	0	2,621,287
Taxes Receivable	325,542	740,000	1,065,542
<i>Total Assets</i>	<u>\$7,648,631</u>	<u>\$1,986,881</u>	<u>\$9,635,512</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$496,634	\$218,070	\$714,704
Accrued Wages	1,186,830	0	1,186,830
Intergovernmental Payable	370,841	0	370,841
Deferred Revenue	1,989,411	740,000	2,729,411
Accrued Interest Payable	0	14,677	14,677
Interfund Payable	662,182	0	662,182
Energy Conservation Loan Payable	0	740,000	740,000
<i>Total Liabilities</i>	<u>4,705,898</u>	<u>1,712,747</u>	<u>6,418,645</u>
Fund Balances			
Reserved for Encumbrances	851,685	25,383	877,068
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	2,091,048	0	2,091,048
Capital Projects Funds	0	248,751	248,751
<i>Total Fund Balances</i>	<u>2,942,733</u>	<u>274,134</u>	<u>3,216,867</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$7,648,631</u>	<u>\$1,986,881</u>	<u>\$9,635,512</u>

Youngstown City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$295,757	\$775,680	\$1,071,437
Intergovernmental	17,095,054	224,825	17,319,879
Interest	14,388	0	14,388
Tuition and Fees	865,493	0	865,493
Extracurricular Activities	312,449	0	312,449
Contributions and Donations	36,438	0	36,438
Miscellaneous	43,358	0	43,358
<i>Total Revenues</i>	<u>18,662,937</u>	<u>1,000,505</u>	<u>19,663,442</u>
Expenditures			
Current:			
Instruction:			
Regular	1,427,103	0	1,427,103
Special	5,007,595	0	5,007,595
Vocational	873,362	0	873,362
Adult/Continuing	366,155	0	366,155
Support Services:			
Pupils	2,352,942	0	2,352,942
Instructional Staff	4,604,598	0	4,604,598
Administration	947,396	0	947,396
Fiscal	333,055	0	333,055
Operation and Maintenance of Plant	51,234	0	51,234
Pupil Transportation	111,957	0	111,957
Central	5,150	0	5,150
Operation of Non-Instructional Services	2,368,317	0	2,368,317
Extracurricular Activities	203,880	0	203,880
Capital Outlay	9,700	300,482	310,182
Debt Service:			
Interest and Fiscal Charges	0	71,995	71,995
<i>Total Expenditures</i>	<u>18,662,444</u>	<u>372,477</u>	<u>19,034,921</u>
<i>Excess of Revenues Over Expenditures</i>	493	628,028	628,521
Other Financing Sources			
Transfers In	72,972	0	72,972
<i>Net Change in Fund Balances</i>	73,465	628,028	701,493
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>2,869,268</u>	<u>(353,894)</u>	<u>2,515,374</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$2,942,733</u>	<u>\$274,134</u>	<u>\$3,216,867</u>

Youngstown City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2004

	Adult Education	Public School Support	Miscellaneous Local Grants	Special Enterprise
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$704,194	\$89,211	\$575,923	\$16,968
Accounts Receivable	0	14,743	0	1,285
Intergovernmental Receivable	0	0	0	0
Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$704,194</u>	<u>\$103,954</u>	<u>\$575,923</u>	<u>\$18,253</u>
 Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$56,581	\$0	\$4,850	\$0
Accrued Wages	46,688	0	8,170	3,034
Intergovernmental Payable	9,005	0	36,328	427
Deferred Revenue	0	0	0	0
Interfund Payable	0	0	1,388	0
<i>Total Liabilities</i>	<u>112,274</u>	<u>0</u>	<u>50,736</u>	<u>3,461</u>
 Fund Balances				
Reserved for Encumbrances	30,487	251	105,592	0
Unreserved, Undesignated (Deficit)	561,433	103,703	419,595	14,792
<i>Total Fund Balances (Deficit)</i>	<u>591,920</u>	<u>103,954</u>	<u>525,187</u>	<u>14,792</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$704,194</u>	<u>\$103,954</u>	<u>\$575,923</u>	<u>\$18,253</u>

<u>Classroom Facilities Maintenance</u>	<u>District Managed Student Activities</u>	<u>Auxiliary Services</u>	<u>Professional Development</u>	<u>Management Information Systems</u>	<u>Entry Year Programs</u>
\$1,099,767	\$207,066	\$577,262	\$0	\$1	\$6,637
0	0	0	0	0	0
0	0	0	6,202	0	0
325,542	0	0	0	0	0
<u>\$1,425,309</u>	<u>\$207,066</u>	<u>\$577,262</u>	<u>\$6,202</u>	<u>\$1</u>	<u>\$6,637</u>
\$0	\$805	\$96,201	\$0	\$0	\$0
0	0	69,386	0	0	0
0	0	157,653	7,779	0	1,902
325,542	0	0	6,202	0	0
0	0	0	25,798	0	0
<u>325,542</u>	<u>805</u>	<u>323,240</u>	<u>39,779</u>	<u>0</u>	<u>1,902</u>
0	14,247	122,088	81,932	0	0
1,099,767	192,014	131,934	(115,509)	1	4,735
<u>1,099,767</u>	<u>206,261</u>	<u>254,022</u>	<u>(33,577)</u>	<u>1</u>	<u>4,735</u>
<u>\$1,425,309</u>	<u>\$207,066</u>	<u>\$577,262</u>	<u>\$6,202</u>	<u>\$1</u>	<u>\$6,637</u>

(continued)

Youngstown City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2004

	Data Communications	Ohio Reads	Summer Intervention	Vocational Education Enhancement
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$40,678	\$69,132	\$0	\$0
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$40,678</u>	<u>\$69,132</u>	<u>\$0</u>	<u>\$0</u>
 Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$17,443	\$36,333	\$0
Accrued Wages	0	869	2,489	0
Intergovernmental Payable	0	369	22,151	2,182
Deferred Revenue	0	0	0	0
Interfund Payable	0	165	131,831	9,517
<i>Total Liabilities</i>	<u>0</u>	<u>18,846</u>	<u>192,804</u>	<u>11,699</u>
 Fund Balances				
Reserved for Encumbrances	0	27,964	62	0
Unreserved, Undesignated (Deficit)	40,678	22,322	(192,866)	(11,699)
<i>Total Fund Balances (Deficit)</i>	<u>40,678</u>	<u>50,286</u>	<u>(192,804)</u>	<u>(11,699)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$40,678</u>	<u>\$69,132</u>	<u>\$0</u>	<u>\$0</u>

Alternative Education Challenge	Miscellaneous State Grants	Adult Basic Education	Impact Aid Grant	Eisenhower Grant	Title VI-B
\$32,658	\$31,691	\$0	\$39	\$18,902	\$136,790
0	0	0	0	0	0
0	0	2,655	0	0	100,040
0	0	0	0	0	0
<u>\$32,658</u>	<u>\$31,691</u>	<u>\$2,655</u>	<u>\$39</u>	<u>\$18,902</u>	<u>\$236,830</u>
\$5,902	\$15,420	\$2,400	\$0	\$0	\$35,821
3,691	674	10,247	0	0	80,773
1,009	112	8,268	0	0	10,238
0	0	0	0	0	0
0	0	242,043	0	0	92
<u>10,602</u>	<u>16,206</u>	<u>262,958</u>	<u>0</u>	<u>0</u>	<u>126,924</u>
9,437	3,048	6,647	0	0	3,182
12,619	12,437	(266,950)	39	18,902	106,724
<u>22,056</u>	<u>15,485</u>	<u>(260,303)</u>	<u>39</u>	<u>18,902</u>	<u>109,906</u>
<u>\$32,658</u>	<u>\$31,691</u>	<u>\$2,655</u>	<u>\$39</u>	<u>\$18,902</u>	<u>\$236,830</u>

(continued)

Youngstown City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2004

	Vocational Education	Limited English Proficiency	Title I	Title V
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$0	\$2,234	\$735,215	\$52,076
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	21,753	1,912,969	28,348
Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$0</u>	<u>\$23,987</u>	<u>\$2,648,184</u>	<u>\$80,424</u>
 Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$93,954	\$2,561
Accrued Wages	45,801	4,612	747,490	0
Intergovernmental Payable	4,401	7	82,603	92
Deferred Revenue	0	21,753	1,235,884	21,182
Interfund Payable	231,363	0	5,881	0
<i>Total Liabilities</i>	<u>281,565</u>	<u>26,372</u>	<u>2,165,812</u>	<u>23,835</u>
 Fund Balances				
Reserved for Encumbrances	4,875	3,214	166,275	9,008
Unreserved, Undesignated (Deficit)	(286,440)	(5,599)	316,097	47,581
<i>Total Fund Balances (Deficit)</i>	<u>(281,565)</u>	<u>(2,385)</u>	<u>482,372</u>	<u>56,589</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$0</u>	<u>\$23,987</u>	<u>\$2,648,184</u>	<u>\$80,424</u>

<u>Drug Free Schools Grant</u>	<u>Preschool Grant</u>	<u>Goals 2000</u>	<u>Reducing Class Size</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$16,301	\$168,652	\$104,377	\$4,685,774
0	0	0	0	0	16,028
0	37,522	0	507,707	4,091	2,621,287
0	0	0	0	0	325,542
<u>\$0</u>	<u>\$37,522</u>	<u>\$16,301</u>	<u>\$676,359</u>	<u>\$108,468</u>	<u>\$7,648,631</u>
\$4,097	\$3,028	\$0	\$32,524	\$88,714	\$496,634
6,521	14,894	0	131,244	10,247	1,186,830
1,321	1,138	0	14,880	8,976	370,841
0	22,597	0	356,251	0	1,989,411
13,368	736	0	0	0	662,182
<u>25,307</u>	<u>42,393</u>	<u>0</u>	<u>534,899</u>	<u>107,937</u>	<u>4,705,898</u>
172	941	0	79,472	182,791	851,685
(25,479)	(5,812)	16,301	61,988	(182,260)	2,091,048
<u>(25,307)</u>	<u>(4,871)</u>	<u>16,301</u>	<u>141,460</u>	<u>531</u>	<u>2,942,733</u>
<u>\$0</u>	<u>\$37,522</u>	<u>\$16,301</u>	<u>\$676,359</u>	<u>\$108,468</u>	<u>\$7,648,631</u>

Youngstown City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004

	Adult Education	Public School Support	Miscellaneous Local Grants	Special Enterprise
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Intergovernmental	257,507	0	873,051	7,360
Interest	0	0	0	0
Tuition and Fees	840,666	0	0	24,827
Extracurricular Activities	0	183,006	0	0
Contributions and Donations	0	19,777	15,878	0
Miscellaneous	0	29,270	8,120	0
<i>Total Revenues</i>	<u>1,098,173</u>	<u>232,053</u>	<u>897,049</u>	<u>32,187</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	79,454	22,084
Special	0	0	13,824	43,609
Vocational	723,192	0	138	0
Adult/Continuing	3,747	0	0	0
Support Services:				
Pupils	23,988	81,008	235,155	0
Instructional Staff	1,220	35,939	223,750	0
Administration	56,533	107,599	131,993	21,334
Fiscal	0	0	0	0
Operation and Maintenance of Plant	13,124	171	96	0
Pupil Transportation	0	8,156	13,787	0
Central	150	0	0	0
Operation of Non-Instructional Services	0	2,028	43,697	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	9,700	0
<i>Total Expenditures</i>	<u>821,954</u>	<u>234,901</u>	<u>751,594</u>	<u>87,027</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	276,219	(2,848)	145,455	(54,840)
Other Financing Sources				
Transfers In	0	0	0	32,776
<i>Net Change in Fund Balances</i>	276,219	(2,848)	145,455	(22,064)
<i>Fund Balances (Deficit) Beginning of Year</i>	315,701	106,802	379,732	36,856
<i>Fund Balances (Deficit) End of Year</i>	<u>\$591,920</u>	<u>\$103,954</u>	<u>\$525,187</u>	<u>\$14,792</u>

Classroom Facilities Maintenance	District Managed Student Activities	Auxiliary Services	Professional Development	Management Information Systems	Entry Year Programs
\$295,757	\$0	\$0	\$0	\$0	\$0
33,958	0	1,438,927	26,037	36,798	17,600
0	0	14,388	0	0	0
0	0	0	0	0	0
0	129,443	0	0	0	0
0	783	0	0	0	0
0	5,968	0	0	0	0
329,715	136,194	1,453,315	26,037	36,798	17,600
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	56,346	0
0	0	0	64,650	0	12,867
0	0	0	0	0	0
6,247	0	0	0	0	0
0	0	0	0	17,808	0
0	5,238	0	0	0	0
0	0	0	0	0	0
0	0	1,632,234	0	0	0
0	203,428	0	0	0	0
0	0	0	0	0	0
6,247	208,666	1,632,234	64,650	74,154	12,867
323,468	(72,472)	(178,919)	(38,613)	(37,356)	4,733
0	40,196	0	0	0	0
323,468	(32,276)	(178,919)	(38,613)	(37,356)	4,733
776,299	238,537	432,941	5,036	37,357	2
\$1,099,767	\$206,261	\$254,022	(\$33,577)	\$1	\$4,735

(continued)

