



**HUDSON CITY SCHOOL DISTRICT
SUMMIT COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2001



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**HUDSON CITY SCHOOL DISTRICT
SUMMIT COUNTY**

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

Hudson City School District
Summit County
2386 Hudson-Aurora Road
Hudson, Ohio 44236

To the Board of Education:

We have audited the financial statements of Hudson City School District (the District) as of and for the year ended June 30, 2001, and have issued our report thereon dated December 20, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

We noted immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 20, 2001.

Internal Control Over Financial Reporting

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

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 20, 2001.

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

Jim Petro
Auditor of State

December 20, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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

Hudson City School District
Summit County
2386 Hudson-Aurora Road
Hudson, Ohio 44236

To the Board of Education:

Compliance

We have audited the compliance of Hudson City School District (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

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

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

Schedule of Receipts and Expenditures of Federal Awards

We have audited the general purpose financial statements of the District as of and for the year ended June 30, 2001, and have issued our report thereon dated December 20, 2001. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 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.

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

Jim Petro
Auditor of State

December 20, 2001

**HUDSON LOCAL SCHOOL DISTRICT
SUMMIT COUNTY**

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2001

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
Food Distribution Program	N/A	10.550		\$43,102		\$40,115
National School Lunch Program	03-PU-01	10.555	\$51,732		\$51,732	
Total U.S. Department of Agriculture - Child Nutrition Cluster			51,732	43,102	51,732	40,115
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education - Grants to States	6B-SF-00	84.027	80,499		79,622	
	6B-SF-01		209,816		173,059	
	6B-SF-01		25,000		15,241	
	6B-PM-00		0		7,757	
Total Special Education - Grants to States			315,315		275,679	
Special Education Preschool Grant	PG-S1-00	84.173	0		4,963	
	PG-S1-01		24,072		15,113	
Total Special Education Preschool Grant			24,072		20,076	
Total Special Education Cluster			339,387		295,755	
Innovative Education Program Strategies	C2-S1-00	84.298	0		11,889	
	C2-S1-01		33,046		17,945	
Total Innovative Education Program Strategies			33,046		29,834	
Safe and Drug-Free Schools and Communities - State Grants	DR-S1-99	84.186	0		6,456	
	DR-S1-01		31,747		18,811	
Total Safe and Drug-Free Schools and Communities State Grants			31,747		25,267	
Eisenhower Professional Development State Grants	MS-S1-99	84.281	0		2,500	
	MS-S1-01		18,899		16,426	
Total Eisenhower Professional Development State Grants			18,899		18,926	
<i>Passed Through Summit County:</i>						
Technology Innovation Challenge Grants	RR303A50380	84.303	3,097		15,395	
<i>Passed Through Summit Six District Vocational Education Compact:</i>						
Vocational Education - Basic Grants to States	43836-20-C1-00	84.048	780		0	
Total U.S. Department of Education			426,956		385,177	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE						
<i>Passed Through Ohio Department of Education:</i>						
Learn and Serve America - School and Community Based Programs						
Total Learn and Serve America State Grants	SV-S4-00	94.004	0		5,913	
			0		5,913	
Totals			\$478,688	\$43,102	\$442,822	\$40,115

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

**HUDSON CITY SCHOOL DISTRICT
SUMMIT COUNTY**

**NOTES TO SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2001**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2001, the District had no significant food commodities in inventory.

**HUDSON CITY SCHOOL DISTRICT
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2001**

1. SUMMARY OF AUDITOR'S RESULTS

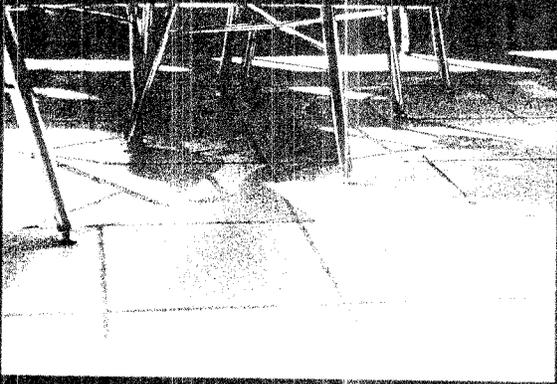
(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)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

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

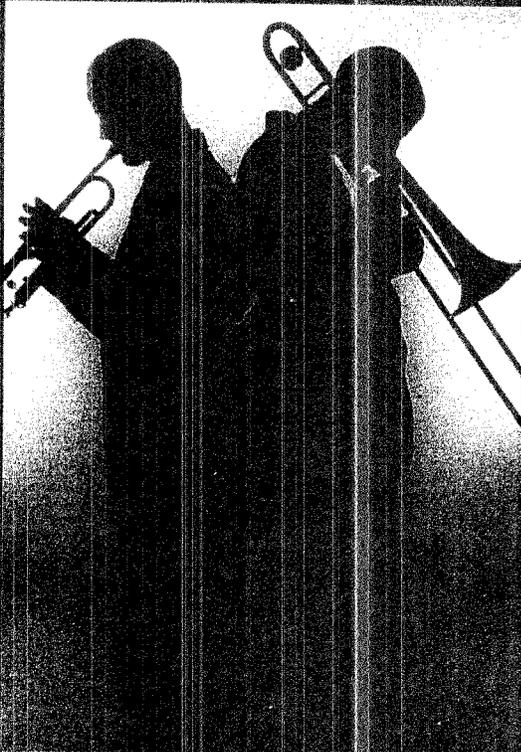
None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.



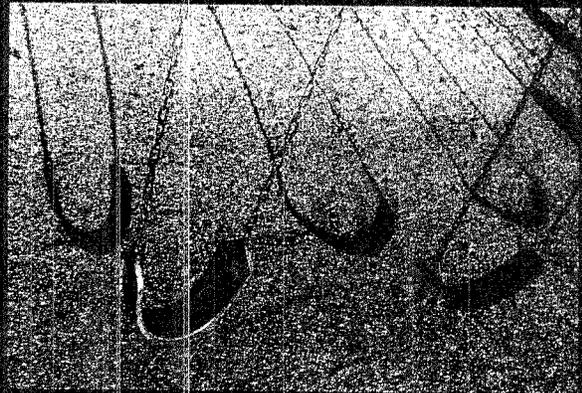
Share
opportunity



HUDSON CITY SCHOOL DISTRICT

*Comprehensive Annual
Financial Report*

for the Fiscal Year ended June 30, 2001



Introductory Section

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2001

*The Hudson City School District
Hudson, Ohio*



Board of Education

*Lyn Wilhoite, President
Jane Dailey, Vice President
Bruce Hubach, Member
Philip Kaszar, Member
Vicki Soukup, Member*

*Prepared by the Office of the Treasurer
Scott C. Snyder, CPA, Treasurer*

*Hudson City School District
2386 Hudson-Aurora Road • Hudson, OH 44236*

Hudson City School District

LOCATOR MAP



Educational Mission Statement

Our community believes education is a dynamic process. Together students, parents, educators, and community share responsibility for producing graduates capable of succeeding and making positive contributions in a rapidly changing world. We expect educational excellence with strong academics through researched-based curriculum and extracurricular activities that will assist young people to solve problems and become productive citizens. We value the unique abilities of each child and offer varied opportunities for individual growth, character, and development.

We will provide an outstanding educational program for all children, which maximizes the intellectual, physical, and social development of each child in a safe, nurturing environment. Our students will engage in the learning process with a willingness to take risks and accept responsibilities. Students will develop a strong base of academic knowledge, skills, and strategies. They will be individuals of high integrity who value learning and enthusiastically embrace their responsibilities as citizens in our American democracy.

Our community accepts responsibility to continue to provide the opportunity for educational excellence for all students. We will actively prepare students for their future through support of our schools and educational programs.

HUDSON CITY SCHOOL DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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HUDSON CITY SCHOOL DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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HUDSON CITY SCHOOL DISTRICT
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HUDSON CITY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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**HUDSON CITY SCHOOL DISTRICT
TREASURER'S OFFICE**
2386 Hudson-Aurora Road
Hudson, OH 44236-2322

BOARD OF EDUCATION:

Lyn R. Wilhoite, President
Jane M. Dailey, Vice-President
Bruce Hubach
Philip J. Kaszar
Vicki S. Soukup

(Local) 330-653-1270
FAX: 330-656-2292

ADMINISTRATORS:

Scott C. Snyder, CPA, Treasurer
Lisa Tesar, CPA, Assistant Treasurer

December 20, 2001

Citizens and Board of Education, Hudson City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Hudson City School District (District) for the fiscal year ended June 30, 2001. This CAFR, which includes an opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The report provides the taxpayers of the Hudson City School District, bond rating agencies, and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the District's finances. This report is intended to meet the accountability requirements of the District to the public.

This report is divided into the following sections:

- ◆ *Introductory Section* includes this transmittal letter, the District's organizational chart and a list of principal officials.
- ◆ *Financial Section* begins with the Report of Independent Accountants and includes the general purpose financial statements, notes and the combining individual fund and account group financial statements and schedules.
- ◆ *Statistical Section* includes selected financial and demographic information, generally presented on a multi-year basis.



Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Chamber of Commerce, major taxpayers, Hudson Public Library, Moody's and Standard and Poor's Financial Rating Services, banks, the District's Business Advisory Council and any other interested parties.

The District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; a broad range of co-curricular and extracurricular activities; adult and community education and recreation offerings; and special education programs and facilities.

The Reporting Entity

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

The District has administrative responsibility for state funds distributed to private schools located within District boundaries. The private schools served are: Hudson Montessori School, Cuyahoga Valley Christian Academy, Seton Catholic School, Western Reserve Academy, Walsh Jesuit High School and Academy for Young Children (TLC). While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, none of these organizations' financial statements are included in this report. Their Boards are not appointed by the District, nor are they fiscally dependent on the District.

The District And Its Facilities

The District serves an area of approximately 34 square miles in and around the City of Hudson. It is located in Summit County, approximately 28 miles southeast of downtown Cleveland and 14 miles north of Akron. The Hudson City School District is a rapidly growing affluent suburban district. Nearly 100 percent of the City of Hudson and portions of three other municipalities and a township are located within the District. They are: the City of Cuyahoga Falls, the City of Stow, the Village of Boston Heights and Boston Township. Hudson's population in 1980 was 12,645 residents. By 1990, according to the U.S. Census Bureau, Hudson's population had grown to 17,125 (11,966 Township and 5,159 Village). The 2000 Census shows the population of the City of Hudson is 22,439.

Because of the rapid growth of Hudson and the surrounding area, the District's enrollment has been increasing since 1980. The District had recorded more than 19 consecutive years of increasing enrollment until fiscal year 2000 when enrollment slowed. The District's enrollment for fiscal year-end June 30, 2001, was 5,569 students.

The District's facilities include four elementary schools, one middle school (grades six to eight), one high school (grades nine to twelve), a field house, a maintenance building, a bus garage, central offices residing in four houses and several athletic fields.



Economic Condition And Outlook

Ohio's seasonally adjusted unemployment rate was 4.5 percent in June, 2001, and the nation's unemployment rate for June, 2001 was 4.7 percent. Additionally, June, 2001 employment in the Akron Primary Metropolitan Statistical Area was 362,700. Specific employment figures for the Hudson City School District are not available. (Labor Force Estimates, June, 2001, Ohio Bureau of Employment Services).

Hudson is the headquarters for companies such as JoAnn Stores, Inc. (retail); Alltel Service Company (telecommunications); The Flood Company (coatings and sealants); and Dairy Mart (convenient stores). The city is also home to the division headquarters of Little Tikes (Newell Corp.); Caliber Logistics, Inc. (Federal Express); Allstate Insurance; and Morse Controls (IMO Industries).

According to the latest available income data, the 1999 median Federal income per tax return for Hudson City School District residents was \$60,872. That ranks our District 2nd highest in the State of Ohio. The 1999 average Federal income per tax return for Hudson City School District residents was \$99,532. Our District ranks 10th in the State in average Federal income per tax return.

The Hudson City School District receives 68 percent of its total revenues from local property tax collections. Therefore, the long-term financial health of the District is very dependent on its tax base. Total assessed valuation of the District rose by 64 percent in the last ten years. The increased value in the tax duplicate is attributed to new construction (65 percent) and the balance (35 percent) to revisions in property values made by the County Auditor over the most recent ten-year period.

The District has an excellent relationship with the City of Hudson, which assures that commercial development projects selected by the City are also highly desirable for the District. When the City of Hudson uses an inducement to attract a business, which is not a common practice, it is in participation with the District in a cooperative agreement. The District and the City of Hudson have agreed to a shared revenue arrangement where the District is to be reimbursed for property taxes it would have otherwise collected. The District will continue to work with the City of Hudson to attract desirable development to the community.

Organization Of The District

The Hudson City School District is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the State Department of Education. Under Ohio law, the District is a separate and distinct unit of government. The Hudson City School District Board of Education is a five-member board elected at-large, with staggered four-year terms.

The Board serves as the taxing authority, contracting body, policy maker, approves the annual appropriation resolution and tax budget and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars.



Principal Officials

BOARD MEMBERS

<u>Name</u>	<u>Began</u>	<u>Expires</u>	<u>Profession</u>
Lyn R. Wilhoite President	01-01-98	12-31-01	Homemaker
Jane M. Dailey Vice President	01-01-98	12-31-01	Homemaker
Bruce Hubach	01-01-00	12-31-03	Sales Representative N. T. Ruddock Company
Philip J. Kaszar	01-01-98	12-31-01	Strategy Consultant
Vicki S. Soukup	01-01-96	12-31-03	Accountant Drew & Company

ADMINISTRATION

<u>Name</u>	<u>Position</u>
Joseph P. Siegfert	Superintendent
Maryann Wolowiec	Assistant Superintendent
Rosalie Dennis	Director of Human Resources
Philip Wagner	Director of Special Services
Patricia Picard	Director of Curriculum and Instruction
Daniel Seiberling	Director of Pupil Services
Paul Smith	Business Manager
Scott C. Snyder	Treasurer



Employee Relations

The District currently has approximately 673 full-time and part-time employees. Two labor organizations representing District employees. Certified employees, including teachers and educational specialists, are represented for collective bargaining purposes by the Hudson Education Association (HEA). Support employees, including cooks, custodians, educational aides and clerical staff, are represented for collective bargaining purposes by the Ohio Association of Public School Employees Local 372 (OAPSE).

Services Provided

The District provides a wide variety of educational and support services as mandated by the Ohio Revised Code or Board directives. The District contracts out its transportation of students. During the 2000-2001 fiscal year, the District's fleet of 43 buses traveled 2,783 miles each day providing transportation services to 4,786 public and 207 private and parochial students. The Food Service Department served an average of 4,242 meals daily for a total of 755,152 meals annually through the District's school lunchrooms.

In addition to transportation and school lunch support services offered to children in the District, guidance, special education, (including school psychology services) and health services are available free of charge. Guidance services support the school environment and are designed to help students achieve a well-adjusted social life. Special education services, including school psychology services, are provided for all 13 federal disability categories ranging from preschool-age students through high school. Health services consist of the staffing of school clinics with R.N. or L.P.N. level nurses and health promotion classes. The health services program is provided in collaboration with the Cleveland Clinic Foundation where a medical director oversees the District program.

At the center of the District's services are the instructional programs. The District offers regular instructional programs daily to students in grades pre-kindergarten to twelve. The District served 585 identified students who need specially designed programs. These students received services through the wide array of special education programs offered in the District.

Finally, there are numerous academic and athletic programs for students, providing them with a number of enriching experiences. The District provides, through its Community Education and Recreation Department, a community-wide recreation program during the school year and throughout the summer months. The programs and activities provide a lifetime of memories for Hudson's students.

Major Curricular Initiatives - Fiscal Year 2001

Hudson City School District's Strategic Plan and Mission Statement continue to be the framework for continuous improvement in our educational program. An area of focus continues to be quality professional development that results in increased student achievement.



INTRODUCTION

The High School has continued its modified block schedule that includes weekly professional development time embedded in the school day. Department chairs and other teacher leaders have developed quality study groups that have focused on gifted, special needs and content areas.

The Middle School and High School teachers are completing their section of the Mathematics K-12 Course of Study to be added to the K-6 completed portion. All parts of the Course of Study are based on the National Council of Teachers of Mathematics Principles and Standards document.

During the 2000-2001 school year, a major focus of Language Arts was the implementation of a newly teacher-created District-wide Writing Assessment (DWA). Each K-8 teacher received two released half-days plus paid curriculum writing time to learn how to implement the DWA. Additionally, a new spelling program was implemented K-5.

A “Swat Team” format was used at the primary grades to assess and identify students who are below-grade-level readers as required by Senate Bill 55. Collected data was used to help provide necessary interventions for students. Also, the District is using an innovative professional development program following the trainer-of-trainer type model for teacher leaders who will be responsible for teaching colleagues in 2001-2002 in the reading Core Curriculum during released day times. Graduate courses on reading and writing courses were offered in-district.

Evamere Elementary and East Woods received moneys for implementing the Ohio Reads volunteer program to support young, struggling readers. McDowell received a Summer Intensive Reading Institute (SIRI) grant to conduct a professional development study group on reading.

The English Department refined several of its current courses and added two new courses—Journalism and Broadcast Journalism.

In the area of social studies, teachers began looking at the alignment of the social studies course of study and will continue this project next year.

Our REACH or gifted program continued its work on compliance with House Bill 282 and identification of the gifted, including the areas of visual and performing arts. The REACH department is working on innovative ways to collaborate with the classroom teachers to support their efforts to extend and enrich classroom activities for the gifted. A graduate course on differentiated instruction was offered after school for teachers.

In the area of technology, in addition to an increase in hardware district-wide and augmentation of the network backbone to provide improved services, graduate courses were offered for professional development: Differentiating Instruction Using Technology in the Classroom for Grades K-3, and another course for grades 4-6; Technology Tools for Intermediate Learners 6-12, and Productivity Tools in the Classroom. The K-5 Technology Competencies were completed during Summer Writing 2000 and will be implemented throughout the school year. This project will continue with implementation throughout next year and the development of the 6-8 competencies will begin. Released time was given to the K-5 teachers to begin to accomplish this task.



Hudson Middle School Tech Tune-up provided an opportunity for an in-service for all middle school teachers to learn about WebQuests, a researched-based way to use the web. Hudson High School Wednesday morning staff development included the following: using the Public Folders, an introduction to software protection, BESS and learning about WebQuests.

Forty teachers participated in a Grades K-6 technology coaching initiative which focused on colleagues teaching colleagues how to use technology to improve differentiated instruction and to improve student learning.

In science the major emphases were course of study re-writing, unit and lesson development and assessment of student learning. Several grade-level teams worked on various projects throughout the year.

Major Curricular Initiatives - Fiscal Year 2002

Hudson Elementary has developed and is implementing a professional development time embedded in the school day. The innovative program will be using Learning Community Professionals to substitute for the classroom teachers while they are involved in professional development. Upon evaluation of the pilot, the District will determine whether this model can be used in other buildings as well.

The High School will continue its professional staff development embedded in the Wednesday morning school schedule. Topics of study will be expanded to include cross disciplinary work. The High School was awarded a Best Practices Grant of \$20,000 for its innovative work in professional development. The moneys will be spent to support teacher learning that will increase student achievement.

The Mathematics Course of Study will go to the Board for approval, and thus, complete a four-year process which will direct the future of our math program in an inquiry-centered way.

During 2001-2002, reading will be a major content-area focus of the District. The teacher leaders for the Core Curriculum will be facilitating all K-6 teachers in their study of reading to promote a shared understanding of our teaching beliefs. This work will be the foundation of our Language Arts Course of Study re-write the following year. Teachers continue to meet outside the school day to implement the District-wide Writing Assessment.

Third grade will implement its newly written Spelling Instructional Guide while first grade will begin the implementation of its new spelling adoption.

Social studies and science teachers will continue to work on the vertical articulation of the curriculum by making sure each grade builds on the preceding and following grade's work.

In Technology, grades 6-8 teachers will develop their technology competencies. Several graduate courses will occur including ones that focus on student learning such as WebQuests, the Big 6 Research model and Kidspiration for writing.

Also, the District has developed a keyboarding pilot program in grade three in which parents and teachers partner to provide time for students to learn keyboarding. Parents come into school to help students with the lessons and students take Keyboard Instructors home to practice what they learned in school.



Hudson High School received a Raising the Bar Grant which will allow for distance learning across the District as well as increased hardware for multi-media productions, particularly in the new Broadcast Journalism course and in our District partnership with the City of Hudson's cable TV station.

With two newly negotiated teacher work days, the District developed innovative teacher-led professional development days. For example, our REACH (gifted) department worked with over 100 middle school teachers on differentiated instructional activities. These sessions included the opportunity for teachers to plan ways to implement their new learnings and come back together to report how they worked.

On our Local District Report Card to be issued by the Ohio Department of Education in 2001-2002, the District will be rated with the highest ranking as an "Excellent District" by having met 27 performance standards including meeting the established criteria for proficiency tests, attendance and graduation rate. Our District has chosen to focus on quality instruction and curriculum which have as their by products increased test scores.

For both the 2000-2001 and 2001-2002 school years, the focus has been on quality professional development for teachers which results in increased student achievement.

Financial Information

Internal Accounting and Budgetary Control

The District's accounting system is organized on a "fund" basis. Each fund (and account group) is a distinct self-balancing accounting entity. Reports for general governmental operations and the expendable trust fund are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. "Measurable" means the amount of the transaction can be determined. "Available" means collectable within the current fiscal period or soon enough thereafter to be used to pay liabilities of the current fiscal period, which the District considers to be sixty days after year-end. Reports of the District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

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

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



At the beginning of each fiscal year, the Board of Education adopts a permanent appropriation measure for the fiscal year. The permanent appropriation measure is adopted upon receipt from the County Auditor of an Amended Certificate of Estimated Resources based on final assessed values and tax rates, which is usually received before the beginning of the fiscal year.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are managed at the object account level within a function but controlled at the fund level. All purchase order requests must be approved by the purchasing agent and certified, as to the availability of funds, by the Treasurer. Following certification, the necessary funds are encumbered and purchase orders released to vendors.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. As an additional safeguard, all employees are covered by a blanket bond and certain individuals in policy-making roles are covered by a separate, higher limit bond.

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

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. As with the financial section, all amounts presented in the remainder of this letter are expressed in rounded dollar amounts.

General Government Functions The following schedule represents a summary of revenues for the governmental funds which include general, special revenue, debt service and capital projects funds for the fiscal year ended June 30, 2001 and comparisons to the last fiscal year.

<i>Revenue</i>	<i>2000</i>	<i>2001</i>	<i>Increase or (Decrease)</i>	<i>Percent Increase or (Decrease)</i>
<i>Property and Other Local Taxes</i>	\$31,080,258	\$32,379,327	\$1,299,069	4.2%
<i>Intergovernmental</i>	12,861,323	14,027,866	1,166,543	9.1
<i>Interest</i>	748,751	812,607	63,856	8.5
<i>Tuition and Fees</i>	126,301	156,173	29,872	23.7
<i>Extracurricular Activities</i>	441,139	430,899	(10,240)	(2.3)
<i>Food Service</i>	7,339	6,064	(1,275)	(17.4)
<i>Miscellaneous</i>	213,917	295,845	81,928	38.3
<i>Total Revenues</i>	<u>\$45,479,028</u>	<u>\$48,108,781</u>	<u>\$2,629,753</u>	5.8%



INTRODUCTION

Local property tax revenue is the major funding component of the District, making up about 68 percent of total governmental funds revenue. Approximately 90 percent of tax revenue is utilized for general fund operations, seven percent for debt service fund activities and three percent for capital projects.

