

**NEWARK CITY
SCHOOL DISTRICT
LICKING COUNTY, OHIO**

***GENERAL PURPOSE FINANCIAL STATEMENTS
(AUDITED)
FOR THE FISCAL YEAR ENDED
JUNE 30, 2000***

BRIAN WILSON, TREASURER



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Board of Education
Newark City School District

We have reviewed the Independent Auditor's Report of the Newark City School District, Licking County, prepared by Trimble, Julian & Grube, Inc. for the audit period July 1, 1999 through June 30, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Newark City School District is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

November 21, 2000

**NEWARK CITY SCHOOL DISTRICT
LICKING COUNTY, OHIO**

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Independent Auditor's Report

Board of Education
Newark City School District
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We have audited the accompanying general purpose financial statements of the Newark City School District, Licking County, (the "School District"), as of and for the year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

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

As discussed in Note 21 to the general purpose financial statements, the School District changed its method of computing compensated absences in fiscal year 2000.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2000 on our consideration of the School 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.

Board of Education
Newark City School District

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the School District, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Trimble, Julian & Grube, Inc.
September 19, 2000

General Purpose Financial Statements

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

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets and other debits:</u>				
<u>Assets:</u>				
Equity in pooled:				
Cash and cash equivalents	\$ 12,767,012	\$ 1,045,839	\$ 488,394	\$ 883,596
Cash and cash equivalents - nonexpendable trust	-	-	-	-
Receivables:				
Taxes	15,720,492	-	828,144	1,556,725
Accounts	145,140	4,400	-	-
Intergovernmental	85,882	104,389	-	-
Accrued interest	202,549	-	-	-
Interfund receivable	6,580	-	-	-
Inventory held for resale	-	-	-	-
Materials and supplies inventory	-	-	-	-
Equity in pooled cash and cash equivalents (restricted)	1,496,349	-	-	-
Fixed assets (net, where applicable, of accumulated depreciation)	-	-	-	-
<u>Other debits:</u>				
Amount available in debt service fund for retirement of general obligation bonds	-	-	-	-
Amount to be provided from general government resources	-	-	-	-
Total assets and other debits	<u>\$ 30,424,004</u>	<u>\$ 1,154,628</u>	<u>\$ 1,316,538</u>	<u>\$ 2,440,321</u>
<u>Liabilities, fund equity and other credits:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 301,051	\$ 101,670	\$ -	\$ 51,144
Accrued wages	3,255,241	243,329	-	-
Compensated absences payable	143,319	739	-	-
Interfund payable	-	-	-	5,834
Intergovernmental payable	769,215	56,669	-	-
Deferred revenue	12,382,564	-	776,427	1,456,564
Due to students	-	-	-	-
Notes payable	2,290,000	-	-	-
General obligation bonds payable	-	-	-	-
Total liabilities	<u>19,141,390</u>	<u>402,407</u>	<u>776,427</u>	<u>1,513,542</u>
<u>Fund equity and other credits:</u>				
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Unreserved	-	-	-	-
Fund balance:				
Reserved for encumbrances	1,237,431	217,324	-	848,957
Reserved for property taxes	873,122	-	51,717	100,161
Reserved for budget reserve	1,496,349	-	-	-
Reserved for endowments	-	-	-	-
Reserved for debt service	-	-	488,394	-
Unreserved, undesignated	7,675,712	534,897	-	(22,339)
Total fund equity and other credits	<u>11,282,614</u>	<u>752,221</u>	<u>540,111</u>	<u>926,779</u>
Total liabilities, fund equity and other credits	<u>\$ 30,424,004</u>	<u>\$ 1,154,628</u>	<u>\$ 1,316,538</u>	<u>\$ 2,440,321</u>

See accompanying notes to the general purpose financial statements

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$ 866,083	\$ 12,653	\$ 197,707	\$ -	\$ -	\$ 16,261,284
-	-	11,454	-	-	11,454
-	-	-	-	-	18,105,361
228	-	-	-	-	149,768
-	-	-	-	-	190,271
6,544	-	-	-	-	209,093
-	-	-	-	-	6,580
19,689	-	-	-	-	19,689
4,365	-	-	-	-	4,365
-	-	-	-	-	1,496,349
181,224	-	-	30,847,932	-	31,029,156
-	-	-	-	540,111	540,111
-	-	-	-	9,478,674	9,478,674
<u>\$ 1,078,133</u>	<u>\$ 12,653</u>	<u>\$ 209,161</u>	<u>\$ 30,847,932</u>	<u>\$ 10,018,785</u>	<u>\$ 77,502,155</u>
\$ 35	\$ 8,533	\$ 1,388	\$ -	\$ -	\$ 463,821
75,512	-	-	-	-	3,574,082
48,334	-	-	-	2,105,157	2,297,549
-	746	-	-	-	6,580
136,923	-	1,500	-	328,700	1,293,007
13,271	-	-	-	-	14,628,826
-	-	73,591	-	-	73,591
-	-	-	-	-	2,290,000
-	-	-	-	7,584,928	7,584,928
<u>274,075</u>	<u>9,279</u>	<u>76,479</u>	<u>-</u>	<u>10,018,785</u>	<u>32,212,384</u>
-	-	-	30,847,932	-	30,847,932
804,058	3,374	-	-	-	807,432
-	-	2,943	-	-	2,306,655
-	-	-	-	-	1,025,000
-	-	-	-	-	1,496,349
-	-	10,533	-	-	10,533
-	-	-	-	-	488,394
-	-	119,206	-	-	8,307,476
<u>804,058</u>	<u>3,374</u>	<u>132,682</u>	<u>30,847,932</u>	<u>-</u>	<u>45,289,771</u>
<u>\$ 1,078,133</u>	<u>\$ 12,653</u>	<u>\$ 209,161</u>	<u>\$ 30,847,932</u>	<u>\$ 10,018,785</u>	<u>\$ 77,502,155</u>

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

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Revenues:</u>				
Taxes	\$ 21,438,005	\$ -	\$ 877,148	\$ 1,432,374
Intergovernmental	21,003,093	3,935,842	65,269	294,471
Interest	1,124,207	-	-	-
Tuition and fees	438,598	-	-	-
Extracurricular activities	1,154	203,522	-	-
Miscellaneous	80,709	164,072	-	-
Total revenues	44,085,766	4,303,436	942,417	1,726,845
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	19,703,533	741,965	-	186,349
Special	3,207,113	1,212,246	-	-
Vocational	718,326	14,873	-	5,682
Other	16,931	-	-	-
Support services:				
Pupils	1,981,753	54,535	-	7,644
Instructional staff	1,604,390	783,064	-	-
Board of education	259,788	-	-	-
Administration	2,951,324	40,142	-	5,295
Fiscal	806,871	27,102	9,298	27,901
Business	711,682	-	-	3,411
Operation and maintenance of plant	3,809,489	16,882	-	32,515
Pupil transportation	1,464,070	3,995	-	113,408
Central	275,566	178,567	-	87,815
Operation of non-instructional services	-	686,457	-	-
Extracurricular activities	508,310	214,248	-	-
Capital outlay	17,020	13,170	-	1,350,204
Debt service:				
Principal retirement	-	-	485,000	-
Interest and fiscal charges	117,070	-	377,850	-
Total expenditures	38,153,236	3,987,246	872,148	1,820,224
Excess of revenues over (under) expenditures	5,932,530	316,190	70,269	(93,379)
<u>Other financing sources (uses):</u>				
Proceeds from sale of fixed assets	-	-	-	1,100
Operating transfers in	698,008	-	-	-
Operating transfers out	(980,675)	-	-	-
Total other financing sources (uses)	(282,667)	-	-	1,100
Excess of revenues and other financing sources over (under) expenditures and other financing uses	5,649,863	316,190	70,269	(92,279)
Fund balances at beginning of year	5,632,751	436,031	469,842	1,019,058
Fund balances at end of year	\$ 11,282,614	\$ 752,221	\$ 540,111	\$ 926,779

See accompanying notes to the general purpose financial statements

Fiduciary Fund Type	Totals (Memorandum Only)
Expendable Trust	
\$ -	\$ 23,747,527
-	25,298,675
1,935	1,126,142
-	438,598
15,312	219,988
69,517	314,298
86,764	51,145,228
1,077	20,632,924
-	4,419,359
-	738,881
-	16,931
-	2,043,932
11,745	2,399,199
-	259,788
-	2,996,761
-	871,172
-	715,093
-	3,858,886
-	1,581,473
-	541,948
36,099	722,556
5,955	728,513
24,000	1,404,394
-	485,000
-	494,920
78,876	44,911,730
7,888	6,233,498
-	1,100
-	698,008
-	(980,675)
-	(281,567)
7,888	5,951,931
113,340	7,671,022
\$ 121,228	\$ 13,622,953

Newark City School District
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
All Governmental Fund Types and Expendable Trust Fund
For the Fiscal Year Ended June 30, 2000

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 23,605,930	\$ 22,334,971	\$ (1,270,959)
Intergovernmental	20,746,523	20,964,846	218,323
Interest	688,722	893,242	204,520
Tuition and fees	156,100	275,205	119,105
Extracurricular activities	-	-	-
Miscellaneous	-	96,678	96,678
Total revenues	45,197,275	44,564,942	(632,333)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	20,456,524	20,345,308	111,216
Special	3,285,511	3,268,930	16,581
Vocational	748,031	734,727	13,304
Other	17,130	16,978	152
Support services:			
Pupils	2,048,350	2,021,952	26,398
Instructional staff	1,693,707	1,668,620	25,087
Board of education	267,153	256,841	10,312
Administration	2,976,973	2,972,935	4,038
Fiscal	878,355	878,107	248
Business	766,765	764,827	1,938
Operation and maintenance of plant	4,094,606	4,096,295	(1,689)
Pupil transportation	1,595,533	1,590,774	4,759
Central	311,091	306,563	4,528
Operation of non-instructional services	-	-	-
Extracurricular activities	512,400	511,634	766
Capital outlay	25,400	21,020	4,380
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	39,677,529	39,455,511	222,018
Excess of revenues over (under) expenditures	5,519,746	5,109,431	(410,315)
<u>Other financing sources (uses):</u>			
Proceeds from sale of fixed assets	-	-	-
Refund of prior year expenditures	45,000	16,423	(28,577)
Refund of prior year receipts	(6,300)	(6,289)	11
Other financing uses	(3,000)	(2,772)	228
Pass through	-	-	-
Advances in	45,000	560,193	515,193
Advances out	(5,834)	(5,834)	-
Operating transfers in	696,242	698,008	1,766
Operating transfers out	(1,278,751)	(1,278,751)	-
Total other financing sources (uses)	(507,643)	(19,022)	488,621
Excess of revenues and other financing sources over (under) expenditures and other financing uses	5,012,103	5,090,409	78,306
Fund balances at beginning of year, as restated	6,972,310	6,972,310	-
Prior year encumbrances appropriated	811,398	811,398	-
Fund balances at end of year	\$ 12,795,811	\$ 12,874,117	\$ 78,306

See accompanying notes to the general purpose financial statements

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 921,603	\$ 863,531	\$ (58,072)
4,612,557	3,831,453	(781,104)	-	65,269	65,269
-	-	-	-	-	-
-	-	-	-	-	-
191,450	203,522	12,072	-	-	-
143,830	159,672	15,842	-	-	-
<u>4,947,837</u>	<u>4,194,647</u>	<u>(753,190)</u>	<u>921,603</u>	<u>928,800</u>	<u>7,197</u>
814,350	745,653	68,697	-	-	-
1,312,875	1,249,910	62,965	-	-	-
24,071	23,807	264	-	-	-
-	-	-	-	-	-
74,071	58,154	15,917	-	-	-
881,430	842,747	38,683	-	-	-
-	-	-	-	-	-
44,660	43,480	1,180	-	-	-
26,613	26,525	88	9,300	9,298	2
-	-	-	-	-	-
20,717	20,717	-	-	-	-
7,650	5,482	2,168	-	-	-
259,459	247,535	11,924	-	-	-
877,837	776,160	101,677	-	-	-
245,305	239,927	5,378	-	-	-
13,240	13,170	70	-	-	-
-	-	-	995,000	995,000	-
-	-	-	494,920	494,920	-
<u>4,602,278</u>	<u>4,293,267</u>	<u>309,011</u>	<u>1,499,220</u>	<u>1,499,218</u>	<u>2</u>
<u>345,559</u>	<u>(98,620)</u>	<u>(444,179)</u>	<u>(577,617)</u>	<u>(570,418)</u>	<u>7,199</u>
-	-	-	-	-	-
-	45	45	-	-	-
(47,852)	(47,838)	14	-	-	-
-	-	-	-	-	-
(15,835)	(15,000)	835	-	-	-
-	-	-	-	-	-
(38,368)	(38,368)	-	-	-	-
2,204	2,204	-	627,070	627,070	-
(2,204)	(2,204)	-	-	-	-
<u>(102,055)</u>	<u>(101,161)</u>	<u>894</u>	<u>627,070</u>	<u>627,070</u>	<u>-</u>
243,504	(199,781)	(443,285)	49,453	56,652	7,199
586,156	586,156	-	431,742	431,742	-
340,204	340,204	-	-	-	-
<u>\$ 1,169,864</u>	<u>\$ 726,579</u>	<u>\$ (443,285)</u>	<u>\$ 481,195</u>	<u>\$ 488,394</u>	<u>\$ 7,199</u>

(Continued)

Newark City School District
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
All Governmental Fund Types and Expendable Trust Fund
For the Fiscal Year Ended June 30, 2000 - (Continued)

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 1,394,357	\$ 1,434,913	\$ 40,556
Intergovernmental	579,420	294,471	(284,949)
Interest	-	-	-
Tuition and fees	-	-	-
Extracurricular activities	-	-	-
Miscellaneous	-	-	-
Total revenues	1,973,777	1,729,384	(244,393)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	230,230	229,104	1,126
Special	-	-	-
Vocational	11,601	11,516	85
Other	-	-	-
Support services:			
Pupils	7,800	7,748	52
Instructional staff	336	336	-
Board of education	-	-	-
Administration	5,500	5,500	-
Fiscal	28,020	27,901	119
Business	3,450	3,411	39
Operation and maintenance of plant	58,957	58,920	37
Pupil transportation	240,868	240,073	795
Central	117,411	117,410	1
Operation of non-instructional services	-	-	-
Extracurricular activities	-	-	-
Capital outlay	1,941,549	1,919,645	21,904
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	2,645,722	2,621,564	24,158
Excess of revenues over (under) expenditures	(671,945)	(892,180)	(220,235)
<u>Other financing sources (uses):</u>			
Proceeds from sale of fixed assets	-	1,100	1,100
Refund of prior year expenditures	-	-	-
Refund of prior year receipts	-	-	-
Other financing uses	-	-	-
Pass through	-	-	-
Advances in	6,000	5,834	(166)
Advances out	(453,481)	(453,481)	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	(447,481)	(446,547)	934
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,119,426)	(1,338,727)	(219,301)
Fund balances at beginning of year, as restated	83,604	83,604	-
Prior year encumbrances appropriated	1,471,603	1,471,603	-
Fund balances at end of year	\$ 435,781	\$ 216,480	\$ (219,301)

See accompanying notes to the general purpose financial statements

Expendable Trust Fund			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 25,921,890	\$ 24,633,415	\$ (1,288,475)
-	-	-	25,938,500	25,156,039	(782,461)
1,022	1,935	913	689,744	895,177	205,433
-	-	-	156,100	275,205	119,105
9,350	15,312	5,962	200,800	218,834	18,034
65,878	80,082	14,204	209,708	336,432	126,724
<u>76,250</u>	<u>97,329</u>	<u>21,079</u>	<u>53,116,742</u>	<u>51,515,102</u>	<u>(1,601,640)</u>
1,950	1,216	734	21,503,054	21,321,281	181,773
-	-	-	4,598,386	4,518,840	79,546
-	-	-	783,703	770,050	13,653
-	-	-	17,130	16,978	152
-	-	-	2,130,221	2,087,854	42,367
14,323	13,183	1,140	2,589,796	2,524,886	64,910
-	-	-	267,153	256,841	10,312
-	-	-	3,027,133	3,021,915	5,218
-	-	-	942,288	941,831	457
-	-	-	770,215	768,238	1,977
-	-	-	4,174,280	4,175,932	(1,652)
-	-	-	1,844,051	1,836,329	7,722
-	-	-	687,961	671,508	16,453
38,811	37,870	941	916,648	814,030	102,618
6,000	5,955	45	763,705	757,516	6,189
24,000	24,000	-	2,004,189	1,977,835	26,354
-	-	-	995,000	995,000	-
-	-	-	494,920	494,920	-
<u>85,084</u>	<u>82,224</u>	<u>2,860</u>	<u>48,509,833</u>	<u>47,951,784</u>	<u>558,049</u>
<u>(8,834)</u>	<u>15,105</u>	<u>23,939</u>	<u>4,606,909</u>	<u>3,563,318</u>	<u>(1,043,591)</u>
-	-	-	-	1,100	1,100
-	-	-	45,000	16,468	(28,532)
-	-	-	(54,152)	(54,127)	25
-	-	-	(3,000)	(2,772)	228
-	-	-	(15,835)	(15,000)	835
-	-	-	51,000	566,027	515,027
(10,000)	(10,000)	-	(507,683)	(507,683)	-
500	500	-	1,326,016	1,327,782	1,766
(500)	(500)	-	(1,281,455)	(1,281,455)	-
<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>(440,109)</u>	<u>50,340</u>	<u>490,449</u>
(18,834)	5,105	23,939	4,166,800	3,613,658	(553,142)
81,780	81,780	-	8,155,592	8,155,592	-
31,400	31,400	-	2,654,605	2,654,605	-
<u>\$ 94,346</u>	<u>\$ 118,285</u>	<u>\$ 23,939</u>	<u>\$ 14,976,997</u>	<u>\$ 14,423,855</u>	<u>\$ (553,142)</u>

Newark City School District
Combined Statement of Revenues,
Expenses and Changes in Retained Earnings
All Proprietary Fund Types and Nonexpendable Trust Fund
For the Fiscal Year Ended June 30, 2000

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
<u>Operating revenues:</u>				
Sales	\$ 1,194,168	\$ -	\$ -	\$ 1,194,168
Interest	-	-	717	717
Other operating revenues	8,359	16,721	-	25,080
Total operating revenue	<u>1,202,527</u>	<u>16,721</u>	<u>717</u>	<u>1,219,965</u>
<u>Operating expenses:</u>				
Salaries	769,200	-	-	769,200
Fringe benefits	81,643	-	-	81,643
Purchased services	45,226	3,642	-	48,868
Materials and supplies	264,382	-	-	264,382
Cost of sales	992,561	-	-	992,561
Depreciation	28,487	-	-	28,487
Other operating expenses	3,180	12,827	700	16,707
Total operating expenses	<u>2,184,679</u>	<u>16,469</u>	<u>700</u>	<u>2,201,848</u>
Operating income (loss)	<u>(982,152)</u>	<u>252</u>	<u>17</u>	<u>(981,883)</u>
<u>Non-operating revenues (expenses):</u>				
Federal donated commodities	123,076	-	-	123,076
Operating grants	792,367	-	-	792,367
Interest	46,167	-	-	46,167
Loss on disposal of fixed assets	(3,744)	-	-	(3,744)
Total non-operating revenues (expenses)	<u>957,866</u>	<u>-</u>	<u>-</u>	<u>957,866</u>
Income (loss) before operating transfers	<u>(24,286)</u>	<u>252</u>	<u>17</u>	<u>(24,017)</u>
Operating transfers in	181,529	164,740	-	346,269
Operating transfers out	<u>(61,836)</u>	<u>(1,766)</u>	<u>-</u>	<u>(63,602)</u>
Net income	95,407	163,226	17	258,650
Retained earnings at beginning of year, as restated	708,651	(159,852)	11,437	560,236
Retained earnings at end of year	<u>\$ 804,058</u>	<u>\$ 3,374</u>	<u>\$ 11,454</u>	<u>\$ 818,886</u>

See accompanying notes to the general purpose financial statements

Newark City School District
Combined Statement of Cash Flows
All Proprietary Fund Types and Nonexpendable Trust Fund
For the Year Ended June 30, 2000

	Proprietary Fund Types		Fiduciary Fund Type	Totals
	Enterprise	Internal Service	Nonexpendable Trust	(Memorandum Only)
<u>Cash flows from operating activities:</u>				
Cash received from customers	\$ 1,203,104	\$ -	\$ -	\$ 1,203,104
Cash received from other operating sources	9,630	16,751	-	26,381
Cash payments to suppliers for goods and services	(1,200,028)	(3,605)	-	(1,203,633)
Cash payments to employees for services	(632,073)	-	-	(632,073)
Cash payments for employee benefits	(216,623)	-	-	(216,623)
Cash payments for other operating expenses	(4,670)	(5,285)	(700)	(10,655)
Net cash provided by (used for) operating activities	(840,660)	7,861	(700)	(833,499)
<u>Cash flows from noncapital financing activities:</u>				
Operating grants	903,281	-	-	903,281
Operating transfers in	17,275	-	-	17,275
Operating transfers out	(61,836)	(1,766)	-	(63,602)
Repayment of short-term loans to other funds	(58,344)	-	-	(58,344)
Net cash provided by (used for) noncapital financing activities	800,376	(1,766)	-	798,610
<u>Cash flows from capital financing activities:</u>				
Acquisition of capital assets	(15,479)	-	-	(15,479)
Net cash provided by (used for) capital financing activities	(15,479)	-	-	(15,479)
<u>Cash flows from investing activities:</u>				
Interest on investments	39,623	-	717	40,340
Net cash provided by investing activities	39,623	-	717	40,340
Net increase (decrease) in cash and cash equivalents	(16,140)	6,095	17	(10,028)
Cash and cash equivalents at beginning of year	882,223	6,558	11,437	900,218
Cash and cash equivalents at end of year	\$ 866,083	\$ 12,653	\$ 11,454	\$ 890,190
<u>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</u>				
Operating income (loss)	\$ (982,152)	\$ 252	\$ 17	\$ (981,883)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	28,487	-	-	28,487
Federal donated commodities	123,076	-	-	123,076
Interest reported as operating income	-	-	(717)	(717)
Change in assets and liabilities:				
(Increase) decrease in assets:				
Inventory	(12,194)	-	-	(12,194)
Accounts receivable	8,723	30	-	8,753
Increase (decrease) in liabilities:				
Accounts payable	(12,750)	7,579	-	(5,171)
Accrued wages	(1,474)	-	-	(1,474)
Compensated absences payable	1,110	-	-	1,110
Intergovernmental payable	1,943	-	-	1,943
Deferred revenue	4,571	-	-	4,571
Total adjustments	141,492	7,609	(717)	148,384
Net cash provided by (used for) operating activities	\$ (840,660)	\$ 7,861	\$ (700)	\$ (833,499)

See accompanying notes to the general purpose financial statements

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Newark City School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. The Board controls the School District's twenty-eight instructional/support facilities (eleven buildings at a campus-style high school), one administrative building, and one transportation/maintenance/warehouse building compound all staffed by 381 non-certificated employees and 538 certificated full time teaching personnel, and thirty-eight administrators, who provide services to 7,037 students and other community members.

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 entity for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board Statements and Interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The School District's significant accounting policies are described below.

A. Reporting Entity

The reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements of the 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 Newark City School District, this includes general operations, food service, preschool and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organizations' 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 organizations' 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.

Within the boundaries of the School District, Saint Francis Elementary, Blessed Sacrament Elementary, and Newark Catholic High School are operated through the Columbus Catholic Diocese; Par Excellence and Montessori are operated as private schools. State legislation provides funding to these parochial and private schools. The School District receives the money and then disburses the money as directed by the parochial/private schools. The accounting for the moneys is reflected in a special revenue fund of the School District. The School District does not have any component units.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

The School District is associated with the Licking Area Computer Association, Licking County Joint Vocational School and the Newark Public Library, which are defined as jointly governed organizations. Jointly governed organizations are governed by representatives from each of the governments that create the organizations, but there is no ongoing financial interest or responsibility by the participating governments. Information regarding these organizations is presented in Note 15 and 20.

B. Basis of Presentation - Fund Accounting

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

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

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

Governmental Fund Types

Governmental funds are those through which most governmental functions of the School District are financed. The acquisition, use, and balances of the School District's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds and trust funds) are accounted for through governmental funds. The following are the School District's governmental fund types:

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

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

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

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

Proprietary Fund Types

Proprietary funds are used to account for the School District's ongoing activities which are similar to those found in the private sector. The following are the School District's proprietary fund types:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds - Internal service funds account 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.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include expendable trust, nonexpendable trust, and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Nonexpendable trust funds are accounted for in essentially the same manner as proprietary funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the School District, other than those accounted for in the proprietary or trust funds.

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

C. Measurement Focus and Basis of Accounting

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after year-end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes, income taxes, investment earnings, tuition, grants and entitlements, and student fees.

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

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. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred. There were no unbilled service charges receivable at year-end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

D. Budgets and Budgetary Accounting

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each function. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget:

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

Estimated Resources:

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

Appropriations:

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, two supplemental appropriations were legally enacted.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

The budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions. Under Ohio law advances are not required to be budgeted.

Encumbrances:

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

Lapsing of Appropriations:

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

E. Cash and Investments

To improve cash management, all cash received by the School District is pooled in a central bank account. Monies for all funds, including proprietary funds, are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents" on the balance sheet. During the fiscal year, investments were limited to overnight repurchase agreements, certificates of deposits, U.S. government backed securities, and an interest in Star Ohio, the State Treasurer's Investment Pool. Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value which is based on quoted market prices. Under existing Ohio statutes, all investment earnings accrue to the general fund except those specifically related to certain trust funds, unless the Board specifically allows the interest to be recorded in other funds.

GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments" was implemented during fiscal year 1998. In accordance with this statement, investments held at June 30, 2000 with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at fiscal year end. All investments not required to be reported at fair value are stated at cost or amortized cost.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

F. Inventory

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds was not significant at the end of the current fiscal period. Inventories of proprietary funds consisted of donated food, purchased food, and supplies held for resale and are expensed when used.

G. Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars. The School District does not possess any infrastructure.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

H. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include unexpected revenues restricted for the purchase of school buses, and amounts required to be set aside by the School District for the purchase of textbooks, for the acquisition or construction of capital assets and to create a reserve for budget stabilization. See Note 19 for the calculation of the year-end restricted asset balance and the corresponding fund balance reserve.

I. Intergovernmental Revenues

In governmental funds, federal and state grants awarded on a non-reimbursement basis and federal entitlements are recorded as intergovernmental receivables and revenues when measurable and available. Federal and state reimbursable type grants are recorded as intergovernmental receivables and revenues when the related liabilities are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and became measurable.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

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

Entitlements

General Fund

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

Non-Reimbursable Grants

Special Revenue Funds

Alternative Schools
Auxiliary Services
Career Development
CIP Mini Grant
Data Communication
Disadvantaged Pupil Impact Aid
Drug Free Schools
EHA Preschool
Entry Year GRT
Family and School Partnership
Instructional Material Subsidy
Management Information System
Ohio Reads
Ohio School to Work
Raising the Bar
Safe and Drug Free School
Safe School Help Line
School Net Technology and Learning Center
School To Work
State Library GRT
Teacher Development
Title I
Title II
Title VI
Title VI-B
Title VI-R

Capital Projects

School Net
Vocational Education Equipment
Emergency Building Repairs
Technology Equity

Reimbursable Grants

General Fund

Driver Education Reimbursement

Proprietary Funds

National School Lunch Program
National School Breakfast Program
Government Donated Commodities

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

Grants and entitlements amounted to approximately fifty-three percent of the School District's operating revenue during the current fiscal year.

