



**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2004



**Auditor of State
Betty Montgomery**

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

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Auditor of State Betty Montgomery

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

New Philadelphia City School District
Tuscarawas County
248 Front Avenue, SW
New Philadelphia, Ohio 44663

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the New Philadelphia City School District, Tuscarawas County, Ohio, (the District) as of and for the year ended June 30, 2004, and have issued our report thereon dated November 10, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying Schedule of Findings as item 2004-001 and 2004-002.

We also noted certain immaterial instances of noncompliance that we have reported to the District's management in a separate letter dated November 10, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings as item 2004-003.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

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

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

Betty Montgomery
Auditor of State

November 10, 2004



Auditor of State Betty Montgomery

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

New Philadelphia City School District
Tuscarawas County
248 Front Avenue, SW
New Philadelphia, Ohio 44663

To the Board of Education:

Compliance

We have audited the compliance of the New Philadelphia City School District, Tuscarawas County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2004. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

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

Internal Control Over Compliance

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

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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 basic financial statements of the governmental activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the District as of and for the year ended June 30, 2004, and have issued our report thereon dated November 10, 2004. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

November 10, 2004

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

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

| Federal Grantor/ Pass Through Grantor/ Program Title | Pass Through Entity Number | Federal CFDA Number | Receipts | Non-Cash Receipts | Disbursements | Non-Cash Disbursements |
|---|--|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------|
| <u>U.S. DEPARTMENT OF AGRICULTURE</u> | | | | | | |
| <i>Passed Through Ohio Department of Education:</i> | | | | | | |
| Child Nutrition Cluster: Food Distribution Program | N/A | 10.550 | | \$71,680 | | \$71,680 |
| School Breakfast Program | 044487-05-PU | 10.553 | \$7,633 | | \$7,633 | |
| National School Lunch Program | 044487-04-PU | 10.555 | 171,264 | | 171,264 | |
| Total U.S. Department of Agriculture - Nutrition Cluster | | | 178,897 | 71,680 | 178,897 | 71,680 |
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | | | |
| <i>Passed Through Ohio Department of Education:</i> | | | | | | |
| Special Education Cluster: Special Education Grants to States (IDEA Part B) | 044487-6B-SF-04 044487-6B-SF-03 | 84.027 | 396,723 71,815 | | 368,093 77,945 | |
| Total Special Education Grants to States | | | 468,538 | | 446,038 | |
| Special Education - Preschool Grant | 044487-PG-S1-04 044487-PG-S1-03 | 84.173 | 26,365 3,609 | | 26,001 7,899 | |
| Total Special Education - Preschool Grant | | | 29,974 | | 33,900 | |
| Total Special Education Cluster | | | 498,512 | | 479,938 | |
| Grants to Local Educational Agencies (ESEA Title I) | 044487-C1-S1-04 044487-C1-S1-03 044487-C1-SD-04 044487-C1-SD-00 | 84.010 | 389,480 30,625 13,198 1,918 | | 337,846 52,929 10,294 1,772 | |
| Total Grants to Local Educational Agencies | | | 435,221 | | 402,841 | |
| Innovative Educational Program Strategies (Title V) | 04487-C2-S1-04 04487-C2-S1-03 | 84.298 | 18,695 2,276 | | 21,077 2,319 | |
| Total Innovative Educational Program St. (Title V) | | | 20,971 | | 23,396 | |
| Drug-Free Schools Grant | 044487-DR-S1-04 044487-DR-S1-00 | 84.186 | 13,856 3,809 | | 14,309 3,303 | |
| Total Drug-Free Schools Grant | | | 17,665 | | 17,612 | |
| Class Size Reduction | 044487-CR-S104 044487-CR-S103 | 84.340 | 10,328 114 | | 10,309 682 | |
| Total Class Size Reduction | | | 10,442 | | 10,991 | |
| Teacher Quality | 044487-TR-S1-04 044487-TR-S1-03 | 84.367 | 136,708 26,371 | | 117,984 29,578 | |
| Total Teacher Quality | | | 163,079 | | 147,562 | |
| Physical Education for Progress | 04487-SV-S2-01 | 84.215 | 7,607 | | 13,749 | |
| | | | 7,607 | | 13,749 | |
| Total Department of Education | | | 1,153,497 | | 1,096,089 | |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | | | | |
| <i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i> | | | | | | |
| Medicaid Assistance Program | N/A | 93.778 | 86,062 | | 90,395 | |
| Totals | | | \$1,418,456 | \$71,680 | \$1,365,381 | \$71,680 |

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

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

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

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The 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

Non-monetary 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, 2004, the District had no significant food commodities.

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

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

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

FINDING NUMBER 2004-001

Finding for Recovery Repaid Under Audit

Ohio Rev. Code Section 9.39 states all public officials are liable for all public money received or collected by them or by their subordinates under color of office.

FINDING NUMBER 2004-001 (Continued)

As a result of our test of certain fiscal year 2004 athletic events, we noted the following gate receipt shortages:

- Upon review of the Event Recap Form for the August 28, 2003, Varsity Volleyball vs. Dover athletic event, 131 adult tickets and 93 student tickets were sold for \$5 and \$2 each, respectively. As a result, \$841 (131 adult tickets x \$5 admission price = \$655 and 93 student tickets x \$2 admission price = \$186) should have been collected and subsequently recorded on the District's receipt ledger and deposited in the bank; however, evidence existed to support only \$586 was recorded and subsequently deposited in the bank for a shortage totaling \$255.
- Upon review of the Event Recap Form for the May 3, 2004, Varsity Track County Classic athletic event, 400 adult tickets and 142 student tickets were sold for \$4 and \$2 each, respectively. As a result, \$1,884 (400 adult tickets x \$4 admission price = \$1,600 and 142 student tickets x \$2 admission price = \$284) should have been collected and subsequently recorded on the District's receipt ledger and deposited in the bank; however, evidence existed to support only \$1,741 was recorded and subsequently deposited in the bank for a shortage totaling \$143.
- Upon review of 100% of the Admissions Records Forms utilized during fiscal year 2003, numerous alterations were made to 10 Admissions Records Forms to reduce the number of paid adults or students in order to reconcile to the monies collected and subsequently deposited in the bank. As a result of the unsupported alterations, the aggregate shortage of monies for all 10 events recorded on the District's receipt ledger and subsequently deposited in the bank totaled \$330.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies due but not collected is hereby issued against Tom Farbizo, Athletic Director in the amount of \$728 and in favor of the New Philadelphia City School District's Athletic Fund (Fund No. 300).

On November 16, 2004, Tom Farbizo paid the finding for recovery in full to the New Philadelphia City School District (personal check no. 10382) and it was subsequently deposited and recorded by the District on November 17, 2004 (receipt no. 4134).

FINDING NUMBER 2004-002

Noncompliance Citation

Ohio Rev. Code Section 5705.41 (B) requires that no subdivision or taxing unit make any expenditure of money unless it has been appropriated. The following District accounts had expenditures plus encumbrances in excess of appropriations:

| <u>Fund/Function/Object</u> | <u>Appropriations</u> | <u>Expenditures Plus Encumbrances</u> | <u>Excess</u> |
|-----------------------------|-----------------------|---------------------------------------|---------------|
| Debt Service Fund | | | |
| Debt Service | | | |
| Bond Issuance Costs | \$0 | \$152,116 | (\$152,116) |
| Other Financing (Uses) | | | |
| Payment to Escrow Agents | 0 | 6,545,000 | (6,545,000) |

FINDING NUMBER 2004-002 (Continued)

This variance is the result of the District refunding the 1992 General Obligation School Improvement Bonds. The District issued new bonds and the proceeds were used to refund the original bond issue.

In the future, the District should obtain an amended Certificate of Estimated Resources for all new sources of revenue which includes on-behalf activity. The District should also amend its appropriations accordingly. This will help eliminate the appearance of potential overspending situations.

FINDING NUMBER 2004-003

Reportable Condition - Athletics

During testing of certain athletic events, the following were noted:

- For one event tested, beginning and ending ticket numbers were not properly documented by color and type.
- While the District Athletic Director establishes ticket prices, there is no evidence of Board approval of athletic event ticket prices or season pass prices.
- While the Athletic Department maintains a Fall and Winter Sports Pass/Ticket Sales spreadsheet to document each individual purchaser, number of passes sold by type and total amount collected was not always updated nor found to be complete. In addition, Fall and Winter Sports Pass/Ticket Sales spreadsheets were not periodically reconciled to the reserved varsity football and basketball seating charts.
- For one event tested, the admission price charged did not agree to the admission price set by the Athletic Director. A total of 27 admissions were sold at \$2 under the admission price established by the Athletic Director, resulting in loss of admission sales of \$54.
- For 69% of athletic events tested, variances (e.g., overages and shortages) ranging between \$65 and \$255, existed between tickets issued and cash collected. No documentation as to why the variances occurred was made on the Event Recap Form.
- For 10 Admissions Records Forms tested, alterations had been made by crossing out or erasing admissions. The number of admissions altered for each Admissions Record Form tested ranged from 1 to 36. Alterations may indicate the incorrect admission type was marked or that a shortage was present. The estimated loss of receipts per athletic event due to alterations ranged between \$4 and \$108.
- For 56% of athletic events tested, color coded, pre-numbered tickets were not sold. The District does not utilize color coded, pre-numbered tickets for the following athletic events: junior varsity/freshman football, boys' junior varsity/freshman basketball, girls' basketball, track, soccer, volleyball and middle school events. Instead, an Admissions Records Form is used. The Admissions Records Form does not provide sufficient accountability of receipts because sellers may fail to cross off an admission or may easily alter the Admissions Records Form in order to reconcile monies collected.

As a result, the risk of misappropriation of athletic revenue is increased.

FINDING NUMBER 2004-003 (Continued)

The Athletic Director should perform the following:

- Beginning and ending ticket numbers by ticket color and type (e.g., adult or student) should be documented for all athletic events on the Event Recap Form.
- Athletic event ticket prices and season pass prices should be approved by the Board of Education, as evidenced within the Minutes.
- The Fall and Winter Sports/Ticket Sales spreadsheet should be updated periodically and reconciled to the reserved varsity football and basketball seating charts.
- Ticket sellers should be given a schedule of ticket prices to ensure the correct ticket prices are charged.
- Significant overages or shortages should be investigated by the Site Manager and Athletic Director with resolution documented on the Event Recap Form.
- Admission Records Forms should not be used. The Admission Records Form does not utilize pre-numbered tickets. In addition Admissions Records Forms may be altered. Therefore, pre-numbered tickets and Event Recap Forms should be used to minimize the risk of misappropriation of athletic monies.
- Pre-numbered tickets by color and type (e.g., adult or student) should be sold for all athletic events. Beginning and ending ticket numbers should be documented on Event Recap Forms. A reconciliation of cash collected to tickets sold, and the resulting variances (e.g., overages or shortages) should be performed for each athletic event. In addition, Event Recap Forms should be signed and dated by the Ticket Taker and/or the Site Manager and Athletic Director as evidence tickets sold reconcile to monies deposited.

This will help reduce the risk of misappropriation of athletic revenue.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2004**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i> |
|-----------------|---|------------------|---|
| 2003-001 | Athletic Event Recap Forms did not distinguish between adult and student ticket sales, cash collected was not reconciled to tickets sold and the same roll of tickets was used for both adult and student ticket sales. | No | Not Corrected – See Finding 2004-003 |

NEW PHILADELPHIA CITY SCHOOL DISTRICT

New Philadelphia, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For the Fiscal Year Ended
June 30, 2004*

Issued by:
Treasurer's Office

Steven D. Sherer
Treasurer

INTRODUCTORY SECTION

New Philadelphia City School District
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NEW PHILADELPHIA CITY SCHOOLS

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SUPERINTENDENT
Dr. Richard J. Varrati
330-364-0600
ASSISTANT SUPERINTENDENT
G. Randall Gibbs
330-364-0600
TREASURER
Steven D. Sherer
330-364-0600
SPECIAL SERVICES DIRECTOR
Elaine Karp
330-364-0613

November 12, 2004

Board of Education Members and
Residents of New Philadelphia City School District

We are pleased to present the eighth Comprehensive Annual Financial Report (CAFR) of the New Philadelphia City School District. This report was prepared by the Treasurer's Office, and contains basic financial statements, supplemental statements and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 2003-04 fiscal year. Responsibility for the accuracy, completeness, and fairness of the report rests with the District. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the financial position and results of operation of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report was prepared in conformance with Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

This CAFR is divided into three sections as follows:

1. The Introductory Section contains the title page, table of contents, letter of transmittal, a copy of the GFOA Certificate of Achievement, a list of principal officials, and an organizational chart of the District.
2. The Financial Section begins with the Independent Accountants' Report and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes which provide an overview of the District's financial position and operating results, and the Combining Statements for nonmajor funds and other schedules which provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section presents selected economic and financial information, presented on a multi-year basis.

V



NEW PHILADELPHIA HIGH SCHOOL
343 Ray Avenue NW
330-364-0644

WELTY MIDDLE SCHOOL
315 Fourth Street NW
330-364-0645

CENTRAL ELEMENTARY
145 Ray Ave. NW
330-364-0700

EAST ELEMENTARY
470 Fair Ave. NE
330-364-0715

SOUTH ELEMENTARY
132 Providence Ave. SW
330-364-0725

TUSCARAWAS ELEMENTARY
935 Tuscarawas Ave. NW
330-364-0740

WEST ELEMENTARY
232 Tuscarawas Ave. NW
330-364-0755

YORK ELEMENTARY
938 Stone Creek Road SW
330-364-0770

Reporting Entity

The School District has reviewed its reporting entity in order to ensure conformance with Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity". In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the New Philadelphia City School District and its potential component units. The primary government consists of all funds, departments, agencies, boards, commissions and authorities that are not legally separate from the School District. For New Philadelphia City School District, this includes general operations, food service, and student related activities. The District also has a component unit which is reported in the Financial Statements.

Economic Conditions and Outlook

The School District boundaries cover the City of New Philadelphia and several townships located in Tuscarawas County, therefore the economic conditions affecting the City and Townships directly affect the School District.

The Tractor Supply Company moved into the vacated Quality Farm and Fleet Building. They provide seventeen full and part time positions. Tractor Supply will utilize 2,800 square feet of the building along with two large outside sales areas. They have a wide variety of items to meet the needs of the County.

Kent State Tuscarawas opened a community training center to provide computer education for the community. Twenty state of the art computers will be available for learning computer technologies. The university obtained a \$60,000 grant over three years to provide financial assistance to those who qualify.

The Tuscarawas County Community Improvement Corporation (TCCIC) is continuing in the early stages of developing a High Tech Business Park in New Philadelphia. The County Commissioners along with Kent State Tuscarawas and Buckeye Career Center have transferred land totaling 170 acres. Approximately 100 acres would be developed. The tech park would be close to both the Buckeye Career Center and the Tuscarawas Campus of Kent State. The goal is to provide up to 600 jobs. The projected cost of the project is \$5 million. The City of New Philadelphia has pledged \$1 million. The TCCIC is working closely with the federal Economic Development Administration as well as the State of Ohio.

In addition, a new allotment on the city's south and east sides continue to develop which helps to strengthen the District's residential tax base. Even though the New Towne Mall's occupancy has declined, the District's commercial tax base has remained constant.

The District remains optimistic that this growth will continue, which will not only provide additional jobs, but will add to the tax base.

MAJOR INITIATIVES

Quaker Community Partnership

The Quaker Community Partnership was created by New Philadelphia City Schools as an ongoing program to create a stronger bond between the school system and the community. The concept includes a concentrated effort to invite the public to make good use of facilities that formerly had been open only to authorized student activities.

As a part of the Quaker Community Partnership effort, a major fund drive has been launched to support improvements to three important facilities. Individual contributions—or major corporate and foundation grants—each will play an important role in realizing the community-minded goals of the Partnership.

- 1) Artificial turf for Woody Hayes Quaker Stadium
- 2) Purchase of Schoenbrunn Activities & Athletic Complex
- 3) Air conditioning of Welty Auditorium

Total cost of the projects is \$1.6 million of which \$225,000 has already been pledged.

CIP Plans Continue Progress

District improvements have also been made through the Continuous Improvement Plan for the District and individual Building Continuous Improvement Plans. These are comprehensive plans designed to move our District incrementally through improvement on the 17 report card indicators as well as other areas within the system. Goals have been set and strategies have been identified to increase the level of success of our students. Each building staff is involved in updating and monitoring progress on their plans to focus on instruction and move their buildings ahead.

New Philadelphia is proud of its accomplishments and is committed to the future of every student. As it is stated in the mission of our District, we will provide a quality education for all students through a dedicated, competent staff working in collaboration with parents and community, thus providing each student the opportunity to develop his/her potential and become a productive citizen.

Internal Accounting and Budgetary Control

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

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

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District adopts the permanent appropriation measure in September.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the site administrator and the Superintendent, and be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date.

Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on line inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

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

Financial Condition

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

Government-wide financial statements These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

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

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

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

Financial Highlights – Internal Service Fund

The only Internal Service Fund carried on the financial records of the School District is related to self-insurance. This fund accounts for the revenues and expenses related to the provision of dental, prescription, and medical benefits to School District employees. The Internal Service Fund had net assets of \$695,683 at June 30, 2004, compared with net assets of \$268,814 at June 30, 2003, reflecting a net increase in net assets of \$426,869. The balance at June 30, 2004, is sufficient to meet all medical, dental, and prescription claims liabilities.

Financial Highlights – Fiduciary Funds

The trust fund carried on the financial records of the School District is a scholarship trust fund that has assets totaling \$14,380.

Cash Management

The District operated a cash management program designed to provide safety, liquidity, and yield in that order. Funds are invested in certificates of deposit and in the Ohio State Treasurer's Investment Pool (STAR Ohio). The amount of investment income for all District funds in fiscal year 2004 was \$117,106.

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

Risk Management

The School District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss, and boiler and machinery coverage are purchased from Utica Insurance Company. The maximum deductible amount for these coverages is \$5,000 per loss incurred.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The District joined The Ohio School Board Association group rating program with other schools in an effort to control these costs. The group rating program did result in an 86% reduction in rates for the 2004 calendar year premium.

OTHER INFORMATION

Independent Audit

Provisions of State statutes require that the District's financial statements be subjected to an annual examination by an independent auditor. Those provisions have been satisfied, and the unqualified opinion of Betty Montgomery, Auditor of State, is included herein.

Pursuant to statute, the State prescribed a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and has been in conformance with that system effective with its annual financial report for the 1979 calendar year.

GFOA Certificate of Achievement

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in financial reporting to New Philadelphia City School District for its Comprehensive Annual Financial Report for the year ended June 30, 2003.

This was the eighth consecutive year the School District received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental entity must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents satisfy all program standards. Reports must conform to Generally Accepted Accounting Principles (GAAP) and satisfy all applicable legal requirements respective to the entity.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements, and are again submitting it to the GFOA to determine its eligibility to receive the Certificate, which is the highest form of recognition in the area of governmental financial reporting.

Acknowledgments

The publication of this Comprehensive Annual Financial Report for the School District continues to reinforce the accountability of the School District to the taxpayers of the community.

We wish to express appreciation to the members of the New Philadelphia Board of Education for supporting us in this project, and especially to the staff of the Treasurer's Office who contributed their time and effort to complete this report.

Also a special thanks to the taxpayers and voters who continue to demonstrate their trust in public education and in the New Philadelphia City School District.

Respectfully submitted,



Steven D. Sherer, Treasurer



Richard Varrati, Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

New Philadelphia City
School District, Ohio

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

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



President

Executive Director

**New Philadelphia City School District
Principal Officials
June 30, 2004**

Board of Education

| | |
|---------------------------|----------------|
| Mr. Donald Kemp | President |
| Mr. Stephen Jenkins | Vice President |
| Mrs. V. Jane Brown | Member |
| Mr. David Moreland | Member |
| Mr. C. Gil Snyder | Member |

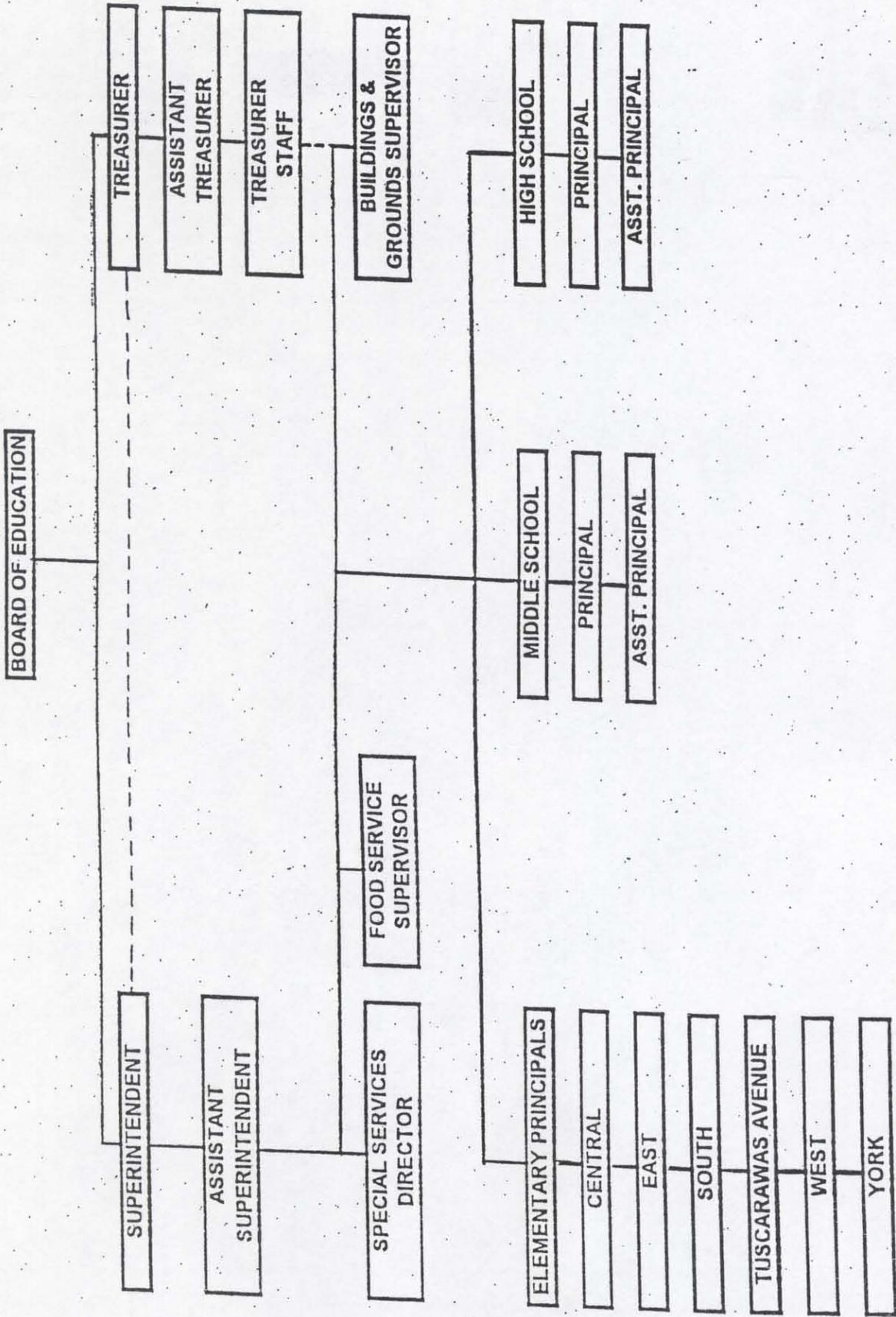
Treasurer

Mr. Steven D. Sherer

Administration

| | |
|----------------------------|--------------------------|
| Dr. Richard Varrati | Superintendent |
| Mr. G. Randall Gibbs | Assistant Superintendent |

ORGANIZATIONAL CHART
NEW PHILADELPHIA CITY SCHOOLS



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FINANCIAL SECTION

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

New Philadelphia City School District
Tuscarawas County
248 Front Avenue, SW
New Philadelphia, Ohio 44663

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the New Philadelphia City School District, Tuscarawas County, Ohio, (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the New Philadelphia City School District, Tuscarawas County, Ohio, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2004 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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



Betty Montgomery
Auditor of State

November 10, 2004

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

The discussion and analysis of New Philadelphia City School District's (The District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance. The financial statements of the component unit are issued as a separate report and are available by contacting the Quaker Digital Academy.