Intergovernmental revenues include Homestead/Rollback reimbursements from the State of Ohio, State Foundation receipts, State and Federal grants and other reimbursements from the State. The Homestead/Rollback Funds are based on local tax collection efforts. Residential property owners in the State of Ohio are given a 10 percent and 2.5 percent reduction in real property taxes. The State reimburses those funds to the District. The State Foundation Funds are controlled by the State Legislature. These intergovernmental funds provide about 29 percent of the District's General Fund Revenue.

State revenue estimates are not likely to change much from the above scenario. The Ohio Supreme Court has identified required modifications to the school funding plan in order for the plan to be considered constitutional. Because of these actions and the economy, future State revenues are unpredictable.

Tuition and fees revenue include tuition charged for enrolled students residing out of the District, student fines and classroom fees.

Extracurricular Activities Revenues are comprised primarily of gate receipts and ticket sales from student events, fund raising activities and funds donated by the local student activity booster organizations.

The following schedule represents a summary of all governmental expenditures of General, Special Revenues, Debt Service and Capital Projects Funds for the fiscal year ended June 30, 2001, and comparisons to last fiscal year.

<i>Expenditures</i>	<i>2000</i>	<i>2001</i>	<i>Increase or (Decrease)</i>	<i>Percent Increase or (Decrease)</i>
<u>Instruction:</u>				
<i>Regular</i>	\$20,553,603	\$22,119,620	\$1,566,017	7.6%
<i>Special</i>	2,798,760	3,180,202	381,442	13.6
<i>Vocational</i>	270,325	273,897	3,572	1.3
<i>Other</i>	469,249	584,508	115,259	24.6
	<u>\$24,091,937</u>	<u>\$26,158,227</u>	<u>\$2,066,290</u>	<u>8.6%</u>
<u>Support Services:</u>				
<i>Pupils</i>	2,753,292	3,042,400	289,108	10.5
<i>Instructional Staff</i>	2,489,161	2,774,146	284,985	11.4
<i>Board of Education</i>	51,617	40,738	(10,879)	(21.1)
<i>Administration</i>	3,157,888	3,459,983	302,095	9.6
<i>Fiscal</i>	939,195	1,014,090	74,895	7.9
<i>Business</i>	350,675	305,004	(45,671)	(13.0)
<i>Operation and Maintenance of Plant</i>	3,815,707	4,125,271	309,564	8.1
<i>Pupil Transportation</i>	2,298,955	2,638,438	339,483	14.8
<i>Central</i>	266,482	340,186	73,704	27.7
<i>Operation of Non-Instructional Services</i>	15,250	15,901	651	4.3
<i>Extracurricular Activities</i>	915,957	979,594	63,637	6.9
<i>Capital Outlay</i>	738,001	1,447,957	709,956	96.2
	<u>\$17,792,180</u>	<u>\$20,183,708</u>	<u>\$2,391,528</u>	<u>11.8%</u>



Debt Service:

<i>Principal Retirement</i>	1,979,815	2,011,826	32,011	1.6
<i>Interest and Fiscal Charges</i>	<u>807,262</u>	<u>712,317</u>	<u>(94,945)</u>	(11.3)
TOTAL	<u>\$44,671,194</u>	<u>\$49,066,078</u>	<u>\$4,394,884</u>	9.8%

Instruction expenditures totaled \$26,158,227 and include the salaries and benefits of teachers, textbooks, classroom supplies and classroom equipment. Contracted salaries, additions to staff and inflationary factors contributed to the increase in fiscal 2000-2001.

Support services expenditures totaled \$20,183,708 for fiscal year 2001. Significant increases in support services occurred in the areas of Pupils, Instructional Staff, Administration, Operation and Maintenance of Plant, Pupil Transportation and Capital Outlay. Pupils increased due to additions to staff, contracted salaries and inflation. Instructional Staff expenditures increased due to additions to staff, contracted salaries, inflation and expanded professional development activities. Administration increased due to contracted salaries, inflation, severance payments due to retirement and increased professional fees. Operation and Maintenance of Plant increased due to extraordinary increases in natural gas utilities, inflation and contracted salaries. Pupil Transportation increased due to contracted services, inflation and the replacement of school busses via utilization of State subsidies. Capital Outlay increased due to technology enhancements made possible by State grants.

General Fund Balance The fund balance of the general fund decreased 26.9 percent from \$4,284,194 at June 30, 2000, to \$3,130,881 at June 30, 2001. This decrease is largely related to the inability of existing revenue sources to grow at a rate comparable to that associated with market-driven increases to personnel costs, health insurance, utilities, etc.

Proprietary Fund Operations The District operated several enterprise activities in fiscal year 2001 including the Food Service program, Uniform School Supply operation, Rotary and Community Education and Recreation programs. It is the Board of Education's desire to operate these programs on a self supporting basis. Therefore, profit/loss measures must be maintained. These operations are classified and accounted for as enterprise funds. In total, enterprise funds had net income of \$1,029 in fiscal year 2001 increasing retained earnings from \$736,397 at June 30, 2000, to \$737,426 at June 30, 2001.

Internal Service Funds These operations consist of the Intradistrict Fund, Self-Insurance Fund, and Computer Library. The internal service funds incurred a net loss of \$455,188 in fiscal year 2001. The net loss is largely attributed to the 27 percent increase in medical claims paid during fiscal year 2000-2001 over the previous fiscal year coupled with a 10 percent increase in the medical premium. Retained earnings for internal service decreased from \$758,507 at June 30, 2000, to \$303,319 at June 30, 2001.

Fiduciary Operations The Special Trust, an expendable trust fund to support scholarships and curriculum improvements, generated \$54,340 in revenues during fiscal year 2001. The Enoch Clark non-expendable trust fund accounts for money set aside for public school purposes. The District accounts for student activities in an agency fund. Available assets are offset by liabilities.

General Fixed Assets The General Fixed Assets of the District are used to carry on the main education and support functions of the District and are not financial resources available for expenditure. The total general fixed assets at June 30, 2001, were \$66,083,229. These assets are accounted for at historical cost. Depreciation is not recognized on general fixed assets.



Debt Administration The Debt Service Fund accounts for the accumulation of resources for and payment of principal and interest on long-term debt reported in the District's General Long-Term Obligations Account Group. For fiscal year 2001, principal retirement for loans and bonds amounted to \$2,011,826 and the fund balance reserve increased to \$1,200,720. At June 30, 2001, the District had general obligation bonds outstanding of \$15,392,088. Under the Ohio Revised Code, total general obligation bonded debt is subject to a legal limitation on both total and unvoted debt. The limitation is based on nine percent and 0.1 percent of the total assessed value of real and personal tangible property. The District's net indebtedness of \$12,969,160 is below the legal limit of \$69,749,019 for total debt. The legal limit for unvoted debt is \$774,989. All bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment.

Risk Management The District continues to protect its assets through a comprehensive insurance program. The District uses the State Workers' Compensation Plan and pays a premium based upon a rate per \$100 of salaries. The District is a member of Ohio School Boards Association Workers' Compensation Group Rating Program. The District contracts for general liability insurance with a \$2,000,000 limit per occurrence and \$5,000,000 in aggregate. The District also carries automobile liability insurance with a limit of \$2,000,000 and a \$1,000 deductible.

The District's health insurance committee continually reviews the District's coverage provided under our self-insured system. The District retains self-insurance reserves which meet the actuarial minimums.

Cash Management The District maintained its active cash management program, expediting the receipt of revenues and prudently investing available cash. Total interest earned during fiscal year 2001 was \$863,877. Of that total \$799,629 was credited to the General Fund. The balance was credited to other funds as directed by the Ohio Revised Code and Board of Education policy.

The cash management program is designed to minimize cash on hand and maximize investment holdings. All investments are spread among available investment options to insure reasonable returns while protecting principal.

The District's investment policy is to minimize credit and market risk while maintaining a competitive yield on its portfolio. Deposits were insured by federal depository insurance or collateralized direct obligations of the Federal Government. All collateral on deposits meets minimum requirements. Investments held by the District during the year and at June 30, 2001, are classified in the categories of lowest to middle risk as defined by the Governmental Accounting Standards Board (see Note 5 in the Notes to the General Purpose Financial Statements for further explanation of risk categories). However, as required under Ohio law, pooled securities have been pledged in an amount equal to 105 percent of the total deposits, to secure the repayment of all public monies deposited in a financial institution.



Independent Audit

State statutes require an annual audit by independent accountants. The Ohio Auditor of State conducted the District's 2001 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Other Information

Awards:

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Hudson City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. This was the third consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ASBO Certificate of Excellence

The District received the Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting Award for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. The award represents a significant achievement by the Hudson City School District and reflects the District's commitment to the highest standards of school system financial reporting. The District is also submitting this report to the Association of School Business Officials (ASBO) International for consideration of the Certificate of Excellence in Financial Reporting award. This award will certify that the Comprehensive Annual Financial Report conforms to the principles and standards of financial reporting as recommended and adopted by the Association of Schools Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2001, which will be submitted to ASBO for review, will continue to conform to ASBO's principles and standards.



Acknowledgments

The continued publication of this report is an indication of the District's commitment to be accountable to our investors, the residents of the Hudson City School District, and to our customers, the students.

The preparation and publication of this Comprehensive Annual Financial Report on a timely basis could not have been possible without the cooperation of the entire staff of the Treasurer's Department. Additional appreciation is extended to Mr. Paul Smith, Business Manager, for working so diligently to maintain the District's Fixed Asset Records, to Ms. Sheryl Sheatzley, Communications Management Specialist, for her work on the cover and design, and also to Mr. Scott K. Varney and Mrs. Christine Wheeler of Gary B. Fink & Associates, Inc., for their expert guidance and assistance.

Respectfully submitted,

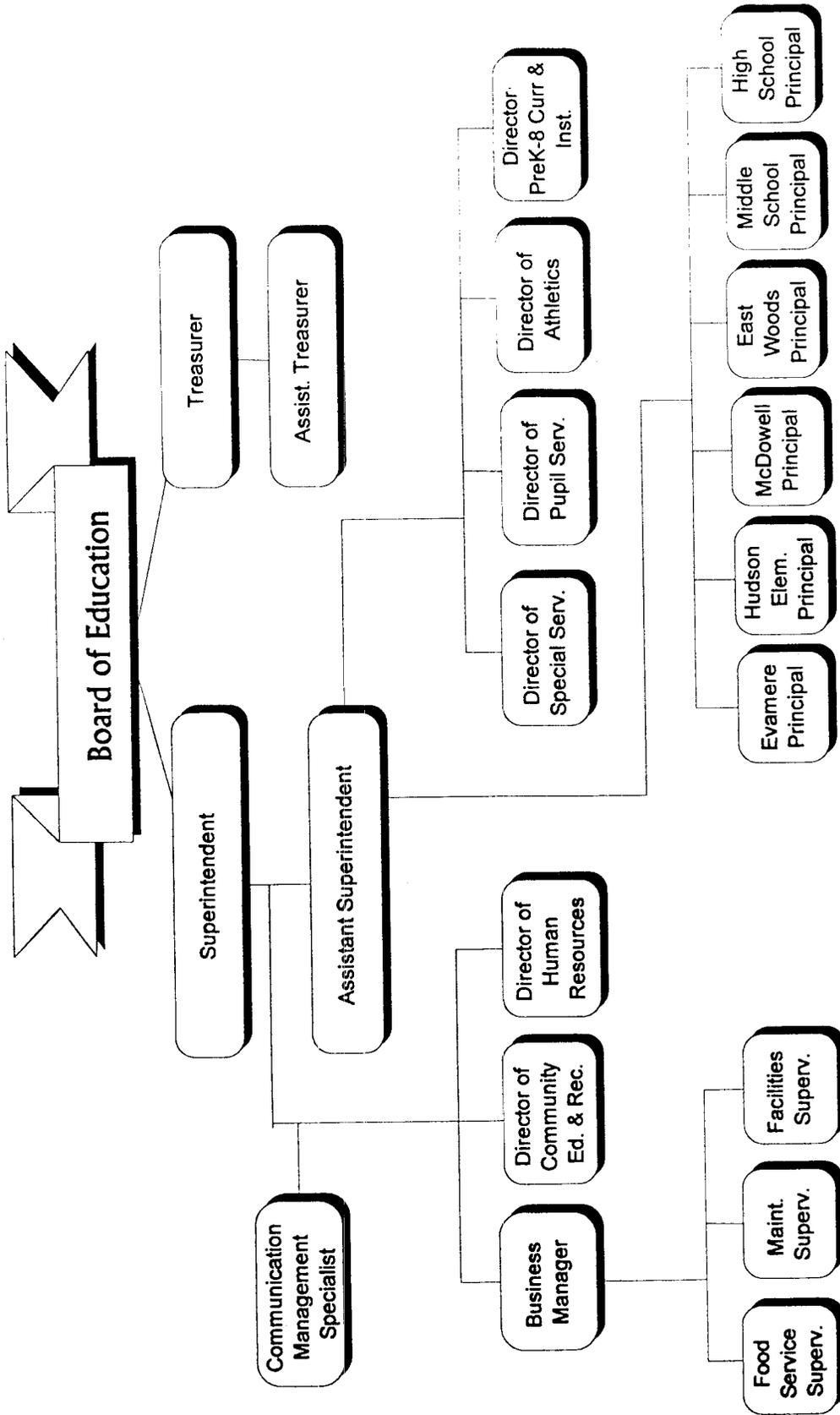


Scott C. Snyder, CPA
Treasurer



Joseph P. Siegfert
Superintendent





Certificate of Achievement for Excellence in Financial Reporting

Presented to

Hudson Local School
District, Ohio

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

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.



Thomas A. Brewer
President

Jeffrey L. Essler
Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

HUDSON CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2000

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

Linda White
President

Don A. Hagan
Executive Director

Financial Section



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Hudson City School District
Summit County
2386 Hudson-Aurora Road
Hudson, Ohio 44236

To the Board of Education:

We have audited the accompanying general purpose financial statements of the Hudson City School District, Summit County, (the District) as of and for the year ended June 30, 2001, 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2001 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.

We performed our audit to form 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 additional analysis and are not a required part of the general purpose financial statements. We subjected this information to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects, in relation to the general purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

December 20, 2001

General Purpose Financial Statements



**Hudson City School District
 Combined Balance Sheet
 All Fund Types and Account Groups
 June 30, 2001**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets and Other Debits</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$6,421,234	\$920,717	\$1,121,501	\$1,308,021
Cash and Cash Equivalents:				
Nonexpendable Trust Fund	0	0	0	0
Receivables:				
Taxes	29,569,683	0	2,217,957	1,019,761
Accounts	25,814	4,420	0	0
Intergovernmental	0	95,398	0	0
Accrued Interest	104,082	0	0	0
Interfund Receivable	25,822	0	0	0
Prepaid Items	13,443	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Fixed Assets (Net, Where Applicable, of Accumulated Depreciation)	0	0	0	0
<u>Other Debits</u>				
Amount Available in Debt Service Fund for Retirement of General Obligation Bonds	0	0	0	0
Amount to be Provided from General Government Resources	0	0	0	0
Total Assets and Other Debits	\$36,160,078	\$1,020,535	\$3,339,458	\$2,327,782
<u>Liabilities, Fund Equity and Other Credits</u>				
<u>Liabilities</u>				
Accounts Payable	\$364,952	\$169,755	\$0	\$386,750
Accrued Wages	3,328,748	127,649	0	0
Compensated Absences Payable	34,217	0	0	0
Interfund Payable	0	12,121	0	0
Intergovernmental Payable	725,838	11,715	0	50
Deferred Revenue	28,575,442	64,877	2,138,738	983,979
Due to Students	0	0	0	0
Undistributed Monies	0	0	0	0
Claims Payable	0	0	0	0
Energy Conservation Loan Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Total Liabilities	33,029,197	386,117	2,138,738	1,370,779
<u>Fund Equity and Other Credits</u>				
Investment in General Fixed Assets	0	0	0	0
Retained Earnings:				
Unreserved	0	0	0	0
Fund Balances:				
Reserved for Encumbrances	484,038	157,592	0	89,958
Reserved for Prepaid Items	13,443	0	0	0
Reserved for Debt Service	0	0	1,121,501	0
Reserved for Property Tax Advance	994,241	0	79,219	35,782
Reserved for Endowments	0	0	0	0
Unreserved:				
Undesignated	1,639,159	476,826	0	831,263
Total Fund Equity and Other Credits	3,130,881	634,418	1,200,720	957,003
Total Liabilities, Fund Equity and Other Credits	\$36,160,078	\$1,020,535	\$3,339,458	\$2,327,782

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	
\$677,372	\$855,927	\$80,178	\$0	\$0	\$11,384,950
0	0	239	0	0	239
0	0	0	0	0	32,807,401
0	20,150	0	0	0	50,384
7,994	0	0	0	0	103,392
0	959	0	0	0	105,041
0	0	0	0	0	25,822
0	0	0	0	0	13,443
54,948	0	0	0	0	54,948
4,853	0	0	0	0	4,853
330,972	0	0	66,083,229	0	66,414,201
0	0	0	0	1,200,720	1,200,720
0	0	0	0	16,478,865	16,478,865
<u>\$1,076,139</u>	<u>\$877,036</u>	<u>\$80,417</u>	<u>\$66,083,229</u>	<u>\$17,679,585</u>	<u>\$128,644,259</u>
\$135,251	\$1,500	\$8,763	\$0	\$0	\$1,066,971
58,692	0	0	0	0	3,515,089
43,088	0	0	0	1,985,958	2,063,263
13,201	0	500	0	0	25,822
78,436	183	0	0	251,539	1,067,761
10,045	0	0	0	0	31,773,081
0	0	46,805	0	0	46,805
0	0	257	0	0	257
0	572,034	0	0	0	572,034
0	0	0	0	50,000	50,000
0	0	0	0	15,392,088	15,392,088
338,713	573,717	56,325	0	17,679,585	55,573,171
0	0	0	66,083,229	0	66,083,229
737,426	303,319	0	0	0	1,040,745
0	0	8,682	0	0	740,270
0	0	0	0	0	13,443
0	0	0	0	0	1,121,501
0	0	0	0	0	1,109,242
0	0	200	0	0	200
0	0	15,210	0	0	2,962,458
737,426	303,319	24,092	66,083,229	0	73,071,088
<u>\$1,076,139</u>	<u>\$877,036</u>	<u>\$80,417</u>	<u>\$66,083,229</u>	<u>\$17,679,585</u>	<u>\$128,644,259</u>

**Hudson 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, 2001**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Revenues</u>				
Taxes	\$29,031,646	\$0	\$2,357,120	\$990,561
Intergovernmental	11,676,930	1,716,596	273,575	360,765
Interest	799,629	12,978	0	0
Tuition and Fees	64,719	91,454	0	0
Extracurricular Activities	0	430,899	0	0
Food Service	0	6,064	0	0
Miscellaneous	91,171	153,734	0	0
Total Revenues	41,664,095	2,411,725	2,630,695	1,351,326
<u>Expenditures</u>				
Current:				
Instruction:				
Regular	20,876,384	1,104,735	0	138,501
Special	3,149,716	30,486	0	0
Vocational	271,994	1,903	0	0
Adult/Continuing	0	283	0	0
Other	534,477	0	0	49,748
Support Services:				
Pupils	2,465,099	577,301	0	0
Instructional Staff	2,645,803	128,343	0	0
Board of Education	37,970	2,768	0	0
Administration	3,316,353	143,630	0	0
Fiscal	964,346	0	34,848	14,896
Business	299,627	5,377	0	0
Operation and Maintenance of Plant	4,098,821	26,450	0	0
Pupil Transportation	2,638,438	0	0	0
Central	340,186	0	0	0
Operation of Non-Instructional Services	0	15,901	0	0
Extracurricular Activities	548,974	430,620	0	0
Capital Outlay	0	0	0	1,447,957
Debt Service:				
Principal Retirement	0	0	2,011,826	0
Interest and Fiscal Charges	0	0	712,317	0
Total Expenditures	42,188,188	2,467,797	2,758,991	1,651,102
Excess (Deficiency) of Revenues Over (Under) Expenditures	(524,093)	(56,072)	(128,296)	(299,776)
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Fixed Assets	789	0	0	0
Operating Transfers In	5,239	88,446	265,318	409,841
Operating Transfers Out	(644,250)	0	(134,564)	0
Total Other Financing Sources (Uses)	(638,222)	88,446	130,754	409,841
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,162,315)	32,374	2,458	110,065
Fund Balances at Beginning of Year	4,284,194	602,044	1,198,262	846,938
Residual Equity Transfer In	9,002	0	0	0
Fund Balances at End of Year	\$3,130,881	\$634,418	\$1,200,720	\$957,003

See accompanying notes to the general purpose financial statements.

Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)
\$0	\$32,379,327
3,400	14,031,266
0	812,607
0	156,173
0	430,899
0	6,064
<u>50,940</u>	<u>295,845</u>
<u>54,340</u>	<u>48,112,181</u>
10,160	22,129,780
0	3,180,202
0	273,897
0	283
0	584,225
0	3,042,400
2,997	2,777,143
0	40,738
0	3,459,983
0	1,014,090
0	305,004
2,186	4,127,457
0	2,638,438
0	340,186
35,800	51,701
0	979,594
0	1,447,957
0	2,011,826
<u>0</u>	<u>712,317</u>
<u>51,143</u>	<u>49,117,221</u>
<u>3,197</u>	<u>(1,005,040)</u>
0	789
9,970	778,814
<u>0</u>	<u>(778,814)</u>
<u>9,970</u>	<u>789</u>
13,167	(1,004,251)
10,686	6,942,124
<u>0</u>	<u>9,002</u>
<u>\$23,853</u>	<u>\$5,946,875</u>

**Hudson City School District
 Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual (Budget Basis)
 All Governmental Fund Types and Expendable Trust Fund
 For the Fiscal Year Ended June 30, 2001**

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$28,469,841	\$28,469,841	\$0
Intergovernmental	11,573,266	11,573,266	0
Interest	756,096	756,096	0
Tuition and Fees	64,719	64,719	0
Extracurricular Activities	0	0	0
Food Service	0	0	0
Miscellaneous	73,483	73,483	0
Total Revenues	40,937,405	40,937,405	0
Expenditures			
Current:			
Instruction:			
Regular	21,045,967	20,822,236	223,731
Special	3,111,539	3,100,313	11,226
Vocational	273,845	270,895	2,950
Adult/Continuing	0	0	0
Other	780,685	718,234	62,451
Support Services:			
Pupils	2,525,880	2,496,530	29,350
Instructional Staff	2,696,568	2,645,955	50,613
Board of Education	93,989	38,429	55,560
Administration	3,357,038	3,268,034	89,004
Fiscal	1,069,246	992,809	76,437
Business	345,830	311,895	33,935
Operation and Maintenance of Plant	4,426,563	4,297,535	129,028
Pupil Transportation	2,753,962	2,715,759	38,203
Central	405,213	354,225	50,988
Operation of Non-Instructional Services:			
Community Services	0	0	0
Extracurricular Activities	605,572	559,627	45,945
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest	0	0	0
Total Expenditures	43,491,897	42,592,476	899,421
(Deficiency) of Revenues (Under) Expenditures	(2,554,492)	(1,655,071)	899,421
Other Financing Sources (Uses)			
Proceeds from Sale of Fixed Assets	789	789	0
Refund of Prior Year Expenditures	111,279	111,279	0
Refund of Prior Year Receipts	(500)	(233)	267
Advances In	0	14,930	14,930
Advances Out	0	(41,563)	(41,563)
Operating Transfers In	14,241	14,241	0
Operating Transfers Out	(462,186)	(444,250)	17,936
Total Other Financing Sources (Uses)	(336,377)	(344,807)	(8,430)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,890,869)	(1,999,878)	890,991
Fund Balances at Beginning of Year	6,269,068	6,269,068	0
Prior Year Encumbrances Appropriated	1,278,795	1,278,795	0
Fund Balances at End of Year	\$4,656,994	\$5,547,985	\$890,991

See accompanying notes to the general purpose financial statements.