J. Short-term Interfund Assets/Liabilities

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables" and "interfund payables." Long-term interfund loans are classified as "advances to/from other funds" and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources since they are not a component of net current assets.

K. Compensated Absences

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

Accumulated vacation and sick leave of employees paid from governmental funds has been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources. The balance of the liability is recorded in the general long-term debt account group. Vacation and sick leave for employees paid from proprietary funds are recorded as an expense and liability of the fund.

L. Accrued Liabilities and Long-term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions, and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term debt account group to the extent that they will not be paid with current available expendable financial resources. Bonds and capital leases are reported as a liability of the general long-term debt account group until due.

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

M. Interfund Transactions

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

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

N. Fund Balance Reserves

The School District records reservations for 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 appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, budget reserve, property taxes, endowments, and debt service.

O. 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.

P. Memorandum Only - Total Columns on General Purpose Financial Statements

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

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

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

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for all governmental fund types.

	<i>Excess of Revenues and Other Financing Sources Over (Under)</i>			
	<i>Expenditures and Other Financing Uses</i>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<i>GAAP Basis</i>	\$ 5,649,863	\$ 316,190	\$ 70,269	\$ (92,279)
<i>Revenue Accruals</i>	1,055,792	(106,540)	613,453	8,373
<i>Expenditure Accruals</i>	(267,406)	(90,167)	(627,070)	(587,703)
<i>Encumbrances (Budget Basis)</i>				
<i>Outstanding at year end</i>	<u>(1,347,840)</u>	<u>(319,264)</u>	<u>-</u>	<u>(667,118)</u>
<i>Budget Basis</i>	<u>\$ 5,090,409</u>	<u>\$ (199,781)</u>	<u>\$ 56,652</u>	<u>\$ (1,338,727)</u>

NOTE 4 - 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 Board of Education has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim 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 deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including pass book accounts. Interim moneys may be invested in the following obligations provided they mature or are redeemable within five years from the date of settlement:

1. United States Treasury bills, notes, bonds, or any other obligations or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements for a period not to exceed thirty days in securities listed above that mature within five years from the date of settlement;
4. Bonds and other obligations of the State of Ohio;

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

5. No-load money market mutual funds consisting exclusively of obligations described in item (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation, 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 moneys deposited with the institution.

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.

Deposits:

At year-end, the carrying amount of the School District's deposits including petty cash of \$4,017 was \$1,106,346 and the bank balance was \$1,865,022. Of the bank balance, \$1,600,000 was covered by federal depository insurance or surety company bonds deposited with the School District and \$265,022 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School District's name.

Investments:

GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that the School District's investments be classified in categories of risk. 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 for which the securities are held by the 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.

Interest is legally required to be placed in the general fund; the Food Service enterprise fund; the Special Trust expendable trust fund and the Fletcher Trust Endowment nonexpendable trust fund. Interest revenue credited to the general fund, the Food Service fund, the Special Trust fund, and the Fletcher Trust Endowment fund during the fiscal year 2000 amounted to \$1,124,207, \$46,167, \$1,935 and \$717, respectively. The general fund and Food Service fund interest respectively includes \$126,121, and \$1,113 assigned from other School District funds.

The School District has invested funds in STAR Ohio during 2000. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio 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 STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2000.

Newark City School District
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For the fiscal year ended June 30, 2000

	<i>Category</i>		<i>Fair</i>
	<u>2</u>	<u>3</u>	<u>Value</u>
<i><u>Categorized Investments</u></i>			
<i>Repurchase Agreements</i>	\$ -	1,019,112	1,019,112
<i>US Government Securities</i>	<u>13,991,993</u>	-	<u>13,991,993</u>
<i>Total Categorized</i>	<u>\$ 13,991,993</u>	<u>1,019,112</u>	<u>15,011,105</u>
 <i><u>Noncategorized Investments</u></i>			
<i>State Treasurer's Pool</i>			<u>1,651,636</u>
<i>Total Investments</i>			<u>\$ 16,662,741</u>

NOTE 5 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at eighty-eight percent of true value (with certain exceptions) and on real property at thirty-five percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are twenty-five percent of true 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 alternative payment dates to be established.

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

The School District receives property taxes from Licking 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 are available to finance the current year operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property and public utility taxes, which became measurable as of June 30. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30 was \$873,122 in the general fund, \$100,161 in the Permanent Improvement capital projects fund and \$51,717 in the Bond Retirement debt service fund and is recognized as revenue.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

There were no new levies passed during the current fiscal year. The assessed values upon which the current fiscal year taxes were collected are:

<u>Property Category</u>	<u>1999</u> <u>Assessed Value</u>	<u>1998</u> <u>Assessed Value</u>
<u>Real Property</u>		
Residential and Agricultural	\$ 428,064,980	\$ 367,296,400
Commercial and Industrial	140,387,530	119,793,230
Public Utilities	300,297	329,880
<u>Tangible Personal Property</u>		
General	56,445,250	59,310,510
Public Utilities	35,424,343	39,243,900
Total	<u>\$ 660,622,400</u>	<u>\$ 585,973,920</u>

NOTE 6 – INCOME TAXES

The School District levies a voted tax of one percent for general operations on the income of residents and of estates. The tax was effective on January 1, 1998, and will continue for five years. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the general fund.

NOTE 7 - RECEIVABLES

Receivables at year-end consisted of taxes, accounts (tuition and excess costs), interfund and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. The general and special revenue funds' intergovernmental receivable at June 30, consisted of \$85,882 and \$104,389, respectively.

NOTE 8 - FIXED ASSETS

Enterprise Fund: A summary of the enterprise funds' fixed assets at year-end follows:

<u>Classification</u>	<u>Balance</u>
Equipment	\$ 297,705
Less: accumulated depreciation	<u>(116,481)</u>
Net Fixed Assets	<u>\$ 181,224</u>

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

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

<u>Classification</u>	<u>Balance</u>			<u>Balance</u>
	<u>July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30</u>
<i>Land and Land Improvements</i>	\$ 977,144	\$ 7,057	\$ -	\$ 984,201
<i>Buildings</i>	20,485,729	1,318,063	-	21,803,792
<i>Furniture and Equipment</i>	5,693,237	283,375	(105,291)	5,871,321
<i>Vehicles</i>	1,998,328	190,290	-	2,188,618
<i>Construction in Progress</i>	30,292	-	(30,292)	-
<i>Total</i>	<u>\$ 29,184,730</u>	<u>\$ 1,798,785</u>	<u>\$ (135,583)</u>	<u>\$ 30,847,932</u>

NOTE 9 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no settlements paid in excess of insurance nor has insurance coverage been significantly reduced in the past three years.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 10 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634 or by calling (614) 222-5853.

Plan members are required to contribute nine percent of their annual covered salary and the School District is required to contribute an actuarially determined rate of fourteen percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to the statutory maximum amounts, by the SERS Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$941,196, \$810,232, and \$876,792, respectively; thirty-seven percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$596,641 representing the unpaid contribution for fiscal year 2000 is recorded as a liability within the respective funds and the general long-term debt account group.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing, multiple employer defined benefit pension plan. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District is required to contribute an actuarially determined rate of fourteen percent of annual covered payroll. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of ten percent for members and fourteen percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$3,258,290, \$3,394,857, and \$3,316,260, respectively; eighty-three percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$538,124 representing the unpaid contribution for fiscal year 2000 is recorded as a liability within the respective funds.

NOTE 11 - POSTEMPLOYMENT BENEFITS

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System (STRS). Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Benefit provisions and the obligations to contribute are established by the STRS based on authority granted by State statute. Most benefit recipients are required to pay a portion of the health care cost in the form of a monthly premium.

By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently fourteen percent of covered payroll. The retirement board currently allocates employer contributions equal to eight percent of covered payroll to the Health Care Reserve Fund from which payments for health care benefits are paid. For the School District this amount equaled \$1,861,880 during the 2000 fiscal year. The balance in the Health Care Reserve Fund for the STRS was \$2.783 billion at June 30, 1999, (latest information available). For the year ended June 30, 1999, the net health care costs paid by the STRS were \$249,929,000 and eligible benefit recipients totaled 95,796.

For the School Employees Retirement System (SERS), coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of seventy-five percent of the premium. For this fiscal year, employer contributions to fund health care benefits were 6.3 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to fourteen percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the fourteen percent contribution rate, provides for maintenance of the asset target level for the health care fund. For the School District, the amount of employer contributions used to fund health care equaled \$423,538, which includes a surcharge of \$126,043 during the 2000 fiscal year.

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Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 1999, (latest information available) were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999, the SERS's net assets available for payment of health care benefits was \$188 million. The number of participants receiving health care benefits was approximately 51,000.

NOTE 12 - INTERFUND TRANSACTIONS

Interfund balances at year-end consist of the following individual fund receivables and payables:

Interfund receivable/payable

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Rotary	\$ 746
General	Vocational Ed. Equipment	5,834
Total		<u>\$ 6,580</u>

NOTE 13 - LONG TERM DEBT

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

<u>General Long-Term Debt</u>	<u>Balance</u> <u>July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30</u>
<u>Bonds</u>				
Energy Conservation Bonds, 6.743%, maturing on December 1, 2000	\$ 380,000	\$ -	\$ (185,000)	\$ 195,000
Energy Conservation Bonds, 5.904%, maturing on March 1, 2002	315,000	-	(100,000)	215,000
Library Improvement Bonds, 5.137% maturing on December 1, 2022	7,374,928	-	(200,000)	7,174,928
Total Bonds	<u>8,069,928</u>	<u>-</u>	<u>(485,000)</u>	<u>7,584,928</u>
<u>Other Obligations</u>				
Long-term compensated absences (restated)	2,017,627	87,530	-	2,105,157
Early retirement incentive obligation	800,000	-	(800,000)	-
Employer pension obligations	328,389	328,700	(328,389)	328,700
Total Other Obligations	<u>3,146,016</u>	<u>416,230</u>	<u>(1,128,389)</u>	<u>2,433,857</u>
Total General Long-Term Debt	<u>\$ 11,215,944</u>	<u>\$ 416,230</u>	<u>\$ (1,613,389)</u>	<u>\$ 10,018,785</u>

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

The annual requirements to amortize all bonds and notes outstanding as of year-end including interest payments of \$5,228,210 are as follows:

<i>Fiscal Year</i>	<i>Energy Conservation Bonds</i>	<i>Library Improvement Bonds</i>	<i>Total Bonded Debt</i>
2001	\$ 318,143	\$ 543,670	\$ 861,813
2002	115,940	540,062	656,002
2003	-	540,930	540,930
2004	-	541,211	541,211
2005	-	541,217	541,217
Thereafter	-	9,671,964	9,671,964
Total	\$ 434,083	\$ 12,379,054	\$ 12,813,137

The Energy Conservation Bonds Payable and the Library Improvement Bonds Payable will be paid from the Bond Retirement debt service fund. Compensated absences and employer pension due to the School Employees Retirement System will be paid from the fund from which the person is paid.

NOTE 14 – TAX ANTICIPATION NOTE

The Ohio Revised Code allows for the issuance of tax anticipation notes with a maximum maturity not exceeding five years. The School District issued \$2,800,000 of Income Tax Anticipation Notes at an interest rate of 4.6% on April 8, 1998. These notes are reflected as a liability of the general fund and will be retired with tax revenues with the final payment due in fiscal year 2004.

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS

Licking Area Computer Association (LACA) is the computer service organization or Data Acquisition Site (DAS) used by the School District. LACA is an association of public school districts in a geographic area determined by the Ohio Department of Education. The Licking County Educational Service Center acts as the fiscal agent for the consortium. The purpose of the consortium is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All Districts in the consortium are required to pay fees, charges, and assessments as charged. A board made up of superintendents from all of the participating districts governs LACA. An elected Executive Board consisting of five members of the governing board is the managerial body of the consortium and meets on a monthly basis. The School District does not maintain an ongoing financial interest or an ongoing financial responsibility. Payments to LACA are made from the general fund. During the current fiscal year the School District contributed \$116,151 to LACA.

The Licking County Joint Vocational School (JVS) is a distinct political subdivision of the State of Ohio, which provides vocational education for students. The JVS is operated under the direction of a Board consisting of three representatives from the Licking County Educational Service Center, two representatives from Newark City Schools, one representative from the Heath City Schools, and one representative from the Granville Exempted Village Schools elected boards. The JVS possesses its own budgeting and taxing authority.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

NOTE 16 - CONTINGENCIES

A. Grants:

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

B. Litigation:

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

C. School Funding:

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 2000 the School District received \$18,847,570 of school foundation support for its general fund.

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

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

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

D. Other Contingencies:

On November 3, 1998 voters repealed two property tax levies originally approved by voters in 1988 and 1993. The School District estimates that it will lose approximately \$5,000,000 in property tax revenue as a result of this repeal. The full effect of the repeal will take place in fiscal year 2001.

NOTE 17 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The School District maintains three enterprise funds to account for the operations of food service, uniform school supplies programs and rotary special services. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30.

<u>Description</u>	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Rotary Special Services</u>	<u>Total</u>
<i>Operating revenues</i>	\$ 1,041,690	\$ 149,816	\$ 11,021	\$ 1,202,527
<i>Depreciation expense</i>	28,487	-	-	28,487
<i>Operating income (loss)</i>	(994,334)	4,935	7,247	(982,152)
<i>Operating grants</i>	792,367	-	-	792,367
<i>Donated commodities</i>	123,076	-	-	123,076
<i>Operating transfers in</i>	-	181,529	-	181,529
<i>Operating transfers out</i>	-	61,836	-	61,836
<i>Net income (loss)</i>	(36,468)	124,628	7,247	95,407
<i>Fixed asset additions</i>	15,479	-	-	15,479
<i>Net working capital</i>	639,615	-	31,553	671,168
<i>Total assets</i>	1,046,580	-	31,553	1,078,133
<i>Compensated absences payable</i>	48,334	-	-	48,334
<i>Total equity</i>	772,505	-	31,553	804,058
<i>Encumbrances outstanding (budget basis) at June 30, 2000</i>	\$ 115,563	\$ -	\$ -	\$ 115,563

NOTE 18 – ACCOUNTABILITY AND COMPLIANCE

A. Fund Deficits

As of June 30, 2000 several funds had deficit fund balances. These deficits were caused by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The following funds had deficits at year-end:

<i>Special Revenue</i>	
<i>Management Information Systems</i>	\$ 39
<i>Disadvantaged Pupil Impact Aid</i>	8,098
<i>Title I</i>	47,345
<i>EHA Preschool Grant</i>	512

Newark City School District
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B. Compliance

The following fund had expenditures plus outstanding encumbrances in excess of appropriations for the fiscal year ended June 30, 2000, which is not in compliance with Ohio Revised Code Section 5705.41(B). Disclosure is presented at the function level within the fund rather than at the object level within the fund due to practicality of determining these values.

<u>Fund/Function</u>	<u>Appropriations</u>	<u>Outstanding encumbrances plus expenditures</u>	<u>Excess</u>
<i>General fund:</i>			
<i>Support services:</i>			
<i>Operation of maintenance and plant</i>	\$ 4,094,606	\$ 4,096,295	\$ 1,689

NOTE 19 – STATUTORY RESERVES

The School District is required by State statute to annually set aside monies for the purchase of textbooks and other instructional materials, and for capital improvements. The amounts set-aside may be reduced by offset credits, which are monies received and restricted for the same specific purpose. Qualifying expenditures and offset-credits may only be used to reduce the current year set-aside requirement and may not be carried forward to reduce subsequent year requirements. Amounts not spent by year-end or reduced by offset credits must be held in cash at year-end and carried forward to be used for the same purposes in future years.

Amounts are also to be set aside for budget stabilization if the School District's revenues increase three percent or more from the prior year.

During the fiscal year ended June 30, 2000 the reserve activity was as follows:

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>	<u>School Buses Reserve</u>	<u>Total</u>
<i>Balance, July 1, 1999</i>	\$ -	\$ -	\$ 563,151	\$ -	\$ 563,151
<i>Required Set-Aside</i>	1,049,345	1,049,345	349,782	77,671	2,526,143
<i>Offset Credits</i>	-	(1,436,012)	-	-	(1,436,012)
<i>Qualifying Expenditures</i>	(465,929)	-	-	(77,671)	(543,600)
Total	<u>\$ 583,416</u>	<u>\$ (386,667)</u>	<u>\$ 912,933</u>	<u>\$ -</u>	<u>\$ 196,749</u>
<i>Cash balance carried forward to fiscal year 2001</i>	<u>\$ 583,416</u>	<u>\$ -</u>	<u>\$ 912,933</u>	<u>\$ -</u>	<u>\$ 1,306,431</u>

Newark City School District
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For the fiscal year ended June 30, 2000

NOTE 20 – RELATED ORGANIZATION

The Newark Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. A Board of Trustees appointed by the School District’s Board of Education governs the Library. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the School District for operational subsidies. Although the School District serves as the taxing authority and may issue tax-related debt on behalf of the Library, its role is limited to an administrative function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. The Library is not considered part of the School District, and its operations are not included within the accompanying financial statements.

NOTE 21 – PRIOR PERIOD ADJUSTMENTS

Following the close of the previous fiscal year an error was found in the calculation and reporting of compensated absences in the Food Service enterprise fund and the general long-term debt account group. No liability was recorded in the enterprise fund. In addition, the calculation of the sick leave liability was based on the vesting method and is currently estimated using the termination method. Due to this change in estimating compensated absences and the error found in the enterprise fund a restatement of balances is required and stated below:

	<u>Enterprise</u>	<u>General Long-Term Debt Account Group</u>
<i>Retained earnings as previously stated, 6/30/99</i>	\$ 755,875	\$ -
<i>Account balance as previously stated, 6/30/99</i>		11,084,626
<i>Restatement</i>	<u>(47,224)</u>	<u>131,318</u>
<i>Restated July 1, 1999</i>	<u>\$ 708,651</u>	<u>\$ 11,215,944</u>

Balances at July 1, 1999 in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – All Governmental Fund Types and Expendable Trust Fund have been restated to present true unencumbered cash balances at July 1, 1999 for the fiduciary fund type - Expendable Trust Fund.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

NOTE 22 – EMPLOYEE BENEFITS

A. Compensated Absences

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 240 days for certified employees, 260 days for certified and classified administrators and unlimited for classified employees. Upon retirement, payment is made for 25 percent of accrued, but unused sick leave credit to a maximum of up to 50 days for all employees.

B. Life Insurance

The School District provides life insurance and accidental death and dismemberment insurance to employees through CoreSource.

SUPPLEMENTAL DATA

**NEWARK CITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANT NUMBER	(E) CASH FEDERAL RECEIPTS	OTHER FEDERAL RECEIPTS	(E) CASH FEDERAL DISBURSEMENTS	OTHER FEDERAL DISBURSEMENTS
U. S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION:						
Nutrition Cluster:						
(A) (C) Food Distribution	10.550	N/A		\$127,647		\$123,076
(A) (D) School Breakfast Program	10.553	N/A	\$105,222		\$105,222	
(A) (D) National School Lunch Program	10.555	N/A	736,634		736,634	
Total U. S. Department of Agriculture and Nutrition Cluster			841,856	127,647	841,856	123,076
U. S. DEPARTMENT OF LABOR:						
(F) School to Work Administration	17.249	044453-WK-BE 98	10,175		0	
(F) School to Work Administration	17.249	044453-WK-BE 99	3,996		2,343	
(G) School to Work Administration	17.249	N/A	15,000		3,943	
(G) School to Work Administration	17.249	N/A	4,500		1,073	
Total U. S. Department of Labor			33,671		7,359	
U. S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION:						
Title I - Grants to Local Educational Agencies	84.010	044453-C1-S1 99	210,753		317,850	
Title I - Grants to Local Educational Agencies	84.010	044453-C1-S1 98C	0		21,168	
Title I - Grants to Local Educational Agencies	84.010	044453-C1-S1 99C	204,883		204,883	
Title I - Grants to Local Educational Agencies	84.010	044453-C1-S1 00	955,998		891,163	
Total Title I			1,371,634		1,435,064	
Special Education Cluster:						
(B) Title VI-B -Education of the Handicapped Act	84.027	044453-6B-SF 98 P	39,845		45,299	
(B) Title VI-B -Education of the Handicapped Act	84.027	044453-6B-SF 99 P	370,594		335,992	
Total Title VI-B			410,439		381,291	
(B) Special Education Preschool Grants	84.173	044453-PG-S1 98 P	2,951		4,229	
(B) Special Education Preschool Grants	84.173	044453-PG-S1 99 P	28,317		24,922	
Total Special Education Preschool Grants			31,268		29,151	
Total Special Education Cluster			441,707		410,442	
Safe and Drug-Free Schools State Grants	84.186	044453-DR-S1 98C	0		6,004	
Safe and Drug-Free Schools State Grants	84.186	044453-DR-S1 99	9,491		15,904	
Safe and Drug-Free Schools State Grants	84.186	044453-DR-S1 99C	7,907		396	
Safe and Drug-Free Schools State Grants	84.186	044453-DR-S1 00	68,354		44,624	
Total Safe and Drug-Free Schools Grant			85,752		66,928	
Goals 2000	84.276	044453-G2-SP 99	0		3,894	
Goals 2000	84.276	044453-G2-S3 00	48,000		23,949	
Goals 2000	84.276	044453-G2-S8 00	3,000		0	
(G) Goals 2000	84.276	N/A	4,000		1,560	
Total Goals 2000			55,000		29,403	
Eisenhower Professional Development Grant	84.281	044453-MS-S1 98C	16,956		23,587	
Eisenhower Professional Development Grant	84.281	044453-MS-S1 99	0		8,493	
Eisenhower Professional Development Grant	84.281	044453-MS-S1 99C	12,085		4,913	
Eisenhower Professional Development Grant	84.281	044453-MS-S1 00	16,135		14,167	
Total Eisenhower Professional Development Grant			45,176		51,160	
Title VI - Innovative Educational Program Strategies	84.298	044453-C2-S1 98C	0		5,075	
Title VI - Innovative Educational Program Strategies	84.298	044453-C2-S1 99	14,367		9,610	
Title VI - Innovative Educational Program Strategies	84.298	044453-C2-S1 99C	19,629		0	
Title VI - Innovative Educational Program Strategies	84.298	044453-C2-S1 00	27,946		14,883	
Total Title VI-Innovative Educational Program Strategies			61,942		29,568	
Tech Literacy Challenge Fund	84.318	044453-TF-13 98 P	0		11,681	
Tech Literacy Challenge Fund	84.318	044453-TF-14 99 P	37,500		37,293	
Tech Literacy Challenge Fund	84.318	044453-TF-15 99 P	25,000		0	
Total Tech Literacy Challenge			62,500		48,974	
Class Size Reduction	84.340	044453-CR-S1 00	208,844		190,316	
Total U. S. Department of Education			2,332,555		2,261,855	
NATIONAL FOUNDATION FOR THE ARTS AND THE HUMANITIES PASSED THROUGH THE STATE LIBRARY OF OHIO:						
Library Services & Technology Grant	45.310	044453-IL-C-98	6,772		20,518	
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PASSED THROUGH THE OHIO DEPARTMENT OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES:						
Community Alternative Funding System Program	93.778	N/A	169,204		169,204	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION:						
Learn and Serve America	94.004	0044453-SV-S4	0		10,000	
Total Federal Financial Assistance			\$3,384,058	\$127,647	\$3,310,792	\$123,076

(A) Included as part of "Child Nutrition Grant Cluster" in determining major programs.
 (B) Included as part of "Special Education Grant Cluster" in determining major programs.
 (C) The Food Distribution Program is a noncash, in kind, federal grant. Commodities are valued at fair market prices.
 (D) Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first-in, first-out basis.

(E) This schedule was prepared on the cash basis of accounting.
 (F) These funds were passed through the Ohio Department of Education.
 (G) These funds were passed through the Franklin County Educational Service Center.

TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

1445 WORTHINGTON WOODS BOULEVARD
SUITE B
WORTHINGTON, OHIO 43085

TELEPHONE 614.846.1899
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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Board of Education
Newark City School District
85 E. Main Street
Newark, Ohio 43055

We have audited the general purpose financial statements of Newark City School District as of and for the year ended June 30, 2000, and have issued our report thereon dated September 19, 2000. As discussed in Note 21 to the general purpose financial statements, the School District changed its method of computing compensated absences in fiscal year 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Newark City School District's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2000 - NCS - 001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Newark City School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the management of Newark City School District in a separate letter dated September 19, 2000.

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

Trimble, Julian & Grube, Inc.
September 19, 2000

TRIMBLE, JULIAN & GRUBE, INC.

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

Board of Education
Newark City School District
85 E. Main Street
Newark, Ohio 43055

Compliance

We have audited the compliance of Newark City School District with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2000. As discussed in Note 21 to the general purpose financial statements, the School District changed its method of computing compensated absences in fiscal year 2000. Newark City School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Newark City School District's management. Our responsibility is to express an opinion on Newark City School District's compliance based on our audit.

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

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

Internal Control Over Compliance

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

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

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

Trimble, Julian & Grube, Inc.
September 19, 2000

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

**NEWARK CITY SCHOOL DISTRICT
LICKING COUNTY
June 30, 2000**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported non-compliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any other reportable internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under § .510?</i>	No

1. SUMMARY OF AUDITOR'S RESULTS (Continued)

<i>(d)(1)(vii)</i>	<i>Major Program (list):</i>	Title I - Grants to Local Educational Agencies (Title I of ESEA), CFDA #84.010
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes

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

Finding Number	2000 - NCSD - 001
----------------	-------------------

Ohio Revised Code Section 5705.41 (B) requires that no subdivision is to expend money unless it has been appropriated.

It was noted during the audit that for the fiscal year ended June 30, 2000 the School District had expenditures plus encumbrances exceeding appropriations in the following fund:

<u>Fund/Function</u>	<u>Appropriations</u>	<u>Outstanding Encumbrances plus Expenditures</u>	<u>Excess</u>
<u>GENERAL FUND:</u>			
Supporting Services:			
Operation and maintenance of plant	\$4,094,606	\$4,096,295	\$1,689

Disclosure is presented at the function level within the fund rather than at the object level within the fund due to the practicality of determining these values.

With expenditures exceeding appropriations, the School District is unlawfully expending monies that have not been appropriated.

We recommend that the School District comply with the Ohio Revised Code and the Auditor of State Bulletin 97-010 by monitoring expenditures so they do not exceed lawful appropriations and amending the budget prior to year end. This may be achieved by monitoring the budget more closely on a continual basis.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted.

NEWARK CITY SCHOOL DISTRICT NEWARK, OHIO

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2000

Prepared by:
Treasurer's Office

Brian W. Wilson	Treasurer
Christine Walpole	Secretary
Kathryn Ambrust	Benefits Coordinator
Deborah Snider	Payroll Supervisor
Lynn Hoffer	Assistant to the Treasurer
Beverly Robinson	Accounting Clerk
Rebecca Underhill	Accounting Clerk
Carol Vermilion	Accounting Clerk
Marjorie Wheeler	Payroll Clerk

Newark City School District
Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2000

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For the fiscal year ended June 30, 2000

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INTRODUCTORY SECTION



NEWARK CITY SCHOOLS

ADMINISTRATIVE SERVICE CENTER
85 East Main Street, Newark, Ohio 43055
Phone (740) 345-9891
Fax # (740) 349-2303

The mission of the Newark City Schools is to create a community that is forever learning, forever growing and forever serving.