Financial Highlights

Key financial highlights for 2004 are as follows:

- ❑ In total, net assets decreased \$1.1 million. This decrease was in unrestricted net assets of governmental activities which represents a 14% decrease from 2003.
- ❑ General revenues accounted for \$19.5 million or 86.3% of all revenues. Specific program revenues in the form of charges for services, sales, grants and contributions accounted for \$3.1 million or 13.7% of total revenues of \$22.6 million.
- ❑ The District had \$23.7 million in expenses related to governmental activities; only \$3.1 million of these expenses were offset by program specific charges for services, grants, or contributions. General revenue (primarily taxes) of \$19.5 million was inadequate to provide for these programs which led to the decrease in net assets.
- ❑ Among major funds, the General Fund had \$18.5 million in revenues and \$19.5 million in expenditures. The General Fund's balance decreased by \$1.0 million.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

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

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities answer the question “How did we do financially during 2004?” These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the District’s *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District’s property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the District activities are listed as Governmental:

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

Reporting the School District’s Most Significant Funds

Fund Financial Statements

The analysis of the District’s major funds begins on page 14. Fund financial reports provide detailed information about the District’s major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The District’s major governmental funds are the General Fund, Debt Service Fund and the Permanent Improvement Capital Projects Fund.

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

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

Proprietary Funds Proprietary funds use full accrual accounting.

The School District as a Whole

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

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

| Table 1 Net Assets (In Millions) | | |
|--|----------------------|----------------------|
| | 2004 | 2003 |
| Assets | | |
| Current and Other Assets | \$21.1 | \$22.4 |
| Capital Assets | <u>15.6</u> | <u>15.9</u> |
| Total Assets | <u>36.7</u> | <u>38.3</u> |
| Liabilities | | |
| Long Term Liabilities | (7.7) | (7.9) |
| Other Liabilities | <u>(13.1)</u> | <u>(13.3)</u> |
| Total Liabilities | <u>(20.8)</u> | <u>(21.2)</u> |
| Net Assets | | |
| Invested in Capital net of Debt | 9.0 | 8.9 |
| Restricted | 0.8 | 1.0 |
| Unrestricted | <u>6.1</u> | <u>7.2</u> |
| Total Net Assets | <u>\$15.9</u> | <u>\$17.1</u> |

Total assets decreased by \$1.6 million. Cash and Cash Equivalents decreased by \$1.1 million while Tax Receivables decreased by \$0.1 million, and Intergovernmental Receivables decreased by \$0.1 million. This was offset on the liability side where Accrued Wages increased by \$0.1 million and Deferred Revenue decreased by \$0.2 million. This was due to the fact that more of the fiscal year 2005 tax revenues were collected or available in fiscal year 2004 and the district gave an overall increase in salaries to staff. The net assets of the District decreased by \$1.1 million. This was due primarily to the decrease in cash and cash equivalents.

The decrease in current assets shows a decrease in the present financial stability of the District. The decline in unrestricted net assets for the current year is due to the decrease in cash and cash equivalents and will need to be monitored to ensure it does not repeat itself in future years.

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

Table 2 shows the changes in net assets for fiscal year 2004 as compared to fiscal year 2003.

Table 2
 Changes in Net Assets
 (In Millions)

| | 2004 | 2003 |
|---|---------------------------|---------------------------|
| Revenues | | |
| Program Revenues: | | |
| Charges for Services | \$1.3 | \$1.3 |
| Operating Revenues | 1.8 | 2.0 |
| Capital Grants | 0.0 | 0.1 |
| General Revenue: | | |
| Property Taxes | 9.9 | 10.4 |
| Grants and Entitlements | 9.1 | 8.1 |
| Other | <u>0.5</u> | <u>0.6</u> |
| Total Revenue | <u>22.6</u> | <u>22.5</u> |
| Program Expenses | | |
| Instruction | 12.8 | 13.0 |
| Support Services | | |
| Pupil and Instructional Staff | 2.1 | 2.0 |
| Board of Education, Fiscal and Administration | 2.9 | 2.6 |
| Operation and Maintenance | 2.5 | 1.9 |
| Pupil Transportation | 0.8 | 0.9 |
| Central | 0.0 | 0.0 |
| Food Service | 0.7 | 0.7 |
| Non-Instructional Services | 0.4 | 0.4 |
| Extracurricular Activities | 1.0 | 0.9 |
| Interest and Fiscal Charges | <u>0.5</u> | <u>0.4</u> |
| Total Expenses | <u>23.7</u> | <u>22.8</u> |
| Increase (Decrease) in Net Assets | <u><u>(\$1.1)</u></u> | <u><u>(\$0.3)</u></u> |

Governmental Activities

Several revenue sources fund our governmental activities with property taxes being the largest contributor. The last increase in property tax levies by the citizens of the District was in 1994. Property tax levies generated \$9.9 million in 2004. General revenues from grants and entitlements, such as the school foundation program, are also a large revenue generator. With the combination of taxes and intergovernmental funding over 78.6% of all expenses in governmental activities, the District monitors both of these revenue sources very closely for fluctuations.

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

Instruction comprises 54.0% of governmental program expenses. Interest expense was 2.0% and was attributable to outstanding bonds and capital leases on copier and weight training equipment. The increase of \$.9 million in total expenses is due to increases in salaries and benefits. Overall salaries increased by 4.5% while increases in health insurance costs attributed to a 20% increase in benefits.

Table 3
 Governmental Activities
 (In Millions)

| | Total Cost of Services 2004 | Total Cost of Services 2003 |
|--|-----------------------------------|-----------------------------------|
| Instruction | \$12.8 | \$13.0 |
| Support Services: | | |
| Pupil and Instructional Staff | 2.1 | 2.0 |
| Board of Education, Administration and Fiscal | 2.9 | 2.6 |
| Operation and Maintenance of Plant | 2.5 | 1.9 |
| Pupil Transportation | 0.8 | 0.9 |
| Central | 0.0 | 0.0 |
| Food Service | 0.7 | 0.7 |
| Operation of Non-Instructional Services | 0.4 | 0.4 |
| Extracurricular Activities | 1.0 | 0.9 |
| Interest and Fiscal Charges | 0.5 | 0.9 |
| Total Expenses | \$23.7 | \$22.8 |

The School District's Funds

Information about the District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$22.7 million and expenditures of \$24 million. The net change in fund balance for the year was a decrease of \$1.3 million. The general fund accounted for \$1.0 million of the decrease while other governmental funds decreased by \$0.2 million, the Permanent Improvement decreased by \$0.1 million and the Debt Service Fund was unchanged. This decrease indicated the School District's current revenue base does not continue to meet District obligations as a whole. The District understands that it needs to continue to monitor expenditures to ensure that the District's obligations will continue to be met without the requirement of additional tax levies.

General Fund Budgeting Highlights

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

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

During the course of fiscal year 2004, the District amended its general fund budget once at the end of the fiscal year. Requests for budget changes are made by the building administrators. Final approval is obtained from the treasurer and superintendent and is presented to the Board of Education for their adoption.

For the General Fund, budget basis revenue was equal to the original budget estimates of \$18.3 million.

The original appropriations of \$20.4 million were only slightly increased to \$21.0 million. Expenditures, however, were only \$19.6 million or \$1.4 million less than anticipated due to surplus appropriations in regular instruction, pupil services, administrative, maintenance and extracurricular costs.

The District's ending unobligated budgetary fund balance was \$1.3 million above the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2004, the School District had \$15.6 million invested in land, buildings, equipment, vehicles and construction in progress. Table 4 shows fiscal year 2004 balances compared to 2003:

Table 4
 Capital Assets at June 30
 (Net of Depreciation, in Millions)

| | 2004 | 2003 |
|----------------------------|--------|--------|
| Land | \$0.8 | \$0.8 |
| Buildings and Improvements | 10.5 | 11.0 |
| Furniture and Equipment | 3.1 | 3.1 |
| Vehicles | 0.9 | 0.7 |
| Construction in progress | 0.3 | 0.3 |
| Totals | \$15.6 | \$15.9 |

Refer to Note # 7 for further information.

For fiscal year 2004, Ohio law required school districts to set aside three percent of certain revenues for capital improvements and an additional three percent for textbooks. For fiscal year 2004, this amounted to \$435,143 for each set aside. For fiscal year 2004, the District had qualifying disbursements or offsets exceeding these requirements. For fiscal year 2005, the set asides will remain the same. The District has budgeted to meet these requirements. Refer to Note 18 for the set aside calculations.

As of June 30, 2004, the District has contractual commitments for installation of windows at Central Elementary and a gym floor at the High School. The balance outstanding on these contracts was \$277,493.

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

Debt

At June 30, 2004, the District had \$6.5 million in bonds, \$.4 million due within one year. Table 5 summarizes bonds outstanding.

Table 5
 Outstanding Debt at Year End
 (In Millions)

| | Governmental Activities 2004 | Governmental Activities 2003 |
|---------------------------|------------------------------------|------------------------------------|
| General Obligation Bonds: | | |
| 2004 School Improvement | \$6.5 | \$6.8 |
| Total | \$6.5 | \$6.8 |

Refer to Note # 12 for further information.

In 1992 the District passed a 3.1 mill bond issue, providing \$8.7 million for facility improvements for the high school, including an addition of 24 classrooms. The District refinanced that debt in June 2004.

At June 30, 2004, the District's overall legal debt margin was \$31,303,441 with an unvoted debt margin of \$414,207. The District maintains an A-1 bond rating.

For the Future

New Philadelphia City School District is strong financially. As the preceding information shows, the School District heavily depends on its property taxpayers. Although the District has not had to request an increase in voter-approved taxes since 1994, financially the future is not without challenges.

State law fixes the amount of tax revenue, forcing it to remain constant except for new valuations in the District. Management must plan expenses accordingly, staying within the District's five-year plan.

Externally, the State of Ohio was found by the Ohio Supreme Court in March, 1997, to be operating an unconstitutional educational system, one that was neither "adequate" nor "equitable." Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. On December 11, 2002 the Supreme Court issued its latest opinion regarding the school funding plan which upheld its earlier decisions.

New Philadelphia City School District has not anticipated any meaningful growth in State revenue. The concern is that, to meet the requirements of the court, the State may require redistribution of commercial and industrial property tax. This could have a significant impact on the School District's residential taxpayers.

Both scenarios require management to plan carefully and prudently to provide the resources to meet student needs over the next several years, and to grow even more dependent on local tax revenue.

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

In conclusion, New Philadelphia City School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1996.

In addition, the School District's system of budgeting and internal controls are well regarded and it will take all of the District's financial abilities to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Steven Sherer, Treasurer, at New Philadelphia City School District, 248 Front Avenue SW, New Philadelphia, Ohio 44663.

New Philadelphia City School District
Statement of Net Assets
June 30, 2004

| | Primary Government | Component Unit |
|---|----------------------------|------------------------------|
| | Governmental Activities | Quaker Digital Academy |
| Assets | | |
| Equity in Pooled Cash and Cash Equivalents | \$9,906,332 | \$107,309 |
| Receivables: | | |
| Taxes | 10,646,515 | 0 |
| Accounts | 91,219 | 0 |
| Intergovernmental | 188,531 | 85,000 |
| Prepaid Items | 63,912 | 0 |
| Materials and Supplies | | |
| Inventory | 19,962 | 0 |
| Deferred Charges | 152,116 | 0 |
| Capital Assets | | |
| Land and Construction in Progress | 1,112,170 | 0 |
| Other Depreciable Capital Assets Net | 14,529,378 | 0 |
| <i>Total Assets</i> | <u>36,710,135</u> | <u>192,309</u> |
| Liabilities | | |
| Accounts Payable | 142,345 | 18,138 |
| Contracts Payable | 19,227 | 0 |
| Accrued Wages | 2,366,237 | 0 |
| Vacation Payable | 112,813 | 0 |
| Intergovernmental Payable | 610,810 | 0 |
| Deferred Revenue | 9,332,078 | 0 |
| Accrued Interest Payable | 49,524 | 0 |
| Claims Payable | 219,951 | 0 |
| Bond Premium | 202,752 | 0 |
| Long-Term Liabilities: | | |
| Due Within One Year | 530,076 | 0 |
| Due In More Than One Year | 7,185,724 | 0 |
| <i>Total Liabilities</i> | <u>20,771,537</u> | <u>18,138</u> |
| Net Assets | | |
| Invested in Capital Assets, Net of Related Debt | 8,992,260 | 0 |
| Restricted for: | | |
| Capital Projects | 70,706 | 0 |
| Debt Service | 518,031 | 0 |
| Other Purposes | 223,272 | 96,458 |
| Unrestricted | 6,134,329 | 77,713 |
| <i>Total Net Assets</i> | <u>\$15,938,598</u> | <u>\$174,171</u> |

See accompanying notes to the basic financial statements

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

| | Program Revenues | | | |
|--------------------------------------|-------------------|-----------------------------------|---------------------------------------|-------------------------------------|
| | Expenses | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental Activities | | | | |
| Instruction: | | | | |
| Regular | \$10,567,397 | \$142,922 | \$700,488 | \$24,000 |
| Special | 1,770,459 | 0 | 88,270 | 0 |
| Vocational | 356,993 | 0 | 0 | 0 |
| Adult/Continuing | 554 | 0 | 0 | 0 |
| Other | 115,801 | 0 | 0 | 0 |
| Support Services: | | | | |
| Pupil | 1,158,434 | 0 | 128,401 | 0 |
| Instructional Staff | 907,327 | 0 | 256,174 | 0 |
| Board of Education | 133,599 | 0 | 0 | 0 |
| Administration | 2,068,578 | 0 | 153,148 | 0 |
| Fiscal | 678,232 | 0 | 11,531 | 0 |
| Operation and Maintenance of Plant | 2,521,719 | 0 | 0 | 0 |
| Pupil Transportation | 819,392 | 0 | 27,878 | 0 |
| Central | 2,214 | 0 | 0 | 0 |
| Food Service | 729,974 | 424,391 | 221,613 | 0 |
| Operation of Non-Instructional | | | | |
| Services | 432,815 | 159,909 | 222,520 | 0 |
| Extracurricular Activities | 969,574 | 532,420 | 0 | 0 |
| Interest and Fiscal Charges | 476,695 | 0 | 0 | 0 |
| <i>Total Governmental Activities</i> | <u>23,709,757</u> | <u>1,259,642</u> | <u>1,810,023</u> | <u>24,000</u> |
| Component Unit | | | | |
| Quaker Digital Academy | <u>\$126,472</u> | <u>\$0</u> | <u>\$200,000</u> | <u>\$0</u> |

General Revenues

Property Taxes Levied for:

General Purposes

Debt Service

Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

| Net (Expense) Revenue and Changes in Net Assets | |
|---|---------------------------|
| Primary Government | Component Unit |
| Governmental Activities | Quaker Digital Academy |
| (\$9,699,987) | \$0 |
| (1,682,189) | 0 |
| (356,993) | 0 |
| (554) | 0 |
| (115,801) | 0 |
| (1,030,033) | 0 |
| (651,153) | 0 |
| (133,599) | 0 |
| (1,915,430) | 0 |
| (666,701) | 0 |
| (2,521,719) | 0 |
| (791,514) | 0 |
| (2,214) | 0 |
| (83,970) | 0 |
| (50,386) | 0 |
| (437,154) | 0 |
| (476,695) | 0 |
| (20,616,092) | 0 |
| 0 | 73,528 |
| \$9,037,228 | 0 |
| 653,405 | 0 |
| 183,703 | 0 |
| 9,124,340 | 100,643 |
| 117,822 | 0 |
| 404,515 | 0 |
| 19,521,013 | 100,643 |
| (1,095,079) | 174,171 |
| 17,033,677 | 0 |
| \$15,938,598 | \$174,171 |

New Philadelphia City School District

Balance Sheet

Governmental Funds

June 30, 2004

| | General | Debt Service | Permanent Improvement Capital Projects | Other Governmental Funds |
|--|---------------------|--------------------|--|--------------------------------|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$7,939,478 | \$483,712 | \$40,598 | \$526,908 |
| Receivables: | | | | |
| Taxes | 9,747,299 | 699,641 | 199,575 | 0 |
| Accounts | 36,357 | 0 | 18,901 | 35,961 |
| Intergovernmental | 0 | 0 | 0 | 188,531 |
| Due from Other Funds | 61,500 | 0 | 0 | 0 |
| Prepaid Items | 63,912 | 0 | 0 | 0 |
| Materials and Supplies Inventory | 7,181 | 0 | 0 | 12,781 |
| <i>Total Assets</i> | <u>\$17,855,727</u> | <u>\$1,183,353</u> | <u>\$259,074</u> | <u>\$764,181</u> |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts Payable | \$90,738 | \$0 | \$0 | \$51,604 |
| Contracts Payable | 0 | 0 | 19,227 | 0 |
| Accrued Wages | 2,174,642 | 0 | 0 | 191,595 |
| Intergovernmental Payable | 331,594 | 0 | 0 | 57,533 |
| Due to Other Funds | 0 | 0 | 0 | 61,500 |
| Deferred Revenue | 8,531,943 | 614,686 | 175,033 | 10,416 |
| <i>Total Liabilities</i> | <u>11,128,917</u> | <u>614,686</u> | <u>194,260</u> | <u>372,648</u> |
| Fund Balances | | | | |
| Reserved for Encumbrances | 160,248 | 0 | 21,982 | 30,046 |
| Reserved for Prepaids | 63,912 | 0 | 0 | 0 |
| Reserved for Inventory | 7,181 | 0 | 0 | 0 |
| Reserved for Property Taxes | 1,215,356 | 84,955 | 24,542 | 0 |
| Unreserved, Undesignated, Reported in: | | | | |
| General Fund | 5,280,113 | 0 | 0 | 0 |
| Special Revenue Funds | 0 | 0 | 0 | 356,795 |
| Debt Service Fund | 0 | 483,712 | 0 | 0 |
| Capital Projects Funds | 0 | 0 | 18,290 | 4,692 |
| <i>Total Fund Balances</i> | <u>6,726,810</u> | <u>568,667</u> | <u>64,814</u> | <u>391,533</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$17,855,727</u> | <u>\$1,183,353</u> | <u>\$259,074</u> | <u>\$764,181</u> |

See accompanying notes to the basic financial statements

| |
|--|
| <u> <u> Total Governmental Funds </u> </u> |
| \$8,990,696 |
| 10,646,515 |
| 91,219 |
| 188,531 |
| 61,500 |
| 63,912 |
| 19,962 |
| <u> <u> \$20,062,335 </u> </u> |

| |
|---------------------|
| \$142,342 |
| 19,227 |
| 2,366,237 |
| 389,127 |
| 61,500 |
| 9,332,078 |
| <u> 12,310,511 </u> |

| |
|--------------------------------|
| 212,276 |
| 63,912 |
| 7,181 |
| 1,324,853 |
| 5,280,113 |
| 356,795 |
| 483,712 |
| 22,982 |
| <u> 7,751,824 </u> |
| <u> <u> \$20,062,335 </u> </u> |

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

| | General | Debt Service | Permanent Improvement Capital Projects | Other Governmental Funds | Total Governmental Funds |
|--|--------------------|------------------|--|--------------------------------|--------------------------------|
| Revenues | | | | | |
| Taxes | \$9,037,228 | \$653,405 | \$183,703 | \$0 | \$9,874,336 |
| Intergovernmental | 9,022,207 | 81,323 | 20,810 | 1,892,274 | 11,016,614 |
| Interest | 117,106 | 0 | 0 | 716 | 117,822 |
| Tuition and Fees | 108,672 | 0 | 0 | 194,159 | 302,831 |
| Extracurricular Activities | 0 | 0 | 0 | 532,420 | 532,420 |
| Rentals | 16,479 | 0 | 0 | 0 | 16,479 |
| Charges for Services | 0 | 0 | 0 | 424,391 | 424,391 |
| Contributions and Donations | 0 | 0 | 0 | 21,253 | 21,253 |
| Miscellaneous | 194,306 | 0 | 171,509 | 968 | 366,783 |
| <i>Total Revenues</i> | <u>18,495,998</u> | <u>734,728</u> | <u>376,022</u> | <u>3,066,181</u> | <u>22,672,929</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | 9,522,638 | 0 | 0 | 811,818 | 10,334,456 |
| Special | 1,742,055 | 0 | 0 | 42,146 | 1,784,201 |
| Vocational | 356,558 | 0 | 0 | 0 | 356,558 |
| Adult/Continuing | 0 | 0 | 0 | 451 | 451 |
| Other | 115,801 | 0 | 0 | 0 | 115,801 |
| Support Services: | | | | | |
| Pupil | 1,057,396 | 0 | 0 | 113,869 | 1,171,265 |
| Instructional Staff | 580,782 | 0 | 0 | 321,084 | 901,866 |
| Board of Education | 133,599 | 0 | 0 | 0 | 133,599 |
| Administration | 1,872,922 | 0 | 0 | 188,757 | 2,061,679 |
| Fiscal | 668,192 | 0 | 0 | 7,563 | 675,755 |
| Operation and Maintenance of Plant | 1,942,588 | 0 | 0 | 66,163 | 2,008,751 |
| Pupil Transportation | 937,360 | 0 | 0 | 365 | 937,725 |
| Central | 2,214 | 0 | 0 | 0 | 2,214 |
| Operation of Non-Instructional Services | 74,578 | 0 | 0 | 387,892 | 462,470 |
| Food Service | 0 | 0 | 0 | 682,144 | 682,144 |
| Extracurricular Activities | 376,046 | 0 | 0 | 605,536 | 981,582 |
| Capital Outlay | 0 | 0 | 524,691 | 26,019 | 550,710 |
| Debt Service: | | | | | |
| Principal Retirement | 73,756 | 295,000 | 0 | 0 | 368,756 |
| Interest and Fiscal Charges | 10,670 | 413,312 | 0 | 0 | 423,982 |
| Cost of Bond Issuance | 0 | 152,116 | 0 | 0 | 152,116 |
| <i>Total Expenditures</i> | <u>19,467,155</u> | <u>860,428</u> | <u>524,691</u> | <u>3,253,807</u> | <u>24,106,081</u> |
| <i>Excess of Revenue Over (Under) Expenditures</i> | <u>(971,157)</u> | <u>(125,700)</u> | <u>(148,669)</u> | <u>(187,626)</u> | <u>(1,433,152)</u> |
| Other Financing Sources (Uses) | | | | | |
| Proceeds of Bond Refinancing | 0 | 6,543,888 | 0 | 0 | 6,543,888 |
| Premium on Bonds | 0 | 202,752 | 0 | 0 | 202,752 |
| Payments to Escrow Agents | 0 | (6,545,000) | 0 | 0 | (6,545,000) |
| Accrued Interest on Bonds | 0 | (49,524) | 0 | 0 | (49,524) |
| Interest proceeds from Bonds | 0 | 10,682 | 0 | 0 | 10,682 |
| Transfer In | 0 | 0 | 20,000 | 25,000 | 45,000 |
| Transfer Out | (45,000) | 0 | 0 | 0 | (45,000) |
| <i>Total Other Financing Sources (Uses)</i> | <u>(45,000)</u> | <u>162,798</u> | <u>20,000</u> | <u>25,000</u> | <u>162,798</u> |
| <i>Net Change in Fund Balance</i> | <u>(1,016,157)</u> | <u>37,098</u> | <u>(128,669)</u> | <u>(162,626)</u> | <u>(1,270,354)</u> |
| <i>Fund Balances Beginning of Year</i> | 7,741,405 | 531,569 | 193,483 | 554,159 | 9,020,616 |
| Increase in Reserve for Inventory | 1,562 | 0 | 0 | 0 | 1,562 |
| <i>Fund Balances End of Year</i> | <u>\$6,726,810</u> | <u>\$568,667</u> | <u>\$64,814</u> | <u>\$391,533</u> | <u>\$7,751,824</u> |