Governmental Fund Types					
Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$2,318,435	\$2,318,435	\$0
1,760,253	1,760,253	0	273,575	273,575	0
12,978	12,978	0	0	0	0
91,454	91,454	0	0	0	0
428,625	428,625	0	0	0	0
6,064	6,064	0	0	0	0
151,191	151,191	0	0	0	0
2,450,565	2,450,565	0	2,592,010	2,592,010	0
1,238,139	1,203,238	34,901	0	0	0
42,682	28,432	14,250	0	0	0
3,903	1,903	2,000	0	0	0
3,705	3,705	0	0	0	0
0	0	0	0	0	0
746,375	645,628	100,747	0	0	0
229,636	141,266	88,370	0	0	0
0	0	0	0	0	0
197,129	164,975	32,154	0	0	0
0	0	0	35,001	34,848	153
5,487	5,377	110	0	0	0
27,253	27,177	76	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
36,293	19,439	16,854	0	0	0
568,151	462,418	105,733	0	0	0
0	0	0	0	0	0
0	0	0	2,011,826	2,011,826	0
0	0	0	712,317	712,317	0
3,098,753	2,703,558	395,195	2,759,144	2,758,991	153
(648,188)	(252,993)	395,195	(167,134)	(166,981)	153
0	0	0	0	0	0
1,013	1,013	0	0	0	0
(3,175)	(3,175)	0	0	0	0
0	12,121	12,121	0	0	0
(800)	(11,850)	(11,050)	0	0	0
88,446	88,446	0	265,318	265,318	0
0	0	0	(134,564)	(134,564)	0
85,484	86,555	1,071	130,754	130,754	0
(562,704)	(166,438)	396,266	(36,380)	(36,227)	153
515,671	515,671	0	1,157,728	1,157,728	0
244,136	244,136	0	0	0	0
\$197,103	\$593,369	\$396,266	\$1,121,348	\$1,121,501	\$153

(continued)

Hudson City School District
Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Budget Basis) (Continued)
All Governmental Fund Types and Expendable Trust Fund
For the Fiscal Year Ended June 30, 2001

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$986,461	\$986,461	\$0
Intergovernmental	360,765	360,765	0
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Food Service	0	0	0
Miscellaneous	0	0	0
Total Revenues	1,347,226	1,347,226	0
Expenditures			
Current:			
Instruction:			
Regular	139,016	139,016	0
Special	0	0	0
Vocational	0	0	0
Adult/Continuing	0	0	0
Other	50,000	49,748	252
Support Services:			
Pupils	0	0	0
Instructional Staff	0	0	0
Board of Education	0	0	0
Administration	0	0	0
Fiscal	27,000	14,896	12,104
Business	0	0	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services:			
Community Services	0	0	0
Extracurricular Activities	0	0	0
Capital Outlay	1,722,047	1,549,718	172,329
Debt Service:			
Principal Retirement	0	0	0
Interest	0	0	0
Total Expenditures	1,938,063	1,753,378	184,685
(Deficiency) of Revenues (Under) Expenditures	(590,837)	(406,152)	184,685
Other Financing Sources (Uses)			
Proceeds from Sale of Fixed Assets	0	0	0
Refund of Prior Year Expenditures	0	0	0
Refund of Prior Year Receipts	0	0	0
Advances In	0	0	0
Advances Out	0	(280)	(280)
Operating Transfers In	75,277	209,841	134,564
Operating Transfers Out	0	0	0
Total Other Financing Sources (Uses)	75,277	209,561	134,284
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(515,560)	(196,591)	318,969
Fund Balances at Beginning of Year	627,389	627,389	0
Prior Year Encumbrances Appropriated	400,514	400,514	0
Fund Balances at End of Year	\$512,343	\$831,312	\$318,969

See accompanying notes to the general purpose financial statements.

Fiduciary Fund Type			Totals		
Expendable Trust Fund			(Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$31,774,737	\$31,774,737	\$0
3,400	3,400	0	13,971,259	13,971,259	0
0	0	0	769,074	769,074	0
0	0	0	156,173	156,173	0
0	0	0	428,625	428,625	0
0	0	0	6,064	6,064	0
50,940	50,940	0	275,614	275,614	0
54,340	54,340	0	47,381,546	47,381,546	0
19,768	11,660	8,108	22,442,890	22,176,150	266,740
0	0	0	3,154,221	3,128,745	25,476
0	0	0	277,748	272,798	4,950
0	0	0	3,705	3,705	0
0	0	0	830,685	767,982	62,703
0	0	0	3,272,255	3,142,158	130,097
9,993	9,993	0	2,936,197	2,797,214	138,983
0	0	0	93,989	38,429	55,560
0	0	0	3,554,167	3,433,009	121,158
0	0	0	1,131,247	1,042,553	88,694
0	0	0	351,317	317,272	34,045
2,774	2,372	402	4,456,590	4,327,084	129,506
0	0	0	2,753,962	2,715,759	38,203
0	0	0	405,213	354,225	50,988
40,547	35,800	4,747	76,840	55,239	21,601
0	0	0	1,173,723	1,022,045	151,678
0	0	0	1,722,047	1,549,718	172,329
0	0	0	2,011,826	2,011,826	0
0	0	0	712,317	712,317	0
73,082	59,825	13,257	51,360,939	49,868,228	1,492,711
(18,742)	(5,485)	13,257	(3,979,393)	(2,486,682)	1,492,711
0	0	0	789	789	0
0	0	0	112,292	112,292	0
0	0	0	(3,675)	(3,408)	267
500	500	0	500	27,551	27,051
0	0	0	(800)	(53,693)	(52,893)
9,970	9,970	0	453,252	587,816	134,564
0	0	0	(596,750)	(578,814)	17,936
10,470	10,470	0	(34,392)	92,533	126,925
(8,272)	4,985	13,257	(4,013,785)	(2,394,149)	1,619,636
8,958	8,958	0	8,578,814	8,578,814	0
1,729	1,729	0	1,925,174	1,925,174	0
\$2,415	\$15,672	\$13,257	\$6,490,203	\$8,109,839	\$1,619,636

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**Hudson City School District
 Combined Statement of Revenues,
 Expenses and Changes in Retained Earnings/Fund Balances
 All Proprietary Fund Types and Nonexpendable Trust Fund
 For the Fiscal Year Ended June 30, 2001**

	Proprietary Fund Types		Fiduciary Fund Type	Totals
	Enterprise	Internal Service	Nonexpendable Trust	(Memorandum Only)
<u>Operating Revenues</u>				
Tuition	\$14,285	\$0	\$0	\$14,285
Sales	172,692	0	0	172,692
Charges for Services	1,303,272	3,860,306	0	5,163,578
Interest	0	0	2	2
Other Operating Revenues	678,832	0	0	678,832
Total Operating Revenues	2,169,081	3,860,306	2	6,029,389
<u>Operating Expenses</u>				
Salaries	693,347	31,988	0	725,335
Fringe Benefits	218,891	8,569	0	227,460
Purchased Services	379,225	755,803	0	1,135,028
Materials and Supplies	348,071	335	0	348,406
Cost of Sales	623,021	0	0	623,021
Depreciation	23,676	0	0	23,676
Claims	0	3,555,438	0	3,555,438
Other Operating Expenses	6,867	0	0	6,867
Total Operating Expenses	2,293,098	4,352,133	0	6,645,231
Operating Income (Loss)	(124,017)	(491,827)	2	(615,842)
<u>Non-Operating Revenues</u>				
Federal Donated Commodities	40,946	0	0	40,946
Operating Grants	57,953	0	0	57,953
Interest	14,629	36,639	0	51,268
Other Non-Operating Revenue	11,518	0	0	11,518
Total Non-Operating Revenues	125,046	36,639	0	161,685
Net Income (Loss)	1,029	(455,188)	2	(454,157)
Retained Earnings/Fund Balance at Beginning of Year	736,397	758,507	237	1,495,141
Retained Earnings/Fund Balance at End of Year	\$737,426	\$303,319	\$239	\$1,040,984

See accompanying notes to the general purpose financial statements.

**Hudson City School District
 Combined Statement of Revenues, Expenses and
 Changes in Fund Equity - Budget and Actual (Budget Basis)
 All Proprietary Fund Types and Nonexpendable Trust Fund
 For the Fiscal Year Ended June 30, 2001**

	Proprietary		
	Enterprise Funds		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<u>Revenues</u>			
Tuition	\$27,975	\$27,975	\$0
Sales	172,692	172,692	0
Charges for Services	1,295,278	1,295,278	0
Interest	0	0	0
Other Revenues	68,617	68,617	0
Operating Grants	65,463	65,463	0
Total Revenues	1,630,025	1,630,025	0
<u>Expenses</u>			
Salaries	727,747	724,570	3,177
Fringe Benefits	232,044	216,134	15,910
Purchased Services	535,697	502,784	32,913
Materials and Supplies	1,204,992	1,038,668	166,324
Capital Outlay	30	0	30
Other	5,495	2,918	2,577
Refund of Prior Year Revenue	5,495	0	5,495
Total Expenses	2,711,500	2,485,074	226,426
Excess (Deficiency) of Revenues Over (Under) Expenses	(1,081,475)	(855,049)	226,426
<u>Non-Operating Revenues</u>			
Taxes	0	1,320	1,320
Earnings on Investments	14,629	14,629	0
Miscellaneous	620,314	620,314	0
Refund of Prior Year Expenditures	99	188	89
Total Non-Operating Revenues	635,042	636,451	1,409
<u>Non-Operating Expenses</u>			
Refund of Prior Year Receipts	0	4,794	(4,794)
Total Non-Operating Expenses	0	4,794	(4,794)
Excess (Deficiency) of Revenues Over (Under) Expenses Before Advances	(446,433)	(223,392)	223,041
Advances In	0	13,201	13,201
Advances Out	0	(2,800)	(2,800)
Excess (Deficiency) of Revenues Over (Under) Expenses and Advances	(446,433)	(212,991)	233,442
Fund Equity at Beginning of Year	423,915	423,915	0
Prior Year Encumbrances Appropriated	191,654	191,654	0
Fund Equity at End of Year	\$169,136	\$402,578	\$233,442

See accompanying notes to the general purpose financial statements.

Fund Type			Fiduciary Fund Type		
Internal Service Funds			Nonexpendable Trust Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
3,840,152	3,840,156	4	0	0	0
0	0	0	2	2	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>3,840,152</u>	<u>3,840,156</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>0</u>
31,988	31,988	0	0	0	0
8,816	10,166	(1,350)	0	0	0
757,653	755,803	1,850	0	0	0
335	335	0	12	0	12
0	0	0	0	0	0
3,433,825	3,433,825	0	0	0	0
12,000	0	12,000	0	0	0
<u>4,244,617</u>	<u>4,232,117</u>	<u>12,500</u>	<u>12</u>	<u>0</u>	<u>12</u>
(404,465)	(391,961)	12,504	(10)	2	12
0	0	0	0	0	0
35,680	35,680	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>35,680</u>	<u>35,680</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(368,785)	(356,281)	12,504	(10)	2	12
0	245,958	245,958	0	0	0
0	(245,958)	(245,958)	0	0	0
<u>(368,785)</u>	<u>(356,281)</u>	<u>12,504</u>	<u>(10)</u>	<u>2</u>	<u>12</u>
1,206,993	1,206,993	0	237	237	0
1,935	1,935	0	0	0	0
<u>\$840,143</u>	<u>\$852,647</u>	<u>\$12,504</u>	<u>\$227</u>	<u>\$239</u>	<u>\$12</u>

(continued)

**Hudson City School District
 Combined Statement of Revenues, Expenses and
 Changes in Fund Equity - Budget and Actual (Budget Basis) (Continued)
 All Proprietary Fund Types and Nonexpendable Trust Fund
 For the Fiscal Year Ended June 30, 2001**

	Totals (Memorandum Only)		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Tuition	\$27,975	\$27,975	\$0
Sales	172,692	172,692	0
Charges for Services	5,135,430	5,135,434	4
Interest	2	2	0
Other Revenues	68,617	68,617	0
Operating Grants	65,463	65,463	0
Total Revenues	5,470,179	5,470,183	4
<u>Expenses</u>			
Salaries	759,735	756,558	3,177
Fringe Benefits	240,860	226,300	14,560
Purchased Services	1,293,350	1,258,587	34,763
Materials and Supplies	1,205,339	1,039,003	166,336
Capital Outlay	30	0	30
Other	3,439,320	3,436,743	2,577
Refund of Prior Year Revenue	17,495	0	17,495
Total Expenses	6,956,129	6,717,191	238,938
Excess (Deficiency) of Revenues Over (Under) Expenses	(1,485,950)	(1,247,008)	238,942
<u>Non-Operating Revenues</u>			
Taxes	0	1,320	1,320
Earnings on Investments	50,309	50,309	0
Miscellaneous	620,314	620,314	0
Refund of Prior Year Expenditures	99	188	89
Total Non-Operating Revenues	670,722	672,131	1,409
<u>Non-Operating Expenses</u>			
Refund of Prior Year Receipts	0	4,794	(4,794)
Total Non-Operating Expenses	0	4,794	(4,794)
Excess (Deficiency) of Revenues Over (Under) Expenses Before Advances	(815,228)	(579,671)	235,557
Advances In	0	259,159	259,159
Advances Out	0	(248,758)	(248,758)
Excess (Deficiency) of Revenues Over (Under) Expenses and Advances	(815,228)	(569,270)	245,958
Fund Equity at Beginning of Year	1,631,145	1,631,145	0
Prior Year Encumbrances Appropriated	193,589	193,589	0
Fund Equity at End of Year	\$1,009,506	\$1,255,464	\$245,958

See accompanying notes to the general purpose financial statements.

**Hudson City School District
Combined Statement of Cash Flows
All Proprietary Fund Types and Nonexpendable Trust Fund
For the Fiscal Year Ended June 30, 2001**

	Proprietary Fund Types		Fiduciary	Totals (Memorandum Only)
	Enterprise	Internal Service	Fund Type Nonexpendable Trust	
<u>Cash Flows from Operating Activities</u>				
Cash Received from Customers	\$1,467,970	\$3,840,156	\$0	\$5,308,126
Cash Received from Tuition Payments	27,130	0	0	27,130
Cash Payments to Suppliers for Goods and Services	(1,227,413)	(756,138)	0	(1,983,551)
Cash Payments to Employees for Services	(724,570)	(31,988)	0	(756,558)
Cash Payments for Employee Benefits	(216,134)	(6,886)	0	(223,020)
Cash Payments for Claims	0	(3,433,825)	0	(3,433,825)
Cash Received from Other Operating Revenues	678,832	0	0	678,832
Cash Received from Other Operating Expenses	(6,867)	0	0	(6,867)
Net Cash (Used for) Operating Activities	(1,052)	(388,681)	0	(389,733)
<u>Cash Flows from Noncapital Financing Activities</u>				
Operating Grants Received	65,463	0	0	65,463
Short-Term Loans from Other Funds	13,201	245,958	0	259,159
Repayment of Short-Term Loans From Other Funds	(2,800)	0	0	(2,800)
Short-Term Loans to Other Funds	0	(245,958)	0	(245,958)
Other Non-Operating Revenue	11,518	0	0	11,518
Net Cash Provided by Noncapital Financing Activities	87,382	0	0	87,382
<u>Cash Flows from Capital and Related Financing Activities</u>				
Acquisition of Capital Assets	(39,156)	0	0	(39,156)
Net Cash (Used for) Capital and Related Financing Activities	(39,156)	0	0	(39,156)
<u>Cash Flows from Investing Activities</u>				
Interest on Investments	14,629	35,680	2	50,311
Net Cash Provided by Investing Activities	14,629	35,680	2	50,311
Net Increase in Cash and Cash Equivalents	61,803	(353,001)	2	(291,196)
Cash and Cash Equivalents at Beginning of Year	615,569	1,208,928	237	1,824,734
Cash and Cash Equivalents at End of Year	<u>\$677,372</u>	<u>\$855,927</u>	<u>\$239</u>	<u>\$1,533,538</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Operating Income (Loss)	(\$124,017)	(\$491,827)	\$2	(\$615,842)
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash (Used for) Operating Activities</u>				
Depreciation	23,676	0	0	23,676
Interest on Investments	0	0	(2)	(2)
Donated Commodities Used During Year	40,946	0	0	40,946
Changes in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	12,845	(19,857)	0	(7,012)
(Increase)/Decrease in Intergovernmental Receivable	(7,994)	0	0	(7,994)
(Increase)/Decrease in Inventory Held for Resale	(4,918)	0	0	(4,918)
(Increase)/Decrease in Materials and Supplies Inventory	(247)	0	0	(247)
Increase/(Decrease) in Accounts Payable	87,123	1,500	0	88,623
Increase/(Decrease) in Accrued Wages	(27,848)	0	0	(27,848)
Increase/(Decrease) in Compensated Absences Payable	(4,251)	0	0	(4,251)
Increase/(Decrease) in Intergovernmental Payable	3,633	183	0	3,816
Increase/(Decrease) in Claims Payable	0	121,320	0	121,320
Total Adjustments	122,965	103,146	(2)	226,109
Net Cash (Used for) Operating Activities	<u>(\$1,052)</u>	<u>(\$388,681)</u>	<u>\$0</u>	<u>(\$389,733)</u>

See accompanying notes to the general purpose financial statements.

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HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 1 - DESCRIPTION OF THE ENTITY

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

The District operates under a locally-elected five-member board of education and provides educational services as mandated by state and/or federal agencies. This Board controls the District's nine instructional/support facilities staffed by 248 noncertificated employees, 394 certificated full-time teaching personnel and 30 administrators who provide services to 5,569 students and other community members.

The District provides more than instruction to its students. These additional services include student guidance, extracurricular activities, educational media, and care and upkeep of grounds and buildings. The operation of each of these activities is directly controlled by the Board of Education through the budgetary process. These District operations will be included as part of the reporting entity.

The District has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity", under which the financial statements include all the organizations, activities, functions and component units for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the District's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the District. Management has determined the District has no component units.

On this basis, the combined general purpose financial statements include all of the funds and account groups of the District over which the Board of Education exercises operating control.

The District is associated with the Six District Educational Compact which is defined as a jointly governed organization. Jointly governed organizations are governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility by the participating governments. Information regarding this organization is presented in Note 17.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

BASIS OF PRESENTATION - FUND ACCOUNTING

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

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 that are 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 District are grouped into the following generic fund types under the broad fund categories: governmental, proprietary, and fiduciary. Each category is then divided into various fund types. The following are the fund types and account groups utilized by the District.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use, and balances of the District's expendable financial resources and the related current liabilities, except those accounted for in proprietary and fiduciary funds, are accounted for through governmental funds. The measurement focus is upon determination of financial position and changes in financial position. The following are the District's governmental fund types:

General Fund

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

Special Revenue Funds

Special revenue funds are used to account for proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Funds

Debt service funds are 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

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

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District applies all applicable pronouncements from the Financial Accounting Standards Board (FASB) issued on or before November 30, 1989 to its proprietary operations. The following are the District's proprietary fund types:

Enterprise Funds

Enterprise funds are used to account for operations that (a) are financed and operated in a manner similar to private business enterprises where the intent of the District 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 (b) where the District has 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 Fund

This fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis.

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. The following are the District's fiduciary funds:

Expendable Trust Fund

This fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. The expendable trust fund accounts for assets where both the principal and interest may be spent.

Nonexpendable Trust Fund

This fund is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The nonexpendable trust fund accounts for assets of which the principal may not be spent.

Agency Funds

These funds are purely custodial in nature and thus do not involve measurement of results of operations.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNT GROUPS

To make a clear distinction between fixed assets related to specific funds and those of general government, and 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 District, other than those accounted for in the proprietary funds.

General Long-Term Obligations Account Group

This account group is established to account for all long-term obligations of the District except those accounted for in the proprietary funds.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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.

All proprietary fund types 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. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used for reporting purposes by all governmental fund types and agency funds. Under this basis of accounting, the District recognizes revenues in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectable within the current fiscal period or soon enough thereafter to be used to pay liabilities of the current fiscal period, which the District considers to be 60 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: investment earnings, tuition, grants and entitlements, and student fees.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The District reports deferred revenue 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 as of June 30, 2001, and delinquent property taxes, whose availability is indeterminable and which are intended to finance fiscal year 2002 operations, have been recorded as deferred revenue. In the proprietary fund types, unused donated commodities are reported as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred except for unmatured principal and interest on general long-term debt which is reported only when due, and the costs of accumulated unpaid vacation and sick leave which are reported as expenditures in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

Proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. 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.

BUDGETARY PROCESS

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 Appropriation 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 fund level. Budgetary modifications 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. No later than January 20, the Board-adopted budget is filed with the Summit County Budget Commission for rate determination.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimated Resources

Prior to 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 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 a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts set forth in the final amended Certificate issued for fiscal 2001.

Appropriations

By October 1, the annual Appropriation Resolution must be legally enacted by the Board of Education at the fund level, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. Appropriations 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 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 do not exceed the amounts set forth in the most recent Certificate of Estimated Resources.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Appropriation amounts are as originally adopted, or as amended by the Board of Education throughout the year by supplemental appropriations which either reallocate or increase the original appropriated amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

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. On the GAAP basis, encumbrances outstanding at 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 proprietary funds.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Lapsing of Appropriations

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

CASH AND INVESTMENTS

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through District records. Each funds' interest in the pool is presented as "Equity in Pooled Cash and Investments" on the Combined Balance Sheet.

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

The District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during the fiscal year 2001. 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, 2001.

Following Ohio statutes, the Board of Education has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2001 totaled \$799,629, which includes \$322,870 in interest revenues attributable to cash balances of funds other than the general fund but assigned to interest revenue of the general fund.

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 District are considered to be cash equivalents. Investments with an initial maturity of more than three months are not considered to be cash equivalents.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 consists of expendable supplies held for consumption. The cost of inventory items are recorded as an expenditure in the governmental fund types when purchased and as an expense in the proprietary fund types when used. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventories of proprietary funds consist of donated and purchased food, and they are expensed when used. Unused donated commodities are reported as deferred revenue.

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 the 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 purchased fixed assets are valued at cost when historical records are available and at an estimated historical cost when no historical cost records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The 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 asset lives are not capitalized. In proprietary funds, 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 furniture and equipment in the proprietary fund types is computed using the straight-line method over an estimated useful life of 5 to 20 years.