September 30, 2000

To the Citizens and Board of Education of the Newark City School District:

It is my honor to present the Comprehensive Annual Financial Report (CAFR) of the Newark City School District (the District), for the fiscal year ended June 30, 2000. This report, prepared by the Treasurer's Office, includes financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 1999-2000 fiscal year.

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with District's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District.

This CAFR, which includes an opinion from Trimble, Julian & Grube, Inc., conforms to generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's commitment to provide meaningful information to the citizens of the Newark City School District.

This CAFR is presented in three sections:

The Introductory Section, which is unaudited, includes a table of contents, this transmittal letter, a list of principal officials, and the District's organizational chart.

The Financial Section includes the independent auditor's report, the general-purpose financial statements and explanatory notes, and combining and individual fund financial statements.

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

DESCRIPTION OF THE DISTRICT

The City of Newark, the county seat of Licking County, is located approximately 33 miles east of Columbus in the central part of the state. The District serves an area of approximately 19 square miles and approximately 47,450 residents.

In the spring of 1802, General William Schenk platted around the ancient mounds of Central Ohio a settlement named after his hometown of Newark, New Jersey. There were many salt licks in the area and by 1808 the area known as Licking County was founded. In 1809 the first school was started in the Courthouse on the north side of the Town Square. James Maxwell was the first school teacher in this floorless room. The first official body designated as the Newark City Board of Education was formed in 1848.

Randy C. Stortz
Superintendent of Schools

v

Brian W. Wilson
Treasurer

During the 1999-2000 school year, the District had 7,117 (Spring 2000) students enrolled in sixteen community schools: Cherry Valley Elementary, Johnny Clem Elementary, Conrad Elementary, Ben Franklin Elementary, Hazelwood Elementary, Maholm Elementary, McGuffey Elementary, Miller Elementary, and North Elementary schools housing grades K through 4; Central Intermediate, Kettering Intermediate and West Main Intermediate schools housing grades 5 and 6; Lincoln Middle, Roosevelt Middle and Wilson Middle school housing grades 7 and 8; and Newark High School housing grades 9 through 12 with 1,938 students.

THE REPORTING ENTITY

This report includes all funds and account groups of the Newark City School District. The District provides a full range of traditional and non-traditional educational programs, services and facilities. These include elementary and secondary curriculum at the general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities, special education programs and facilities.

Newark Catholic High School, St. Francis, Blessed Sacrament, Par Excellence and Montessori School are located within the School District Service Area. The District acts as fiscal agent for state funds provided by the State of Ohio to these institutions. Revenues and expenditures of these schools are reflected in a special revenue fund for financial purposes.

ORGANIZATION OF THE DISTRICT

The Board of Education (the "Board") of the District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body, and policy initiator for the operation of the District. The Board is responsible for the adoption of the tax budget, the annual operating budget and approves all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations within the District. The Treasurer is the chief financial officer of the District and is responsible directly to the Board for all financial operations, investments, custody of all District funds and assets, and serves as Secretary to the Board.

ECONOMIC CONDITION AND FUTURE OUTLOOK

The District is located approximately 33 miles from the metropolitan city of Columbus providing a wealth of opportunity for cultural, social and economic resources for its residents. Central Ohio Technical College and The Ohio State University of Newark share facilities at the Newark campus. Denison University is located in the adjoining Village of Granville. These colleges provide excellent educational opportunities for the Newark community.

The City of Newark offers an excellent opportunity for business growth and expansion. The City stimulates the economy through a diverse group of employers, from the small family operated business to the major commercial/industrial and service corporations. The five largest employers in the District in terms of numbers of employees are: Owens Corning Corporation, Newark Board of Education, State Farm Insurance, Licking Memorial Hospital and Licking County.

Newark area businesses continue to manufacture and distribute a wide variety of products. Foremost among these products are plastics, insulation, prefabricated homes, prismatic reflectors, wiping cloths, quartz and specialty products, asphalt, automotive products, bricks, chemicals, electronic equipment, truck axles and transmissions, anodized aluminum products, wood veneer, dairy products, concrete products and many other industrial specialty items. During both strong and slow economic periods the area has not experienced wide variations in its economic indicators. The community has been fortunate to experience a steady economy along with a low unemployment rate.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Ninth Grade Proficiency Tests

The Ohio Proficiency Testing programs consists of a series of five tests (writing, reading, math, citizenship and science) administered at five grade levels (fourth, sixth, eighth, ninth and twelfth). Passing the ninth grade test is a requirement for graduation. High school students are provided several opportunities each year to pass the ninth grade test in all five subject areas. The percentage of students who passed the ninth grade test compared to prior years is shown below.

Percent Passing/Ninth Grade Test Results

<u>School Year</u>	<u>Citizenship</u>	<u>Math</u>	<u>Reading</u>	<u>Writing</u>	<u>Science</u>
1997-1998	74.5%	59.3%	84.2%	85.0%	63.5%
1998-1999	75.7%	61.0%	86.8%	89.6%	64.7%
1999-2000	76.7%	63.9%	81.8%	89.9%	65.4%

District Report Card

Just a year ago, Newark City Schools 2000 Report Card indicated the District had achieved 7 of 27 standards placing the District in Academic Emergency. After focusing on several District initiatives, such as effective classroom management, safe and secure schools, literacy, and the development of building action plans for improvement, the District now expects the 2001 Report Card to indicate the achievement of five additional standards. This would move the District out of Academic Emergency into Academic Watch.

Early Literacy Learning Initiative

The District finished its K-4 phase-in of the literacy program for K-2 classrooms and began extending the training to teachers of grades three and four. Using the literacy collaborative model from The Ohio State University, each building has a trained literacy coordinator whose role is to train and coach the teachers in their school. The next step will be to move the best practices of teaching reading and writing into the fifth and sixth grade (intermediate) schools.

Literacy Initiative PreK-12

An audit was conducted in classrooms throughout the District to determine the number of books available for students to read and the estimated reading level of the books. From the audit, classroom needs were identified to begin to implement the research and recommendations of Richard Allington. All classrooms should have between 1000-1500 books at an 80/20% split (80% of the books at or below grade level and 20% of the books above grade level). The District purchased approximately \$500,000 worth of books as requested by buildings throughout the District.

Safe and Secure Schools

An audit of safe and secure school practices, review of national research, and discussions with community groups has resulted in standards being established for the District. Buildings are responsible for implementing the standards at the site level including visitor pass procedures, lock downs during school time, having staff identification badges, and security equipment to monitor the facilities. A safe schools helpline has been set up for the anonymous reporting of concerns for safety in the District.

Effective Classroom Management

All staff members have been trained in effective classroom management. The Harry Wong videotape series provided the content for the training. Principals and Central Office administrators are conducting 'walk through' supervision to monitor the implementation of effective classroom management techniques in classrooms throughout the District.

Summer School Program

The District expanded its summer school program to include students in K-12. More than 1300 students were served in this program that offered both remedial and enrichment classes. Transportation was offered to elementary students needing it and several sites were offered throughout the District to make it convenient for families. A parent survey was administered to every 25th student enrolled and the results are being compiled for improving the program for next summer.

Strategic Planning

The initial stages of strategic planning were accomplished in May, 2000 when 30 individuals cross representative of the Newark school community spent three days together. Beliefs, mission, parameters, objectives and strategies were developed at that time. The District recruited some 178 individuals to work on six committees to develop action plans that will enable the strategic plan to be implemented. These action teams will complete their work in September, October, and November (2000). The plan will be presented to the Board of Education for adoption in January 2001.

Curriculum Alignment

The process of aligning the written, taught, and tested curriculum is underway in the District at this time. In the areas of reading and mathematics, teachers are currently implementing newly adopted curriculum guides that will advance student achievement and increase the results of the Ohio Proficiency Tests (grades 4, 6, 9, and 12). This initiative is also being considered as part of the strategic planning process and has a committee working to make recommendations for further alignment needs.

Improving Student Attendance

This District initiative is necessary due to the fact that the District failed to achieve the student attendance standard on the 2000 Report Card. Seven action plans have been developed and will be implemented this year to address student attendance. Neighborhood walks will be conducted in every neighborhood in the District to communicate the importance of good school attendance and to share the newly revised policy on student attendance. School employees will volunteer to conduct the neighborhood walks in September and October.

Student Performance Monitoring System

A committee worked last year to review several systems that could be implemented in the District to aid in monitoring student performance. School Data Point's student performance monitoring system was identified as the best option for monitoring student performance at the individual student, classroom, building, and District levels. A District trainer has been trained to work with every building to prepare principals, clerical staff, and teachers to implement the system this year.

Technology Planning

A technology planning team consisting of teachers, administrators, community members and technology support staff generated the plan in the spring of 2000. Goals and objectives have been identified for implementation. Action plans are still in process.

Title I Reading Audit

An audit of the Title I Reading program was commissioned in the spring of 2000. The audit was conducted in May and the completed report with recommendations was presented in June. The District is in the process of implementing the recommendations contained within the audit. A key consideration in the audit is the need to look at cost/benefit in terms of improved student achievement. Evaluation data will be collected this year to determine the future direction of this \$1.5million program.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund and account group is a distinct, self-balancing accounting entity. Reports for general governmental operations and expendable trust funds are presented on the modified accrual basis whereby revenues are recognized when goods and services are received and expenditures are recognized when the related liability is incurred, except for interest on long-term debt. Reports of the District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

Internal Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

Single Audit Act

As a recipient of federal financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District and annual reviews by the District's independent auditors.

Budgetary Controls

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established by function and object of expenditure within an individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

General Governmental Functions

The governmental funds encompass the general, special revenue, debt service, and capital projects funds of the District.

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

<i>Revenue by Source</i>	<i>1999 Amount</i>	<i>2000 Amount</i>	<i>Percent of Total</i>	<i>Increase (Decrease)</i>	<i>Percent of Increase (Decrease)</i>
<i>Taxes</i>	\$ 26,035,641	\$ 23,747,527	46.51%	\$ (2,288,114)	-8.79%
<i>Tuition and Fees</i>	205,311	438,598	0.86%	233,287	113.63%
<i>Interest Income</i>	503,798	1,124,207	2.20%	620,409	123.15%
<i>Extracurricular</i>	212,225	204,676	0.40%	(7,549)	-3.56%
<i>Miscellaneous</i>	229,101	244,781	0.48%	15,680	6.84%
<i>Intergovernmental</i>	<u>25,681,774</u>	<u>25,298,675</u>	<u>49.55%</u>	<u>(383,099)</u>	<u>-1.49%</u>
<i>Total</i>	<u>\$ 52,867,850</u>	<u>\$ 51,058,464</u>	<u>100.00%</u>	<u>\$ (1,809,386)</u>	<u>-3.42%</u>

Tax revenues decreased due to the repeal of two tax levies in November of 1998.

Intergovernmental revenue from state and federal resources decreased due to less state funding from the SchoolNet Plus allocation. This is mostly a timing issue related to the grant. The District also received less school foundation funding as the District's average daily membership (ADM) has decreased from prior years.

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

<i>Expenditure by Function</i>	<i>1999 Amount</i>	<i>2000 Amount</i>	<i>Percent of Total</i>	<i>Increase (Decrease)</i>	<i>Increase (Decrease)</i>
<i>Instruction</i>	\$ 27,201,784	\$ 25,807,018	57.56%	\$ (1,394,766)	-5.13%
<i>Pupil Support</i>	2,076,218	2,043,932	4.56%	(32,286)	-1.56%
<i>Instructional Staff</i>	2,631,328	2,387,454	5.33%	(243,874)	-9.27%
<i>Board of Education</i>	148,382	259,788	0.58%	111,406	75.08%
<i>Administration</i>	3,015,703	2,996,761	6.68%	(18,942)	-0.63%
<i>Fiscal</i>	957,622	871,172	1.94%	(86,450)	-9.03%
<i>Business</i>	734,962	715,093	1.60%	(19,869)	-2.70%
<i>Plant Operations</i>	3,928,499	3,858,886	8.61%	(69,613)	-1.77%
<i>Pupil Transportation</i>	1,461,624	1,581,473	3.53%	119,849	8.20%
<i>Central</i>	503,586	541,948	1.21%	38,362	7.62%
<i>Non-instructional Services</i>	621,231	686,457	1.53%	65,226	10.50%
<i>Extracurricular</i>	738,505	722,558	1.61%	(15,947)	-2.16%
<i>Capital Outlay</i>	1,262,643	1,380,394	3.08%	117,751	9.33%
<i>Debt Service</i>	1,009,725	979,920	2.19%	(29,805)	-2.95%
<i>Total</i>	<u>\$ 46,291,812</u>	<u>\$ 44,832,854</u>	<u>100.00%</u>	<u>\$ (1,458,958)</u>	<u>-3.15%</u>

The instruction/pupil support area represents the largest expenditure component in the governmental funds. Over \$.62 of every dollar is spent on activities dealing directly with instruction and support of the students. Salaries of teachers, classroom aides, counselors, textbooks and classroom materials are examples of expenditures in this area. The following represents cost per pupil (June ADM):

<u>FY00</u>	<u>FY99</u>
\$4,430	\$4,457

The administrative function includes activities concerned with establishing and administering policy in connection with the District. Expenditures in this category, accounting for \$.07 of every dollar spent, include salaries of the board of education, school building and central office administrators, and the necessary materials and equipment to perform these jobs.

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

Plant operations accounted for just under \$.09 of every dollar spent. In addition to the salary and benefit costs of the maintenance and custodial staff, large expenditures for utilities and repair/maintenance projects are incurred on an annual basis.

Transportation and related functions account for over \$.03 of every dollar spent. In addition to salaries and benefits for the supervisor, drivers, and mechanics this area covers fuel costs, maintenance, repair, and materials in connection with transportation of 3,968 students on a daily basis in FY00. The following represents cost per rider:

<u>FY00</u>	<u>FY99</u>
\$399	\$381

DEBT ADMINISTRATION

The District had general obligation bonds and tax anticipation notes outstanding at June 30, 2000 in the amount of \$9,874,928. The first issue is \$195,000 of Energy Conservation Bonds issued under the energy conservation provisions in Ohio law for improvements in the areas of installations, modifications and remodeling of school buildings to conserve energy. Originally issued for \$1,500,000 in 1990, this issue will be retired in December 2000.

The second issue is \$215,000 of Energy Conservation Bonds. Originally issued for \$890,000 in 1992, this issue will be retired in March 2002.

The third issue is \$7,174,928 of Library Facility Bonds for the construction of a new public library approved by the voters November 4, 1997. Originally issued for \$7,570,000 in 1998, this issue will be retired in December 2022.

The fourth issue is \$2,290,000 of Tax Anticipation Notes. These notes were issued for cash flow purposes after the passage of the school income tax. Originally issued for \$2,800,000 in 1998, this issue will be retired in December 2003.

CASH MANAGEMENT

During the fiscal year ended June 30, 1999 the District's cash resources were divided into investments approximately as follows: in State Treasurer's Pool 9.10%, in bank deposits 2.01%, in time deposits 8.26%, in agency notes 49.40%, in agency discount notes 21.97%, in repurchase agreements 3.81%, in U.S. Treasury notes 5.46%. The yield to maturity as of June 30, 2000 was 6.29% and the average days to maturity was 200 days.

RISK MANAGEMENT

The types of insurance carried include: general liability, property loss, boiler and machinery coverage, and vehicle fleet liability, which are purchased from insurance companies licensed to do business in the State of Ohio.

Employees are provided traditional health care insurance that covers hospitalization and major medical expenses within specified limits through United HealthCare. Employees are also provided life and dental insurance benefits.

OTHER INFORMATION

Independent Audit

Provisions of State statute require the District's financial statements to be subjected to an annual examination by an independent auditor. The District has engaged Trimble, Julian & Grube, Inc. to audit the District's financial records. The auditor's unqualified opinion is included herein.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Newark City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1999.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports 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 for their review.

Acknowledgements

Preparation of this report could not have been accomplished without the support and efforts of the staff in the Treasurer's office and many other dedicated employees of the District. Further appreciation is extended to the Licking County Auditor's office and the Newark City Auditor's office for their valuable research of records.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brian W. Wilson". The signature is fluid and cursive, with the first name "Brian" being the most prominent.

Brian W. Wilson
Treasurer

Newark City School District
Public Officials Roster
For the fiscal year ended June 30, 2000

Board of Education

Peggy Batz	Board Member, President (1/1/94 – 12/31/01)
Patrick Kelley	Board Member, Vice-President (1/1/96 – 12/31/03)
Mary Kay Fausey	Board Member (1/1/98 – 12/31/01)
Thomas Hall	Board Member (1/1/00 – 12/31/03)
Michael Hendershot	Board Member (1/1/00 – 12/31/03)

Administration

Randy C. Stortz	Superintendent – (Hired 8/1/99)
Brian W. Wilson	Treasurer – (Hired 4/19/99)
Susan K. Hatcher	Assistant Superintendent – (Hired 9/1/72)
David C. Altepeter	Director, Classified Personnel/Support Services (Hired 7/8/96)
Dana Herreman	Director of Curriculum
John Brown	Director, Athletics – (Hired 8/29/74)
Beth Milligan	Information Specialist – (Hired 7/6/98)

CITIZENS OF NEWARK CITY SCHOOL DISTRICT

BOARD OF EDUCATION

Superintendent

- Board/Administration/District Leadership
- District Planning/Coordinating/Monitoring
- Public Relations with various Publics of the District
- Fiscal Budgeting/Management
- Board Policy Development.
- Food Services
- High School Principal
- Leadership and Development

Treasurer

- Fiscal Management/Reporting
- Payroll
- Accounting
- Computer Services
- Benefit Services
- EMIS

Director of Athletics

- Athletic Programs
- Middle School Athletic Coord.
- Health Council

Director of Certificated Personnel and Special Education

- Certificated Personnel:
 - Employment Services
 - Negotiations
 - Contract Management
- LPDC
- Induction Program
- Special Education

Director of Classified Personnel and Support Services

- Classified Personnel:
 - Employment Services
 - Negotiations
 - Contract Management
- Maintenanc/Bldgs./Grounds
- Printing/Duplicating
- Secretarial Services
- Transportation
- Warehouse
- Attendance Areas

Assistant Superintendent for Effective Schools and Accountability

- Building Leadership and Development, Grades PreK-8
- Board Policy Development
- Coordination of District Testing
- Coordination of District Planning

Director of Curriculum and Instruction

- Curriculum Development/Instructional Implementation PreK-12
- Grant Writing
- State/Federal Programs
- Professional Library
- Media Services
- Technology
- Mentor Program
- Gifted Education

Director of Athletics

- Athletic Programs
- Middle School Athletic Coord.
- Health Council

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Newark City Schools,
Ohio

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

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



Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

FINANCIAL SECTION

TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

1445 WORTHINGTON WOODS BOULEVARD
SUITE B
WORTHINGTON, OHIO 43085

TELEPHONE 614.846.1899
FACSIMILE 614.846.2799

Independent Auditor's Report

Board of Education
Newark City School District
85 E. Main Street
Newark, OH 43055

We have audited the accompanying general purpose financial statements of the Newark City School District, Licking County, (the "District"), as of and for the year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the District, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the introductory and statistical information as listed in the table of contents and therefore express no opinion thereon.

Trimble, Julian & Grube, Inc.
September 19, 2000

General Purpose Financial Statements

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

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets and other debits:</u>				
<u>Assets:</u>				
Equity in pooled:				
Cash and cash equivalents	\$ 12,767,012	\$ 1,045,839	\$ 488,394	\$ 883,596
Cash and cash equivalents - nonexpendable trust	-	-	-	-
Receivables:				
Taxes	15,720,492	-	828,144	1,556,725
Accounts	145,140	4,400	-	-
Intergovernmental	85,882	104,389	-	-
Accrued interest	202,549	-	-	-
Interfund receivable	6,580	-	-	-
Inventory held for resale	-	-	-	-
Materials and supplies inventory	-	-	-	-
Equity in pooled cash and cash equivalents (restricted)	1,496,349	-	-	-
Fixed assets (net, where applicable, of accumulated depreciation)	-	-	-	-
<u>Other debits:</u>				
Amount available in debt service fund for retirement of general obligation bonds	-	-	-	-
Amount to be provided from general government resources	-	-	-	-
Total assets and other debits	<u>\$ 30,424,004</u>	<u>\$ 1,154,628</u>	<u>\$ 1,316,538</u>	<u>\$ 2,440,321</u>
<u>Liabilities, fund equity and other credits:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 301,051	\$ 101,670	\$ -	\$ 51,144
Accrued wages	3,255,241	243,329	-	-
Compensated absences payable	143,319	739	-	-
Interfund payable	-	-	-	5,834
Intergovernmental payable	769,215	56,669	-	-
Deferred revenue	12,382,564	-	776,427	1,456,564
Due to students	-	-	-	-
Notes payable	2,290,000	-	-	-
General obligation bonds payable	-	-	-	-
Total liabilities	<u>19,141,390</u>	<u>402,407</u>	<u>776,427</u>	<u>1,513,542</u>
<u>Fund equity and other credits:</u>				
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Unreserved	-	-	-	-
Fund balance:				
Reserved for encumbrances	1,237,431	217,324	-	848,957
Reserved for property taxes	873,122	-	51,717	100,161
Reserved for budget reserve	1,496,349	-	-	-
Reserved for endowments	-	-	-	-
Reserved for debt service	-	-	488,394	-
Unreserved, undesignated	7,675,712	534,897	-	(22,339)
Total fund equity and other credits	<u>11,282,614</u>	<u>752,221</u>	<u>540,111</u>	<u>926,779</u>
Total liabilities, fund equity and other credits	<u>\$ 30,424,004</u>	<u>\$ 1,154,628</u>	<u>\$ 1,316,538</u>	<u>\$ 2,440,321</u>

See accompanying notes to the general purpose financial statements

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$ 866,083	\$ 12,653	\$ 197,707	\$ -	\$ -	\$ 16,261,284
-	-	11,454	-	-	11,454
-	-	-	-	-	18,105,361
228	-	-	-	-	149,768
-	-	-	-	-	190,271
6,544	-	-	-	-	209,093
-	-	-	-	-	6,580
19,689	-	-	-	-	19,689
4,365	-	-	-	-	4,365
-	-	-	-	-	1,496,349
181,224	-	-	30,847,932	-	31,029,156
-	-	-	-	540,111	540,111
-	-	-	-	9,478,674	9,478,674
<u>\$ 1,078,133</u>	<u>\$ 12,653</u>	<u>\$ 209,161</u>	<u>\$ 30,847,932</u>	<u>\$ 10,018,785</u>	<u>\$ 77,502,155</u>
\$ 35	\$ 8,533	\$ 1,388	\$ -	\$ -	\$ 463,821
75,512	-	-	-	-	3,574,082
48,334	-	-	-	2,105,157	2,297,549
-	746	-	-	-	6,580
136,923	-	1,500	-	328,700	1,293,007
13,271	-	-	-	-	14,628,826
-	-	73,591	-	-	73,591
-	-	-	-	-	2,290,000
-	-	-	-	7,584,928	7,584,928
<u>274,075</u>	<u>9,279</u>	<u>76,479</u>	<u>-</u>	<u>10,018,785</u>	<u>32,212,384</u>
-	-	-	30,847,932	-	30,847,932
804,058	3,374	-	-	-	807,432
-	-	2,943	-	-	2,306,655
-	-	-	-	-	1,025,000
-	-	-	-	-	1,496,349
-	-	10,533	-	-	10,533
-	-	-	-	-	488,394
-	-	119,206	-	-	8,307,476
<u>804,058</u>	<u>3,374</u>	<u>132,682</u>	<u>30,847,932</u>	<u>-</u>	<u>45,289,771</u>
<u>\$ 1,078,133</u>	<u>\$ 12,653</u>	<u>\$ 209,161</u>	<u>\$ 30,847,932</u>	<u>\$ 10,018,785</u>	<u>\$ 77,502,155</u>

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

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Revenues:</u>				
Taxes	\$ 21,438,005	\$ -	\$ 877,148	\$ 1,432,374
Intergovernmental	21,003,093	3,935,842	65,269	294,471
Interest	1,124,207	-	-	-
Tuition and fees	438,598	-	-	-
Extracurricular activities	1,154	203,522	-	-
Miscellaneous	80,709	164,072	-	-
Total revenues	44,085,766	4,303,436	942,417	1,726,845
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	19,703,533	741,965	-	186,349
Special	3,207,113	1,212,246	-	-
Vocational	718,326	14,873	-	5,682
Other	16,931	-	-	-
Support services:				
Pupils	1,981,753	54,535	-	7,644
Instructional staff	1,604,390	783,064	-	-
Board of education	259,788	-	-	-
Administration	2,951,324	40,142	-	5,295
Fiscal	806,871	27,102	9,298	27,901
Business	711,682	-	-	3,411
Operation and maintenance of plant	3,809,489	16,882	-	32,515
Pupil transportation	1,464,070	3,995	-	113,408
Central	275,566	178,567	-	87,815
Operation of non-instructional services	-	686,457	-	-
Extracurricular activities	508,310	214,248	-	-
Capital outlay	17,020	13,170	-	1,350,204
Debt service:				
Principal retirement	-	-	485,000	-
Interest and fiscal charges	117,070	-	377,850	-
Total expenditures	38,153,236	3,987,246	872,148	1,820,224
Excess of revenues over (under) expenditures	5,932,530	316,190	70,269	(93,379)
<u>Other financing sources (uses):</u>				
Proceeds from sale of fixed assets	-	-	-	1,100
Operating transfers in	698,008	-	-	-
Operating transfers out	(980,675)	-	-	-
Total other financing sources (uses)	(282,667)	-	-	1,100
Excess of revenues and other financing sources over (under) expenditures and other financing uses	5,649,863	316,190	70,269	(92,279)
Fund balances at beginning of year	5,632,751	436,031	469,842	1,019,058
Fund balances at end of year	\$ 11,282,614	\$ 752,221	\$ 540,111	\$ 926,779

See accompanying notes to the general purpose financial statements

Fiduciary Fund Type	Totals (Memorandum Only)
Expendable Trust	
\$ -	\$ 23,747,527
-	25,298,675
1,935	1,126,142
-	438,598
15,312	219,988
69,517	314,298
86,764	51,145,228
1,077	20,632,924
-	4,419,359
-	738,881
-	16,931
-	2,043,932
11,745	2,399,199
-	259,788
-	2,996,761
-	871,172
-	715,093
-	3,858,886
-	1,581,473
-	541,948
36,099	722,556
5,955	728,513
24,000	1,404,394
-	485,000
-	494,920
78,876	44,911,730
7,888	6,233,498
-	1,100
-	698,008
-	(980,675)
-	(281,567)
7,888	5,951,931
113,340	7,671,022
\$ 121,228	\$ 13,622,953

Newark City School District
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
All Governmental Fund Types and Expendable Trust Fund
For the Fiscal Year Ended June 30, 2000