See accompanying notes to the basic financial statements

New Philadelphia City School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2004*

Net Change in Fund Balances - Total Governmental Funds (S1,270,354)

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

Governmental funds report capital outlays as expenditures.
However, in the statement of activities, the cost of those
assets is allocated over their estimated useful lives as
depreciation expense. This is the amount by which depreciation
exceeded capital outlay in the current period. (176,352)

Governmental funds only report the disposal of assets to the
extent proceeds are received from the sale. In the statement
of activities, a gain or loss is reported for each disposal. This
is the amount of the loss on the disposal of fixed assets. There
were no proceeds. (69,174)

Government funds report the effects of issuance costs, premiums
discounts and similar items when debt is first issued whereas these
amounts are deferred and amortized in the statement of activities. This
amount is the net affect of the difference (50,636)

Repayment of bond and capital lease principal is an expenditure in the
governmental funds, but the repayment reduces long-term
liabilities in the statement of net assets. 369,868

In the statement of activities, interest is accrued on
outstanding bonds, whereas in governmental funds, an
interest expenditure is reported when due. 12,759

Some expenses reported in the statement of activities,
such as compensated absences and intergovernmental
payables which represent contractually required pension
contributions, do not require the use of current financial
resources and therefore are not reported as expenditures
in governmental funds. (338,059)

The internal service fund used by management to charge
the cost of insurance to individual funds is not reported in
the district-wide statement of activities. Governmental fund
expenditures and the related internal service fund revenues
are eliminated. The net revenue (expense) of the internal
service fund is allocated among the governmental activities. 426,869

Change in Net Assets of Governmental Activities (S1,095,079)

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

| | Original Budget | Final Budget | Actual | Variance with Final Budget Over (Under) |
|---|--------------------|--------------------|--------------------|--|
| Revenues | | | | |
| Taxes | \$9,112,935 | \$9,112,935 | \$8,911,509 | (\$201,426) |
| Intergovernmental | 8,705,700 | 8,705,700 | 9,022,207 | 316,507 |
| Interest | 180,000 | 180,000 | 118,582 | (61,418) |
| Tuition and Fees | 143,000 | 143,000 | 149,042 | 6,042 |
| Rentals | 11,200 | 11,200 | 16,480 | 5,280 |
| Miscellaneous | 186,678 | 186,678 | 166,611 | (20,067) |
| <i>Total Revenues</i> | <u>18,339,513</u> | <u>18,339,513</u> | <u>18,384,431</u> | <u>44,918</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 10,198,846 | 9,969,215 | 9,563,537 | 405,678 |
| Special | 1,791,203 | 1,791,203 | 1,710,720 | 80,483 |
| Vocational | 371,277 | 373,577 | 354,824 | 18,753 |
| Other | 150,000 | 150,000 | 123,773 | 26,227 |
| Support Services: | | | | |
| Pupil | 1,055,400 | 1,162,382 | 1,076,348 | 86,034 |
| Instructional Staff | 632,776 | 639,309 | 586,466 | 52,843 |
| Board of Education | 61,535 | 151,535 | 132,323 | 19,212 |
| Administration | 1,913,301 | 1,995,802 | 1,861,847 | 133,955 |
| Fiscal | 703,052 | 739,552 | 656,180 | 83,372 |
| Operation and Maintenance of Plant | 2,046,166 | 2,380,917 | 2,199,023 | 181,894 |
| Pupil Transportation | 1,054,329 | 1,078,329 | 943,034 | 135,295 |
| Central | 3,000 | 3,000 | 2,214 | 786 |
| Operation of Non-Instructional Services | 5,500 | 11,500 | 9,452 | 2,048 |
| Extracurricular Activities | 417,400 | 560,900 | 430,460 | 130,440 |
| <i>Total Expenditures</i> | <u>20,403,785</u> | <u>21,007,221</u> | <u>19,650,201</u> | <u>1,357,020</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(2,064,272)</u> | <u>(2,667,708)</u> | <u>(1,265,770)</u> | <u>1,401,938</u> |
| Other Financing Sources (Uses) | | | | |
| Refund of Prior Year Expenditures | 0 | 0 | 575 | 575 |
| Advances In | 0 | 110,000 | 106,000 | (4,000) |
| Advances Out | 0 | 0 | (61,500) | (61,500) |
| Transfers Out | (25,000) | (25,000) | (45,000) | (20,000) |
| <i>Total Other Financing Sources (Uses)</i> | <u>(25,000)</u> | <u>85,000</u> | <u>75</u> | <u>(84,925)</u> |
| <i>Net Change in Fund Balance</i> | <u>(2,089,272)</u> | <u>(2,582,708)</u> | <u>(1,265,695)</u> | <u>1,317,013</u> |
| <i>Fund Balance Beginning of Year</i> | 8,688,088 | 8,688,088 | 8,688,088 | 0 |
| Prior Year Encumbrances Appropriated | <u>256,909</u> | <u>256,909</u> | <u>256,909</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$6,855,725</u> | <u>\$6,362,289</u> | <u>\$7,679,302</u> | <u>\$1,317,013</u> |

See accompanying notes to the basic financial statements

New Philadelphia City School District
Statement of Net Assets
Proprietary Fund
June 30, 2004

| | <u>Governmental Activities - Internal Service</u> |
|--|---|
| Assets | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$915,634</u> |
| <i>Total Assets</i> | <u>915,634</u> |
| Liabilities | |
| Claims Payable | <u>219,951</u> |
| <i>Total Liabilities</i> | <u>219,951</u> |
| Net Assets | |
| Unrestricted | <u>695,683</u> |
| <i>Total Net Assets</i> | <u><u>\$695,683</u></u> |

See accompanying notes to the basic financial statements

New Philadelphia City School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2004*

| | <u>Governmental Activities - Internal Service</u> |
|-------------------------------------|---|
| Operating Revenues | |
| Charges for Services | <u>\$2,605,927</u> |
| <i>Total Operating Revenues</i> | <u>2,605,927</u> |
| Operating Expenses | |
| Purchased Services | 293,771 |
| Claims | <u>1,885,287</u> |
| <i>Total Operating Expenses</i> | <u>2,179,058</u> |
| <i>Operating Profit</i> | <u>426,869</u> |
| <i>Net Assets Beginning of Year</i> | <u>268,814</u> |
| <i>Net Assets End of Year</i> | <u><u>\$695,683</u></u> |

See accompanying notes to the basic financial statements

New Philadelphia City School District
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2004

| | <u>Governmental Activities - Internal Service</u> |
|---|---|
| Increase (Decrease) in Cash and Cash Equivalents | |
| Cash Flows from Operating Activities | |
| Transactions With Other Funds | \$2,605,927 |
| Cash Payments for Goods and Services | (293,771) |
| Cash Payments for Claims | <u>(2,302,385)</u> |
| <i>Net Increase (Decrease) in Cash and Cash Equivalents</i> | <u>9,771</u> |
| <i>Cash and Cash Equivalents Beginning of Year</i> | <u>905,863</u> |
| <i>Cash and Cash Equivalents End of Year</i> | <u><u>\$915,634</u></u> |
| Reconciliation of Operating Profit (Loss) to Net Cash Provided by Operating Activities | |
| Operating Profit (Loss) | \$426,869 |
| Adjustments: | |
| Increase (Decrease) in Liabilities: | |
| Claims Payable | <u>(417,098)</u> |
| <i>Net Cash Provided by Operating Activities</i> | <u><u>\$9,771</u></u> |
| See accompanying notes to the basic financial statements | |

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

| | Private Purpose Trust | |
|--|--------------------------|----------|
| | Scholarship | Agency |
| Assets | | |
| Equity in Pooled Cash and Cash Equivalents | \$14,380 | \$49,660 |
| <i>Total Assets</i> | 14,380 | 49,660 |
| Liabilities | | |
| Due to Students | 0 | 49,660 |
| <i>Total Liabilities</i> | 0 | \$49,660 |
| Net Assets | | |
| Held in Trust for Scholarships | 14,380 | |
| <i>Total Net Assets</i> | \$14,380 | |

See accompanying notes to the basic financial statements

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

| | Private Purpose Trust |
|--|--------------------------|
| | Scholarship |
| Additions | |
| Interest | \$150 |
| Gifts and Donations | 300 |
| Total additions | 450 |
| Deductions | |
| Other operating Expense | 500 |
| <i>Changes in Net Assets</i> | (50) |
| <i>Net Assets at Beginning of Year</i> | 14,430 |
| <i>Net Assets at End of Year</i> | \$14,380 |

See accompanying notes to the basic financial statements

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New Philadelphia City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

Note 1 - Description of the School District and Reporting Entity

New Philadelphia City School District (the "School District") operates under a locally-elected Board form of government and provides educational services as authorized by State statute and/or federal guidelines. This Board controls the District's eight instructional/support facilities staffed by 141 non-certificated employees, 206 certificated full time teaching personnel and 17 administrative employees who provide services to 3,182 students and other community members.

The School District was established in 1808, the first in the State of Ohio, and is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. Under such laws there is no authority for a School District to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at-large for staggered four year terms.

The School District serves an area of approximately 78 square miles. It is located in Tuscarawas County, and includes all of the City of New Philadelphia, Ohio, the Village of Stone Creek and portions of 9 townships. The School District is the 141st largest in the State of Ohio (among 612 school districts) in terms of enrollment. The School District currently operates eight instructional buildings, one warehouse building and one garage.

Reporting Entity

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

Nonpublic Schools Within the School District boundaries, Sacred Heart Elementary and Tuscarawas Central Catholic High School are operated through the Columbus Catholic Diocese. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed by the School District on behalf of the nonpublic schools by the Treasurer of the School District, as directed by the nonpublic schools. These transactions are reported as a governmental activity of the School District.

Component units are legally separate organizations for which the School District is financially accountable. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves their budget, the issuance of their debt or the levying of their taxes. The School District has one component unit, The Quaker Digital Academy ("the Academy") (See Note 20). The School District appoints a voting majority of the Academy's governing board.

The School District is associated with three jointly governed organizations and one public entity risk pool. These organizations are presented in Note 16 to the financial statements. These organizations are:

Jointly Governed Organizations:

Ohio Mid-Eastern Regional Education Service Association

Buckeye Career Center

Tuscarawas County Tax Incentive Review Council

Public Entity Risk Pool:

Ohio School Boards Workers' Compensation Group Rating Program

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

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

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

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

B. Fund Accounting

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

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

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

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.

Permanent Improvement Capital Projects Fund The permanent improvement capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

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

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as internal service.

Internal Service Fund Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District, or to other governments, on a cost reimbursement basis. The only internal service fund that the School District accounts for is a self-insurance program, which provides medical benefits to employees.

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District's only trust fund is a private purpose trust which accounts for a scholarship program for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations and are used to account for student managed activities.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary assets and liabilities associated with the operation of the School District are included on the Statement of Net Assets.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

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

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

Private purpose trust funds are reported using the economic resources measurement focus and are excluded from the Government-Wide Financial Statements.

D. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 5.) Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

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

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

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

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

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

E. Budgetary Data

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

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

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

Appropriations Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certification saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations provided the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. The amounts reported as the original budgeted amounts in the budgetary statements reflect the appropriation in the first complete appropriated budget, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

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

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

F. Cash and Cash Equivalents

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

During fiscal year 2004, investments were limited to an overnight Repurchase Agreement and the State Treasury Asset Reserve of Ohio (STAR Ohio). 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, 2004. Repurchase agreements are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2004 amounted to \$117,106, which includes \$15,736 assigned from other School District funds.

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

G. Prepaid Items

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

H. Inventory

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

On fund financial statements, inventories of governmental funds are stated at 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, donated food, purchased food, and school supplies held for resale. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased.

I. Capital Assets

Capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five hundred dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

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

| Description | Governmental Activities Estimated Lives |
|----------------------------|---|
| Land Improvements | 40 years |
| Buildings and Improvements | 10 - 40 years |
| Furniture and Equipment | 5 - 20 years |
| Vehicles | 10 years |

J. Interfund Balances

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

K. Compensated Absences

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported.

L. Accrued Liabilities and Long-term Obligations

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

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

M. Fund Balance Reserves

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

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

N. Net Assets

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

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

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

P. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. Interfund Activity

Transfers between governmental activities on the government-wide statements are eliminated.

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

R. Extraordinary and Special Items

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

S. Estimates

The preparation of the 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.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

Note 3 - Budgetary Basis of Accounting

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

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

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

| | General |
|--|-----------------------------|
| GAAP Basis | <u>(\$1,016,157)</u> |
| Net Adjustment for Revenue Accruals | (110,992) |
| Net Adjustment for Expenditure Accruals | 67,941 |
| Advances (Net) | 44,500 |
| Adjustment for Encumbrances | <u>(250,987)</u> |
| Budget Basis | <u><u>(\$1,265,695)</u></u> |

New Philadelphia City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

Note 4 - Deposits and Investments

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

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

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

Interim deposits are deposits of interim 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 monies must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

Interim monies are to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
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);

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

Deposits At year-end, the carrying amount of the School District's deposits was \$1,756,802 and the bank balance was \$1,786,416. \$100,000 of the bank balance was covered by federal depository insurance and \$1,686,416 was uncollateralized and uninsured. Although the pledging bank has an investment and securities pool used to collateralize all public deposits which are held in the financial institutions name, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC. This pooled collateral would require the deposits to be classified under category three.

At fiscal year-end, the carrying amount of the Quaker Digital Academy's deposits was \$107,309 and the bank balance was \$108,531. Of the bank balance, \$100,000 was covered by federal depository insurance and \$8,531 was collateralized with securities held in a single financial institution and specifically pledged against the Academy's accounts.

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

| | Category 3 | Carrying Value | Fair Value |
|-----------------------------|-------------------|-------------------|-------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| Repurchase Agreements | \$550,057 | \$550,057 | \$550,057 |
| Investment in State | | | |
| Treasurer's Investment Pool | | 7,654,307 | 7,654,307 |
| | | <u> </u> | <u> </u> |
| Total | | \$8,204,364 | \$8,204,364 |
| | | <u> </u> | <u> </u> |

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

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

| | Cash and Cash Equivalents/ Deposits | Investments |
|--|---|--------------------|
| | <u>Deposits</u> | <u>Investments</u> |
| GASB Statement No. 9 | \$9,970,373 | \$0 |
| Cash on Hand | (9,207) | 0 |
| Investments which are part of a cash management pool: | | |
| Repurchase Agreement | (550,057) | 550,057 |
| Investment in State Treasurer's | | |
| Investment Pool | <u>(7,654,307)</u> | <u>7,654,307</u> |
| GASB Statement No.3 | <u>\$1,756,802</u> | <u>\$8,204,364</u> |

Note 5- Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2004 for real and public utility property taxes represents collections of calendar 2004 taxes. Property tax payments received during calendar 2004 for tangible personal property (other than public utility property) is for calendar 2004 taxes.

2004 real property taxes are levied after April 1, 2004, on the assessed value as of January 1, 2004, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

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

2004 tangible personal property taxes are levied after April 1, 2003, on the value as of December 31, 2004. Collections are made in 2004. Tangible personal property assessments are twenty-five percent of true value.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

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

| | 2003 Second- Half Collections | | 2004 First- Half Collections | |
|--|----------------------------------|----------------|---------------------------------|----------------|
| | Amount | Percent | Amount | Percent |
| Agricultural/ Residential and Other Real Estate | \$342,588,120 | 82.11% | \$347,612,880 | 83.92% |
| Public Utility Personal | 14,125,950 | 3.38 | 14,454,830 | 3.49 |
| Tangible Personal Property | <u>60,532,360</u> | <u>14.51</u> | <u>52,139,640</u> | <u>12.59</u> |
| Total | <u>\$417,246,430</u> | <u>100.00%</u> | <u>\$414,207,350</u> | <u>100.00%</u> |
| Tax rate per \$1,000 of assessed valuation | \$42.15 | | \$42.15 | |

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits 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 semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2004. 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 to the School District as an advance at June 30, 2004, was \$1,215,356 in the general fund, \$84,955 in the debt service fund and \$24,542 in the permanent improvement capital projects fund. By comparison, the amount available to the School District as an advance at June 30, 2003, was \$1,089,637 in the general fund, \$75,063 in the debt service fund and \$22,093 in the permanent improvement capital projects.

Note 6 - Receivables

Receivables at June 30, 2004, consisted of taxes, accounts (rent and student fees), and intergovernmental grants. 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.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

A summary of the principal items of intergovernmental receivables follows:

| | Amounts |
|--------------------------------------|-------------------------|
| Governmental Activities | |
| Community Alternative Funding Source | \$35,061 |
| Title 6B | 22,861 |
| Title 6B Preschool | 6,280 |
| Juvenile Attention Center | 91,098 |
| Food Service | 26,181 |
| Title II-D | 1,394 |
| Drug Free | 1,365 |
| Title V | 2,197 |
| Title II-A | <u>2,094</u> |
| <i>Total Governmental Activities</i> | <u><u>\$188,531</u></u> |

Note 7 - Capital Assets

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

| | Balance 6/30/03 | Additions | Deductions | Balance 6/30/04 |
|---------------------------------|---------------------|-------------------|--------------------|---------------------|
| Governmental Activities | | | | |
| Land | \$834,677 | \$0 | \$0 | \$834,677 |
| Buildings and Improvements | 17,917,282 | 0 | 0 | 17,917,282 |
| Furniture and Equipment | 5,895,390 | 464,129 | (148,528) | 6,210,991 |
| Vehicles | 1,474,499 | 187,663 | (101,138) | 1,561,024 |
| Construction in Progress | 301,334 | 277,493 | (301,334) | 277,493 |
| | <u>\$26,423,182</u> | <u>\$929,285</u> | <u>(\$551,000)</u> | <u>\$26,801,467</u> |
| Less Accumulated Depreciation: | | | | |
| Buildings and Improvements | (\$6,989,645) | (\$344,493) | \$0 | (\$7,334,138) |
| Furniture and Equipment | (2,843,495) | (351,934) | 52,299 | (3,143,130) |
| Vehicles | (702,968) | (107,876) | 128,193 | (682,651) |
| Total Accumulated Depreciation | <u>(10,536,108)</u> | <u>(804,303)*</u> | <u>180,492</u> | <u>(11,159,919)</u> |
| Governmental Activities Capital | | | | |
| Assets, Net | <u>\$15,887,074</u> | <u>\$124,982</u> | <u>(\$370,508)</u> | <u>\$15,641,548</u> |

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

* Depreciation expense was charged to governmental functions as follows:

| | |
|---|-------------|
| Instruction: | |
| Regular | \$488,408 |
| Special | 27,566 |
| Vocational | 5,583 |
| Adult Education | 103 |
| Support Services: | |
| Pupil | 2,123 |
| Instructional Staff | 30,560 |
| Administration | 25,094 |
| Fiscal | 2,466 |
| Operation and Maintenance of Plant | 44,311 |
| Pupil Transportation | 85,110 |
| Operation of Non-Instructional Services | 9,480 |
| Food Service | 15,888 |
| Extracurricular Activities | 67,611 |
| | <hr/> |
| Total Depreciation Expense | \$804,303 |
| | <hr/> <hr/> |

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

Note 8 - Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2004, the School District contracted with Utica National Insurance for property and inland marine, liability insurance, and fleet coverage.

| | |
|--|----------------|
| Building and Contents - | |
| replacement cost (\$5,000 deductible) | \$49,155,344 |
| Inland Marine Coverage (\$250 deductible) | 1,374,644 |
| Boiler and Machinery (\$1,000 deductible) | No limit |
| Electronic Data Processing (\$1000 deductible) | 1,752,158 |
| Crime Insurance | 25,000-100,000 |
| Automobile Liability (\$1000 first bus, 250 for others deductible) | 1,000,000 |
| Uninsured Motorists (\$250 deductible) | 1,000,000 |
| General Liability | |
| Per occurrence | 1,000,000 |
| Total per year | 2,000,000 |

Settled claims have not exceeded this coverage in any of the past three years. There was no significant reduction in insurance coverage from the prior year.

B. Workers' Compensation

For fiscal year 2004, the School District participated in the Ohio Association of Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley provides administrative, cost control and actuarial services to the GRP.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

C. Employee Medical Benefits

The School District has elected to provide employees' major medical and hospitalization through a self-insured program. The School District maintains an internal service fund to account for and finance its uninsured risks of loss in this program. This plan provides a major medical plan with a \$100 single and \$200 family deductible. A third party administrator, Benefit Services Company, located in Akron, Ohio, reviews all claims which are then paid by the School District. The School District purchases stop-loss coverage of \$60,000 per employee per year and an aggregate annual limit of \$1,000,000. The School District pays to the internal service fund \$1,089.01 for family coverage and \$414.88 for individual coverage per employee per month which represents the entire premium required. This premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

The claims liability at June 30, 2004, was estimated by the third party administrator to be \$219,951. This is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in fiscal year 2003 and 2004 were:

| | Balance Beginning of Year | Current Year Claims | Claim Payments | Balance End of Year |
|------|---------------------------------|---------------------------|-------------------|---------------------------|
| 2003 | \$438,484 | \$2,679,285 | \$2,480,720 | \$637,049 |
| 2004 | 637,049 | 1,885,287 | 2,302,385 | 219,951 |

Note 9 - Defined Benefit Pension Plans

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2004, 9.09 percent of annual covered salary was the portion to fund pension obligations. For fiscal year 2003, 8.17 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2004, 2003, and 2002 were \$441,576, \$444,552 and \$408,912, respectively; 50 percent has been contributed for fiscal year 2004 and 100 percent for the fiscal years 2003 and 2002. \$220,788 represents the unpaid contribution for fiscal year 2004.

New Philadelphia City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer defined benefit pension plan. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371, or by calling 614-227-4090.

Effective July 1, 2001, two new plans options were offered to selected members. New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10 percent of earned compensation. The combined Plan offers features of the DC Plan and The DB Plan. In the combined plan, member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the DB Plan during the fifth year of membership unless they permanently select the DC or Combined Plan.

For the fiscal year ended June 30, 2004, plan members were required to contribute 10.0 percent of their annual covered salaries. The School District was required to contribute 14 percent: 13 percent was the portion used to fund pension obligations. As a comparison, 13 percent was used to fund pension obligations in 2003. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2004, 2003, and 2002 were \$1,521,437, \$1,386,528, and \$1,389,096, respectively; 83.3 percent has been contributed for fiscal year 2004 and 100 percent for the fiscal years 2003 and 2002. \$254,080 represents the unpaid contribution for fiscal year 2004.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2004, all members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 10 - Postemployment Benefits

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the 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.