REVENUES – EXCHANGE AND NON-EXCHANGE TRANSACTIONS

Exchange transactions are those in which each party to a transaction gives and receives essentially something of equal value. Proprietary funds, where the full accrual basis of accounting is used, record revenue when the exchange takes place. Governmental funds, where the modified accrual basis of accounting is used, record revenue in the fiscal year in which the resources are both measurable and available.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Property taxes available as an advance at June 30, are recognized as revenue. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenues are both measurable and available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

SHORT-TERM INTERFUND ASSETS/LIABILITIES

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Interfund Receivable/Payable".

COMPENSATED ABSENCES

The District reports compensated absences and salary related payments in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Other compensated absences with characteristics similar to vacation leave are those which are not contingent on a specific event outside the control of the employer and employee.

Further, sick leave and other similar compensated absences are those which are contingent on a specific event that is outside the control of the employer and employee. The District has accrued a liability for these compensated absences using the termination method when the following criterion is met: the benefits are earned by the employees and it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employees' retirement ("termination payments").

The sick leave liability has been based on the District's past experience of making termination payments for sick leave.

For governmental funds, that portion of the liability which is non-current is reported in the general long-term obligations account group. Liabilities that use current expendable resources are recorded in the fund from which the employees are paid. In proprietary funds, compensated absences are expensed when earned and the entire amount is reported as a fund liability.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 judgements, 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 obligations account group to the extent that they will be paid with current available expendable financial resources. In general, payments made more than 60 days after year end are considered not to have been made with current available financial resources. Bonds and long-term loans are reported as a liability of the general long-term obligations account group until due.

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

FUND BALANCE RESERVES

The 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 or expenditures. Designations represent tentative plans for future use of financial resources. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, prepaid items, endowments, property tax advance and debt service.

INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

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.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

TOTAL COLUMNS ON GENERAL PURPOSE FINANCIAL STATEMENTS

Total columns on the General Purpose Financial Statements are captioned (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 – CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2001, the District has implemented GASB Statement No. 33, “Accounting and Financial Reporting for Nonexchange Transactions”. At June 30, 2000, there was no effect on fund balance as a result of implementing GASB Statement No. 33.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While 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 and disbursements. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and Expendable Trust Fund and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis) - All Proprietary Fund Types and Nonexpendable Trust Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget and the 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/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as a note disclosure in the proprietary fund types (GAAP basis).
4. For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (continued)

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the budget basis are as follows:

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under)
 Expenditures and Other Financing Uses
 All Governmental Fund Types and Expendable Trust Fund

	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust
GAAP Basis	(\$1,162,315)	\$32,374	\$2,458	\$110,065	\$13,167
Net Adjustment for Revenue Accruals	(591,479)	51,974	(38,685)	(204,100)	500
Net Adjustment for Expenditure Accruals	602,907	76,562	0	374,152	0
Encumbrances	(848,991)	(327,348)	0	(476,708)	(8,682)
Budget Basis	(\$1,999,878)	(\$166,438)	(\$36,227)	(\$196,591)	\$4,985

Net Income(Loss)/Excess (Deficiency) of Revenues
 Over/(Under) Expenses
 All Proprietary Fund Types and Nonexpendable Trust Fund

	Enterprise	Internal Service	Nonexpendable Trust
GAAP Basis	\$1,029	(\$455,188)	\$2
Net Adjustment for Revenue Accruals	(14,450)	224,849	0
Net Adjustment for Expenditure Accruals	75,224	(122,662)	0
Encumbrances	(274,794)	(3,280)	0
Budget Basis	(\$212,991)	(\$356,281)	\$2

NOTE 5 - DEPOSITS AND INVESTMENTS

Deposits and investments are restricted by provisions of the Ohio Revised Code. Statutes require the classification of monies held by the District into three categories.

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

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current 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.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days from the date of purchase in an amount not to exceed 25 percent of the interim moneys available for investment at any one time; and
8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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

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

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

Deposits

At fiscal year end, the carrying amount of the District's deposits was \$733,303 and the bank balance was \$857,012. Of the bank balance:

1. \$258,747 was covered by federal depository insurance.
2. \$598,265 was held in collateral pools with no specifications for whom such funds are held which is considered to be uninsured and uncollateralized as defined by GASB Statement No. 3. Although all State statutory requirements for the deposit of money had been followed, non-compliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

Investments

The District's investments are categorized below to give an indication of the level of custodial credit risk assumed by the District at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the District's name. Investments in STAR Ohio are not categorized since they are not evidenced by securities that exist in physical or book entry form.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Category	1	Carrying Amount 2	3	Fair Value
Overnight Repurchase Agreements	\$0	\$0	\$1,209,000	\$1,209,000
FHLB Bonds	0	1,509,655	0	1,509,655
	\$0	\$1,509,655	\$1,209,000	\$2,718,655
STAR Ohio				7,933,231
Total Investments				\$10,651,886

The net increase in the fair value of applicable investments during fiscal year 2001 per GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" is as follows:

Fair Value at June 30, 2001	\$1,509,655
Proceeds of investments sold in fiscal year 2001	5,000,000
Cost of investments purchased in fiscal year 2001	0
Fair value at June 30, 2000	(6,462,969)
Change in fair value of investments during fiscal year 2001	\$46,686

The classification of cash and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trusts Funds and Governmental Entities That Use Proprietary Fund Accounting". A reconciliation between the classifications of cash and investments on the combined statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$11,385,189	\$0
Investments:		
Repurchase Agreements	(1,209,000)	1,209,000
Federal Securities	(1,509,655)	1,509,655
STAR Ohio	(7,933,231)	7,933,231
GASB Statement No. 3	\$733,303	\$10,651,886

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the Districts' fiscal year runs from July through June. Real property tax collections by the County are remitted to the District a year after they are assessed by the County. Property taxes include amounts levied against all real, public utility and tangible personal property used in business located in the 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 are established by State law at 35% 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 100% of true value (with certain exceptions) and on real property at 35% of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the previous year. Tangible personal property assessments are 25% of true value.

The assessed values upon which the fiscal year 2001 taxes were collected are:

Category	First Half Collections		Second Half Collections	
	Amount	%	Amount	%
Real Property Valuation:				
Commercial/Industrial	\$88,783,150	11.70%	\$88,152,730	11.37%
Residential/Agriculture	595,912,690	78.54%	609,093,050	78.59%
Public Utilities	50,910	0.01%	72,380	0.01%
Tangible Personal Property Valuation:				
Public Utilities	20,796,730	2.74%	18,597,560	2.40%
General	53,202,433	7.01%	59,073,383	7.62%
Total Valuation	<u>\$758,745,913</u>	<u>100.00%</u>	<u>\$774,989,103</u>	<u>100.00%</u>
Tax rate per \$1,000 of Assessed Valuation		\$76.13		\$75.73

Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. Under certain circumstances, state statute permits earlier or later 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 Summit County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically advances to the District their portion of the taxes collected. The amount available to the District as an advance at June 30, 2001, is available to finance fiscal year 2001 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 6 - PROPERTY TAXES (continued)

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2001. 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 and reflected in 2001 revenue was \$1,109,242. \$994,241 was available to the general fund, \$35,782 was available to the permanent improvement fund and \$79,219 was available to the debt service fund.

NOTE 7 - RECEIVABLES

Receivables at June 30, 2001 consisted of taxes, accounts, intergovernmental entitlements, grants and accrued interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. A summary of the principal items of intergovernmental receivables follows:

<u>Intergovernmental Receivables</u>	<u>Amount</u>
Special Revenue Fund	
Title VI-B	\$95,398
Enterprise Fund	
State and Federal School Breakfast and Lunch Subsidies	7,994
Total Intergovernmental Receivables	<u><u>\$103,392</u></u>

NOTE 8 - FIXED ASSETS

A summary of the enterprise funds' fixed assets at June 30, 2001 follows:

	<u>Enterprise</u>
Furniture and Equipment	\$679,105
Less: Accumulated Depreciation	(348,133)
Net Fixed Assets	<u><u>\$330,972</u></u>

A summary of the changes in general fixed assets follows:

	<u>Balance</u>		<u>Balance</u>
	<u>07/01/2000</u>	<u>Additions</u>	<u>06/30/2001</u>
Land and Improvements	\$2,482,541	\$7,312	\$2,484,853
Buildings and Improvements	43,615,637	306,519	43,922,156
Textbooks	3,403,902	0	3,243,641
Furniture and Equipment	15,380,157	1,115,703	16,432,579
Total	<u><u>\$64,882,237</u></u>	<u><u>\$1,429,534</u></u>	<u><u>\$66,083,229</u></u>

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 9 - RISK MANAGEMENT

A. General Insurance

The District is exposed to various risks of loss related to torts; theft; damage to or destruction of assets, errors and omissions; employee injuries; and natural disasters. The District has a comprehensive property and casualty policy with a deductible of \$1,000 per incident. The District's vehicle liability insurance policy limit is \$2,000,000 with a \$1,000 collision deductible. All board members, administrators and employees are covered under a school district liability policy. The limits of this coverage are \$2,000,000 per occurrence and \$5,000,000 in aggregate. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

B. Fidelity Bond

The Board President and Superintendent have a \$50,000 position bond. The Treasurer is covered under a surety bond in the amount of \$50,000. All other school employees who are specifically bonded are covered by a \$50,000 position bond and a money and securities bond of \$5,000, subject to a \$250 deductible.

C. Workers' Compensation

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating districts pay an enrollment fee to the GRP to cover the costs of administering the program.

The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The Workers' Compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts in the GRP. Each participant pays its Workers' Compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

**HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001**

NOTE 9 - RISK MANAGEMENT (continued)

D. Employee Health Insurance

The District has elected to provide employee medical, prescription and dental benefits through a self insurance program. The District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. This plan provides a medical plan with a \$250 family and \$125 single deductible. A third party administrator, Administrative Service Consultants located in Cleveland, Ohio, reviews and processes all claims for payment. The District purchases stop-loss coverage of \$100,000 per employee and \$2,987,443 in the aggregate. The District pays into the self-insurance internal service fund \$588.50 family coverage per month for full-time employees. Family coverage for part-time employees costs the District from \$442.96 to \$559.40 per month based on the full-time equivalent status of each part-time employee. Individual coverage costs \$268.40 per month for full-time and part-time employees. The premium is paid by the fund that pays the salary for the employee, except for those grant funds whose agreements do not fund employee health insurance, and is based on historical cost information. Dental coverage is also provided on a self-insured basis through Administrative Service Consultants. Premiums for this coverage are \$27.09 monthly for family and \$11.67 monthly for single coverage for certified employees. Premiums for non-certified full-time employees are \$50.75 monthly for family coverage and \$20.28 monthly for single coverage. Premiums for non-certified part-time employees working 25 to 26 hours weekly are \$25.38 monthly for family coverage and \$12.69 monthly for single coverage. Premiums for part-time employees working 27 to 34 hours weekly are \$30.45 for family coverage and \$10.15 monthly for single coverage. The District is responsible for payment of all claim amounts in excess of the employee payment percentages established in the plan document.

The District also provides prescription drug insurance to its employees through a self-insured program. The plan pays 80 percent of the cost of prescriptions with the employee paying 20 percent. This plan utilizes no prescription deductible for prescriptions. The third party administrator, Administrative Service Consultants, reviews and processes the claims. The premium for this coverage is included in the medical plan premium amounts stated above.

The claims liability of \$572,034 reported in the fund at June 30, 2001, is based on the requirements of GASB Statement No. 30, "Risk Financing Omnibus" which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims to be reported. The costs are to be based on the estimated ultimate cost of settling the claims using past experience adjusted for current trends, and any other factors that would modify past experience. The claims liability is based on an estimate supplied by the District's third party administrator.

A summary of the fund's claims liability in fiscal years 2000 and 2001 were as follows:

	Balance Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2000	\$490,295	\$2,679,593	\$2,719,174	\$450,714
2001	\$450,714	\$3,555,145	\$3,433,825	\$572,034

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 10 - LONG-TERM DEBT OBLIGATIONS

Changes in long-term obligations of the District from July 1, 2000 through June 30, 2001, were as follows:

	<u>Balance</u> <u>07/01/2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/2001</u>
GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP				
General Obligation Bonds:				
High School Building				
7.10%, 04/93 - 12/14	\$15,989,880	\$0	(\$1,820,000)	\$14,169,880
Energy Conservation Bonds				
5.20%, 04/97 - 12/07	1,364,034	0	(141,826)	1,222,208
Total General Obligation Bonds	<u>17,353,914</u>	<u>0</u>	<u>(1,961,826)</u>	<u>15,392,088</u>
Energy Conservation Loan				
6.25%, 09/91 - 09/01	100,000	0	(50,000)	50,000
Compensated Absences Payable	2,419,471	0	(433,513)	1,985,958
Intergovernmental Payable	254,647	251,539	(254,647)	251,539
Total General Long-Term Obligations	<u>\$20,128,032</u>	<u>\$251,539</u>	<u>(\$2,699,986)</u>	<u>\$17,679,585</u>

General Obligation Bonds and the Energy Conservation Loan will be paid from the Debt Service Fund. Intergovernmental Payables for pension liabilities and workers' compensation and Compensated Absences will be paid from the fund from which the employee is paid.

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2001, \$20,395,000 of bonds outstanding are considered defeased.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 10 - LONG-TERM DEBT OBLIGATIONS (continued)

Principal and interest requirements to retire general obligation bonds and the energy conservation loan outstanding at June 30, 2001, are as follows:

Fiscal Year Ending June 30,	High School	Energy Bonds	Energy Loan	Total
2002	\$2,419,785	\$208,876	\$53,125	\$2,681,786
2003	2,419,845	208,674	0	2,628,519
2004	2,477,720	208,462	0	2,686,182
2005	2,480,720	208,239	0	2,688,959
2006	2,495,720	208,003	0	2,703,723
Thereafter	20,459,740	415,254	0	20,874,994
Total	32,753,530	1,457,508	53,125	34,264,163
Less Interest	(18,583,650)	(235,300)	(3,125)	(18,822,075)
Principal	<u>\$14,169,880</u>	<u>\$1,222,208</u>	<u>\$50,000</u>	<u>\$15,442,088</u>

All bonds are backed by the full faith and credit of the District.

NOTE 11 - INTERFUND TRANSACTIONS

Fund	Interfund Receivable	Interfund Payable
General	\$25,822	\$0
Special Revenue:		
Public School Support	0	12,121
Enterprise Fund:		
Rotary	0	13,201
Trust Fund:		
Special Trust	0	500
Total	<u>\$25,822</u>	<u>\$25,822</u>

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 12 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The District maintains four enterprise funds: Food Service, Uniform School Supplies, Rotary and Community Education which are operated on a sales basis. The table below reflects the more significant financial data relating to the enterprise fund of the District for the fiscal year ended June 30, 2001:

	Food Service	Uniform School Supplies	Rotary	Community Education	Total
Operating revenues	\$1,303,272	\$172,692	\$14,285	\$678,832	\$2,169,081
Operating expenses before					0
Depreciation	(1,399,748)	(164,007)	(47,365)	(658,302)	(2,269,422)
Depreciation expense	(22,719)	0	(458)	(499)	(23,676)
Operating income/(loss)	(119,195)	8,685	(33,538)	20,031	(124,017)
Federal donated commodities	40,946	0	0	0	40,946
Operating grants	45,153	0	12,800	0	57,953
Interest	14,629	0	0	0	14,629
Other Non-Operating Revenue	0	1,320	10,198	0	11,518
Net income (loss)	(18,467)	10,005	(10,540)	20,031	1,029
Net working capital	119,979	120,938	48,066	117,471	406,454
Total assets	616,587	121,343	65,937	272,272	1,076,139
Total equity	445,963	120,938	50,602	119,923	737,426
Encumbrances at June 30, 2001	\$101,021	\$1,834	\$711	\$171,228	\$274,794

NOTE 13 - RETIREMENT PLANS

State Teachers Retirement System

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost sharing multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for certified teachers and other faculty members employed in the public schools of Ohio or any school, college, university, institution or other agency wholly controlled, managed and supported in whole, or in part, by the State or any political subdivision thereof. Any member who has (1) five years of service credit and attained age 60; (2) 25 years of service credit and attained age 55; or (3) 30 years of service credit regardless of age may retire. The maximum annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit", the retirement allowance is based on years of credit service and final average salary, which is the average of the member's three highest years' salaries. The annual allowance is calculated by using a base percentage of 2.1 percent multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5 percent. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6 percent for 32 years, 2.7 percent for 33 years and so on) until 100 percent of final average salary is reached.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 13 - RETIREMENT PLANS (continued)

Legislation passed in April, 2000 with a July, 1999 effective date provided an adjustment for retirees whose benefits have not kept pace with the rate of inflation. The legislation also changed the formula for calculating the formula benefit. The formula benefit increased to 2.2 percent from 2.1 percent per year for all years up to 30 years. For members with 35 or more years of earned Ohio service, the first 30 years, the formula will remain as current law, which provides an escalating formula of 2.5 percent for the 31st years, 2.6 percent for the 32nd years, 2.7 percent for the 33rd year, etc. until 100 percent of final average salary is reached.

Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

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

Retirement benefits are annually increased by the greater of the amount of the change in the Consumer Price Index (CPI) or the cumulative CPI increases since retirement, less previous cost-of-living increases, up to a maximum of three percent of the original base benefit. The plan offers comprehensive health care benefits to retirees and their dependents. Coverage includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare premiums.

A member with five or more years' credited service who becomes disabled is entitled to a disability benefit. Survivor benefits are available to eligible spouses and dependents of active members who die before retirement. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member. Additional death benefit coverage of \$1,000 or \$2,000 can be purchased. Various other benefits are available to members' beneficiaries.

Benefits are established by Chapter 3307, Revised Code.

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

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2001, were 9.3 percent of covered payroll for members and 14 percent for employers.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 13 - RETIREMENT PLANS (continued)

The District's contribution for pension obligations to STRS Ohio for the fiscal years ended June 30, 2001, 2000 and 1999 were \$2,099,768, \$1,234,800 and \$1,171,941, respectively; 83.8 percent has been contributed for fiscal year 2001 and 100 percent for fiscal years 2000 and 1999. \$500,000 representing the unpaid contribution for fiscal year 2001 is recorded as a liability within the respective funds.

STRS Ohio issues a stand-alone financial report. Copies of STRS Ohio's 2000 *Comprehensive Annual Financial Report* will be available after January 1, 2001, and can be requested by writing to STRS Ohio, 275 East Broad Street, Columbus, OH 43215-3371, or by calling (614)227-4090.

School Employees Retirement System

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

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. For fiscal year 2001, 5.55 percent was the portion to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS Retirement Board. The District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000 and 1999 were \$276,978, \$420,000, and \$388,460, respectively; 48.3 percent has been contributed for fiscal year 2001 and 100 percent for the fiscal years 2000 and 1999. \$143,322 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds and general long-term debt account group.

NOTE 14 - POSTEMPLOYMENT BENEFITS

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

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 14 - POSTEMPLOYMENT BENEFITS (continued)

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of 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 14 percent of covered payroll. The Retirement Board allocates employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund from which health care benefits are paid. For the District, this amount equaled \$994,627, during fiscal 2001.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$3.419 billion statewide at June 30, 2000 (latest information available). For the year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000 and STRS had 99,011 eligible benefit recipients statewide.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, and disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than 25 years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

For this fiscal year, employer contributions to fund health care benefits were 9.8 percent of covered payroll, an increase of 1.3 percent from fiscal year 2000. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. From fiscal year 2000, the minimum pay was established at \$12,400. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 2000 (latest information available), were \$140,696,340 and the target level was \$211.0 million. At June 30, 2000 SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participants statewide currently receiving health care benefits. For the District, the amount to fund health care benefits, including the surcharge, equaled \$491,281 during the 2001 fiscal year.

**HUDSON CITY SCHOOL DISTRICT
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001**

NOTE 15 - OTHER EMPLOYEE BENEFITS - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees working 11 or 12 months per year are entitled to an annual vacation, with pay, based on length of service in the District. Accumulated unused vacation time is paid to employees upon termination of employment. Teachers and administrators working fewer than ten months per year do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated for an unlimited number of days. For certified and classified employees, payment is made at retirement for accumulated sick leave and is determined by taking one-fourth of the first 120 days and adding to that one day for every eight days of the next 240 days accumulated, to a maximum of 60 days. The amount of accumulated vacation and sick leave of employees paid from governmental funds that meets the eligibility requirements 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 obligations account group. Vacation and sick leave for employees paid from proprietary funds is recorded as an expense and liability of the fund when earned.

NOTE 16 - LEASES

The District leases office equipment under noncancellable operating leases and copy cost containment agreements expiring in fiscal year 2002. Total costs for such leases/agreements were \$110,423 for the fiscal year ended June 30, 2001. The future minimum lease payments for these leases/agreements are as follows:

Fiscal Year Ended June 30,	Amount
2002	<u>\$84,476</u>

NOTE 17 - JOINTLY GOVERNED ORGANIZATION

The Six District Educational Compact is a jointly governed organization to provide for the vocational needs of the students of six participating school districts. The six member board consists of the superintendent from each of the participating school districts. Students may attend any vocational class offered by any of the six school districts. Hudson City School District serves as one of the fiscal agents for this agreement, collecting and distributing payments pertaining to the administrative portion of the compact. The board exercises total control over the operations of the compact, including budgeting, appropriating, contracting and designating management.

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 18 - CONTINGENCIES

Grants

The District received financial assistance from Federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2001.

Litigation

The District is not currently a party to any significant legal proceedings which would have a material impact on the financial statements.

NOTE 19 - STATE SCHOOL FUNDING

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school district as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.
- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of December 20, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school district. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

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

HUDSON CITY SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2001

NOTE 20 – REQUIRED BUDGET SET ASIDES

The District is required by State statute to annually set aside an amount based on prior year revenues for the purpose of textbooks and other instructional materials and an additional amount for capital improvements. Amounts not spent by year-end or offset by similarly restricted resources must be held in cash at year-end and carried forward to be used for the same purposes in future years. The requirements for establishment of a budget stabilization set aside has been deleted from law. The District’s Board, by appropriate Board resolution, has returned the balance of the set aside to the general fund.

The following information describes the changes in the amounts set aside for textbooks and instructional materials and capital improvements from the end of the prior year to the end of the current year.

	Budget Stabilization Set Aside	Textbook/ Instructional Set Aside	Capital Improvement Set Aside	Totals
Set Aside Cash Balance as of June 30, 2000	\$772,080	(\$395,865)	(\$35,391)	\$340,824
Current Year Set Aside Requirement	0	1,002,253	1,002,253	2,004,506
Qualifying Disbursements	0	(1,422,869)	0	(1,422,869)
Current Year Offsets	0	0	(1,237,349)	(1,237,349)
Moved Per Board Approval	(772,080)	0	0	(772,080)
Total Set Aside Reserve Balance as of June 30, 2001	<u>\$0</u>	<u>(\$816,481)</u>	<u>(\$270,487)</u>	<u>(\$1,086,968)</u>
Balance Carried Forward to Reduce Future Set Aside Requirements	\$0	(\$816,481)	\$0	(816,481)

Since the qualifying disbursements and offsets for the capital improvements set aside exceeded the fiscal year 2001 requirement, no amount will be carried forward to the next fiscal year. However, the District may use the negative amount in the textbooks/instructional materials set aside to reduce set aside requirements of future fiscal years.