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 23,605,930	\$ 22,334,971	\$ (1,270,959)
Intergovernmental	20,746,523	20,964,846	218,323
Interest	688,722	893,242	204,520
Tuition and fees	156,100	275,205	119,105
Extracurricular activities	-	-	-
Miscellaneous	-	96,678	96,678
Total revenues	45,197,275	44,564,942	(632,333)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	20,456,524	20,345,308	111,216
Special	3,285,511	3,268,930	16,581
Vocational	748,031	734,727	13,304
Other	17,130	16,978	152
Support services:			
Pupils	2,048,350	2,021,952	26,398
Instructional staff	1,693,707	1,668,620	25,087
Board of education	267,153	256,841	10,312
Administration	2,976,973	2,972,935	4,038
Fiscal	878,355	878,107	248
Business	766,765	764,827	1,938
Operation and maintenance of plant	4,094,606	4,096,295	(1,689)
Pupil transportation	1,595,533	1,590,774	4,759
Central	311,091	306,563	4,528
Operation of non-instructional services	-	-	-
Extracurricular activities	512,400	511,634	766
Capital outlay	25,400	21,020	4,380
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	39,677,529	39,455,511	222,018
Excess of revenues over (under) expenditures	5,519,746	5,109,431	(410,315)
<u>Other financing sources (uses):</u>			
Proceeds from sale of fixed assets	-	-	-
Refund of prior year expenditures	45,000	16,423	(28,577)
Refund of prior year receipts	(6,300)	(6,289)	11
Other financing uses	(3,000)	(2,772)	228
Pass through	-	-	-
Advances in	45,000	560,193	515,193
Advances out	(5,834)	(5,834)	-
Operating transfers in	696,242	698,008	1,766
Operating transfers out	(1,278,751)	(1,278,751)	-
Total other financing sources (uses)	(507,643)	(19,022)	488,621
Excess of revenues and other financing sources over (under) expenditures and other financing uses	5,012,103	5,090,409	78,306
Fund balances at beginning of year, as restated	6,972,310	6,972,310	-
Prior year encumbrances appropriated	811,398	811,398	-
Fund balances at end of year	\$ 12,795,811	\$ 12,874,117	\$ 78,306

See accompanying notes to the general purpose financial statements

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 921,603	\$ 863,531	\$ (58,072)
4,612,557	3,831,453	(781,104)	-	65,269	65,269
-	-	-	-	-	-
-	-	-	-	-	-
191,450	203,522	12,072	-	-	-
143,830	159,672	15,842	-	-	-
<u>4,947,837</u>	<u>4,194,647</u>	<u>(753,190)</u>	<u>921,603</u>	<u>928,800</u>	<u>7,197</u>
814,350	745,653	68,697	-	-	-
1,312,875	1,249,910	62,965	-	-	-
24,071	23,807	264	-	-	-
-	-	-	-	-	-
74,071	58,154	15,917	-	-	-
881,430	842,747	38,683	-	-	-
-	-	-	-	-	-
44,660	43,480	1,180	-	-	-
26,613	26,525	88	9,300	9,298	2
-	-	-	-	-	-
20,717	20,717	-	-	-	-
7,650	5,482	2,168	-	-	-
259,459	247,535	11,924	-	-	-
877,837	776,160	101,677	-	-	-
245,305	239,927	5,378	-	-	-
13,240	13,170	70	-	-	-
-	-	-	995,000	995,000	-
-	-	-	494,920	494,920	-
<u>4,602,278</u>	<u>4,293,267</u>	<u>309,011</u>	<u>1,499,220</u>	<u>1,499,218</u>	<u>2</u>
<u>345,559</u>	<u>(98,620)</u>	<u>(444,179)</u>	<u>(577,617)</u>	<u>(570,418)</u>	<u>7,199</u>
-	-	-	-	-	-
-	45	45	-	-	-
(47,852)	(47,838)	14	-	-	-
-	-	-	-	-	-
(15,835)	(15,000)	835	-	-	-
-	-	-	-	-	-
(38,368)	(38,368)	-	-	-	-
2,204	2,204	-	627,070	627,070	-
(2,204)	(2,204)	-	-	-	-
<u>(102,055)</u>	<u>(101,161)</u>	<u>894</u>	<u>627,070</u>	<u>627,070</u>	<u>-</u>
243,504	(199,781)	(443,285)	49,453	56,652	7,199
586,156	586,156	-	431,742	431,742	-
340,204	340,204	-	-	-	-
<u>\$ 1,169,864</u>	<u>\$ 726,579</u>	<u>\$ (443,285)</u>	<u>\$ 481,195</u>	<u>\$ 488,394</u>	<u>\$ 7,199</u>

(Continued)

Newark City School District
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
All Governmental Fund Types and Expendable Trust Fund
For the Fiscal Year Ended June 30, 2000 - (Continued)

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 1,394,357	\$ 1,434,913	\$ 40,556
Intergovernmental	579,420	294,471	(284,949)
Interest	-	-	-
Tuition and fees	-	-	-
Extracurricular activities	-	-	-
Miscellaneous	-	-	-
Total revenues	1,973,777	1,729,384	(244,393)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	230,230	229,104	1,126
Special	-	-	-
Vocational	11,601	11,516	85
Other	-	-	-
Support services:			
Pupils	7,800	7,748	52
Instructional staff	336	336	-
Board of education	-	-	-
Administration	5,500	5,500	-
Fiscal	28,020	27,901	119
Business	3,450	3,411	39
Operation and maintenance of plant	58,957	58,920	37
Pupil transportation	240,868	240,073	795
Central	117,411	117,410	1
Operation of non-instructional services	-	-	-
Extracurricular activities	-	-	-
Capital outlay	1,941,549	1,919,645	21,904
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	2,645,722	2,621,564	24,158
Excess of revenues over (under) expenditures	(671,945)	(892,180)	(220,235)
<u>Other financing sources (uses):</u>			
Proceeds from sale of fixed assets	-	1,100	1,100
Refund of prior year expenditures	-	-	-
Refund of prior year receipts	-	-	-
Other financing uses	-	-	-
Pass through	-	-	-
Advances in	6,000	5,834	(166)
Advances out	(453,481)	(453,481)	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	(447,481)	(446,547)	934
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,119,426)	(1,338,727)	(219,301)
Fund balances at beginning of year, as restated	83,604	83,604	-
Prior year encumbrances appropriated	1,471,603	1,471,603	-
Fund balances at end of year	\$ 435,781	\$ 216,480	\$ (219,301)

Expendable Trust Fund			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 25,921,890	\$ 24,633,415	\$ (1,288,475)
-	-	-	25,938,500	25,156,039	(782,461)
1,022	1,935	913	689,744	895,177	205,433
-	-	-	156,100	275,205	119,105
9,350	15,312	5,962	200,800	218,834	18,034
65,878	80,082	14,204	209,708	336,432	126,724
<u>76,250</u>	<u>97,329</u>	<u>21,079</u>	<u>53,116,742</u>	<u>51,515,102</u>	<u>(1,601,640)</u>
1,950	1,216	734	21,503,054	21,321,281	181,773
-	-	-	4,598,386	4,518,840	79,546
-	-	-	783,703	770,050	13,653
-	-	-	17,130	16,978	152
-	-	-	2,130,221	2,087,854	42,367
14,323	13,183	1,140	2,589,796	2,524,886	64,910
-	-	-	267,153	256,841	10,312
-	-	-	3,027,133	3,021,915	5,218
-	-	-	942,288	941,831	457
-	-	-	770,215	768,238	1,977
-	-	-	4,174,280	4,175,932	(1,652)
-	-	-	1,844,051	1,836,329	7,722
-	-	-	687,961	671,508	16,453
38,811	37,870	941	916,648	814,030	102,618
6,000	5,955	45	763,705	757,516	6,189
24,000	24,000	-	2,004,189	1,977,835	26,354
-	-	-	995,000	995,000	-
-	-	-	494,920	494,920	-
<u>85,084</u>	<u>82,224</u>	<u>2,860</u>	<u>48,509,833</u>	<u>47,951,784</u>	<u>558,049</u>
<u>(8,834)</u>	<u>15,105</u>	<u>23,939</u>	<u>4,606,909</u>	<u>3,563,318</u>	<u>(1,043,591)</u>
-	-	-	-	1,100	1,100
-	-	-	45,000	16,468	(28,532)
-	-	-	(54,152)	(54,127)	25
-	-	-	(3,000)	(2,772)	228
-	-	-	(15,835)	(15,000)	835
-	-	-	51,000	566,027	515,027
(10,000)	(10,000)	-	(507,683)	(507,683)	-
500	500	-	1,326,016	1,327,782	1,766
(500)	(500)	-	(1,281,455)	(1,281,455)	-
<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>(440,109)</u>	<u>50,340</u>	<u>490,449</u>
(18,834)	5,105	23,939	4,166,800	3,613,658	(553,142)
81,780	81,780	-	8,155,592	8,155,592	-
31,400	31,400	-	2,654,605	2,654,605	-
<u>\$ 94,346</u>	<u>\$ 118,285</u>	<u>\$ 23,939</u>	<u>\$ 14,976,997</u>	<u>\$ 14,423,855</u>	<u>\$ (553,142)</u>

Newark City School District
Combined Statement of Revenues,
Expenses and Changes in Retained Earnings
All Proprietary Fund Types and Nonexpendable Trust Fund
For the Fiscal Year Ended June 30, 2000

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
<u>Operating revenues:</u>				
Sales	\$ 1,194,168	\$ -	\$ -	\$ 1,194,168
Interest	-	-	717	717
Other operating revenues	8,359	16,721	-	25,080
Total operating revenue	<u>1,202,527</u>	<u>16,721</u>	<u>717</u>	<u>1,219,965</u>
<u>Operating expenses:</u>				
Salaries	769,200	-	-	769,200
Fringe benefits	81,643	-	-	81,643
Purchased services	45,226	3,642	-	48,868
Materials and supplies	264,382	-	-	264,382
Cost of sales	992,561	-	-	992,561
Depreciation	28,487	-	-	28,487
Other operating expenses	3,180	12,827	700	16,707
Total operating expenses	<u>2,184,679</u>	<u>16,469</u>	<u>700</u>	<u>2,201,848</u>
Operating income (loss)	<u>(982,152)</u>	<u>252</u>	<u>17</u>	<u>(981,883)</u>
<u>Non-operating revenues (expenses):</u>				
Federal donated commodities	123,076	-	-	123,076
Operating grants	792,367	-	-	792,367
Interest	46,167	-	-	46,167
Loss on disposal of fixed assets	(3,744)	-	-	(3,744)
Total non-operating revenues (expenses)	<u>957,866</u>	<u>-</u>	<u>-</u>	<u>957,866</u>
Income (loss) before operating transfers	<u>(24,286)</u>	<u>252</u>	<u>17</u>	<u>(24,017)</u>
Operating transfers in	181,529	164,740	-	346,269
Operating transfers out	<u>(61,836)</u>	<u>(1,766)</u>	<u>-</u>	<u>(63,602)</u>
Net income	95,407	163,226	17	258,650
Retained earnings at beginning of year, as restated	708,651	(159,852)	11,437	560,236
Retained earnings at end of year	<u>\$ 804,058</u>	<u>\$ 3,374</u>	<u>\$ 11,454</u>	<u>\$ 818,886</u>

See accompanying notes to the general purpose financial statements

Newark City School District
Combined Statement of Cash Flows
All Proprietary Fund Types and Nonexpendable Trust Fund
For the Year Ended June 30, 2000

	Proprietary Fund Types		Fiduciary Fund Type	Totals
	Enterprise	Internal Service	Nonexpendable Trust	(Memorandum Only)
<u>Cash flows from operating activities:</u>				
Cash received from customers	\$ 1,203,104	\$ -	\$ -	\$ 1,203,104
Cash received from other operating sources	9,630	16,751	-	26,381
Cash payments to suppliers for goods and services	(1,200,028)	(3,605)	-	(1,203,633)
Cash payments to employees for services	(632,073)	-	-	(632,073)
Cash payments for employee benefits	(216,623)	-	-	(216,623)
Cash payments for other operating expenses	(4,670)	(5,285)	(700)	(10,655)
Net cash provided by (used for) operating activities	(840,660)	7,861	(700)	(833,499)
<u>Cash flows from noncapital financing activities:</u>				
Operating grants	903,281	-	-	903,281
Operating transfers in	17,275	-	-	17,275
Operating transfers out	(61,836)	(1,766)	-	(63,602)
Repayment of short-term loans to other funds	(58,344)	-	-	(58,344)
Net cash provided by (used for) noncapital financing activities	800,376	(1,766)	-	798,610
<u>Cash flows from capital financing activities:</u>				
Acquisition of capital assets	(15,479)	-	-	(15,479)
Net cash provided by (used for) capital financing activities	(15,479)	-	-	(15,479)
<u>Cash flows from investing activities:</u>				
Interest on investments	39,623	-	717	40,340
Net cash provided by investing activities	39,623	-	717	40,340
Net increase (decrease) in cash and cash equivalents	(16,140)	6,095	17	(10,028)
Cash and cash equivalents at beginning of year	882,223	6,558	11,437	900,218
Cash and cash equivalents at end of year	\$ 866,083	\$ 12,653	\$ 11,454	\$ 890,190
<u>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</u>				
Operating income (loss)	\$ (982,152)	\$ 252	\$ 17	\$ (981,883)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	28,487	-	-	28,487
Federal donated commodities	123,076	-	-	123,076
Interest reported as operating income	-	-	(717)	(717)
Change in assets and liabilities:				
(Increase) decrease in assets:				
Inventory	(12,194)	-	-	(12,194)
Accounts receivable	8,723	30	-	8,753
Increase (decrease) in liabilities:				
Accounts payable	(12,750)	7,579	-	(5,171)
Accrued wages	(1,474)	-	-	(1,474)
Compensated absences payable	1,110	-	-	1,110
Intergovernmental payable	1,943	-	-	1,943
Deferred revenue	4,571	-	-	4,571
Total adjustments	141,492	7,609	(717)	148,384
Net cash provided by (used for) operating activities	\$ (840,660)	\$ 7,861	\$ (700)	\$ (833,499)

See accompanying notes to the general purpose financial statements

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Newark City School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. The Board controls the School District's twenty-eight instructional/support facilities (eleven buildings at a campus-style high school), one administrative building, and one transportation/maintenance/warehouse building compound all staffed by 381 non-certificated employees and 538 certificated full time teaching personnel, and thirty-eight administrators, who provide services to 7,037 students and other community members.

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 entity for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board Statements and Interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The School District's significant accounting policies are described below.

A. Reporting Entity

The reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements of the 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 Newark City School District, this includes general operations, food service, preschool and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organizations' 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 organizations' 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.

Within the boundaries of the School District, Saint Francis Elementary, Blessed Sacrament Elementary, and Newark Catholic High School are operated through the Columbus Catholic Diocese; Par Excellence and Montessori are operated as private schools. State legislation provides funding to these parochial and private schools. The School District receives the money and then disburses the money as directed by the parochial/private schools. The accounting for the moneys is reflected in a special revenue fund of the School District. The School District does not have any component units.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

The School District is associated with the Licking Area Computer Association, Licking County Joint Vocational School and the Newark Public Library, which are defined as jointly governed organizations. Jointly governed organizations are governed by representatives from each of the governments that create the organizations, but there is no ongoing financial interest or responsibility by the participating governments. Information regarding these organizations is presented in Note 15 and 20.

B. Basis of Presentation - Fund Accounting

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

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

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

Governmental Fund Types

Governmental funds are those through which most governmental functions of the School District are financed. The acquisition, use, and balances of the School District's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds and trust funds) are accounted for through governmental funds. The following are the School District's governmental fund types:

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

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

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

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

Proprietary Fund Types

Proprietary funds are used to account for the School District's ongoing activities which are similar to those found in the private sector. The following are the School District's proprietary fund types:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds - Internal service funds account 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.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include expendable trust, nonexpendable trust, and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Nonexpendable trust funds are accounted for in essentially the same manner as proprietary funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the School District, other than those accounted for in the proprietary or trust funds.

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

C. Measurement Focus and Basis of Accounting

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after year-end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes, income taxes, investment earnings, tuition, grants and entitlements, and student fees.

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

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. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred. There were no unbilled service charges receivable at year-end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

D. Budgets and Budgetary Accounting

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each function. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget:

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

Estimated Resources:

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

Appropriations:

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, two supplemental appropriations were legally enacted.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

The budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions. Under Ohio law advances are not required to be budgeted.

Encumbrances:

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

Lapsing of Appropriations:

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

E. Cash and Investments

To improve cash management, all cash received by the School District is pooled in a central bank account. Monies for all funds, including proprietary funds, are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents" on the balance sheet. During the fiscal year, investments were limited to overnight repurchase agreements, certificates of deposits, U.S. government backed securities, and an interest in Star Ohio, the State Treasurer's Investment Pool. Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value which is based on quoted market prices. Under existing Ohio statutes, all investment earnings accrue to the general fund except those specifically related to certain trust funds, unless the Board specifically allows the interest to be recorded in other funds.

GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments" was implemented during fiscal year 1998. In accordance with this statement, investments held at June 30, 2000 with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at fiscal year end. All investments not required to be reported at fair value are stated at cost or amortized cost.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

F. Inventory

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds was not significant at the end of the current fiscal period. Inventories of proprietary funds consisted of donated food, purchased food, and supplies held for resale and are expensed when used.

G. Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars. The School District does not possess any infrastructure.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

H. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include unexpected revenues restricted for the purchase of school buses, and amounts required to be set aside by the School District for the purchase of textbooks, for the acquisition or construction of capital assets and to create a reserve for budget stabilization. See Note 19 for the calculation of the year-end restricted asset balance and the corresponding fund balance reserve.

I. Intergovernmental Revenues

In governmental funds, federal and state grants awarded on a non-reimbursement basis and federal entitlements are recorded as intergovernmental receivables and revenues when measurable and available. Federal and state reimbursable type grants are recorded as intergovernmental receivables and revenues when the related liabilities are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and became measurable.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

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

Entitlements

General Fund

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

Non-Reimbursable Grants

Special Revenue Funds

Alternative Schools
Auxiliary Services
Career Development
CIP Mini Grant
Data Communication
Disadvantaged Pupil Impact Aid
Drug Free Schools
EHA Preschool
Entry Year GRT
Family and School Partnership
Instructional Material Subsidy
Management Information System
Ohio Reads
Ohio School to Work
Raising the Bar
Safe and Drug Free School
Safe School Help Line
School Net Technology and Learning Center
School To Work
State Library GRT
Teacher Development
Title I
Title II
Title VI
Title VI-B
Title VI-R

Capital Projects

School Net
Vocational Education Equipment
Emergency Building Repairs
Technology Equity

Reimbursable Grants

General Fund

Driver Education Reimbursement

Proprietary Funds

National School Lunch Program
National School Breakfast Program
Government Donated Commodities

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

Grants and entitlements amounted to approximately forty-seven percent of the School District's operating revenue during the current fiscal year.

J. Short-term Interfund Assets/Liabilities

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables" and "interfund payables." Long-term interfund loans are classified as "advances to/from other funds" and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources since they are not a component of net current assets.

K. Compensated Absences

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

Accumulated vacation and sick leave of employees paid from governmental funds has been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources. The balance of the liability is recorded in the general long-term debt account group. Vacation and sick leave for employees paid from proprietary funds are recorded as an expense and liability of the fund.

L. Accrued Liabilities and Long-term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions, and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term debt account group to the extent that they will not be paid with current available expendable financial resources. Bonds and capital leases are reported as a liability of the general long-term debt account group until due.

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

M. Interfund Transactions

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

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

N. Fund Balance Reserves

The School District records reservations for 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 appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, budget reserve, property taxes, endowments, and debt service.

O. 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.

P. Memorandum Only - Total Columns on General Purpose Financial Statements

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

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

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

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for all governmental fund types.

	<i>Excess of Revenues and Other Financing Sources Over (Under)</i>			
	<i>Expenditures and Other Financing Uses</i>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<i>GAAP Basis</i>	\$ 5,649,863	\$ 316,190	\$ 70,269	\$ (92,279)
<i>Revenue Accruals</i>	1,055,792	(106,540)	613,453	8,373
<i>Expenditure Accruals</i>	(267,406)	(90,167)	(627,070)	(587,703)
<i>Encumbrances (Budget Basis)</i>				
<i>Outstanding at year end</i>	<u>(1,347,840)</u>	<u>(319,264)</u>	-	<u>(667,118)</u>
<i>Budget Basis</i>	<u>\$ 5,090,409</u>	<u>\$ (199,781)</u>	<u>\$ 56,652</u>	<u>\$ (1,338,727)</u>

NOTE 4 - 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 Board of Education has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim 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 deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including pass book accounts. Interim moneys may be invested in the following obligations provided they mature or are redeemable within five years from the date of settlement:

1. United States Treasury bills, notes, bonds, or any other obligations or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements for a period not to exceed thirty days in securities listed above that mature within five years from the date of settlement;
4. Bonds and other obligations of the State of Ohio;

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

5. No-load money market mutual funds consisting exclusively of obligations described in item (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation, 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 moneys deposited with the institution.

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.

Deposits:

At year-end, the carrying amount of the School District's deposits including petty cash of \$4,017 was \$1,106,346 and the bank balance was \$1,865,022. Of the bank balance, \$1,600,000 was covered by federal depository insurance or surety company bonds deposited with the School District and \$265,022 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School District's name.

Investments:

GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that the School District's investments be classified in categories of risk. 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 for which the securities are held by the 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.

Interest is legally required to be placed in the general fund; the Food Service enterprise fund; the Special Trust expendable trust fund and the Fletcher Trust Endowment nonexpendable trust fund. Interest revenue credited to the general fund, the Food Service fund, the Special Trust fund, and the Fletcher Trust Endowment fund during the fiscal year 2000 amounted to \$1,124,207, \$46,167, \$1,935 and \$717, respectively. The general fund and Food Service fund interest respectively includes \$126,121, and \$1,113 assigned from other School District funds.

The School District has invested funds in STAR Ohio during 2000. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio 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 STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2000.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

	<i>Category</i>		<i>Fair</i>
	<u>2</u>	<u>3</u>	<u>Value</u>
<i><u>Categorized Investments</u></i>			
<i>Repurchase Agreements</i>	\$ -	1,019,112	1,019,112
<i>US Government Securities</i>	<u>13,991,993</u>	<u>-</u>	<u>13,991,993</u>
<i>Total Categorized</i>	<u>\$ 13,991,993</u>	<u>1,019,112</u>	<u>15,011,105</u>
 <i><u>Noncategorized Investments</u></i>			
<i>State Treasurer's Pool</i>			<u>1,651,636</u>
<i>Total Investments</i>			<u>\$ 16,662,741</u>

NOTE 5 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at eighty-eight percent of true value (with certain exceptions) and on real property at thirty-five percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are twenty-five percent of true 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 alternative payment dates to be established.

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

The School District receives property taxes from Licking 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 are available to finance the current year operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property and public utility taxes, which became measurable as of June 30. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30 was \$873,122 in the general fund, \$100,161 in the Permanent Improvement capital projects fund and \$51,717 in the Bond Retirement debt service fund and is recognized as revenue.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

There were no new levies passed during the current fiscal year. The assessed values upon which the current fiscal year taxes were collected are:

<u>Property Category</u>	<u>1999 Assessed Value</u>	<u>1998 Assessed Value</u>
<u>Real Property</u>		
Residential and Agricultural	\$ 428,064,980	\$ 367,296,400
Commercial and Industrial	140,387,530	119,793,230
Public Utilities	300,297	329,880
<u>Tangible Personal Property</u>		
General	56,445,250	59,310,510
Public Utilities	35,424,343	39,243,900
Total	<u>\$ 660,622,400</u>	<u>\$ 585,973,920</u>

NOTE 6 – INCOME TAXES

The School District levies a voted tax of one percent for general operations on the income of residents and of estates. The tax was effective on January 1, 1998, and will continue for five years. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the general fund.

NOTE 7 - RECEIVABLES

Receivables at year-end consisted of taxes, accounts (tuition and excess costs), interfund and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. The general and special revenue funds' intergovernmental receivable at June 30, consisted of \$85,882 and \$104,389, respectively.

NOTE 8 - FIXED ASSETS

Enterprise Fund: A summary of the enterprise funds' fixed assets at year-end follows:

<u>Classification</u>	<u>Balance</u>
Equipment	\$ 297,705
Less: accumulated depreciation	<u>(116,481)</u>
Net Fixed Assets	<u>\$ 181,224</u>

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

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

<u>Classification</u>	<u>Balance</u>			<u>Balance</u>
	<u>July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30</u>
<i>Land and Land Improvements</i>	\$ 977,144	\$ 7,057	\$ -	\$ 984,201
<i>Buildings</i>	20,485,729	1,318,063	-	21,803,792
<i>Furniture and Equipment</i>	5,693,237	283,375	(105,291)	5,871,321
<i>Vehicles</i>	1,998,328	190,290	-	2,188,618
<i>Construction in Progress</i>	30,292	-	(30,292)	-
<i>Total</i>	<u>\$ 29,184,730</u>	<u>\$ 1,798,785</u>	<u>\$ (135,583)</u>	<u>\$ 30,847,932</u>

NOTE 9 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no settlements paid in excess of insurance nor has insurance coverage been significantly reduced in the past three years.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 10 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634 or by calling (614) 222-5853.

Plan members are required to contribute nine percent of their annual covered salary and the School District is required to contribute an actuarially determined rate of fourteen percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to the statutory maximum amounts, by the SERS Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$941,196, \$810,232, and \$876,792, respectively; thirty-seven percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$596,641 representing the unpaid contribution for fiscal year 2000 is recorded as a liability within the respective funds and the general long-term debt account group.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing, multiple employer defined benefit pension plan. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District is required to contribute an actuarially determined rate of fourteen percent of annual covered payroll. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of ten percent for members and fourteen percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$3,258,290, \$3,394,857, and \$3,316,260, respectively; eighty-three percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$538,124 representing the unpaid contribution for fiscal year 2000 is recorded as a liability within the respective funds.

NOTE 11 - POSTEMPLOYMENT BENEFITS

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System (STRS). Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Benefit provisions and the obligations to contribute are established by the STRS based on authority granted by State statute. Most benefit recipients are required to pay a portion of the health care cost in the form of a monthly premium.

By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently fourteen percent of covered payroll. The retirement board currently allocates employer contributions equal to eight percent of covered payroll to the Health Care Reserve Fund from which payments for health care benefits are paid. For the School District this amount equaled \$1,861,880 during the 2000 fiscal year. The balance in the Health Care Reserve Fund for the STRS was \$2,783 billion at June 30, 1999, (latest information available). For the year ended June 30, 1999, the net health care costs paid by the STRS were \$249,929,000 and eligible benefit recipients totaled 95,796.

For the School Employees Retirement System (SERS), coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of seventy-five percent of the premium. For this fiscal year, employer contributions to fund health care benefits were 6.3 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to fourteen percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the fourteen percent contribution rate, provides for maintenance of the asset target level for the health care fund. For the School District, the amount of employer contributions used to fund health care equaled \$423,538, which includes a surcharge of \$126,043 during the 2000 fiscal year.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 1999, (latest information available) were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999, the SERS's net assets available for payment of health care benefits was \$188 million. The number of participants receiving health care benefits was approximately 51,000.