New Philadelphia City School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year ended June 30, 2004, the STRS Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$117,034 for fiscal year 2004.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2003, (the latest information available) the balance in the Fund was \$2.8 billion. For the year ended June 30, 2003, net health care costs paid by STRS were \$352,301,000 and STRS had 108,294 eligible benefit recipients.

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 twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2004, employer contributions to fund health care benefits were 4.9 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2004, the minimum pay was at \$14,500. For the School District, the amount to fund health care benefits, including surcharges, equaled \$314,472 during the 2004 fiscal year.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2003 (the latest information available), were \$204,930,737 and the target level was \$307.4 million. At June 30, 2003, SERS had net assets available for payment of health care benefits of \$303.6 million. SERS had approximately 50,000 participants currently receiving health care benefits.

Note 11 - Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers 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 up to a maximum of 240 days for certified staff and 260 days for classified staff. Upon retirement, payment is made for one fourth of the accrued, but unused sick leave credit, up to a maximum of 57 days for certified employees and 58 days for classified employees.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

Note 12 - Long - Term Liabilities

The changes in the School District's long-term liabilities during the year consist of the following:

| | Principal Outstanding 6/30/03 | Additions | Reductions | Principal Outstanding 6/30/04 | Amounts Due in One Year |
|---------------------------------|-------------------------------------|--------------------|--------------------|-------------------------------------|-------------------------------|
| Governmental Activities | | | | | |
| General Obligation Bonds: | | | | | |
| 1992 School Improvement | \$6,840,000 | \$0 | \$6,840,000 | \$0 | \$0 |
| 2004 Current Interest Bonds | 0 | 6,005,000 | 0 | 6,005,000 | 400,000 |
| 2004 Capital Appreciation Bonds | 0 | 538,888 | 0 | 538,888 | 0 |
| Capital Leases payable | 179,156 | 0 | 73,756 | 105,400 | 55,421 |
| Sick Leave | 866,275 | 200,237 | 0 | 1,066,512 | 74,655 |
| Total Governmental Activities | | | | | |
| Long-Term Liabilities | <u>\$7,885,431</u> | <u>\$6,744,125</u> | <u>\$6,913,756</u> | <u>\$7,715,800</u> | <u>\$530,076</u> |

On September 1, 1992, the School District issued \$8,785,000 in voted general obligation bonds for the purpose of constructing a new high school and middle school additions under the authority of Ohio Revised Code Chapter 133. The bonds were issued for a twenty-five year period with a final maturity during fiscal year 2017. The debt will be retired from the revenue generated by a 3.1 mill bond levy approved by the School District voters in 1992, and will be paid from the Debt Service Fund.

On June 3, 2004 the District issued 6,543,888 in general obligation refunding bonds. The bonds bear interest rates ranging from 2.00 to 4.375 percent per annum and mature in various installments through December 1, 2017. The proceeds were used to refund the 1992 general obligation bonds.

During 2004, the District made a \$295,000 payment on the refunded bonds. The amount is reported as principal retirement in the debt service fund. The District refunded the 1992 general obligation bonds to reduce its total debt service over the next 13 years by \$981,276 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$746,400.

Sick leave will be paid from the fund where the employee's salary is paid. Capital Leases will be paid from the General Fund.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

At June 30, 2004, the School District's overall legal debt margin was \$31,303,441 with an unvoted debt margin of \$414,207. Principal and interest requirements to retire general obligation debt outstanding at June 30, 2004 are as follows:

| Fiscal Year Ending June 30 | Current Interest Bonds | | | Capital Appreciation Bonds | | |
|----------------------------------|------------------------|--------------------|--------------------|----------------------------|------------------|--------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2005 | \$400,000 | \$219,358 | \$619,358 | \$0 | \$0 | \$0 |
| 2006 | 435,000 | 200,416 | 635,416 | 0 | 0 | 0 |
| 2007 | 445,000 | 189,416 | 634,416 | 0 | 0 | 0 |
| 2008 | 455,000 | 177,029 | 632,029 | 0 | 0 | 0 |
| 2009 | 470,000 | 162,273 | 632,273 | 0 | 0 | 0 |
| 2010-2014 | 1,555,000 | 572,981 | 2,127,981 | 538,888 | 551,112 | 1,090,000 |
| 2015-2017 | <u>2,245,000</u> | <u>199,041</u> | <u>2,444,041</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total | <u>\$6,005,000</u> | <u>\$1,720,514</u> | <u>\$7,725,514</u> | <u>\$538,888</u> | <u>\$551,112</u> | <u>\$1,090,000</u> |

Note 13 - Capitalized Leases - Lessee Disclosure

In prior fiscal years, the School District entered into capitalized leases for copiers. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2004.

| Fiscal Year Ending June 30, | Lease Payments |
|---|------------------|
| 2005 | 60,514 |
| 2006 | 36,604 |
| 2007 | 13,828 |
| 2008 | 2,440 |
| Total minimum lease payments | 113,386 |
| Less: amount representing interest | (7,986) |
| Present value of minimum lease payments | <u>\$105,400</u> |

Note 14 - State School Funding Decision

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..."

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

Note 15 - Contingencies

A. Grants

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

B. Litigation

The School District is not party to any material legal proceedings.

Note 16 - Jointly Governed Organizations and Public Entity Risk Pool

A. Jointly Governed Organizations

Ohio Mid Eastern Regional Educational Service Agency (OME-RESA) is a jointly governed organization created as a regional council of governments pursuant to State statutes. OME-RESA provides financial accounting services, an educational management information system, cooperative purchase services and legal services to member districts. OME-RESA has eleven participating counties consisting of Belmont, Carroll, Columbiana, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Muskingum, Noble, and Tuscarawas Counties. OME-RESA operates under the direction of a Board consisting of one representative from each of the participating school districts. The Jefferson County Educational Service Center office serves as the fiscal agent and receives funding from the State Department of Education. The continued existence of OME-RESA is not dependent on the School District's continued participation and no equity interest exists. OME-RESA has no outstanding debt. To obtain financial information write to the Ohio Mid-Eastern Regional Educational Service Agency, Debra Angelo, who serves as Treasurer, Steubenville, Ohio 43952.

The Buckeye Career Center, which provides vocational education programs, is a distinct subdivision of the State of Ohio operated under a Board consisting of one representative from each of the 11 participating school districts' elected boards, which possessed its own budgeting and taxing authority. To obtain financial information, write to Buckeye Career Center, Carla Cooper, who serves as treasurer, 545 University Drive NE, New Philadelphia, Ohio, 44663.

New Philadelphia City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

The Tuscarawas County Tax Incentive Review Council (TCTIRC) is a jointly governed organization, created as a regional council of governments pursuant to State Statutes. TCTIRC has 22 members, consisting of three members appointed by the County Commissioners, four members appointed by municipal corporations, six members appointed by township trustees, one member from the county auditor's office and eight members appointed by boards of education located within the county. TCTIRC reviews and evaluates the performance of each Enterprise Zone Agreement. This body is advisory in nature and cannot directly impact an existing Enterprise Zone Agreement; however, the council can make written recommendations to the legislative authority which approved the agreement. There is no cost associated with being a member of this council. The continued existence of the TCTIRC is not dependent on the School District's continued participation and no equity interest exists.

The School District does not retain an ongoing financial interest or an ongoing financial responsibility with any of these organizations.

B. Public Entity Risk Pool

The School 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 school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

Note 17 – Contractual Commitments

As of June 30, 2004, the School District has contractual commitments for the following projects:

| <u>Projects</u> | <u>Contract Amount</u> | <u>Amount Paid</u> | <u>Balance 6/30/04</u> |
|-------------------------------|----------------------------|------------------------|----------------------------|
| Central Elementary School | \$165,893 | \$153,601 | \$12,292 |
| High School Gym Floor | 111,600 | 86,126 | 25,474 |
| Total Contractual Commitments | <u>\$277,493</u> | <u>\$239,727</u> | <u>\$37,766</u> |

Note 18 - Set-Aside Calculations

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

The following cash basis information describes the change in the set aside amounts for textbooks and capital acquisition. Disclosure of this information is required by State statute.

| | Textbooks | Capital Acquisition |
|---|----------------------|------------------------|
| Set-aside Reserve Balance as of June 30, 2003 | (\$1084,067) | \$0 |
| Current Year Set-aside Requirement | 435,143 | 435,143 |
| Offsets | 0 | (612,524) |
| Qualifying Disbursements | (640,376) | (368,998) |
| Totals | <u>(\$1,289,300)</u> | <u>(\$546,379)</u> |
| Set-aside Balance Carried Forward to Future Fiscal Years | <u>(\$1,289,300)</u> | \$0 |
| Set-aside Reserve Balance as of June 30, 2004 | <u>\$0</u> | <u>\$0</u> |

The School District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years.

Note 19 – Legal Compliance

A. Deficit Fund Balances

The Public Preschool, Student Intervention, Title V and Title I Grant Funds had deficit balances as of June 30, 2004 of \$6,643, \$669, \$184 and \$12,110. These deficits arose due to the recognition of accrued liabilities and will be made up in the next fiscal year once state and federal grants are allocated.

B. Non Compliance

Contrary to Ohio Revised Code Section 5705.41 (B) expenditures exceeded appropriations in the Debt Service Fund Cost of Issuance of Bond and Payments to Escrow Agent expenditures line items by \$152,166 and \$6,545,000, respectively.

Note 20 – Quaker Digital Academy

The Academy has been determined to be a discrete component unit. The School District Management has determined it is significant; therefore, it has been included as part of the School District's basic financial statements. The Academy issues a publicly available, stand-alone financial report that includes financial statements and supplementary information. That report may be obtained by writing to Quaker Digital Academy, 248 Front Avenue S.W., New Philadelphia, Ohio 44663.

New Philadelphia City School District

Combining Statements and Individual Fund Schedules

New Philadelphia City School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

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

Public School Support – This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs approved by board resolution.

Quaker Foundation Grants – This fund accounts for funds received to promote teacher improvement and activities between the school and community.

Community Alternative Funding Source – This fund accounts for Medicare and Medicaid payments received by the School District expended for special education.

Ashland University – This fund accounts for receipts and expenditures associated with the offering of adult continuing education.

Athletic and Music – This fund accounts for gate receipts and other revenues from athletic events, all costs (except personnel services) of the School District's athletic and music programs, and publication of the high school and middle school yearbooks.

Auxiliary Services – Non-Public – This fund accounts for monies received by the District but expended by the non-public (parochial) schools within the District boundaries.

Teacher Inservice Grant - This fund accounts for state revenues to assist teachers in gaining new skills and becoming familiar with new teaching methodologies.

Management Information System – Accounts for funds received from the State to be used in the upgrading of the Educational Management Information System.

Preschool Grant – To account for funds received to run a district preschool program.

Student Intervention Grant – Accounts for grant monies received to provide intervention to grade 4 through 6 students in reading.

Title 6-B Flowthru – This fund accounts for federal monies to assist schools in identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

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

(continued)

New Philadelphia City School District

Nonmajor Special Revenue Funds

Title V – This fund accounts for federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, inservice training and staff development.

Title 6B Preschool – Accounts for federal funds specifically earmarked for handicapped preschool children.

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

Tele-Com E-Rate – Accounts for monies received from the Federal E-Rate Telecommunications Program.

Classroom Reduction – Federal funds used to reduce class sizes in primary grades.

Summer School – This fund accounts for the financial transactions related to the summer school program of the district.

Food Service – This fund accounts for the operation of the District's food service (lunch) program.

Public Preschool – This fund accounts for the fee-based portion of the School District's preschool program.

Band Uniform – Accounts for monies set aside for purchase of high school band uniforms.

Learn and Serve Grant – Federal funds used for Middle School community service.

Juvenile Attention Center – This fund accounts for the revenues and expenses associated with the educational program at the Multi-County Juvenile Attention Center provided by the School District and charged back to the students' home school district.

Ohio Reads – State funds used to supplement reading programs in the elementary schools.

School Net Professional – Accounts for computer professional development funds.

Teacher Entry Year – State funds to provide mentors for first year teachers.

Title II-D Technology – Federal funds used for technology.

Physical Education for Progress – Federal grant used for physical education and equipment in the elementary schools.

New Philadelphia City School District

Nonmajor Capital Projects Funds

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

Vocational Educational Equipment – This fund accounts for monies received from the State of Ohio earmarked for vocational education equipment.

SchoolNet – This fund accounts for the revenues and expenses associated with funds provided by the State for technology upgrades and equipment purchases for Grades K to 4.

Library Replacement – This fund is used to account for funds received for the upgrading of library equipment.

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

| | <u>Nonmajor Special Revenue Funds</u> | <u>Nonmajor Capital Projects Funds</u> | <u>Total Nonmajor Governmental Funds</u> |
|--|---|--|--|
| <u>Assets:</u> | | | |
| Cash and Cash Equivalents: | \$ 521,016 | \$ 5,892 | \$ 526,908 |
| <u>Receivables:</u> | | | |
| Accounts | 35,961 | 0 | 35,961 |
| Intergovernmental | 188,531 | 0 | 188,531 |
| Materials and Supply Inventory | <u>12,781</u> | <u>0</u> | <u>12,781</u> |
| Total Assets | <u><u>758,289</u></u> | <u><u>5,892</u></u> | <u><u>764,181</u></u> |
| | | | |
| <u>Liabilities and Fund Equity</u> | | | |
| <u>Liabilities:</u> | | | |
| Accounts Payable | 51,604 | 0 | 51,604 |
| Accrued Wages and Benefits | 191,595 | 0 | 191,595 |
| Due to Other Funds | 61,500 | 0 | 61,500 |
| Intergovernmental Payable | 57,533 | 0 | 57,533 |
| Deferred Revenue | <u>10,416</u> | <u>0</u> | <u>10,416</u> |
| Total Liabilities | <u>372,648</u> | <u>0</u> | <u>372,648</u> |
| | | | |
| <u>Fund Equity:</u> | | | |
| <u>Fund Balance:</u> | | | |
| Reserved for Encumbrances | 28,846 | 1,200 | 30,046 |
| <u>Unreserved:Undesignated</u> | | | |
| <u> Reported in:</u> | | | |
| Special Revenue Funds | 356,795 | 0 | 356,795 |
| Capital Projects Funds | <u>0</u> | <u>4,692</u> | <u>4,692</u> |
| Total Fund Equity | <u>385,641</u> | <u>5,892</u> | <u>391,533</u> |
| | | | |
| Total Liabilities and Fund Equity | <u><u>\$ 758,289</u></u> | <u><u>\$ 5,892</u></u> | <u><u>\$ 764,181</u></u> |

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

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|--|--|
| Revenues: | | | |
| Intergovernmental | \$1,868,274 | \$24,000 | \$ 1,892,274 |
| Interest | 716 | 0 | 716 |
| Tuition and Fees | 194,159 | 0 | 194,159 |
| Extracurricular Activities | 532,420 | 0 | 532,420 |
| Charges for Services | 424,391 | 0 | 424,391 |
| Gifts and Donations | 21,253 | 0 | 21,253 |
| Miscellaneous | 0 | 968 | 968 |
| Total Revenues | 3,041,213 | 24,968 | 3,066,181 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 811,818 | 0 | 811,818 |
| Special | 42,146 | 0 | 42,146 |
| Adult Continuing | 451 | 0 | 451 |
| Support Services: | | | |
| Pupils | 113,869 | 0 | 113,869 |
| Instructional Staff | 321,084 | 0 | 321,084 |
| Administration | 188,757 | 0 | 188,757 |
| Fiscal | 7,563 | 0 | 7,563 |
| Operations and Maintenance | 66,163 | 0 | 66,163 |
| Transportation | 365 | 0 | 365 |
| Non-Instructional Services | 387,892 | 0 | 387,892 |
| Food Service | 682,144 | 0 | 682,144 |
| Extracurricular Activities | 605,536 | 0 | 605,536 |
| Capital Outlay | 0 | 26,019 | 26,019 |
| Total Expenditures | 3,227,788 | 26,019 | 3,253,807 |
| Excess of Revenues Over Expenditures | (186,575) | (1,051) | (187,626) |
| Other Financing Sources | | | |
| Transfer-In | 25,000 | 0 | 25,000 |
| Net Change in Fund Balance | (161,575) | (1,051) | (162,626) |
| Fund Balances at Beginning of Year | 547,216 | 6,943 | 554,159 |
| Fund Balances at End of Year | \$385,641 | \$5,892 | \$391,533 |

New Philadelphia City School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2004

| | <u>Public School Support</u> | <u>Quaker Foundation Grants</u> | <u>Community Alternative Funding Source</u> | <u>Ashland University</u> |
|---|----------------------------------|---|---|-------------------------------|
| <u>Assets:</u> | | | | |
| Cash and Cash Equivalents: | \$41,816 | \$13,072 | \$50,739 | \$348 |
| Receivables: | | | | |
| Accounts | 13 | 7,000 | 0 | 0 |
| Intergovernmental | 0 | 0 | 35,061 | 0 |
| Materials and Supplies Inventory | 0 | 0 | 0 | 0 |
| Total Assets | <u>\$41,829</u> | <u>\$20,072</u> | <u>\$85,800</u> | <u>\$348</u> |
| <u>Liabilities and Fund Equity</u> | | | | |
| <u>Liabilities:</u> | | | | |
| Accounts Payable | \$3,745 | \$76 | \$137 | \$0 |
| Accrued Wages and Benefits | 0 | 0 | 3,407 | 0 |
| Due to Other Funds | 5,000 | 0 | 0 | 0 |
| Intergovernmental Payable | 0 | 0 | 882 | 0 |
| Deferred Revenue | 0 | 0 | 0 | 0 |
| Total Liabilities | <u>8,745</u> | <u>76</u> | <u>4,426</u> | <u>0</u> |
| <u>Fund Equity:</u> | | | | |
| <u>Fund Balance:</u> | | | | |
| Reserved for Encumbrances | 276 | 496 | 2,458 | 0 |
| Unreserved:Undesignated Reported in Special Revenue Funds | <u>32,808</u> | <u>19,500</u> | <u>78,916</u> | <u>348</u> |
| Total Fund Equity (Deficit) | <u>33,084</u> | <u>19,996</u> | <u>81,374</u> | <u>348</u> |
| Total Liabilities and Fund Equity | <u>\$41,829</u> | <u>\$20,072</u> | <u>\$85,800</u> | <u>\$348</u> |

| <u>Athletic and Music</u> | <u>Auxiliary Services Non-Public</u> | <u>Teacher Inservice Grant</u> | <u>Management Information System</u> | <u>Preschool Grant</u> | <u>Student Intervention Grant</u> |
|-----------------------------------|--|--|--|----------------------------|---|
| \$92,890 | \$47,480 | \$569 | \$31,133 | \$12,852 | \$4,492 |
| 23,910 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$116,800</u> | <u>\$47,480</u> | <u>\$569</u> | <u>\$31,133</u> | <u>\$12,852</u> | <u>\$4,492</u> |

| | | | | | |
|---------------|---------------|----------|------------|---------------|--------------|
| \$2,996 | \$5,728 | \$0 | \$282 | \$10,731 | \$4,266 |
| 0 | 5,075 | 0 | 0 | 6,800 | 694 |
| 23,500 | 0 | 0 | 0 | 0 | 0 |
| 0 | 1,486 | 0 | 0 | 1,964 | 201 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>26,496</u> | <u>12,289</u> | <u>0</u> | <u>282</u> | <u>19,495</u> | <u>5,161</u> |

| | | | | | |
|------------------|-----------------|--------------|-----------------|-----------------|----------------|
| 7,778 | 1,305 | 0 | 342 | 3,997 | 4,309 |
| <u>82,526</u> | <u>33,886</u> | <u>569</u> | <u>30,509</u> | <u>(10,640)</u> | <u>(4,978)</u> |
| <u>90,304</u> | <u>35,191</u> | <u>569</u> | <u>30,851</u> | <u>(6,643)</u> | <u>(669)</u> |
| <u>\$116,800</u> | <u>\$47,480</u> | <u>\$569</u> | <u>\$31,133</u> | <u>\$12,852</u> | <u>\$4,492</u> |

(Continued)

New Philadelphia City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2004

| | <u>Title 6-B Flowthru</u> | <u>Title I</u> | <u>Title V</u> | <u>Title 6-B Preschool</u> |
|---|-----------------------------------|------------------------|-----------------------|------------------------------------|
| <u>Assets:</u> | | | | |
| Cash and Cash Equivalents: | \$28,631 | \$54,536 | \$619 | \$364 |
| Receivables: | | | | |
| Accounts | 0 | 0 | 0 | 0 |
| Intergovernmental | 22,861 | 0 | 2,197 | 6,280 |
| Materials and Supplies Inventory | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Assets | <u><u>\$51,492</u></u> | <u><u>\$54,536</u></u> | <u><u>\$2,816</u></u> | <u><u>\$6,644</u></u> |
| <u>Liabilities and Fund Equity</u> | | | | |
| <u>Liabilities:</u> | | | | |
| Accounts Payable | \$5,202 | \$57 | \$0 | \$5,333 |
| Accrued Wages and Benefits | 27,646 | 54,807 | 0 | 0 |
| Due to other Funds | 0 | 0 | 3,000 | 0 |
| Intergovernmental Payable | 7,390 | 11,782 | 0 | 430 |
| Deferred Revenue | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Liabilities | <u>40,238</u> | <u>66,646</u> | <u>3,000</u> | <u>5,763</u> |
| <u>Fund Equity:</u> | | | | |
| <u>Fund Balance:</u> | | | | |
| Reserved for Encumbrances | 2,366 | 142 | 0 | 1,391 |
| Unreserved:Undesignated Reported in Special Revenue Funds | <u>8,888</u> | <u>(12,252)</u> | <u>(184)</u> | <u>(510)</u> |
| Total Fund Equity (Deficit) | <u>11,254</u> | <u>(12,110)</u> | <u>(184)</u> | <u>881</u> |
| Total Liabilities and Fund Equity | <u><u>\$51,492</u></u> | <u><u>\$54,536</u></u> | <u><u>\$2,816</u></u> | <u><u>\$6,644</u></u> |

| <u>Drug Free Schools Grant</u> | <u>Tele-Com E-Rate</u> | <u>Title II-A</u> | <u>Summer School</u> | <u>Food Service</u> | <u>Public Preschool</u> |
|--|----------------------------|-----------------------|--------------------------|-------------------------|-----------------------------|
| \$2,547 | \$0 | \$18,723 | \$7,745 | \$48,200 | \$35,670 |
| 0 | 0 | 0 | 835 | 4,203 | 0 |
| 1,365 | 0 | 2,094 | 0 | 26,181 | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>12,781</u> | <u>0</u> |
| <u>\$3,912</u> | <u>\$0</u> | <u>\$20,817</u> | <u>\$8,580</u> | <u>\$91,365</u> | <u>\$35,670</u> |
| \$0 | \$0 | \$0 | \$915 | \$15 | \$8,955 |
| 0 | 0 | 16,239 | 0 | 51,849 | 0 |
| 3,000 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 3,376 | 1,643 | 22,658 | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>10,416</u> | <u>0</u> |
| <u>3,000</u> | <u>0</u> | <u>19,615</u> | <u>2,558</u> | <u>84,938</u> | <u>8,955</u> |
| 875 | 0 | 7 | 33 | 0 | 0 |
| <u>37</u> | <u>0</u> | <u>1,195</u> | <u>5,989</u> | <u>6,427</u> | <u>26,715</u> |
| <u>912</u> | <u>0</u> | <u>1,202</u> | <u>6,022</u> | <u>6,427</u> | <u>26,715</u> |
| <u>\$3,912</u> | <u>\$0</u> | <u>\$20,817</u> | <u>\$8,580</u> | <u>\$91,365</u> | <u>\$35,670</u> |

