

**AVON LAKE CITY SCHOOL DISTRICT  
LORAIN COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2001**



**AVON LAKE CITY SCHOOL DISTRICT  
LORAIN COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Schedule of Federal Awards Expenditures	1
Notes to the Schedule of Federal Awards Expenditures	2
Report on Compliance and on Internal Control Required By <i>Government Auditing Standards</i>	3
Report on Compliance with Requirements Applicable to the Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	5
Schedule of Findings	7

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**AVON LAKE CITY SCHOOL DISTRICT  
LORAIN COUNTY**

**Schedule of Federal Awards Expenditures  
For the Year Ended June 30, 2001**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed through Ohio Department of Education</i>						
Nutrition Cluster:						
Food Distribution Program		10.550	\$0	\$28,404	\$0	\$18,270
National School Lunch Program	48124 04-PU	10.555	55,791	0	53,166	0
<b>Total U.S. Department of Agriculture - Nutrition Cluster</b>			<b>55,791</b>	<b>28,404</b>	<b>53,166</b>	<b>18,270</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed through Ohio Department of Education</i>						
Special Education Cluster:						
Special Education Grants to States	48124 6B-SF	84.027	96,930	0	123,366	0
Special Education - Preschool Grant	48124 PG-S1	84.173	16,768	0	16,920	0
<b>Total Special Education Cluster</b>			<b>113,698</b>	<b>0</b>	<b>140,286</b>	<b>0</b>
Grants to Local Educational Agencies (IASA Title I)	48124 C1-S1	84.010	98,902	0	93,762	0
Drug-Free Schools Grants	48124 DR-S1	84.186	10,672	0	10,849	0
Capital Expenses	48124 CX-S1	84.216	140,000	0	180,000	0
NDEA Eisenhower Math/Science	48124 MS-S1	84.281	7,895	0	9,085	0
Title II Consolidated Federal	48124 C2-S1	84.298	16,642	0	19,397	0
Class Size Reduction	48124 DR-S1	84.340	9,563	0	34,339	0
<b>Total U.S. Department of Education</b>			<b>283,674</b>	<b>0</b>	<b>347,432</b>	<b>0</b>
<b>Total Federal Awards Expenditures</b>			<b>\$453,163</b>	<b>\$28,404</b>	<b>\$540,884</b>	<b>\$18,270</b>

*The notes to the Schedule of Federal Awards Expenditures are an integral part of this statement.*

**AVON LAKE CITY SCHOOL DISTRICT  
LORAIN COUNTY**

**FISCAL YEAR ENDED JUNE 30, 2001**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**NOTE A - BASIS OF PRESENTATION**

The accompanying Schedule of Federal Awards Expenditures includes the Federal grant activity of the District and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with requirements of U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general-purpose financial statements.

**NOTE B - NATIONAL SCHOOL LUNCH PROGRAM**

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

**NOTE C - NATIONAL SCHOOL LUNCH PROGRAM**

Value for commodities are based on fair market approximations. Values may change from month to month and are entirely subjective.

CFDA - Catalog of Federal Domestic Assistance.

N/A - Not applicable.



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

Board of Education  
Avon Lake City School District  
Lorain County  
175 Avon Belden Road  
Avon Lake, Ohio 44012

We have audited the financial statements of the Avon Lake City School District, Lorain County, Ohio, (the District) as of and for the year ended June 30, 2001, and have issued our report thereon dated December 7, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

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

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 7, 2001.

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.

**Jim Petro**  
Auditor of State

December 7, 2001





STATE OF OHIO  
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR  
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education  
Avon Lake City School District  
Lorain County  
175 Avon Belden Road  
Avon Lake, Ohio 44012

### **Compliance**

We have audited the compliance of the Avon Lake City School District, Lorain 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, 2001. 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, 2001.

### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted another matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 7, 2001.

### **Schedule of Federal Awards Expenditures**

We have audited the general-purpose financial statements of the District as of and for the year ended June 30, 2001, and have issued our report thereon dated December 7, 2001. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information and use of 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.



**Jim Petro**  
Auditor of State

December 7, 2001

**AVON LAKE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY  
June 30, 2001**

**Schedule of Findings  
OMB Circular A-133 § .505**

**1. SUMMARY OF AUDITOR'S RESULTS**

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

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

None.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.



**Avon Lake City School District**  
*Avon Lake, Ohio*

**Comprehensive Annual Financial Report**  
*For the Fiscal Year Ended June 30, 2001*



**Avon Lake City School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2001*  
*Table of Contents*

	Page
<b>I. Introductory Section</b>	
Table of Contents .....	i-iv
Letter of Transmittal .....	v-xii
GFOA Certificate of Achievement .....	xiii
ASBO Certificate of Excellence .....	xiv
List of Principal Officials .....	xv
Organizational Chart .....	xvi
 <b>II. Financial Section</b>	
Report of Independent Accountants .....	1-2
 General Purpose Financial Statements (Combined Statements--Overview)	
Combined Balance Sheet--All Fund Types and Account Groups .....	4-7
Combined Statement of Revenues, Expenditures and Changes In Fund Balances All Governmental Fund Types and Expendable Trust Fund .....	8-9
Combined Statement of Revenues, Expenditures and Changes in Fund Balances--Budget (Non-GAAP Basis) and Actual--All Governmental Fund Types and Expendable Trust Fund .....	10-13
Combined Statement of Revenues, Expenses and Changes In Fund Equity - Proprietary Fund Type .....	14
Combined Statement of Revenues, Expenses and Changes in Fund Equity-- Budget (Non-GAAP Basis) and Actual--Proprietary Fund Type .....	15
Combined Statement of Cash Flows - Proprietary Fund Type .....	16
Notes to the General Purpose Financial Statements .....	17- 44
 Supplemental Data	
Governmental Funds:	
General Fund:	
Description of Fund .....	45
Schedule of Revenues, Expenditures and Changes in Fund Balance--Budget (Non-GAAP Basis) and Actual .....	46-49

Special Revenue Funds:

Description of Funds .....	50-51
Combining Balance Sheet .....	52-55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	56-59
Schedule of Revenues, Expenditures and Changes in Fund Balance--Budget (Non-GAAP Basis) and Actual	
Michael Baumhauer Scholarship .....	60
Public School Support .....	61
Local Grants .....	62
Scholarship .....	63
Venture Capital .....	64
Athletics .....	65
Auxiliary Services .....	66
Teacher Development .....	67
Management Information Systems .....	68
Miscellaneous State Grants .....	69
Data Communications .....	70
Education for Economic Security .....	71
Title VI-B .....	72
Title I .....	73
Title VI .....	74
Drug Free Schools .....	75
Early Childhood Education Development .....	76
E-Rate Grant .....	77
Classroom Size Reduction .....	78
Summer School Subsidy .....	79
Miscellaneous Federal Grants .....	80
All Special Revenue Funds .....	81-83

Debt Service Funds:

Description of Funds .....	84
Combining Balance Sheet .....	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	86
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual	
Bond Retirement .....	87
Library Bond Retirement .....	88
All Debt Service Funds .....	89



Capital Projects Funds:

Description of Funds .....	90
Combining Balance Sheet .....	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	92
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual	
Permanent Improvements .....	93-94
Building Improvements .....	95
School Net Plus .....	96
Interactive Video Distance Learner .....	97
All Capital Projects Funds .....	98-99