NOTE 12 - INTERFUND TRANSACTIONS

Interfund balances at year-end consist of the following individual fund receivables and payables:

Interfund receivable/payable

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Rotary	\$ 746
General	Vocational Ed. Equipment	5,834
Total		<u>\$ 6,580</u>

NOTE 13 - LONG TERM DEBT

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

<u>General Long-Term Debt</u>	<u>Balance</u> <u>July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30</u>
<u>Bonds</u>				
Energy Conservation Bonds, 6.743%, maturing on December 1, 2000	\$ 380,000	\$ -	\$ (185,000)	\$ 195,000
Energy Conservation Bonds, 5.904%, maturing on March 1, 2002	315,000	-	(100,000)	215,000
Library Improvement Bonds, 5.137% maturing on December 1, 2022	7,374,928	-	(200,000)	7,174,928
Total Bonds	<u>8,069,928</u>	<u>-</u>	<u>(485,000)</u>	<u>7,584,928</u>
<u>Other Obligations</u>				
Long-term compensated absences (restated)	2,017,627	87,530	-	2,105,157
Early retirement incentive obligation	800,000	-	(800,000)	-
Employer pension obligations	328,389	328,700	(328,389)	328,700
Total Other Obligations	<u>3,146,016</u>	<u>416,230</u>	<u>(1,128,389)</u>	<u>2,433,857</u>
Total General Long-Term Debt	<u>\$ 11,215,944</u>	<u>\$ 416,230</u>	<u>\$ (1,613,389)</u>	<u>\$ 10,018,785</u>

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

The annual requirements to amortize all bonds and notes outstanding as of year-end including interest payments of \$5,228,210 are as follows:

<i>Fiscal Year</i>	<i>Energy Conservation Bonds</i>	<i>Library Improvement Bonds</i>	<i>Total Bonded Debt</i>
2001	\$ 318,143	\$ 543,670	\$ 861,813
2002	115,940	540,062	656,002
2003	-	540,930	540,930
2004	-	541,211	541,211
2005	-	541,217	541,217
<i>Thereafter</i>	<u>-</u>	<u>9,671,964</u>	<u>9,671,964</u>
<i>Total</i>	<u>\$ 434,083</u>	<u>\$ 12,379,054</u>	<u>\$ 12,813,137</u>

The Energy Conservation Bonds Payable and the Library Improvement Bonds Payable will be paid from the Bond Retirement debt service fund. Compensated absences and employer pension due to the School Employees Retirement System will be paid from the fund from which the person is paid.

NOTE 14 – TAX ANTICIPATION NOTE

The Ohio Revised Code allows for the issuance of tax anticipation notes with a maximum maturity not exceeding five years. The School District issued \$2,800,000 of Income Tax Anticipation Notes at an interest rate of 4.6% on April 8, 1998. These notes are reflected as a liability of the general fund and will be retired with tax revenues with the final payment due in fiscal year 2004.

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS

Licking Area Computer Association (LACA) is the computer service organization or Data Acquisition Site (DAS) used by the School District. LACA is an association of public school districts in a geographic area determined by the Ohio Department of Education. The Licking County Educational Service Center acts as the fiscal agent for the consortium. The purpose of the consortium is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All Districts in the consortium are required to pay fees, charges, and assessments as charged. A board made up of superintendents from all of the participating districts governs LACA. An elected Executive Board consisting of five members of the governing board is the managerial body of the consortium and meets on a monthly basis. The School District does not maintain an ongoing financial interest or an ongoing financial responsibility. Payments to LACA are made from the general fund. During the current fiscal year the School District contributed \$116,151 to LACA.

The Licking County Joint Vocational School (JVS) is a distinct political subdivision of the State of Ohio, which provides vocational education for students. The JVS is operated under the direction of a Board consisting of three representatives from the Licking County Educational Service Center, two representatives from Newark City Schools, one representative from the Heath City Schools, and one representative from the Granville Exempted Village Schools elected boards. The JVS possesses its own budgeting and taxing authority.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

NOTE 16 - CONTINGENCIES

A. Grants:

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

B. Litigation:

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

C. School Funding:

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 2000 the School District received \$18,847,570 of school foundation support for its general fund.

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

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

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

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

D. Other Contingencies:

On November 3, 1998 voters repealed two property tax levies originally approved by voters in 1988 and 1993. The School District estimates that it will lose approximately \$5,000,000 in property tax revenue as a result of this repeal. The full effect of the repeal will take place in fiscal year 2001.

NOTE 17 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The School District maintains three enterprise funds to account for the operations of food service, uniform school supplies programs and rotary special services. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30.

<u>Description</u>	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Rotary Special Services</u>	<u>Total</u>
<i>Operating revenues</i>	\$ 1,041,690	\$ 149,816	\$ 11,021	\$ 1,202,527
<i>Depreciation expense</i>	28,487	-	-	28,487
<i>Operating income (loss)</i>	(994,334)	4,935	7,247	(982,152)
<i>Operating grants</i>	792,367	-	-	792,367
<i>Donated commodities</i>	123,076	-	-	123,076
<i>Operating transfers in</i>	-	181,529	-	181,529
<i>Operating transfers out</i>	-	61,836	-	61,836
<i>Net income (loss)</i>	(36,468)	124,628	7,247	95,407
<i>Fixed asset additions</i>	15,479	-	-	15,479
<i>Net working capital</i>	639,615	-	31,553	671,168
<i>Total assets</i>	1,046,580	-	31,553	1,078,133
<i>Compensated absences payable</i>	48,334	-	-	48,334
<i>Total equity</i>	772,505	-	31,553	804,058
<i>Encumbrances outstanding (budget basis) at June 30, 2000</i>	\$ 115,563	\$ -	\$ -	\$ 115,563

NOTE 18 – ACCOUNTABILITY AND COMPLIANCE

A. Fund Deficits

As of June 30, 2000 several funds had deficit fund balances. These deficits were caused by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The following funds had deficits at year-end:

<i>Special Revenue</i>	
<i>Management Information Systems</i>	\$ 39
<i>Disadvantaged Pupil Impact Aid</i>	8,098
<i>Title I</i>	47,345
<i>EHA Preschool Grant</i>	512

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

B. Compliance

The following fund had expenditures plus outstanding encumbrances in excess of appropriations for the fiscal year ended June 30, 2000, which is not in compliance with Ohio Revised Code Section 5705.41(B). Disclosure is presented at the function level within the fund rather than at the object level within the fund due to practicality of determining these values.

<u>Fund</u>	<u>Account</u>	<u>Excess</u>
General	Instuction: Vocational - capital outlay	\$ 403
General	Support services: Administration - fringe benefits	5,241
General	Support services: Fiscal - salaries and wages	2,211
General	Support services: Business - fringe benefits	145
General	Support services: Operation and maintenance of a plant - purchased services	13,586
General	Support services: Pupil transportation - fringe benefits	37
<i>Special Revenue:</i>		
Public School Support	Operation of non-instructional services: Other operation of non-instructional services - other	1,252
Local Professional Development	Instuction: Regular - materials and supplies	40
Local Professional Development	Support services: Instructional staff - fringe benefits	97
Title II Eisenhower	Operation of non-instructional services: Community services - materials and supplies	755
Title VI-B	Support services: Instructional staff - fringe benefits	218
Title I	Support services: Instructional staff - materials and supplies	1,058
Title I	Support services: Administration - purchased services	4,000
<i>Capital Project:</i>		
SchoolNet	Instuction: Regular - materials and supplies	481
<i>Enterprise:</i>		
Food Service	Fringe benefits - food service operations	10,341

NOTE 19 – STATUTORY RESERVES

The School District is required by State statute to annually set aside monies for the purchase of textbooks and other instructional materials, and for capital improvements. The amounts set-aside may be reduced by offset credits, which are monies received and restricted for the same specific purpose. Qualifying expenditures and offset-credits may only be used to reduce the current year set-aside requirement and may not be carried forward to reduce subsequent year requirements. Amounts not spent by year-end or reduced by offset credits must be held in cash at year-end and carried forward to be used for the same purposes in future years.

Amounts are also to be set aside for budget stabilization if the School District's revenues increase three percent or more from the prior year.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

During the fiscal year ended June 30, 2000 the reserve activity was as follows:

	<u>Textbook</u> <u>Reserve</u>	<u>Capital</u> <u>Maintenance</u> <u>Reserve</u>	<u>Budget</u> <u>Stabilization</u> <u>Reserve</u>	<u>School Buses</u> <u>Reserve</u>	<u>Total</u>
Balance, July 1, 1999	\$ -	\$ -	\$ 563,151	\$ -	\$ 563,151
Required Set-Aside	1,049,345	1,049,345	349,782	77,671	2,526,143
Offset Credits	-	(1,436,012)	-	-	(1,436,012)
Qualifying Expenditures	(465,929)	-	-	(77,671)	(543,600)
Total	<u>\$ 583,416</u>	<u>\$ (386,667)</u>	<u>\$ 912,933</u>	<u>\$ -</u>	<u>\$ 196,749</u>
Cash balance carried forward to fiscal year 2001	<u>\$ 583,416</u>	<u>\$ -</u>	<u>\$ 912,933</u>	<u>\$ -</u>	<u>\$ 1,306,431</u>

NOTE 20 – RELATED ORGANIZATION

The Newark Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. A Board of Trustees appointed by the School District's Board of Education governs the Library. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the School District for operational subsidies. Although the School District serves as the taxing authority and may issue tax-related debt on behalf of the Library, its role is limited to an administrative function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. The Library is not considered part of the School District, and its operations are not included within the accompanying financial statements.

NOTE 21 – PRIOR PERIOD ADJUSTMENTS

Following the close of the previous fiscal year an error was found in the calculation and reporting of compensated absences in the Food Service enterprise fund and the general long-term debt account group. No liability was recorded in the enterprise fund. In addition, the calculation of the sick leave liability was based on the vesting method and is currently estimated using the termination method. Due to this change in estimating compensated absences and the error found in the enterprise fund a restatement of balances is required and stated below:

	<u>Enterprise</u>	<u>General</u> <u>Long-Term Debt</u> <u>Account Group</u>
Retained earnings as previously stated, 6/30/99	\$ 755,875	\$ -
Account balance as previously stated, 6/30/99		11,084,626
Restatement	<u>(47,224)</u>	<u>131,318</u>
Restated July 1, 1999	<u>\$ 708,651</u>	<u>\$ 11,215,944</u>

Balances at July 1, 1999 in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – All Governmental Fund Types and Expendable Trust Fund have been restated to present true unencumbered cash balances at July 1, 1999 for the fiduciary fund type - Expendable Trust Fund.

Newark City School District
Notes to the General Purpose Financial Statements
For the fiscal year ended June 30, 2000

NOTE 22 – EMPLOYEE BENEFITS

A. Compensated Absences

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 240 days for certified employees, 260 days for certified and classified administrators and unlimited for classified employees. Upon retirement, payment is made for 25 percent of accrued, but unused sick leave credit to a maximum of up to 50 days for all employees.

B. Life Insurance

The School District provides life insurance and accidental death and dismemberment insurance to employees through CoreSource.

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

GENERAL FUND

The General Fund is used to account for resources traditionally associated with a school district which are not required legally or by sound financial management to be accounted for in another fund. These activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration.

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 23,605,930	\$ 22,334,971	\$ (1,270,959)
Intergovernmental	20,746,523	20,964,846	218,323
Interest	688,722	893,242	204,520
Tuition and fees	156,100	275,205	119,105
Miscellaneous	-	96,678	96,678
Total revenues	45,197,275	44,564,942	(632,333)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	15,808,000	15,806,643	1,357
Fringe benefits	3,250,714	3,230,033	20,681
Purchased services	215,215	209,076	6,139
Materials and supplies	1,114,603	1,046,690	67,913
Capital outlay - new	53,410	41,156	12,254
Capital outlay - replacement	1,582	979	603
Other	13,000	10,731	2,269
Total regular	20,456,524	20,345,308	111,216
Special:			
Salaries and wages	2,502,000	2,501,776	224
Fringe benefits	515,000	512,112	2,888
Purchased services	201,371	199,477	1,894
Materials and supplies	64,295	53,155	11,140
Capital outlay - new	1,945	1,660	285
Other	900	750	150
Total special	3,285,511	3,268,930	16,581
Vocational:			
Salaries and wages	597,200	590,228	6,972
Fringe benefits	127,000	124,252	2,748
Purchased services	8,801	7,241	1,560
Materials and supplies	5,317	5,251	66
Capital outlay - new	3,763	1,402	2,361
Capital outlay - replacement	5,950	6,353	(403)
Total vocational	748,031	734,727	13,304

(Continued)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Other:			
Salaries and wages	14,520	14,520	-
Fringe benefits	2,610	2,458	152
Total other	<u>17,130</u>	<u>16,978</u>	<u>152</u>
Support services:			
Pupils:			
Salaries and wages	1,486,000	1,485,733	267
Fringe benefits	334,000	324,709	9,291
Purchased services	161,212	154,436	6,776
Materials and supplies	54,851	48,338	6,513
Capital outlay - new	12,237	8,686	3,551
Other	50	50	-
Total pupils	<u>2,048,350</u>	<u>2,021,952</u>	<u>26,398</u>
Instructional staff:			
Salaries and wages	1,170,000	1,167,982	2,018
Fringe benefits	373,327	361,060	12,267
Purchased services	53,948	53,019	929
Materials and supplies	90,145	80,741	9,404
Capital outlay - new	4,587	4,406	181
Capital outlay - replacement	1,500	1,412	88
Other	200	-	200
Total instructional staff	<u>1,693,707</u>	<u>1,668,620</u>	<u>25,087</u>
Board of education:			
Salaries and wages	6,000	6,000	-
Fringe benefits	500	473	27
Purchased services	245,103	235,335	9,768
Materials and supplies	3,550	3,434	116
Other	12,000	11,599	401
Total board of education	<u>267,153</u>	<u>256,841</u>	<u>10,312</u>
Administration:			
Salaries and wages	2,332,000	2,331,166	834
Fringe benefits	586,000	591,241	(5,241)
Purchased services	25,283	17,370	7,913
Materials and supplies	28,259	28,027	232
Capital outlay - new	2,931	2,928	3
Other	2,500	2,203	297
Total administration	<u>2,976,973</u>	<u>2,972,935</u>	<u>4,038</u>

(Continued)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Fiscal:			
Salaries and wages	308,000	310,211	(2,211)
Fringe benefits	92,000	91,450	550
Purchased services	26,060	25,890	170
Materials and supplies	19,820	19,615	205
Capital outlay - new	3,000	3,000	-
Capital outlay - replacement	1,300	1,286	14
Other	428,175	426,655	1,520
Total fiscal	878,355	878,107	248
Business:			
Salaries and wages	236,000	235,645	355
Fringe benefits	71,000	71,145	(145)
Purchased services	365,360	363,926	1,434
Materials and supplies	91,405	91,150	255
Capital outlay - new	2,600	2,600	-
Other	400	361	39
Total business	766,765	764,827	1,938
Operation and maintenance of plant:			
Salaries and wages	1,772,000	1,771,648	352
Fringe benefits	490,725	487,875	2,850
Purchased services	1,437,282	1,450,868	(13,586)
Materials and supplies	375,700	367,247	8,453
Capital outlay - new	14,059	13,860	199
Capital outlay - replacement	3,840	3,840	-
Other	1,000	957	43
Total operation and maintenance of plant	4,094,606	4,096,295	(1,689)
Pupil transportation:			
Salaries and wages	884,000	883,094	906
Fringe benefits	223,000	223,037	(37)
Purchased services	87,929	87,255	674
Materials and supplies	260,347	259,067	1,280
Capital outlay - new	59,746	58,758	988
Capital outlay - replacement	78,500	78,421	79
Other	2,011	1,142	869
Total pupil transportation	1,595,533	1,590,774	4,759

(Continued)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Central:			
Salaries and wages	74,500	74,462	38
Fringe benefits	26,945	26,702	243
Purchased services	186,673	185,358	1,315
Materials and supplies	18,273	15,493	2,780
Capital outlay - new	2,400	2,339	61
Capital outlay - replacement	1,800	1,744	56
Other	500	465	35
Total central	311,091	306,563	4,528
Extracurricular activities:			
Academic and subject oriented activities:			
Salaries and wages	80,000	79,935	65
Fringe benefits	13,900	13,806	94
Materials and supplies	400	392	8
Total academic and subject oriented activities	94,300	94,133	167
Sports oriented activities:			
Salaries and wages	350,000	349,612	388
Fringe benefits	68,000	67,814	186
Materials and supplies	100	75	25
Total sports oriented activities	418,100	417,501	599
Capital outlay:			
Site improvement services:			
Capital outlay - new	4,000	(150)	4,150
Building improvement services:			
Capital outlay - new	21,000	20,770	230
Other facilities acquisition and construction services:			
Purchased services	400	400	-
Total capital outlay	25,400	21,020	4,380
Total expenditures	39,677,529	39,455,511	222,018
Excess of revenues over expenditures	5,519,746	5,109,431	(410,315)

(Continued)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Other financing sources (uses):</u>			
Refund of prior year expenditures	45,000	16,423	(28,577)
Refund of prior year receipts	(6,300)	(6,289)	11
Other financing uses	(3,000)	(2,772)	228
Advances in	45,000	560,193	515,193
Advances out	(5,834)	(5,834)	-
Operating transfers in	696,242	698,008	1,766
Operating transfers out	(1,278,751)	(1,278,751)	-
Total other financing sources (uses)	<u>(507,643)</u>	<u>(19,022)</u>	<u>488,621</u>
Excess of revenues and other financing sources over expenditures and other financing uses	5,012,103	5,090,409	78,306
Fund balance at beginning of year	6,972,310	6,972,310	-
Prior year encumbrances appropriated	811,398	811,398	-
Fund balance at end of year	<u>\$ 12,795,811</u>	<u>\$ 12,874,117</u>	<u>\$ 78,306</u>

SPECIAL REVENUE FUNDS

The special revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

Public School Support

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

Miscellaneous Grants

To account for a number of small local grants that are restricted for specific expenditures.

Venture Capital Grant

To account for state funds received by individual school buildings that are to be used to implement school improvement models, research-based instructional programs, and staff development activities.

District Managed Student Activity

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

Auxiliary Services

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

Career Development

To account for monies received and expended in conjunction with Vocational Education Career Development projects funded by the State of Ohio, Ohio Department of Education, Division of Vocational Education.

Local Professional Development

To account for monies received under House Bill 117 to be used for locally held professional development and teacher training activities which are guided by Ohio's model competency based education programming or comparable models to support student achievement, including proficiency test performance.

Management Information Systems

To account for state funds provide to assist the district in implementing a staff, student, and financial reporting system as mandated by the Omnibus Education Reform Act of 1989.

Disadvantaged Pupil Impact Aid (DPIA)

To account for state funds which provide instructional programs and materials for disadvantaged students.

Data Communications

To account for revenues received from the State to be used to install and provide support costs for data communication links to connect any school to the local A-site.

SchoolNet Professional Development

To account for revenues received to provide professional development programs related to technology.

Textbooks/Instructional Materials Subsidy

To account for monies received from the state for textbooks, instructional software, instructional materials, and any other materials the district deems to be helpful in providing appropriate instruction to students in the following subject areas: reading, writing, mathematics, science and citizenship.

Ohio Reads

To account for improvements in reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public school buildings, for background checks for volunteers, to evaluate the Ohio Reads Program, and for operating expenses associated with administering the program.

Alternative Schools

To account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services' facility.

Miscellaneous State Grants

To account for monies received from state agencies which are not classified elsewhere.

Title II - Eisenhower

To account for federal funds used in the training of teachers in new techniques and methodologies in the areas of mathematics and science.

Title VI-B

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

Title I

To account for federal funds for services provide to meet special educational needs of educationally deprived children.

Title VI

To account for federal funds to proved programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; programs to enhance personal excellence of students and student achievement.

Drug Free Schools Program

To account for federal funds for the establishment, operation and improvement programs of drug abuse prevention, early intervention, rehabilitation referral and education in schools.

Preschool Grant

To account for federal funds used for the improvement and expansion of services for handicapped children ages three through five years.

Telecommunications Act Grant ("E-rate")

This fund will be used to account for a federal grant, which is paid directly to the telecommunication service provider. These funds will be used to pay for telecommunication activities.

Miscellaneous Federal Grants

To account for federal revenues received through state agencies from the federal government or directly from the federal governments which are not classified elsewhere.

Newark City School District
Combining Balance Sheet
All Special Revenue Funds
June 30, 2000

	<u>Public School Support</u>	<u>Miscellaneous Grants</u>	<u>Venture Capital Grant</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ 62,984	\$ 40,363	\$ 13,737	\$ 101,251	\$ 189,378
Receivables:					
Accounts	-	4,000	-	400	-
Intergovernmental	-	-	-	-	-
Total assets	<u>\$ 62,984</u>	<u>\$ 44,363</u>	<u>\$ 13,737</u>	<u>\$ 101,651</u>	<u>\$ 189,378</u>
 <u>Liabilities and fund equity:</u>					
<u>Liabilities:</u>					
Accounts payable	\$ 2,165	\$ 2,680	\$ 190	\$ 936	\$ 55,675
Accrued wages	-	-	-	-	27,930
Compensated absences payable	-	-	-	-	-
Intergovernmental payable	-	128	6	24	4,936
Total liabilities	<u>2,165</u>	<u>2,808</u>	<u>196</u>	<u>960</u>	<u>88,541</u>
 <u>Fund equity:</u>					
Fund balance:					
Reserved for encumbrances	5,891	13,836	407	10,431	38,881
Unreserved:					
Undesignated	<u>54,928</u>	<u>27,719</u>	<u>13,134</u>	<u>90,260</u>	<u>61,956</u>
Total fund equity	<u>60,819</u>	<u>41,555</u>	<u>13,541</u>	<u>100,691</u>	<u>100,837</u>
Total liabilities and fund equity	<u>\$ 62,984</u>	<u>\$ 44,363</u>	<u>\$ 13,737</u>	<u>\$ 101,651</u>	<u>\$ 189,378</u>

<u>Career Development</u>	<u>Local Professional Development</u>	<u>Management Information System</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>Data Communications</u>	<u>SchoolNet Professional Development</u>	<u>Textbook/ Instructional Materials Subsidy</u>
\$ 4,406	\$ 37,393	\$ -	\$ 116	\$ -	\$ 33,874	\$ 643
-	-	-	-	-	-	-
-	-	-	-	-	1,000	-
<u>\$ 4,406</u>	<u>\$ 37,393</u>	<u>\$ -</u>	<u>\$ 116</u>	<u>\$ -</u>	<u>\$ 34,874</u>	<u>\$ 643</u>

\$ 1,536	\$ 207	\$ -	\$ -	\$ -	\$ 10,513	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	43	39	8,214	-	23	-
<u>1,536</u>	<u>250</u>	<u>39</u>	<u>8,214</u>	<u>-</u>	<u>10,536</u>	<u>-</u>

1,496	31,663	-	-	-	2,567	-
<u>1,374</u>	<u>5,480</u>	<u>(39)</u>	<u>(8,098)</u>	<u>-</u>	<u>21,771</u>	<u>643</u>
<u>2,870</u>	<u>37,143</u>	<u>(39)</u>	<u>(8,098)</u>	<u>-</u>	<u>24,338</u>	<u>643</u>
<u>\$ 4,406</u>	<u>\$ 37,393</u>	<u>\$ -</u>	<u>\$ 116</u>	<u>\$ -</u>	<u>\$ 34,874</u>	<u>\$ 643</u>

(Continued)

Newark City School District
Combining Balance Sheet
All Special Revenue Funds
June 30, 2000

	<u>Ohio Reads</u>	<u>Alternative Schools</u>	<u>Miscellaneous State Grants</u>	<u>Title II Eisenhower</u>	<u>Title VI-B</u>
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ 19,922	\$ 107,500	\$ 37,530	\$ 11,344	\$ 34,602
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	-	23,389
Total assets	<u>\$ 19,922</u>	<u>\$ 107,500</u>	<u>\$ 37,530</u>	<u>\$ 11,344</u>	<u>\$ 57,991</u>
 <u>Liabilities and fund equity:</u>					
<u>Liabilities:</u>					
Accounts payable	\$ 11,433	\$ -	\$ 70	\$ -	\$ 1,804
Accrued wages	-	-	-	-	28,841
Compensated absences payable	-	-	-	-	-
Intergovernmental payable	118	-	406	2,103	6,439
Total liabilities	<u>11,551</u>	<u>-</u>	<u>476</u>	<u>2,103</u>	<u>37,084</u>
 <u>Fund equity:</u>					
Fund balance:					
Reserved for encumbrances	7,459	-	649	6,553	7,448
Unreserved:					
Undesignated	912	107,500	36,405	2,688	13,459
Total fund equity	<u>8,371</u>	<u>107,500</u>	<u>37,054</u>	<u>9,241</u>	<u>20,907</u>
Total liabilities and fund equity	<u>\$ 19,922</u>	<u>\$ 107,500</u>	<u>\$ 37,530</u>	<u>\$ 11,344</u>	<u>\$ 57,991</u>

<u>Title I</u>	<u>Title VI</u>	<u>Drug Free Schools Program</u>	<u>Preschool Grant</u>	<u>Telecommunications Act Grant "E-Rate"</u>	<u>Miscellaneous Federal Grants</u>	<u>Total All Funds</u>
\$ 64,836	\$ 32,693	\$ 31,242	\$ 3,395	\$ 128,779	\$ 89,851	\$ 1,045,839
-	-	-	-	-	-	4,400
80,000	-	-	-	-	-	104,389
<u>\$ 144,836</u>	<u>\$ 32,693</u>	<u>\$ 31,242</u>	<u>\$ 3,395</u>	<u>\$ 128,779</u>	<u>\$ 89,851</u>	<u>\$ 1,154,628</u>
\$ 8,172	\$ 4,114	\$ 1,979	\$ -	\$ -	\$ 196	\$ 101,670
154,838	-	-	3,318	-	28,402	243,329
739	-	-	-	-	-	739
28,432	-	8	589	-	5,161	56,669
<u>192,181</u>	<u>4,114</u>	<u>1,987</u>	<u>3,907</u>	<u>-</u>	<u>33,759</u>	<u>402,407</u>
17,884	6,182	7,006	-	48,619	10,352	217,324
<u>(65,229)</u>	<u>22,397</u>	<u>22,249</u>	<u>(512)</u>	<u>80,160</u>	<u>45,740</u>	<u>534,897</u>
<u>(47,345)</u>	<u>28,579</u>	<u>29,255</u>	<u>(512)</u>	<u>128,779</u>	<u>56,092</u>	<u>752,221</u>
<u>\$ 144,836</u>	<u>\$ 32,693</u>	<u>\$ 31,242</u>	<u>\$ 3,395</u>	<u>\$ 128,779</u>	<u>\$ 89,851</u>	<u>\$ 1,154,628</u>