Youngstown City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2003

	Data Communications	Ohio Reads	Summer Intervention	Vocational Education Enhancement
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Intergovernmental	0	216,441	63,154	8,558
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>216,441</u>	<u>63,154</u>	<u>8,558</u>
Expenditures				
Current:				
Instruction:				
Regular	0	164,768	304,642	0
Special	0	0	0	0
Vocational	0	0	0	5,695
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	0	5,073	1,020	16,412
Instructional Staff	0	11,688	382	0
Administration	0	20,700	0	0
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	234	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	36,406	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>238,869</u>	<u>306,044</u>	<u>22,107</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(22,428)	(242,890)	(13,549)
Other Financing Sources				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	0	(22,428)	(242,890)	(13,549)
<i>Fund Balances (Deficit) Beginning of Year</i>	40,678	72,714	50,086	1,850
<i>Fund Balances (Deficit) End of Year</i>	<u>\$40,678</u>	<u>\$50,286</u>	<u>(\$192,804)</u>	<u>(\$11,699)</u>

Alternative Education Challenge	Miscellaneous State Grants	Adult Basic Education	Impact Aid Grant	Eisenhower Grant	Title VI-B
\$0	\$0	\$0	\$0	\$0	\$0
278,164	152,402	257,747	0	0	2,072,245
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
278,164	152,402	257,747	0	0	2,072,245
9,922	0	0	0	0	465
0	0	0	0	0	781,858
0	0	0	0	0	0
0	0	362,408	0	0	0
150,738	59,946	33,102	0	0	344,262
1,379	70,598	93,167	0	0	975,129
69,597	0	80,656	0	0	20,514
0	0	5,692	0	0	53,216
0	0	4,800	0	0	0
13,052	0	750	0	0	5,549
0	5,000	0	0	0	0
78,387	0	0	0	0	125,784
0	0	0	0	0	0
0	0	0	0	0	0
323,075	135,544	580,575	0	0	2,306,777
(44,911)	16,858	(322,828)	0	0	(234,532)
0	0	0	0	0	0
(44,911)	16,858	(322,828)	0	0	(234,532)
66,967	(1,373)	62,525	39	18,902	344,438
\$22,056	\$15,485	(\$260,303)	\$39	\$18,902	\$109,906

(continued)

Youngstown City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2004

	Vocational Education	Limited English Proficiency	Title I	Title V
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Intergovernmental	179,777	10,423	7,491,421	108,316
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>179,777</u>	<u>10,423</u>	<u>7,491,421</u>	<u>108,316</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	39,717	0
Special	0	15,526	4,103,365	0
Vocational	144,337	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	207,061	0	944,096	0
Instructional Staff	64,406	11,415	1,055,293	66,113
Administration	965	0	386,834	0
Fiscal	0	365	212,992	0
Operation and Maintenance of Plant	0	0	13,240	0
Pupil Transportation	0	0	64,882	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	388,545	11,083
Extracurricular Activities	452	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>417,221</u>	<u>27,306</u>	<u>7,208,964</u>	<u>77,196</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(237,444)	(16,883)	282,457	31,120
Other Financing Sources				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	(237,444)	(16,883)	282,457	31,120
<i>Fund Balances (Deficit) Beginning of Year</i>	(44,121)	14,498	199,915	25,469
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$281,565)</u>	<u>(\$2,385)</u>	<u>\$482,372</u>	<u>\$56,589</u>

Drug Free Schools Grant	Preschool Grant	Goals 2000	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$295,757
234,695	98,431	0	2,088,838	1,143,204	17,095,054
0	0	0	0	0	14,388
0	0	0	0	0	865,493
0	0	0	0	0	312,449
0	0	0	0	0	36,438
0	0	0	0	0	43,358
234,695	98,431	0	2,088,838	1,143,204	18,662,937
11,364	0	0	555,439	239,248	1,427,103
0	37,321	0	0	12,092	5,007,595
0	0	0	0	0	873,362
0	0	0	0	0	366,155
47,472	10,171	0	0	137,092	2,352,942
89,507	56,413	0	1,172,752	597,930	4,604,598
928	0	0	0	49,743	947,396
2,068	1,618	0	31,591	19,266	333,055
1,995	0	0	0	0	51,234
0	0	0	0	309	111,957
0	0	0	0	0	5,150
32,726	852	0	735	15,840	2,368,317
0	0	0	0	0	203,880
0	0	0	0	0	9,700
186,060	106,375	0	1,760,517	1,071,520	18,662,444
48,635	(7,944)	0	328,321	71,684	493
0	0	0	0	0	72,972
48,635	(7,944)	0	328,321	71,684	73,465
(73,942)	3,073	16,301	(186,861)	(71,153)	2,869,268
(\$25,307)	(\$4,871)	\$16,301	\$141,460	\$531	\$2,942,733

Youngstown City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2004

	Permanent Improvements	School Net Plus	Technology Equity	School Building Limited Assistance	Total Nonmajor Capital Projects Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$137,148	\$225,056	\$2	\$884,675	\$1,246,881
Taxes Receivable	740,000	0	0	0	740,000
<i>Total Assets</i>	<u>\$877,148</u>	<u>\$225,056</u>	<u>\$2</u>	<u>\$884,675</u>	<u>\$1,986,881</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$0	\$218,070	\$0	\$0	\$218,070
Deferred Revenue	740,000	0	0	0	740,000
Accrued Interest Payable	14,677	0	0	0	14,677
Energy Conservation Loan Payable	740,000	0	0	0	740,000
<i>Total Liabilities</i>	<u>1,494,677</u>	<u>218,070</u>	<u>0</u>	<u>0</u>	<u>1,712,747</u>
Fund Balances					
Reserved for Encumbrances	25,000	383	0	0	25,383
Unreserved, Undesignated (Deficit)	(642,529)	6,603	2	884,675	248,751
<i>Total Fund Balances (Deficit)</i>	<u>(617,529)</u>	<u>6,986</u>	<u>2</u>	<u>884,675</u>	<u>274,134</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$877,148</u>	<u>\$225,056</u>	<u>\$2</u>	<u>\$884,675</u>	<u>\$1,986,881</u>

Youngstown City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2004

	Permanent Improvements	School Net Plus	Technology Equity	School Building Limited Assistance	Total Nonmajor Capital Projects Funds
Revenues					
Taxes	\$775,680	\$0	\$0	\$0	\$775,680
Intergovernmental	0	224,825	0	0	224,825
<i>Total Revenues</i>	<u>775,680</u>	<u>224,825</u>	<u>0</u>	<u>0</u>	<u>1,000,505</u>
Expenditures					
Capital Outlay	57,371	237,082	6,029	0	300,482
Debt Service:					
Interest and Fiscal Charges	71,995	0	0	0	71,995
<i>Total Expenditures</i>	<u>129,366</u>	<u>237,082</u>	<u>6,029</u>	<u>0</u>	<u>372,477</u>
<i>Net Change in Fund Balances</i>	646,314	(12,257)	(6,029)	0	628,028
<i>Fund Balances (Deficit)</i>					
<i>Beginning of Year</i>	<u>(1,263,843)</u>	<u>19,243</u>	<u>6,031</u>	<u>884,675</u>	<u>(353,894)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$617,529)</u></u>	<u><u>\$6,986</u></u>	<u><u>\$2</u></u>	<u><u>\$884,675</u></u>	<u><u>\$274,134</u></u>

Combining Statement - Fiduciary Funds

Agency 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 School District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the School District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. A description of the School District's agency funds follows.

Specialized Activity Fund This fund accounts for monies held to purchase flowers.

District Agency Fund This fund accounts for assets held by the School District as an agent for Pell Grant funds.

Student Activity Fund This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

Youngstown City School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2004

	Beginning Balance 06/30/03	Additions	Deductions	Ending Balance 06/30/04
<i>Specialized Activity</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$9,476	\$9,648	\$8,743	\$10,381
Liabilities				
Undistributed Monies	\$9,476	\$9,648	\$8,743	\$10,381
 <i>District Agency</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$5,799	\$266,513	\$266,513	\$5,799
Liabilities				
Undistributed Monies	\$5,799	\$266,513	\$266,513	\$5,799
 <i>Student Activity</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$157,763	\$226,200	\$218,498	\$165,465
Liabilities				
Due to Students	\$157,763	\$226,200	\$218,498	\$165,465
 <i>Total - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$173,038	\$502,361	\$493,754	\$181,645
Liabilities				
Undistributed Monies	\$15,275	\$276,161	\$275,256	\$16,180
Due to Students	157,763	226,200	218,498	165,465
<i>Total Liabilities</i>	\$173,038	\$502,361	\$493,754	\$181,645

**Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual**

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$22,212,685	\$22,399,080	\$22,716,134	\$317,054
Intergovernmental	62,993,627	63,522,233	64,421,375	899,142
Interest	624,883	630,127	639,046	8,919
Tuition and Fees	663,346	668,913	678,381	9,468
Fines	195	196	199	3
Rentals	77,167	77,815	78,916	1,101
Contributions and Donations	2,467	2,488	2,523	35
Miscellaneous	693,382	699,201	709,098	9,897
<i>Total Revenues</i>	<u>87,267,752</u>	<u>88,000,053</u>	<u>89,245,672</u>	<u>1,245,619</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	17,042,331	18,487,654	17,749,819	737,835
Fringe Benefits	6,710,323	7,185,263	6,159,367	1,025,896
Purchased Services	13,854,609	15,029,588	14,996,541	33,047
Materials and Supplies	1,380,030	1,323,846	1,098,203	225,643
Capital Outlay - New	344,483	546,919	546,919	0
Other	1,709	1,853	0	1,853
Total Regular	<u>39,333,485</u>	<u>42,575,123</u>	<u>40,550,849</u>	<u>2,024,274</u>
Special:				
Salaries and Wages	7,644,912	8,293,260	8,105,649	187,611
Fringe Benefits	2,741,523	2,974,026	2,899,026	75,000
Purchased Services	395,150	428,662	231,806	196,856
Materials and Supplies	117,931	201,928	101,514	100,414
Capital Outlay - New	68,211	0	0	0
Total Special	<u>10,967,727</u>	<u>11,897,876</u>	<u>11,337,995</u>	<u>559,881</u>
Vocational:				
Salaries and Wages	2,046,378	2,228,263	2,228,263	0
Fringe Benefits	674,527	736,992	736,992	0
Purchased Services	17,332	18,802	15,506	3,296
Materials and Supplies	129,517	206,385	206,385	0
Capital Outlay - New	24,747	40,365	40,365	0
Other	0	1,149	1,149	0
Total Vocational	<u>\$2,892,501</u>	<u>\$3,231,956</u>	<u>\$3,228,660</u>	<u>\$3,296</u>

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Adult/Continuing:				
Purchased Services	\$635	\$689	\$0	\$689
Total Instruction	53,194,348	57,705,644	55,117,504	2,588,140
Support Services:				
Pupils:				
Salaries and Wages	2,969,335	3,221,158	3,084,660	136,498
Fringe Benefits	1,040,689	1,128,948	1,128,651	297
Purchased Services	669,889	634,688	400,144	234,544
Materials and Supplies	131,489	234,653	234,653	0
Capital Outlay - New	10,027	10,877	9,464	1,413
Capital Outlay - Replacement	977	1,060	0	1,060
Other	42,777	46,405	45,292	1,113
Total Pupils	4,865,183	5,277,789	4,902,864	374,925
Instructional Staff:				
Salaries and Wages	2,820,257	3,059,437	2,532,779	526,658
Fringe Benefits	1,280,234	1,380,067	1,183,675	196,392
Purchased Services	282,616	306,584	126,128	180,456
Materials and Supplies	553,213	591,186	432,703	158,483
Capital Outlay - New	1,204,848	294,255	58,994	235,261
Capital Outlay - Replacement	268,687	291,474	0	291,474
Other	6,572	16,073	16,073	0
Total Instructional Staff	6,416,427	5,939,076	4,350,352	1,588,724
Board of Education:				
Salaries and Wages	17,122	24,320	24,320	0
Fringe Benefits	65,615	97,144	97,144	0
Purchased Services	706,598	766,523	765,816	707
Materials and Supplies	8,542	9,266	8,766	500
Capital Outlay - New	0	5,095	5,095	0
Other	431,850	412,954	242,876	170,078
Total Board of Education	\$1,229,727	\$1,315,302	\$1,144,017	\$171,285

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Administration:				
Salaries and Wages	\$4,434,448	\$5,272,138	\$5,272,138	\$0
Fringe Benefits	1,405,128	1,792,135	1,792,135	0
Purchased Services	155,962	200,052	200,052	0
Materials and Supplies	40,407	44,192	44,192	0
Capital Outlay - New	41,245	28,718	28,718	0
Other	6,102	11,342	11,342	0
Total Administration	6,083,292	7,348,577	7,348,577	0
Fiscal:				
Salaries and Wages	413,525	471,152	471,152	0
Fringe Benefits	147,204	167,404	167,404	0
Purchased Services	122,803	119,955	119,955	0
Materials and Supplies	27,459	19,762	19,762	0
Capital Outlay - New	11,519	4,266	4,266	0
Other	650,038	725,127	725,127	0
Total Fiscal	1,372,548	1,507,666	1,507,666	0
Business:				
Salaries and Wages	502,872	530,680	530,680	0
Fringe Benefits	192,334	210,879	210,879	0
Purchased Services	279,248	302,930	297,554	5,376
Materials and Supplies	50,789	52,408	41,842	10,566
Capital Outlay - New	4,609	0	0	0
Other	5,521	26,282	26,282	0
Total Business	1,035,373	1,123,179	1,107,237	15,942
Operation and Maintenance of Plant:				
Salaries and Wages	4,882,969	5,194,945	5,194,945	0
Fringe Benefits	1,861,216	2,091,595	2,091,595	0
Purchased Services	2,755,158	3,293,015	3,293,015	0
Materials and Supplies	510,233	592,673	592,673	0
Capital Outlay - New	33,416	55,296	55,296	0
Capital Outlay - Replacement	16,758	5,478	5,478	0
Other	102,936	104,499	104,499	0
Total Operation and Maintenance of Plant	\$10,162,686	\$11,337,501	\$11,337,501	\$0