Combining
Individual Fund &
Account Group,
Financial
Statements &
Schedules



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General Fund

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

Since there is only one General Fund and the level of budgetary control is not greater than that presented in the Combined Financial Statements, no additional financial statements have been presented herein.

Special Revenue Funds

Special Revenue Funds are established to account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specified purposes. A description of the District's Special Revenue Funds are as follows:

Public School Support - This fund accounts for school site sales projects; field trips, assemblies and other activity costs. These funds have been developed at each school with purpose and policy statements.

Other Grants - This fund accounts for the proceeds of specific revenue sources except for State and Federal grants that are legally restricted to expenditures for specified purposes.

Athletic and Music Fund - This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the District's Athletic Programs.

Auxiliary Services - This fund is used to account for monies which provide services and materials to pupils attending non-public schools within the District.

Pupils Program - Implementation of a school-based improvement plan that focuses on increasing academic achievement of all students.

Teacher Development - State grant received for the enhancement and continuing education of the teaching staff and development of in-service programs.

Management Information System - This fund accounts for State monies which are used solely for costs associated with the requirements of the educational management information system.

Data Communications - This fund accounts for money appropriated for Ohio Educational Computer Network Connections.

School Net Professional Development – This fund accounts for a limited number of professional development subsidy grants.

Ohio Reads – This fund accounts for State monies which are intended to improve reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public school buildings for educational service centers for operating expenses associated with administering the program.

Summer Intervention - A fund used to account for a summer reading intervention program.

Special Revenue Funds (continued)

Other State Grants - A miscellaneous fund to account for certain state grants not accounted for in other funds.

Economic Security Act - This fund accounts for State monies which support improving skills of teachers in instruction of math, sciences, foreign languages and computer learning; and increasing the access of all students to that instruction.

Title VI-B - This fund accounts for federal revenues which assist states in the identification for handicapped children and provision of full educational opportunities of handicapped children at the pre-school, elementary and secondary levels.

Vocational Education - Career development program to recognize diverse aptitudes, abilities, achievements, career maturity and program readiness of students.

Title VI - This fund accounts for federal revenues which support the implementation of a variety of programs (drug/alcohol abuse, computer education) to benefit children attending public and private non-profit schools within the community.

Drug Free Grant - This fund accounts for federal revenues for education of students and staff in drug abuse prevention.

EHA Preschool Grant - A Federal grant that addresses the improvement and expansion of services for handicapped children ages three to five years.

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

**Hudson City School District
Combining Balance Sheet
All Special Revenue Funds
June 30, 2001**

	Public School Support	Other Grants	Athletic and Music Fund	Auxiliary Services
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$238,869	\$26,972	\$215,057	\$211,905
Receivables:				
Accounts	4,420	0	0	0
Intergovernmental	0	0	0	0
Total Assets	<u>\$243,289</u>	<u>\$26,972</u>	<u>\$215,057</u>	<u>\$211,905</u>
<u>Liabilities and Fund Equity</u>				
<u>Liabilities</u>				
Accounts Payable	\$18,632	\$103	\$13,702	\$131,308
Accrued Wages	0	0	500	44,918
Interfund Payable	12,121	0	0	0
Intergovernmental Payable	0	0	58	8,160
Deferred Revenue	0	0	0	0
Total Liabilities	<u>30,753</u>	<u>103</u>	<u>14,260</u>	<u>184,386</u>
<u>Fund Equity</u>				
Fund Balances:				
Reserved for Encumbrances	59,687	2,095	24,976	35,085
Unreserved:				
Undesignated	152,849	24,774	175,821	(7,566)
Total Fund Equity	<u>212,536</u>	<u>26,869</u>	<u>200,797</u>	<u>27,519</u>
Total Liabilities and Fund Equity	<u>\$243,289</u>	<u>\$26,972</u>	<u>\$215,057</u>	<u>\$211,905</u>

<u>Pupils Program</u>	<u>Teacher Development</u>	<u>Management Information System</u>	<u>Data Communications</u>	<u>School Net Professional Development</u>	<u>Ohio Reads</u>	<u>Summer Intervention</u>
\$350	\$30,717	\$43,254	\$18,000	\$5,000	\$968	\$10,206
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$350</u>	<u>\$30,717</u>	<u>\$43,254</u>	<u>\$18,000</u>	<u>\$5,000</u>	<u>\$968</u>	<u>\$10,206</u>
\$0	\$0	\$4,995	\$0	\$0	\$413	\$0
0	0	0	0	0	0	8,552
0	0	0	0	0	0	0
0	103	0	0	0	17	49
0	0	0	0	0	0	0
0	103	4,995	0	0	430	8,601
0	0	21,910	0	0	498	0
350	30,614	16,349	18,000	5,000	40	1,605
350	30,614	38,259	18,000	5,000	538	1,605
<u>\$350</u>	<u>\$30,717</u>	<u>\$43,254</u>	<u>\$18,000</u>	<u>\$5,000</u>	<u>\$968</u>	<u>\$10,206</u>

(continued)

Hudson City School District
Combining Balance Sheet (continued)
All Special Revenue Funds
June 30, 2001

	Other State Grants	Economic Security Act	Title VI-B	Vocational Education
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$23,468	\$2,475	\$48,547	\$2,375
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	0	95,398	0
Total Assets	<u>\$23,468</u>	<u>\$2,475</u>	<u>\$143,945</u>	<u>\$2,375</u>
<u>Liabilities and Fund Equity</u>				
<u>Liabilities</u>				
Accounts Payable	\$147	\$0	\$455	\$0
Accrued Wages	11,670	0	41,822	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	2,007	62	1,036	0
Deferred Revenue	0	0	64,877	0
Total Liabilities	<u>13,824</u>	<u>62</u>	<u>108,190</u>	<u>0</u>
<u>Fund Equity</u>				
Fund Balances:				
Reserved for Encumbrances	6,248	0	1,575	0
Unreserved:				
Undesignated	3,396	2,413	34,180	2,375
Total Fund Equity	<u>9,644</u>	<u>2,413</u>	<u>35,755</u>	<u>2,375</u>
Total Liabilities and Fund Equity	<u>\$23,468</u>	<u>\$2,475</u>	<u>\$143,945</u>	<u>\$2,375</u>

<u>Title VI</u>	<u>Drug Free Grant</u>	<u>EHA Preschool Grant</u>	<u>Miscellaneous Federal Grants</u>	<u>Totals</u>
\$19,609	\$13,972	\$8,973	\$0	\$920,717
0	0	0	0	4,420
0	0	0	0	95,398
<u>\$19,609</u>	<u>\$13,972</u>	<u>\$8,973</u>	<u>\$0</u>	<u>\$1,020,535</u>
\$0	\$0	\$0	\$0	\$169,755
17,104	331	2,752	0	127,649
0	0	0	0	12,121
144	8	71	0	11,715
0	0	0	0	64,877
<u>17,248</u>	<u>339</u>	<u>2,823</u>	<u>0</u>	<u>386,117</u>
4,506	1,012	0	0	157,592
<u>(2,145)</u>	<u>12,621</u>	<u>6,150</u>	<u>0</u>	<u>476,826</u>
<u>2,361</u>	<u>13,633</u>	<u>6,150</u>	<u>0</u>	<u>634,418</u>
<u>\$19,609</u>	<u>\$13,972</u>	<u>\$8,973</u>	<u>\$0</u>	<u>\$1,020,535</u>

Hudson City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2001

	Public School Support	Other Grants	Athletic and Music Fund	Auxiliary Services
<u>Revenues</u>				
Intergovernmental	\$0	\$2,079	\$0	\$1,104,027
Interest	0	0	0	12,978
Tuition and Fees	91,454	0	0	0
Extracurricular Activities	128,273	0	302,626	0
Food Service	6,064	0	0	0
Miscellaneous	79,477	0	73,514	743
Total Revenues	305,268	2,079	376,140	1,117,748
<u>Expenditures</u>				
Current:				
Instruction:				
Regular	63,403	0	0	901,231
Special	0	0	0	0
Vocational	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	221,345	0	0	150,804
Instructional Staff	0	9,825	0	6,151
Board of Education	0	0	0	0
Administration	7,791	0	0	105,543
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	10,178
Operation of Non-Instructional Services	9,268	0	0	0
Extracurricular Activities	0	0	430,620	0
Total Expenditures	301,807	9,825	430,620	1,173,907
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,461	(7,746)	(54,480)	(56,159)
<u>Other Financing Sources</u>				
Operating Transfers In	9,530	0	78,916	0
Total Other Financing Sources	9,530	0	78,916	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	12,991	(7,746)	24,436	(56,159)
Fund Balances at Beginning of Year	199,545	34,615	176,361	83,678
Fund Balances at End of Year	<u>\$212,536</u>	<u>\$26,869</u>	<u>\$200,797</u>	<u>\$27,519</u>

<u>Pupils Program</u>	<u>Teacher Development</u>	<u>Management Information System</u>	<u>Data Communications</u>	<u>School Net Professional Development</u>	<u>Ohio Reads</u>
\$0	\$33,151	\$21,346	\$18,000	\$5,000	\$4,000
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>33,151</u>	<u>21,346</u>	<u>18,000</u>	<u>5,000</u>	<u>4,000</u>
0	0	0	0	0	6,231
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	10,467	0	0	3,075	0
0	0	0	0	0	0
0	0	17,581	0	1,000	0
0	0	0	0	0	0
0	0	0	16,272	0	0
0	1,191	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>11,658</u>	<u>17,581</u>	<u>16,272</u>	<u>4,075</u>	<u>6,231</u>
<u>0</u>	<u>21,493</u>	<u>3,765</u>	<u>1,728</u>	<u>925</u>	<u>(2,231)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	21,493	3,765	1,728	925	(2,231)
350	9,121	34,494	16,272	4,075	2,769
<u>\$350</u>	<u>\$30,614</u>	<u>\$38,259</u>	<u>\$18,000</u>	<u>\$5,000</u>	<u>\$538</u>

(continued)

Hudson City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2001

	Summer Intervention	Other State Grants	Economic Security Act	Title VI-B
<u>Revenues</u>				
Intergovernmental	\$10,206	\$115,487	\$18,899	\$292,169
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Food Service	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	10,206	115,487	18,899	292,169
<u>Expenditures</u>				
Current:				
Instruction:				
Regular	8,601	112,428	0	0
Special	0	0	0	27,941
Vocational	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	0	0	0	179,145
Instructional Staff	0	2,050	17,023	47,896
Board of Education	0	0	0	0
Administration	0	0	0	11,715
Business	0	5,377	0	0
Operation and Maintenance of Plant	0	0	0	0
Operation of Non-Instructional Services	0	0	1,965	0
Extracurricular Activities	0	0	0	0
Total Expenditures	8,601	119,855	18,988	266,697
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,605	(4,368)	(89)	25,472
<u>Other Financing Sources</u>				
Operating Transfers In	0	0	0	0
Total Other Financing Sources	0	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	1,605	(4,368)	(89)	25,472
Fund Balances at Beginning of Year	0	14,012	2,502	10,283
Fund Balances at End of Year	\$1,605	\$9,644	\$2,413	\$35,755

Vocational Education	Title VI	Drug Free Grant	EHA Preschool Grant	Miscellaneous Federal Grants	Totals
\$600	\$33,046	\$31,747	\$24,072	\$2,767	\$1,716,596
0	0	0	0	0	12,978
0	0	0	0	0	91,454
0	0	0	0	0	430,899
0	0	0	0	0	6,064
0	0	0	0	0	153,734
600	33,046	31,747	24,072	2,767	2,411,725
0	12,841	0	0	0	1,104,735
0	0	0	2,545	0	30,486
0	0	0	0	1,903	1,903
0	0	0	0	283	283
0	0	24,559	0	1,448	577,301
0	7,881	0	13,367	10,608	128,343
0	0	0	2,768	0	2,768
0	0	0	0	0	143,630
0	0	0	0	0	5,377
0	0	0	0	0	26,450
0	3,192	0	0	285	15,901
0	0	0	0	0	430,620
0	23,914	24,559	18,680	14,527	2,467,797
600	9,132	7,188	5,392	(11,760)	(56,072)
0	0	0	0	0	88,446
0	0	0	0	0	88,446
600	9,132	7,188	5,392	(11,760)	32,374
1,775	(6,771)	6,445	758	11,760	602,044
<u>\$2,375</u>	<u>\$2,361</u>	<u>\$13,633</u>	<u>\$6,150</u>	<u>\$0</u>	<u>\$634,418</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Public School Support
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Tuition and Fees	\$91,454	\$91,454	\$0
Extracurricular Activities	125,999	125,999	0
Food Service	6,064	6,064	0
Miscellaneous	77,847	77,847	0
Total Revenues	<u>301,364</u>	<u>301,364</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Instruction:			
Regular	68,113	66,238	1,875
Support Services:			
Pupils	365,809	283,065	82,744
Instructional Staff	6,440	1,780	4,660
Administration	9,426	7,846	1,580
Operation of Non-Instructional Services	11,817	10,363	1,454
Total Expenditures	<u>461,605</u>	<u>369,292</u>	<u>92,313</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(160,241)</u>	<u>(67,928)</u>	<u>92,313</u>
<u>Other Financing Sources (Uses)</u>			
Refund of Prior Year Expenditures	100	100	0
Refund of Prior Year Receipts	(174)	(174)	0
Advances In	0	12,121	12,121
Operating Transfers In	9,530	9,530	0
Total Other Financing Sources (Uses)	<u>9,456</u>	<u>21,577</u>	<u>12,121</u>
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures and Other Financing (Uses)	<u>(150,785)</u>	<u>(46,351)</u>	<u>104,434</u>
Fund Balance at Beginning of Year	184,909	184,909	0
Prior Year Encumbrances Appropriated	21,992	21,992	0
Fund Balance at End of Year	<u><u>\$56,116</u></u>	<u><u>\$160,550</u></u>	<u><u>\$104,434</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Other Grants
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$2,079	\$2,079	\$0
Total Revenues	2,079	2,079	0
<u>Expenditures</u>			
Current:			
Support Services:			
Instructional Staff	35,400	13,185	22,215
Total Expenditures	35,400	13,185	22,215
(Deficiency) of Revenues (Under) Expenditures	(33,321)	(11,106)	22,215
Fund Balance at Beginning of Year	32,559	32,559	0
Prior Year Encumbrances Appropriated	3,321	3,321	0
Fund Balance at End of Year	<u>\$2,559</u>	<u>\$24,774</u>	<u>\$22,215</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Athletic and Music Fund
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Extracurricular Activities	\$302,626	\$302,626	\$0
Miscellaneous	73,344	73,344	0
Total Revenues	<u>375,970</u>	<u>375,970</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Extracurricular Activities	578,151	462,418	115,733
Total Expenditures	<u>578,151</u>	<u>462,418</u>	<u>115,733</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(202,181)</u>	<u>(86,448)</u>	<u>115,733</u>
<u>Other Financing Sources (Uses)</u>			
Refund of Prior Year Expenditures	170	170	0
Advances Out	(800)	(600)	200
Operating Transfers In	78,916	78,916	0
Total Other Financing Sources (Uses)	<u>78,286</u>	<u>78,486</u>	<u>200</u>
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures and Other Financing (Uses)	(123,895)	(7,962)	115,933
Fund Balance at Beginning of Year	161,220	161,220	0
Prior Year Encumbrances Appropriated	<u>23,121</u>	<u>23,121</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$60,446</u></u>	<u><u>\$176,379</u></u>	<u><u>\$115,933</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Auxiliary Services
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$1,104,027	\$1,104,027	\$0
Interest	12,978	12,978	0
Total Revenues	<u>1,117,005</u>	<u>1,117,005</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Instruction:			
Regular	1,007,401	997,430	9,971
Support Services:			
Pupils	155,253	150,725	4,528
Instructional Staff	6,151	6,151	0
Administration	111,496	104,371	7,125
Operation and Maintenance of Plant	<u>10,981</u>	<u>10,905</u>	<u>76</u>
Total Expenditures	<u>1,291,282</u>	<u>1,269,582</u>	<u>21,700</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(174,277)</u>	<u>(152,577)</u>	<u>21,700</u>
<u>Other Financing Sources</u>			
Refund of Prior Year Expenditures	<u>743</u>	<u>743</u>	<u>0</u>
Total Other Financing Sources	<u>743</u>	<u>743</u>	<u>0</u>
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures	(173,534)	(151,834)	21,700
Fund Balance at Beginning of Year	41,501	41,501	0
Prior Year Encumbrances Appropriated	<u>155,845</u>	<u>155,845</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$23,812</u></u>	<u><u>\$45,512</u></u>	<u><u>\$21,700</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Pupils Program
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>350</u>	<u>350</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$350</u></u>	<u><u>\$350</u></u>	<u><u>\$0</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Teacher Development
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$33,151	\$33,151	\$0
Total Revenues	33,151	33,151	0
<u>Expenditures</u>			
Current:			
Support Services:			
Instructional Staff	32,944	11,000	21,944
Operation of Non-Instructional Services	9,915	1,191	8,724
Total Expenditures	42,859	12,191	30,668
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,708)	20,960	30,668
Fund Balance at Beginning of Year	5,446	5,446	0
Prior Year Encumbrances Appropriated	4,311	4,311	0
Fund Balance at End of Year	<u>\$49</u>	<u>\$30,717</u>	<u>\$30,668</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Management Information System
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$21,346	\$21,346	\$0
Total Revenues	21,346	21,346	0
<u>Expenditures</u>			
Current:			
Support Services:			
Administration	41,961	39,491	2,470
Total Expenditures	41,961	39,491	2,470
(Deficiency) of Revenues (Under) Expenditures	(20,615)	(18,145)	2,470
Fund Balance at Beginning of Year	34,494	34,494	0
Fund Balance at End of Year	<u>\$13,879</u>	<u>\$16,349</u>	<u>\$2,470</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Data Communications
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	<u>\$18,000</u>	<u>\$18,000</u>	<u>\$0</u>
Total Revenues	<u>18,000</u>	<u>18,000</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Support Services:			
Operation and Maintenance of Plant	<u>16,272</u>	<u>16,272</u>	<u>0</u>
Total Expenditures	<u>16,272</u>	<u>16,272</u>	<u>0</u>
Excess of Revenues Over Expenditures	1,728	1,728	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>16,272</u>	<u>16,272</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$18,000</u></u>	<u><u>\$18,000</u></u>	<u><u>\$0</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
School Net Professional Development
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$0</u>
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Support Services:			
Instructional Staff	9,000	4,000	5,000
Administration	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total Expenditures	<u>10,000</u>	<u>5,000</u>	<u>5,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,000)	0	5,000
Fund Balance at Beginning of Year	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$5,000</u></u>	<u><u>\$5,000</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Ohio Reads
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	<u>\$4,000</u>	<u>\$4,000</u>	<u>\$0</u>
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Instruction:			
Regular	<u>6,747</u>	<u>6,711</u>	<u>36</u>
Total Expenditures	<u>6,747</u>	<u>6,711</u>	<u>36</u>
(Deficiency) of Revenues (Under) Expenditures	(2,747)	(2,711)	36
Fund Balance at Beginning of Year	2,036	2,036	0
Prior Year Encumbrances Appropriated	<u>733</u>	<u>733</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$22</u></u>	<u><u>\$58</u></u>	<u><u>\$36</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Summer Intervention
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	<u>\$10,206</u>	<u>\$10,206</u>	<u>\$0</u>
Total Revenues	<u>10,206</u>	<u>10,206</u>	<u>0</u>
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	10,206	10,206	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$10,206</u></u>	<u><u>\$10,206</u></u>	<u><u>\$0</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Other State Grants
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$135,487	\$135,487	\$0
Total Revenues	135,487	135,487	0
<u>Expenditures</u>			
Current:			
Instruction:			
Regular	128,064	115,653	12,411
Support Services:			
Instructional Staff	10,409	5,856	4,553
Business	5,487	5,377	110
Total Expenditures	143,960	126,886	17,074
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,473)	8,601	17,074
<u>Other Financing (Uses)</u>			
Refund of Prior Year Receipts	(2,200)	(2,200)	0
Advances Out	0	(6,850)	(6,850)
Total Other Financing (Uses)	(2,200)	(9,050)	(6,850)
(Deficiency) of Revenues (Under) Expenditures and Other Financing (Uses)	(10,673)	(449)	10,224
Fund Balance at Beginning of Year	13,709	13,709	0
Prior Year Encumbrances Appropriated	3,814	3,814	0
Fund Balance at End of Year	<u>\$6,850</u>	<u>\$17,074</u>	<u>\$10,224</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Economic Security Act
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$18,899	\$18,899	\$0
Total Revenues	18,899	18,899	0
<u>Expenditures</u>			
Current:			
Support Services:			
Instructional Staff	17,251	16,961	290
Operation of Non-Instructional Services	4,148	1,965	2,183
Total Expenditures	21,399	18,926	2,473
(Deficiency) of Revenues (Under) Expenditures	(2,500)	(27)	2,473
Fund Balance at Beginning of Year	2,131	2,131	0
Prior Year Encumbrances Appropriated	370	370	0
Fund Balance at End of Year	<u>\$1</u>	<u>\$2,474</u>	<u>\$2,473</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Title VI-B
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$315,316	\$315,316	\$0
Total Revenues	315,316	315,316	0
<u>Expenditures</u>			
Current:			
Instruction:			
Special	40,119	25,887	14,232
Support Services:			
Pupils	185,989	185,450	539
Instructional Staff	65,084	44,317	20,767
Administration	23,246	12,267	10,979
Total Expenditures	314,438	267,921	46,517
Excess of Revenues Over Expenditures	878	47,395	46,517
<u>Other Financing (Uses)</u>			
Advances Out	0	(4,400)	(4,400)
Total Other Financing (Uses)	0	(4,400)	(4,400)
Excess of Revenues Over Expenditures and Other Financing (Uses)	878	42,995	42,117
Fund Balance at Beginning of Year	21	21	0
Prior Year Encumbrances Appropriated	3,501	3,501	0
Fund Balance at End of Year	<u>\$4,400</u>	<u>\$46,517</u>	<u>\$42,117</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Vocational Education
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	<u>\$780</u>	<u>\$780</u>	<u>\$0</u>
Total Revenues	<u>780</u>	<u>780</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Instruction:			
Vocational	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Total Expenditures	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,220)	780	2,000
Fund Balance at Beginning of Year	<u>1,595</u>	<u>1,595</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$375</u></u>	<u><u>\$2,375</u></u>	<u><u>\$2,000</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Title VI
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$33,046	\$33,046	\$0
Total Revenues	33,046	33,046	0
<u>Expenditures</u>			
Current:			
Instruction:			
Regular	27,814	17,206	10,608
Support Services:			
Instructional Staff	6,993	6,993	0
Operation of Non-Instructional Services	10,128	5,635	4,493
Total Expenditures	44,935	29,834	15,101
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,889)	3,212	15,101
Fund Balance at Beginning of Year	9,223	9,223	0
Prior Year Encumbrances Appropriated	2,666	2,666	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$15,101</u>	<u>\$15,101</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Drug Free Grant
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$31,747	\$31,747	\$0
Total Revenues	31,747	31,747	0
<u>Expenditures</u>			
Current:			
Support Services:			
Pupils	37,732	24,796	12,936
Total Expenditures	37,732	24,796	12,936
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,985)	6,951	12,936
<u>Other Financing (Uses)</u>			
Refund of Prior Year Receipts	(471)	(471)	0
Total Other Financing (Uses)	(471)	(471)	0
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing (Uses)	(6,456)	6,480	12,936
Fund Balance at Beginning of Year	4,889	4,889	0
Prior Year Encumbrances Appropriated	1,591	1,591	0
Fund Balance at End of Year	<u>\$24</u>	<u>\$12,960</u>	<u>\$12,936</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
EHA Preschool Grant
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	<u>\$24,072</u>	<u>\$24,072</u>	<u>\$0</u>
Total Revenues	<u>24,072</u>	<u>24,072</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Instruction:			
Special	2,563	2,545	18
Support Services:			
Instructional Staff	<u>26,472</u>	<u>17,531</u>	<u>8,941</u>
Total Expenditures	<u>29,035</u>	<u>20,076</u>	<u>8,959</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,963)	3,996	8,959
Fund Balance at Beginning of Year	<u>4,977</u>	<u>4,977</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$14</u></u>	<u><u>\$8,973</u></u>	<u><u>\$8,959</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous Federal Grants
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$3,097	\$3,097	\$0
Total Revenues	3,097	3,097	0
<u>Expenditures</u>			
Current:			
Instruction:			
Vocational	1,903	1,903	0
Adult/Continuing	3,705	3,705	0
Support Services:			
Pupils	1,592	1,592	0
Instructional Staff	13,492	13,492	0
Operation of Non-Instructional Services	285	285	0
Total Expenditures	20,977	20,977	0
(Deficiency) of Revenues (Under) Expenditures	(17,880)	(17,880)	0
<u>Other Financing (Uses)</u>			
Refund of Prior Year Receipts	(330)	(330)	0
Total Other Financing (Uses)	(330)	(330)	0
(Deficiency) of Revenues (Under) Expenditures and Other Financing (Uses)	(18,210)	(18,210)	0
Fund Balance at Beginning of Year	11,611	11,611	0
Prior Year Encumbrances Appropriated	6,599	6,599	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual (Budget Basis)
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2001