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

	Public School Support	Miscellaneous Grants	Venture Capital Grant	District Managed Student Activity	Auxiliary Services
<u>Revenues:</u>					
Intergovernmental	\$ -	\$ -	\$ 50,000	\$ -	\$ 548,356
Extracurricular activities	22,590	-	-	180,932	-
Miscellaneous	37,355	78,178	-	48,539	-
Total revenues	<u>59,945</u>	<u>78,178</u>	<u>50,000</u>	<u>229,471</u>	<u>548,356</u>
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	-	30,583	65,920	-	-
Special	-	-	-	-	-
Vocational	-	14,873	-	-	-
Support services:					
Pupils	-	2,946	-	-	-
Instructional staff	-	-	-	-	-
Administration	-	1,620	-	-	-
Fiscal	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	-	562	-	-	-
Central	-	2,278	-	-	-
Operation of non-instructional services	58,795	8	-	5,069	571,685
Extracurricular activities	-	2,497	-	211,751	-
Capital outlay	-	1,931	-	11,239	-
Total expenditures	<u>58,795</u>	<u>57,298</u>	<u>65,920</u>	<u>228,059</u>	<u>571,685</u>
Excess of revenues over (under) expenditures	1,150	20,880	(15,920)	1,412	(23,329)
Fund balances (deficits) at beginning of year	59,669	20,675	29,461	99,279	124,166
Fund balances (deficits) at end of year	<u>\$ 60,819</u>	<u>\$ 41,555</u>	<u>\$ 13,541</u>	<u>\$ 100,691</u>	<u>\$ 100,837</u>

<u>Career Development</u>	<u>Local Professional Development</u>	<u>Management Information System</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>Data Communications</u>	<u>SchoolNet Professional Development</u>	<u>Textbook/ Instructional Materials Subsidy</u>
\$ 4,800	\$ 28,893	\$ 21,513	\$ 454,323	\$ -	\$ 16,612	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>4,800</u>	<u>28,893</u>	<u>21,513</u>	<u>454,323</u>	<u>-</u>	<u>16,612</u>	<u>-</u>
6,302	13,259	-	214,163	97	5,223	20,392
-	-	-	11,717	-	-	-
-	-	-	-	-	-	-
905	-	-	2,467	-	-	-
-	22,289	-	27,187	-	13,023	-
-	4,313	-	779	-	-	-
-	-	21,420	-	-	-	-
-	-	-	16,882	-	-	-
34	-	-	-	-	-	-
-	-	-	122,423	-	21,259	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>7,241</u>	<u>39,861</u>	<u>21,420</u>	<u>395,618</u>	<u>97</u>	<u>39,505</u>	<u>20,392</u>
(2,441)	(10,968)	93	58,705	(97)	(22,893)	(20,392)
<u>5,311</u>	<u>48,111</u>	<u>(132)</u>	<u>(66,803)</u>	<u>97</u>	<u>47,231</u>	<u>21,035</u>
<u>\$ 2,870</u>	<u>\$ 37,143</u>	<u>\$ (39)</u>	<u>\$ (8,098)</u>	<u>\$ -</u>	<u>\$ 24,338</u>	<u>\$ 643</u>

(Continued)

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

	Ohio Reads	Alternative Schools	Miscellaneous State Grants	Title II Eisenhower	Title VI-B
<u>Revenues:</u>					
Intergovernmental	\$ 119,075	\$ 107,500	\$ 32,417	\$ 45,176	\$ 433,828
Extracurricular activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>119,075</u>	<u>107,500</u>	<u>32,417</u>	<u>45,176</u>	<u>433,828</u>
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	63,729	-	4,633	7,049	-
Special	-	-	-	-	61,570
Vocational	-	-	-	-	-
Support services:					
Pupils	-	-	-	-	20,997
Instructional staff	40,656	-	23,139	39,258	267,275
Administration	-	-	5,452	-	20,485
Fiscal	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Operation of non-instructional services	6,319	-	-	300	5,790
Extracurricular activities	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>110,704</u>	<u>-</u>	<u>33,224</u>	<u>46,607</u>	<u>376,117</u>
Excess of revenues over (under) expenditures	8,371	107,500	(807)	(1,431)	57,711
Fund balances (deficits) at beginning of year	-	-	37,861	10,672	(36,804)
Fund balances (deficits) at end of year	<u>\$ 8,371</u>	<u>\$ 107,500</u>	<u>\$ 37,054</u>	<u>\$ 9,241</u>	<u>\$ 20,907</u>

<u>Title I</u>	<u>Title VI</u>	<u>Drug Free Schools Program</u>	<u>Preschool Grant</u>	<u>Telecommunications Act Grant "E-Rate"</u>	<u>Miscellaneous Federal Grants</u>	<u>Total All Funds</u>
\$ 1,451,634	\$ 61,942	\$ 85,752	\$ 31,268	\$ 75,966	\$ 366,787	\$ 3,935,842
-	-	-	-	-	-	203,522
-	-	-	-	-	-	164,072
<u>1,451,634</u>	<u>61,942</u>	<u>85,752</u>	<u>31,268</u>	<u>75,966</u>	<u>366,787</u>	<u>4,303,436</u>
-	-	23,867	-	-	286,748	741,965
1,133,936	1,654	-	3,369	-	-	1,212,246
-	-	-	-	-	-	14,873
-	-	27,072	148	-	-	54,535
271,710	14,551	1,017	25,980	-	36,979	783,064
4,000	-	3,493	-	-	-	40,142
5,682	-	-	-	-	-	27,102
-	-	-	-	-	-	16,882
-	-	3,399	-	-	-	3,995
-	-	-	-	31,042	1,565	178,567
20,726	5,209	8,662	-	-	3,894	686,457
-	-	-	-	-	-	214,248
-	-	-	-	-	-	13,170
<u>1,436,054</u>	<u>21,414</u>	<u>67,510</u>	<u>29,497</u>	<u>31,042</u>	<u>329,186</u>	<u>3,987,246</u>
15,580	40,528	18,242	1,771	44,924	37,601	316,190
<u>(62,925)</u>	<u>(11,949)</u>	<u>11,013</u>	<u>(2,283)</u>	<u>83,855</u>	<u>18,491</u>	<u>436,031</u>
<u>\$ (47,345)</u>	<u>\$ 28,579</u>	<u>\$ 29,255</u>	<u>\$ (512)</u>	<u>\$ 128,779</u>	<u>\$ 56,092</u>	<u>\$ 752,221</u>

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Public School Support Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Extracurricular activities	\$ 19,350	\$ 22,590	\$ 3,240
Miscellaneous	35,450	37,355	1,905
Total revenues	<u>54,800</u>	<u>59,945</u>	<u>5,145</u>
<u>Expenditures:</u>			
Operation of non-instructional services:			
Other operation of non- instructional services:			
Other	66,434	67,686	(1,252)
Excess of revenues under expenditures	(11,634)	(7,741)	3,893
Fund balance at beginning of year	55,636	55,636	-
Prior year encumbrances appropriated	7,034	7,034	-
Fund balance at end of year	<u>\$ 51,036</u>	<u>\$ 54,929</u>	<u>\$ 3,893</u>

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Miscellaneous Grants Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Miscellaneous	\$ 68,500	\$ 74,178	\$ 5,678
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	2,600	2,546	54
Materials and supplies	27,046	26,766	280
Capital outlay - new	7,500	7,498	2
Other	2,541	2,427	114
Total regular	39,687	39,237	450
Vocational:			
Salaries and wages	519	519	-
Fringe benefits	80	73	7
Purchased services	1,633	1,470	163
Materials and supplies	18,793	18,729	64
Other	3,046	3,016	30
Total vocational	24,071	23,807	264
Support services:			
Pupils:			
Purchased services	3,000	2,946	54
Administration:			
Capital outlay - new	1,620	1,620	-
Other	2,500	-	2,500
Total administration	4,120	1,620	2,500
Pupil transportation:			
Purchased services	800	733	67
Central:			
Materials and supplies	1,500	1,402	98
Capital outlay - new	900	876	24
Total central	2,400	2,278	122

(Continued)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Miscellaneous Grants Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation of non-instructional services:			
Community services:			
Materials and supplies	443	420	23
Other	140	140	-
Total operation of non-instructional services	<u>583</u>	<u>560</u>	<u>23</u>
Extracurricular activities:			
Sports oriented activities:			
Materials and supplies	833	830	3
Capital outlay - new	1,667	1,667	-
Total extracurricular activities	<u>2,500</u>	<u>2,497</u>	<u>3</u>
Capital outlay:			
Facilities acquisition and construction services:			
Site acquisition services:			
Capital outlay - new	2,000	1,931	69
Total expenditures	<u>79,161</u>	<u>75,609</u>	<u>3,552</u>
Excess of revenues under expenditures	<u>(10,661)</u>	<u>(1,431)</u>	<u>9,230</u>
<u>Other financing uses:</u>			
Refund of prior year receipts	(210)	(210)	-
Advances out	(6,420)	(6,420)	-
Total other financing uses	<u>(6,630)</u>	<u>(6,630)</u>	<u>-</u>
Excess of revenues under expenditures and other financing uses	(17,291)	(8,061)	9,230
Fund balance at beginning of year	25,342	25,342	-
Prior year encumbrances appropriated	6,442	6,442	-
Fund balance at end of year	<u>\$ 14,493</u>	<u>\$ 23,723</u>	<u>\$ 9,230</u>

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Venture Capital Grant Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 50,000	\$ 50,000	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	3,200	3,170	30
Fringe benefits	975	742	233
Purchased services	30,226	28,870	1,356
Materials and supplies	34,817	34,068	749
Total regular	69,218	66,850	2,368
Excess of revenues under expenditures	(19,218)	(16,850)	2,368
<u>Other financing sources:</u>			
Refund of prior year expenditures	-	45	45
Excess of revenues and other financing sources under expenditures	(19,218)	(16,805)	2,413
Fund balance at beginning of year	27,777	27,777	-
Prior year encumbrances appropriated	2,168	2,168	-
Fund balance at end of year	\$ 10,727	\$ 13,140	\$ 2,413

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - District Managed Student Activity Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Extracurricular activities	\$ 172,100	\$ 180,932	\$ 8,832
Miscellaneous	39,880	48,139	8,259
Total revenues	211,980	229,071	17,091
<u>Expenditures:</u>			
Current:			
Operation of non-instructional services:			
Other operation of non-instructional services:			
Other	5,457	5,371	86
Extracurricular activities:			
Academic and subject oriented activities:			
Purchased services	3,085	2,996	89
Materials and supplies	3,921	3,596	325
Other	84,875	83,113	1,762
Total academic and subject oriented activities	91,881	89,705	2,176
Sports oriented activities:			
Salaries and wages	7,000	6,930	70
Fringe benefits	1,100	1,038	62
Purchased services	51,237	50,279	958
Materials and supplies	58,142	57,559	583
Other	17,786	16,986	800
Total sports oriented activities	135,265	132,792	2,473
School and public service co-curricular activities:			
Purchased services	1,630	1,600	30
Materials and supplies	1,337	1,213	124
Other	12,692	12,120	572
Total school and public service co-curricular activities	15,659	14,933	726
Total extracurricular activities	242,805	237,430	5,375

(Continued)

Newark City School District

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - District Managed Student Activity Fund
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Capital outlay:			
Building acquisition and construction services:			
Capital outlay - new	11,240	11,239	1
Total expenditures	259,502	254,040	5,462
Excess of revenues under expenditures	(47,522)	(24,969)	22,553
Fund balance at beginning of year	87,895	87,895	-
Prior year encumbrances appropriated	27,133	27,133	-
Fund balance at end of year	\$ 67,506	\$ 90,059	\$ 22,553

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 548,356	\$ 548,356	\$ -
<u>Expenditures:</u>			
Operation of non-instructional services:			
Community services:			
Salaries and wages	231,200	198,787	32,413
Fringe benefits	50,250	42,309	7,941
Purchased services	54,712	54,150	562
Materials and supplies	372,139	319,272	52,867
Capital outlay - new	29,149	28,800	349
Capital outlay - replacement	1,822	1,822	-
Total operation of non-instructional services	739,272	645,140	94,132
Excess of revenues under expenditures	(190,916)	(96,784)	94,132
<u>Other financing uses:</u>			
Refund of prior year receipts	(14,621)	(14,620)	1
Excess of revenues under expenditures and other financing uses	(205,537)	(111,404)	94,133
Fund balance at beginning of year	39,222	39,222	-
Prior year encumbrances appropriated	167,004	167,004	-
Fund balance at end of year	\$ 689	\$ 94,822	\$ 94,133

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Career Development Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 5,000	\$ 4,800	\$ (200)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	400	400	-
Materials and supplies	6,960	6,743	217
Total regular	7,360	7,143	217
Support services:			
Pupils:			
Materials and supplies	1,756	1,755	1
Pupil transportation:			
Purchased services	50	34	16
Total expenditures	9,166	8,932	234
Excess of revenues under expenditures	(4,166)	(4,132)	34
Fund balance at beginning of year	1,543	1,543	-
Prior year encumbrances appropriated	3,962	3,962	-
Fund balance at end of year	\$ 1,339	\$ 1,373	\$ 34

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Local Professional Development Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 28,900	\$ 28,893	\$ (7)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	1,390	1,383	7
Fringe benefits	200	196	4
Purchased services	11,213	11,147	66
Materials and supplies	3,100	3,140	(40)
Total regular	15,903	15,866	37
Support services:			
Instructional staff:			
Salaries and wages	11,900	11,846	54
Fringe benefits	5,476	5,573	(97)
Purchased services	1,870	1,867	3
Materials and supplies	3,300	3,098	202
Other	210	204	6
Total instructional staff	22,756	22,588	168
Administration:			
Purchased services	4,400	4,392	8
Total expenditures	43,059	42,846	213
Excess of revenues under expenditures	(14,159)	(13,953)	206
<u>Other financing uses:</u>			
Refund of prior year receipts	(30,736)	(30,736)	-
Pass through	(835)	-	835
Total other financing uses	(31,571)	(30,736)	835
Excess of revenues under expenditures and other financing uses	(45,730)	(44,689)	1,041
Fund balance at beginning of year	45,526	45,526	-
Prior year encumbrances appropriated	4,689	4,689	-
Fund balance at end of year	\$ 4,485	\$ 5,526	\$ 1,041

Newark City School District

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 21,600	\$ 21,513	\$ (87)
<u>Expenditures:</u>			
Current:			
Support services:			
Fiscal:			
Salaries and wages	21,513	21,513	-
Excess of revenues over expenditures	87	-	(87)
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ 87	\$ -	\$ (87)

Newark City School District

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Disadvantaged Pupil Impact Aid Fund
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 454,330	\$ 454,323	\$ (7)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	179,625	179,625	-
Fringe benefits	37,675	37,675	-
Materials and supplies	14,742	14,742	-
Total regular	232,042	232,042	-
Special:			
Salaries and wages	9,555	9,555	-
Fringe benefits	1,881	1,881	-
Total special	11,436	11,436	-
Support services:			
Pupils:			
Salaries and wages	2,598	2,598	-
Fringe benefits	513	513	-
Total pupils	3,111	3,111	-
Instructional staff:			
Salaries and wages	41,525	41,525	-
Fringe benefits	6,554	6,438	116
Total instructional staff	48,079	47,963	116
Operation and maintenance of plant:			
Salaries and wages	16,458	16,458	-
Fringe benefits	4,259	4,259	-
Total operation and maintenance of plant	20,717	20,717	-
Central:			
Salaries and wages	114,307	114,307	-
Fringe benefits	24,632	24,632	-
Total central	138,939	138,939	-
Total expenditures	454,324	454,208	116
Excess of revenues over expenditures	6	115	109
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ 6	\$ 115	\$ 109

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Data Communications Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Capital outlay - new	97	97	-
Excess of revenues under expenditures	(97)	(97)	-
Fund balance at beginning of year	97	97	-
Fund balance at end of year	\$ -	\$ -	\$ -

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - SchoolNet Professional Development Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 14,000	\$ 15,612	\$ 1,612
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	500	408	92
Fringe benefits	100	63	37
Materials and supplies	4,845	4,783	62
Capital outlay - new	1,220	1,218	2
Total regular	6,665	6,472	193
Support services:			
Instructional staff:			
Salaries and wages	11,000	10,848	152
Fringe benefits	1,600	1,529	71
Purchased services	3,000	2,858	142
Total instructional staff	15,600	15,235	365
Central:			
Purchased services	1,550	856	694
Materials and supplies	17,796	16,819	977
Capital outlay - new	7,264	7,247	17
Total central	26,610	24,922	1,688
Total expenditures	48,875	46,629	2,246
Excess of revenues under expenditures	(34,875)	(31,017)	3,858
<u>Other financing uses:</u>			
Advances out	(210)	(210)	-
Excess of revenues under expenditures and other financing uses	(35,085)	(31,227)	3,858
Fund balance at beginning of year	43,914	43,914	-
Prior year encumbrances appropriated	8,105	8,105	-
Fund balance at end of year	\$ 16,934	\$ 20,792	\$ 3,858

Newark City School District

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Textbooks/Instructional Materials Subsidy Fund
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Materials and supplies	22,061	21,418	643
Excess of revenues under expenditures	(22,061)	(21,418)	643
Fund balance at beginning of year	515	515	-
Prior year encumbrances appropriated	21,546	21,546	-
Fund balance at end of year	\$ -	\$ 643	\$ 643

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Ohio Reads Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 207,150	\$ 119,075	\$ (88,075)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	1,800	1,798	2
Materials and supplies	52,060	51,747	313
Capital outlay - new	250	-	250
Total regular	<u>54,110</u>	<u>53,545</u>	<u>565</u>
Support services:			
Instructional staff:			
Salaries and wages	20,526	20,506	20
Fringe benefits	3,134	3,017	117
Purchased services	1,800	1,777	23
Materials and supplies	18,007	17,836	171
Total instructional staff	<u>43,467</u>	<u>43,136</u>	<u>331</u>
Operation of non-instructional services:			
Community services:			
Salaries and wages	1,265	1,265	-
Fringe benefits	180	177	3
Purchased services	5,000	4,921	79
Total operation of non-instructional services	<u>6,445</u>	<u>6,363</u>	<u>82</u>
Total expenditures	<u>104,022</u>	<u>103,044</u>	<u>978</u>
Excess of revenues over expenditures	<u>103,128</u>	<u>16,031</u>	<u>(87,097)</u>
<u>Other financing uses:</u>			
Pass through	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Excess of revenues over expenditures and other financing uses	88,128	1,031	(87,097)
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ 88,128</u>	<u>\$ 1,031</u>	<u>\$ (87,097)</u>

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Alternative Schools Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 107,500	\$ 107,500	\$ -
<u>Expenditures:</u>			
Total expenditures	-	-	-
Excess of revenues over expenditures	107,500	107,500	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ 107,500	\$ 107,500	\$ -

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Miscellaneous State Grants Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 32,417	\$ 32,417	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Materials and supplies	4,654	4,644	10
Support services:			
Instructional staff:			
Salaries and wages	17,000	16,881	119
Fringe benefits	3,330	3,328	2
Purchased services	2,000	1,859	141
Materials and supplies	3,137	2,976	161
Capital outlay - new	800	780	20
Other	220	211	9
Total instructional staff	26,487	26,035	452
Administration:			
Purchased services	5,300	5,287	13
Materials and supplies	200	165	35
Total administration	5,500	5,452	48
Total expenditures	36,641	36,131	510
Excess of revenues under expenditures	(4,224)	(3,714)	510
Fund balance at beginning of year	35,845	35,845	-
Prior year encumbrances appropriated	4,681	4,681	-
Fund balance at end of year	\$ 36,302	\$ 36,812	\$ 510

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Title II Eisenhower Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 69,500	\$ 45,176	\$ (24,324)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	1,433	1,292	141
Materials and supplies	7,544	7,542	2
Capital outlay - new	2,721	2,721	-
Total regular	11,698	11,555	143
Support services:			
Instructional staff:			
Salaries and wages	21,300	21,232	68
Fringe benefits	3,100	3,022	78
Purchased services	16,000	15,574	426
Materials and supplies	7,000	5,180	1,820
Total instructional staff	47,400	45,008	2,392
Operation of non-instructional services:			
Community services:			
Materials and supplies	713	1,468	(755)
Total expenditures	59,811	58,031	1,780
Excess of revenues over (under) expenditures	9,689	(12,855)	(22,544)
<u>Other financing sources (uses):</u>			
Advances out	(3,834)	(3,834)	-
Operating transfers in	2,204	2,204	-
Operating transfers out	(2,204)	(2,204)	-
Total other financing sources (uses)	(3,834)	(3,834)	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	5,855	(16,689)	(22,544)
Fund balance at beginning of year	8,901	8,901	-
Prior year encumbrances appropriated	12,261	12,261	-
Fund balance at end of year	\$ 27,017	\$ 4,473	\$ (22,544)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Title VI-B Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 440,300	\$ 410,439	\$ (29,861)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries and wages	13,700	13,609	91
Fringe benefits	3,050	3,038	12
Materials and supplies	22,160	21,990	170
Capital outlay - new	28,500	27,469	1,031
Total special	67,410	66,106	1,304
Support services:			
Pupils:			
Salaries and wages	21,000	21,000	-
Fringe benefits	1,692	-	1,692
Total pupils	22,692	21,000	1,692
Instructional staff:			
Salaries and wages	220,600	220,506	94
Fringe benefits	56,400	56,618	(218)
Total instructional staff	277,000	277,124	(124)
Administration:			
Salaries and wages	17,300	17,286	14
Fringe benefits	3,300	3,237	63
Total administration	20,600	20,523	77
Operation of non-instructional services:			
Community services:			
Salaries and wages	3,800	3,800	-
Materials and supplies	2,000	1,990	10
Total operation of non-instructional services	5,800	5,790	10
Total expenditures	393,502	390,543	2,959
Excess of revenues over expenditures	46,798	19,896	(26,902)
Fund balance at beginning of year	5,292	5,292	-
Prior year encumbrances appropriated	161	161	-
Fund balance at end of year	\$ 52,251	\$ 25,349	\$ (26,902)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Title I Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 1,974,000	\$ 1,371,634	\$ (602,366)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries and wages	900,000	850,105	49,895
Fringe benefits	200,000	192,017	7,983
Purchased services	20,852	20,096	756
Materials and supplies	94,220	92,707	1,513
Capital outlay - new	100	-	100
Capital outlay - replacement	2,000	1,571	429
Other	200	150	50
Total special	1,217,372	1,156,646	60,726
Support services:			
Instructional staff:			
Salaries and wages	210,000	207,641	2,359
Fringe benefits	50,000	42,639	7,361
Purchased services	7,300	6,766	534
Materials and supplies	4,000	5,058	(1,058)
Capital outlay - new	5,130	5,110	20
Capital outlay - replacement	3,250	3,246	4
Total instructional staff	279,680	270,460	9,220
Administration:			
Purchased services	4,000	8,000	(4,000)
Fiscal:			
Salaries and wages	4,300	4,298	2
Fringe benefits	800	714	86
Total fiscal	5,100	5,012	88

(Continued)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Title I Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation of non-instructional services:			
Community services:			
Salaries and wages	15,100	15,051	49
Fringe benefits	3,500	3,437	63
Purchased services	3,149	2,513	636
Total operation of non-instructional services	21,749	21,001	748
Total expenditures	1,527,901	1,461,119	66,782
Excess of revenues over (under) expenditures	446,099	(89,485)	(535,584)
Fund balance at beginning of year	99,614	99,614	-
Prior year encumbrances appropriated	28,651	28,651	-
Fund balance at end of year	\$ 574,364	\$ 38,780	\$ (535,584)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Title VI Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 83,485	\$ 61,942	\$ (21,543)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	2,600	2,570	30
Special:			
Purchased services	400	319	81
Materials and supplies	12,698	12,034	664
Total special	13,098	12,353	745
Support services:			
Instructional staff:			
Salaries and wages	100	40	60
Fringe benefits	10	5	5
Purchased services	2,000	1,920	80
Materials and supplies	15,304	14,764	540
Total instructional staff	17,414	16,729	685
Operation of non-instructional services:			
Community services:			
Materials and supplies	8,070	8,037	33
Total expenditures	41,182	39,689	1,493
Excess of revenues over expenditures	42,303	22,253	(20,050)
<u>Other financing uses:</u>			
Refund of prior year receipts	(180)	(173)	7
Advances out	(12,566)	(12,566)	-
Total other financing uses	(12,746)	(12,739)	7
Excess of revenues over expenditures and other financing uses	29,557	9,514	(20,043)
Fund balance at beginning of year	11	11	-
Prior year encumbrances appropriated	12,872	12,872	-
Fund balance at end of year	\$ 42,440	\$ 22,397	\$ (20,043)

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Drug-Free Schools Program Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 106,921	\$ 85,752	\$ (21,169)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	21,650	19,702	1,948
Materials and supplies	21,488	5,936	15,552
Total regular	43,138	25,638	17,500
Support services:			
Pupils:			
Salaries and wages	8,100	474	7,626
Fringe benefits	3,000	67	2,933
Purchased services	12,742	9,956	2,786
Materials and supplies	4,700	4,036	664
Capital outlay - replacement	14,820	14,661	159
Total pupils	43,362	29,194	14,168
Instructional staff:			
Salaries and wages	1,410	1,405	5
Fringe benefits	60	54	6
Total instructional staff	1,470	1,459	11
Administration:			
Materials and supplies	1,040	1,035	5
Capital outlay - new	5,000	2,458	2,542
Total administration	6,040	3,493	2,547
Pupil transportation:			
Purchased services	6,800	4,715	2,085
Operation of non-instructional services:			
Community services:			
Purchased services	9,293	4,492	4,801
Materials and supplies	6,195	5,946	249
Total operation of non-instructional services	15,488	10,438	5,050
Total expenditures	116,298	74,937	41,361

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Drug-Free Schools Program Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Excess of revenues over (under) expenditures	(9,377)	10,815	20,192
<u>Other financing uses:</u>			
Refund of prior year receipts	(975)	(975)	-
Advances out	(1,527)	(1,527)	-
Total other financing uses	(2,502)	(2,502)	-
Excess of revenues over (under) expenditures and other financing uses	(11,879)	8,313	20,192
Fund balance at beginning of year	475	475	-
Prior year encumbrances appropriated	13,468	13,468	-
Fund balance at end of year	\$ 2,064	\$ 22,256	\$ 20,192

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Preschool Grant Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 32,300	\$ 31,268	\$ (1,032)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Materials and supplies	559	559	-
Capital outlay - new	3,000	2,810	190
Total special	3,559	3,369	190
Support services:			
Pupils:			
Salaries and wages	130	130	-
Fringe benefits	20	18	2
Total pupils	150	148	2
Instructional staff:			
Salaries and wages	24,000	21,360	2,640
Fringe benefits	4,400	4,274	126
Total instructional staff	28,400	25,634	2,766
Total expenditures	32,109	29,151	2,958
Excess of revenues over expenditures	191	2,117	1,926
Fund balance at beginning of year	777	777	-
Prior year encumbrances appropriated	501	501	-
Fund balance at end of year	\$ 1,469	\$ 3,395	\$ 1,926

Newark City School District

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Telecommunications Act Grant (E-Rate) Fund
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 75,000	\$ 75,966	\$ 966
<u>Expenditures:</u>			
Current:			
Support services:			
Central:			
Purchased services	2,500	2,100	400
Materials and supplies	43,000	38,685	4,315
Capital outlay - new	42,000	38,876	3,124
Total central	87,500	79,661	7,839
Excess of revenues under expenditures	(12,500)	(3,695)	8,805
Fund balance at beginning of year	83,855	83,855	-
Fund balance at end of year	\$ 71,355	\$ 80,160	\$ 8,805

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Miscellaneous Federal Grants Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 361,798	\$ 366,787	\$ 4,989
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	192,182	165,723	26,459
Fringe benefits	54,533	35,651	18,882
Purchased services	10,598	10,450	148
Materials and supplies	43,574	42,531	1,043
Capital outlay - new	4,230	4,221	9
Total regular	305,117	258,576	46,541
Support services:			
Instructional staff:			
Salaries and wages	29,000	15,195	13,805
Fringe benefits	8,100	5,050	3,050
Purchased services	15,112	13,624	1,488
Materials and supplies	11,000	7,050	3,950
Capital outlay - new	10,465	10,457	8
Total instructional staff	73,677	51,376	22,301
Central:			
Salaries and wages	880	880	-
Fringe benefits	130	123	7
Purchased services	2,900	658	2,242
Materials and supplies	100	74	26
Total central	4,010	1,735	2,275
Operation of non-instructional services:			
Community services:			
Purchased services	2,479	2,479	-
Materials and supplies	4,218	1,498	2,720
Capital outlay - new	329	329	-
Total operation of non-instructional services	7,026	4,306	2,720
Total expenditures	389,830	315,993	73,837
Excess of revenues over (under) expenditures	(28,032)	50,794	78,826

(Continued)

Newark City School District

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Other financing uses:</u>			
Refund of prior year receipts	(1,130)	(1,124)	6
Advances out	(13,811)	(13,811)	-
Total other financing uses	(14,941)	(14,935)	6
Excess of revenues over (under) expenditures and other financing uses	(42,973)	35,859	78,832
Fund balance at beginning of year	23,919	23,919	-
Prior year encumbrances appropriated	19,526	19,526	-
Fund balance at end of year	\$ 472	\$ 79,304	\$ 78,832

DEBT SERVICE FUND

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

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

CAPITAL PROJECTS FUNDS

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

Permanent Improvement

To account for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.