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Pupil Transportation:				
Salaries and Wages	\$1,816,087	\$1,965,744	\$1,880,771	\$84,973
Fringe Benefits	622,673	675,174	670,709	4,465
Purchased Services	2,192,572	2,330,219	2,330,219	0
Materials and Supplies	383,231	512,621	512,621	0
Capital Outlay - New	5,547	12,346	12,346	0
Capital Outlay - Replacement	315,263	342,000	332,790	9,210
Other	366,833	318,892	318,892	0
Total Pupil Transportation	5,702,206	6,156,996	6,058,348	98,648
Central:				
Salaries and Wages	452,205	436,042	436,042	0
Fringe Benefits	114,150	178,651	178,651	0
Purchased Services	225,956	293,726	293,726	0
Materials and Supplies	33,004	21,064	21,064	0
Capital Outlay - New	11,424	10,422	10,422	0
Other	9,404	6,798	6,798	0
Total Central	846,143	946,703	946,703	0
Total Support Services	37,713,585	40,952,789	38,703,265	2,249,524
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	12,408	22,281	22,281	0
Fringe Benefits	2,164	3,940	3,940	0
Purchased Services	4,710	20,517	20,517	0
Materials and Supplies	1,430	848	848	0
Total Operation of Non-Instructional Services	20,712	47,586	47,586	0
Extracurricular Activities:				
Academic Oriented Activities:				
Salaries and Wages	6,420	0	0	0
Fringe Benefits	5,716	0	0	0
Other	15,671	17,000	17,000	0
Total Academic Oriented Activities	\$27,807	\$17,000	\$17,000	\$0

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Sport Oriented Activities:				
Salaries and Wages	\$391,850	\$425,082	\$324,994	\$100,088
Fringe Benefits	112,374	121,904	79,330	42,574
Purchased Services	15,984	13,748	2,007	11,741
Materials and Supplies	498	540	38	502
Other	23,070	25,027	23,500	1,527
Total Sport Oriented Activities	543,776	586,301	429,869	156,432
Co-Curricular Activities:				
Purchased Services	3,095	0	0	0
Materials and Supplies	10,240	8,805	8,805	0
Total Co-Curricular Activities	13,335	8,805	8,805	0
Total Extracurricular Activities	584,918	612,106	455,674	156,432
Capital Outlay:				
Building Acquisition and Construction Services:				
Salaries and Wages	57,481	89,796	89,796	0
Fringe Benefits	20,132	32,380	32,380	0
Purchased Services	7,404	93,827	93,827	0
Materials and Supplies	290	960	860	100
Capital Outlay - New	901,695	812,947	525,162	287,785
Total Capital Outlay	987,002	1,029,910	742,025	287,885
Total Expenditures	92,500,565	100,348,035	95,066,054	5,281,981
Excess of Revenues Under Expenditures	(5,232,813)	(12,347,982)	(5,820,382)	6,527,600
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	9,986	10,069	10,212	143
Transfers Out	(90,163)	(97,809)	(72,972)	24,837
Total Other Financing Sources (Uses)	(80,177)	(87,740)	(62,760)	24,980
Net Change in Fund Balance	(5,312,990)	(12,435,722)	(5,883,142)	6,552,580
Fund Balance Beginning of Year	20,453,071	20,453,071	20,453,071	0
Prior Year Encumbrances Appropriated	716,496	716,496	716,496	0
Fund Balance End of Year	\$15,856,577	\$8,733,845	\$15,286,425	\$6,552,580

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$3,374,894	\$3,209,491	\$3,209,494	\$3
Interest	116	110	110	0
Charges for Services	305,940	290,947	290,947	0
Miscellaneous	2,238	2,128	2,128	0
<i>Total Revenues</i>	<u>3,683,188</u>	<u>3,502,676</u>	<u>3,502,679</u>	<u>3</u>
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Purchased Services	103,348	104,078	104,078	0
Materials and Supplies	6,512	5,867	5,145	722
Total Operation and Maintenance of Plant	109,860	109,945	109,223	722
Pupil Transportation:				
Materials and Supplies	2,211	1,992	269	1,723
Total Support Services	112,071	111,937	109,492	2,445
Food Service Operation:				
Salaries and Wages	1,495,098	1,376,927	1,376,927	0
Fringe Benefits	849,257	820,801	820,801	0
Purchased Services	28,598	25,764	18,436	7,328
Materials and Supplies	1,576,930	1,317,986	1,274,951	43,035
Capital Outlay - New	126,627	114,079	8,256	105,823
Capital Outlay - Replacement	9,353	14,461	14,461	0
Other	2,066	1,862	1,692	170
Total Food Service Operation	4,087,929	3,671,880	3,515,524	156,356
<i>Total Expenditures</i>	<u>4,200,000</u>	<u>3,783,817</u>	<u>3,625,016</u>	<u>158,801</u>
<i>Net Change in Fund Balance</i>	(516,812)	(281,141)	(122,337)	158,804
<i>Fund Balance Beginning of Year</i>	1,207,036	1,207,036	1,207,036	0
Prior Year Encumbrances Appropriated	54,068	54,068	54,068	0
<i>Fund Balance End of Year</i>	<u>\$744,292</u>	<u>\$979,963</u>	<u>\$1,138,767</u>	<u>\$158,804</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Disadvantaged Pupil Impact Aid Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$10,230,661	\$10,230,661	\$10,230,662	\$1
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	4,785,170	4,172,258	4,106,892	65,366
Fringe Benefits	1,681,335	1,621,235	1,554,285	66,950
Purchased Services	1,262,123	1,262,123	1,261,685	438
Materials and Supplies	5,071	2,847	1,697	1,150
Total Regular	7,733,699	7,058,463	6,924,559	133,904
Special:				
Salaries and Wages	922,845	1,027,907	1,027,907	0
Fringe Benefits	325,708	344,785	344,785	0
Purchased Services	133	133	0	133
Materials and Supplies	132,802	28,037	28,037	0
Total Special	1,381,488	1,400,862	1,400,729	133
Total Instruction	9,115,187	8,459,325	8,325,288	134,037
Support Services:				
Pupils:				
Purchased Services	27,776	30,000	30,000	0
Instructional Staff:				
Salaries and Wages	92,887	416,721	416,721	0
Fringe Benefits	54,917	270,293	270,293	0
Total Instructional Staff	147,804	687,014	687,014	0
Administration:				
Salaries and Wages	97,359	168,390	168,390	0
Fringe Benefits	26,342	37,843	37,843	0
Purchased Services	1,475	1,475	1,300	175
Total Administration	\$125,176	\$207,708	\$207,533	\$175

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Disadvantaged Pupil Impact Aid Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation and Maintenance of Plant:				
Salaries and Wages	\$631,031	\$633,405	\$633,405	\$0
Fringe Benefits	145,806	175,328	175,328	0
Purchased Services	36,151	36,151	34,996	1,155
Materials and Supplies	6,097	6,097	0	6,097
	<u>819,085</u>	<u>850,981</u>	<u>843,729</u>	<u>7,252</u>
Total Operation and Maintenance of Plant				
	<u>819,085</u>	<u>850,981</u>	<u>843,729</u>	<u>7,252</u>
Total Support Services	<u>1,119,841</u>	<u>1,775,703</u>	<u>1,768,276</u>	<u>7,427</u>
<i>Total Expenditures</i>	<u>10,235,028</u>	<u>10,235,028</u>	<u>10,093,564</u>	<u>141,464</u>
<i>Net Change in Fund Balance</i>	(4,367)	(4,367)	137,098	141,465
<i>Fund Balance Beginning of Year</i>	167	167	167	0
Prior Year Encumbrances Appropriated	<u>3,559</u>	<u>3,559</u>	<u>3,559</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$641)</u>	<u>(\$641)</u>	<u>\$140,824</u>	<u>\$141,465</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$1,606,686	\$2,340,397	\$2,342,584	\$2,187
Intergovernmental	1,306,858	1,903,649	1,905,428	1,779
<i>Total Revenues</i>	<u>2,913,544</u>	<u>4,244,046</u>	<u>4,248,012</u>	<u>3,966</u>
Expenditures				
Current:				
Support Services:				
Fiscal:				
Purchased Services	65,555	104,000	103,781	219
Other	37,284	59,150	53,118	6,032
Total Support Services	<u>102,839</u>	<u>163,150</u>	<u>156,899</u>	<u>6,251</u>
Debt Service:				
Principal Retirement	33,920,436	53,813,269	53,810,769	2,500
Interest and Fiscal Charges	576,770	915,019	802,249	112,770
Total Debt Service	<u>34,497,206</u>	<u>54,728,288</u>	<u>54,613,018</u>	<u>115,270</u>
<i>Total Expenditures</i>	<u>34,600,045</u>	<u>54,891,438</u>	<u>54,769,917</u>	<u>121,521</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(31,686,501)</u>	<u>(50,647,392)</u>	<u>(50,521,905)</u>	<u>125,487</u>
Other Financing Sources				
General Obligation Notes Issued	35,407,552	51,576,813	51,625,000	48,187
Premium on Notes Issued	219,982	320,440	320,740	300
<i>Total Other Financing Sources (Uses)</i>	<u>35,627,534</u>	<u>51,897,253</u>	<u>51,945,740</u>	<u>48,487</u>
<i>Net Change in Fund Balance</i>	3,941,033	1,249,861	1,423,835	173,974
<i>Fund Balance Beginning of Year</i>	<u>2,961,469</u>	<u>2,961,469</u>	<u>2,961,469</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,902,502</u></u>	<u><u>\$4,211,330</u></u>	<u><u>\$4,385,304</u></u>	<u><u>\$173,974</u></u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Classroom Facilities Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$1,069,159	\$345,968	\$348,694	\$2,726
Intergovernmental	33,421,435	10,814,808	10,900,000	85,192
Interest	4,014,531	1,299,058	1,309,291	10,233
<i>Total Revenues</i>	<u>38,505,125</u>	<u>12,459,834</u>	<u>12,557,985</u>	<u>98,151</u>
Expenditures				
Current:				
Support Services:				
Pupils:				
Capital Outlay - New	259,658	443,442	443,442	0
Board of Education:				
Purchased Services	1,044,681	1,741,692	1,850	1,739,842
Fiscal:				
Other	6,984	11,700	9,370	2,330
Business:				
Purchased Services	68,483	114,729	64,793	49,936
Operation and Maintenance of Plant:				
Purchased Services	174,418	292,200	83,722	208,478
Materials and Supplies	3,594	6,020	5,549	471
Total Operation and Maintenance of Plant	<u>178,012</u>	<u>298,220</u>	<u>89,271</u>	<u>208,949</u>
Total Support Services	<u>1,557,818</u>	<u>2,609,783</u>	<u>608,726</u>	<u>2,001,057</u>
Capital Outlay:				
Site Improvement Services:				
Capital Outlay - New	1,672,758	2,802,340	2,462,965	339,375
Site Acquisition Services:				
Purchased Services	272,988	457,332	267,971	189,361
Capital Outlay - New	423,886	710,128	555,177	154,951
Total Site Acquisition Services	<u>696,874</u>	<u>1,167,460</u>	<u>823,148</u>	<u>344,312</u>
Architecture and Engineering Services:				
Purchased Services	\$3,996,973	\$6,696,055	\$5,635,195	\$1,060,860

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Classroom Facilities Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Building Improvement Services:				
Capital Outlay - New	\$41,122,608	\$68,891,940	\$22,946,364	\$45,945,576
Other	58,199	97,500	53,341	44,159
 Total Building Improvement Services	 <u>41,180,807</u>	 <u>68,989,440</u>	 <u>22,999,705</u>	 <u>45,989,735</u>
 Total Capital Outlay	 <u>47,547,412</u>	 <u>79,655,295</u>	 <u>31,921,013</u>	 <u>47,734,282</u>
 <i>Total Expenditures</i>	 <u>49,105,230</u>	 <u>82,265,078</u>	 <u>32,529,739</u>	 <u>49,735,339</u>
 <i>Net Change in Fund Balance</i>	 (10,600,105)	 (69,805,244)	 (19,971,754)	 49,833,490
 <i>Fund Balance Beginning of Year</i>	 38,812,221	 38,812,221	 38,812,221	 0
 Prior Year Encumbrances Appropriated	 <u>17,026,296</u>	 <u>17,026,296</u>	 <u>17,026,296</u>	 <u>0</u>
 <i>Fund Balance (Deficit) End of Year</i>	 <u>\$45,238,412</u>	 <u>(\$13,966,727)</u>	 <u>\$35,866,763</u>	 <u>\$49,833,490</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Education Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$244,463	\$254,560	\$257,507	\$2,947
Tuition and Fees	798,083	831,045	840,666	9,621
<i>Total Revenues</i>	<u>1,042,546</u>	<u>1,085,605</u>	<u>1,098,173</u>	<u>12,568</u>
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	521,644	521,644	473,485	48,159
Fringe Benefits	137,186	137,186	113,931	23,255
Purchased Services	15,915	19,775	19,775	0
Materials and Supplies	192,239	175,853	167,802	8,051
Capital Outlay - New	9,950	9,950	4,950	5,000
Other	11,300	16,514	16,514	0
Total Vocational	<u>888,234</u>	<u>880,922</u>	<u>796,457</u>	<u>84,465</u>
Adult/Continuing:				
Salaries and Wages	5,000	4,555	2,390	2,165
Fringe Benefits	820	1,265	1,265	0
Total Adult/Continuing	<u>5,820</u>	<u>5,820</u>	<u>3,655</u>	<u>2,165</u>
Total Instruction	<u>894,054</u>	<u>886,742</u>	<u>800,112</u>	<u>86,630</u>
Support Services:				
Pupils:				
Purchased Services	5,048	4,094	4,016	78
Materials and Supplies	16,779	17,733	17,733	0
Other	500	500	110	390
Total Pupils	<u>22,327</u>	<u>22,327</u>	<u>21,859</u>	<u>468</u>
Instructional Staff:				
Purchased Services	732	1,220	1,220	0
Administration:				
Salaries and Wages	26,574	26,574	19,470	7,104
Fringe Benefits	6,926	6,926	4,797	2,129
Purchased Services	32,135	31,647	30,268	1,379
Materials and Supplies	4,923	13,639	13,639	0
Capital Outlay - New	14,685	5,969	3,887	2,082
Total Administration	<u>\$85,243</u>	<u>\$84,755</u>	<u>\$72,061</u>	<u>\$12,694</u>