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$1,760,253	\$1,760,253	\$0
Interest	12,978	12,978	0
Tuition and Fees	91,454	91,454	0
Extracurricular Activities	428,625	428,625	0
Food Service	6,064	6,064	0
Miscellaneous	151,191	151,191	0
Total Revenues	2,450,565	2,450,565	0
<u>Expenditures</u>			
Current:			
Instruction:			
Regular	1,238,139	1,203,238	34,901
Special	42,682	28,432	14,250
Vocational	3,903	1,903	2,000
Adult/Continuing	3,705	3,705	0
Support Services:			
Pupils	746,375	645,628	100,747
Instructional Staff	229,636	141,266	88,370
Administration	197,129	164,975	32,154
Business	5,487	5,377	110
Operation and Maintenance of Plant	27,253	27,177	76
Operation of Non-Instructional Services:			
Community Services	36,293	19,439	16,854
Extracurricular Activities	568,151	462,418	105,733
Total Expenditures	3,098,753	2,703,558	395,195
(Deficiency) of Revenues (Under) Expenditures	(648,188)	(252,993)	395,195
<u>Other Financing Sources (Uses)</u>			
Refund of Prior Year Expenditures	1,013	1,013	0
Refund of Prior Year Receipts	(3,175)	(3,175)	0
Advances In	0	12,121	12,121
Advances Out	(800)	(11,850)	(11,050)
Operating Transfers In	88,446	88,446	0
Total Other Financing Sources (Uses)	85,484	86,555	1,071
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(562,704)	(166,438)	396,266
Fund Balances at Beginning of Year	515,671	515,671	0
Prior Year Encumbrances Appropriated	244,136	244,136	0
Fund Balances at End of Year	\$197,103	\$593,369	\$396,266

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.

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 have been presented herein.

Capital Projects Funds

The Capital Projects Funds account for the receipts and disbursements of monies used for the acquisition, construction or major renovation of capital facilities (other than those financed by Enterprise Funds).

Permanent Improvement - The Permanent Improvement Fund may be used for acquiring real estate for school purposes; for constructing, adding to, remodeling and improving school buildings. Such expenditures shall add permanently to the school land or buildings, or extend the useful life of existing buildings for five years or more. The fund may also be used for landscaping and making other school site improvements which have an anticipated useful life of five years or more.

Building Fund – This fund is used to account for the receipts and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, notes or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures for the costs of acquiring capital facilities including real property are also accounted for in this fund.

Vocational Education Equipment – This fund accounts for receipts and expenditures for the instruction of students in job skills.

School Net - Used for the purchase of hardware and other computer equipment.

Power Up Grant – This fund accounts for State grant money to be spent on electrical upgrades. This grant has a local matching requirement which may be transferred to and spent from this fund.

**Hudson City School District
Combining Balance Sheet
All Capital Projects Funds
June 30, 2001**

	Permanent Improvement	Building Fund	Vocational Educational Equipment	School Net
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$1,213,667	\$49,310	\$0	\$15,273
Receivables:				
Taxes	1,019,761	0	0	0
Total Assets	<u>\$2,233,428</u>	<u>\$49,310</u>	<u>\$0</u>	<u>\$15,273</u>
<u>Liabilities and Fund Equity</u>				
<u>Liabilities</u>				
Accounts Payable	\$386,750	\$0	\$0	\$0
Intergovernmental Payable	0	0	0	50
Deferred Revenue	983,979	0	0	0
Total Liabilities	<u>1,370,729</u>	<u>0</u>	<u>0</u>	<u>50</u>
<u>Fund Equity</u>				
Fund Balances:				
Reserved for Encumbrances	84,860	5,000	0	98
Reserved for Property Tax Advance	35,782	0	0	0
Unreserved:				
Undesignated	742,057	44,310	0	15,125
Total Fund Equity	<u>862,699</u>	<u>49,310</u>	<u>0</u>	<u>15,223</u>
Total Liabilities and Fund Equity	<u>\$2,233,428</u>	<u>\$49,310</u>	<u>\$0</u>	<u>\$15,273</u>

Power Up Grant	Totals
\$29,771	\$1,308,021
<u>0</u>	<u>1,019,761</u>
<u>\$29,771</u>	<u>\$2,327,782</u>
\$0	\$386,750
0	50
<u>0</u>	<u>983,979</u>
<u>0</u>	<u>1,370,779</u>
0	89,958
0	35,782
<u>29,771</u>	<u>831,263</u>
<u>29,771</u>	<u>957,003</u>
<u>\$29,771</u>	<u>\$2,327,782</u>

Hudson City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Capital Projects Funds
For the Fiscal Year Ended June 30, 2001

	Permanent Improvement	Building Fund	Vocational Education Equipment	School Net
<u>Revenues</u>				
Taxes	\$990,561	\$0	\$0	\$0
Intergovernmental	116,323	0	0	173,947
Total Revenues	1,106,884	0	0	173,947
<u>Expenditures</u>				
Current:				
Instruction:				
Regular	0	0	0	138,501
Other	13,748	0	0	36,000
Support Services:				
Fiscal	14,896	0	0	0
Capital Outlay	1,182,352	196,153	0	0
Total Expenditures	1,210,996	196,153	0	174,501
Excess (Deficiency) of Revenues Over (Under) Expenditures	(104,112)	(196,153)	0	(554)
<u>Other Financing Sources</u>				
Operating Transfers In	134,564	275,000	277	0
Total Other Financing Sources	134,564	275,000	277	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	30,452	78,847	277	(554)
Fund Balances (Deficit) at Beginning of Year	832,247	(29,537)	(277)	15,777
Fund Balances at End of Year	\$862,699	\$49,310	\$0	\$15,223

Power Up Grant	Totals
\$0	\$990,561
<u>70,495</u>	<u>360,765</u>
<u>70,495</u>	<u>1,351,326</u>
0	138,501
0	49,748
0	14,896
<u>69,452</u>	<u>1,447,957</u>
<u>69,452</u>	<u>1,651,102</u>
<u>1,043</u>	<u>(299,776)</u>
<u>0</u>	<u>409,841</u>
<u>0</u>	<u>409,841</u>
1,043	110,065
<u>28,728</u>	<u>846,938</u>
<u><u>\$29,771</u></u>	<u><u>\$957,003</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Permanent Improvement
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Taxes	\$986,461	\$986,461	\$0
Intergovernmental	116,323	116,323	0
Total Revenues	<u>1,102,784</u>	<u>1,102,784</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Instruction:			
Other	14,000	13,748	252
Support Services:			
Fiscal	27,000	14,896	12,104
Capital Outlay	<u>1,418,056</u>	<u>1,269,337</u>	<u>148,719</u>
Total Expenditures	<u>1,459,056</u>	<u>1,297,981</u>	<u>161,075</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(356,272)</u>	<u>(195,197)</u>	<u>161,075</u>
<u>Other Financing Sources</u>			
Operating Transfers In	<u>0</u>	<u>134,564</u>	<u>134,564</u>
Total Other Financing Sources	<u>0</u>	<u>134,564</u>	<u>134,564</u>
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures	<u>(356,272)</u>	<u>(60,633)</u>	<u>295,639</u>
Fund Balance at Beginning of Year	443,634	443,634	0
Prior Year Encumbrances Appropriated	<u>359,056</u>	<u>359,056</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$446,418</u></u>	<u><u>\$742,057</u></u>	<u><u>\$295,639</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Building Fund
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenditures</u>			
Capital Outlay	<u>230,239</u>	<u>210,929</u>	<u>19,310</u>
Total Expenditures	<u>230,239</u>	<u>210,929</u>	<u>19,310</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(230,239)</u>	<u>(210,929)</u>	<u>19,310</u>
<u>Other Financing Sources</u>			
Operating Transfers In	<u>75,000</u>	<u>75,000</u>	<u>0</u>
Total Other Financing Sources	<u>75,000</u>	<u>75,000</u>	<u>0</u>
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures	<u>(155,239)</u>	<u>(135,929)</u>	<u>19,310</u>
Fund Balance at Beginning of Year	139,615	139,615	0
Prior Year Encumbrances Appropriated	<u>40,624</u>	<u>40,624</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$25,000</u></u>	<u><u>\$44,310</u></u>	<u><u>\$19,310</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Vocational Education Equipment
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
<u>Other Financing Sources (Uses)</u>			
Advances Out	0	(280)	(280)
Operating Transfers In	<u>277</u>	<u>277</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>277</u>	<u>(3)</u>	<u>(280)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	277	(3)	(280)
Fund Balance at Beginning of Year	<u>3</u>	<u>3</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$280</u></u>	<u><u>\$0</u></u>	<u><u>(\$280)</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
School Net
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$173,947	\$173,947	\$0
Total Revenues	173,947	173,947	0
<u>Expenditures</u>			
Current:			
Instruction:			
Regular	139,016	139,016	0
Other	36,000	36,000	0
Total Expenditures	175,016	175,016	0
(Deficiency) of Revenues (Under) Expenditures	(1,069)	(1,069)	0
Fund Balance at Beginning of Year	15,409	15,409	0
Prior Year Encumbrances Appropriated	834	834	0
Fund Balance at End of Year	<u>\$15,174</u>	<u>\$15,174</u>	<u>\$0</u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Power Up Grant
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	<u>\$70,495</u>	<u>\$70,495</u>	<u>\$0</u>
Total Revenues	<u>70,495</u>	<u>70,495</u>	<u>0</u>
<u>Expenditures</u>			
Capital Outlay	<u>73,752</u>	<u>69,452</u>	<u>4,300</u>
Total Expenditures	<u>73,752</u>	<u>69,452</u>	<u>4,300</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,257)	1,043	4,300
Fund Balance at Beginning of Year	<u>28,728</u>	<u>28,728</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$25,471</u></u>	<u><u>\$29,771</u></u>	<u><u>\$4,300</u></u>

Hudson City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual (Budget Basis)
All Capital Projects Funds
For the Fiscal Year Ended June 30, 2001

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Taxes	\$986,461	\$986,461	\$0
Intergovernmental	360,765	360,765	0
Total Revenues	1,347,226	1,347,226	0
<u>Expenditures</u>			
Current:			
Instruction:			
Regular	139,016	139,016	0
Other	50,000	49,748	252
Support Services:			
Fiscal	27,000	14,896	12,104
Capital Outlay	1,722,047	1,549,718	172,329
Total Expenditures	1,938,063	1,753,378	184,685
(Deficiency) of Revenues (Under) Expenditures	(590,837)	(406,152)	184,685
<u>Other Financing Sources (Uses)</u>			
Advances Out	0	(280)	(280)
Operating Transfers In	75,277	209,841	134,564
Total Other Financing Sources (Uses)	75,277	209,561	134,284
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(515,560)	(196,591)	318,969
Fund Balances at Beginning of Year	627,389	627,389	0
Prior Year Encumbrances Appropriated	400,514	400,514	0
Fund Balances at End of Year	\$512,343	\$831,312	\$318,969

Enterprise Funds

Food Service - This fund accounts for all revenues and expenses related to the provision of food service for the District.

Uniform School Supply - A fund to account for the purchase and sale of school supplies as adopted by the Board of Education for use in schools of the District. Profit derived from the sales is used for school purposes or activities in connection with the District.

Rotary - A fund provided to account for income and expenses made in connection with goods and services provided by the District.

Community Education - A fund established to account for all financial activities related to the Community Education and Recreation Center operations. These operations involve recreation for residents and employees of the Hudson City School District: basketball, volleyball, tennis, walking, jogging, weight lifting, exercising, etc.

Hudson City School District
Combining Balance Sheet
All Enterprise Funds
June 30, 2001

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Rotary</u>	<u>Community Education</u>	<u>Totals</u>
<u>Assets</u>					
Current Assets:					
Equity in Pooled Cash and Investments	\$250,826	\$93,325	\$63,401	\$269,820	\$677,372
Receivables:					
Intergovernmental	7,994	0	0	0	7,994
Inventory Held For Resale	26,930	28,018	0	0	54,948
Materials and Supplies Inventory	4,853	0	0	0	4,853
Total Current Assets	290,603	121,343	63,401	269,820	745,167
Fixed Assets (Net, Where Applicable, of Accumulated Depreciation)	325,984	0	2,536	2,452	330,972
Total Assets	\$616,587	\$121,343	\$65,937	\$272,272	\$1,076,139
<u>Liabilities and Fund Equity</u>					
<u>Liabilities</u>					
Accounts Payable	\$24,494	\$405	\$606	\$109,746	\$135,251
Accrued Wages	56,253	0	0	2,439	58,692
Compensated Absences Payable	26,481	0	0	16,607	43,088
Interfund Payable	0	0	13,201	0	13,201
Intergovernmental Payable	53,351	0	1,528	23,557	78,436
Deferred Revenue	10,045	0	0	0	10,045
Total Liabilities	170,624	405	15,335	152,349	338,713
<u>Fund Equity</u>					
Retained Earnings:					
Unreserved	445,963	120,938	50,602	119,923	737,426
Total Fund Equity	445,963	120,938	50,602	119,923	737,426
Total Liabilities and Fund Equity	\$616,587	\$121,343	\$65,937	\$272,272	\$1,076,139

Hudson City School District
Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Enterprise Funds
For the Fiscal Year Ended June 30, 2001

	Food Service	Uniform School Supply	Rotary	Community Education	Totals
<u>Operating Revenues</u>					
Tuition	\$0	\$0	\$14,285	\$0	\$14,285
Sales	0	172,692	0	0	172,692
Charges for Services	1,303,272	0	0	0	1,303,272
Other Operating Revenues	0	0	0	678,832	678,832
Total Operating Revenues	<u>1,303,272</u>	<u>172,692</u>	<u>14,285</u>	<u>678,832</u>	<u>2,169,081</u>
<u>Operating Expenses</u>					
Salaries	444,711	0	20,062	228,574	693,347
Fringe Benefits	184,155	0	481	34,255	218,891
Purchased Services	32,754	1,425	8,125	336,921	379,225
Materials and Supplies	113,563	162,582	17,697	54,229	348,071
Cost of Sales	623,021	0	0	0	623,021
Depreciation	22,719	0	458	499	23,676
Other Operating Expenses	1,544	0	1,000	4,323	6,867
Total Operating Expenses	<u>1,422,467</u>	<u>164,007</u>	<u>47,823</u>	<u>658,801</u>	<u>2,293,098</u>
Operating Income (Loss)	<u>(119,195)</u>	<u>8,685</u>	<u>(33,538)</u>	<u>20,031</u>	<u>(124,017)</u>
<u>Non-Operating Revenues</u>					
Federal Donated Commodities	40,946	0	0	0	40,946
Operating Grants	45,153	0	12,800	0	57,953
Interest	14,629	0	0	0	14,629
Other Non-Operating Revenue	0	1,320	10,198	0	11,518
Total Non-Operating Revenues	<u>100,728</u>	<u>1,320</u>	<u>22,998</u>	<u>0</u>	<u>125,046</u>
Net Income (Loss)	<u>(18,467)</u>	<u>10,005</u>	<u>(10,540)</u>	<u>20,031</u>	<u>1,029</u>
Retained Earnings at Beginning of Year	<u>464,430</u>	<u>110,933</u>	<u>61,142</u>	<u>99,892</u>	<u>736,397</u>
Retained Earnings at End of Year	<u>\$445,963</u>	<u>\$120,938</u>	<u>\$50,602</u>	<u>\$119,923</u>	<u>\$737,426</u>

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
Food Service
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Charges for Services	\$1,295,278	\$1,295,278	\$0
Operating Grants	52,663	52,663	0
Total Revenues	<u>1,347,941</u>	<u>1,347,941</u>	<u>0</u>
<u>Expenses</u>			
Salaries	446,222	445,723	499
Fringe Benefits	181,300	180,867	433
Purchased Services	49,434	34,272	15,162
Materials and Supplies	896,726	814,236	82,490
Capital Outlay	30	0	30
Other	1,800	1,544	256
Refund of Prior Year Revenue	600	0	600
Total Expenses	<u>1,576,112</u>	<u>1,476,642</u>	<u>99,470</u>
(Deficiency) of Revenues (Under) Expenses	(228,171)	(128,701)	99,470
<u>Non-Operating Revenues</u>			
Earnings on Investments	14,629	14,629	0
Total Non-Operating Revenues	<u>14,629</u>	<u>14,629</u>	<u>0</u>
(Deficiency) of Revenues (Under) Expenses	(213,542)	(114,072)	99,470
Fund Equity at Beginning of Year	185,939	185,939	0
Prior Year Encumbrances Appropriated	<u>77,937</u>	<u>77,937</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$50,334</u></u>	<u><u>\$149,804</u></u>	<u><u>\$99,470</u></u>

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
Uniform School Supply
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Sales	\$172,692	\$172,692	\$0
Total Revenues	172,692	172,692	0
<u>Expenses</u>			
Purchased Services	2,545	1,425	1,120
Materials and Supplies	200,482	168,736	31,746
Total Expenses	203,027	170,161	32,866
Excess of Revenues Over Expenses	(30,335)	2,531	32,866
<u>Non-Operating Revenues</u>			
Taxes	0	1,320	1,320
Refund of Prior Years Expenditures	0	89	89
Total Non-Operating Revenues	0	1,409	1,409
Excess (Deficiency) of Revenues Over (Under) Expenses	(30,335)	3,940	34,275
Fund Equity at Beginning of Year	82,709	82,709	0
Prior Year Encumbrances Appropriated	4,842	4,842	0
Fund Equity at End of Year	<u>\$57,216</u>	<u>\$91,491</u>	<u>\$34,275</u>

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
Rotary
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Tuition	\$27,975	\$27,975	\$0
Operating Grants	12,800	12,800	0
Total Revenues	40,775	40,775	0
<u>Expenses</u>			
Salaries	24,775	24,588	187
Fringe Benefits	1,489	1,476	13
Purchased Services	23,940	10,051	13,889
Materials and Supplies	23,790	17,091	6,699
Other	2,895	1,000	1,895
Refund of Prior Year Revenue	845	0	845
Total Expenses	77,734	54,206	23,528
(Deficiency) of Revenues (Under) Expenses	(36,959)	(13,431)	23,528
<u>Non-Operating Revenues</u>			
Miscellaneous	10,198	10,198	0
Total Non-Operating Revenues	10,198	10,198	0
<u>Non-Operating Expenses</u>			
Refund of Prior Years Receipts	0	845	(845)
Total Non-Operating Expenses	0	845	(845)
Excess of Revenues Over Expenses Before Advances	(26,761)	(4,078)	(22,683)
Advances In	0	13,201	13,201
Advances Out	0	(2,800)	(2,800)
Excess (Deficiency) of Revenues Over (Under) Expenses and Advances	(26,761)	6,323	33,084
Fund Equity at Beginning of Year	53,165	53,165	0
Prior Year Encumbrances Appropriated	3,203	3,203	0
Fund Equity at End of Year	\$29,607	\$62,691	\$33,084

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
Community Education
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Extracurricular Activities	\$68,617	\$68,617	\$0
Total Revenues	68,617	68,617	0
<u>Expenses</u>			
Salaries	256,750	254,259	2,491
Fringe Benefits	49,255	33,791	15,464
Purchased Services	459,778	457,036	2,742
Materials and Supplies	83,994	38,605	45,389
Other	800	374	426
Refund of Prior Year Revenue	4,050	0	4,050
Total Expenses	854,627	784,065	70,562
(Deficiency) of Revenues (Under) Expenses	(786,010)	(715,448)	70,562
<u>Non-Operating Revenues</u>			
Miscellaneous	610,116	610,116	0
Refund of Prior Years Expenditures	99	99	0
Total Non-Operating Revenues	610,215	610,215	0
<u>Non-Operating Expenses</u>			
Refund of Prior Years Receipts	0	3,949	(3,949)
Total Non-Operating Expenses	0	3,949	(3,949)
(Deficiency) of Revenues (Under) Expenses	(175,795)	(109,182)	66,613
Fund Equity at Beginning of Year	102,102	102,102	0
Prior Year Encumbrances Appropriated	105,672	105,672	0
Fund Equity at End of Year	<u>\$31,979</u>	<u>\$98,592</u>	<u>\$66,613</u>

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
All Enterprise Funds
For the Fiscal Year Ended June 30, 2001

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Tuition	\$27,975	\$27,975	\$0
Sales	172,692	172,692	0
Charges for Services	1,295,278	1,295,278	0
Other Revenues	68,617	68,617	0
Operating Grants	65,463	65,463	0
Total Revenues	1,630,025	1,630,025	0
<u>Expenses</u>			
Salaries	727,747	724,570	3,177
Fringe Benefits	232,044	216,134	15,910
Purchased Services	535,697	502,784	32,913
Materials and Supplies	1,204,992	1,038,668	166,324
Capital Outlay	30	0	30
Other	5,495	2,918	2,577
Refund of Prior Year Revenue	5,495	0	5,495
Total Expenses	2,711,500	2,485,074	226,426
(Deficiency) of Revenues (Under) Expenses	(1,081,475)	(855,049)	226,426
<u>Non-Operating Revenues</u>			
Taxes	0	1,320	1,320
Earnings on Investments	14,629	14,629	0
Miscellaneous	620,314	620,314	0
Refund of Prior Years Expenditures	99	188	89
Total Non-Operating Revenues	635,042	636,451	1,409
<u>Non-Operating Expenses</u>			
Refund of Prior Years Receipts	0	4,794	(4,794)
Total Non-Operating Expenses	0	4,794	(4,794)
(Deficiency) of Revenues (Under) Expenses Before Advances	(446,433)	(223,392)	223,041
Advances In	0	13,201	13,201
Advances Out	0	(2,800)	(2,800)
(Deficiency) of Revenues (Under) Expenses and Advances	(446,433)	(212,991)	233,442
Fund Equity at Beginning of Year	423,915	423,915	0
Prior Year Encumbrances Appropriated	191,654	191,654	0
Fund Equity at End of Year	\$169,136	\$402,578	\$233,442