Vocational Education Equipment

To account for receipts and expenditures involved in upgrading and retaining out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupations or planned occupations.

SchoolNet

To account for monies received that are used to help the school district obtain computers and related educational technology equipment and or the necessary infrastructure for educational technology.

Technology Equity

To account for monies received for technology equity funding to low-wealth School Districts for the purpose of purchasing computers and related equipment.

Emergency Building Repair

To account for monies received from the state to make emergency repairs to school facilities.

Newark City School District
Combining Balance Sheet
All Capital Projects Funds
June 30, 2000

	<u>Permanent Improvement</u>	<u>Vocational Education Equipment</u>	<u>SchoolNet</u>	<u>Technology Grant</u>	<u>Emergency Building Repair</u>	<u>Total All Funds</u>
<u>Assets:</u>						
Equity in pooled cash and cash equivalents	\$ 825,374	\$ 5,834	\$ 51,287	\$ 1,101	\$ -	\$ 883,596
Taxes receivables	<u>1,556,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,556,725</u>
Total assets	<u><u>\$ 2,382,099</u></u>	<u><u>\$ 5,834</u></u>	<u><u>\$ 51,287</u></u>	<u><u>\$ 1,101</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,440,321</u></u>
 <u>Liabilities and fund equity:</u>						
<u>Liabilities:</u>						
Accounts payable	\$ 49,828	\$ -	\$ 1,316	\$ -	\$ -	\$ 51,144
Interfund payable	-	5,834	-	-	-	5,834
Deferred revenue	<u>1,456,564</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,456,564</u>
Total liabilities	<u>1,506,392</u>	<u>5,834</u>	<u>1,316</u>	<u>-</u>	<u>-</u>	<u>1,513,542</u>
 <u>Fund equity:</u>						
Fund balance:						
Reserved for encumbrances	830,262	5,834	12,613	248	-	848,957
Reserved for property taxes	100,161	-	-	-	-	100,161
Unreserved, undesignated	<u>(54,716)</u>	<u>(5,834)</u>	<u>37,358</u>	<u>853</u>	<u>-</u>	<u>(22,339)</u>
Total fund equity	<u>875,707</u>	<u>-</u>	<u>49,971</u>	<u>1,101</u>	<u>-</u>	<u>926,779</u>
Total liabilities and fund equity	<u><u>\$ 2,382,099</u></u>	<u><u>\$ 5,834</u></u>	<u><u>\$ 51,287</u></u>	<u><u>\$ 1,101</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,440,321</u></u>

Newark City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Capital Projects Funds
For the Fiscal Year Ended June 30, 2000

	Permanent Improvement	Vocational Education Equipment	SchoolNet	Technology Equity	Emergency Building Repair	Total All Funds
<u>Revenues:</u>						
Taxes	\$ 1,432,374	\$ -	\$ -	\$ -	\$ -	\$ 1,432,374
Intergovernmental	173,576	4,959	-	-	115,936	294,471
Total revenues	<u>1,605,950</u>	<u>4,959</u>	<u>-</u>	<u>-</u>	<u>115,936</u>	<u>1,726,845</u>
<u>Expenditures:</u>						
Current:						
Instruction:						
Regular	145,615	-	38,538	2,196	-	186,349
Vocational	-	5,682	-	-	-	5,682
Support services:						
Pupils	7,644	-	-	-	-	7,644
Administration	5,295	-	-	-	-	5,295
Fiscal	27,901	-	-	-	-	27,901
Business	3,411	-	-	-	-	3,411
Operation and maintenance						
of plant	32,515	-	-	-	-	32,515
Pupil transportation	113,408	-	-	-	-	113,408
Central	51,139	-	36,676	-	-	87,815
Capital outlay	1,257,929	-	-	-	92,275	1,350,204
Total expenditures	<u>1,644,857</u>	<u>5,682</u>	<u>75,214</u>	<u>2,196</u>	<u>92,275</u>	<u>1,820,224</u>
Excess of revenues over (under) expenditures	<u>(38,907)</u>	<u>(723)</u>	<u>(75,214)</u>	<u>(2,196)</u>	<u>23,661</u>	<u>(93,379)</u>
<u>Other financing sources:</u>						
Proceeds from sale of fixed assets	1,100	-	-	-	-	1,100
Excess of revenues and other financing sources over (under) expenditures	(37,807)	(723)	(75,214)	(2,196)	23,661	(92,279)
Fund balances (deficit) at at beginning of year	<u>913,514</u>	<u>723</u>	<u>125,185</u>	<u>3,297</u>	<u>(23,661)</u>	<u>1,019,058</u>
Fund balances at at beginning of year	<u>\$ 875,707</u>	<u>\$ -</u>	<u>\$ 49,971</u>	<u>\$ 1,101</u>	<u>\$ -</u>	<u>\$ 926,779</u>

Newark City School District

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 1,394,357	\$ 1,434,913	\$ 40,556
Intergovernmental	170,000	173,576	3,576
Total revenues	<u>1,564,357</u>	<u>1,608,489</u>	<u>44,132</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	92,863	92,812	51
Materials and supplies	11,400	11,343	57
Capital outlay - new	75,550	74,588	962
Total regular	<u>179,813</u>	<u>178,743</u>	<u>1,070</u>
Support services:			
Pupils:			
Materials and supplies	2,400	2,398	2
Capital outlay - replacement	5,400	5,350	50
Total pupils	<u>7,800</u>	<u>7,748</u>	<u>52</u>
Administration:			
Capital outlay - new	5,500	5,500	-
Fiscal:			
Capital outlay - replacement	2,620	2,563	57
Other	25,400	25,338	62
Total fiscal	<u>28,020</u>	<u>27,901</u>	<u>119</u>
Business:			
Capital outlay - new	3,450	3,411	39
Operation and maintenance of plant:			
Capital outlay - new	58,957	58,920	37
Pupil transportation:			
Capital outlay - new	7,000	6,952	48
Capital outlay - replacement	233,868	233,121	747
Total pupil transportation	<u>240,868</u>	<u>240,073</u>	<u>795</u>
Central:			
Capital outlay - replacement	51,750	51,749	1

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Capital outlay:			
Facilities acquisition and construction services:			
Site improvement services:			
Capital outlay - new	7,100	7,057	43
Building acquisition and construction services:			
Capital outlay - new	570,513	560,222	10,291
Capital outlay - replacement	1,271,661	1,260,091	11,570
Total building acquisition and construction services	1,842,174	1,820,313	21,861
Total expenditures	2,425,432	2,401,415	24,017
Excess of revenues under expenditures	(861,075)	(792,926)	68,149
<u>Other financing sources (uses):</u>			
Proceeds from sale of fixed assets	-	1,100	1,100
Advances out	(332,567)	(332,567)	-
Total other financing sources (uses)	(332,567)	(331,467)	1,100
Excess of revenues and other financing sources under expenditures and other financing uses	(1,193,642)	(1,124,393)	69,249
Fund balance at beginning of year	49	49	-
Prior year encumbrances appropriated	1,302,613	1,302,613	-
Fund balance at end of year	\$ 109,020	\$ 178,269	\$ 69,249

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Vocational Education Equipment Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 5,000	\$ 4,959	\$ (41)
<u>Expenditures:</u>			
Current:			
Instruction:			
Vocational:			
Capital outlay - new	11,601	11,516	85
Excess of revenues under expenditures	(6,601)	(6,557)	44
<u>Other financing sources (uses):</u>			
Advances in	6,000	5,834	(166)
Advances out	(4,978)	(4,978)	-
Total other financing sources (uses)	1,022	856	(166)
Excess of revenues and other financing sources under expenditures and other financing uses	(5,579)	(5,701)	(122)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	5,701	5,701	-
Fund balance at end of year	\$ 122	\$ -	\$ (122)

Newark City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - SchoolNet Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 288,420	\$ -	\$ (288,420)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	12,000	12,000	-
Fringe benefits	1,800	1,727	73
Purchased services	100	75	25
Materials and supplies	15,558	16,039	(481)
Capital outlay - new	18,459	18,076	383
Total regular	47,917	47,917	-
Support services:			
Instructional staff:			
Materials and supplies	336	336	-
Central:			
Purchased services	65,661	65,661	-
Total expenditures	113,914	113,914	-
Excess of revenues over (under) expenditures	174,506	(113,914)	(288,420)
Fund balance at beginning of year	80,258	80,258	-
Prior year encumbrances appropriated	71,014	71,014	-
Fund balance at end of year	\$ 325,778	\$ 37,358	\$ (288,420)

Newark City School District

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Technology Equity Fund
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Materials and supplies	2,500	2,444	56
Total expenditures	2,500	2,444	56
Excess of revenues under expenditures	(2,500)	(2,444)	56
Fund balance at beginning of year	3,297	3,297	-
Fund balance at end of year	\$ 797	\$ 853	\$ 56

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Emergency Building Repair Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 116,000	\$ 115,936	\$ (64)
<u>Expenditures:</u>			
Capital outlay:			
Building acquisition and construction services:			
Capital outlay - replacement	92,275	92,275	-
Excess of revenues over expenditures	23,725	23,661	(64)
<u>Other financing uses:</u>			
Advances out	(115,936)	(115,936)	-
Excess of revenues under expenditures and other financing uses	(92,211)	(92,275)	(64)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	92,275	92,275	-
Fund balance at end of year	\$ 64	\$ -	\$ (64)

ENTERPRISE FUNDS

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

Food Service

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

Uniform School Supplies

To account for the purchase and sale of school supplies as adopted by the Board of Education for resale to students of the District.

Rotary

To account for income and expenses made in connection with goods and services provided by the School District. The activities tend to be curricular in nature.

Newark City School District
Combining Balance Sheet
All Enterprise Funds
June 30, 2000

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Rotary Fund</u>	<u>Total All Funds</u>
<u>Assets:</u>				
<u>Current assets:</u>				
Equity in pooled cash and cash equivalents	\$ 834,530	\$ -	\$ 31,553	\$ 866,083
Receivables:				
Accounts	228	-	-	228
Accrued interest	6,544	-	-	6,544
Inventory held for resale	19,689	-	-	19,689
Materials and supplies inventory	4,365	-	-	4,365
Total current assets	<u>865,356</u>	<u>-</u>	<u>31,553</u>	<u>896,909</u>
<u>Non-current assets:</u>				
Fixed assets	<u>181,224</u>	<u>-</u>	<u>-</u>	<u>181,224</u>
Total assets	<u>\$ 1,046,580</u>	<u>\$ -</u>	<u>\$ 31,553</u>	<u>\$ 1,078,133</u>
 <u>Liabilities and fund equity:</u>				
<u>Current liabilities:</u>				
Accounts payable	\$ 35	\$ -	\$ -	\$ 35
Accrued wages	75,512	-	-	75,512
Intergovernmental payable	136,923	-	-	136,923
Deferred revenue	13,271	-	-	13,271
Total current liabilities	<u>225,741</u>	<u>-</u>	<u>-</u>	<u>225,741</u>
<u>Long-term liabilities:</u>				
Compensated absences payable	<u>48,334</u>	<u>-</u>	<u>-</u>	<u>48,334</u>
Total liabilities	<u>274,075</u>	<u>-</u>	<u>-</u>	<u>274,075</u>
<u>Fund equity:</u>				
Retained earnings:				
Unreserved	<u>772,505</u>	<u>-</u>	<u>31,553</u>	<u>804,058</u>
Total liabilities and fund equity	<u>\$ 1,046,580</u>	<u>\$ -</u>	<u>\$ 31,553</u>	<u>\$ 1,078,133</u>

Newark City School District
Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Enterprise Funds
For the Fiscal Year Ended June 30, 2000

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Rotary Fund</u>	<u>Total All Funds</u>
<u>Operating revenues:</u>				
Sales	\$ 1,041,448	\$ 149,602	\$ 3,118	\$ 1,194,168
Other operating revenues	242	214	7,903	8,359
Total operating revenue	<u>1,041,690</u>	<u>149,816</u>	<u>11,021</u>	<u>1,202,527</u>
<u>Operating expenses:</u>				
Salaries	768,632	-	568	769,200
Fringe benefits	81,643	-	-	81,643
Purchased services	45,226	-	-	45,226
Materials and supplies	119,390	144,881	111	264,382
Cost of sales	992,561	-	-	992,561
Depreciation	28,487	-	-	28,487
Other operating expenses	85	-	3,095	3,180
Total operating expenses	<u>2,036,024</u>	<u>144,881</u>	<u>3,774</u>	<u>2,184,679</u>
Operating income (loss)	<u>(994,334)</u>	<u>4,935</u>	<u>7,247</u>	<u>(982,152)</u>
<u>Non-operating revenues:</u>				
Federal donated commodities	123,076	-	-	123,076
Operating grants	792,367	-	-	792,367
Interest	46,167	-	-	46,167
Loss on disposal of fixed assets	(3,744)	-	-	(3,744)
Total non-operating revenues	<u>957,866</u>	<u>-</u>	<u>-</u>	<u>957,866</u>
Income (loss) before operating transfers	<u>(36,468)</u>	<u>4,935</u>	<u>7,247</u>	<u>(24,286)</u>
Operating transfers in	-	181,529	-	181,529
Operating transfers out	-	(61,836)	-	(61,836)
Net income (loss)	<u>(36,468)</u>	<u>124,628</u>	<u>7,247</u>	<u>95,407</u>
Retained earnings at beginning of year	<u>808,973</u>	<u>(124,628)</u>	<u>24,306</u>	<u>708,651</u>
Retained earnings at end of year	<u>\$ 772,505</u>	<u>\$ -</u>	<u>\$ 31,553</u>	<u>\$ 804,058</u>

Newark City School District
Schedule of Revenues, Expenses, and Changes in Fund Equity -
Budget and Actual - Food Service Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Sales	\$ 944,190	\$ 1,049,633	\$ 105,443
Interest	38,990	39,623	633
Other revenues	-	14	14
Operating grants	791,500	903,281	111,781
Total revenues	<u>1,774,680</u>	<u>1,992,551</u>	<u>217,871</u>
<u>Expenses:</u>			
Salaries:			
Food service operations	<u>632,100</u>	<u>632,073</u>	<u>27</u>
Fringe benefits:			
Operation and maintenance of plant	3,600	1,282	2,318
Food service operations	<u>205,000</u>	<u>215,341</u>	<u>(10,341)</u>
Total fringe benefits	<u>208,600</u>	<u>216,623</u>	<u>(8,023)</u>
Purchased services:			
Operation and maintenance of plant	24,000	22,030	1,970
Food service operations	<u>43,954</u>	<u>43,318</u>	<u>636</u>
Total purchased services	<u>67,954</u>	<u>65,348</u>	<u>2,606</u>
Materials and supplies:			
Food service operations	<u>1,023,677</u>	<u>1,023,150</u>	<u>527</u>
Capital outlay:			
Capital outlay - new:			
Food service operations	<u>65,103</u>	<u>62,629</u>	<u>2,474</u>
Capital outlay - replacement:			
Food service operations	<u>30,870</u>	<u>26,254</u>	<u>4,616</u>
Other:			
Food service operations	<u>100</u>	<u>85</u>	<u>15</u>
Total expenses	<u>2,028,404</u>	<u>2,026,162</u>	<u>2,242</u>
Excess of revenues under expenses	(253,724)	(33,611)	220,113
Fund equity at beginning of year	708,974	708,974	-
Prior year encumbrances appropriated	<u>43,604</u>	<u>43,604</u>	<u>-</u>
Fund equity at end of year	<u>\$ 498,854</u>	<u>\$ 718,967</u>	<u>\$ 220,113</u>

Newark City School District
Schedule of Revenues, Expenses, and Changes in Fund Equity -
Budget and Actual - Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Sales	\$ 239,000	\$ 150,353	\$ (88,647)
Other revenues	-	229	229
Total revenues	<u>239,000</u>	<u>150,582</u>	<u>(88,418)</u>
<u>Expenses:</u>			
Materials and supplies:			
Regular instruction	235,644	152,693	82,951
Special instruction	400	317	83
Total materials and supplies	<u>236,044</u>	<u>153,010</u>	<u>83,034</u>
Other:			
Refund of prior year revenues	1,500	1,490	10
Total expenses	<u>237,544</u>	<u>154,500</u>	<u>83,044</u>
Excess of revenues over (under) expenses	<u>1,456</u>	<u>(3,918)</u>	<u>(5,374)</u>
Advances out	(58,344)	(58,344)	-
Operating transfers in	6,480	17,275	10,795
Operating transfers out	<u>(61,836)</u>	<u>(61,836)</u>	<u>-</u>
Excess of revenues and operating transfers under expenses, operating transfers and advances	(112,244)	(106,823)	5,421
Fund equity at beginning of year	60,501	60,501	-
Prior year encumbrances appropriated	<u>46,322</u>	<u>46,322</u>	<u>-</u>
Fund deficit at end of year	<u>\$ (5,421)</u>	<u>\$ -</u>	<u>\$ 5,421</u>

Newark City School District
Schedule of Revenues, Expenses, and Changes in Fund Equity -
Budget and Actual - Rotary Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Sales	\$ 15,000	\$ 3,118	\$ (11,882)
Other revenues	2,000	7,903	5,903
Total revenues	17,000	11,021	(5,979)
<u>Expenses:</u>			
Purchased Services:			
Regular Instruction	1,101	568	533
Materials and supplies:			
Special instruction	200	111	89
Capital outlay:			
Capital outlay - new:			
Regular Instruction	125	-	125
Other:			
Special instruction	2,800	2,739	61
Other Operation of Non-Instructional Services	400	356	44
Total other	3,200	3,095	105
Total expenses	4,626	3,774	852
Excess of revenues over expenses	12,374	7,247	(5,127)
Fund equity at beginning of year	23,704	23,704	-
Prior year encumbrances appropriated	601	601	-
Fund equity at end of year	\$ 36,679	\$ 31,552	\$ (5,127)

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

	Food Service	Uniform School Supplies	Rotary	Total All Funds
<u>Cash flows from operating activities:</u>				
Cash received from customers	\$ 1,049,633	\$ 150,353	\$ 3,118	\$ 1,203,104
Cash received from other operating sources	14	1,713	7,903	9,630
Cash payments to suppliers for goods and services	(1,046,339)	(153,010)	(679)	(1,200,028)
Cash payments to employees for services	(632,073)	-	-	(632,073)
Cash payments for employee benefits	(216,623)	-	-	(216,623)
Cash payments for other operating expenses	(85)	(1,490)	(3,095)	(4,670)
Net cash provided by (used for) operating activities	<u>(845,473)</u>	<u>(2,434)</u>	<u>7,247</u>	<u>(840,660)</u>
<u>Cash flows from noncapital financing activities:</u>				
Operating grants	903,281	-	-	903,281
Operating transfers in	-	17,275	-	17,275
Operating transfers out	-	(61,836)	-	(61,836)
Repayment of short-term loans to other funds	-	(58,344)	-	(58,344)
Net cash provided by (used for) noncapital financing activities	<u>903,281</u>	<u>(102,905)</u>	<u>-</u>	<u>800,376</u>
<u>Cash flows from capital financing activities:</u>				
Acquisition of capital assets	<u>(15,479)</u>	<u>-</u>	<u>-</u>	<u>(15,479)</u>
<u>Cash flows from investing activities:</u>				
Interest on investments	<u>39,623</u>	<u>-</u>	<u>-</u>	<u>39,623</u>
Net increase (decrease) in cash and cash equivalents	81,952	(105,339)	7,247	(16,140)
Cash and cash equivalents at beginning of year	752,578	105,339	24,306	882,223
Cash and cash equivalents at end of year	<u>\$ 834,530</u>	<u>\$ -</u>	<u>\$ 31,553</u>	<u>\$ 866,083</u>
<u>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</u>				
Operating income (loss)	<u>\$ (994,334)</u>	<u>\$ 4,935</u>	<u>\$ 7,247</u>	<u>\$ (982,152)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	28,487	-	-	28,487
Federal donated commodities	123,076	-	-	123,076
Change in assets and liabilities:				
(Increase) decrease in assets:				
Inventory	(12,194)	-	-	(12,194)
Accounts receivable	7,957	766	-	8,723
Increase (decrease) in liabilities:				
Accounts payable	(4,615)	(8,135)	-	(12,750)
Accrued wages	(1,474)	-	-	(1,474)
Compensated absences payable	1,110	-	-	1,110
Intergovernmental payable	1,943	-	-	1,943
Deferred revenue	4,571	-	-	4,571
Total adjustments	<u>148,861</u>	<u>(7,369)</u>	<u>-</u>	<u>141,492</u>
Net cash provided by (used for) operating activities	<u>\$ (845,473)</u>	<u>\$ (2,434)</u>	<u>\$ 7,247</u>	<u>\$ (840,660)</u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one fund of the District to other funds of the District on a cost reimbursement basis. The title of the fund indicates the type of service provided. The internal service funds are:

Rotary

To account for income and expenses made in connection with goods and services provided by the District. Some activities using this fund are curricular in nature.

Self Insurance

To account for the cost of medical benefits provided to the District's employees.

Newark City School District
Combining Balance Sheet
All Internal Service Funds
June 30, 2000

	<u>Rotary</u>	<u>Self Insurance</u>	<u>Total All Funds</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 12,653	\$ -	\$ 12,653
<u>Liabilities and fund equity:</u>			
<u>Current liabilities:</u>			
Accounts payable	\$ 8,533	\$ -	\$ 8,533
Interfund payable	746	-	746
Total current liabilities	\$ 9,279	\$ -	\$ 9,279
<u>Fund equity:</u>			
Retained earnings:			
Unreserved	3,374	-	3,374
Total liabilities and fund equity	\$ 12,653	\$ -	\$ 12,653

Newark City School District
Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Internal Service Funds
For the Fiscal Year Ended June 30, 2000

	<u>Rotary</u>	<u>Self Insurance</u>	<u>Total All Funds</u>
<u>Operating revenues:</u>			
Other operating revenues	\$ 14,955	\$ 1,766	\$ 16,721
<u>Operating expenses:</u>			
Purchased services	3,642	-	3,642
Other operating expenses	12,827	-	12,827
Total operating expenses	16,469	-	16,469
Operating income (loss)	(1,514)	1,766	252
Operating transfers in	-	164,740	164,740
Operating transfers out	-	(1,766)	(1,766)
Net income (loss)	(1,514)	164,740	163,226
Retained earnings at beginning of year	4,888	(164,740)	(159,852)
Retained earnings at end of year	<u>\$ 3,374</u>	<u>\$ -</u>	<u>\$ 3,374</u>

Newark City School District
Schedule of Revenues, Expenses, and Changes in Fund Equity -
Budget and Actual - Rotary Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Other revenues	\$ 20,000	\$ 14,985	\$ (5,015)
<u>Expenses:</u>			
Purchased services:			
Operation and maintenance of plant	125	125	-
Other facilities acquisition and construction services	3,500	3,480	20
Total purchased services	3,625	3,605	20
Other:			
Operation and maintenance of plant	125	125	-
Refund of prior year revenues	50	37	13
Other	14,652	14,233	419
Total other	14,827	14,395	432
Total expenses	18,452	18,000	452
Excess of revenues over expenses	1,548	(3,015)	(4,563)
Fund equity at beginning of year	5,306	5,306	-
Prior year encumbrances appropriated	1,252	1,252	-
Fund equity at end of year	\$ 8,106	\$ 3,543	\$ (4,563)

Newark City School District

**Schedule of Revenues, Expenses, and Changes in Fund Equity -
Budget and Actual - Self Insurance Fund
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Refund of prior year expense	\$ 72,000	\$ 1,766	\$ (70,234)
<u>Expenses:</u>			
Total expenses	-	-	-
Excess of revenues over expenses	72,000	1,766	(70,234)
Operating transfers out	(1,766)	(1,766)	-
Excess of revenues over expenses, and operating transfers	70,234	-	(70,234)
Fund equity at beginning of year	-	-	-
Fund equity at end of year	\$ 70,234	\$ -	\$ (70,234)

Newark City School District
Combining Statement of Cash Flows
All Internal Service Funds
For the Fiscal Year Ended June 30, 2000

	Rotary Fund	Self Insurance	Total All Funds
<u>Cash flows from operating activities:</u>			
Cash received from other operating sources	\$ 14,985	\$ 1,766	\$ 16,751
Cash payments to suppliers for goods and services	(3,605)	-	(3,605)
Cash payments for other operating expenses	(5,285)	-	(5,285)
Net cash provided by operating activities	<u>6,095</u>	<u>1,766</u>	<u>7,861</u>
<u>Cash flows from noncapital financing activities:</u>			
Operating transfers out	-	(1,766)	(1,766)
Net increase in cash and cash equivalents	6,095	-	6,095
Cash and cash equivalents at beginning of year	6,558	-	6,558
Cash and cash equivalents at end of year	<u>\$ 12,653</u>	<u>\$ -</u>	<u>\$ 12,653</u>
<u>Reconciliation of operating income (loss) to net cash provided by operating activities:</u>			
Operating income (loss)	\$ (1,514)	\$ 1,766	\$ 252
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Change in assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	30	-	30
Increase (decrease) in liabilities:			
Accounts payable	7,579	-	7,579
Total adjustments	<u>7,609</u>	<u>-</u>	<u>7,609</u>
Net cash provided by operating activities	<u>\$ 6,095</u>	<u>\$ 1,766</u>	<u>\$ 7,861</u>

TRUST AND AGENCY FUNDS

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

EXPENDABLE TRUST

Special Trust

To account for assets held by the District in a trustee capacity for individuals and/or private organizations which benefit the student body or the local community.

NONEXPENDABLE TRUST

Endowment

To account for money, securities or lands which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact.

AGENCY

Student Managed Activities

To account for those student activity programs which have student participation in the activity and have students involved in the management of the program.