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Education Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation and Maintenance of Plant:				
Purchased Services	\$6,791	\$14,103	\$14,103	\$0
Central:				
Purchased Services	677	677	150	527
Total Support Services	115,770	123,082	109,393	13,689
<i>Total Expenditures</i>	<u>1,009,824</u>	<u>1,009,824</u>	<u>909,505</u>	<u>100,319</u>
<i>Excess of Revenues Over Expenditures</i>	32,722	75,781	188,668	112,887
Other Financing Uses				
Advances Out	<u>(200,000)</u>	<u>(100,000)</u>	<u>0</u>	<u>100,000</u>
<i>Net Change in Fund Balance</i>	(167,278)	(24,219)	188,668	212,887
<i>Fund Balance Beginning of Year</i>	347,012	347,012	347,012	0
Prior Year Encumbrances Appropriated	<u>83,246</u>	<u>83,246</u>	<u>83,246</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$262,980</u></u>	<u><u>\$406,039</u></u>	<u><u>\$618,926</u></u>	<u><u>\$212,887</u></u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$170,806	\$168,851	\$170,297	\$1,446
Contributions and Donations	19,836	19,609	19,777	168
Miscellaneous	29,358	29,021	29,270	249
<i>Total Revenues</i>	<u>220,000</u>	<u>217,481</u>	<u>219,344</u>	<u>1,863</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	4,415	4,415	0	4,415
Capital Outlay - New	493	493	0	493
Total Instruction	<u>4,908</u>	<u>4,908</u>	<u>0</u>	<u>4,908</u>
Support Services:				
Pupils:				
Purchased Services	27,970	27,970	23,805	4,165
Materials and Supplies	47,165	47,166	44,869	2,297
Other	17,244	16,309	13,093	3,216
Total Pupils	<u>92,379</u>	<u>91,445</u>	<u>81,767</u>	<u>9,678</u>
Instructional Staff:				
Purchased Services	12,722	11,008	11,008	0
Materials and Supplies	20,110	24,012	24,012	0
Capital Outlay - New	2,035	0	0	0
Other	290	1,072	1,072	0
Total Instructional Staff	<u>35,157</u>	<u>36,092</u>	<u>36,092</u>	<u>0</u>
Administration:				
Purchased Services	40,262	32,507	11,269	21,238
Materials and Supplies	68,378	68,378	67,695	683
Other	24,370	28,664	28,664	0
Total Administration	<u>133,010</u>	<u>129,549</u>	<u>107,628</u>	<u>21,921</u>
Operation and Maintenance of Plant:				
Materials and Supplies	\$1,059	\$1,059	\$171	\$888

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Pupil Transportation:				
Purchased Services	\$5,723	\$8,156	\$8,156	\$0
Total Support Services	267,328	266,301	233,814	32,487
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,000	2,028	2,028	0
Extracurricular Activities:				
School and Public Service:				
Other	150	150	0	150
Total Expenditures	273,386	273,387	235,842	37,545
Net Change in Fund Balance	(53,386)	(55,906)	(16,498)	39,408
Fund Balance Beginning of Year	102,668	102,668	102,668	0
Prior Year Encumbrances Appropriated	2,790	2,790	2,790	0
Fund Balance End of Year	\$52,072	\$49,552	\$88,960	\$39,408

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Local Grants Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$145,987	\$780,036	\$873,051	\$93,015
Contributions and Donations	2,655	14,186	15,878	1,692
Miscellaneous	1,358	7,255	8,120	865
<i>Total Revenues</i>	<u>150,000</u>	<u>801,477</u>	<u>897,049</u>	<u>95,572</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	7,378	23,192	15,310	7,882
Fringe Benefits	1,402	4,941	4,941	0
Purchased Services	11,704	37,501	27,620	9,881
Materials and Supplies	25,440	81,514	53,723	27,791
Capital Outlay - New	2,228	7,136	3,619	3,517
Total Regular	48,152	154,284	105,213	49,071
Special:				
Materials and Supplies	7,856	25,171	14,488	10,683
Vocational:				
Materials and Supplies	73	234	138	96
Total Instruction	<u>56,081</u>	<u>179,689</u>	<u>119,839</u>	<u>59,850</u>
Support Services:				
Pupils:				
Salaries and Wages	14,130	45,273	43,263	2,010
Fringe Benefits	1,185	7,337	7,337	0
Purchased Services	8	25	0	25
Materials and Supplies	1,947	7,591	7,591	0
Capital Outlay - New	624	2,000	1,663	337
Other	79,861	250,993	170,208	80,785
Total Pupils	<u>\$97,755</u>	<u>\$313,219</u>	<u>\$230,062</u>	<u>\$83,157</u>

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Local Grants Fund (continued)
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Instructional Staff:				
Salaries and Wages	\$53,959	\$111,754	\$94,596	\$17,158
Fringe Benefits	17,657	56,574	21,021	35,553
Purchased Services	34,353	107,469	86,723	20,746
Materials and Supplies	8,118	26,014	20,997	5,017
Total Instructional Staff	114,087	301,811	223,337	78,474
Administration:				
Salaries and Wages	4,789	99,000	99,000	0
Fringe Benefits	1,043	17,900	17,900	0
Purchased Services	31,871	86,091	86,091	0
Materials and Supplies	6,500	1,994	1,994	0
Capital Outlay - New	692	0	0	0
Total Administration	44,895	204,985	204,985	0
Operation and Maintenance of Plant:				
Purchased Services	31	100	96	4
Pupil Transportation:				
Purchased Services	9,170	31,979	15,000	16,979
Total Support Services	265,938	852,094	673,480	178,614
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	3,203	10,263	2,400	7,863
Materials and Supplies	12,357	39,593	3,075	36,518
Other	122,882	393,728	81,802	311,926
Total Operation of Non-Instructional Services	138,442	443,584	87,277	356,307
Capital Outlay:				
Capital Outlay - New	3,745	12,000	11,120	880
Total Expenditures	464,206	1,487,367	891,716	595,651
Net Change in Fund Balance	(314,206)	(685,890)	5,333	691,223
Fund Balance Beginning of Year	321,550	321,550	321,550	0
Prior Year Encumbrances Appropriated	122,026	122,026	122,026	0
Fund Balance (Deficit) End of Year	\$129,370	(\$242,314)	\$448,909	\$691,223

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Enterprise Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$5,231	\$3,444	\$7,360	\$3,916
Tuition and Fees	16,733	11,014	23,542	12,528
<i>Total Revenues</i>	<u>21,964</u>	<u>14,458</u>	<u>30,902</u>	<u>16,444</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	16,973	17,353	17,353	0
Fringe Benefits	3,909	4,110	4,110	0
Total Regular	<u>20,882</u>	<u>21,463</u>	<u>21,463</u>	<u>0</u>
Special:				
Salaries and Wages	38,339	39,197	39,197	0
Fringe Benefits	4,419	4,518	4,518	0
Materials and Supplies	196	86	0	86
Total Special	<u>42,954</u>	<u>43,801</u>	<u>43,715</u>	<u>86</u>
Total Instruction	<u>63,836</u>	<u>65,264</u>	<u>65,178</u>	<u>86</u>
Support Services:				
Administration:				
Salaries and Wages	16,538	16,908	16,908	0
Fringe Benefits	1,789	1,829	1,829	0
Total Support Services	<u>18,327</u>	<u>18,737</u>	<u>18,737</u>	<u>0</u>
<i>Total Expenditures</i>	<u>82,163</u>	<u>84,001</u>	<u>83,915</u>	<u>86</u>
<i>Excess of Revenues Under Expenditures</i>	(60,199)	(69,543)	(53,013)	16,530
Other Financing Sources				
Transfers In	23,296	15,334	32,776	17,442
<i>Net Change in Fund Balance</i>	(36,903)	(54,209)	(20,237)	33,972
<i>Fund Balance Beginning of Year</i>	36,903	36,903	36,903	0
Prior Year Encumbrances Appropriated	200	200	200	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$200</u>	<u>(\$17,106)</u>	<u>\$16,866</u>	<u>\$33,972</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Classroom Facilities Maintenance Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$294,274	\$289,725	\$295,757	\$6,032
Intergovernmental	33,788	33,265	33,958	693
<i>Total Revenues</i>	328,062	322,990	329,715	6,725
Expenditures				
Current:				
Support Services:				
Fiscal:				
Other	2,500	7,225	6,247	978
<i>Net Change in Fund Balance</i>	325,562	315,765	323,468	7,703
<i>Fund Balance Beginning of Year</i>	776,299	776,299	776,299	0
<i>Fund Balance End of Year</i>	<u>\$1,101,861</u>	<u>\$1,092,064</u>	<u>\$1,099,767</u>	<u>\$7,703</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Extracurricular Activities	\$136,111	\$126,717	\$127,101	384
Contributions and Donations	839	781	783	2
Miscellaneous	6,391	5,950	5,968	18
<i>Total Revenues</i>	<u>143,341</u>	<u>133,448</u>	<u>133,852</u>	<u>404</u>
Expenditures				
Current:				
Support Services:				
Pupil Transportation:				
Purchased Services	4,998	7,065	5,238	1,827
Extracurricular Activities:				
Sport Oriented Activities:				
Salaries and Wages	30	120	120	0
Fringe Benefits	37	156	156	0
Purchased Services	66,154	93,520	83,325	10,195
Materials and Supplies	77,838	110,037	67,027	43,010
Capital Outlay - New	15,955	22,555	19,366	3,189
Capital Outlay - Replacement	35,046	49,362	48,486	876
Total Extracurricular Activities	<u>195,060</u>	<u>275,750</u>	<u>218,480</u>	<u>57,270</u>
<i>Total Expenditures</i>	<u>200,058</u>	<u>282,815</u>	<u>223,718</u>	<u>59,097</u>
<i>Excess of Revenues Under Expenditures</i>	(56,717)	(149,367)	(89,866)	59,501
Other Financing Sources				
Transfers In	43,045	40,075	40,196	121
<i>Net Change in Fund Balance</i>	(13,672)	(109,292)	(49,670)	59,622
<i>Fund Balance Beginning of Year</i>	234,477	234,477	234,477	0
Prior Year Encumbrances Appropriated	7,207	7,207	7,207	0
<i>Fund Balance End of Year</i>	<u>\$228,012</u>	<u>\$132,392</u>	<u>\$192,014</u>	<u>\$59,622</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$1,618,937	\$1,427,131	\$1,438,927	\$11,796
Interest	16,188	14,270	14,388	118
<i>Total Revenues</i>	<u>1,635,125</u>	<u>1,441,401</u>	<u>1,453,315</u>	<u>11,914</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	481,451	500,255	487,182	13,073
Fringe Benefits	152,956	158,930	149,072	9,858
Purchased Services	239,608	248,967	227,525	21,442
Materials and Supplies	1,102,047	1,106,531	711,511	395,020
Capital Outlay - New	66,263	107,411	107,411	0
Capital Outlay - Replacement	69,794	72,520	69,720	2,800
Other	114,751	119,233	119,233	0
<i>Total Expenditures</i>	<u>2,226,870</u>	<u>2,313,847</u>	<u>1,871,654</u>	<u>442,193</u>
<i>Net Change in Fund Balance</i>	(591,745)	(872,446)	(418,339)	454,107
<i>Fund Balance Beginning of Year</i>	245,351	245,351	245,351	0
Prior Year Encumbrances Appropriated	<u>529,170</u>	<u>529,170</u>	<u>529,170</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$182,776</u>	<u>(\$97,925)</u>	<u>\$356,182</u>	<u>\$454,107</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Career Development Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	15,194	15,194	0	15,194
<i>Net Change in Fund Balance</i>	(15,194)	(15,194)	0	15,194
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$15,194)</u>	<u>(\$15,194)</u>	<u>\$0</u>	<u>\$15,194</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Professional Development Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$26,038	\$26,038	\$26,037	(\$1)
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	83	0	0	0
Materials and Supplies	13,826	80,478	76,682	3,796
Total Instruction	13,909	80,478	76,682	3,796
Support Services:				
Instructional Staff:				
Salaries and Wages	8,641	46,891	46,694	197
Fringe Benefits	1,728	10,000	8,145	1,855
Purchased Services	389	7,282	7,282	0
Materials and Supplies	333	0	0	0
Total Support Services	11,091	64,173	62,121	2,052
<i>Total Expenditures</i>	25,000	144,651	138,803	5,848
<i>Net Change in Fund Balance</i>	1,038	(118,613)	(112,766)	5,847
<i>Fund Balance Beginning of Year</i>	5,036	5,036	5,036	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	\$6,074	(\$113,577)	(\$107,730)	\$5,847