Proprietary Funds:

Enterprise Funds:

Description of Funds .....	100
Combining Balance Sheet .....	101
Combining Statement of Revenues, Expenses and Changes in Fund Equity .....	102
Schedule of Revenues, Expenses and Changes in Fund Equity--Budget (Non-GAAP Basis) and Actual	
Food Service .....	103
Uniform School Supplies .....	104
Adult Education .....	105
All Enterprise Funds .....	106
Combining Statement of Cash Flows .....	107

Fiduciary Funds:

Expendable Trust and Agency Funds:

Description of Funds .....	108
Combining Balance Sheet .....	109
Combining Statement of Changes in Assets and Liabilities--All Agency Funds .....	
	110

General Fixed Assets Account Group:

Description of Account Group .....	111
Schedule of General Fixed Assets--By Source .....	112
Schedule of Changes in General Fixed Assets By Function .....	113
Schedule of General Fixed Assets By Function and Type .....	114

III. Statistical Section

General Fund Expenditures by Function --Last Ten Fiscal Years .....	S1
General Fund Revenues by Source --Last Ten Fiscal Years .....	S2
Property Tax Levies and Collections--Last Ten Years .....	S3
Assessed and Estimated Actual Value of Taxable Property--Last Ten Years .....	S4
Property Tax Rates--Direct and Overlapping Governments--Last Ten Years .....	S5
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita--Last Ten Years .....	S6
Computation of Direct and Overlapping General Obligation Bonded Debt .....	S7
Computation of Legal Debt Margin .....	S8
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to General Fund Expenditures--Last Ten Fiscal Years .....	S9
Demographic Statistics--Last Ten Years .....	S10
Industrial Employment, Financial Institution Deposits and Building Permits--Last Ten Years .....	S11
Principal Taxpayers Real Estate Tax .....	S12
Principal Taxpayers Tangible Personal Property Tax .....	S13
Principal Taxpayers Public Utilities Tax .....	S14
Per Pupil Cost -- Last Ten Fiscal Years .....	S15
Teacher Education and Experience .....	S16
Average ACT Scores - Last Ten Years .....	S17
Map of Avon Lake City Schools .....	S18

December 7, 2001

Board of Education  
Avon Lake City School District  
175 Avon Belden Road  
Avon Lake, Ohio 44012

We are pleased to submit to you Avon Lake City School District's Comprehensive Annual Financial Report (CAFR). This CAFR includes an opinion from Jim Petro, Auditor of State of Ohio, and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. We believe the data as presented are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Avon Lake City School District.

This report will provide the taxpayers of Avon Lake City School District with comprehensive financial data in a format that enables them to gain a clearer understanding of the School District's finances. Copies will be made available to the Avon Lake Public Library, major taxpayers, financial rating services and other interested parties. We are proud to be the first school district in Lorain County to receive both the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials Certification of Excellence in Financial Reporting. Avon Lake City School District was the sixth school district in the State of Ohio to receive these awards. There are presently 612 school districts in the State of Ohio. We intend to continue financial reporting improvements based on management experience and reader input. Comments on this report are respectfully requested.

The comprehensive annual financial report is presented in three sections as follows:

1. The Introductory Section contains a Table of Contents, Letter of Transmittal, GFOA Certificate of Achievement, ASBO Certificate of Excellence, List of Principal Officials and an Organizational Chart of the School District.
2. The Financial Section begins with the Report of Independent Accountants and includes the General Purpose Financial Statements and Notes that provide an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules that provide detailed information relative to the General Purpose Financial Statements.
3. The Statistical Section presents various tables reflecting social and economic information, financial trends and the fiscal capacity of the Avon Lake City School District.

### ***The School District***

Avon Lake City School District is located in a residential/commercial suburban community in Lorain County, twenty-five miles west of Cleveland. In 1850, the first log cabin school was built, and as the need arose, four brick one-room school buildings were built. In 1921, a \$125,000 bond issue was passed to build a centralized school which is now a section of Avon Lake High School.

In order to meet the needs of a growing community, the high school was expanded several times, a physical education complex was added, and the Learwood Middle School, Erieview Elementary, Eastview Elementary, Westview Elementary, Redwood Elementary, and Troy Junior High School have been constructed. Troy Junior High School was closed for educational purposes in 1982 because of the energy crisis and decreased enrollment. In 1988, Troy Junior High was reopened as the Avon Lake Community Education Center. Today, the citizens of Avon Lake have an investment of \$35,544,481 in School District land, buildings, equipment, vehicles and construction in progress (excludes textbooks and library books and accumulated depreciation). The Community Education Center ceased to operate in the Troy Building as of July, 1991 due to the economy of operations. The Troy building was reopened for instruction beginning in fiscal year 1996.

Statutorily, the School District operated under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide educational services mandated by State and/or Federal Agencies.

### ***The Reporting Entity And Services Provided***

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

The Lake Erie Education Computer Association, the Lake Erie Regional Council of Governments, the Lorain County Joint Vocational School District and the Ohio Schools Council are jointly governed organizations whose relationship to the School District is described in Note 17 to the general purpose financial statements.

A complete discussion of the School District's reporting entity is provided in Note 1 to the general purpose financial statements.

### ***Economic Condition And Outlook***

Ohio House Bill 920, passed in 1976, provides that the assessed value of property will not be changed more than once every three years, and that the property tax bill of the average homeowner for voted millage will not be increased as a result of reappraisal or readjustment. This legislation has the effect of seriously eroding the growth in revenue from the local property tax. It was enacted as a result of protests from citizens who were being served markedly higher bills following reappraisals. Because of this Ohio law, little additional revenue can be generated from the existing tax duplicate except through a vote of the people or from newly constructed commercial and residential property. If Ohio House Bill 920 had not been passed, the Avon Lake School District would not have had to pass new millage as the growth in valuation would have been sufficient to adequately fund the Avon Lake City Schools. A direct result of this legislation is the fact that our School District will periodically have tax issues that will require voter approval. A levy for 3.4 mills was defeated in May of 2001 and will be resubmitted to voters in November of 2001 for approval.

House Bill 920 affects residential and commercial real estate tax. Ohio law makers have also passed legislation that has been reducing tangible taxes (the taxes paid by businesses on equipment and inventory) over the past decade. Each year, the assessment rate for this property and inventory was lowered one percent until 1993 when it reached twenty-five percent. Ohio law makers have again passed a law that is lowering the property and inventory tax by one percent a year. This is resulting in lost revenue for all Ohio schools.

Another economic factor impacting local revenue growth is tax abatements. Both Ford Motor Company and the Geon Corporation received major abatements in recent years. While the expansion of these local corporate giants into the City of Avon Lake is certainly a positive boost to the local economy, the abatements severely curtailed the local tax income that would have benefitted our local schools. Additionally, the first tax incentive agreement under the Community Reinvestment Program of the City of Avon Lake was approved for Ed Tomko Chrysler-Plymouth, Jeep - Eagle automobile dealership. The tax loss to the schools under this incentive totals \$74,179 over fifteen years. The Ford Motor Company abatement is scheduled to come off the tax duplicate in 2001, generating approximately \$350,000 to \$400,000 in additional revenue as estimated by the Lorain County Auditor. Also, electric deregulation will impact the Avon Lake City School District, but the extent is not precisely known. The State of Ohio has passed legislation to replace lost funds. This will lower income from local property taxes and increase income at the State level.