Hudson City School District
Combining Statement of Cash Flows
All Enterprise Funds
For the Fiscal Year Ended June 30, 2001

	Food Service	Uniform School Supply	Rotary	Community Education	Totals
<u>Cash Flows from Operating Activities</u>					
Cash Received from Customers	\$1,295,278	\$172,692	\$0	\$0	\$1,467,970
Cash Received from Tuition Payments	0	0	27,130	0	27,130
Cash Payments to Suppliers for Goods and Services	(708,331)	(168,238)	(26,431)	(324,413)	(1,227,413)
Cash Payments to Employees for Services	(445,723)	0	(24,588)	(254,259)	(724,570)
Cash Payments for Employee Benefits	(180,867)	0	(1,476)	(33,791)	(216,134)
Cash Received from Other Operating Revenues	0	0	0	678,832	678,832
Cash Payments for Other Operating Expenses	(1,544)	0	(1,000)	(4,323)	(6,867)
Net Cash Provided by (Used for) Operating Activities	(41,187)	4,454	(26,365)	62,046	(1,052)
<u>Cash Flows from Noncapital Financing Activities</u>					
Operating Grants Received	52,663	0	12,800	0	65,463
Short-Term Loans from Other Funds	0	0	13,201	0	13,201
Repayment of Short-Term Loans from Other Funds	0	0	(2,800)	0	(2,800)
Other Non-Operating Revenue	0	1,320	10,198	0	11,518
Net Cash Provided by Noncapital Financing Activities	52,663	1,320	33,399	0	87,382
<u>Cash Flows from Capital and Related Financing Activities</u>					
Acquisition of Capital Assets	(39,156)	0	0	0	(39,156)
Net Cash (Used for) Capital and Related Financing Activities	(39,156)	0	0	0	(39,156)
<u>Cash Flows from Investing Activities</u>					
Interest on Investment	14,629	0	0	0	14,629
Net Cash Provided by Investing Activities	14,629	0	0	0	14,629
Net Increase (Decrease) in Cash and Cash Equivalents	(13,051)	5,774	7,034	62,046	61,803
Cash and Cash Equivalents at Beginning of Year	263,877	87,551	56,367	207,774	615,569
Cash and Cash Equivalents at End of Year	\$250,826	\$93,325	\$63,401	\$269,820	\$677,372
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>					
Operating Income (Loss)	(\$119,195)	\$8,685	(\$33,538)	\$20,031	(\$124,017)
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>					
Depreciation	22,719	0	458	499	23,676
Donated Commodities Used During Year	40,946	0	0	0	40,946
Changes in Assets and Liabilities:					
(Increase)/Decrease in Accounts Receivable	0	0	12,845	0	12,845
(Increase)/Decrease in Intergovernmental Receivables	(7,994)	0	0	0	(7,994)
(Increase)/Decrease in Inventory Held for Resale	(1,036)	(3,882)	0	0	(4,918)
(Increase)/Decrease in Materials and Supplies Inventor	(247)	0	0	0	(247)
Increase/(Decrease) in Accounts Payable	21,344	(349)	(609)	66,737	87,123
Increase/(Decrease) in Accrued Wages	2,722	0	(5,448)	(25,122)	(27,848)
Increase/(Decrease) in Compensated Absences Payable	(3,801)	0	0	(450)	(4,251)
Increase/(Decrease) in Intergovernmental Payable	3,355	0	(73)	351	3,633
Total Adjustments	78,008	(4,231)	7,173	42,015	122,965
Net Cash Provided by (Used for) Operating Activities	(\$41,187)	\$4,454	(\$26,365)	\$62,046	(\$1,052)

Internal Service Funds

Intradistrict - An internal service fund to account for operations that provide goods or services to other governmental units on a cost-reimbursement basis. The District acts as the fiscal agent for the district program.

Self-Insurance - A fund provided to account for monies received from other funds as payment for providing medical, hospitalization, dental, life or other similar employee health benefits. The self-insurance fund may make payments for services provided to employees, for reimbursements to employees who have paid providers, to third party administrators for claim payments or administration, for stop-loss coverage, or any other reinsurance or other similar purpose.

Computer Library - State funds used to set up a computer network for the library and media center.

**Hudson City School District
Combining Balance Sheet
All Internal Service Funds
June 30, 2001**

	Intradistrict	Self- Insurance	Computer Library	Totals
<u>Assets</u>				
Current Assets:				
Equity in Pooled Cash and Investments	\$65,031	\$790,881	\$15	\$855,927
Receivables:				
Accounts	0	20,150	0	20,150
Accrued Interest	0	959	0	959
Total Assets	\$65,031	\$811,990	\$15	\$877,036
<u>Liabilities and Fund Equity</u>				
<u>Liabilities</u>				
Accounts Payable	\$0	\$1,500	\$0	\$1,500
Intergovernmental Payable	0	183	0	183
Claims Payable	0	572,034	0	572,034
Total Liabilities	0	573,717	0	573,717
<u>Fund Equity</u>				
Retained Earnings:				
Unreserved	65,031	238,273	15	303,319
Total Fund Equity	65,031	238,273	15	303,319
Total Liabilities and Fund Equity	\$65,031	\$811,990	\$15	\$877,036

Hudson City School District
Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Internal Service Funds
For the Fiscal Year Ended June 30, 2001

	Intradistrict	Self- Insurance	Computer Library	Totals
<u>Operating Revenues</u>				
Charges for Services	\$0	\$3,860,306	\$0	\$3,860,306
Total Operating Revenues	0	3,860,306	0	3,860,306
<u>Operating Expenses</u>				
Salaries	0	31,988	0	31,988
Fringe Benefits	0	8,569	0	8,569
Purchased Services	0	755,803	0	755,803
Materials and Supplies	0	0	335	335
Claims	0	3,555,438	0	3,555,438
Total Operating Expenses	0	4,351,798	335	4,352,133
Operating Income (Loss)	0	(491,492)	(335)	(491,827)
<u>Non-Operating Revenues</u>				
Interest	0	36,639	0	36,639
Total Non-Operating Revenues	0	36,639	0	36,639
Net Income (Loss)	0	(454,853)	(335)	(455,188)
Retained Earnings at Beginning of Year	65,031	693,126	350	758,507
Retained Earnings at End of Year	<u>\$65,031</u>	<u>\$238,273</u>	<u>\$15</u>	<u>\$303,319</u>

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
Intradistrict
For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenses</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenses	0	0	0
Fund Equity at Beginning of Year	<u>65,031</u>	<u>65,031</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$65,031</u></u>	<u><u>\$65,031</u></u>	<u><u>\$0</u></u>

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
Self-Insurance
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Charges for Services	\$3,840,152	\$3,840,156	\$4
Total Revenues	3,840,152	3,840,156	4
<u>Expenses</u>			
Salaries	31,988	31,988	0
Fringe Benefits	8,816	10,166	(1,350)
Purchased Services	757,653	755,803	1,850
Claims	3,433,825	3,433,825	0
Refund of Prior Year Revenue	12,000	0	12,000
Total Expenses	4,244,282	4,231,782	(12,500)
(Deficiency) of Revenues (Under) Expenses	(404,130)	(391,626)	12,504
<u>Non-Operating Revenues</u>			
Interest	35,680	35,680	0
Total Non-Operating Revenues	35,680	35,680	0
(Deficiency) of Revenues (Under) Expenses Before Advances	(368,450)	(355,946)	12,504
Advances In	0	245,958	245,958
Advances Out	0	(245,958)	(245,958)
(Deficiency) of Revenues (Under) Expenses and Advances	(368,450)	(355,946)	12,504
Fund Equity at Beginning of Year	1,141,947	1,141,947	0
Prior Year Encumbrances Appropriated	1,600	1,600	0
Fund Equity at End of Year	<u>\$775,097</u>	<u>\$787,601</u>	<u>\$12,504</u>

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
Computer Library
For the Fiscal Year Ended June 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenses</u>			
Materials and Supplies	<u>335</u>	<u>335</u>	<u>0</u>
Total Expenses	<u>335</u>	<u>335</u>	<u>0</u>
(Deficiency) of Revenues (Under) Expenses	(335)	(335)	0
Fund Equity at Beginning of Year	15	15	0
Prior Year Encumbrances Appropriated	<u>335</u>	<u>335</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$15</u></u>	<u><u>\$15</u></u>	<u><u>\$0</u></u>

Hudson City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budget Basis)
All Internal Service Funds
For the Fiscal Year Ended June 30, 2001

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Charges for Services	\$3,840,152	\$3,840,156	\$4
Total Revenues	3,840,152	3,840,156	4
<u>Expenses</u>			
Salaries	31,988	31,988	0
Fringe Benefits	8,816	10,166	(1,350)
Purchased Services	757,653	755,803	1,850
Materials and Supplies	335	335	0
Other	3,433,825	3,433,825	0
Refund of Prior Year Revenue	12,000	0	12,000
Total Expenses	4,244,617	4,232,117	12,500
(Deficiency) of Revenue (Under) Expenses	(404,465)	(391,961)	12,504
<u>Non-Operating Revenues</u>			
Interest	35,680	35,680	0
Total Non-Operating Revenues	35,680	35,680	0
(Deficiency) of Revenue (Under) Expenses Before Advances	(368,785)	(356,281)	12,504
Advances In	0	245,958	245,958
Advances Out	0	(245,958)	(245,958)
(Deficiency) of Revenues (Under) Expenses and Advances	(368,785)	(356,281)	12,504
Fund Equity at Beginning of Year	1,206,993	1,206,993	0
Prior Year Encumbrances Appropriated	1,935	1,935	0
Fund Equity at End of Year	<u>\$840,143</u>	<u>\$852,647</u>	<u>\$12,504</u>

Hudson City School District
Combining Statement of Cash Flows
All Internal Service Funds
For the Fiscal Year Ended June 30, 2001

	<u>Intradistrict</u>	<u>Self- Insurance</u>	<u>Computer Library</u>
<u>Cash Flows from Operating Activities</u>			
Cash Received from Customers	\$0	\$3,840,156	\$0
Cash Payments to Suppliers for Goods and Services	0	(755,803)	(335)
Cash Payments to Employees for Services	0	(31,988)	0
Cash Payments for Employee Benefits	0	(6,886)	0
Cash Payments for Claims	0	(3,433,825)	0
Net Cash Provided by (Used for) Operating Activities	<u>0</u>	<u>(388,346)</u>	<u>(335)</u>
<u>Cash Flows from Noncapital Financing Activities</u>			
Short-Term Loans from Other Funds	0	245,958	0
Repayment of Short-Term Loans from Other Funds	0	(245,958)	0
Net Cash Provided by Noncapital Financing Activities	<u>0</u>	<u>0</u>	<u>0</u>
<u>Cash Flows from Investing Activities</u>			
Interest on Investments	0	35,680	0
Net Cash Provided by Investing Activities	<u>0</u>	<u>35,680</u>	<u>0</u>
Net Increase in Cash and Cash Equivalents	0	(352,666)	(335)
Cash and Cash Equivalents at Beginning of Year	65,031	1,143,547	350
Cash and Cash Equivalents at End of Year	<u>\$65,031</u>	<u>\$790,881</u>	<u>\$15</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>			
Operating Income (Loss)	<u>\$0</u>	<u>(\$491,492)</u>	<u>(\$335)</u>
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>			
Changes in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	0	(19,857)	0
Increase/(Decrease) in Accounts Payable	0	1,500	0
Increase/(Decrease) in Intergovernmental Payable	0	183	0
Increase/(Decrease) in Claims Payable	0	121,320	0
Total Adjustments	<u>0</u>	<u>103,146</u>	<u>0</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$0</u>	<u>(\$388,346)</u>	<u>(\$335)</u>

Totals

\$3,840,156
(756,138)
(31,988)
(6,886)

(3,433,825)

(388,681)

245,958

(245,958)

0

35,680

35,680

(353,001)

1,208,928

\$855,927

(\$491,827)

(19,857)
1,500
183

121,320

103,146

(\$388,681)

Trust and Agency Fund Types

Expendable Trust Fund:

Special Trust - This fund accounts for revenues to support scholarships and curriculum improvements.

Nonexpendable Trust Fund:

Enoch Clark - This fund accounts for money set aside as an investment for public school purposes. The income from the fund may be expended, but principal must remain intact.

Agency Funds:

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

Six District Educational Compact - To account for the activity of the Six District Compact for which the District is the fiscal agent

**Hudson City School District
Combining Balance Sheet
All Trusts and Agency Funds
June 30, 2001**

	Expendable	Nonexpendable	Agency Funds		Totals
	Trust Fund	Trust Fund	Student	Six District	
	Special	Enoch	Activities	Educational	
	Trust	Clark		Compact	
<u>Assets</u>					
Equity in Pooled Cash and Investments	\$24,353	\$0	\$55,568	\$257	\$80,178
Cash and Cash Equivalents					
Nonexpendable Trust Fund	0	239	0	0	239
Total Assets	<u>\$24,353</u>	<u>\$239</u>	<u>\$55,568</u>	<u>\$257</u>	<u>\$80,417</u>
<u>Liabilities and Fund Equity</u>					
<u>Liabilities</u>					
Accounts Payable	\$0	\$0	\$8,763	\$0	\$8,763
Interfund Payable	500	0	0	0	500
Due to Students	0	0	46,805	0	46,805
Undistributed Monies	0	0	0	257	257
Total Liabilities	<u>500</u>	<u>0</u>	<u>55,568</u>	<u>257</u>	<u>56,325</u>
<u>Fund Equity</u>					
Fund Balance:					
Reserved for Encumbrances	8,682	0	0	0	8,682
Reserved for Endowments	0	200	0	0	200
Unreserved:					
Undesignated	15,171	39	0	0	15,210
Total Fund Equity	<u>23,853</u>	<u>239</u>	<u>0</u>	<u>0</u>	<u>24,092</u>
Total Liabilities and Fund Equity	<u>\$24,353</u>	<u>\$239</u>	<u>\$55,568</u>	<u>\$257</u>	<u>\$80,417</u>

Hudson City School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2001

	Balance 07/01/2000	Additions	Reductions	Balance 06/30/2001
Student Activities				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$56,282	\$89,848	\$90,562	\$55,568
Total Assets	<u>56,282</u>	<u>89,848</u>	<u>90,562</u>	<u>55,568</u>
<u>Liabilities</u>				
Accounts Payable	7,328	8,763	7,328	8,763
Due to Students	48,954	97,176	99,325	46,805
Total Liabilities	<u>\$56,282</u>	<u>\$105,939</u>	<u>\$106,653</u>	<u>\$55,568</u>

Six District Educational Compact

<u>Assets</u>				
Equity in Pooled Cash and Investments	\$22,227	\$111,637	\$133,607	\$257
Total Assets	<u>\$22,227</u>	<u>\$111,637</u>	<u>\$133,607</u>	<u>\$257</u>
<u>Liabilities</u>				
Accounts Payable	\$577	\$0	\$577	\$0
Accrued Wages	1,618	0	1,618	0
Compensated Absences Payable	15,158	0	15,158	0
Intergovernmental Payable	2,611	0	2,611	0
Undistributed Monies	2,263	131,601	133,607	257
Total Liabilities	<u>\$22,227</u>	<u>\$131,601</u>	<u>\$153,571</u>	<u>\$257</u>

Total

<u>Assets</u>				
Equity in Pooled Cash and Investments	\$78,509	\$201,485	\$224,169	\$55,825
Total Assets	<u>\$78,509</u>	<u>\$201,485</u>	<u>\$224,169</u>	<u>\$55,825</u>
<u>Liabilities</u>				
Accounts Payable	\$7,905	\$8,763	\$7,905	\$8,763
Due to Students	48,954	97,176	99,325	46,805
Accrued Wages	1,618	0	1,618	0
Compensated Absences Payable	15,158	0	15,158	0
Intergovernmental Payable	2,611	0	2,611	0
Undistributed Monies	2,263	131,601	133,607	257
Total Liabilities	<u>\$78,509</u>	<u>\$237,540</u>	<u>\$260,224</u>	<u>\$55,825</u>

General Fixed Asset Account Group

This group of accounts is used to account for all sites, buildings, equipment and vehicles not used in the operations of the Proprietary Funds. (The majority of the District's assets are reflected here.)

Hudson City School District
Schedule of Changes in General Fixed Assets
By Function
For the Fiscal Year Ended June 30, 2001

	General Fixed Assets 07/01/2000	Additions	Reductions	General Fixed Assets 06/30/2001
Instruction	\$58,004,129	\$506,131	(\$173,592)	\$58,336,668
Support Services:				
Pupil Support	140,094	10,549	0	150,643
Instructional Support	843,627	35,069	0	878,696
Administration	393,124	890	0	394,014
Fiscal	74,010	3,104	(3,072)	74,042
Business	17,746	0	0	17,746
Operation and Maintenance of Plant Services	2,837,661	593,011	(14,383)	3,416,289
Pupil Transportation	2,456,130	259,424	(37,495)	2,678,059
Support Services	6,481	0	0	6,481
Operation of Non-Instructional Services	10,072	0	0	10,072
Extracurricular Activities	99,163	21,356	0	120,519
Total General Fixed Assets	<u>\$64,882,237</u>	<u>\$1,429,534</u>	<u>(\$228,542)</u>	<u>\$66,083,229</u>

Hudson City School District
Schedule of General Fixed Assets
By Source
June 30, 2001

General Fixed Assets

Land	\$2,484,853
Buildings and Improvements	43,922,156
Furniture and Equipment	16,432,579
Textbooks	<u>3,243,641</u>
Total General Fixed Assets	<u><u>\$66,083,229</u></u>

Investments in General Fixed Assets

Balance Prior to 2001	\$64,882,237
Acquisitions During 2001:	
General Fund	936,465
Special Revenue	40,817
Capital Projects	452,252
Disposals During 2001	<u>(228,542)</u>
Total Investments in General Fixed Assets	<u><u>\$66,083,229</u></u>

Statistical Section

Hudson City School District
General Fund
Revenues by Source
Last Ten Fiscal Years

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Taxes	\$29,031,646	\$27,735,966	\$25,655,233	\$24,113,198	\$23,257,271	\$21,614,202	\$22,882,703	\$16,699,074	\$17,082,398	\$15,100,213
Intergovernmental	11,676,930	10,932,739	9,430,686	8,390,748	8,065,847	8,201,494	7,472,978	7,014,656	6,632,721	6,199,742
Interest	799,629	748,751	690,662	770,579	617,655	504,660	326,911	193,391	18,029	133,551
Tuition and Fees	64,719	36,414	27,772	5,632	0	1,162	4,342	4,325	13,897	12,675
Miscellaneous	91,171	58,004	75,539	243,052	41,061	35,439	55,480	823,401	87,219	51,772
Total	<u>\$41,664,095</u>	<u>\$39,511,874</u>	<u>\$35,879,892</u>	<u>\$33,523,209</u>	<u>\$31,981,834</u>	<u>\$30,356,957</u>	<u>\$30,742,414</u>	<u>\$24,734,847</u>	<u>\$23,834,264</u>	<u>\$21,497,953</u>

Source: School District Financial Records

**Hudson City School District
General Fund
Expenditures by Function
Last Ten Fiscal Years**

	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Current:										
Instruction: (1)										
Regular	\$20,876,384	\$19,521,730	\$18,388,031	\$16,421,033	\$15,179,369	\$17,704,733	\$16,569,627	\$15,658,997	\$14,342,754	\$13,422,906
Special	3,149,716	2,791,459	2,429,968	2,147,271	2,240,310					
Vocational	271,994	245,733	268,529	274,247	276,768					
Other	534,477	469,249	319,649	250,554	674,792					
Support Services:										
Pupils	2,465,099	2,147,214	2,079,950	1,969,795	1,742,604	1,612,974	1,331,443	1,337,217	1,161,321	1,033,090
Instructional Staff	2,645,803	2,303,815	2,111,379	1,687,631	1,609,138	1,504,269	1,443,549	1,307,068	1,167,775	1,009,566
Board of Education	37,970	51,617	47,648	453,348	53,721	19,629	31,614	19,533	25,346	17,629
Administration	3,316,353	3,047,810	2,770,697	2,500,297	1,981,103	1,901,711	1,679,069	1,574,185	1,605,486	1,234,439
Fiscal	964,346	891,279	879,546	788,868	742,788	486,556	644,612	575,079	565,165	491,495
Business	299,627	345,188	256,249	957,208	1,244,063	201,579	178,779	213,778	184,877	240,291
Operation and Maintenance										
of Plant	4,098,821	3,808,437	3,414,447	3,108,362	2,843,994	3,000,095	2,722,160	2,929,649	2,843,977	2,255,332
Pupil Transportation	2,638,438	2,298,955	2,446,861	2,393,025	1,703,668	1,424,791	1,462,512	1,743,428	1,457,475	876,009
Central	340,186	266,482	195,795	115,640	102,794	87,216	49,825	43,812	44,091	47,638
Extracurricular Activities	548,974	519,485	484,052	416,895	389,151	373,693	342,218	347,531	360,545	315,438
Capital Outlay	0	127,370	58,876							
Debt Service:										
Principal										
Interest										
Total	<u>\$42,188,188</u>	<u>\$38,835,823</u>	<u>\$36,151,677</u>	<u>\$33,484,174</u>	<u>\$30,784,263</u>	<u>\$28,317,246</u>	<u>\$26,455,408</u>	<u>\$25,750,277</u>	<u>\$23,758,812</u>	<u>\$20,943,833</u>

Source: School District Financial Records

(1) A breakdown of instruction was not available prior to fiscal year 1997.

**Hudson City School District
Property Tax Levies and Collections
Real and Public Utility Taxes (1)
Last Ten Calendar Years**

Year (2)	Current Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collection As a Percent of Current Levy	Outstanding Delinquent Taxes (3)	Ratio of Delinquent Taxes to Total Levy
2000*	\$30,937,041	\$29,837,745	96.4%	\$838,029	\$30,675,774	99.2%	\$1,301,677	4.2%
1999	34,699,903	33,583,292	96.8%	1,025,807	34,609,099	99.7%	1,506,282	4.3%
1998	29,689,039	28,533,435	96.1%	721,169	29,254,604	98.5%	1,632,424	5.5%
1997	29,561,314	28,808,054	97.5%	686,001	29,494,055	99.8%	1,163,164	3.9%
1996	29,108,656	28,517,648	98.0%	705,577	29,223,225	100.4%	1,030,397	3.5%
1995	28,032,062	27,337,542	97.5%	815,571	28,153,113	100.4%	1,191,059	4.2%
1994	23,139,133	22,378,712	96.7%	711,613	23,090,325	99.8%	1,121,744	4.8%
1993	22,869,547	21,967,541	96.1%	717,566	22,685,107	99.2%	1,719,959	7.5%
1992	20,538,142	19,780,053	96.3%	651,493	20,431,546	99.5%	1,515,055	7.4%
1991	17,388,084	16,255,525	93.5%	605,547	16,861,072	97.0%	2,069,124	11.9%

Source: Summit 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. 2001 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.