(Continued)

New Philadelphia City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2004

| | <u>Band Uniform</u> | <u>Juvenile Attention Center</u> | <u>Ohio Reads</u> | <u>School Net Professional</u> | <u>Teacher Entry Year</u> |
|---|-------------------------|--------------------------------------|-----------------------|------------------------------------|-------------------------------|
| <u>Assets:</u> | | | | | |
| Cash and Cash Equivalents: | \$5,844 | \$1,473 | \$16,106 | \$2,836 | \$312 |
| Receivables: | | | | | |
| Accounts | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental | 0 | 91,098 | 0 | 0 | 0 |
| Materials and Supplies Inventory | 0 | 0 | 0 | 0 | 0 |
| Total Assets | <u>\$5,844</u> | <u>\$92,571</u> | <u>\$16,106</u> | <u>\$2,836</u> | <u>\$312</u> |
| <u>Liabilities and Fund Equity</u> | | | | | |
| <u>Liabilities:</u> | | | | | |
| Accounts Payable | \$0 | \$135 | \$2,608 | \$0 | \$0 |
| Accrued Wages and Benefits | 0 | 24,560 | 518 | 0 | 0 |
| Due to Other Funds | 0 | 25,000 | 0 | 0 | 0 |
| Intergovernmental Payable | 0 | 5,444 | 277 | 0 | 0 |
| Deferred Revenue | 0 | 0 | 0 | 0 | 0 |
| Total Liabilities | <u>0</u> | <u>55,139</u> | <u>3,403</u> | <u>0</u> | <u>0</u> |
| <u>Fund Equity:</u> | | | | | |
| <u>Fund Balance:</u> | | | | | |
| Reserved for Encumbrances | 0 | 1,254 | 1,576 | 0 | 216 |
| Unreserved:Undesignated Reported in Special Revenue Funds | 5,844 | 36,178 | 11,127 | 2,836 | 96 |
| Total Fund Equity (Deficit) | <u>5,844</u> | <u>37,432</u> | <u>12,703</u> | <u>2,836</u> | <u>312</u> |
| Total Liabilities and Fund Equity | <u>\$5,844</u> | <u>\$92,571</u> | <u>\$16,106</u> | <u>\$2,836</u> | <u>\$312</u> |

| <u>Title II-D</u> | <u>Physical Education for Progress</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|-----------------------|--|---|
| \$2,019 | \$0 | \$521,016 |
| 0 | 0 | 35,961 |
| 1,394 | 0 | 188,531 |
| <u>0</u> | <u>0</u> | <u>12,781</u> |
| <u>\$3,413</u> | <u>\$0</u> | <u>\$758,289</u> |
| \$423 | \$0 | \$51,604 |
| 0 | 0 | 191,595 |
| 2,000 | 0 | 61,500 |
| 0 | 0 | 57,533 |
| <u>0</u> | <u>0</u> | <u>10,416</u> |
| <u>2,423</u> | <u>0</u> | <u>372,648</u> |
| 25 | 0 | 28,846 |
| <u>965</u> | <u>0</u> | <u>356,795</u> |
| <u>990</u> | <u>0</u> | <u>385,641</u> |
| <u>\$3,413</u> | <u>\$0</u> | <u>\$758,289</u> |

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

| | <u>Public School Support</u> | <u>Quaker Foundation Grants</u> | <u>Community Alternate Funding Source</u> | <u>Ashland University</u> |
|---|----------------------------------|---|---|-------------------------------|
| Revenues: | | | | |
| Intergovernmental | \$0 | \$0 | \$111,964 | \$0 |
| Interest | 0 | 0 | 0 | 0 |
| Tuition and Fees | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 150,750 | 0 | 0 | 0 |
| Services | 0 | 0 | 0 | 0 |
| Gifts and Donations | 0 | 21,253 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 |
| Total Revenues | <u>150,750</u> | <u>21,253</u> | <u>111,964</u> | <u>0</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 15,448 | 0 | 0 |
| Special | 0 | 0 | 42,146 | 0 |
| Adult Continuing | 0 | 0 | 0 | 451 |
| Support Services: | | | | |
| Pupils | 0 | 0 | 0 | 0 |
| Instructional Staff | 0 | 0 | 0 | 0 |
| Administration | 0 | 0 | 32,622 | 0 |
| Fiscal | 0 | 0 | 0 | 0 |
| Operation and Maintenance | 0 | 0 | 0 | 0 |
| Transportation | 0 | 0 | 0 | 0 |
| Non-Instructional Services | 0 | 0 | 0 | 0 |
| Food Service | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 182,595 | 0 | 0 | 0 |
| Total Expenditures | <u>182,595</u> | <u>15,448</u> | <u>74,768</u> | <u>451</u> |
| Excess of Revenues Over (Under) Expenditures | (31,845) | 5,805 | 37,196 | (451) |
| Other Financing Sources | | | | |
| Transfer-In | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Change in Fund Balance | (31,845) | 5,805 | 37,196 | (451) |
| Fund Balances at Beginning of Year | <u>64,929</u> | <u>14,191</u> | <u>44,178</u> | <u>799</u> |
| Fund Balances at End of Year | <u><u>\$33,084</u></u> | <u><u>\$19,996</u></u> | <u><u>\$81,374</u></u> | <u><u>\$348</u></u> |

| <u>Athletic and Music</u> | <u>Auxiliary Services Non-Public</u> | <u>Teacher Inservice Fund</u> | <u>Management Information System</u> | <u>Preschool Grant</u> | <u>Student Intervention Grant</u> |
|-----------------------------------|--|---------------------------------------|--|----------------------------|---|
| \$0 | \$199,867 | \$0 | \$11,531 | \$87,658 | \$56,201 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 381,670 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>381,670</u> | <u>199,867</u> | <u>0</u> | <u>11,531</u> | <u>87,658</u> | <u>56,201</u> |
| 0 | 0 | 0 | 0 | 80,879 | 49,031 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 205 | 0 |
| 0 | 0 | 1,309 | 0 | 30,088 | 5,645 |
| 0 | 0 | 0 | 0 | 23,032 | 2,194 |
| 0 | 0 | 0 | 7,563 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 365 | 0 |
| 0 | 189,991 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 422,370 | 0 | 0 | 0 | 0 | 0 |
| <u>422,370</u> | <u>189,991</u> | <u>1,309</u> | <u>7,563</u> | <u>134,569</u> | <u>56,870</u> |
| (40,700) | 9,876 | (1,309) | 3,968 | (46,911) | (669) |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| (40,700) | 9,876 | (1,309) | 3,968 | (46,911) | (669) |
| <u>131,004</u> | <u>25,315</u> | <u>1,878</u> | <u>26,883</u> | <u>40,268</u> | <u>0</u> |
| <u>\$90,304</u> | <u>\$35,191</u> | <u>\$569</u> | <u>\$30,851</u> | <u>(\$6,643)</u> | <u>(\$669)</u> |

(Continued)

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

| | Title 6-B Flowthru | Title I | Title V | Title 6-B Preschool |
|---|--------------------------|--------------------------|-----------------------|---------------------------|
| Revenues: | | | | |
| Intergovernmental | \$454,948 | \$390,232 | \$21,193 | \$33,123 |
| Interest | 0 | 0 | 0 | 0 |
| Tuition and Fees | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 0 |
| Charges for Services | 0 | 0 | 0 | 0 |
| Gifts and Donations | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 |
| Total Revenues | <u>454,948</u> | <u>390,232</u> | <u>21,193</u> | <u>33,123</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 17,749 | 360,389 | 19,431 | 8,834 |
| Special | 0 | 0 | 0 | 0 |
| Adult Continuing | 0 | 0 | 0 | 0 |
| Support Services: | | | | |
| Pupils | 99,429 | 0 | 0 | 0 |
| Instructional Staff | 186,265 | 26,262 | 0 | 23,514 |
| Administration | 119,394 | 6,015 | 0 | 5,500 |
| Fiscal | 0 | 0 | 0 | 0 |
| Operation and Maintenance | 0 | 0 | 0 | 0 |
| Transportation | 0 | 0 | 0 | 0 |
| Non-Instructional Services | 22,653 | 0 | 3,115 | 0 |
| Food Service | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 0 |
| Total Expenditures | <u>445,490</u> | <u>392,666</u> | <u>22,546</u> | <u>37,848</u> |
| Excess of Revenues Over (Under) Expenditures | 9,458 | (2,434) | (1,353) | (4,725) |
| Other Financing Sources | | | | |
| Transfers-In | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Change in Fund Balance | 9,458 | (2,434) | (1,353) | (4,725) |
| Fund Balances at Beginning of Year | <u>1,796</u> | <u>(9,676)</u> | <u>1,169</u> | <u>5,606</u> |
| Fund Balances at End of Year | <u><u>\$11,254</u></u> | <u><u>(\$12,110)</u></u> | <u><u>(\$184)</u></u> | <u><u>\$881</u></u> |

| <u>Drug Free Schools Grant</u> | <u>Tele-Com E-Rate Fund</u> | <u>Title II-A</u> | <u>Summer School</u> | <u>Food Service</u> | <u>Public Preschool</u> |
|--|-------------------------------------|-----------------------|--------------------------|-------------------------|-----------------------------|
| \$16,595 | \$27,878 | \$149,202 | \$0 | \$221,613 | \$0 |
| 0 | 0 | 0 | 0 | 652 | 0 |
| 0 | 0 | 0 | 7,615 | 0 | 26,635 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 424,391 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>16,595</u> | <u>27,878</u> | <u>149,202</u> | <u>7,615</u> | <u>646,656</u> | <u>26,635</u> |
| 0 | 0 | 110,774 | 35,133 | 0 | 32,012 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 14,235 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 33,562 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 66,163 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 682,144 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>14,235</u> | <u>66,163</u> | <u>144,336</u> | <u>35,133</u> | <u>682,144</u> | <u>32,012</u> |
| 2,360 | (38,285) | 4,866 | (27,518) | (35,488) | (5,377) |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>25,000</u> | <u>0</u> | <u>0</u> |
| 2,360 | (38,285) | 4,866 | (2,518) | (35,488) | (5,377) |
| <u>(1,448)</u> | <u>38,285</u> | <u>(3,664)</u> | <u>8,540</u> | <u>41,915</u> | <u>32,092</u> |
| <u>\$912</u> | <u>\$0</u> | <u>\$1,202</u> | <u>\$6,022</u> | <u>\$6,427</u> | <u>\$26,715</u> |

(Continued)

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

| | <u>Band Uniform</u> | <u>Juvenile Attention Center</u> | <u>Ohio Reads</u> | <u>School Net Professional</u> |
|---|-------------------------|--------------------------------------|------------------------|------------------------------------|
| Revenues: | | | | |
| Intergovernmental | \$0 | \$0 | \$54,000 | \$4,140 |
| Interest | 64 | 0 | 0 | 0 |
| Tuition and Fees | 0 | 159,909 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 0 |
| Charges for Services | 0 | 0 | 0 | 0 |
| Gifts and Donations | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 |
| Total Revenues | <u>64</u> | <u>159,909</u> | <u>54,000</u> | <u>4,140</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 0 | 57,040 | 0 |
| Special | 0 | 0 | 0 | 0 |
| Adult Continuing | 0 | 0 | 0 | 0 |
| Support Services: | | | | |
| Pupils | 0 | 0 | 0 | 0 |
| Instructional Staff | 0 | 0 | 0 | 2,218 |
| Administration | 0 | 0 | 0 | 0 |
| Fiscal | 0 | 0 | 0 | 0 |
| Operation and Maintenance | 0 | 0 | 0 | 0 |
| Transportation | 0 | 0 | 0 | 0 |
| Non-Instructional Services | 0 | 172,133 | 0 | 0 |
| Food Service | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 571 | 0 | 0 | 0 |
| Total Expenditures | <u>571</u> | <u>172,133</u> | <u>57,040</u> | <u>2,218</u> |
| Excess of Revenues Over (Under) Expenditures | (507) | (12,224) | (3,040) | 1,922 |
| Other Financing Sources | | | | |
| Transfers-In | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Change in Fund Balance | (507) | (12,224) | (3,040) | 1,922 |
| Fund Balances at | | | | |
| Beginning of Year | <u>6,351</u> | <u>49,656</u> | <u>15,743</u> | <u>914</u> |
| Fund Balances at End of Year | <u><u>\$5,844</u></u> | <u><u>\$37,432</u></u> | <u><u>\$12,703</u></u> | <u><u>\$2,836</u></u> |

| <u>Teacher Entry Year</u> | <u>Title II-D</u> | <u>Physical Education For Progress</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|-------------------------------|-----------------------|--|---|
| \$8,800 | \$11,722 | \$7,607 | \$1,868,274 |
| 0 | 0 | 0 | 716 |
| 0 | 0 | 0 | 194,159 |
| 0 | 0 | 0 | 532,420 |
| 0 | 0 | 0 | 424,391 |
| 0 | 0 | 0 | 21,253 |
| 0 | 0 | 0 | 0 |
| <u>8,800</u> | <u>11,722</u> | <u>7,607</u> | <u>3,041,213</u> |
| 0 | 11,349 | 13,749 | 811,818 |
| 0 | 0 | 0 | 42,146 |
| 0 | 0 | 0 | 451 |
| 0 | 0 | 0 | 113,869 |
| 12,221 | 0 | 0 | 321,084 |
| 0 | 0 | 0 | 188,757 |
| 0 | 0 | 0 | 7,563 |
| 0 | 0 | 0 | 66,163 |
| 0 | 0 | 0 | 365 |
| 0 | 0 | 0 | 387,892 |
| 0 | 0 | 0 | 682,144 |
| 0 | 0 | 0 | 605,536 |
| <u>12,221</u> | <u>11,349</u> | <u>13,749</u> | <u>3,227,788</u> |
| (3,421) | 373 | (6,142) | (186,575) |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>25,000</u> |
| (3,421) | 373 | (6,142) | (161,575) |
| <u>3,733</u> | <u>617</u> | <u>6,142</u> | <u>547,216</u> |
| <u>\$312</u> | <u>\$990</u> | <u>\$0</u> | <u>\$385,641</u> |

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

| | <u>Vocational Educational Equipment</u> | <u>School Net</u> | <u>Library Replacement</u> | <u>Totals</u> |
|---|---|-----------------------|--------------------------------|----------------|
| <u>Assets:</u> | | | | |
| Cash and Cash Equivalents: | \$3,282 | \$1,769 | \$841 | \$5,892 |
| Total Assets | <u>\$3,282</u> | <u>\$1,769</u> | <u>\$841</u> | <u>\$5,892</u> |
| <u>Liabilities and Fund Equity</u> | | | | |
| <u>Liabilities:</u> | | | | |
| Total Liabilities | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>Fund Equity</u> | | | | |
| <u>Fund Balance:</u> | | | | |
| Reserved for Encumbrances | 0 | 1,200 | 0 | 1,200 |
| Unreserved:Undesignated Reported in Capital Project Funds | <u>3,282</u> | <u>569</u> | <u>841</u> | <u>4,692</u> |
| Total Fund Equity | <u>3,282</u> | <u>1,769</u> | <u>841</u> | <u>5,892</u> |
| Total Liabilities and Fund Equity | <u>\$3,282</u> | <u>\$1,769</u> | <u>\$841</u> | <u>\$5,892</u> |

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

| | Vocational Educational Equipment | School Net | Library Replacement | Totals |
|---------------------------------------|--|---------------|------------------------|----------|
| Revenues: | | | | |
| Intergovernmental | \$0 | \$24,000 | \$0 | \$24,000 |
| Miscellaneous | 0 | 0 | 968 | 968 |
| Total Revenues | 0 | 24,000 | 968 | 24,968 |
| Expenditures: | | | | |
| Current: | | | | |
| Capital Outlay | 0 | 24,457 | 1,562 | 26,019 |
| Total Expenditures | 0 | 24,457 | 1,562 | 26,019 |
| Net Change in Fund Balance | 0 | (457) | (594) | (1,051) |
| Fund Balances at Beginning of Year | 3,282 | 2,226 | 1,435 | 6,943 |
| Fund Balances at End of Year | \$3,282 | \$1,769 | \$841 | \$5,892 |

New Philadelphia City School District

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

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

| | Budgeted Amounts | | Actual | Variance with |
|------------------------------|---------------------|---------------------|---------------------|------------------|
| | Original | Final | | Final Budget |
| | | | | Over (Under) |
| Revenues | | | | |
| Taxes | \$9,112,935 | \$9,112,935 | \$8,911,509 | (\$201,426) |
| Intergovernmental | 8,705,700 | 8,705,700 | 9,022,207 | 316,507 |
| Interest | 180,000 | 180,000 | 118,582 | (61,418) |
| Tuition and Fees | 143,000 | 143,000 | 149,042 | 6,042 |
| Rentals | 11,200 | 11,200 | 16,480 | 5,280 |
| Miscellaneous | 186,678 | 186,678 | 166,611 | (20,067) |
| <i>Total Revenues</i> | <u>18,339,513</u> | <u>18,339,513</u> | <u>18,384,431</u> | <u>44,918</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and Wages | 6,998,000 | 7,006,000 | 6,800,446 | 205,554 |
| Fringe Benefits | 2,610,400 | 2,295,425 | 2,175,427 | 119,998 |
| Purchased Services | 138,566 | 138,566 | 83,333 | 55,233 |
| Materials and Supplies | 427,199 | 466,543 | 459,400 | 7,143 |
| Capital Outlay - Replacement | 24,681 | 62,681 | 44,931 | 17,750 |
| Total Regular | <u>10,198,846</u> | <u>9,969,215</u> | <u>9,563,537</u> | <u>405,678</u> |
| Special: | | | | |
| Salaries and Wages | 1,305,000 | 1,305,000 | 1,275,496 | 29,504 |
| Fringe Benefits | 482,450 | 482,450 | 433,774 | 48,676 |
| Materials and Supplies | 3,753 | 3,753 | 1,450 | 2,303 |
| Total Special | <u>1,791,203</u> | <u>1,791,203</u> | <u>1,710,720</u> | <u>80,483</u> |
| Vocational: | | | | |
| Salaries and Wages | 260,000 | 260,000 | 257,148 | 2,852 |
| Fringe Benefits | 86,500 | 86,500 | 71,368 | 15,132 |
| Materials and Supplies | 4,777 | 5,777 | 5,083 | 694 |
| Capital Outlay | 20,000 | 21,300 | 21,225 | 75 |
| Total Vocational | <u>371,277</u> | <u>373,577</u> | <u>354,824</u> | <u>18,753</u> |
| Other: | | | | |
| Purchased Services | 150,000 | 150,000 | 123,773 | 26,227 |
| Total Instruction | <u>\$12,511,326</u> | <u>\$12,283,995</u> | <u>\$11,752,854</u> | <u>\$531,141</u> |

(continued)

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

| | Budgeted Amounts | | Actual | Variance with |
|------------------------------|------------------|-----------|-----------|-----------------|
| | Original | Final | | Final Budget |
| | | | | Over (Under) |
| Support Services: | | | | |
| Pupil: | | | | |
| Salaries and Wages | \$654,000 | \$654,000 | \$628,858 | \$25,142 |
| Fringe Benefits | 236,500 | 236,500 | 194,055 | 42,445 |
| Purchased Services | 100,000 | 198,415 | 186,966 | 11,449 |
| Materials and Supplies | 64,900 | 73,467 | 66,469 | 6,998 |
| Total Pupil | 1,055,400 | 1,162,382 | 1,076,348 | 86,034 |
| Instructional Staff: | | | | |
| Salaries and Wages | 316,500 | 316,500 | 303,859 | 12,641 |
| Fringe Benefits | 240,500 | 240,500 | 212,127 | 28,373 |
| Purchased Services | 11,415 | 4,000 | 1,652 | 2,348 |
| Materials and Supplies | 64,361 | 69,309 | 67,892 | 1,417 |
| Capital Outlay | 0 | 9,000 | 936 | 8,064 |
| Total Instructional Staff | 632,776 | 639,309 | 586,466 | 52,843 |
| Board of Education: | | | | |
| Salaries and Wages | 2,400 | 2,400 | 2,400 | 0 |
| Fringe Benefits | 200 | 200 | 165 | 35 |
| Purchased Services | 58,935 | 148,935 | 129,758 | 19,177 |
| Total Board of Education | 61,535 | 151,535 | 132,323 | 19,212 |
| Administration: | | | | |
| Salaries and Wages | 1,280,000 | 1,320,000 | 1,304,298 | 15,702 |
| Fringe Benefits | 582,250 | 582,250 | 502,059 | 80,191 |
| Purchased Services | 37,395 | 69,895 | 34,010 | 35,885 |
| Materials and Supplies | 8,656 | 10,657 | 10,126 | 531 |
| Capital Outlay - Replacement | 3,000 | 4,000 | 3,529 | 471 |
| Other | 2,000 | 9,000 | 7,825 | 1,175 |
| Total Administration | 1,913,301 | 1,995,802 | 1,861,847 | 133,955 |
| Fiscal: | | | | |
| Salaries and Wages | 170,000 | 184,000 | 180,924 | 3,076 |
| Fringe Benefits | 94,400 | 94,400 | 79,746 | 14,654 |
| Purchased Services | 70,713 | 73,213 | 48,474 | 24,739 |
| Materials and Supplies | 109,939 | 129,939 | 121,459 | 8,480 |
| Capital Outlay - Replacement | 3,000 | 3,000 | 1,678 | 1,322 |
| Other | 255,000 | 255,000 | 223,899 | 31,101 |
| Total Fiscal | \$703,052 | \$739,552 | \$656,180 | \$83,372 |

(continued)

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

| | Budgeted Amounts | | Actual | Variance with |
|---|------------------|------------------|------------------|---------------------------------|
| | Original | Final | | Final Budget Over (Under) |
| Operation and Maintenance of Plant: | | | | |
| Salaries and Wages | \$894,000 | \$894,000 | \$888,120 | \$5,880 |
| Fringe Benefits | 408,700 | 409,700 | 337,455 | 72,245 |
| Purchased Services | 638,716 | 743,176 | 693,370 | 49,806 |
| Materials and Supplies | 60,750 | 110,750 | 78,685 | 32,065 |
| Capital Outlay - Replacement | 44,000 | 223,291 | 201,393 | 21,898 |
| Total Operation and Maintenance of Plant | 2,046,166 | 2,380,917 | 2,199,023 | 181,894 |
| Pupil Transportation: | | | | |
| Salaries and Wages | 471,100 | 471,100 | 467,514 | 3,586 |
| Fringe Benefits | 258,000 | 259,000 | 201,433 | 57,567 |
| Purchased Services | 3,250 | 10,250 | 8,070 | 2,180 |
| Materials and Supplies | 100,030 | 116,030 | 102,329 | 13,701 |
| Capital Outlay - Replacement | 221,949 | 221,949 | 163,688 | 58,261 |
| Total Pupil Transportation | 1,054,329 | 1,078,329 | 943,034 | 135,295 |
| Central: | | | | |
| Purchased Services | 3,000 | 3,000 | 2,214 | 786 |
| Total Central | 3,000 | 3,000 | 2,214 | 786 |
| Total Support Services | 7,469,559 | 8,150,826 | 7,457,435 | 693,391 |
| Operation of Non-Instructional Services: | | | | |
| Community Services: | | | | |
| Purchased Services | 2,500 | 8,500 | 8,421 | 79 |
| Materials and Supplies | 3,000 | 3,000 | 1,031 | 1,969 |
| Total Operation of Non-Instructional Services | 5,500 | 11,500 | 9,452 | 2,048 |
| Extracurricular Activities: | | | | |
| Academic and Subject Oriented Activities | | | | |
| Salaries and Wages | 98,500 | 168,500 | 88,370 | 80,130 |
| Fringe Benefits | 17,750 | 17,750 | 12,320 | 5,430 |
| Total Academic and Subject Oriented Activities | \$116,250 | \$186,250 | \$100,690 | \$85,560 |