The recent Ohio Supreme Court decision overturning the State's method of funding schools creates another major concern for the future financing of our local schools. While the School District receives a relatively small (thirteen percent) portion of our revenue from State sources, the School District is viewed by the State as a comparatively wealthy school district. This is due to our large property tax base. So far, the State's resolution of this funding crisis has resulted in a seemingly "flat" revenue stream; however, some loss has been realized in the area of funding special education. The political process is still being played out in Columbus.

Total Avon Lake City School District enrollment has increased by almost twenty percent in the last decade and new residential construction continues.

### ***Major Initiatives***

Bond anticipation notes in the amount of \$41,800,000 were issued July 1, 1999 for the purpose of various improvements to school buildings. The notes were issued at 3.9 percent with a maturity date of December 21, 1999. General obligation bonds were sold on September 23, 1999. The bonds was issued at an interest rate of 4.125 to 5.4 percent with a final maturity date of December 1, 2026. Bricker and Eckler was appointed to represent the School District as bond counsel and McDonald Investments, Inc. as the underwriter. Moody's Investors Service, Inc. rated the bonds A1. Financial Guarantee Insurance Company (FGIC) provided the insurance at the lowest premium rate within the State of Ohio at .09% of the total debt service. Because the bonds were insured, they were sold with a Moody's rating of Aaa and a Standard & Poor's rating of AAA.

The expansions and renovations of the Avon Lake City School District are well underway and proceeding as anticipated. Bids were accepted in the late spring of 2000 for the renovations and expansions of Eastview Elementary and Erieview Elementary. Preliminary work was also done at Avon Lake High School. Although the renovations at Eastview Elementary and Erieview Elementary are a small portion of the entire project, much knowledge and experience has been attained from the bidding and construction process on these small projects. During fiscal year 2001, the School District accepted bids for the remainder of our \$42 million remodeling and additions. The high school has undergone demolition, remodeling and new construction. Many changes have been accomplished already and some are still in the future. We are anticipating this project to be completed in 2003.

## ***Financial Information***

*Basis of Accounting* - The School District's accounting system is organized on a "fund" basis. Each fund or account group is a distinct self-balancing accounting entity. Records for general governmental operations are reported on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recorded when the related fund liability is incurred. Records of the proprietary operations are reported on the accrual basis in which revenues are recognized when earned and expenses recorded when the related liability is incurred.

*Accounting System 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 fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

The Board of Education adopts the annual budget for the School District in early January. All disbursements and transfers of cash between funds require appropriation authority from the board. All purchase order requests must be approved by the Assistant Superintendent or the Director of Building and Grounds; necessary appropriations are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional funds are secured. The accounting system used by the School District currently provides interim financial reports with detail year-to-date expenditures and encumbrances versus the original appropriations and which are available for review prior to authorizing additional purchases.

In addition to interim financial statements, each administrator is currently furnished monthly reports showing the status of the accounts for which they are responsible. The reports detail monthly transaction of revenues and expenditures.

The basis of accounting and the various funds and account groups utilized by Avon Lake City Schools are fully described in Note 2 of the Notes to the General Purpose Financial Statements. Additional information on the School District's budgetary accounting can also be found there.

*General Governmental Functions* - The following schedule presents a summary of governmental funds' revenues for the fiscal years ended June 30, 2000 and 2001, and the amount and percentage of increases and decreases in relation to the prior year's revenues.

	<u>2000</u> <u>Amount</u>	<u>2001</u> <u>Amount</u>	<u>Percent</u> <u>of</u> <u>Total</u>	<u>Change</u>	<u>Percent</u> <u>Change</u>
Revenues:					
Taxes	\$20,719,032	\$21,492,775	71.28%	\$773,743	3.73%
Intergovernmental	3,428,190	3,944,108	13.08	515,918	15.05
Interest	2,209,388	3,856,734	12.79	1,647,346	74.56
Tuition and Fees	185,037	178,209	0.59	(6,828)	(3.69)
Extracurricular Activities	313,653	378,122	1.25	64,469	20.55
Donations	156,670	232,335	0.77	75,665	48.30
Rentals	9,582	5,922	0.02	(3,660)	(38.20)
Miscellaneous	<u>76,772</u>	<u>64,609</u>	<u>0.22</u>	<u>(12,163)</u>	<u>(15.84)</u>
Total Revenues	<u><u>\$27,098,324</u></u>	<u><u>\$30,152,814</u></u>	<u><u>100.00%</u></u>	<u><u>\$3,054,490</u></u>	<u><u>11.28%</u></u>

Taxes revenue increased due to the School District receiving a full year's collection on the Bond Issue approved in May 1999.

Interest revenues increased due to the School District having the bond issue monies during all of fiscal year 2001.

Donations revenues increased due to an increase in community donations.

The schedule below represents a summary of governmental funds' expenditures for the years ended June 30, 2000 and 2001 and the amounts and percentages of increases and decreases in relation to the prior year's expenditures.

	2000 <u>Amount</u>	2001 <u>Amount</u>	Percent of <u>Total</u>	<u>Change</u>	<u>Percent Change</u>
Expenditures:					
Current:					
Instruction:					
Regular	\$10,542,815	\$11,182,553	27.46%	\$639,738	6.07%
Special	1,595,555	1,717,385	4.22	121,830	7.64
Vocational	177,010	191,316	0.47	14,306	8.08
Support Services:					
Pupils	1,147,167	1,299,685	3.19	152,518	13.30
Instructional Staff	957,277	1,185,753	2.91	228,476	23.87
Board of Education	43,377	38,207	0.09	(5,170)	(11.92)
Administration	2,323,651	2,523,349	6.20	199,698	8.59
Fiscal	519,373	582,021	1.43	62,648	12.06
Business	88,365	62,840	0.15	(25,525)	(28.89)
Operation and Maintenance of Plant	2,038,514	2,513,142	6.17	474,628	23.28
Pupil Transportation	779,798	785,314	1.93	5,516	0.71
Central	46,077	74,075	0.18	27,998	60.76
Operation of Non-					
Instructional Services	166,016	180,021	0.44	14,005	8.44
Extracurricular Activities	660,459	832,867	2.05	172,408	26.10
Capital Outlay	3,463,186	13,974,311	34.32	10,511,125	303.51
Debt Service:					
Principal Retirement	585,000	615,000	1.51	30,000	5.13
Interest and Fiscal Charges	<u>2,967,142</u>	<u>2,964,060</u>	<u>7.28</u>	<u>(3,082)</u>	<u>(0.10)</u>
Total Expenditures	<u>\$28,100,782</u>	<u>\$40,721,899</u>	<u>100.00%</u>	<u>\$12,621,117</u>	<u>44.91%</u>

Instructional Staff expenditures increased due to the hiring of additional staff.

Operation and Maintenance of Plant expenditures increased due to additional costs associated with the building project.

Capital Outlay expenditures increased due to the demolition, remodeling and new construction of the schools.

*Financial Highlights - General Fund Balance* - The fund balance of the general fund decreased from \$4,486,153 at June 30, 2000 to \$3,883,774 at June 30, 2001. The decrease is primarily due to increased expenditures for support services.

*Financial Highlights - Special Revenue Funds* - Special revenue funds account for revenues from specific sources which are legally restricted to expenditures for a specific purpose. Special revenue fund balances increased from \$436,142 in 2000 to \$467,990 in 2001. The increase is due to additional grant monies received by the School District.