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Management Information Systems Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$36,798	\$36,798	\$36,798	\$0
Expenditures				
Current:				
Support Services:				
Pupils:				
Purchased Services	56,905	56,905	56,346	559
Operation and Maintenance of Plant:				
Purchased Services	17,808	17,808	17,808	0
<i>Total Expenditures</i>	<u>74,713</u>	<u>74,713</u>	<u>74,154</u>	<u>559</u>
<i>Net Change in Fund Balance</i>	(37,915)	(37,915)	(37,356)	559
<i>Fund Balance Beginning of Year</i>	<u>37,357</u>	<u>37,357</u>	<u>37,357</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$558)</u>	<u>(\$558)</u>	<u>\$1</u>	<u>\$559</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Entry Year Programs Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$4,000	\$17,600	\$17,600	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	186	11,250	11,250	0
Fringe Benefits	34	1,905	1,904	1
Materials and Supplies	80	4,745	4,733	12
<i>Total Expenditures</i>	300	17,900	17,887	13
<i>Net Change in Fund Balance</i>	3,700	(300)	(287)	13
<i>Fund Balance Beginning of Year</i>	2,412	2,412	2,412	0
Prior Year Encumbrances Appropriated	300	300	300	0
<i>Fund Balance End of Year</i>	<u>\$6,412</u>	<u>\$2,412</u>	<u>\$2,425</u>	<u>\$13</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Purchased Services	<u>40,678</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(40,678)	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>40,678</u>	<u>40,678</u>	<u>40,678</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$40,678</u></u>	<u><u>\$40,678</u></u>	<u><u>\$0</u></u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$334,835	\$215,782	\$216,441	\$659
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	251,685	200,800	200,800	0
Support Services:				
Pupils:				
Materials and Supplies	7,631	4,215	4,215	0
Other	4,104	2,958	2,958	0
Total Pupils	11,735	7,173	7,173	0
Instructional Staff:				
Salaries and Wages	1,641	0	0	0
Fringe Benefits	296	0	0	0
Purchased Services	13,947	11,639	11,639	0
Materials and Supplies	1,291	831	831	0
Total Instructional Staff	17,175	12,470	12,470	0
Administration:				
Purchased Services	27,765	21,722	21,722	0
Pupil Transportation:				
Purchased Services	453	418	418	0
Total Support Services	\$57,128	\$41,783	\$41,783	\$0

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	\$10,991	\$11,915	\$11,915	\$0
Fringe Benefits	3,250	2,035	2,035	0
Purchased Services	33,992	20,280	20,280	0
Materials and Supplies	1,582	897	537	360
Other	772	598	568	30
Total Operation of Non-Instructional Services	<u>50,587</u>	<u>35,725</u>	<u>35,335</u>	<u>390</u>
<i>Total Expenditures</i>	<u>359,400</u>	<u>278,308</u>	<u>277,918</u>	<u>390</u>
<i>Net Change in Fund Balance</i>	(24,565)	(62,526)	(61,477)	1,049
<i>Fund Balance Beginning of Year</i>	24,565	24,565	24,565	0
Prior Year Encumbrances Appropriated	<u>60,355</u>	<u>60,355</u>	<u>60,355</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$60,355</u></u>	<u><u>\$22,394</u></u>	<u><u>\$23,443</u></u>	<u><u>\$1,049</u></u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Summer Intervention Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$63,154	\$63,154	\$63,154	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	28,483	215,128	215,128	0
Fringe Benefits	5,696	39,718	37,542	2,176
Purchased Services	714	5,000	4,320	680
Materials and Supplies	6,424	29,574	29,574	0
Total Instruction	41,317	289,420	286,564	2,856
Support Services:				
Pupils:				
Salaries and Wages	6,424	45,000	763	44,237
Fringe Benefits	1,285	9,000	137	8,863
Materials and Supplies	178	1,250	0	1,250
Total Pupils	7,887	55,250	900	54,350
Instructional Staff:				
Materials and Supplies	357	2,500	382	2,118
Fiscal:				
Other	526	3,685	0	3,685
Total Support Services	8,770	61,435	1,282	60,153
<i>Total Expenditures</i>	50,087	350,855	287,846	63,009
<i>Net Change in Fund Balance</i>	13,067	(287,701)	(224,692)	63,009
<i>Fund Balance Beginning of Year</i>	50,086	50,086	50,086	0
<i>Fund Balance (Deficit) End of Year</i>	\$63,153	(\$237,615)	(\$174,606)	\$63,009

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Enhancement Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$8,558	\$8,558	\$8,558	\$0
Expenditures				
Current:				
Instruction:				
Vocational:				
Purchased Services	256	1,400	700	700
Materials and Supplies	1,957	6,871	5,358	1,513
Total Instruction	2,213	8,271	6,058	2,213
Support Services:				
Pupils:				
Salaries and Wages	0	0	12,909	(12,909)
Fringe Benefits	0	0	2,285	(2,285)
Total Support Services	0	0	15,194	(15,194)
<i>Total Expenditures</i>	2,213	8,271	21,252	(12,981)
<i>Net Change in Fund Balance</i>	6,345	287	(12,694)	(12,981)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	2,213	2,213	2,213	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$8,558</u>	<u>\$2,500</u>	<u>(\$10,481)</u>	<u>(\$12,981)</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Alternative Education Challenge Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$275,164	\$278,164	\$278,164	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	2,361	8,000	5,397	2,603
Fringe Benefits	488	1,652	121	1,531
Purchased Services	294	1,160	1,160	0
Materials and Supplies	3,340	11,157	7,945	3,212
Total Instruction	6,483	21,969	14,623	7,346
Support Services:				
Pupils:				
Salaries and Wages	597	6,771	6,771	0
Fringe Benefits	317	1,823	1,823	0
Purchased Services	55,107	181,239	179,038	2,201
Total Pupils	56,021	189,833	187,632	2,201
Instructional Staff:				
Purchased Services	2,202	7,461	3,795	3,666
Materials and Supplies	36	121	20	101
Total Instructional Staff	2,238	7,582	3,815	3,767
Administration:				
Salaries and Wages	15,827	53,633	51,521	2,112
Fringe Benefits	5,897	19,981	19,485	496
Purchased Services	215	728	509	219
Total Administration	\$21,939	\$74,342	\$71,515	\$2,827

(continued)

Youngstown City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Alternative Education Challenge Fund (continued)
For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Pupil Transportation:				
Purchased Services	\$4,253	\$14,412	\$14,139	\$273
Total Support Services	84,451	286,169	277,101	9,068
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	25,522	86,482	85,836	646
<i>Total Expenditures</i>	116,456	394,620	377,560	17,060
<i>Net Change in Fund Balance</i>	158,708	(116,456)	(99,396)	17,060
<i>Fund Balance Beginning of Year</i>	8,361	8,361	8,361	0
Prior Year Encumbrances Appropriated	108,050	108,050	108,050	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$275,119</u>	<u>(\$45)</u>	<u>\$17,015</u>	<u>\$17,060</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$300,000	\$152,402	\$152,402	\$0
Expenditures				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	6,252	829	829	0
Purchased Services	75,756	36,353	36,244	109
Materials and Supplies	14,998	6,064	5,524	540
Capital Outlay - New	5,210	2,500	2,453	47
Other	35,822	17,314	17,314	0
Total Pupils	138,038	63,060	62,364	696
Instructional Staff:				
Salaries and Wages	5,722	6,595	6,595	0
Fringe Benefits	2,699	1,760	1,760	0
Purchased Services	127,008	62,147	64,945	(2,798)
Materials and Supplies	11,743	4,435	4,435	0
Total Instructional Staff	147,172	74,937	77,735	(2,798)
Administration:				
Salaries and Wages	477	229	229	0
Fringe Benefits	85	41	41	0
Purchased Services	1,252	906	9,879	(8,973)
Total Administration	\$1,814	\$1,176	\$10,149	(\$8,973)

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fiscal:				
Other	\$2,363	\$0	\$0	\$0
Central:				
Purchased Services	10,420	5,000	5,000	0
Total Support Services	299,807	144,173	155,248	(11,075)
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	636	0	0	0
<i>Total Expenditures</i>	<u>300,443</u>	<u>144,173</u>	<u>155,248</u>	<u>(11,075)</u>
<i>Net Change in Fund Balance</i>	(443)	8,229	(2,846)	(11,075)
<i>Fund Balance Beginning of Year</i>	443	443	443	0
Prior Year Encumbrances Appropriated	15,690	15,690	15,690	0
<i>Fund Balance End of Year</i>	<u>\$15,690</u>	<u>\$24,362</u>	<u>\$13,287</u>	<u>(\$11,075)</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Basic Education Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$506,285	\$588,586	\$588,586	\$0
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	260,575	372,665	306,280	66,385
Fringe Benefits	49,931	71,410	56,296	15,114
Purchased Services	7,177	10,264	787	9,477
Materials and Supplies	4,685	6,700	2,002	4,698
Total Instruction	322,368	461,039	365,365	95,674
Support Services:				
Pupils:				
Salaries and Wages	65,001	18,289	15,843	2,446
Fringe Benefits	14,820	11,475	2,947	8,528
Purchased Services	3,563	5,096	4,221	875
Materials and Supplies	6,971	8,059	7,217	842
Total Pupils	90,355	42,919	30,228	12,691
Instructional Staff:				
Salaries and Wages	11,407	65,924	65,924	0
Fringe Benefits	954	26,427	26,427	0
Purchased Services	13,719	14,521	0	14,521
Materials and Supplies	3,776	5,400	944	4,456
Total Instructional Staff	29,856	112,272	93,295	18,977
Administration:				
Salaries and Wages	33,732	48,377	48,377	0
Fringe Benefits	12,012	16,814	14,978	1,836
Purchased Services	5,719	17,899	17,899	0
Materials and Supplies	4,033	7,679	7,679	0
Other	0	230	230	0
Total Administration	\$55,496	\$90,999	\$89,163	\$1,836

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Basic Education Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fiscal:				
Other	\$3,980	\$5,692	\$5,692	\$0
Operation and Maintenance of Plant:				
Purchased Services	3,356	9,900	9,900	0
Pupil Transportation:				
Purchased Services	874	1,250	750	500
Total Support Services	183,917	263,032	229,028	34,004
<i>Total Expenditures</i>	<u>506,285</u>	<u>724,071</u>	<u>594,393</u>	<u>129,678</u>
<i>Net Change in Fund Balance</i>	0	(135,485)	(5,807)	129,678
<i>Fund Balance (Deficit) Beginning of Year</i>	(266,677)	(266,677)	(266,677)	0
Prior Year Encumbrances Appropriated	18,654	18,654	18,654	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$248,023)</u>	<u>(\$383,508)</u>	<u>(\$253,830)</u>	<u>\$129,678</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Impact Aid Grant Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Administration:				
Purchased Services	<u>39</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(39)	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>39</u>	<u>39</u>	<u>39</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$39</u></u>	<u><u>\$39</u></u>	<u><u>\$0</u></u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Eisenhower Grant Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$38,972	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	38,972	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>18,902</u>	<u>18,902</u>	<u>18,902</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$57,874</u></u>	<u><u>\$18,902</u></u>	<u><u>\$18,902</u></u>	<u><u>\$0</u></u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,600,000	\$2,302,465	\$2,302,465	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	4,987	5,000	465	4,535
Special:				
Salaries and Wages	36,311	36,403	4,743	31,660
Fringe Benefits	6,468	6,484	480	6,004
Purchased Services	16,114	16,155	4,626	11,529
Materials and Supplies	514,221	592,988	592,988	0
Capital Outlay - New	196,503	197,000	188,239	8,761
Total Special	769,617	849,030	791,076	57,954
Total Instruction	774,604	854,030	791,541	62,489
Support Services:				
Pupils:				
Salaries and Wages	17,395	7,919	4,766	3,153
Fringe Benefits	4,913	1,838	1,838	0
Purchased Services	299,233	303,829	303,829	0
Materials and Supplies	42,027	32,773	32,773	0
Capital Outlay - New	24,937	24,561	23,003	1,558
Total Pupils	388,505	370,920	366,209	4,711
Instructional Staff:				
Salaries and Wages	485,323	532,596	532,596	0
Fringe Benefits	349,626	371,528	371,528	0
Purchased Services	65,664	46,334	46,334	0
Materials and Supplies	3,914	2,403	2,309	94
Capital Outlay - New	5,985	6,000	5,788	212
Total Instructional Staff	910,512	958,861	958,555	306
Administration:				
Salaries and Wages	21,180	21,234	20,574	660
Fringe Benefits	3,722	5,725	5,725	0
Purchased Services	7,723	5,749	0	5,749
Materials and Supplies	3,990	4,000	3,381	619
Capital Outlay - New	9,102	9,125	7,287	1,838
Total Administration	\$45,717	\$45,833	\$36,967	\$8,866