(continued)

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|--------------------|--------------------|--------------------|--|
| | Original | Final | | (Under) |
| Sports Oriented Activities: | | | | |
| Salaries and Wages | \$224,600 | \$224,600 | \$209,481 | \$15,119 |
| Fringe Benefits | 39,750 | 39,750 | 31,462 | 8,288 |
| Contracted Services | 0 | 40,000 | 22,500 | 17,500 |
| Materials and Supplies | 0 | 27,500 | 27,213 | 287 |
| Total Sports Oriented Activities | 264,350 | 331,850 | 290,656 | 41,194 |
| School and Public Service Co-Curricular Activities: | | | | |
| Salaries and Wages | 31,000 | 37,000 | 35,009 | 1,991 |
| Fringe Benefits | 5,800 | 5,800 | 4,105 | 1,695 |
| Total School and Public Service Co-Curricular Activities | 36,800 | 42,800 | 39,114 | 3,686 |
| Total Extracurricular Activities | 417,400 | 560,900 | 430,460 | 130,440 |
| <i>Total Expenditures</i> | <i>20,403,785</i> | <i>21,007,221</i> | <i>19,650,201</i> | <i>1,357,020</i> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <i>(2,064,272)</i> | <i>(2,667,708)</i> | <i>(1,265,770)</i> | <i>1,401,938</i> |
| Other Financing Sources (Uses) | | | | |
| Refund of Prior Year Expenditures | 0 | 0 | 575 | 575 |
| Advances In | 0 | 110,000 | 106,000 | (4,000) |
| Advances Out | 0 | 0 | (61,500) | (61,500) |
| Transfers Out | (25,000) | (25,000) | (45,000) | (20,000) |
| Total Other Financing Sources (Uses) | (25,000) | 85,000 | 75 | (84,925) |
| <i>Net Change in Fund Balance</i> | <i>(2,089,272)</i> | <i>(2,582,708)</i> | <i>(1,265,695)</i> | <i>1,317,013</i> |
| <i>Fund Balance Beginning of Year</i> | <i>8,688,088</i> | <i>8,688,088</i> | <i>8,688,088</i> | <i>0</i> |
| Prior Year Encumbrances Appropriated | 256,909 | 256,909 | 256,909 | 0 |
| Fund Balance End of Year | \$6,855,725 | \$6,362,289 | \$7,679,302 | \$1,317,013 |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|--|-------------------------|-------------------------|-------------------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$650,000 | \$650,000 | \$643,513 | (\$6,487) |
| Intergovernmental | \$78,000 | \$78,000 | \$81,324 | \$3,324 |
| <i>Total Revenues</i> | <u>728,000</u> | <u>728,000</u> | <u>724,837</u> | <u>(3,163)</u> |
| Expenditures | | | | |
| Debt Service: | | | | |
| Principal Retirement | 295,000 | 295,000 | 295,000 | 0 |
| Interest and Fiscal Charges | 413,500 | 413,500 | 413,313 | 187 |
| Cost of issuance of Bond | 0 | 0 | 152,116 | (152,116) |
| Total Debt Service | 708,500 | 708,500 | 860,429 | (151,929) |
| <i>Total Expenditures</i> | <u>708,500</u> | <u>708,500</u> | <u>860,429</u> | <u>(151,929)</u> |
| Excess of Revenues Over (Under) Expenditures | 19,500 | 19,500 | (135,592) | (155,092) |
| Other Financing Sources (Uses) | | | | |
| Proceeds of Bond refinancing | 0 | 0 | 6,543,888 | 6,543,888 |
| Premium on Bonds | 0 | 0 | 202,752 | 202,752 |
| Payments to Escrow Agents | 0 | 0 | (6,545,000) | (6,545,000) |
| Interest proceeds from Bonds | 0 | 0 | 10,682 | 10,682 |
| Total Other Financing Sources (Uses) | 0 | 0 | 212,322 | 212,322 |
| <i>Net Change in Fund Balance</i> | 19,500 | 19,500 | 76,730 | 57,230 |
| <i>Fund Balance Beginning of Year</i> | <u>456,506</u> | <u>456,506</u> | <u>456,506</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$476,006</u></u> | <u><u>\$476,006</u></u> | <u><u>\$533,236</u></u> | <u><u>\$57,230</u></u> |

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

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|-----------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Taxes | \$189,000 | \$189,000 | \$181,254 | (\$7,746) |
| Intergovernmental | 20,000 | 30,000 | 20,810 | (9,190) |
| Contributions and Donations | 400,000 | 360,000 | 352,824 | (7,176) |
| <i>Total Revenues</i> | <u>609,000</u> | <u>579,000</u> | <u>554,888</u> | <u>(24,112)</u> |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Facilities Acquisition and Construction Services: | | | | |
| Capital Outlay - New | 0 | 316,500 | 285,091 | 31,409 |
| Capital Outlay - Replacement | 385,000 | 265,060 | 264,475 | 585 |
| Total Capital Outlay | <u>385,000</u> | <u>581,560</u> | <u>549,566</u> | <u>31,994</u> |
| <i>Total Expenditures</i> | <u>385,000</u> | <u>581,560</u> | <u>549,566</u> | <u>31,994</u> |
| Excess of Revenues Over (Under) Expenditures | 224,000 | (2,560) | 5,322 | 7,882 |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 0 | 0 | 20,000 | 20,000 |
| Advances Out | 0 | 0 | (96,000) | (96,000) |
| <i>Total Other Financing Sources (Uses)</i> | <u>0</u> | <u>0</u> | <u>(76,000)</u> | <u>(76,000)</u> |
| <i>Net Change in Fund Balance</i> | 224,000 | (2,560) | (70,678) | (68,118) |
| <i>Fund Balance Beginning of Year</i> | 58,675 | 58,675 | 58,675 | 0 |
| Prior Year Encumbrances Appropriated | <u>19,560</u> | <u>19,560</u> | <u>19,560</u> | <u>0</u> |
| <i>Fund Balance (Deficit) End of Year</i> | <u>\$302,235</u> | <u>\$75,675</u> | <u>\$7,557</u> | <u>(\$68,118)</u> |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|-----------|-----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Extracurricular Activities | \$150,000 | \$160,000 | \$172,282 | \$12,282 |
| Expenditures | | | | |
| Current: | | | | |
| Extracurricular Activities: | | | | |
| School and Public Service Co-Curricular Activities: | | | | |
| Co-Curricular Activities: | | | | |
| Salaries and Wages | 6,300 | 6,600 | 6,203 | 397 |
| Fringe Benefits | 0 | 50 | 50 | 0 |
| Purchased Services | 61,700 | 61,985 | 50,478 | 11,507 |
| Materials and Supplies | 127,350 | 138,213 | 130,756 | 7,457 |
| <i>Total Expenditures</i> | 195,350 | 206,848 | 187,487 | 19,361 |
| Total Revenues Over (Under) Expenditures | (45,350) | (46,848) | (15,205) | 31,643 |
| Other Financing Sources | | | | |
| Advances In | 0 | 0 | 5,000 | 5,000 |
| <i>Net Change in Fund Balance</i> | (45,350) | (46,848) | (10,205) | 31,643 |
| <i>Fund Balance Beginning of Year</i> | 40,653 | 40,653 | 40,653 | 0 |
| Prior Year Encumbrances Appropriated | 7,348 | 7,348 | 7,348 | 0 |
| <i>Fund Balance End of Year</i> | \$2,651 | \$1,153 | \$37,796 | \$31,643 |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Quaker Foundation Grants Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|----------|----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Contributions and Donations | \$13,000 | \$17,000 | \$17,123 | \$123 |
| Miscellaneous | 0 | 0 | 130 | 130 |
| <i>Total Revenues</i> | 13,000 | 17,000 | 17,253 | 253 |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Materials and Supplies | 11,513 | 20,843 | 15,977 | 4,866 |
| Capital Outlay - New | 0 | 6,432 | 0 | 6,432 |
| <i>Total Expenditures</i> | 11,513 | 27,275 | 15,977 | 11,298 |
| <i>Excess of Revenues Over (Under)</i> <i>Expenditures</i> | 1,487 | (10,275) | 1,276 | 11,551 |
| <i>Fund Balance Beginning of Year</i> | 10,954 | 10,954 | 10,954 | 0 |
| Prior Year Encumbrances Appropriated | 268 | 268 | 268 | 0 |
| <i>Fund Balance End of Year</i> | \$12,709 | \$947 | \$12,498 | \$11,551 |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Alternative Funding Source Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---------------------------------------|------------------|----------|----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$60,000 | \$60,000 | \$86,062 | \$26,062 |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Special: | | | | |
| Materials and Supplies | 40,000 | 63,534 | 60,334 | 3,200 |
| Support Services: | | | | |
| Administration: | | | | |
| Salaries and Wages | 21,000 | 21,000 | 18,613 | 2,387 |
| Fringe Benefits | 16,600 | 16,600 | 14,042 | 2,558 |
| Total Administration | 37,600 | 37,600 | 32,655 | 4,945 |
| Total Support Services | 37,600 | 37,600 | 32,655 | 4,945 |
| <i>Total Expenditures</i> | 77,600 | 101,134 | 92,989 | 8,145 |
| <i>Net Change in Fund Balance</i> | (17,600) | (41,134) | (6,927) | 34,207 |
| <i>Fund Balance Beginning of Year</i> | 54,537 | 54,537 | 54,537 | 0 |
| Prior Year Encumbrances Appropriated | 534 | 534 | 534 | 0 |
| <i>Fund Balance End of Year</i> | \$37,471 | \$13,937 | \$48,144 | \$34,207 |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ashland University Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|-------|--------|--|
| | Original | Final | | |
| Revenues | | | | |
| Miscellaneous | \$635 | \$735 | \$350 | (\$385) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Adult/Continuing: | | | | |
| Salaries and Wages | 1,000 | 1,000 | 443 | 557 |
| Fringe Benefits | 50 | 50 | 5 | 45 |
| Materials and Supplies | 50 | 50 | 4 | 46 |
| <i>Total Expenditures</i> | 1,100 | 1,100 | 452 | 648 |
| <i>Excess of Revenues Over (Under)</i> <i>Expenditures</i> | (465) | (365) | (102) | 263 |
| <i>Fund Balance Beginning of Year</i> | 448 | 448 | 448 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | (\$17) | \$83 | \$346 | \$263 |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Athletic and Music Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|-----------|-----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Extracurricular Activities | \$345,000 | \$380,000 | \$392,178 | \$12,178 |
| Expenditures | | | | |
| Current: | | | | |
| Extracurricular Activities: | | | | |
| Academic and Subject Oriented Activities: | | | | |
| Activities: | | | | |
| Materials and Supplies | 43,000 | 44,480 | 34,287 | 10,193 |
| Other | 46,500 | 92,720 | 88,131 | 4,589 |
| Total Academic and Subject Oriented Activities | 89,500 | 137,200 | 122,418 | 14,782 |
| Sports Oriented Activities: | | | | |
| Salaries and Wages | 7,000 | 7,900 | 7,835 | 65 |
| Fringe Benefits | 150 | 150 | 105 | 45 |
| Purchased Services | 91,000 | 114,850 | 110,720 | 4,130 |
| Materials and Supplies | 137,000 | 145,153 | 122,127 | 23,026 |
| Total Sports Oriented Activities | 235,150 | 268,053 | 240,787 | 27,266 |
| School and Public Service | | | | |
| Purchased Services | 500 | 14,500 | 14,296 | 204 |
| Materials and Supplies | 39,000 | 65,975 | 63,576 | 2,399 |
| Other | 500 | 1,520 | 1,020 | 500 |
| Total School and Public Service | | | | |
| Co-Curricular Activities | 40,000 | 81,995 | 78,892 | 3,103 |
| Total Extracurricular Activities | 364,650 | 487,248 | 442,097 | 45,151 |
| <i>Total Expenditures</i> | 364,650 | 487,248 | 442,097 | 45,151 |
| <i>Excess of Revenues Over (Under)</i> <i>Expenditures</i> | (19,650) | (107,248) | (49,919) | 57,329 |
| Other Financing Uses | | | | |
| Advances Out | 0 | 0 | 23,500 | 23,500 |
| <i>Net Change in Fund Balance</i> | (19,650) | (107,248) | (26,419) | 80,829 |
| <i>Fund Balance Beginning of Year</i> | 96,733 | 96,733 | 96,733 | 0 |
| Prior Year Encumbrances Appropriated | 11,800 | 11,800 | 11,800 | 0 |
| <i>Fund Balance End of Year</i> | \$88,883 | \$1,285 | \$82,114 | \$80,829 |

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

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|--|-------------------------|--------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$155,000 | \$205,000 | \$199,867 | (\$5,133) |
| Expenditures | | | | |
| Current: | | | | |
| Operation of Non-Instructional Services: | | | | |
| Community Services: | | | | |
| Salaries and Wages | 60,900 | 59,632 | 29,713 | 29,919 |
| Fringe Benefits | 7,121 | 8,740 | 6,690 | 2,050 |
| Purchased Services | 43,700 | 47,059 | 42,343 | 4,716 |
| Materials and Supplies | 75,650 | 132,529 | 123,856 | 8,673 |
| Total Community Services | 187,371 | 247,960 | 202,602 | 45,358 |
| <i>Total Expenditures</i> | 187,371 | 247,960 | 202,602 | 45,358 |
| <i>Net Change in Fund Balance</i> | (32,371) | (42,960) | (2,735) | 40,225 |
| <i>Fund Balance Beginning of Year</i> | 11,228 | 11,228 | 11,228 | 0 |
| Prior Year Encumbrances Appropriated | 31,954 | 31,954 | 31,954 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$10,811</u> | <u>\$222</u> | <u>\$40,447</u> | <u>\$40,225</u> |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Teacher Inservice Fund
For the Fiscal Year Ended June 30, 2004

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---------------------------------------|-------------------------|-------------------|---------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Intergovernmental | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Expenditures | | | | |
| Current: | | | | |
| Support Services: | | | | |
| Instructional Staff: | | | | |
| Purchased Services | <u>1,880</u> | <u>1,880</u> | <u>1,309</u> | <u>571</u> |
| <i>Total Expenditures</i> | <u>1,880</u> | <u>1,880</u> | <u>1,309</u> | <u>571</u> |
| <i>Net Change in Fund Balance</i> | (1,880) | (1,880) | (1,309) | 571 |
| <i>Fund Balance Beginning of Year</i> | <u>1,880</u> | <u>1,880</u> | <u>1,880</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$571</u></u> | <u><u>\$571</u></u> |

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

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Over (Under) |
|---------------------------------------|-------------------------|------------------------|------------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Intergovernmental | <u>\$11,000</u> | <u>\$11,000</u> | <u>\$11,531</u> | <u>\$531</u> |
| Expenditures | | | | |
| Current: | | | | |
| Support Services: | | | | |
| Fiscal: | | | | |
| Purchased Services | <u>4,000</u> | <u>8,390</u> | <u>7,526</u> | <u>864</u> |
| <i>Net Change in Fund Balance</i> | 7,000 | 2,610 | 4,005 | 1,395 |
| <i>Fund Balance Beginning of Year</i> | 26,711 | 26,711 | 26,711 | 0 |
| Prior Year Encumbrances Appropriated | <u>390</u> | <u>390</u> | <u>390</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$34,101</u></u> | <u><u>\$29,711</u></u> | <u><u>\$31,106</u></u> | <u><u>\$1,395</u></u> |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|-----------|-----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$93,000 | \$101,000 | \$87,658 | (\$13,342) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and Wages | 37,000 | 31,134 | 26,124 | 5,010 |
| Fringe Benefits | 22,100 | 17,059 | 14,311 | 2,748 |
| Purchased Services | 250 | 1,305 | 1,101 | 204 |
| Materials and Supplies | 2,500 | 15,986 | 15,933 | 53 |
| Capital Outlay - New | 22,700 | 29,815 | 28,217 | 1,598 |
| Total Regular | 84,550 | 95,299 | 85,686 | 9,613 |
| Support Services: | | | | |
| Pupil: | | | | |
| Purchased Services | 250 | 250 | 205 | 45 |
| Total Pupils | 250 | 250 | 205 | 45 |
| Instructional Staff: | | | | |
| Salaries and Wages | 24,850 | 21,102 | 21,518 | (416) |
| Fringe Benefits | 8,500 | 5,765 | 5,132 | 633 |
| Purchased Services | 2,800 | 200 | 107 | 93 |
| Materials and Supplies | 2,362 | 3,331 | 3,331 | 0 |
| Total Instructional Staff | 38,512 | 30,398 | 30,088 | 310 |
| Administration: | | | | |
| Salaries and Wages | 17,500 | 23,340 | 23,286 | 54 |
| Fringe Benefits | 350 | 50 | 0 | 50 |
| Purchased Services | 0 | 0 | 0 | 0 |
| Materials and Supplies | 0 | 0 | 0 | 0 |
| Total Administration | 17,850 | 23,390 | 23,286 | 104 |
| Pupil Transportation: | | | | |
| Salaries and Wages | 50 | 0 | 0 | 0 |
| Purchased Services | 500 | 370 | 365 | 5 |
| Total Pupil Transportation | 550 | 370 | 365 | 5 |
| Total Support Services | 57,162 | 54,408 | 53,944 | 464 |
| Total Expenditures | 141,712 | 149,707 | 139,630 | 10,077 |
| Net Change in Fund Balance | (48,712) | (48,707) | (51,972) | (3,265) |
| Fund Balance Beginning of Year | 48,914 | 48,914 | 48,914 | 0 |
| Prior Year Encumbrances Appropriated | 1,181 | 1,181 | 1,181 | 0 |
| Fund Balance (Deficit) End of Year | \$1,383 | \$1,388 | (\$1,877) | (\$3,265) |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Student Intervention Grant
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | | Variance with Final Budget Over (Under) |
|---|------------------|----------|-----------|--|
| | Original | Final | Actual | |
| Revenues | | | | |
| Intergovernmental | \$0 | \$59,232 | \$56,201 | (\$3,031) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and Wages | 0 | 13,690 | 13,652 | 38 |
| Fringe Benefits | 0 | 2,325 | 3,397 | (1,072) |
| Materials and Supplies | 0 | 34,450 | 35,345 | (895) |
| Total Regular | 0 | 50,465 | 52,394 | (1,929) |
| Support Services: | | | | |
| Instructional Staff: | | | | |
| Salaries and Wages | 0 | 200 | 175 | 25 |
| Materials and Supplies | 0 | 3,100 | 3,054 | 46 |
| Purchased Services | 0 | 2,472 | 2,465 | 7 |
| Total Instructional Staff | 0 | 5,772 | 5,694 | 78 |
| Administration: | | | | |
| Salaries and Wages | 0 | 2,525 | 1,806 | 719 |
| Fringe Benefits | 0 | 470 | 389 | 81 |
| Total Administration | 0 | 2,995 | 2,195 | 800 |
| <i>Total Expenditures</i> | 0 | 59,232 | 60,283 | (1,051) |
| <i>Net Change in Fund Balance</i> | 0 | 0 | (4,082) | (4,082) |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | \$0 | \$0 | (\$4,082) | (\$4,082) |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title 6-B Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|-----------|-----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$465,000 | \$526,000 | \$468,538 | (\$57,462) |
| Expenditures | | | | |
| Current: | | | | |
| Regular Instruction | | | | |
| Salaries | 3,866 | 0 | 0 | 0 |
| Materials and Supplies | 12,000 | 10,500 | 10,437 | 63 |
| Equipment | 19,500 | 8,691 | 8,691 | 0 |
| Total Regular Instruction | 35,366 | 19,191 | 19,128 | 63 |
| Support Services: | | | | |
| Pupils: | | | | |
| Purchased Services | 100,000 | 127,179 | 102,580 | 24,599 |
| Materials and Supplies | 0 | 2,181 | 2,181 | 0 |
| Total Pupils | 100,000 | 129,360 | 104,761 | 24,599 |
| Instructional Staff: | | | | |
| Salaries and Wages | 128,430 | 131,484 | 115,749 | 15,735 |
| Fringe Benefits | 85,545 | 79,477 | 70,687 | 8,790 |
| Purchased Services | 3,104 | 0 | 0 | 0 |
| Materials and Supplies | 10,691 | 200 | 25 | 175 |
| Total Instructional Staff | 227,770 | 211,161 | 186,461 | 24,700 |
| Administration: | | | | |
| Salaries and Wages | 90,069 | 92,265 | 87,403 | 4,862 |
| Fringe Benefits | 30,786 | 41,300 | 27,119 | 14,181 |
| Materials and Supplies | 3,000 | 3,047 | 3,047 | 0 |
| Capital Outlay - New | 0 | 0 | 0 | 0 |
| Total Administration | 123,855 | 136,612 | 117,569 | 19,043 |
| Operation of Non-Instructional Services: | | | | |
| Community Services: | | | | |
| Salaries and Wages | 11,402 | 20,114 | 12,579 | 7,535 |
| Fringe Benefits | 2,000 | 2,000 | 1,990 | 10 |
| Purchased Services | 0 | 500 | 0 | 500 |
| Materials and Supplies | 500 | 12,755 | 11,118 | 1,637 |
| Capital Outlay - New | 10,281 | 0 | 0 | 0 |
| Total Operation of Non-Instructional Services | 24,183 | 35,369 | 25,687 | 9,682 |
| <i>Total Expenditures</i> | 511,174 | 531,693 | 453,606 | 78,087 |
| <i>Net Change in Fund Balance</i> | (46,174) | (5,693) | 14,932 | 20,625 |
| <i>Fund Balance (Deficit) Beginning of Year</i> | (11,489) | (11,489) | (11,489) | 0 |
| Prior Year Encumbrances Appropriated | 17,619 | 17,619 | 17,619 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | (\$40,044) | \$437 | \$21,062 | \$20,625 |