*Financial Highlights - Debt Service Funds*- Debt service funds consist of the Bond Retirement and the Library Bond Retirement funds. The debt service fund balances increased from \$2,312,230 in 2000 to \$2,436,179 in 2001. The increase is due to the School District receiving more revenue in property tax to help pay principal and interest on outstanding debt.

*Financial Highlights - Capital Projects Funds* - Capital projects funds account for the acquisition, construction or improvement of capital facilities. The capital projects fund balances decreased from \$41,167,806 in 2000 to \$31,070,329 in 2001. The decrease is due to additional expenditures related to major school improvements.

*Financial Highlights - Enterprise Funds* - Food Service, Uniform School Supplies, and Adult Education funds are classified as enterprise operations since they resemble those activities in private industry. Management periodically desires to determine the amount of profit/loss resulting from operations that are significantly financed from user fees. Enterprise operations had a net income of \$15,075 for the fiscal year ended June 30, 2001. Of the proprietary funds, the Food Service Enterprise Fund was the only fund which had deficit retained earnings at June 30, 2001. Management is analyzing the food service operations to determine appropriate steps to eliminate the deficit.

*Financial Highlights - Trust and Agency Funds* - The Special Trust Fund carried on the financial records relates to memorial donations for specific purposes. The School District functions as fiscal agent for student funds, representing a variety of student groups.

*General Fixed Assets* - The general fixed assets of the Avon Lake City School District are used to carry on the main education and support function of the system and are not financial resources available for expenditure. The total general fixed assets at June 30, 2001 was \$35,194,822. Such assets are accounted for at historical cost. Depreciation is not recognized on general fixed assets.

*Debt Administration* - At June 30, 2001 general obligation bonds outstanding totaled \$49,648,295. During fiscal year 2001, \$615,000 of general obligation bonds were retired. As of June 30, 2001, the overall debt margin was \$13,157,522 and the unvoted debt margin was \$670,774. All existing bond obligations are general obligation debt backed by the full faith and credit of the School District and will be retired fully by fiscal year 2027.

*Cash Management* - The Board pursues an aggressive cash management program by expediting the receipt of revenues and prudently depositing available cash in accounts collateralized by instruments issued by the United States Government or the State of Ohio or insured by the Federal Deposit Insurance Corporation. The total amount of interest earned was \$3,861,301 for the year ended June 30, 2001, \$1,412,294 being credited directly to the General Fund, \$3,401 to the special revenue funds, \$2,441,039 to the capital projects funds and \$4,567 to the enterprise funds. The program is beneficial because of access to daily balances which enables the Board to maintain minimum balance accounts and invest to the maximum extent.

Protection of the School District's deposits is provided by the federal deposit insurance corporation as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.



*Risk Management* - The School District participates in a shared risk pool for hospital/medical benefits for its employees. The Lake Erie Regional Council of Governments (LERC) "pool" is comprised of thirteen Lorain County school districts. All risk is transferred to LERC and claims are paid through a common fund controlled by LERC. Stop-loss coverage is purchased by LERC.

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

The School District contracts with the Crum and Forster Commercial Insurance Company for property insurance. Professional liability is protected by the Nationwide Mutual Insurance Company with a \$5,000,000 aggregate limit.

The School District uses the State Workers' Compensation plan and pays the premium based on a rate per \$100 of salaries. The School District contracts for general liability insurance, vehicle insurance, and professional liability insurance.

*Pension Plans* - All School District employees are covered by the state-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Note 12 to the general purpose financial statements for complete details.

### ***Independent Audit***

State statutes require the School District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the School District's financial statements as of and for the year ended June 30, 2001. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all schools in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

### ***Awards***

*GFOA Certificate of Achievement* -The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Avon Lake City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

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

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

In addition, the School District will submit its CAFR to the Association of School Business Officials International.

*ASBO Certificate* - The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2000 to the Avon Lake City School District. This award certifies that the Comprehensive Annual Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by the Association of School

Business Officials. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes that the Comprehensive Annual Financial Report for fiscal year ended June 30, 2001, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

### *Acknowledgments*

The publication of this report is a significant step toward professionalizing the Avon Lake City School District's financial reporting. It enhances the School District's accountability to the residents of the Avon Lake City School District.

The preparation of this report would not have been possible without the assistance and support of the staff of the Treasurer's office, various administrators and staff members of the School District. Assistance from the County Auditor's staff and outside agencies made possible the fair presentation of statistical data.

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

Finally, sincere appreciation is extended to the Board of Education for their support for this project.

Respectfully submitted,

Denise Armour  
Treasurer

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ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

**AVON LAKE CITY SCHOOL DISTRICT**

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

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

*Linda White*  
President

*Don E. Huges*  
Executive Director

AVON LAKE BOARD OF EDUCATION  
PRINCIPAL OFFICIALS  
June 30, 2001

*Board of Education*

Dr. Terrance M. Ryan ..... President  
Mr. Michael J. Mannino ..... Vice President  
Mr. Mark Bennett ..... Member  
Mr. Michael J. Holleran ..... Member  
Mrs. Nancy Stoneburner ..... Member

*Treasurer*

Mrs. Denise Armour

*Administration*

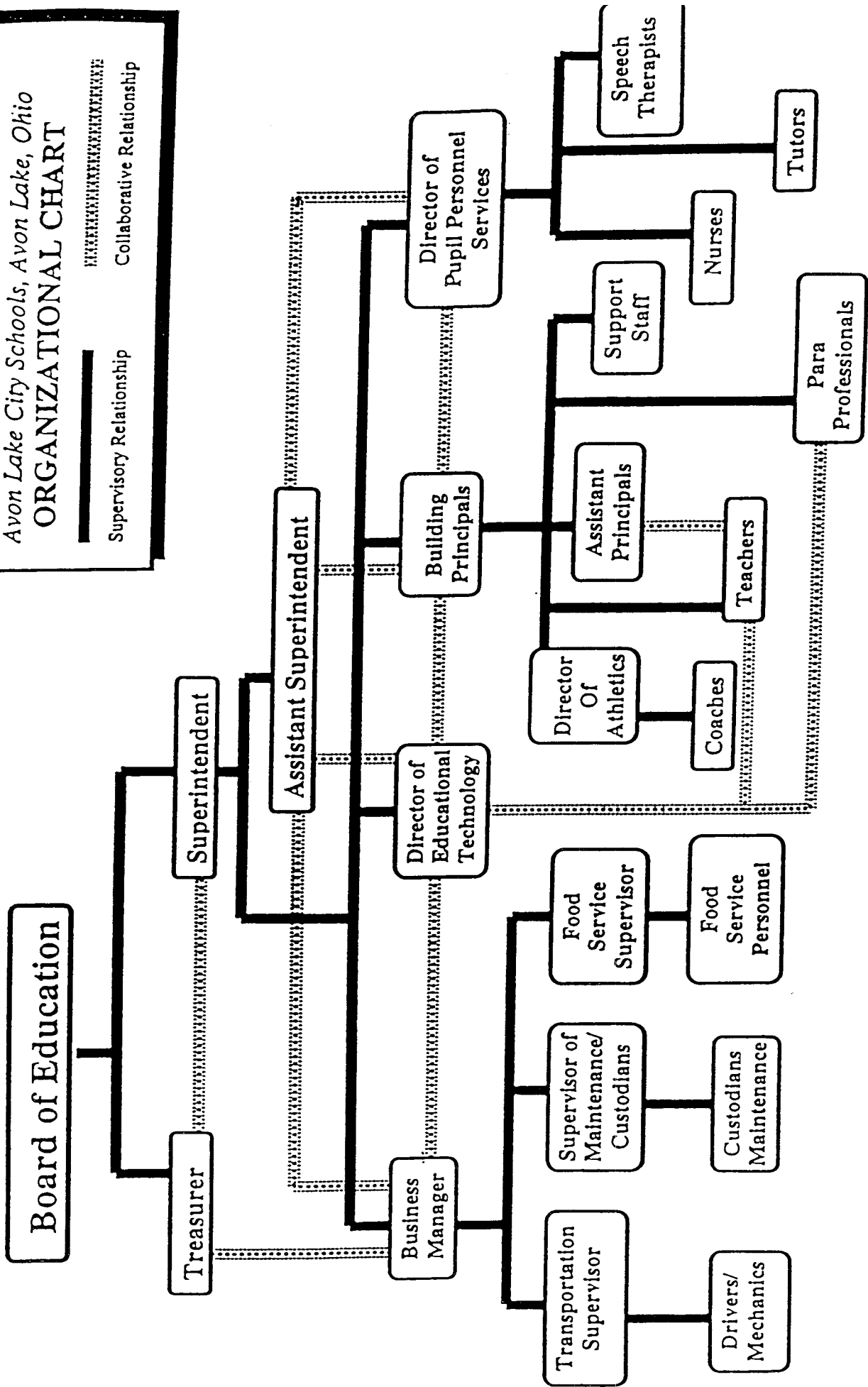
Dr. Daniel B. Ross ..... Superintendent  
Dr. Cheryl Dubsy ..... Assistant Superintendent  
Mr. Thomas R. Barone ..... Director of Athletics and Special Projects