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fiscal:				
Other	\$54,079	\$54,216	\$53,216	\$1,000
Pupil Transportation:				
Purchased Services	208,701	86,584	12,185	74,399
Total Support Services	<u>1,607,514</u>	<u>1,516,414</u>	<u>1,427,132</u>	<u>89,282</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	83,788	84,057	84,057	0
Materials and Supplies	96,032	96,218	46,953	49,265
Total Community Services	<u>179,820</u>	<u>180,275</u>	<u>131,010</u>	<u>49,265</u>
<i>Total Expenditures</i>	<u>2,561,938</u>	<u>2,550,719</u>	<u>2,349,683</u>	<u>201,036</u>
<i>Net Change in Fund Balance</i>	(961,938)	(248,254)	(47,218)	201,036
<i>Fund Balance Beginning of Year</i>	14,788	14,788	14,788	0
Prior Year Encumbrances Appropriated	<u>126,877</u>	<u>126,877</u>	<u>126,877</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$820,273)</u>	<u>(\$106,589)</u>	<u>\$94,447</u>	<u>\$201,036</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$65,275	\$426,067	\$426,067	\$0
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	110,926	98,604	73,990	24,614
Fringe Benefits	31,035	31,705	29,734	1,971
Purchased Services	5,095	5,205	0	5,205
Materials and Supplies	25,787	26,344	26,017	327
Capital Outlay - New	49,156	50,217	43,117	7,100
Total Instruction	221,999	212,075	172,858	39,217
Support Services:				
Pupils:				
Salaries and Wages	141,277	144,328	140,828	3,500
Fringe Benefits	40,875	36,167	34,062	2,105
Purchased Services	10,053	9,089	5,400	3,689
Materials and Supplies	17,726	18,108	9,518	8,590
Total Pupils	209,931	207,692	189,808	17,884
Instructional Staff:				
Salaries and Wages	30,389	36,636	36,636	0
Fringe Benefits	6,788	21,653	21,653	0
Purchased Services	137	1,321	1,321	0
Total Instructional Staff	37,314	59,610	59,610	0
Administration:				
Purchased Services	9,123	9,320	3,779	5,541
Materials and Supplies	666	680	0	680
Total Administration	9,789	10,000	3,779	6,221
Total Support Services	\$257,034	\$277,302	\$253,197	\$24,105

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Extracurricular Activities:				
Occupation Oriented Activities:				
Salaries and Wages	\$0	\$245	\$245	\$0
Fringe Benefits	3,669	3,503	207	3,296
Total Extracurricular Activities	3,669	3,748	452	3,296
<i>Total Expenditures</i>	482,702	493,125	426,507	66,618
<i>Net Change in Fund Balance</i>	(417,427)	(67,058)	(440)	66,618
<i>Fund Balance (Deficit) Beginning of Year</i>	(295,495)	(295,495)	(295,495)	0
Prior Year Encumbrances Appropriated	58,733	58,733	58,733	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$654,189)</u>	<u>(\$303,820)</u>	<u>(\$237,202)</u>	<u>\$66,618</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Limited English Proficiency Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$19,510	\$7,680	\$10,423	\$2,743
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	5,764	26,615	18,687	7,928
Support Services:				
Instructional Staff:				
Salaries and Wages	1,521	5,000	72	4,928
Fringe Benefits	456	1,500	37	1,463
Purchased Services	3,360	11,042	942	10,100
Materials and Supplies	2,995	16,675	10,422	6,253
Total Instructional Staff	8,332	34,217	11,473	22,744
Fiscal:				
Other	111	365	365	0
Total Support Services	8,443	34,582	11,838	22,744
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	304	1,000	0	1,000
<i>Total Expenditures</i>	14,511	62,197	30,525	31,672
<i>Net Change in Fund Balance</i>	4,999	(54,517)	(20,102)	34,415
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	14,510	14,510	14,510	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$19,509</u>	<u>(\$40,007)</u>	<u>(\$5,592)</u>	<u>\$34,415</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$6,600,000	\$6,804,985	\$6,842,824	\$37,839
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	4,924	7,100	0	7,100
Materials and Supplies	146,065	210,628	129,137	81,491
Total Regular	150,989	217,728	129,137	88,591
Special:				
Salaries and Wages	2,604,288	3,736,570	2,818,997	917,573
Fringe Benefits	630,737	925,000	925,000	0
Purchased Services	23,578	37,379	37,379	0
Materials and Supplies	194,457	280,409	238,930	41,479
Other	70,191	101,217	55,502	45,715
Total Special	3,523,251	5,080,575	4,075,808	1,004,767
Total Instruction	3,674,240	5,298,303	4,204,945	1,093,358
Support Services:				
Pupils:				
Salaries and Wages	803,544	1,158,721	455,965	702,756
Fringe Benefits	259,077	373,592	166,997	206,595
Purchased Services	287,274	414,253	411,533	2,720
Materials and Supplies	223,142	321,774	18,626	303,148
Other	12,522	18,057	8,797	9,260
Total Pupils	1,585,559	2,286,397	1,061,918	1,224,479
Instructional Staff:				
Salaries and Wages	565,109	777,774	503,608	274,166
Fringe Benefits	162,083	270,846	270,846	0
Purchased Services	334,091	481,764	265,183	216,581
Materials and Supplies	191,838	165,871	68,573	97,298
Total Instructional Staff	1,253,121	1,696,255	1,108,210	588,045
Administration:				
Salaries and Wages	244,480	352,543	294,485	58,058
Fringe Benefits	64,680	93,269	76,634	16,635
Purchased Services	23,155	33,390	4,448	28,942
Materials and Supplies	33,198	47,872	18,081	29,791
Total Administration	\$365,513	\$527,074	\$393,648	\$133,426

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund (continued)
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fiscal:				
Other	\$70,894	\$212,992	\$212,992	\$0
Operation and Maintenance of Plant:				
Purchased Services	33,661	48,205	31,561	16,644
Materials and Supplies	2,325	3,688	3,688	0
Total Operation and Maintenance of Plant	35,986	51,893	35,249	16,644
Pupil Transportation:				
Purchased Services	56,441	81,390	68,172	13,218
Total Support Services	3,367,514	4,856,001	2,880,189	1,975,812
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	153,145	295,539	295,539	0
Fringe Benefits	59,542	92,272	92,272	0
Purchased Services	46,112	13,562	13,562	0
Materials and Supplies	44,970	36,666	8,516	28,150
Capital Outlay - New	24,061	37,345	1,761	35,584
Total Operation of Non-Instructional Services	327,830	475,384	411,650	63,734
<i>Total Expenditures</i>	7,369,584	10,629,688	7,496,784	3,132,904
<i>Net Change in Fund Balance</i>	(769,584)	(3,824,703)	(653,960)	3,170,743
<i>Fund Balance Beginning of Year</i>	767,584	767,584	767,584	0
Prior Year Encumbrances Appropriated	332,766	332,766	332,766	0
<i>Fund Balance (Deficit) End of Year</i>	\$330,766	(\$2,724,353)	\$446,390	\$3,170,743

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title V Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$101,150	\$101,150	\$101,150	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	38,901	48,365	14,903	33,462
Fringe Benefits	14,597	18,148	13,180	4,968
Purchased Services	46,433	54,163	54,062	101
Materials and Supplies	4,507	9,170	9,170	0
Total Instructional Staff	104,438	129,846	91,315	38,531
Administration:				
Materials and Supplies	2,413	3,000	0	3,000
Fiscal Services:				
Other	603	750	0	750
Total Support Services	107,454	133,596	91,315	42,281
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,124	1,397	1,243	154
Materials and Supplies	10,011	12,446	7,372	5,074
Capital Outlay - New	6,138	7,632	4,721	2,911
Total Operation of Non-Instructional Services	17,273	21,475	13,336	8,139
<i>Total Expenditures</i>	124,727	155,071	104,651	50,420
<i>Net Change in Fund Balance</i>	(23,577)	(53,921)	(3,501)	50,420
<i>Fund Balance Beginning of Year</i>	14,154	14,154	14,154	0
Prior Year Encumbrances Appropriated	29,702	29,702	29,702	0
<i>Fund Balance (Deficit) End of Year</i>	\$20,279	(\$10,065)	\$40,355	\$50,420

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Schools Grant Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$192,884	\$234,695	\$234,695	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	18,138	7,722	7,722	0
Fringe Benefits	3,628	7,845	7,845	0
Purchased Services	7,623	0	0	0
Materials and Supplies	3,244	2,426	2,426	0
Total Regular	32,633	17,993	17,993	0
Vocational:				
Purchased Services	6,348	0	0	0
Total Instruction	38,981	17,993	17,993	0
Support Services:				
Pupils:				
Salaries and Wages	8,672	9,562	8,302	1,260
Fringe Benefits	0	2,976	2,976	0
Purchased Services	37,922	36,528	30,475	6,053
Materials and Supplies	1,814	2,316	2,316	0
Capital Outlay - New	3,424	3,459	2,971	488
Total Pupils	51,832	54,841	47,040	7,801
Instructional Staff:				
Salaries and Wages	39,686	59,307	59,307	0
Fringe Benefits	10,883	20,146	20,146	0
Purchased Services	8,390	11,441	11,441	0
Materials and Supplies	931	2,443	2,443	0
Total Instructional Staff	59,890	93,337	93,337	0
Administration:				
Purchased Services	1,877	2,070	685	1,385
Materials and Supplies	860	948	457	491
Total Administration	2,737	3,018	1,142	1,876
Fiscal:				
Other	\$9,956	\$2,790	\$2,068	\$722

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Schools Grant Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Operation and Maintenance of Plant:				
Purchased Services	\$1,905	\$105	\$0	\$105
Materials and Supplies	<u>0</u>	<u>1,995</u>	<u>1,995</u>	<u>0</u>
Total Operation and Maintenance of Plant	<u>1,905</u>	<u>2,100</u>	<u>1,995</u>	<u>105</u>
Pupil Transportation:				
Purchased Services	<u>4,248</u>	<u>4,684</u>	<u>3,031</u>	<u>1,653</u>
Total Support Services	<u>128,663</u>	<u>158,670</u>	<u>146,618</u>	<u>12,052</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	13,190	25,956	25,956	0
Materials and Supplies	<u>8,969</u>	<u>6,665</u>	<u>6,665</u>	<u>0</u>
Total Operation of Non-Instructional Services	<u>22,159</u>	<u>32,621</u>	<u>32,621</u>	<u>0</u>
<i>Total Expenditures</i>	<u>189,803</u>	<u>209,284</u>	<u>197,232</u>	<u>12,052</u>
<i>Net Change in Fund Balance</i>	3,081	25,411	37,463	12,052
<i>Fund Balance Beginning of Year</i>	(55,625)	(55,625)	(55,625)	0
Prior Year Encumbrances Appropriated	<u>4,665</u>	<u>4,665</u>	<u>4,665</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$47,879)</u>	<u>(\$25,549)</u>	<u>(\$13,497)</u>	<u>\$12,052</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Grant Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$129,786	\$83,506	\$83,506	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	24,916	25,046	21,406	3,640
Fringe Benefits	10,397	10,451	9,041	1,410
Purchased Services	836	840	67	773
Materials and Supplies	10,840	10,898	9,768	1,130
Total Instruction	46,989	47,235	40,282	6,953
Support Services:				
Pupils:				
Materials and Supplies	3,482	5,477	5,477	0
Capital Outlay - New	0	4,635	4,635	0
Total Pupils	3,482	10,112	10,112	0
Instructional Staff:				
Salaries and Wages	46,333	39,963	33,887	6,076
Fringe Benefits	30,132	30,289	20,675	9,614
Purchased Services	6,332	6,365	880	5,485
Materials and Supplies	497	500	0	500
Total Instructional Staff	83,294	77,117	55,442	21,675
Fiscal:				
Other	3,558	3,577	1,618	1,959
Pupil Transportation:				
Purchased Services	1,408	1,415	0	1,415
Total Support Services	91,742	92,221	67,172	25,049
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	1,551	1,559	1,049	510
<i>Total Expenditures</i>	140,282	141,015	108,503	32,512
<i>Net Change in Fund Balance</i>	(10,496)	(57,509)	(24,997)	32,512
<i>Fund Balance Beginning of Year</i>	10,808	10,808	10,808	0
Prior Year Encumbrances Appropriated	9,179	9,179	9,179	0
<i>Fund Balance (Deficit) End of Year</i>	\$9,491	(\$37,522)	(\$5,010)	\$32,512

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Goals 2000 Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$20,000	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	405	0	0	0
<i>Net Change in Fund Balance</i>	19,595	0	0	0
<i>Fund Balance Beginning of Year</i>	405	405	405	0
Prior Year Encumbrances Appropriated	15,896	15,896	15,896	0
<i>Fund Balance End of Year</i>	<u>\$35,896</u>	<u>\$16,301</u>	<u>\$16,301</u>	<u>\$0</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Reducing Class Size Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$915,319	\$1,937,382	\$1,937,382	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	689,998	926,875	435,213	491,662
Fringe Benefits	135,590	182,138	50,673	131,465
Purchased Services	67,333	90,450	0	90,450
Materials and Supplies	34,565	46,431	0	46,431
Total Instruction	927,486	1,245,894	485,886	760,008
Support Services:				
Pupils:				
Purchased Services	3,567	4,792	0	4,792
Materials and Supplies	49,600	66,628	0	66,628
Other	23,822	32,000	0	32,000
Total Pupils	76,989	103,420	0	103,420
Instructional Staff:				
Salaries and Wages	296,654	398,496	261,725	136,771
Fringe Benefits	109,762	147,443	81,625	65,818
Purchased Services	813,536	1,092,825	942,885	149,940
Materials and Supplies	98,750	132,651	8,155	124,496
Other	19,043	25,580	0	25,580
Total Instructional Staff	1,337,745	1,796,995	1,294,390	502,605
Administration:				
Purchased Services	11,560	15,528	0	15,528
Materials and Supplies	8,014	10,766	0	10,766
Total Administration	19,574	26,294	0	26,294
Fiscal:				
Other	27,240	36,591	31,591	5,000
Total Support Services	\$1,461,548	\$1,963,300	\$1,325,981	\$637,319