* Calendar year 2000 does not include Homestead/Rollback taxes.

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

Year	Agricultural and Residential Real Estate	Other Real Estate	Public Utility Personal	Tangible Personal	Total Assessed Value (1)	Estimated Actual Value	Ratio
2001	\$609,093,050	\$88,225,110	\$18,597,560	\$59,073,383	\$774,989,103	\$2,214,254,580	35%
2000	595,912,690	88,834,060	20,796,730	53,202,433	758,745,913	2,192,861,665	35%
1999	565,688,580	83,105,800	21,325,230	54,397,655	724,517,265	2,092,614,079	35%
1998	553,056,210	84,450,720	20,935,380	55,260,291	713,702,601	2,063,424,915	35%
1997	539,794,760	78,755,000	22,172,180	55,260,291	695,982,231	2,010,498,373	35%
1996	453,508,940	72,163,940	24,066,610	53,207,816	602,947,306	1,738,820,388	35%
1995	432,408,720	71,912,150	27,350,960	47,775,793	579,447,623	1,659,370,903	35%
1994	411,744,620	80,543,250	23,553,940	40,588,997	556,430,807	1,592,446,699	35%
1993	367,418,640	73,042,190	22,540,290	40,516,445	503,517,565	1,443,065,584	35%
1992	344,975,120	67,680,260	21,077,200	39,994,183	473,726,763	1,353,916,352	35%

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

(1) This amount is calculated based on the following percentages:

Real Estate is assessed at 35 percent of actual value

Public utility personal is assessed at 88 percent of actual value, prior to 1991 it was assessed at 100 percent of actual value.

Tangible personal property is assessed at 25 percent of actual value for 1995, 1996, 1997, 1998 and 1999.

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

Year		School Levy	County Levy	City/Village Township	Valley Fire District	Total Levy	Debt Service Included in Total Levy			
							School	County	City	Total
2001	Boston Township	\$75.73	\$13.07	\$8.48	\$6.50	\$103.78	\$3.20	\$0.36	\$0.00	\$3.56
	Boston Heights Village	75.73	13.07	7.35	0.00	96.15	3.20	0.36	0.00	3.56
	Hudson City	75.73	13.07	8.94	0.00	97.74	3.20	0.36	2.27	5.83
	Cuyahoga Falls City	75.73	13.07	11.00	0.00	99.80	3.20	0.36	0.00	3.56
2000	Boston Township	76.13	12.27	8.48	6.50	103.38	3.60	0.36	0.00	3.96
	Boston Heights Village	76.13	12.27	7.35	0.00	95.75	3.60	0.36	0.00	3.96
	Hudson City	76.13	12.27	9.15	0.00	97.55	3.60	0.36	2.40	6.36
	Cuyahoga Falls City	76.13	12.27	11.00	0.00	99.40	3.60	0.36	0.00	3.96
1999	Boston Township	76.13	12.27	8.48	6.50	103.38	3.40	0.45	0.00	3.85
	Boston Heights Village	76.13	12.27	8.10	0.00	96.50	3.40	0.45	0.00	3.85
	Hudson City	76.13	12.27	8.39	0.00	96.79	3.40	0.45	1.72	5.57
	Cuyahoga Falls City	76.13	12.27	11.00	0.00	99.40	3.40	0.45	0.00	3.85
1998	Boston Township	70.13	11.65	8.48	6.50	96.76	2.90	0.45	0.00	3.35
	Boston Heights Village	70.13	11.65	8.10	0.00	89.88	2.90	0.45	0.00	3.35
	Hudson City	70.13	11.65	7.82	0.00	89.60	2.90	0.45	1.15	4.50
	Cuyahoga Falls City	70.13	11.65	12.00	0.00	93.78	2.90	0.45	0.00	3.35
1997	Boston Township	70.73	11.39	8.48	8.00	98.60	3.50	0.49	0.00	3.99
	Boston Heights Village	70.73	11.39	8.10	0.00	90.22	3.50	0.49	0.00	3.99
	Hudson City	70.73	11.39	7.03	0.00	89.15	3.50	0.49	0.36	4.35
	Cuyahoga Falls City	70.73	11.39	12.00	0.00	94.12	3.50	0.49	0.00	3.99
1996	Boston Township	72.23	13.99	1.48	5.50	93.20	5.00	0.60	0.00	5.60
	Boston Heights Village	72.23	13.99	8.10	0.00	94.32	5.00	0.60	0.00	5.60
	Hudson City	72.23	13.99	7.11	0.00	93.33	5.00	0.60	0.44	6.04
	Cuyahoga Falls City	72.23	13.99	12.00	0.00	98.22	5.00	0.60	0.00	5.60
1995	Boston Township	72.24	14.16	1.48	5.50	93.38	5.01	0.90	0.00	5.91
	Boston Heights Village	72.24	14.16	8.10	0.00	94.50	5.01	0.90	0.00	5.91
	Hudson City	72.24	14.16	7.11	0.00	93.51	5.01	0.90	0.44	6.35
	Cuyahoga Falls City	72.24	14.16	12.00	0.00	98.40	5.01	0.90	0.00	5.91
1994	Boston Township	66.15	12.31	1.48	5.50	85.44	4.42	0.67	0.00	5.09
	Boston Heights Village	66.15	12.31	5.60	0.00	84.06	4.42	0.67	0.00	5.09
	Hudson Township	66.15	12.31	12.45	0.00	90.91	4.42	0.67	0.20	5.29
	Cuyahoga Falls City	66.15	12.31	12.00	0.00	90.46	4.42	0.67	0.00	5.09
	Hudson Village/Township	66.15	12.31	6.87	0.00	85.33	4.42	0.67	0.20	5.29
1993	Boston Township	66.65	12.59	1.48	5.50	86.22	4.92	0.69	0.00	5.61
	Boston Heights Village	66.65	12.59	5.60	0.00	84.84	4.92	0.69	0.00	5.61
	Hudson City	66.65	12.59	12.30	0.00	91.54	4.92	0.69	0.55	6.16
	Cuyahoga Falls City	66.65	12.59	12.00	0.00	91.24	4.92	0.69	0.00	5.61
	Hudson Village/Township	66.65	12.59	6.81	0.00	86.05	4.92	0.69	0.64	6.25
1992	Boston Township	64.77	12.59	1.48	4.50	83.34	6.04	0.42	0.00	6.46
	Boston Heights Village	64.77	12.59	5.60	0.00	82.96	6.04	0.42	0.00	6.46
	Hudson City	64.77	12.59	12.37	0.00	89.73	6.04	0.42	0.60	7.06
	Cuyahoga Falls City	64.77	12.59	12.00	0.00	89.36	6.04	0.42	0.00	6.46
	Hudson Village/Township	64.77	12.59	6.89	0.00	84.25	6.04	0.42	0.72	7.18

Source: Summit 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.

Hudson City School District
Computation of Legal Debt Margin
June 30, 2001

Assessed Valuation (2001)	<u>\$774,989,103</u>
Bonded Debt Limit - 9% of Assessed Value (1)	<u>\$69,749,019</u>
Outstanding Debt:	
General Obligation Bonded Debt	15,392,088
Energy Conservation Loan	50,000
Less: Amount Available in Debt Service Fund	<u>1,200,720</u>
Total Outstanding Debt	<u>14,241,368</u>
Less Exemptions:	
Energy Conservation Bonded Debt	1,222,208
Energy Conservation Loan	<u>50,000</u>
Total Exemptions	<u>1,272,208</u>
Amount of Debt Applicable to Debt Limit	<u>12,969,160</u>
<i>Voted Debt Margin</i>	<u><u>\$56,779,859</u></u>
Bonded Debt Limit - .10% of Assessed Value (1)	\$774,989
Amount of Debt Applicable	<u>0</u>
<i>Unvoted Debt Margin</i>	<u><u>\$774,989</u></u>

Source: Summit 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.

Hudson 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

Year	Gross Bonded Debt (1)	Debt Service Funds Available	Net Bonded Debt	Assessed Valuation	Population (2)	Ratio of Net Debt to Assessed Value	Net Bonded Debt Per Capita
2001	\$15,392,088	\$1,200,720	\$14,191,368	\$774,989,103	22,439	1.83%	\$632
2000	17,353,914	1,198,262	16,155,652	758,745,913	22,139	2.13%	730
1999	19,288,729	1,098,259	18,190,470	724,517,265	21,839	2.51%	833
1998	21,136,880	1,354,025	19,782,855	713,702,601	21,541	2.77%	918
1997	22,771,880	1,627,737	21,144,143	695,982,231	21,247	3.04%	995
1996	22,674,880	1,404,045	21,270,835	602,947,306	20,873	3.53%	1,019
1995	24,049,880	1,819,471	22,230,409	579,447,623	19,535	3.84%	1,138
1994	25,319,880	1,969,797	23,350,083	556,430,807	19,322	4.20%	1,208
1993	26,994,880	2,069,774	24,925,106	503,517,565	19,109	4.95%	1,304
1992	27,280,000	1,266,563	26,013,437	473,726,763	18,896	5.49%	1,377

Source: Summit County Auditor and School District Financial Records.

- (1) No debt is applicable to enterprise funds.
- (2) Estimated by City of Hudson.

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

Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (Percentages)
2001	\$1,961,826	\$706,068	\$2,667,894	\$42,188,188	6.32%
2000	1,934,815	798,199	2,733,014	38,835,823	7.04%
1999	1,848,151	885,790	2,733,941	36,151,677	7.56%
1998	1,635,000	878,693	2,513,693	33,484,174	7.51%
1997	1,530,000	944,880	2,474,880	30,784,263	8.04%
1996	1,375,000	1,001,220	2,376,220	28,317,246	8.39%
1995	1,270,000	1,047,460	2,317,460	26,455,408	8.76%
1994	3,305,000	2,162,720	5,467,720	25,750,277	21.23%
1993	45,000	1,362,596	1,407,596	23,758,812	5.92%
1992	475,000	1,985,992	2,460,992	20,943,833	11.75%

Source: School District Financial Records

**Hudson City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 December 31, 2000**

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Hudson City School District	\$15,392,088	100.00%	\$15,392,088
City of Hudson	28,950,652	99.43%	28,785,633
Summit County	105,696,128	7.43%	7,853,222
Metro Transit	2,000,000	7.43%	148,600
City of Cuyahoga Falls	<u>26,568,000</u>	0.47%	<u>124,870</u>
Total	<u><u>\$178,606,868</u></u>		<u><u>\$52,304,413</u></u>

Source: Summit County Auditor and City of Hudson Finance Department - Data is presented on a calendar year basis (including School District) because that is the manner in which the information is maintained by both the County Auditor and the City Finance Department.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2000 collection year.

**Hudson City School District
Demographic Statistics
Last Ten Calendar Years**

Year	Population (1)	Building Permits (1)(2)	Average Family Income	State Rank	Median Family Income	State Rank
2000	22,439	72	*	*	*	*
1999	22,139	100	\$99,532	10	\$60,872	2
1998	21,839	99	95,897	10	58,191	2
1997	21,247	100	97,195	7	54,175	2
1996	20,873	100	89,602	9	50,516	2
1995	19,535	110	77,279	9	48,281	1
1994	19,322	122	73,953	9	46,574	2
1993	19,109	357	71,936	11	45,102	2
1992	18,896	231	71,291	9	*	*
1991	18,683	217	62,000	11	*	*

Source: Information in this table was provided by the City of Hudson Development Department and Taxation Department of the State of Ohio

(1) Estimated by the City of Hudson Community Development Department for City of Hudson Only. Estimates for other communities were not available. 1992 and 1993 were estimated by the School District.

(2) Growth development plan limits building permits to 100 per year beginning in 1996.

* Information not available

Hudson City School District
Property Value, Construction and Financial Institution Deposits
Last Ten Years

Year	Real Property Value (1)			New Construction (1)			Financial Institution Deposits (2)
	Agriculture Residential	Commercial Industrial	Tax Exempt	Agriculture Residential (3)	Commercial Industrial (3)	Total	
2001	\$1,740,265,857	\$252,071,743	\$66,417,500	\$12,721,440	\$3,617,970	\$16,339,410	\$7,770,612,000
2000	1,702,607,686	253,811,600	62,233,530	10,949,710	3,083,480	14,033,190	7,836,388,000
1999	1,616,253,086	237,445,143	61,188,040	13,298,060	2,932,940	16,231,000	6,858,863,000
1998	1,580,160,600	241,287,771	61,188,040	11,534,623	5,437,450	16,972,073	5,749,282,000
1997	1,542,270,743	225,014,286	55,948,300	14,402,110	3,657,480	18,059,590	3,344,418,000
1996	1,295,739,829	206,182,686	55,948,320	19,850,920	1,804,700	21,655,620	4,353,857,000
1995	1,235,453,486	205,463,286	53,691,800	19,249,510	1,206,780	20,456,290	4,267,009,000
1994	1,176,413,200	230,123,571	56,497,470	15,264,750	4,563,530	19,828,280	4,199,905,000
1993	1,049,767,543	208,691,971	46,327,260	17,658,820	2,561,530	20,220,350	3,828,264,000
1992	985,643,200	193,372,171	44,001,010	23,441,260	5,669,990	29,111,250	3,797,432,000

Source:

(1) City of Hudson Engineering Department

(2) Commercial bank deposits in Summit County as of December 31 except 2001 which is as of June 30. Source is Federal Reserve Bank of Cleveland.

(3) Summit County Auditor - DTE 93

Data is presented on a calendar year basis because that is the manner in which the information is maintained by the City and Summit County

**Hudson City School District
Principal Taxpayers
Real Estate Tax
June 30, 2001**

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
Allstate Insurance	\$7,235,620	1.01%
Little Tikes	5,774,870	0.81%
Jagi Cleveland-Hudson LLC	3,718,490	0.52%
Fabri-Centers of America, Inc.	3,290,730	0.46%
Flood Company	2,111,510	0.29%
Georgetown Development	1,937,880	0.27%
Hudson-Omni III LTD	1,777,210	0.25%
Kobelco Stewart Bolling	1,611,720	0.23%
Alltel Service Company	1,569,680	0.22%
Title Guarantee & Trust - Trustee	<u>1,533,350</u>	<u>0.21%</u>
<i>Total</i>	<u>\$30,561,060</u>	<u>4.27%</u>
 <i>Total Real Assessed Value</i>	 <u>\$715,915,720</u>	

Source: Summit County Auditor

(1) Assessed values are for 2001.

**Hudson City School District
Principal Taxpayers
Tangible Personal Property Tax
June 30, 2001**

Name of Taxpayer	Assessed Value (1)	Percent of Tangible Assessed Value
Rubbermaid, Inc.	\$9,553,430	16.17%
IBM Credit Corporation	9,127,610	15.45%
Western Reserve Telephone	7,468,850	12.64%
JoAnn Stores, Inc.	5,820,030	9.85%
Ohio Edison	4,756,270	8.05%
T.E. Clarke Ford, Inc.	4,426,660	7.49%
Swagelok Quick Connect	3,503,240	5.93%
Fedex Supply Chain Services, Inc.	2,382,770	4.03%
Kobelco Stewart Bolling, Inc.	2,125,710	3.60%
East Ohio Gas	<u>1,965,650</u>	<u>3.33%</u>
<i>Total</i>	<u><u>\$51,130,220</u></u>	<u><u>86.55%</u></u>
<i>Total Real Assessed Value</i>	<u><u>\$59,073,383</u></u>	

Source: Summit County Auditor

(1) Assessed values are for 2001.

**Hudson City School District
Ten Year Attendance Data**

School Year Ended	Number of Graduates	Average Daily Membership (ADM)	Student Attendance Rate	Full-Time Equivalent Certified Staff	Full-Time Equivalent Support Staff	Full-Time Equivalent Total Staff	Attendance Rate Total Staff
2001	371	5,188	95.7	424.74	248.08	672.82	97.3
2000	367	5,172	95.4	411.69	242.00	653.69	97.3
1999	398	5,240	95.1	403.02	228.32	631.34	97.4
1998	335	5,140	95.5	381.35	235.13	616.44	97.7
1997	367	5,155	95.8	371.40	222.39	593.79	97.3
1996	335	5,097	95.6	354.29	205.59	559.80	97.4
1995	317	4,902	95.7	337.71	196.08	533.79	97.5
1994	268	4,734	95.5	326.77	192.95	519.72	97.6
1993	282	4,591	95.7	303.95	178.28	482.23	97.7
1992	301	4,503	*	295.31	202.00	497.31	97.7

Source: School District Year End Summary Report 1992 - 2001
 School District Data Trend Report 1992 - 1997
 School District Annual Reports

* Not available

**Hudson City School District
 Ten Year Enrollment History
 School Year 1991 - 1992 to School Year 2000 - 2001**

Grade/Year	1991 - 1992	1992 - 1993	1993 - 1994	1994 - 1995	1995 - 1996	1996 - 1997	1997 - 1998	1998 - 1999	1999 - 2000	2000 - 2001
PS	9	12	22	44	42	50	47	43	41	43
K	345	332	402	376	388	385	388	350	370	346
1	388	376	360	439	426	415	408	419	390	378
2	362	413	398	391	435	428	410	399	417	391
3	336	368	421	411	418	444	429	419	407	426
4	360	366	395	447	432	428	437	444	436	423
5	374	389	381	416	458	449	425	451	450	445
Elementary	2,174	2,256	2,379	2,524	2,599	2,599	2,544	2,525	2,511	2,452
6	374	415	402	387	436	465	439	429	451	444
7	392	379	426	415	404	434	460	458	426	453
8	346	408	388	442	417	408	440	454	470	440
Middle	1,112	1,202	1,216	1,244	1,257	1,307	1,339	1,341	1,347	1,337
9	339	351	373	371	431	407	392	428	454	468
10	270	353	362	381	369	409	383	391	407	450
11	287	287	365	349	392	362	425	389	389	401
12	309	296	289	339	349	378	358	427	389	387
High	1,205	1,287	1,389	1,440	1,541	1,556	1,558	1,635	1,639	1,706
SCEC	11	17	18	4	4	6	8	5	6	6
Total	4,502	4,762	5,002	5,212	5,401	5,468	5,449	5,506	5,503	5,501

Source: School District Student Records

October Reporting Period

**Hudson City School District
Five Year Enrollment Projection
School Year 2002 - 2003 to School Year 2006 - 2007**

Grade/Year	2001 - 2002	2002 - 2003	2003 - 2004	2004 - 2005	2005 - 2006	2006 - 2007
PS	66	66	68	69	70	70
K	333	369	336	354	371	372
1	386	361	400	364	384	403
2	398	394	368	408	372	392
3	403	407	404	378	418	381
4	443	419	423	420	393	435
5	436	457	428	432	429	401
Elementary	2,465	2,473	2,427	2,425	2,437	2,454
6	465	445	465	435	440	442
7	451	473	452	472	442	447
8	460	463	482	461	482	451
Middle	1,376	1,381	1,399	1,368	1,364	1,340
9	451	469	472	492	471	493
10	454	443	457	463	482	467
11	431	436	425	439	444	463
12	406	431	434	427	439	448
High	1,742	1,779	1,788	1,821	1,836	1,871
SCEC	5	5	6	6	6	6
Total	5,588 *	5,638	5,620	5,620	5,643	5,671
Change	87	50	(17)	0	23	28

In the past, Hudson City School District used a software package for estimating enrollment projections based upon the cohort survival method. That software prepared a 10-year projection which has been included in past reports. That software is no longer available. The new software provides a 5-year enrollment projection.

* Unofficial October enrollment as reported in EMIS

Source: School District Student Records

**Hudson City School District
 Cost to Educate a 2001 Graduate
 Hudson Local School District Versus State of Ohio**

School Year Ended	Grade	Hudson Annual per Pupil Cost	State Average
2001	12	\$8,584	\$7,564 *
2000	11	7,929	7,057
1999	10	7,427	6,642
1998	9	6,966	6,232
1997	8	6,399	5,936
1996	7	5,597	5,466
1995	6	5,428	5,391
1994	5	5,377	5,241
1993	4	5,242	5,024
1992	3	4,789	4,600
1991	2	4,601	4,588
1990	1	4,267	4,475
1989	Kindergarten	<u>3,960</u>	<u>4,006</u>
Total Cost		<u>\$76,566</u>	<u>\$72,222</u>

* Preliminary

Source: Cost per Pupil-State of Ohio Department of Education 1989 - 1992.
 School District Profile-State of Ohio Department of Education 1993 - 1996.
 School District Expenditure Flow Model 1997 - 2001.

Excludes debt service, capital outlay, community education, non-public and other.

**Hudson City School District
Educational Statistics
Last Five School Years**

	1996 - 1997	1997 - 1998	1998 - 1999	1999 - 2000	2000 - 2001
Advance Placement Tests					
% of Grades Scoring a 3 or Better Out of 5 (1)	85	87	86	83	76
ACT Composite Scores (Averages)					
Hudson High School	23.8	24.3	23.7	24.7	24.0
National	21.0	20.8	21.0	21.0	21.0
SAT Scores (Averages) (2)					
Hudson High School					
Verbal	545	541	537	548	537
Mathematics	573	570	562	572	557
California Test of Basic Skills (Total Battery)					
Mean National Percentile					
Grade 3	78.2	76.4	78.4	79.7	79.7
Grade 5	81.8	81.1	82.0	84.4	84.4
Grade 7	86.2	86.8	87.7	79.5	89.5
Grade 9	*	*	*	*	85.5
4th Grade Proficiency Tests (3): (Percent Achieving Proficient Standard)					
Writing	87	85	85	94	94
Reading	86	89	80	83	80
Mathematics	68	81	77	71	80
Citizenship	91	94	92	86	90
Science	*	*	74	73	79
6th Grade Proficiency Tests: (Passing on First Attempt)					
Writing	91	96	94	90	95
Reading	93	92	79	77	85
Mathematics	79	77	86	80	85
Citizenship	90	90	93	90	89
Science	67	77	74	79	83
9th Grade Proficiency Tests: (Passing on First Attempt)					
Writing	93	96	98	97	99
Reading	97	97	98	98	98
Mathematics	91	90	93	91	90
Citizenship	91	92	96	95	93
Science	*	88	94	95	93
12th Grade Proficiency Tests (4): (Percent Achieving Proficient Standard)					
Writing	92	96	93	96	97
Reading	97	93	89	90	93
Mathematics	92	88	82	91	90
Citizenship	93	80	81	89	90
Science	*	*	83	91	91
National Merit Scholarship Program					
Semi-Finalists	7	7	7	7	3
Commended	14	10	10	14	7

* Not administered

(1) In 1996, the SAT changed to the SAT I. This change included the recentering of the test and allowing the use of calculators.

(2) 4th grade proficiency standards increased in 1997.

(3) 12th grade proficiency standards increased in 1998.

(4) The criteria for taking advanced placement courses have been extended to include more students in 2001.

Source: School District Student Records
EMIS Proficiency Data - Data Trend Report



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HUDSON CITY SCHOOL DISTRICT

SUMMIT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 7, 2002**