Avon Lake City Schools, Avon Lake, Ohio

# ORGANIZATIONAL CHART

Supervisory Relationship

Collaborative Relationship





STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

Lausche Bldg  
615 W Superior Ave  
Floor 12  
Cleveland OH 44113 - 1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

## REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education  
Avon Lake City School District  
Lorain County  
175 Avon Belden Road  
Avon Lake, Ohio 44012

We have audited the accompanying general-purpose financial statements of the Avon Lake City School District, Lorain County, Ohio, (the District) as of and for the year ended June 30, 2001, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Avon Lake City School District, Lorain County, Ohio, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2001 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We performed our audit to form an opinion on the general-purpose financial statements of the District, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for additional analysis and are not a required part of the general-purpose financial statements. We subjected this information to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects, in relation to the general-purpose financial statements taken as a whole.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

**Jim Petro**  
Auditor of State

December 7, 2001



***General Purpose Financial Statements***

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

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Assets and Other Debits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$3,379,455	\$517,803	\$1,851,758	\$30,806,563
Cash and Cash Equivalents				
With Fiscal Agent	0	0	0	394,528
Receivables:				
Taxes	19,213,619	0	3,309,149	655,771
Accounts	895	6,942	0	0
Intergovernmental	0	125,033	0	0
Accrued Interest	7,416	0	0	243,542
Interfund Receivable	166	0	0	0
Due from Other Funds	0	0	48,975	0
Prepaid Items	132,166	755	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies				
Inventory	42,166	0	0	0
Restricted Assets:				
Cash and Cash Equivalents	500,497	0	0	0
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0	0
<b>Other Debits</b>				
Amount Available in Debt Service Fund for Retirement of General Obligation Bonds	0	0	0	0
Amount to be Provided from General Government Resources	0	0	0	0
<b>Total Assets and Other Debits</b>	<b>\$23,276,380</b>	<b>\$650,533</b>	<b>\$5,209,882</b>	<b>\$32,100,404</b>

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Trust and Agency			
\$169,519	\$115,025	\$0	\$0	\$36,840,123
0	0	0	0	394,528
0	0	0	0	23,178,539
0	0	0	0	7,837
7,780	0	0	0	132,813
0	0	0	0	250,958
0	0	0	0	166
0	0	0	0	48,975
1,310	0	0	0	134,231
9,357	0	0	0	9,357
25,959	0	0	0	68,125
0	0	0	0	500,497
151,100	0	35,194,822	0	35,345,922
0	0	0	2,436,179	2,436,179
0	0	0	49,501,343	49,501,343
<u>\$365,025</u>	<u>\$115,025</u>	<u>\$35,194,822</u>	<u>\$51,937,522</u>	<u>\$148,849,593</u>

(continued)

**Avon Lake City School District**  
*Combined Balance Sheet*  
*All Fund Types and Account Groups (continued)*  
*June 30, 2001*

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b><i>Liabilities, Fund Equity and Other Credits</i></b>				
<b>Liabilities</b>				
Accounts Payable	\$44,260	\$68,862	\$0	\$225
Contracts Payable	0	0	0	15,114
Accrued Wages and Benefits	1,953,075	23,959	0	0
Compensated Absences Payable	41,025	0	0	0
Retainage Payable	0	0	0	394,528
Interfund Payable	0	166	0	0
Due to Other Funds	0	0	0	48,975
Intergovernmental Payable	395,057	700	0	0
Deferred Revenue	16,940,904	88,856	2,773,703	571,233
Arbitrage Rebate Payable	0	0	0	0
Undistributed Monies	0	0	0	0
Due to Students	0	0	0	0
Early Retirement Incentive Payable	18,285	0	0	0
General Obligation Bonds Payable	0	0	0	0
<b><i>Total Liabilities</i></b>	<b><u>19,392,606</u></b>	<b><u>182,543</u></b>	<b><u>2,773,703</u></b>	<b><u>1,030,075</u></b>
<b>Fund Equity and Other Credits</b>				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings (Deficit):				
Unreserved	0	0	0	0
Fund Balance:				
Reserved for Encumbrances	429,516	115,881	0	30,421,444
Reserved for Inventory	42,166	0	0	0
Reserved for Property Taxes	2,272,715	0	535,446	84,538
Reserved for Textbooks	386,507	0	0	0
Reserved for Budget Stabilization	113,990	0	0	0
Unreserved, Undesignated	638,880	352,109	1,900,733	564,347
<b><i>Total Fund Equity and Other Credits</i></b>	<b><u>3,883,774</u></b>	<b><u>467,990</u></b>	<b><u>2,436,179</u></b>	<b><u>31,070,329</u></b>
<b><i>Total Liabilities, Fund Equity and Other Credits</i></b>	<b><u><u>\$23,276,380</u></u></b>	<b><u><u>\$650,533</u></u></b>	<b><u><u>\$5,209,882</u></u></b>	<b><u><u>\$32,100,404</u></u></b>