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Reducing Class Size Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	\$19,575	\$26,295	\$735	\$25,560
Materials and Supplies	4,839	6,500	0	6,500
Total Community Services	24,414	32,795	735	32,060
<i>Total Expenditures</i>	2,413,448	3,241,989	1,812,602	1,429,387
<i>Net Change in Fund Balance</i>	(1,498,129)	(1,304,607)	124,780	1,429,387
<i>Fund Balance (Deficit) Beginning of Year</i>	(148,924)	(148,924)	(148,924)	0
Prior Year Encumbrances Appropriated	75,319	75,319	75,319	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$1,571,734)</u>	<u>(\$1,378,212)</u>	<u>\$51,175</u>	<u>\$1,429,387</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$185,366	\$1,225,426	\$1,243,737	\$18,311
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	9,734	10,611	10,362	249
Materials and Supplies	199,886	190,562	187,992	2,570
Other	58,559	52,712	43,090	9,622
Total Regular	268,179	253,885	241,444	12,441
Special:				
Materials and Supplies	1,517	1,653	1,265	388
Capital Outlay - New	0	11,125	11,125	0
Total Special	1,517	12,778	12,390	388
Total Instruction	269,696	266,663	253,834	12,829
Support Services:				
Pupils:				
Purchased Services	37,289	43,221	43,221	0
Materials and Supplies	78,622	88,053	88,053	0
Capital Outlay - New	8,227	9,073	9,073	0
Total Pupils	124,138	140,347	140,347	0
Instructional Staff:				
Salaries and Wages	327,462	340,718	340,718	0
Fringe Benefits	127,967	105,174	105,174	0
Purchased Services	95,515	59,451	59,451	0
Materials and Supplies	84,085	95,952	95,952	0
Total Instructional Staff	635,029	601,295	601,295	0
Administration:				
Purchased Services	113,481	264,436	264,436	0
Materials and Supplies	4,587	0	0	0
Total Administration	\$118,068	\$264,436	\$264,436	\$0

(continued)

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants Fund (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fiscal:				
Other	\$17,673	\$19,266	\$19,266	\$0
Pupil Transportation:				
Purchased Services	21,538	1,040	1,040	0
Total Support Services	916,446	1,026,384	1,026,384	0
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	17,796	19,400	15,840	3,560
Materials and Supplies	1,036	1,129	0	1,129
Capital Outlay - New	5,503	6,000	0	6,000
Total Community Services	24,335	26,529	15,840	10,689
<i>Total Expenditures</i>	<u>1,210,477</u>	<u>1,319,576</u>	<u>1,296,058</u>	<u>23,518</u>
<i>Net Change in Fund Balance</i>	(1,025,111)	(94,150)	(52,321)	41,829
<i>Fund Balance (Deficit) Beginning of Year</i>	(119,609)	(119,609)	(119,609)	0
Prior Year Encumbrances Appropriated	2,366	2,366	2,366	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$1,142,354)</u>	<u>(\$211,393)</u>	<u>(\$169,564)</u>	<u>\$41,829</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvements Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Capital Outlay:				
Site Improvement Services:				
Purchased Services	<u>8,798</u>	<u>9,000</u>	<u>9,000</u>	<u>0</u>
Site Acquisition Services:				
Purchased Services	1,501	1,200	700	500
Capital Outlay - New	<u>183,701</u>	<u>144,895</u>	<u>72,671</u>	<u>72,224</u>
Total Site Acquisition Services	<u>185,202</u>	<u>146,095</u>	<u>73,371</u>	<u>72,724</u>
<i>Total Expenditures</i>	<u>194,000</u>	<u>155,095</u>	<u>82,371</u>	<u>72,724</u>
<i>Net Change in Fund Balance</i>	(194,000)	(155,095)	(82,371)	72,724
<i>Fund Balance Beginning of Year</i>	<u>194,519</u>	<u>194,519</u>	<u>194,519</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$519</u></u>	<u><u>\$39,424</u></u>	<u><u>\$112,148</u></u>	<u><u>\$72,724</u></u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
School Net Plus Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$7,500	\$224,825	\$224,825	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	116	3,804	3,804	0
Materials and Supplies	6	200	200	0
Total Instruction	122	4,004	4,004	0
Support Services:				
Instructional Staff:				
Purchased Services	664	21,744	15,145	6,599
Materials and Supplies	8	245	245	0
Capital Outlay - New	6,660	218,075	218,071	4
Total Support Services	7,332	240,064	233,461	6,603
<i>Total Expenditures</i>	7,454	244,068	237,465	6,603
<i>Net Change in Fund Balance</i>	46	(19,243)	(12,640)	6,603
<i>Fund Balance Beginning of Year</i>	12,034	12,034	12,034	0
Prior Year Encumbrances Appropriated	7,209	7,209	7,209	0
<i>Fund Balance End of Year</i>	<u>\$19,289</u>	<u>\$0</u>	<u>\$6,603</u>	<u>\$6,603</u>

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Technology Equity Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$129,137	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Purchased Services	6,030	6,030	6,029	1
<i>Net Change in Fund Balance</i>	123,107	(6,030)	(6,029)	1
<i>Fund Balance Beginning of Year</i>	2	2	2	0
Prior Year Encumbrances Appropriated	6,029	6,029	6,029	0
<i>Fund Balance End of Year</i>	\$129,138	\$1	\$2	\$1

Youngstown City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
School Building Limited Assistance Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>884,675</u>	<u>884,675</u>	<u>884,675</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$884,675</u></u>	<u><u>\$884,675</u></u>	<u><u>\$884,675</u></u>	<u><u>\$0</u></u>

Youngstown City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	<u>\$12,484,743</u>	<u>\$13,313,089</u>	<u>\$13,374,954</u>	<u>\$61,865</u>
Expenses				
Purchased Services	1,147,941	1,219,400	1,184,450	34,950
Claims	<u>11,489,710</u>	<u>12,404,227</u>	<u>12,404,227</u>	<u>0</u>
<i>Total Expenses</i>	<u>12,637,651</u>	<u>13,623,627</u>	<u>13,588,677</u>	<u>34,950</u>
<i>Net Change in Fund Equity</i>	(152,908)	(310,538)	(213,723)	96,815
<i>Fund Equity Beginning of Year</i>	<u>6,029,540</u>	<u>6,029,540</u>	<u>6,029,540</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$5,876,632</u></u>	<u><u>\$5,719,002</u></u>	<u><u>\$5,815,817</u></u>	<u><u>\$96,815</u></u>

Youngstown City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Scholarship Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$307,123	\$0	\$49,694	\$49,694
Expenses				
Other	421,774	146,687	130,643	16,044
<i>Net Change in Fund Equity</i>	(114,651)	(146,687)	(80,949)	65,738
<i>Fund Equity Beginning of Year</i>	323,194	323,194	323,194	0
<i>Fund Equity End of Year</i>	<u>\$208,543</u>	<u>\$176,507</u>	<u>\$242,245</u>	<u>\$65,738</u>

Youngstown City School District
Governmental Activities
Revenues by Source and Expenses by Function
Last Three Fiscal Years

	2004	2003	2002
Program Revenues			
Charges for Services	\$2,167,477	\$1,898,202	\$2,091,873
Operating Grants and Contributions	31,096,043	30,267,424	26,255,511
Capital Grants and Contributions	303,626	187,868	10,247,063
General Revenues			
Property Taxes	24,935,178	24,494,409	25,697,105
Grants and Entitlements not Restricted to Specific Programs	90,374,828	60,408,284	59,136,751
Gain on Sale of Capital Assets	0	10,074	0
Investment Earnings	679,680	2,328,611	2,512,308
Miscellaneous	753,615	523,800	6,943,552
<i>Total</i>	<u>\$150,310,447</u>	<u>\$120,118,672</u>	<u>\$132,884,163</u>
Expenses			
Current:			
Instruction:			
Regular	\$49,344,569	\$43,511,312	\$39,941,913
Special	18,173,866	16,600,142	17,335,648
Vocational	4,026,251	3,948,158	4,003,260
Adult/Continuing	375,988	433,775	347,698
Support Services:			
Pupils	7,270,781	7,001,495	6,084,396
Instructional Staff	10,050,927	9,684,322	7,988,500
Board of Education	1,041,192	660,111	404,952
Administration	9,119,246	7,439,354	7,478,964
Fiscal	2,022,720	1,641,357	1,641,822
Business	1,179,357	600,963	627,486
Operation and Maintenance of Plant	12,179,767	11,897,949	10,967,364
Pupil Transportation	5,799,343	5,540,683	4,889,003
Central	954,196	846,629	590,712
Operation of Non-Instructional Services	2,440,469	2,540,111	3,176,349
Food Service Operations	3,892,089	3,313,870	3,833,953
Extracurricular Activities	485,862	938,708	722,055
Interest and Fiscal Charges	642,285	1,344,445	1,327,890
<i>Total</i>	<u>\$128,998,908</u>	<u>\$117,943,384</u>	<u>\$111,361,965</u>

Source: School District Financial Records

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

	2004	2003	2002	2001
Revenues				
Property Taxes	\$23,962,141	\$20,089,779	\$21,619,448	\$20,924,867
Intergovernmental	64,944,690	60,165,649	58,418,467	58,172,149
Interest	679,570	619,774	1,343,074	1,529,132
Tuition and Fees	668,499	442,592	495,554	806,380
Fines	199	0	0	0
Rentals	78,916	80,267	213,170	72,843
Extracurricular Activities	0	0	0	3,403
Contributions and Donations	2,523	0	100,000	887
Miscellaneous	707,500	332,301	3,244,619	231,964
Total	\$91,044,038	\$81,730,362	\$85,434,332	\$81,741,625
Expenditures				
Current				
Instruction:				
Regular	\$40,615,224	\$33,233,329	\$29,810,552	\$28,556,650
Special	11,378,442	10,962,007	9,916,680	9,343,173
Vocational	3,236,060	2,937,204	2,976,697	2,963,468
Adult/Continuing	0	10,037	0	0
Other	0	0	0	0
Support Services:				
Pupils	4,799,367	4,899,473	4,277,290	4,129,782
Instructional Staff	4,367,650	6,242,800	4,549,111	3,497,041
Board of Education	1,046,179	658,037	393,140	341,566
Administration	7,467,781	6,083,308	5,566,401	5,577,062
Fiscal	1,483,900	1,383,095	1,321,492	1,142,002
Business	1,108,297	569,340	610,242	659,873
Operation and Maintenance of Plant	11,008,657	10,581,929	9,908,570	9,498,342
Pupil Transportation	5,897,254	5,553,186	5,031,544	4,863,155
Central	919,453	838,674	688,073	797,663
Operation of Non-Instructional Services	55,733	21,094	4,240	2,245
Extracurricular Activities	393,538	615,905	546,140	489,630
Capital Outlay	703,750	96,468	88,293	501,033
Debt Service	221,235	693,864	529,007	578,817
Total	\$94,702,520	\$85,379,750	\$76,217,472	\$72,941,502

Source: School District's financial records

(1) 1998 through 2004 reported on GAAP Basis; all other years on Cash Basis.

2000	1999	1998	1997	1996	1995
\$20,465,971	\$20,085,104	\$19,044,728	\$13,431,079	\$19,033,313	\$18,365,468
58,757,710	56,288,563	48,993,278	38,868,657	46,837,949	42,435,704
1,071,459	1,129,723	1,352,117	578,908	808,434	438,432
1,113,563	504,352	144,157	431,618	287,146	315,312
0	0	0	0	0	0
85,474	116,278	135,461	0	0	0
0	0	0	0	0	0
49,000	500	800	0	0	0
653,444	586,886	603,885	707,532	766,776	388,749
<u>\$82,196,621</u>	<u>\$78,711,406</u>	<u>\$70,274,426</u>	<u>\$54,017,794</u>	<u>\$67,733,618</u>	<u>\$61,943,665</u>

\$20,630,668	\$24,281,570	\$20,909,776	\$25,315,474	\$28,446,134	\$28,688,527
13,565,183	12,573,577	8,514,383	9,018,033	9,302,532	8,894,897
2,693,339	3,006,263	3,416,051	3,809,531	4,425,991	4,259,562
0	0	36	102,987	102,602	89,462
0	0	0	516,523	665,959	408,054
3,600,741	3,829,395	2,469,245	1,937,982	2,211,890	2,770,350
3,559,725	3,068,461	2,252,955	3,367,472	3,955,419	4,592,644
392,264	363,000	760,165	43,031	46,476	52,647
4,721,439	4,929,297	5,524,684	4,895,870	5,442,675	5,443,281
1,257,938	1,131,793	1,357,675	869,341	952,105	864,086
728,351	978,516	969,340	1,033,864	813,795	407,821
8,641,368	8,799,569	9,292,668	9,825,501	10,172,692	10,355,212
4,257,009	4,205,433	3,882,492	3,679,615	3,847,472	4,056,952
708,896	909,315	7,470,967	4,522,332	3,211,523	2,228,433
3,496	19,467	55,275	0	0	0
404,104	519,825	457,498	530,621	537,000	573,095
0	15,561	0	0	0	0
956,039	2,186,818	2,214,205	0	2,216,571	478,416
<u>\$66,120,560</u>	<u>\$70,817,860</u>	<u>\$69,547,415</u>	<u>\$69,468,177</u>	<u>\$76,350,836</u>	<u>\$74,163,439</u>

Youngstown City School District
Property Tax Levies and Collections
Real and Tangible Personal Property (1)
Last Ten Years (2)