Newark City School District
Combining Balance Sheet
All Trust and Agency Funds
June 30, 2000

	<u>Expendable Trust Fund</u>	<u>Nonexpendable Trust Fund</u>	<u>Agency Fund Student Managed Activity</u>	<u>Totals</u>
	<u>Special Trust</u>	<u>Endowment</u>		
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 122,368	\$ 11,454	\$ 75,339	\$ 209,161
<u>Liabilities and fund equity:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 1,140	\$ -	\$ 248	\$ 1,388
Intergovernmental payable	-	-	1,500	1,500
Due to students	-	-	73,591	73,591
Total liabilities	<u>1,140</u>	<u>-</u>	<u>75,339</u>	<u>76,479</u>
<u>Fund balance:</u>				
Reserved for encumbrances	2,943	-	-	2,943
Reserved for endowment	-	10,533	-	10,533
Unreserved:				
Undesignated	<u>118,285</u>	<u>921</u>	<u>-</u>	<u>119,206</u>
Total fund equity and other credits	<u>121,228</u>	<u>11,454</u>	<u>-</u>	<u>132,682</u>
Total liabilities and fund equity	<u>\$ 122,368</u>	<u>\$ 11,454</u>	<u>\$ 75,339</u>	<u>\$ 209,161</u>

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Special Expendable Trust Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Interest	\$ 1,022	\$ 1,935	\$ 913
Extracurricular activities	9,350	15,312	5,962
Miscellaneous	65,878	80,082	14,204
Total revenues	<u>76,250</u>	<u>97,329</u>	<u>21,079</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Materials and supplies	1,610	878	732
Capital outlay - new	340	338	2
Total regular	<u>1,950</u>	<u>1,216</u>	<u>734</u>
Support services:			
Instructional staff:			
Purchased services	4,747	3,859	888
Materials and supplies	3,706	3,454	252
Capital outlay - new	3,210	3,210	-
Capital outlay - replacement	2,660	2,660	-
Total instructional staff	<u>14,323</u>	<u>13,183</u>	<u>1,140</u>
Operation of non-instructional services:			
Community services:			
Materials and supplies	100	94	6
Capital outlay - new	9,770	9,719	51
Other	3,500	3,475	25
Total community Services	<u>13,370</u>	<u>13,288</u>	<u>82</u>
Other operation of non-instructional services:			
Purchased services	1,100	1,067	33
Capital outlay - new	1,300	1,295	5
Other	23,041	22,220	821
Total other operation of non-instructional services	<u>25,441</u>	<u>24,582</u>	<u>859</u>
Extracurricular activities:			
Academic and subject oriented activities:			
Other	6,000	5,955	45

(Continued)

Newark City School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Special Expendable Trust Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Capital outlay:			
Facilities acquisition and construction services:			
Site improvement services:			
Capital outlay - new	24,000	24,000	-
Total expenditures	85,084	82,224	2,860
Excess of revenues over (under) expenditures	(8,834)	15,105	23,939
<u>Other financing sources (uses):</u>			
Advances out	(10,000)	(10,000)	-
Operating transfers in	500	500	-
Operating transfers out	(500)	(500)	-
Total other financing sources (uses)	(10,000)	(10,000)	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(18,834)	5,105	23,939
Fund balance at beginning of year, as restated	81,780	81,780	-
Prior year encumbrances appropriated	31,400	31,400	-
Fund balance at end of year	\$ 94,346	\$ 118,285	\$ 23,939

Newark City School District

**Schedule of Revenues, Expenses and Changes in Fund Equity -
Budget and Actual - Endowment Nonexpendable Trust Fund
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Interest	\$ 700	\$ 717	\$ 17
<u>Expenses:</u>			
Other:			
Community services	700	700	-
Excess of revenues over expenses	-	17	17
Fund equity at beginning of year	11,437	11,437	-
Fund equity at end of year	\$ 11,437	\$ 11,454	\$ 17

Newark City School District
Statement of Changes in Assets and Liabilities
Student Managed Activity Agency Fund
For the Fiscal Year Ended June 30, 2000

	Beginning Balance <u>July 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2000</u>
<u>Student Managed Activity</u>				
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 74,428	\$ 911	\$ -	\$ 75,339
Accounts receivable	25	-	25	-
Total assets	<u>\$ 74,453</u>	<u>\$ 911</u>	<u>\$ 25</u>	<u>\$ 75,339</u>
 <u>Liabilities:</u>				
Accounts payable	\$ 3,993	\$ 248	\$ 3,993	\$ 248
Intergovernmental	-	1,500	-	1,500
Due to students	70,460	4,904	1,773	73,591
Total liabilities	<u>\$ 74,453</u>	<u>\$ 6,652</u>	<u>\$ 5,766</u>	<u>\$ 75,339</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

General Fixed Assets is a balanced group of accounts used to establish control and accountability for the costs of all real property and movable equipment owned by the School Board. The investment in General Fixed Assets is carried until the disposition of the property and ownership is relinquished. Depreciation on fixed assets is not recorded.

Newark City School District
Schedule of General Fixed Assets by Source
As of June 30, 2000

General Fixed Assets:

Land and Land Improvements	\$ 984,201
Buildings	21,803,792
Furniture, Fixtures and Equipment	5,871,321
Vehicles	<u>2,188,618</u>

Total General Fixed Assets \$ 30,847,932

Investment in General Fixed
Assets by Source:

General Fund	\$ 21,191,241
Special Revenue Funds	901,863
Capital Project Funds	8,515,569
Trust Funds	175,821
Agency Funds	3,459
Donations	<u>59,979</u>

Total General Fixed Assets \$ 30,847,932

Newark City School District
Schedule of General Fixed Assets by Function and Activity
As of June 30, 2000

Function	Land and Land Improvements	Buildings	Furniture, Fixtures, and Equipment	Vehicles	Total
Instruction:					
Regular		\$ 225,562	\$ 3,835,675		\$ 4,061,237
Special			114,424		114,424
Vocational			66,855		66,855
Support services:					
Pupils			71,372		71,372
Instructional staff			545,991		545,991
Administrative			244,687		244,687
Fiscal			33,957		33,957
Business			48,147		48,147
Operation of maintenance of plant		12,952	307,149	183,485	503,586
Pupil transportation		13,600	89,539	1,988,633	2,091,772
Central			136,715		136,715
Operation of non-instructional services		171,226	39,849		211,075
Extracurricular activities		2,000	28,635	16,500	47,135
Capital outlay	984,201	21,349,653	337,126		22,670,979
Total General Fixed Assets	<u>\$ 984,201</u>	<u>\$ 21,774,993</u>	<u>\$ 5,900,120</u>	<u>\$ 2,188,618</u>	<u>\$ 30,847,932</u>

Newark City School District
Schedule of Changes in General Fixed Assets by Function
As of June 30, 2000

Function	Balance July 1, 1999	Additions	Deletions	Balance July 1, 2000
Instruction:				
Regular	\$ 4,046,021	\$ 53,002	\$ 37,785	\$ 4,061,237
Special	100,531	13,893		114,424
Vocational	61,464	5,391		66,855
Support services:	-			-
Pupils	63,869	7,503		71,372
Instructional staff	563,750	24,335	42,094	545,991
Administrative	255,423	2,713	13,449	244,687
Fiscal	32,960	2,754	1,757	33,957
Business	42,761	5,386		48,147
Operation of maintenance of plant	474,588	39,203	10,205	503,586
Pupil transportation	1,900,376	191,396		2,091,772
Central	95,054	41,662		136,715
Operation of non-instructional services	194,911	16,164		211,075
Extracurricular activities	45,135	2,000		47,135
Capital outlay	21,277,596	1,393,383		22,670,979
Construction in progress	30,292	-	30,292	-
Total General Fixed Assets	\$ 29,184,730	\$ 1,798,784	\$ 135,583	\$ 30,847,932

STATISTICAL SECTION

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Newark City School District

General Governmental Revenues by Source and Expenditures by Function

Last Ten Fiscal Years (1)

	Fiscal Year Ended June 30, 2000	Fiscal Year Ended June 30, 1999	Fiscal Year Ended June 30, 1998	Fiscal Year Ended June 30, 1997
<u>Revenues:</u>				
Taxes	\$ 23,747,527	\$ 26,035,641	\$ 18,800,327	\$ 17,500,035
Intergovernmental	25,298,675	25,681,774	22,773,186	23,017,117
Interest	1,124,207	503,798	431,001	458,035
Tuition and fees	438,598	205,311	125,254	125,410
Extracurricular activities	204,676	212,225	229,016	274,537
Miscellaneous	244,781	229,101	399,652	286,670
Total revenues	<u>\$ 51,058,464</u>	<u>\$ 52,867,850</u>	<u>\$ 42,758,436</u>	<u>\$ 41,661,804</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	\$ 20,631,847	\$ 21,888,841	\$ 20,549,114	\$ 19,446,930
Special	4,419,359	4,479,888	4,226,510	4,219,783
Vocational	738,881	814,731	770,389	810,116
Other	16,931	18,324	19,223	21,111
Support services:				
Pupils	2,043,932	2,076,218	1,933,919	2,015,164
Instructional staff	2,387,454	2,631,328	2,235,914	2,210,810
Board of education	259,788	148,382	190,098	206,643
Administration	2,996,761	3,015,703	2,837,577	2,976,476
Fiscal	871,172	957,622	726,467	700,261
Business	715,093	734,962	674,968	650,184
Operation and maintenance of plant	3,858,886	3,928,499	4,001,293	3,958,526
Pupil transportation	1,581,473	1,461,624	1,679,680	1,459,003
Central	541,948	503,586	216,163	165,474
Operation of non-instructional services	686,457	621,231		673,256
Extracurricular activities	722,558	738,505	525,897	802,691
Capital outlay	1,380,394	1,262,643	1,340	943,672
Debt service	979,920	1,009,725	-	318,083
Total expenditures	<u>\$ 44,832,854</u>	<u>\$ 46,291,812</u>	<u>\$ 40,588,552</u>	<u>\$ 41,578,183</u>

Source: 2000 School District financial records, 1991-1999 School District Audit Reports

Note: General Governmental includes all governmental funds

(1) 1999, 1998 and 1996 reported on a GAAP basis, remaining years on a cash basis.

Fiscal Year Ended June 30, 1996	Fiscal Year Ended June 30, 1995	Fiscal Year Ended June 30, 1994	Fiscal Year Ended June 30, 1993	Fiscal Year Ended June 30, 1992	Fiscal Year Ended June 30, 1991
\$ 18,286,799	\$ 16,426,145	\$ 14,622,186	\$ 12,491,386	\$ 11,999,107	\$ 12,013,329
22,315,057	19,740,887	19,778,543	18,845,875	17,479,093	17,567,182
422,301	351,848	176,186	198,665	410,831	641,170
115,152	95,445	98,457	143,093	186,702	163,200
244,284	288,768	266,911	223,230	243,046	266,518
306,655	249,907	220,136	194,826	211,880	288,724
<u>\$ 41,690,248</u>	<u>\$ 37,153,000</u>	<u>\$ 35,162,419</u>	<u>\$ 32,097,075</u>	<u>\$ 30,530,659</u>	<u>\$ 30,940,123</u>

\$ 18,697,335	\$ 16,969,164	\$ 16,413,606	\$ 16,112,088	\$ 14,961,536	\$ 14,340,814
3,939,829	3,581,604	3,303,563	3,064,308	3,026,025	2,713,893
889,194	951,564	919,221	932,438	817,526	769,527
97,695	17,695	17,258	16,202	15,009	12,938
1,862,545	1,838,610	1,889,021	1,778,989	1,694,559	1,690,106
1,930,905	1,770,428	1,706,395	1,610,378	1,474,098	1,452,211
147,947	143,449	174,974	137,708	143,502	302,376
2,905,985	2,778,252	2,618,444	2,652,495	2,519,693	2,452,686
679,432	692,696	640,811	618,133	505,566	465,926
565,730	505,248	459,309	461,258	390,573	352,368
3,798,964	3,641,849	3,434,954	3,303,507	3,172,491	2,984,845
1,388,579	1,208,926	1,031,175	839,163	798,425	833,716
214,929	119,140	123,643	188,524	99,347	109,866
720,872	234,183	146,890	120,627	435,802	428,601
773,184	731,619	715,979	689,357	601,152	644,284
659,947	841,069	1,212,339	1,634,546	1,239,099	1,537,142
321,687	324,839	1,838,233	323,298	207,348	410,235
<u>\$ 39,594,759</u>	<u>\$ 36,350,335</u>	<u>\$ 36,645,815</u>	<u>\$ 34,483,019</u>	<u>\$ 32,101,751</u>	<u>\$ 31,501,534</u>

Newark City School District

**Property Tax Levies and Collections Real, Public Utility Tax and Tangible Personal Property (1)
Last Ten Calendar Years**

<u>Year (2)</u>	<u>Current Levy</u>	<u>Delinquent Levy (3)</u>	<u>Total Levy</u>	<u>Current Collections</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection as a Percent of Total Levy</u>	<u>Delinquent Taxes Receivable</u>
1999	\$ 21,743,348	\$ 1,186,231	\$ 23,929,579	\$ 21,262,674	97.79%	\$ 682,721	\$ 21,945,395	91.71%	\$ 1,984,184
1998	20,680,453	1,787,841	22,468,294	20,363,419	98.47%	1,387,111	21,750,529	96.81%	717,765
1997	19,868,881	1,363,399	21,232,280	18,553,069	93.38%	768,138	19,321,207	91.00%	1,911,073
1996	19,348,475	1,046,280	20,394,755	18,700,500	96.65%	449,812	19,150,312	93.90%	1,244,443
1995	19,022,802	1,185,836	20,208,638	18,541,348	97.47%	630,993	19,172,341	94.87%	1,036,297
1994	18,581,194	978,991	19,560,185	17,841,342	96.02%	412,260	18,253,603	93.32%	1,306,582
1993	13,926,856	888,678	14,815,534	13,564,918	97.40%	348,153	13,913,071	93.91%	902,463
1992	13,947,969	911,729	14,859,698	13,615,787	97.62%	399,563	14,015,351	94.32%	844,347
1991	12,321,741	847,814	13,169,555	11,971,769	97.16%	410,298	12,382,067	94.02%	787,488
1990	13,850,451	827,478	14,677,929	13,477,294	97.31%	330,645	13,807,939	94.07%	869,990

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. 2000 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

Newark City School District

**Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection Years**

Collection Year	Real Property (1)		Public Utility (2)		Tangible Personal Property (3)		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2000	\$ 568,452,510	\$ 1,624,150,029	\$ 35,724,640	\$ 40,596,182	\$ 56,445,250	\$ 225,781,000	\$ 660,622,400	\$ 1,890,527,210
1999	487,419,510	1,392,627,171	39,243,900	44,595,341	59,310,510	237,242,040	585,973,920	1,674,464,552
1998	469,045,480	1,340,129,943	39,180,720	44,523,545	60,571,730	242,286,920	568,797,930	1,626,940,408
1997	458,498,250	1,309,995,000	39,489,670	44,874,625	60,862,260	243,449,040	558,850,180	1,598,318,665
1996	407,054,230	1,163,012,086	40,906,460	46,484,614	59,988,990	239,955,960	507,949,680	1,449,452,659
1995	398,176,870	1,137,648,200	41,190,640	46,807,545	48,898,780	195,595,120	488,266,290	1,380,050,865
1994	388,652,490	1,110,435,686	40,608,850	46,146,420	52,400,810	209,603,240	481,662,150	1,366,185,346
1993	344,917,420	985,478,343	39,897,330	45,337,875	56,090,320	224,361,280	440,905,070	1,255,177,498
1992	340,014,790	971,470,829	38,874,010	44,175,011	52,321,420	209,285,680	431,210,220	1,224,931,520
1991	335,597,280	958,849,371	36,723,800	41,731,591	53,352,830	213,411,320	425,673,910	1,213,992,282

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

(1) Real estate value is assessed at 35% of actual value.

(2) Public utility personal is assessed at 88% of actual value, prior to 1991 it was assessed at 100% of actual value.

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

Newark City School District

Property Tax Rates - Direct and Overlapping Governments

Last Ten Calendar Years

<u>Collection Year</u>	<u>School Levy</u>	<u>County Levy</u>	<u>City Levy</u>	<u>Joint Vocational School</u>	<u>Total</u>
2000	31.40	7.20	3.70	2.00	44.30
1999	31.40	7.20	3.70	2.00	44.30
1998	49.00	7.20	3.70	2.00	61.90
1997	49.00	7.20	3.70	2.00	61.90
1996	48.00	7.20	3.70	2.00	60.90
1995	48.00	6.70	3.70	2.00	60.40
1994	48.00	7.20	3.70	2.00	60.90
1993	47.80	7.20	3.70	2.00	60.70
1992	35.90	7.20	3.20	2.80	49.10
1991	36.10	7.00	3.70	2.80	49.60

Source: Licking 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.

Newark City School District
Computation of Legal Debt Margin
June 30, 2000

Assessed Valuation (2000)	<u>\$ 660,622,400</u>
Bonded Debt Limit - 9% of Assessed Value (1)	<u>59,456,016</u>
Outstanding debt:	
Energy Conservation Bonds	695,000
Tax Anticipation Notes	2,800,000
Library Facility Notes	5,000,000
Less: Amount available in debt service fund	<u>(488,394)</u>
Total outstanding debt	<u>\$ 8,006,606</u>
Voted Debt Margin	<u><u>\$ 51,449,410</u></u>
Bonded Debt Limit - .10% of Assessed Value (1)	<u>660,622</u>
Outstanding debt:	
Energy Conservation Bonds	695,000
Tax Anticipation Notes	2,800,000
Library Facility Notes	5,000,000
Less: Amount available in debt service fund	<u>(488,394)</u>
Total outstanding debt	<u>\$ 8,006,606</u>
Less exemptions:	
Energy Conservation Bonds	695,000
Tax Anticipation Notes	2,800,000
Library Facility Notes	5,000,000
Less: Amount available in debt service fund	<u>(488,394)</u>
Total exemptions	<u>\$ 8,006,606</u>
Unvoted Debt Margin	<u><u>\$ 660,622</u></u>

Source: Licking County Auditor and School District financial records.

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

Newark City School District

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

<u>Collection Year</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Assessed Value</u>	<u>Population (2)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
2000	\$ 8,006,606	\$ 660,622,400	47,450	1.21%	\$168.74
1999	8,495,000	585,973,920	47,450	1.45%	179.03
1998	11,329,928	568,797,930	47,450	1.99%	238.78
1997	1,210,000	558,850,180	47,450	0.22%	25.50
1996	1,445,000	507,949,680	47,450	0.28%	30.45
1995	1,670,000	488,266,290	47,450	0.34%	35.19
1994	1,885,000	481,662,150	47,450	0.39%	39.73
1993	1,965,000	440,905,070	47,450	0.45%	41.41
1992	2,155,000	431,210,220	47,450	0.50%	45.42
1991	1,385,000	425,673,910	47,450	0.33%	29.19

Source: Licking County Auditor, School District records, and School District Audit Reports

(1) No debt is applicable to enterprise funds.

(2) Population data for 1990 through 1999 was assumed to be the same as the 1990 census as interim data was not available.

Newark City School District

**Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total Governmental Expenditures
Last Ten Fiscal Years**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Governmental Expenditures</u>	<u>Ratio of Debt Service to Governmental Expenditures (Percentages)</u>
2000	\$ 485,000	\$ 377,850	\$ 862,850	\$ 44,832,854	1.92%
1999	460,000	549,725	1,009,725	46,291,812	2.18%
1998	250,000	213,202	463,202	40,588,552	1.14%
1997	235,000	83,083	318,083	41,578,183	0.77%
1996	225,000	96,733	321,733	39,594,759	0.81%
1995	215,000	109,839	324,839	36,350,335	0.89%
1994	200,000	121,983	321,983	36,645,815	0.88%
1993	190,000	133,298	323,298	34,483,019	0.94%
1992	115,000	92,348	207,348	32,101,751	0.65%
1991	280,000	130,235	410,235	31,501,534	1.30%

Source: School District records and Audit Reports

Newark City School District
Demographic Statistics

<u>Selected Population Characteristic</u>	<u>1990</u>	<u>1980</u>
<u>Gender</u>		
Male	20,828	19,411
Female	23,561	21,789
 <u>Age Distribution</u>		
Under 5 years	3,554	3,042
5 to 20 years	9,855	9,394
21 to 24 years	2,508	4,007
25 to 44 years	13,809	10,674
45 to 54 years	4,132	4,027
55 to 64 years	3,819	4,233
65 to 74 years	3,539	3,234
75 years and older	3,173	2,569
Percent of population under 20	30.21%	30.20%
Percent of population 65 and older	15.12%	14.09%
 <u>Income</u>		
Median family income	\$ 28,490	\$ 17,912
Per capita income	\$ 11,680	\$ 6,915

Source: U.S. Bureau of the Census

Newark City School District
Property Values, Bank Deposits and Construction
Last Ten Calendar Years

<u>Year</u>	<u>Total Assessed Values</u>	<u>Certified Bank Deposits</u>	<u>Value of New Construction</u>
1999	\$ 585,973,920	1,166,894,000	\$ 22,833,197 (2)
1998	\$ 568,797,930	861,662,000	32,478,869 (2)
1997	\$ 558,850,180	789,385,000	51,554,923 (2)
1996	\$ 507,949,680	711,043,000	175,928,781 (2)
1995	\$ 488,266,290	697,375,000	111,520,794 (2)
1994	\$ 481,662,150	614,663,000	132,572,296 (2)
1993	\$ 440,905,070	576,683,000	61,596,368 (2)
1992	\$ 431,210,220	569,115,000	20,824,629
1991	\$ 425,673,910	540,688,000	24,911,924
1990	\$ 393,636,560	941,136,000	9,812,866

Source: Licking County Auditor, Federal Reserve Bank of Cleveland, City of Newark,
 Comprehensive Annual Financial Report

Data is presented on a calendar year basis because that is the manner in which the data is maintained.

(1) In 1991 bank deposits decreased significantly due to the buyout of The Central Trust Company.

(2) Includes all of Licking County

Newark City School District

Principal Taxpayers

Top Taxpayers	Assessed Valuations					Estimated Actual Valuations			
	Real Property	Tangible Personal	Public Utility	Total	Percent of Total	Real Property	Tangible Personal	Public Utility	Total
1. Owens Corning, Inc.	\$ 8,311,000	\$ 16,226,640	\$ -	\$ 24,537,640	3.71%	\$ 23,745,714	\$ 18,439,364	\$ -	\$ 42,185,078
2. Ohio Power Company	-	-	18,091,290	18,091,290	2.74%	-	-	72,365,160	72,365,160
3. Alltel Ohio, Inc.	-	9,410	8,011,900	8,021,310	1.21%	-	10,693	32,047,600	32,058,293
4. Holophane Lighting, Inc.	1,747,550	4,202,330	-	5,949,880	0.90%	4,993,000	4,775,375	-	9,768,375
5. National Gas and Oil Co.	-	-	5,768,050	5,768,050	0.87%	-	-	23,072,200	23,072,200
6. State Farm Mutual Auto Ins.	5,191,910	-	-	5,191,910	0.79%	14,834,029	-	-	14,834,029
7. Columbia Gas	-	-	3,146,470	3,146,470	0.48%	-	-	12,585,880	12,585,880
8. Thrifty Ohio, Inc.	1,794,630	1,342,010	-	3,136,640	0.47%	5,127,514	1,525,011	-	6,652,525
9. Southgate Company LP	2,522,370	-	-	2,522,370	0.38%	7,206,771	-	-	7,206,771
10. Health Care Property Inc.	2,266,430	-	-	2,266,430	0.34%	6,475,514	-	-	6,475,514
Total Top Ten Taxpayers	\$ 21,833,890	\$ 21,780,390	\$ 35,017,710	\$ 78,631,990	11.90%	\$ 62,382,542	\$ 24,750,443	\$ 140,070,840	\$ 227,203,825
Total All Assessed Valuations	568,452,510	56,445,250	35,724,640	660,622,400	100.00%				

Newark City School District
Computation of Direct and Overlapping Bonded Debt
June 30, 2000

<u>Jurisdiction</u>	<u>Assessed Valuation</u>	<u>Net General Tax Supported Debt (1)</u>	<u>Percent Overlapping (2)</u>	<u>Amount Applicable Newark City School District</u>
Newark City School District	\$ 660,622,400	\$ 8,006,606	100.00%	\$ 8,006,606
City of Newark	634,518,960	21,708,848	96.05%	20,851,058
Licking County	2,528,165,650	<u>15,636,085</u>	26.13%	<u>4,085,788</u>
		<u>\$ 45,351,539</u>		<u>\$ 32,943,451</u>

Sources: Licking County Auditor

Newark City School District

Miscellaneous Statistics

Last Ten Fiscal Years (1)

	<u>Fiscal Year Ended June 30, 1999</u>	<u>Fiscal Year Ended June 30, 1998</u>	<u>Fiscal Year Ended June 30, 1997</u>	<u>Fiscal Year Ended June 30, 1996</u>
Fall Enrollment	7,406	7,539	7,548	7,782
<u>Demographic Data:</u>				
Average Income	\$ 29,940	\$ 29,940	\$ 28,164	\$ 27,471
Property Valuation/Pupil	77,229	74,555	67,720	64,431
<u>Fiscal Data:</u>				
Effective Mills	30.21	30.33	33.70	33.70
Average Teacher Salary	\$ 39,528	\$ 38,215	\$ 35,118	\$ 34,195
<u>Staff Data:</u>				
Percent of Teachers With No Degree	0.00%	0.00%	0.00%	0.00%
Percent of Teachers With Bachelor Degree	61.67%	25.65%	27.25%	30.41%
Percent of Teachers With Masters Degree	38.33%	36.96%	34.72%	33.48%
Average Teacher Experience (yrs.)	14.80	14.30	15.00	14.20
<u>Output:</u>				
Pupil Attendance Rate	92.80%	92.60%	92.84%	92.32%
Graduation Rate	72.90%	75.60%	63.79%	61.87%
Percent of College Preparatory Graduates	n/a	89.34%	43.48%	40.77%

Source: Ohio Department of Education and School District records

(1) Information not available for 2000

Fiscal Year Ended June 30, 1995		Fiscal Year Ended June 30, 1994		Fiscal Year Ended June 30, 1993		Fiscal Year Ended June 30, 1992		Fiscal Year Ended June 30, 1991		Fiscal Year Ended June 30, 1990	
	7,826		7,967		8,109		7,976		7,866		7,741
\$	26,435	\$	26,602	\$	25,506	\$	25,506	\$	24,473	\$	23,783
	61,896		55,709		53,517		53,691		50,929		50,793
	33.50		38.58		29.21		28.83		33.70		33.70
\$	32,931	\$	32,020	\$	31,933	\$	30,332	\$	28,892	\$	27,657
	0.00%		0.00%		0.00%		0.00%		0.87%		0.22%
	31.66%		31.97%		51.59%		38.11%		38.56%		40.04%
	33.91%		33.78%		22.79%		27.75%		26.50%		25.87%
	14.10		13.90		15.20		13.90		13.70		13.90
	92.89%		92.99%		93.86%		94.97%		93.18%		93.78%
	78.21%		72.01%		84.10%		77.04%		85.50%		84.34%
	0.00%		0.00%		0.66%		0.00%		48.66%		49.46%



STATE OF OHIO
OFFICE OF THE AUDITOR

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NEWARK CITY SCHOOL DISTRICT

LICKING 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
DECEMBER 26, 2000**