See accompanying notes to the general purpose financial statements

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Trust and Agency			
\$633	\$705	\$0	\$0	\$114,685
0	0	0	0	15,114
10,187	0	0	0	1,987,221
25,611	0	0	1,941,505	2,008,141
0	0	0	0	394,528
0	0	0	0	166
0	0	0	0	48,975
27,821	0	0	222,212	645,790
9,357	0	0	0	20,384,053
0	0	0	125,510	125,510
0	3,571	0	0	3,571
0	106,771	0	0	106,771
0	0	0	0	18,285
0	0	0	49,648,295	49,648,295
<u>73,609</u>	<u>111,047</u>	<u>0</u>	<u>51,937,522</u>	<u>75,501,105</u>
0	0	35,194,822	0	35,194,822
368,619	0	0	0	368,619
(77,203)	0	0	0	(77,203)
0	387	0	0	30,967,228
0	0	0	0	42,166
0	0	0	0	2,892,699
0	0	0	0	386,507
0	0	0	0	113,990
0	3,591	0	0	3,459,660
<u>291,416</u>	<u>3,978</u>	<u>35,194,822</u>	<u>0</u>	<u>73,348,488</u>
<u>\$365,025</u>	<u>\$115,025</u>	<u>\$35,194,822</u>	<u>\$51,937,522</u>	<u>\$148,849,593</u>

**Avon Lake City School District**  
*Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances*  
All Governmental Fund Types and Expendable Trust Fund  
For the Fiscal Year Ended June 30, 2001

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<b>Revenues</b>			
Taxes	\$17,840,415	\$0	\$3,043,592
Intergovernmental	2,834,731	702,900	286,938
Interest	1,412,294	3,401	0
Tuition and Fees	178,074	135	0
Extracurricular Activities	0	378,122	0
Donations	33,918	105,439	0
Rentals	5,922	0	0
Miscellaneous	13,377	2,696	0
<i>Total Revenues</i>	<u>22,318,731</u>	<u>1,192,693</u>	<u>3,330,530</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	11,045,523	137,030	0
Special	1,575,253	142,132	0
Vocational	191,316	0	0
Support Services:			
Pupils	1,115,029	184,656	0
Instructional Staff	1,165,923	19,830	0
Board of Education	38,207	0	0
Administration	2,480,528	42,821	0
Fiscal	578,080	3,941	0
Business	62,840	0	0
Operation and Maintenance of Plant	2,513,142	0	0
Pupil Transportation	785,314	0	0
Central	50,437	23,638	0
Operation of Non-Instructional Services	0	180,021	0
Extracurricular Activities	560,910	271,956	0
Capital Outlay	758,453	180,000	0
Debt Service:			
Principal Retirement	0	0	615,000
Interest and Fiscal Charges	0	0	2,591,581
<i>Total Expenditures</i>	<u>22,920,955</u>	<u>1,186,025</u>	<u>3,206,581</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(602,224)</u>	<u>6,668</u>	<u>123,949</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	500	0	0
Operating Transfers In	0	29,943	0
Operating Transfers Out	(185)	(4,763)	0
<i>Total Other Financing Sources (Uses)</i>	<u>315</u>	<u>25,180</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources (Uses) Over Expenditures</i>	<u>(601,909)</u>	<u>31,848</u>	<u>123,949</u>
<i>Fund Balances Beginning of Year</i>	4,486,153	436,142	2,312,230
Decrease in Reserve for Inventory	(470)	0	0
<i>Fund Balances End of Year</i>	<u>\$3,883,774</u>	<u>\$467,990</u>	<u>\$2,436,179</u>

See accompanying notes to the general purpose financial statements

Capital Projects	Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)
\$608,768	\$0	\$21,492,775
119,539	0	3,944,108
2,441,039	0	3,856,734
0	1,885	180,094
0	0	378,122
92,978	0	232,335
0	0	5,922
48,536	0	64,609
<u>3,310,860</u>	<u>1,885</u>	<u>30,154,699</u>
0	0	11,182,553
0	0	1,717,385
0	0	191,316
0	2,539	1,302,224
0	0	1,185,753
0	0	38,207
0	0	2,523,349
0	0	582,021
0	0	62,840
0	0	2,513,142
0	0	785,314
0	0	74,075
0	0	180,021
0	0	832,866
13,035,858	0	13,974,311
0	0	615,000
372,479	0	2,964,060
<u>13,408,337</u>	<u>2,539</u>	<u>40,724,438</u>
<u>(10,097,477)</u>	<u>(654)</u>	<u>(10,569,739)</u>
0	0	500
0	0	29,943
0	0	(4,948)
<u>0</u>	<u>0</u>	<u>25,495</u>
(10,097,477)	(654)	(10,544,244)
41,167,806	4,632	48,406,963
0	0	(470)
<u>\$31,070,329</u>	<u>\$3,978</u>	<u>\$37,862,249</u>

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

	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<b>Revenues</b>			
Taxes	\$19,409,971	\$18,111,791	(\$1,298,180)
Intergovernmental	2,832,027	2,837,081	5,054
Interest	1,486,564	1,428,823	(57,741)
Tuition and Fees	188,682	177,922	(10,760)
Extracurricular Activities	0	0	0
Donations	33,916	33,918	2
Rentals	10,734	7,644	(3,090)
Miscellaneous	23,267	13,793	(9,474)
<i>Total Revenues</i>	<u>23,985,161</u>	<u>22,610,972</u>	<u>(1,374,189)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	11,532,261	10,860,117	672,144
Special	1,591,980	1,665,130	(73,150)
Vocational	188,900	189,392	(492)
Support Services:			
Pupils	1,054,365	1,113,953	(59,588)
Instructional Staff	1,095,153	1,183,352	(88,199)
Board of Education	27,300	44,295	(16,995)
Administration	2,263,093	2,553,419	(290,326)
Fiscal	622,733	580,551	42,182
Business	104,500	74,070	30,430
Operation and Maintenance of Plant	2,477,666	2,704,345	(226,679)
Pupil Transportaton	840,160	785,108	55,052
Central	29,000	48,516	(19,516)
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	573,400	552,091	21,309
Capital Outlay	739,750	789,270	(49,520)
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>23,140,261</u>	<u>23,143,609</u>	<u>(3,348)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>844,900</u>	<u>(532,637)</u>	<u>(1,377,537)</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds of Sale of Fixed Assets	500	500	0
Operating Transfers In	0	0	0
Operating Transfers Out	0	(185)	(185)
<i>Total Other Financing Sources (Uses)</i>	<u>500</u>	<u>315</u>	<u>(185)</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>845,400</u>	<u>(532,322)</u>	<u>(1,377,722)</u>
<i>Fund Balances Beginning of Year</i>	3,723,573	3,723,573	0
Prior Year Encumbrances Appropriated	<u>244,684</u>	<u>244,684</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$4,813,657</u></u>	<u><u>\$3,435,935</u></u>	<u><u>(\$1,377,722)</u></u>