Year (2)	Total Tax Levy	Current Collections	Percent of Current Taxes Collected	Delinquent Collections	Total Collections
2003	\$57,464,787	\$27,015,195	47.01%	\$2,539,796	\$29,554,991
2002	57,622,478	24,082,849	41.79	2,414,003	26,496,852
2001	57,673,310	\$26,117,430	45.29	\$2,272,294	28,389,724
2000	52,726,957	23,548,185	44.66	1,530,742	25,078,927
1999	51,682,699	23,413,775	45.30	1,859,571	25,273,346
1998	49,421,534	22,955,380	46.45	1,137,948	24,093,328
1997	46,754,716	22,917,118	49.02	947,281	23,864,399
1996	44,682,854	23,298,932	52.14	1,174,677	24,473,609
1995	42,120,870	22,217,501	52.75	1,212,776	23,430,277
1994	41,481,757	22,565,587	54.40	1,205,551	23,771,138

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through 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.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

Percent of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes (3)	Percent of Outstanding Delinquent Taxes to Total Tax Levy
51.43%	\$21,828,985	37.99%
45.98	21,511,265	37.33
49.23	29,321,080	50.84
47.56	27,505,289	52.17
48.90	26,201,328	50.70
48.75	24,308,768	49.19
51.04	22,271,403	47.63
54.77	21,359,146	47.80
55.63	18,505,381	43.93
57.31	17,531,342	42.26

Youngstown City School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2004	\$492,735,280	\$1,407,815,086	\$60,377,920	\$68,611,273
2003	490,374,800	1,401,070,857	61,233,800	69,583,864
2002	482,328,610	1,378,081,743	60,945,900	69,256,705
2001	480,765,120	1,373,614,629	76,297,870	86,702,125
2000	473,182,340	1,351,949,543	84,548,700	96,078,068
1999	424,905,210	1,214,014,886	83,731,530	95,149,466
1998	413,589,680	1,181,684,800	83,683,920	95,095,364
1997	400,062,600	1,143,036,000	83,554,750	94,948,580
1996	397,799,090	1,136,568,829	87,077,020	98,951,159
1995	394,215,570	1,126,330,200	90,941,660	103,342,795

Source: Mahoning 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 on the following percentages:
 Real estate is assessed at 35 percent of actual value.
 Public utility personal is assessed at 88 percent of actual value.
 Tangible personal property is assessed at 25 percent of actual value for capital assets and 23 percent for inventory.

Tangible Personal Property		Total		Ratio
Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	
\$117,009,008	\$468,036,032	\$670,122,208	\$1,944,462,390	34%
95,865,420	383,461,680	647,474,020	1,854,116,401	35
104,853,770	419,415,080	648,128,280	1,866,753,527	35
98,391,970	393,567,880	655,454,960	1,853,884,634	36
93,751,240	375,004,960	651,482,280	1,823,032,571	36
94,506,670	378,026,680	603,143,410	1,687,191,032	36
98,591,280	394,365,120	595,864,880	1,671,145,284	36
101,193,270	404,773,080	584,810,620	1,642,757,660	36
74,188,550	296,754,200	559,064,660	1,532,274,188	36
79,804,737	319,218,948	564,961,967	1,548,891,943	36

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

Year	School Levy	Mahoning County Levy	City Levy	WRTA Levy	Park District Levy	Total Levy
2004	\$51.00	\$11.65	\$3.70	\$5.00	\$1.75	\$73.10
2003	51.00	11.70	3.70	5.00	1.75	73.15
2002	51.00	11.70	3.70	5.00	1.75	73.15
2001	51.00	10.70	3.70	0.00	0.00	65.40
2000	46.60	10.85	3.70	0.00	0.00	61.15
1999	46.60	10.85	3.70	0.00	0.00	61.15
1998	46.60	10.85	3.70	0.00	0.00	61.15
1997	46.60	10.95	3.70	0.00	0.00	61.25
1996	46.50	10.95	3.80	0.00	0.00	61.25
1995	46.50	9.95	3.80	0.00	0.00	60.25

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

Debt Service
Included in Total Levy

School	County	City	Total
\$3.90	\$0.50	\$3.70	\$8.10
3.90	0.85	3.70	8.45
3.90	0.85	3.70	8.45
3.90	2.05	3.70	9.65
0.00	2.20	3.10	5.30
0.00	2.20	3.10	5.30
0.00	0.70	3.10	3.80
0.00	2.05	3.10	5.15
0.00	2.15	3.20	5.35
0.00	1.95	3.20	5.15

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

Year	Net General Obligation Bonded Debt (1)	Assessed Value (2)	Youngstown City Population (3)	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
2004	\$0	\$670,122,208	79,200	0.00%	\$0.00
2003	0	647,474,020	82,757	0.00	0.00
2002	320,000	648,128,280	82,757	0.05	3.87
2001	620,000	655,454,960	82,757	0.09	7.49
2000	905,000	651,482,280	82,757	0.14	10.94
1999	1,119,866	603,143,410	82,757	0.19	13.53
1998	1,420,000	595,864,880	84,203	0.24	16.86
1997	1,660,000	584,810,620	85,243	0.28	19.47
1996	1,885,000	559,064,660	86,603	0.34	21.77
1995	2,100,000	564,961,967	87,924	0.37	23.88

Source:

- (1) School District Financial Records.
- (2) Mahoning County Auditor.
- (3) U.S. Census of Population.

Youngstown City School District
Computation of Legal Debt Margin
June 30, 2004

Assessed Valuation	\$670,122,208
Overall Debt Limit - 9% of Assessed Value (1)	\$60,310,999
Outstanding Debt:	
State Loans	1,555,000
Classroom Facilities Notes	31,625,000
Energy Conservation Loans	740,000
Asbestos Abatement Loans	46,107
Total Outstanding Debt	33,966,107
Less Exemptions:	
State Loans	(1,555,000)
Energy Conservation Loans	(740,000)
Asbestos Abatement Loans	(46,107)
Amount available in Debt Service Fund	(4,358,764)
Total Exemptions	(6,699,871)
Amount of Debt Applicable to Debt Limit	27,266,236
<i>Overall Debt Margin</i>	\$33,044,763
Unvoted Debt Limit - .10% of Assessed Value (1)	\$670,122
Amount of Debt Applicable	0
<i>Unvoted Debt Margin</i>	\$670,122

Source: Mahoning County Auditor and School District Financial Records

(1) Ohio Bond Law sets an overall limit of 9% for all debt and 1/10 of 1% for unvoted debt.

Youngstown City School District
Computation of Overlapping General Obligation Bonded Debt
December 31, 2003

Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Mahoning County	\$24,944,840	17.55%	\$4,376,916
Campbell City	222,213	0.04	96
Youngstown City	<u>16,315,000</u>	95.21	<u>15,533,175</u>
Total	<u><u>\$41,482,053</u></u>		<u><u>\$19,910,187</u></u>

Source: Mahoning County Auditor and Director of Finance, City of Youngstown - Data is presented on a calendar year basis because that is the manner in which information is maintained.

- (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. The valuations used were for the 2003 collection year.

Youngstown City School District
*Ratio of Annual Debt Service Expenditures for
 General Obligation Bonded Debt to General Fund Expenditures
 Last Ten Fiscal Years (1)(2)*

Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (Percentage)
2004	\$0	\$0	\$0	\$94,702,520	0.00%
2003	320,000	9,760	329,760	85,379,750	0.39%
2002	300,000	28,671	328,671	76,217,472	0.43
2001	285,000	46,512	331,512	72,941,502	0.45
2000	265,000	71,370	336,370	66,120,560	0.51
1999	250,000	86,620	336,620	70,817,860	0.48
1998	240,000	97,108	337,108	69,547,415	0.48
1997	225,000	165,615	390,615	69,468,177	0.56
1996	215,000	128,100	343,100	76,350,836	0.45
1995	205,000	140,605	345,605	74,163,439	0.47

Source: School District Financial Records.

(1) 1998 through 2004 reported on a GAAP Basis.

Youngstown City School District

Demographic Statistics

Last Ten Years

<u>Year</u>	<u>Mahoning County Population (1)</u>	<u>Youngstown City Population (2)</u>	<u>School Enrollment (3)</u>	<u>Mahoning County Unemployment Rate (4)</u>
2004	251,660	79,200	11,891	6.6%
2003	253,308	82,757	11,573	6.4
2002	254,958	82,757	11,589	7.1
2001	257,555	82,757	11,879	5.0
2000	252,597	82,757	10,703	5.5
1999	252,597	82,757	11,541	5.9
1998	255,165	84,203	12,293	5.8
1997	257,489	85,243	12,707	6.3
1996	263,884	86,603	12,640	6.3
1995	262,338	87,924	13,140	7.9

(1) Youngstown-Warren Regional Chamber of Commerce and the Office of Strategic Resource

(2) U.S. Census of Population

(3) School District Records

(4) Bureau of Labor Market Information

Youngstown City School District
*Property Value, Financial Institution Deposits
and Building Permits
Last Ten Years*

Year	Property Value (1) (Real Estate Only)	Mahoning County Financial Institution Deposits (000's) Banks	Value of Building Permits Issued
2003	\$490,374,800	\$2,072,882	\$37,455,949
2002	482,328,610	2,148,201	36,855,871
2001	480,765,120	2,333,516	32,549,698
2000	473,182,340	3,259,000	20,711,695
1999	424,905,210	3,078,583	40,475,581
1998	413,589,680	3,744,057	29,584,581
1997	400,062,600	3,138,907	33,964,698
1996	397,799,090	3,232,532	63,881,187
1995	394,215,570	3,155,543	18,316,399
1994	396,342,510	3,120,095	N/A

Source: Ohio Bureau of Employment Services, Federal Reserve Bank of Cleveland and the Geauga County Building Department and the Akron Board of Review.

(1) Represents assessed value.

N/A - Not Available.

Youngstown City School District

Principal Taxpayers

Real Estate Tax

December 31, 2003

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
CCA Prison Realty Trust	\$23,669,210	4.80%
Brandywine Apartments	3,891,160	0.79
Equity Industrial Partner	3,724,700	0.76
CMD Realty Group LLC.	3,002,950	0.61
Ohio Presbyterian Retirement	2,700,880	0.55
Bomaine Corporation (Brentwood Originals)	2,555,430	0.52
Gary M. Crim Inc.	2,531,010	0.51
Omni Manor	1,839,690	0.37
Vindicator Printing	1,398,200	0.28
Carrington South	1,176,780	0.25
Gander Properties LTD	1,163,480	0.24
City Centre One	1,102,960	0.22
Total	<u>\$48,756,450</u>	<u>9.90%</u>
Total Real Assessed Value	<u>\$492,735,280</u>	

Source: Mahoning County Auditor.

(1) Assessed values are for the 2004 collection year.

Youngstown City School District

Principal Taxpayers

Tangible Personal Property Tax

December 31, 2003

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Tangible Assessed Value</u>
V&M Star Partnership with General and Limited Partners	\$46,991,460	40.16%
Parker Hannifin Corporation	4,788,170	4.09
North Star Steel Company	3,578,370	3.06
Steel Forming Inc.	2,203,780	1.88
Midwest Steel and Alloy Corporation	1,549,450	1.32
Time Warner	1,532,810	1.31
Vindicator Printing Company	1,319,530	1.13
Bomine Corporation DBA Brentwood Original	1,154,920	0.99
Exal Corporation	1,051,370	0.90
Cantar Polyair Corporation	<u>980,740</u>	<u>0.84</u>
Total	<u>\$65,150,600</u>	<u>55.68%</u>
Total Tangible Assessed Value	<u>\$117,009,008</u>	

Source: Mahoning County Auditor.

(1) Assessed values are for the 2004 collection year.

Youngstown City School District

Principal Taxpayers

Public Utilities Tax

December 31, 2003

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Public Utility Assessed Value</u>
Ohio Edison Company	\$26,675,590	44.18%
Ohio Bell Telephone Company	14,531,240	24.07
American Transmission	4,828,970	8.00
East Ohio Gas Company	3,497,510	5.79
Norfolk Southern Combined	2,554,950	4.23
CSX Transportation Incorporated	1,079,310	1.79
MCI Worldcom Network Services	770,890	1.28
Ameritech Advanced Data	585,180	0.97
Qwest Communications	452,240	0.74
Youngstown Thermal	<u>451,500</u>	<u>0.75</u>
Total	<u><u>\$55,427,380</u></u>	<u><u>91.80%</u></u>
Total Public Utility Assessed Value	<u><u>\$60,377,920</u></u>	

Source: Mahoning County Auditor.

(1) Assessed values are for the 2004 collection year.

Youngstown City School District

Cost Per Pupil

Last Ten Fiscal Years (1)

<u>Year</u>	<u>General Fund Expenditures</u>	<u>Student Enrollment</u>	<u>Cost Per Pupil</u>
2004	\$94,702,520	11,891	\$7,964
2003	85,379,750	11,573	7,377
2002	76,217,472	11,589	6,577
2001	72,941,502	11,879	6,140
2000	66,120,560	10,703	6,178
1999	70,817,860	11,541	6,136
1998	69,547,415	12,293	5,657
1997	69,468,177	12,707	5,467
1996	76,350,836	12,640	6,040
1995	74,163,439	13,140	5,644

Source: School District Financial Records.

(1) 1998 through 2004 reported on a GAAP Basis.

Youngstown City School District

Teacher Education and Experience

June 30, 2004

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	139	17.25%
Bachelor + 15	207	25.68
Master's Degree	169	20.97
Master's + 15	119	14.76
Master's + 30	74	9.18
Master's + 45	98	12.16
Total	<u>806</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	100	12.41%
6 - 10	79	9.80
11 and Over	627	77.79
	<u>806</u>	<u>100.00%</u>

Source: School District Personnel Records.



**Auditor of State
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**YOUNGSTOWN CITY SCHOOL DISTRICT
MAHONING COUNTY**

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 4, 2005**