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

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with |
|---|-------------------------|--------------|---------------|---------------------------------|
| | <u>Original</u> | <u>Final</u> | | Final Budget Over (Under) |
| Revenues | | | | |
| Intergovernmental | \$421,782 | \$455,282 | \$422,776 | (\$32,506) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and Wages | 282,665 | 289,533 | 265,975 | 23,558 |
| Fringe Benefits | 92,137 | 82,147 | 77,815 | 4,332 |
| Materials and Supplies | 14,615 | 17,289 | 14,459 | 2,830 |
| Total Instruction | 389,417 | 388,969 | 358,249 | 30,720 |
| Support Services: | | | | |
| Instructional Staff: | | | | |
| Salaries and Wages | 11,095 | 4,000 | 3,385 | 615 |
| Materials and Supplies | 18,073 | 27,472 | 23,077 | 4,395 |
| Total Support Services | 29,168 | 31,472 | 26,462 | 5,010 |
| Administration: | | | | |
| Salaries and Wages | 15,216 | 8,090 | 5,878 | 2,212 |
| Materials and Supplies | 0 | 7 | 7 | 0 |
| Total Administration | 15,216 | 8,097 | 5,885 | 2,212 |
| Non Instructional: | | | | |
| Salaries and Wages | 18,443 | 18,443 | 0 | 18,443 |
| Materials and Supplies | 2,515 | 2,515 | 0 | 2,515 |
| Total Non Instructional | 20,958 | 20,958 | 0 | 20,958 |
| <i>Total Expenditures</i> | 454,759 | 449,496 | 390,596 | 58,900 |
| <i>Change in Fund Balance</i> | (32,977) | 5,786 | 32,180 | 26,394 |
| <i>Fund Balance Beginning of Year</i> | 19,948 | 19,948 | 19,948 | 0 |
| Prior Year Encumbrances Appropriated | 2,211 | 2,211 | 2,211 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | (\$10,818) | \$27,945 | \$54,339 | \$26,394 |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|----------|----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$24,000 | \$24,100 | \$20,973 | (\$3,127) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and Wages | 15,517 | 16,301 | 16,628 | (327) |
| Fringe Benefits | 3,622 | 3,584 | 3,486 | 98 |
| Materials and Supplies | 196 | 196 | 167 | 29 |
| Total Instruction | 19,335 | 20,081 | 20,281 | (200) |
| Operation of Non-Instructional Services: | | | | |
| Services: | | | | |
| Community Services: | | | | |
| Materials and Supplies | 2,789 | 4,020 | 3,114 | 906 |
| Total Operation of Non-Instructional Services | 2,789 | 4,020 | 3,114 | 906 |
| <i>Total Expenditures</i> | 22,124 | 24,101 | 23,395 | 706 |
| <i>Other Financing Sources</i> | | | | |
| Advances In | 0 | 0 | 3,000 | 3,000 |
| <i>Net Change in Fund Balance</i> | 1,876 | (1) | 578 | 579 |
| <i>Fund Balance (Deficit) Beginning of Year</i> | (1,081) | (1,081) | (1,081) | 0 |
| <i>Prior Year Encumbrances Appropriated</i> | 1,124 | 1,124 | 1,124 | 0 |
| <i>Fund Balance End of Year</i> | \$1,919 | \$42 | \$621 | \$579 |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title 6-B Preschool Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|----------|-----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$31,308 | \$39,608 | \$29,974 | (\$9,634) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Special: | | | | |
| Purchased Services | 1,000 | 2,360 | 2,360 | 0 |
| Capital Outlay | 0 | 6,739 | 6,739 | 0 |
| Total Special | 1,000 | 9,099 | 9,099 | 0 |
| Instructional Staff: | | | | |
| Salaries and Wages | 22,106 | 19,306 | 18,364 | 942 |
| Fringe Benefits | 2,000 | 1,300 | 266 | 1,034 |
| Purchased Services | 1,875 | 1,875 | 1,000 | 875 |
| Materials and Supplies | 5,281 | 6,742 | 6,395 | 347 |
| Total Instructional Staff | 31,262 | 29,223 | 26,025 | 3,198 |
| Administration: | | | | |
| Salaries and Wages | 8,500 | 5,000 | 5,000 | 0 |
| Equipment | 500 | 500 | 500 | 0 |
| Total Administration | 9,000 | 5,500 | 5,500 | 0 |
| Total Support Services | 40,262 | 34,723 | 31,525 | 3,198 |
| <i>Total Expenditures</i> | 41,262 | 43,822 | 40,624 | 3,198 |
| <i>Net Change in Fund Balance</i> | (9,954) | (4,214) | (10,650) | (6,436) |
| <i>Fund Balance Beginning of Year</i> | 3,128 | 3,128 | 3,128 | 0 |
| <i>Prior Year Encumbrances Appropriated</i> | 1,161 | 1,161 | 1,161 | 0 |
| <i>Fund Balance(Deficit) End of Year</i> | (\$5,665) | \$75 | (\$6,361) | (\$6,436) |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|----------|----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$16,000 | \$19,500 | \$17,665 | (\$1,835) |
| Expenditures | | | | |
| Current: | | | | |
| Support Services: | | | | |
| Pupil: | | | | |
| Salaries and Wages | 17,616 | 17,616 | 17,539 | 77 |
| Purchased Services | 1,000 | 0 | 0 | 0 |
| Materials and Supplies | 0 | 984 | 949 | 35 |
| <i>Total Expenditures</i> | 18,616 | 18,600 | 18,488 | 112 |
| <i>Revenues Over (Under) Expenditures</i> | (2,616) | 900 | (823) | (1,723) |
| <i>Other Financing Sources</i> | | | | |
| Advances In | 0 | 0 | 3,000 | 3,000 |
| <i>Net Change in Fund Balances</i> | (2,616) | 900 | 2,177 | 1,277 |
| <i>Fund Balance (Deficit) Beginning of Year</i> | (506) | (506) | (506) | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | (\$3,122) | \$394 | \$1,671 | \$1,277 |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tele-com E-Rate Fund
For the Fiscal Year Ended June 30, 2004

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|---------------------|-------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Intergovernmental | <u>\$20,000</u> | <u>\$28,000</u> | <u>\$27,879</u> | <u>(\$121)</u> |
| Expenditures | | | | |
| Fiscal | | | | |
| Purchased services | <u>10,000</u> | <u>66,322</u> | <u>66,322</u> | <u>0</u> |
| <i>Net Change in Fund Balance</i> | 10,000 | (38,322) | (38,443) | (121) |
| <i>Fund Balance Beginning of Year</i> | <u>36,941</u> | <u>36,941</u> | <u>36,941</u> | <u>0</u> |
| <i>Prior Year Encumbrances Appropriated</i> | 1,502 | 1,502 | 1,502 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | <u><u>\$48,443</u></u> | <u><u>\$121</u></u> | <u><u>\$0</u></u> | <u><u>(\$121)</u></u> |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Teacher Quality Title II-A Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|-----------|-----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$170,000 | \$183,000 | \$163,078 | (\$19,922) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and Wages | 110,066 | 101,641 | 77,729 | 23,912 |
| Fringe Benefits | 43,003 | 47,564 | 36,270 | 11,294 |
| Total Instruction | 153,069 | 149,205 | 113,999 | 35,206 |
| Support Services: | | | | |
| Pupils: | | | | |
| Purchased Services | 24,281 | 36,627 | 33,569 | 3,058 |
| Total Support Services | 24,281 | 36,627 | 33,569 | 3,058 |
| <i>Total Expenditures</i> | 177,350 | 185,832 | 147,568 | 38,264 |
| <i>Net change in Fund Balance</i> | (7,350) | (2,832) | 15,510 | 18,342 |
| <i>Fund Balance (Deficit) Beginning of Year</i> | (1,532) | (1,532) | (1,532) | 0 |
| <i>Prior Year Encumbrances Appropriated</i> | 4,739 | 4,739 | 4,739 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | (\$4,143) | \$375 | \$18,717 | \$18,342 |

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

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with |
|--|-------------------------|---------------------|-----------------------|---------------------------------|
| | <u>Original</u> | <u>Final</u> | | Final Budget Over (Under) |
| Revenues | | | | |
| Tuition and Fees | 5,000 | 5,000 | 7,825 | 2,825 |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and Wages | 28,000 | 28,000 | 25,381 | 2,619 |
| Fringe Benefits | 1,300 | 1,300 | 1,268 | 32 |
| Materials and Supplies | 3,500 | 4,678 | 3,886 | 792 |
| <i>Total Expenditures</i> | <u>32,800</u> | <u>33,978</u> | <u>30,535</u> | <u>3,443</u> |
| <i>Excess of Revenues Under Expenditures</i> | (27,800) | (28,978) | (22,710) | 6,268 |
| Other Financing Sources | | | | |
| Operating Transfers In | 25,000 | 25,000 | 25,000 | 0 |
| <i>Net Change in Fund Balance</i> | (2,800) | (3,978) | 2,290 | 6,268 |
| <i>Fund Balance Beginning of Year</i> | 3,328 | 3,328 | 3,328 | 0 |
| <i>Unexpended Prior Year Encumbrances</i> | <u>1,178</u> | <u>1,178</u> | <u>1,178</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$1,706</u></u> | <u><u>\$528</u></u> | <u><u>\$6,796</u></u> | <u><u>\$6,268</u></u> |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---------------------------------------|------------------|-----------|-----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Sales | \$520,000 | \$520,000 | \$436,171 | (\$83,829) |
| Interest | 0 | 0 | 652 | 652 |
| Operating Grants | 190,000 | 190,000 | 216,110 | 26,110 |
| <i>Total Revenues</i> | 710,000 | 710,000 | 652,933 | (57,067) |
| Expenditures: | | | | |
| Salaries: | | | | |
| Food Service Operations | 282,000 | 282,000 | 255,591 | 26,409 |
| Fringe Benefits: | | | | |
| Food Service Operations | 173,600 | 173,600 | 143,988 | 29,612 |
| Purchased Services: | | | | |
| Food Service Operations | 15,100 | 15,100 | 6,112 | 8,988 |
| Materials and Supplies: | | | | |
| Food Service Operations | 250,000 | 292,000 | 271,430 | 20,570 |
| <i>Total Expenditures</i> | 720,700 | 762,700 | 677,121 | 85,579 |
| <i>Net Change in Fund Balance</i> | (10,700) | (52,700) | (24,188) | 28,512 |
| <i>Fund Balance Beginning of Year</i> | 71,950 | 71,950 | 71,950 | 0 |
| <i>Fund Balance End of Year</i> | \$61,250 | \$19,250 | \$47,762 | \$28,512 |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|----------|----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Tuition and Fees | \$36,000 | \$36,000 | \$26,635 | (\$9,365) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Materials and Supplies | 20,000 | 31,679 | 29,170 | 2,509 |
| <i>Net Change in Fund Balance</i> | 16,000 | 4,321 | (2,535) | (6,856) |
| <i>Fund Balance Beginning of Year</i> | 32,213 | 32,213 | 32,213 | 0 |
| <i>Prior Year Encumbrances Appropriated</i> | 980 | 980 | 980 | 0 |
| <i>Fund Balance End of Year</i> | \$49,193 | \$37,514 | \$30,658 | (\$6,856) |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Band Uniform Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---------------------------------------|------------------|---------|---------|--|
| | Original | Final | | |
| Revenues | | | | |
| Interest | \$155 | \$150 | \$95 | (\$55) |
| Expenditures | | | | |
| Current: | | | | |
| Extracurricular Activities: | | | | |
| Academic and Subject Oriented | | | | |
| Activities: | | | | |
| Capital Outlay - Replacement | 0 | 0 | 0 | 0 |
| <i>Net Change in Fund Balance</i> | 155 | 150 | 95 | (55) |
| <i>Fund Balance Beginning of Year</i> | 6,256 | 6,256 | 6,256 | 0 |
| <i>Fund Balance End of Year</i> | \$6,411 | \$6,406 | \$6,351 | (\$55) |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Juvenile Attention Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|-----------|-----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Tuition and Fees | \$155,000 | \$185,000 | \$152,911 | (\$32,089) |
| Expenditures | | | | |
| Current: | | | | |
| Operation of Non-Instructional Services: | | | | |
| Community Services: | | | | |
| Salaries and Wages | 117,000 | 117,000 | 113,438 | 3,562 |
| Fringe Benefits | 56,500 | 56,500 | 48,745 | 7,755 |
| Purchased Services | 4,000 | 4,000 | 0 | 4,000 |
| Materials and Supplies | 6,000 | 10,383 | 9,656 | 727 |
| <i>Total Expenditures</i> | 183,500 | 187,883 | 171,839 | 16,044 |
| Total Revenues (Under) Expenditures | (28,500) | (2,883) | (18,928) | (16,045) |
| Other Financing Sources (Uses) | | | | |
| Advances In | 0 | 0 | 25,000 | 25,000 |
| Advances Out | 0 | 0 | (10,000) | (10,000) |
| Total Other Financing Sources (Uses) | 0 | 0 | 15,000 | 15,000 |
| <i>Net Change in Fund Balance</i> | (28,500) | (2,883) | (3,928) | (1,045) |
| <i>Fund Balance Beginning of Year</i> | 2,428 | 2,428 | 2,428 | 0 |
| Prior Year Encumbrances Appropriated | 1,583 | 1,583 | 1,583 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | (\$24,489) | \$1,128 | \$83 | (\$1,045) |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---------------------------------------|------------------|------------|-----------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$0 | \$54,000 | \$54,000 | \$0 |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and Wages | 0 | 30,821 | 19,154 | 11,667 |
| Purchased Services | 0 | 16,170 | 16,180 | (10) |
| Materials and Supplies | 0 | 15,267 | 15,003 | 264 |
| Capital Outlay - New | 0 | 9,363 | 9,363 | 0 |
| <i>Total Expenditures</i> | 0 | 71,621 | 59,700 | 11,921 |
| <i>Net Change in Fund Balance</i> | 0 | (17,621) | (5,700) | 11,921 |
| <i>Fund Balance Beginning of Year</i> | 13,967 | 13,967 | 13,967 | 0 |
| Prior Year Encumbrances Appropriated | 3,654 | 3,654 | 3,654 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$17,621</u> | <u>\$0</u> | <u>\$11,921</u> | <u>\$11,921</u> |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---------------------------------------|------------------|---------|---------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$2,200 | \$2,200 | \$4,140 | \$1,940 |
| Expenditures | | | | |
| Current | | | | |
| Instruction | | | | |
| Purchased Services | 15 | 2,218 | 2,217 | 1 |
| Total Expenditures | 15 | 2,218 | 2,217 | 1 |
| <i>Net Change in Fund Balance</i> | 2,185 | (18) | 1,923 | 1,941 |
| <i>Fund Balance Beginning of Year</i> | 915 | 915 | 915 | 0 |
| <i>Fund Balance End of Year</i> | \$3,100 | \$897 | \$2,838 | \$1,941 |

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

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|---|-------------------------|-----------------------|--------------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$0 | \$8,800 | \$8,800 | \$0 |
| Expenditures | | | | |
| Current: | | | | |
| Support Services: | | | | |
| Instructional Staff: | | | | |
| Salaries and Wages | 0 | 7,200 | 7,200 | 0 |
| Purchased Services | 0 | 580 | 580 | 0 |
| Materials and Supplies | 0 | 2,245 | 2,148 | 97 |
| Other | 0 | 0 | 2,596 | (2,596) |
| <i>Total Expenditures</i> | <u>0</u> | <u>10,025</u> | <u>12,524</u> | <u>(2,499)</u> |
| <i>Net Change in Fund Balance</i> | 0 | (1,225) | (3,724) | (2,499) |
| <i>Fund Balance Beginning of Year</i> | 2,596 | 2,596 | 2,596 | 0 |
| <i>Prior Year Encumbrances Appropriated</i> | <u>1,225</u> | <u>1,225</u> | <u>1,225</u> | |
| <i>Fund Balance (Deficit) End of Year</i> | <u><u>\$3,821</u></u> | <u><u>\$2,596</u></u> | <u><u>\$97</u></u> | <u><u>(\$2,499)</u></u> |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title II-D Technology Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|----------|----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$8,400 | \$13,000 | \$10,442 | (\$2,558) |
| Expenditures | | | | |
| Current: | | | | |
| Support Services: | | | | |
| Instructional Staff: | | | | |
| Salaries | 0 | 210 | 210 | 0 |
| Materials and Supplies | 314 | 1,172 | 743 | 429 |
| Purchased Services | 7,983 | 12,088 | 10,486 | 1,602 |
| <i>Total Expenditures</i> | 8,297 | 13,470 | 11,439 | 2,031 |
| <i>Total Revenues Over (Under) Expenditures</i> | 103 | (470) | (997) | (527) |
| <i>Other Financing Sources</i> | | | | |
| <i>Advances In</i> | 0 | 0 | 2,000 | 2,000 |
| <i>Net Change in Fund Balance</i> | 103 | (470) | 1,003 | 1,473 |
| <i>Fund Balance (Deficit) Beginning of Year</i> | (114) | (114) | (114) | 0 |
| <i>Prior Year Encumbrances Appropriated</i> | 682 | 682 | 682 | 0 |
| <i>Fund Balance End of Year</i> | \$671 | \$98 | \$1,571 | \$1,473 |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Physical Education for Progress Grant Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Favorable (Unfavorable) |
|---|------------------|---------|---------|---|
| | Original | Final | | |
| Revenues | \$0 | \$8,000 | \$7,607 | (\$393) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Purchased Services | 0 | 7,607 | 7,607 | 0 |
| Capital Outlay | 0 | 6,141 | 6,141 | 0 |
| <i>Total Expenditures</i> | 0 | 13,748 | 13,748 | 0 |
| <i>Net Change in Fund Balance</i> | 0 | (5,748) | (6,141) | (393) |
| <i>Fund Balance Beginning of Year</i> | 6,141 | 6,141 | 6,141 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | \$6,141 | \$393 | \$0 | (\$393) |

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

| | Budgeted Amounts | | | Variance with Final Budget Over (Under) |
|---------------------------------------|------------------|----------------|----------------|--|
| | Original | Final | Actual | |
| Revenues | | | | |
| Intergovernmental | \$0 | \$0 | \$0 | \$0 |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Capital Outlay - New | 1,000 | 1,000 | 0 | 1,000 |
| <i>Net Change in Fund Balance</i> | (1,000) | (1,000) | 0 | 1,000 |
| <i>Fund Balance Beginning of Year</i> | 3,281 | 3,281 | 3,281 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$2,281</u> | <u>\$2,281</u> | <u>\$3,281</u> | <u>\$1,000</u> |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|----------|----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$28,000 | \$24,300 | \$24,000 | (\$300) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Purchased Services | 0 | 24,000 | 24,000 | 0 |
| Capital Outlay - New | 0 | 788 | 545 | 243 |
| <i>Total Expenditures</i> | 0 | 24,788 | 24,545 | 243 |
| <i>Net Change in Fund Balance</i> | 28,000 | (488) | (545) | (57) |
| <i>Fund Balance Beginning of Year</i> | 457 | 457 | 457 | 0 |
| <i>Prior Year Encumbrances Appropriated</i> | 88 | 88 | 88 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | \$28,545 | (\$31) | (\$88) | (\$57) |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Library Replacement Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|--|------------------|---------|--------|--|
| | Original | Final | | |
| Revenues | | | | |
| Contributions and Donations | \$600 | \$600 | \$242 | (\$358) |
| Miscellaneous | 0 | 0 | 726 | 726 |
| <i>Total Revenues</i> | 600 | 600 | 968 | 368 |
| Expenditures | | | | |
| Current: | | | | |
| Instructional Staff: | | | | |
| Materials and Supplies | 0 | 500 | 486 | 14 |
| Capital Outlay | | | | |
| Architecture and Engineering Services: | | | | |
| Materials and Supplies | 1,800 | 1,500 | 1,076 | 424 |
| <i>Total Expenditures</i> | 1,800 | 2,000 | 1,562 | 438 |
| <i>Net Change in Fund Balance</i> | (1,200) | (1,400) | (594) | 806 |
| <i>Fund Balance Beginning of Year</i> | 1,435 | 1,435 | 1,435 | 0 |
| <i>Fund Balance End of Year</i> | \$235 | \$35 | \$841 | \$806 |

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

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---------------------------------------|------------------|-------------|-------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Charges for Services | \$2,400,000 | \$2,400,000 | \$2,605,927 | \$205,927 |
| Expenses | | | | |
| Purchased Services: | | | | |
| Self Insurance | 310,000 | 330,000 | 293,771 | 36,229 |
| Claims: | | | | |
| Self Insurance | 2,800,000 | 2,800,000 | 2,302,385 | 497,615 |
| <i>Total Expenses</i> | 3,110,000 | 3,130,000 | 2,596,156 | 533,844 |
| <i>Net Change in Fund Balance</i> | (710,000) | (730,000) | 9,771 | 739,771 |
| <i>Fund Balance Beginning of Year</i> | 905,862 | 905,862 | 905,862 | 0 |
| <i>Fund Balance End of Year</i> | \$195,862 | \$175,862 | \$915,633 | \$739,771 |

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Scholarship Trust Fund
For the Fiscal Year Ended June 30, 2004

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|------------------|----------|----------|--|
| | Original | Final | | |
| Revenues | | | | |
| Interest | \$795 | \$375 | \$150 | (\$225) |
| Gifts and Donations | \$0 | \$700 | \$300 | (\$400) |
| <i>Total Revenue</i> | \$795 | \$1,075 | \$450 | (\$625) |
| Expenditures | | | | |
| Current: | | | | |
| Operation of Non-Instructional Services: | | | | |
| Other | 950 | 1,000 | 500 | 500 |
| <i>Net Change in Fund Balance</i> | (155) | 75 | (50) | (125) |
| <i>Fund Balance Beginning of Year</i> | 14,430 | 14,430 | 14,430 | 0 |
| <i>Fund Balance End of Year</i> | \$14,275 | \$14,505 | \$14,380 | (\$125) |

*New Philadelphia City School District
Statement of Changes in Assets and Liabilities
Student Managed Activities Agency Fund
For the Fiscal Year Ended June 30, 2004*

| | Beginning Balance July 1, 2003 | Additions | Deductions | Ending Balance June 30, 2004 |
|---------------------------|--------------------------------------|-----------------|-----------------|------------------------------------|
| <u>Assets:</u> | | | | |
| Cash and Cash Equivalents | \$48,565 | \$49,660 | \$48,565 | \$49,660 |
| Total Assets | <u>\$48,565</u> | <u>\$49,660</u> | <u>\$48,565</u> | <u>\$49,660</u> |
| <u>Liabilities:</u> | | | | |
| Due to Students | \$48,565 | \$49,660 | \$48,565 | \$49,660 |
| Total Liabilities | <u>\$48,565</u> | <u>\$49,660</u> | <u>\$48,565</u> | <u>\$49,660</u> |

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STATISTICAL SECTION

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New Philadelphia City School District

Statistical Section

The following statistical tables reflect social and economic data, financial trends and fiscal capacity of the School District.

New Philadelphia City School District
General Governmental
Revenues by Source and Expenses/Expenditures by Function
Last Ten Fiscal Years

| | 2004 | | 2003 | | 2002 | |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Full Accrual | Modified Accrual | Full Accrual | Modified Accrual | Full Accrual | Modified Accrual |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 1,259,642 | \$ - | \$ 1,292,333 | \$ - | \$ 831,549 | \$ - |
| Operating Grants and Contribution: | 1,810,023 | - | 1,995,735 | - | 1,446,200 | - |
| Capital Grants and Contributions | 24,000 | - | 73,063 | - | 126,522 | - |
| General Revenues: | | | | | | |
| Taxes | 9,874,336 | 9,874,336 | 10,352,603 | 10,352,603 | 8,853,766 | 8,853,766 |
| Intergovernmental | 9,124,340 | 11,016,614 | 8,120,919 | 10,131,466 | 8,105,156 | 9,746,309 |
| Interest | 117,822 | 117,822 | 178,232 | 178,232 | 317,177 | 317,177 |
| Tuition and Fees | - | 302,831 | - | 334,213 | - | 321,624 |
| Extracurricular | - | 532,420 | - | 548,116 | - | 509,925 |
| Rents | - | 16,479 | - | 8,747 | 11,643 | 11,643 |
| Charges for Services | - | 424,391 | - | 410,004 | 32,167 | 32,167 |
| Contributions | - | 21,253 | - | 19,151 | - | - |
| Miscellaneous | 404,515 | 366,783 | 444,543 | 416,645 | 164,012 | 164,012 |
| Total | \$22,614,678 | \$22,672,929 | \$22,457,428 | \$22,399,177 | \$19,888,192 | \$19,956,623 |
| Expenses/Expenditures: | | | | | | |
| Current: | | | | | | |
| Instruction: | | | | | | |
| Regular | \$ 10,567,397 | \$ 10,334,456 | \$ 10,882,940 | \$ 10,519,380 | \$ 10,079,636 | \$ 9,664,376 |
| Special | 1,770,459 | 1,784,201 | 1,686,861 | 1,675,392 | 1,505,877 | 1,465,727 |
| Vocational | 356,993 | 356,558 | 333,346 | 349,879 | 332,016 | 329,892 |
| Adult Continuing | 554 | 451 | 1,250 | 1,137 | 599 | 483 |
| Other | 115,801 | 115,801 | 136,300 | 136,300 | 98,019 | 97,904 |
| Support Services | | | | | | |
| Pupils | 1,158,434 | 1,171,265 | 1,109,818 | 1,101,798 | 942,987 | 945,978 |
| Instructional Staff | 907,327 | 901,866 | 847,559 | 832,572 | 746,742 | 698,553 |
| Board of Education | 133,599 | 133,599 | 63,389 | 63,389 | 173,287 | 169,490 |
| Administration | 2,068,578 | 2,061,679 | 1,840,489 | 1,847,426 | 1,796,378 | 1,762,559 |
| Fiscal | 678,232 | 675,755 | 667,707 | 663,410 | 640,469 | 633,183 |
| Operation and Maintenance | 2,521,719 | 2,008,751 | 1,888,992 | 1,829,810 | 1,823,154 | 1,822,888 |
| Pupil Transportation | 819,392 | 937,725 | 860,627 | 768,769 | 769,622 | 800,711 |
| Central | 2,214 | 2,214 | 2,552 | 2,552 | 3,152 | 3,152 |
| Food Service | 729,974 | 682,144 | 725,798 | 679,909 | - | - |
| Operation of Non-Instructional | 432,815 | 462,470 | 391,298 | 386,671 | 368,925 | 417,485 |
| Extracurricular Activities | 969,574 | 981,582 | 937,691 | 906,539 | 913,793 | 988,139 |
| Capital Outlay | - | 550,710 | - | 422,865 | - | 307,059 |
| Debt Service | 476,695 | 944,854 | 445,273 | 792,651 | 461,337 | 765,914 |
| | \$23,709,757 | \$24,106,081 | \$22,821,890 | \$22,980,449 | \$20,655,993 | \$20,873,493 |

Note: Data for 1995 reported on a cash basis, while 1996-2004 reported on a GAAP Basis

1995-1999 data includes General Fund, 2000-2004 data includes General Governmental Activities.