Special Revenue Funds			Debt Service Funds		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$3,088,478	\$3,124,458	\$35,980
780,147	666,722	(113,425)	286,938	286,938	0
3,998	4,769	771	0	0	0
0	135	135	0	0	0
395,991	371,180	(24,811)	0	0	0
41,794	113,815	72,021	0	0	0
0	0	0	0	0	0
7,915	2,696	(5,219)	0	0	0
<u>1,229,845</u>	<u>1,159,317</u>	<u>(70,528)</u>	<u>3,375,416</u>	<u>3,411,396</u>	<u>35,980</u>
178,028	152,281	25,747	0	0	0
145,628	136,370	9,258	0	0	0
0	0	0	0	0	0
258,209	193,195	65,014	0	0	0
42,850	20,949	21,901	0	0	0
0	0	0	0	0	0
47,716	42,925	4,791	0	0	0
3,941	3,941	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
36,902	37,498	(596)	0	0	0
239,880	229,373	10,507	0	0	0
315,793	313,861	1,932	0	0	0
180,000	180,000	0	0	0	0
0	0	0	615,000	615,000	0
0	0	0	2,591,581	2,591,581	0
<u>1,448,947</u>	<u>1,310,393</u>	<u>138,554</u>	<u>3,206,581</u>	<u>3,206,581</u>	<u>0</u>
<u>(219,102)</u>	<u>(151,076)</u>	<u>68,026</u>	<u>168,835</u>	<u>204,815</u>	<u>35,980</u>
0	0	0	0	0	0
30,072	29,943	(129)	0	0	0
(8,552)	(4,763)	3,789	0	0	0
<u>21,520</u>	<u>25,180</u>	<u>3,660</u>	<u>0</u>	<u>0</u>	<u>0</u>
(197,582)	(125,896)	71,686	168,835	204,815	35,980
424,877	424,877	0	1,646,943	1,646,943	0
34,136	34,136	(0)	0	0	0
<u>\$261,431</u>	<u>\$333,117</u>	<u>\$71,686</u>	<u>\$1,815,778</u>	<u>\$1,851,758</u>	<u>\$35,980</u>

(continued)

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

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$617,172	\$620,908	\$3,736
Intergovernmental	83,261	129,844	46,583
Interest	8,825,988	1,825,018	(7,000,970)
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Donations	82,673	92,978	10,305
Rentals	0	0	0
Miscellaneous	48,536	48,536	0
<i>Total Revenues</i>	<u>9,657,630</u>	<u>2,717,284</u>	<u>(6,940,346)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	1,580,998	455,166	1,125,832
Special	0	0	0
Vocational	0	0	0
Support Services:			
Pupils	0	0	0
Instructional Staff	36,000	36,000	0
Board of Education	5,000	2,131	2,869
Administration	686	1,645	(959)
Fiscal	69,813	71,070	(1,257)
Business	0	0	0
Operation and Maintenance of Plant	173,498	354,665	(181,167)
Pupil Transportaton	6,000	5,540	460
Central	17,375	16,346	1,029
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Capital Outlay	41,916,881	42,924,509	(1,007,628)
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	500,000	432,069	67,931
<i>Total Expenditures</i>	<u>44,306,251</u>	<u>44,299,141</u>	<u>7,110</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(34,648,621)</u>	<u>(41,581,857)</u>	<u>(6,933,236)</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds of Sale of Fixed Assets	0	0	0
Operating Transfers In	0	0	0
Operating Transfers Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(34,648,621)</u>	<u>(41,581,857)</u>	<u>(6,933,236)</u>
<i>Fund Balances Beginning of Year</i>	34,746,442	34,746,442	0
Prior Year Encumbrances Appropriated	<u>7,205,223</u>	<u>7,205,223</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$7,303,044</u></u>	<u><u>\$369,808</u></u>	<u><u>(\$6,933,236)</u></u>

See accompanying notes to the general purpose financial statements.

Expendable Trust Fund			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$23,115,621	\$21,857,157	(\$1,258,464)
0	0	0	3,982,373	3,920,585	(61,788)
0	0	0	10,316,550	3,258,610	(7,057,940)
0	1,885	1,885	188,682	179,942	(8,740)
0	0	0	395,991	371,180	(24,811)
0	0	0	158,385	240,711	82,326
0	0	0	10,734	7,644	(3,090)
0	0	0	79,718	65,025	(14,693)
0	1,885	1,885	38,248,054	29,900,854	(8,347,200)
0	0	0	13,291,287	11,467,564	1,823,723
0	0	0	1,737,608	1,801,500	(63,892)
0	0	0	188,900	189,392	(492)
4,500	2,926	1,574	1,317,074	1,310,074	7,000
0	0	0	1,174,003	1,240,301	(66,298)
0	0	0	32,300	46,426	(14,126)
0	0	0	2,311,495	2,597,989	(286,494)
0	0	0	696,487	655,562	40,925
0	0	0	104,500	74,070	30,430
0	0	0	2,651,164	3,059,010	(407,846)
0	0	0	846,160	790,648	55,512
0	0	0	83,277	102,360	(19,083)
0	0	0	239,880	229,373	10,507
0	0	0	889,193	865,952	23,241
0	0	0	42,836,631	43,893,779	(1,057,148)
0	0	0	615,000	615,000	0
0	0	0	3,091,581	3,023,650	67,931
4,500	2,926	1,574	72,106,540	71,962,650	143,890
(4,500)	(1,041)	3,459	(33,858,486)	(42,061,796)	(8,203,310)
0	0	0	500	500	0
0	0	0	30,072	29,943	(129)
0	0	0	(8,552)	(4,948)	3,604
0	0	0	22,020	25,495	3,475
(4,500)	(1,041)	3,459	(33,836,466)	(42,036,301)	(8,199,835)
4,632	4,632	(0)	40,546,467	40,546,467	(0)
0	0	0	7,484,043	7,484,043	0
\$132	\$3,591	\$3,459	\$14,194,044	\$5,994,209	(\$8,199,835)

**Avon Lake City School District**  
*Combined Statement of Revenues,  
Expenses and Changes in Fund Equity  
Proprietary Fund Type  
For the Fiscal Year Ended June 30, 2001*

	<u>Enterprise</u>
<b>Operating Revenues</b>	
Tuition and Fees	\$620
Sales	586,699
Other	5,407
	<u>592,726</u>
 <b>Operating Expenses</b>	
Salaries	229,662
Fringe Benefits	54,209
Purchased Services	3,368
Materials and Supplies	99,450
Cost of Sales	238,481
Depreciation	2,566
Other Operating Expenses	6,345
	<u>634,081</u>
 <i>Total Operating Revenues</i>	<u>592,726</u>
 <i>Total Operating Expenses</i>	<u>634,081</u>
 <i>Operating Loss</i>	<u>(41,355)</u>
 <b>Non-Operating Revenues (Expenses)</b>	
Federal Donated Commodities	20,698
Operating Grants	56,430
Interest	4,567
Loss on Disposal of Fixed Assets	(270)
	<u>(270)</u>
 <i>Total Non-Operating Revenues (Expenses)</i>	<u>81,425</u>
 <i>Income Before Operating Transfers</i>	<u>40,070</u>
 Operating Transfers In	1,469
Operating Transfers Out	(26,464)
	<u>(26,464)</u>
 <i>Net Income</i>	<u>15,075</u>
 <i>Retained Earnings (Deficit) Beginning of Year</i>	<u>(92,278)</u>
 <i>Retained Earnings (Deficit) End of Year</i>	<u>(77,203)</u>
 <i>Contributed Capital Beginning and End of Year</i>	<u>368,619</u>
 <i>Total Fund Equity End of Year</i>	<u>\$291,416</u>

See accompanying notes to the general purpose financial statements

**Avon Lake City School District**  
*Combined Statement of Revenues, Expenses and Changes in  
Fund Equity - Budget (Non-GAAP Basis) and Actual  
Proprietary Fund Type  
For the Fiscal Year Ended June 30, 2001*