Source: School District Records

New Philadelphia City School District
 General Governmental
 Revenues by Source and Expenses/Expenditures by Function
 Last Ten Fiscal Years

| 2001 | | 2000 | | 1999 | 1998 | 1997 | 1996 | 1995 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Full Accrual | Modified Accrual | Full Accrual | Modified Accrual | | | | | |
| \$ 756,182 | \$ - | \$ 762,679 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1,125,877 | - | 1,483,538 | - | - | - | - | - | - |
| 151,154 | - | 124,581 | - | - | - | - | - | - |
| 9,229,903 | 8,454,881 | 10,793,199 | 10,778,966 | 7,009,799 | 8,392,530 | 8,307,980 | 8,054,469 | 6,706,267 |
| 7,194,645 | 9,435,150 | 6,926,279 | 8,513,912 | 6,930,745 | 6,770,311 | 6,587,943 | 6,543,872 | 6,173,695 |
| 740,838 | 740,838 | 659,524 | 659,524 | 516,664 | 480,602 | 373,904 | 229,650 | 193,390 |
| - | 253,772 | - | 230,173 | 106,881 | 134,521 | 109,082 | 123,454 | 40,009 |
| - | 502,410 | - | 531,131 | - | - | - | - | - |
| - | 24,260 | - | 1,375 | 4,636 | 272 | 1,095 | 2,269 | - |
| - | 52,363 | - | 10,998 | - | - | - | - | - |
| - | - | - | - | - | - | - | 1,964 | - |
| 370,809 | 294,186 | 146,907 | 146,907 | 56,955 | 144,072 | 41,019 | 10,934 | 73,456 |
| <u>\$ 19,569,408</u> | <u>\$ 19,757,860</u> | <u>\$ 20,896,707</u> | <u>\$ 20,872,986</u> | <u>\$ 14,625,680</u> | <u>\$ 15,922,308</u> | <u>\$ 15,421,023</u> | <u>\$ 14,966,612</u> | <u>\$ 13,186,817</u> |
| | | | | | | | | |
| \$ 9,905,375 | \$ 9,339,022 | \$ 9,268,836 | \$ 8,643,136 | \$7,681,081 | \$7,465,131 | \$7,030,507 | \$6,916,733 | \$6,679,809 |
| 1,413,383 | 1,365,324 | 1,304,639 | 1,255,527 | 1,137,576 | 1,008,844 | 965,380 | 963,548 | 903,530 |
| 315,567 | 323,891 | 297,572 | 289,022 | 315,129 | 330,386 | 316,662 | 305,231 | 292,589 |
| 1,849 | 1,739 | 4,241 | 3,991 | 1,176 | 1,259 | - | - | - |
| 102,260 | 50,491 | - | - | 32,045 | 34,036 | 49,104 | 19,140 | - |
| 933,159 | 952,081 | 824,935 | 814,332 | 804,931 | 557,278 | 635,280 | 609,269 | 630,401 |
| 765,615 | 624,684 | 545,953 | 532,616 | 219,694 | 455,432 | 285,606 | 276,249 | 241,360 |
| 124,272 | 93,361 | 84,065 | 84,065 | 34,718 | 6,909 | 22,773 | 41,126 | 43,727 |
| 1,705,413 | 1,720,512 | 1,651,233 | 1,636,129 | 1,467,687 | 1,434,915 | 1,342,457 | 1,307,459 | 1,212,847 |
| 614,400 | 596,386 | 563,175 | 555,478 | 516,196 | 446,916 | 482,622 | 431,196 | 395,330 |
| 1,786,723 | 1,888,418 | 1,562,809 | 1,551,319 | 1,525,795 | 1,398,915 | 1,434,537 | 1,443,002 | 1,398,345 |
| 729,149 | 976,104 | 658,833 | 717,455 | 639,622 | 637,799 | 611,307 | 549,669 | 533,859 |
| 2,218 | 2,218 | 2,379 | 2,379 | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 374,037 | 376,115 | 306,472 | 304,472 | - | - | - | - | - |
| 921,287 | 914,047 | 866,415 | 860,498 | 284,965 | 269,937 | 226,540 | 208,599 | 195,460 |
| - | 340,932 | - | 339,863 | - | - | - | - | - |
| 475,971 | 743,003 | 495,896 | 741,037 | 47,271 | 47,270 | 35,453 | 44,648 | - |
| <u>\$ 20,170,678</u> | <u>\$ 20,308,328</u> | <u>\$ 18,437,453</u> | <u>\$ 18,331,319</u> | <u>\$14,707,886</u> | <u>\$14,095,027</u> | <u>\$13,438,228</u> | <u>\$13,115,869</u> | <u>\$12,527,257</u> |

New Philadelphia City School District
Property Tax Levies and Collections - Real and Public Utilities
Last Ten Years

| <u>Tax Year</u> | <u>Current Tax Levy</u> | <u>Current Tax Collections</u> | <u>Percent Collected</u> | <u>Delinquent Tax Collections</u> | <u>Total Tax Collections</u> | <u>Percent of Total Collections to Current Tax Levies</u> | <u>Outstanding Delinquent Taxes</u> | <u>Percent of Outstanding Delinquent Taxes to Current Tax Levy</u> |
|-----------------|-------------------------|--------------------------------|--------------------------|-----------------------------------|------------------------------|---|-------------------------------------|--|
| 2003 | \$8,095,994 | \$ 7,703,748 | 95.16% | \$ 87,837 | \$7,791,585 | 96.24% | \$ 457,721 | 5.65% |
| 2002 | 7,723,451 | 7,348,427 | 95.14% | 84,622 | 7,433,049 | 96.24% | 393,622 | 5.10% |
| 2001 | 7,582,682 | 7,333,049 | 96.71% | 81,281 | 7,414,330 | 97.78% | 358,622 | 4.73% |
| 2000 | 7,305,693 | 7,282,482 | 99.68% | 72,827 | 7,355,803 | 100.69% | 238,372 | 3.26% |
| 1999 | 7,249,581 | 7,218,482 | 99.57% | 78,843 | 7,297,325 | 100.66% | 206,431 | 2.85% |
| 1998 | 6,997,692 | 6,898,223 | 98.58% | 70,002 | 6,968,225 | 99.58% | 192,738 | 2.75% |
| 1997 | 6,878,589 | 6,958,966 | 101.17% | 72,259 | 7,031,225 | 102.22% | 280,074 | 4.07% |
| 1996 | 6,768,416 | 6,684,020 | 98.75% | 161,804 | 6,845,824 | 101.14% | 263,494 | 3.89% |
| 1995* | 6,391,075 | 6,395,159 | 100.06% | 152,970 | 6,548,129 | 102.46% | 302,832 | 4.74% |
| 1994 | 5,230,290 | 5,050,362 | 96.56% | 193,438 | 5,243,800 | 100.26% | 294,361 | 5.63% |

* 1995 figures represent first year collection of 5.9 mill operating levy.

Source: Tuscarawas County Auditor and Tuscarawas County Treasurer

Does not include state reimbursements of Homestead and Rollback Exemptions

Note: Outstanding Delinquent taxes cannot be calculated based on other statistical information in this table because of retroactive additions and deletions which are brought on in one lump sum.

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

| Year | Real Property | | Public Utility Property | | Personal Property | | Total | | Ratio |
|------|----------------|---------------|-------------------------|--------------|-------------------|---------------|----------------|-----------------|--------|
| | Assessed Value | Actual Value | Assessed Value | Actual Value | Assessed Value | Actual Value | Assessed Value | Actual Value | |
| 2004 | \$347,612,880 | \$993,179,657 | \$14,454,830 | \$16,425,943 | \$52,139,640 | \$208,558,560 | \$414,207,350 | \$1,218,164,160 | 34.00% |
| 2003 | 342,588,120 | 978,823,200 | 14,125,950 | 16,052,216 | 60,532,360 | 242,129,440 | 417,246,430 | 1,237,004,856 | 33.73% |
| 2002 | 339,465,830 | 969,902,371 | 13,884,820 | 15,778,205 | 64,831,235 | 259,324,940 | 418,181,885 | 1,245,005,516 | 33.59% |
| 2001 | 304,496,650 | 869,990,429 | 17,779,850 | 20,204,375 | 63,213,520 | 252,854,080 | 385,490,020 | 1,143,048,884 | 33.72% |
| 2000 | 298,996,140 | 854,274,686 | 18,967,510 | 21,553,989 | 57,762,562 | 231,050,248 | 375,726,212 | 1,106,878,923 | 33.94% |
| 1999 | 293,644,500 | 838,984,286 | 19,006,340 | 21,598,114 | 54,080,366 | 216,321,464 | 366,731,206 | 1,076,903,864 | 34.05% |
| 1998 | 240,231,180 | 686,374,800 | 19,312,180 | 21,945,659 | 52,359,925 | 209,439,700 | 311,903,285 | 917,760,159 | 33.99% |
| 1997 | 235,036,790 | 671,533,686 | 20,472,830 | 23,264,580 | 51,733,546 | 206,934,184 | 307,243,166 | 901,732,450 | 34.07% |
| 1996 | 229,734,770 | 656,385,057 | 20,892,680 | 23,741,682 | 44,500,120 | 178,000,480 | 295,127,570 | 858,127,219 | 34.39% |
| 1995 | 198,487,960 | 567,108,457 | 22,424,340 | 25,482,205 | 40,997,061 | 163,988,244 | 261,909,361 | 756,578,906 | 34.62% |

Source: Tuscarawas County Auditor

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

| | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| New Philadelphia City Schools | \$42.15 | \$42.15 | \$42.15 | \$42.25 | \$42.30 | \$42.30 | \$42.80 | \$42.80 | \$42.80 | \$43.40 |
| <u>Tuscarawas County:</u> | | | | | | | | | | |
| County | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 |
| Mental Retardation Board | 4.90 | 4.90 | 4.90 | 4.90 | 4.90 | 4.90 | 3.00 | 3.00 | 3.00 | 3.00 |
| Senior Citizens | 0.60 | 0.60 | 0.60 | 0.50 | 0.50 | 0.50 | 0.50 | - | - | - |
| Community Mental Health | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Buckeye Career Center | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 | 2.80 |
| City of New Philadelphia | 9.62 | 9.62 | 9.62 | 9.67 | 9.67 | 9.67 | 9.67 | 9.67 | 9.67 | 9.67 |
| Village of Stone Creek | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Tuscarawas County Library | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 | 0.40 | 0.60 | 0.60 | 0.60 |
| <u>Townships:</u> | | | | | | | | | | |
| Auburn Township | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 | 3.40 | 3.40 |
| Bucks Township | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| Clay Township | 7.05 | 7.05 | 7.05 | 7.05 | 7.05 | 7.05 | 7.05 | 7.05 | 6.80 | 6.80 |
| Dover Township | 4.90 | 4.90 | 4.90 | 4.90 | 4.90 | 4.90 | 4.90 | 4.90 | 4.40 | 4.40 |
| Fairfield Township | 7.40 | 7.40 | 7.40 | 7.40 | 7.40 | 7.40 | 7.40 | 7.40 | 7.40 | 7.40 |
| Goshen Township | 3.80 | 3.80 | 3.80 | 3.80 | 3.80 | 3.80 | 3.80 | 3.80 | 3.80 | 3.80 |
| Jefferson Township | 6.30 | 6.30 | 6.30 | 6.30 | 6.30 | 6.30 | 6.30 | 6.30 | 6.30 | 6.30 |
| Warwick Township | 5.30 | 5.30 | 5.30 | 4.80 | 4.80 | 4.80 | 4.80 | 4.80 | 4.80 | 4.80 |
| York Township | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 | 6.90 | 6.90 | 6.90 |

Source: Tuscarawas County Auditor

New Philadelphia City School District
Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

| <u>Year</u> | <u>Population</u> | <u>Assessed Value</u> | <u>Gross Bonded Debt</u> | <u>Debt Service Monies Available</u> | <u>Net Bonded Debt</u> | <u>Ratio of Net Bonded Debt to Assessed Value</u> | <u>Net Bonded Debt Per Capita</u> |
|-------------|-------------------|-----------------------|--------------------------|--------------------------------------|------------------------|---|-----------------------------------|
| 2004 | 17,056 | \$ 414,207,350 | \$ 6,543,888 | \$ 568,667 | \$5,975,221 | 0.01 | \$350.33 |
| 2003 | 17,056 | 417,246,430 | 6,840,000 | 531,569 | 6,308,431 | 0.02 | \$369.87 |
| 2002 | 17,056 | 418,181,885 | 7,120,000 | 503,081 | 6,616,919 | 0.02 | 387.95 |
| 2001 | 17,056 | 385,490,020 | 7,350,000 | 424,209 | 6,925,791 | 0.02 | 406.06 |
| 2000 | 17,056 | 375,726,212 | 7,615,000 | 398,401 | 7,216,599 | 0.02 | 423.11 |
| 1999 | 15,698 | 366,731,206 | 7,830,000 | 366,731 | 7,463,269 | 0.02 | 475.43 |
| 1998 | 15,698 | 311,903,285 | 8,035,000 | 313,094 | 7,721,906 | 0.02 | 491.90 |
| 1997 | 15,698 | 307,243,166 | 8,230,000 | 254,003 | 7,975,997 | 0.03 | 508.09 |
| 1996 | 15,698 | 295,127,570 | 8,420,000 | 358,121 | 8,061,879 | 0.03 | 513.56 |
| 1995 | 15,698 | 261,909,361 | 8,605,000 | 167,839 | 8,437,161 | 0.03 | 537.47 |

Source: District Treasurer Records, Tuscarawas County Auditor and Bureau of the Census

Note: Population includes City of New Philadelphia only.

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

| | Voted Debt Margin | Unvoted Debt Margin |
|--|----------------------|------------------------|
| Assessed Value | \$414,207,350 | \$414,207,350 |
| Debt Limitation(1) | 37,278,662 | 414,207 |
| Total Outstanding Debt June 30, 2003 General Obligation Bonds - Voted | 6,543,888 | 6,543,888 |
| Total Outstanding Debt | 6,543,888 | 6,543,888 |
| Less Debt Exempt from Limitation: General Obligation Bonds - Voted | - | 6,543,888 |
| Net Debt Applicable to Debt Limitation | 6,543,888 | - |
| Amount Available in Debt Service Fund | 568,667 | - |
| Total Legal Debt Margin | \$31,303,441 | \$414,207 |

Source: Tuscarawas County Auditor's Office and School District Records

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

New Philadelphia City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 June 30, 2004

| <u>Political Subdivision</u> | <u>Debt Outstanding</u> | <u>Percentage Applicable To District</u> | <u>Amount Applicable To District</u> |
|--|-----------------------------|--|--|
| New Philadelphia City School District | \$6,543,888 | 100% | \$6,543,888 |
| City Of New Philadelphia | <u>945,000</u> | 100% | <u>945,000</u> |
| Total | <u><u>\$7,488,888</u></u> | | <u><u>\$7,488,888</u></u> |

Percentages are determined by dividing the assessed valuation of the political subdivision within the School District by the total assessed valuation of the subdivision.

The valuations used are for the 2003 tax year

Source: District records and Tuscarawas County Auditor's Office

New Philadelphia City School District
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total General Government Expenditures
Last Ten Years

| <u>Year</u> | <u>Principal</u> | <u>Interest and Fiscal Charges</u> | <u>Total Debt Service</u> | <u>Total General Government Expenditures</u> | <u>Ratio of Debt Service to Total General Fund Expenditures</u> |
|-------------|------------------|--|-------------------------------|--|---|
| 2004 | \$ 295,000 | \$ 413,312 | \$ 708,312 | \$ 24,106,081 | 2.94% |
| 2003 | 280,000 | 430,665 | 710,665 | 22,980,449 | 3.09% |
| 2002 | 260,000 | 448,290 | 708,290 | 20,873,493 | 3.39% |
| 2001 | 235,000 | 464,254 | 699,254 | 20,308,328 | 3.44% |
| 2000 | 215,000 | 478,766 | 693,766 | 18,331,319 | 3.78% |
| 1999 | 205,000 | 492,311 | 697,311 | 14,707,886 | 4.74% |
| 1998 | 195,000 | 505,211 | 700,211 | 14,095,027 | 4.97% |
| 1997 | 190,000 | 517,628 | 707,628 | 13,438,228 | 5.27% |
| 1996 | 185,000 | 529,721 | 714,721 | 13,115,869 | 5.45% |
| 1995 | 180,000 | 541,493 | 721,493 | 12,527,257 | 5.76% |

Source: District Treasurer

New Philadelphia City School District
Property Values, Bank Deposits, Construction Activity, and Population
Last Ten Years

| <u>Year</u> | <u>Assessed Value Real and Personal Property (1)</u> | <u>Tuscarawas County Bank Deposits (2)</u> | <u>Number of Building Permits Issued (3)</u> | <u>Population (4)</u> |
|-------------|--|--|--|-----------------------|
| 2004 | \$ 414,207,350 | N/A | N/A | 17,056 |
| 2003 | 417,246,430 | \$ 247,585,000 | 430 | 17,056 |
| 2002 | 418,181,885 | 236,126,000 (5) | 362 | 17,056 |
| 2001 | 385,490,020 | 222,631,000 (5) | 289 | 17,056 |
| 2000 | 375,726,212 | 211,927,000 (5) | 451 | 17,056 |
| 1999 | 366,731,206 | 162,185,000 (5) | 432 | 15,698 |
| 1998 | 311,903,285 | 222,464,000 (5) | 417 | 15,698 |
| 1997 | 307,243,166 | 205,749,000 (5) | 362 | 15,698 |
| 1996 | 295,127,570 | 407,639,000 | 324 | 15,698 |
| 1995 | 261,909,361 | 402,359,000 | 363 | 15,698 |

(1) Source: Tuscarawas County Auditor.

(2) Source: Federal Reserve Bank of Cleveland, Ohio.

(3) Source: City of New Philadelphia, Office of the Service Director.

(4) Source: Bureau of the Census, includes City of New Philadelphia only.

(5) Certain Bank Deposits are not included due to reorganizations.

N/A Not Available

New Philadelphia City School District
Principal Taxpayers
June 30, 2004

| Taxpayer | Type | Total Assessed Valuation | Percent of Total District Assessed Valuation |
|---------------------------------|----------------|--------------------------------|---|
| Glimcher Properties | Retail | \$ 15,691,780 | 3.79% |
| Gradall Company | Manufacturer | 11,479,580 | 2.77% |
| Verizon North | Public Utility | 10,676,420 | 2.58% |
| Ohio Power Company | Public Utility | 7,953,080 | 1.92% |
| Lowes Inc | Retail | 3,288,150 | 0.79% |
| Betz Laboratories | Manufacturer | 3,234,870 | 0.78% |
| Stone Container | Manufacturer | 3,024,030 | 0.73% |
| East Ohio Gas | Public Utility | 3,014,450 | 0.73% |
| Joy/Green Fan | Manufacturer | 2,883,130 | 0.70% |
| Timken Company | Manufacturer | <u>2,524,414</u> | <u>0.61%</u> |
| Totals | | <u>\$ 63,769,904</u> | <u>15.40%</u> |
| Total School District Valuation | | <u>\$ 414,207,350</u> | |

Source: Tuscarawas County Auditor

New Philadelphia City School District
 Ten Largest Employers
 June 30, 2004

| Employer | Nature of Business | Number of Employees |
|-------------------------------|------------------------|---------------------|
| County | Government | 740 |
| Gradall | Construction Equipment | 450 |
| New Philadelphia City Schools | School | 364 |
| Stone Container Corporation | Paper Products | 350 |
| Mansfield Journal Company | Newspaper Publisher | 250 |
| Lauren Manufacturing | Sealants/Molds | 210 |
| Joy/Green Fan | Industrial Fans | 200 |
| City of New Philadelphia | Government | 195 |
| Starlight Enterprises | Sheltered Workshop | 190 |
| Timken Company | Roller Bearings | 155 |

Source: the Ohio Industrial Directory, published by Harris Publishing Company.

New Philadelphia City School District
Demographic Statistics
Last Ten Years

| Year | Population New Philadelphia City (1) | School District Median Income | School District Attendance Rate | Total School Enrollment | Expenditure Per Pupil | Student Dropout Rate | Tuscarawas County Unemployment Rate (2) |
|------|---|--|--|-------------------------------|-----------------------------|----------------------------|--|
| 2003 | 17,056 | N/A | 95.1% | 3,161 | \$ 7,100 | 3.90% | 4.8% |
| 2002 | 17,056 | N/A | 94.7% | 3,149 | 6,631 | 3.90% | 4.8% |
| 2001 | 17,056 | N/A | 94.8% | 3,162 | 6,461 | 3.80% | 4.8% |
| 2000 | 17,056 | \$ 27,168 | 94.8% | 3,228 | 5,700 | 3.70% | 4.8% |
| 1999 | 15,698 | 27,168 | 94.6% | 3,252 | 5,047 | 3.70% | 4.6% |
| 1998 | 15,698 | 23,844 | 94.9% | 3,273 | 4,929 | 2.35% | 4.7% |
| 1997 | 15,698 | 21,428 | 94.9% | 3,349 | 4,832 | 4.40% | 4.9% |
| 1996 | 15,698 | 20,538 | 94.4% | 3,407 | 4,451 | 4.40% | 5.5% |
| 1995 | 15,698 | 20,540 | 95.0% | 3,479 | 4,281 | 5.20% | 5.3% |
| 1994 | 15,698 | 20,142 | 94.5% | 3,506 | 4,231 | 3.80% | 6.3% |

(1) Data from Bureau of the Census

(2) Data from Ohio Bureau of Employment Services.

Source: Ohio Department of Education District Profiles 1994 to 2003 (latest available)



**Auditor of State
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 28, 2004**