	Enterprise Funds		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues</b>			
Tuition and Fees	\$3,938	\$620	(\$3,318)
Sales	608,085	588,543	(19,542)
Interest	4,217	4,567	350
Operating Grants	67,134	57,925	(9,209)
Other	12,058	5,407	(6,651)
<i>Total Revenues</i>	<u>695,432</u>	<u>657,062</u>	<u>(38,370)</u>
<b>Expenses</b>			
Salaries	401,094	227,251	173,843
Fringe Benefits	35,365	54,763	(19,398)
Purchased Services	1,562	3,360	(1,798)
Materials and Supplies	328,969	338,918	(9,949)
Capital Outlay	0	700	(700)
Other	5,320	6,345	(1,025)
<i>Total Expenses</i>	<u>772,310</u>	<u>631,337</u>	<u>140,973</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(76,878)	25,725	102,603
Operating Transfers In	115	1,469	1,354
Operating Transfers Out	0	(26,464)	(26,464)
<i>Excess of Revenues Over (Under) Expenses and Operating Transfers</i>	(76,763)	730	77,493
<i>Fund Equity Beginning of Year</i>	142,828	142,828	0
Prior Year Encumbrances Appropriated	2,716	2,716	0
<i>Fund Equity End of Year</i>	<u>\$68,781</u>	<u>\$146,274</u>	<u>\$77,493</u>

See accompanying notes to the general purpose financial statements

**Avon Lake City School District**  
*Combined Statement of Cash Flows*  
*Proprietary Fund Type*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Enterprise</u>
<b><i>Increase (Decreases) in Cash and Cash Equivalents</i></b>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$588,543
Cash Received from Tuition Payments	620
Other Cash Receipts	5,407
Cash Payments to Suppliers for Goods and Services	(320,833)
Cash Payments to Employees for Services	(227,251)
Cash Payments for Employee Benefits	(52,963)
Other Cash Payments	(6,345)
	<u>(12,822)</u>
<b><i>Net Cash Used for by Operating Activities</i></b>	
<b>Cash Flows from Noncapital Financing Activities</b>	
Operating Grants Received	57,925
Operating Transfers In	1,469
Operating Transfers Out	(26,464)
	<u>32,930</u>
<b><i>Net Cash Provided by Noncapital Financing Activities</i></b>	
<b>Cash Flows from Capital and Related Financing Activities</b>	
Payments for Capital Acquisitions	(700)
	<u>(700)</u>
<b>Cash Flows from Investing Activities:</b>	
Interest	4,567
	<u>4,567</u>
<b><i>Net Increase in Cash and Cash Equivalents</i></b>	
	23,975
<b><i>Cash and Cash Equivalents at Beginning of Year</i></b>	
	<u>145,544</u>
<b><i>Cash and Cash Equivalents at End of Year</i></b>	
	<u>\$169,519</u>
<b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</b>	
<i>Operating Loss</i>	(\$41,355)
<b>Adjustments:</b>	
Donated Commodities Used During Year	20,698
Depreciation	2,566
<b><i>(Increases)Decreases in Assets:</i></b>	
Accounts Receivable	1,844
Prepaid Items	(11)
Materials and Supplies Inventory	1,972
<b><i>Increase (Decreases) in Liabilities:</i></b>	
Accounts Payable	(2,203)
Accrued Wages and Benefits	3,503
Compensated Absences Payable	1,066
Intergovernmental Payable	(902)
	<u>28,533</u>
<b><i>Total Adjustments</i></b>	
	28,533
<b><i>Net Cash Used for Operating Activities</i></b>	
	<u>(\$12,822)</u>

See accompanying notes to the general purpose financial statements

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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**Note 1 - Description of the School District and Reporting Entity**

The Avon Lake City School District (the “School District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as mandated by State/or federal agencies.

The School District is located in Avon Lake, Ohio, Lorain County, and includes an area extending roughly twelve square miles around the City. It is staffed by 117 non-certified personnel, 207 certified full-time teaching personnel and 13 administrative employees to provide services to 3,257 students and other community members. The School District operates 4 elementary schools (k-4), 1 intermediate school (5-6), 1 middle school (7-8), and 1 high school (9-12).

*Reporting Entity*

A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements are not misleading. The primary government of the School District consists of all funds, agencies, departments and offices that are not legally separate from the School District. For Avon Lake City School District this includes general operations, food service, and student related activities of the School District.

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

The School District participates in four jointly governed organizations and one related organization. These organizations are the Lake Erie Educational Computer Association (LEECA), the Lake Erie Regional Council of Governments (LERC), the Lorain County Joint Vocational School District, the Ohio Schools Council and the Avon Lake Public Library. These organizations are presented in Notes 17 and 21 to the general purpose financial statements.

**Note 2 - Summary of Significant Accounting Policies**

The financial statements of the Avon Lake 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 proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District’s accounting policies are described below.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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***A. Basis Of Presentation - Fund Accounting***

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

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

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

*Governmental Fund Types:*

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

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

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

*Debt Service Funds* - The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term obligations principal, interest, and related costs.

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

*Proprietary Fund Type:*

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

*Enterprise Funds* - The enterprise funds are used to account for School District activities that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a



**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

*Fiduciary Fund Types:*

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

*Account Groups:*

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

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

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

***B. Measurement Focus And Basis Of Accounting***

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

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

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

The modified accrual basis of accounting is followed for the governmental and agency funds. The full accrual basis of accounting is followed for the proprietary funds.

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 year-end.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 7) Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the 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 non-exchange 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.

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, 2001, but which were levied to finance fiscal year 2002 operations, have been recorded as deferred revenue. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue. On a modified accrual basis, receivables that will not be collected within the available period have also been 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.

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.

***C. Budgetary Process***

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the 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 is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. Budgetary statements are presented beyond that legal level of control for informational purposes only.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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*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 Lorain 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 in the budgetary statement reflect the amounts in the final amended certificate issued during fiscal year 2001.

*Appropriations:*

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the 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.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. The allocation of appropriations among functions and objects within a fund is determined during the fiscal year by the Treasurer without Board approval. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant.

The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all 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. Expenditures plus encumbrances may not legally exceed appropriations. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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*Lapsing of Appropriations:*

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

***D. Cash And Investments***

To improve cash management, cash received by the School District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through School District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet.

During fiscal year 2001, investments were limited to repurchase agreements, U.S. Treasury Notes, Federal National Mortgage Association Notes, Federal Home Loan Bank Bonds, Student Loan Marketing Association Notes and STAROhio, the State Treasurer's investment pool.

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

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of The Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2001.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2001 amounted to \$1,412,294, which includes \$1,173,657 assigned from other School District funds.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturities of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments.

***E. Inventory***

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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***F. Fixed Assets And Depreciation***

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

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

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the enterprise funds is computed using the straight-line method over an estimated useful life of ten years.

***G. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2001, 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. Interfund Assets/Liabilities***

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables" and "interfund payables."

***I. Restricted Assets***

Restricted assets in the General Fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include the amount required by statute to be set-aside by the School District for the purchase of textbooks and other instructional materials and the creation of a reserve for budget stabilization. See Note 20 for additional information regarding set-asides.

***J. 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 it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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For governmental funds, 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 remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

***K. Accrued Liabilities And Long-Term Obligations***

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgements, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current available expendable financial resources. Payments made more than two months after year end are generally considered not to have been paid with current available financial resources. Bonds are recognized as a liability of the general long-term obligations account group until due.

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

***L. Interfund Transactions***

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

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

***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, inventories of supplies and materials, property taxes, textbooks and instructional materials and budget stabilization.

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

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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***N. Contributed Capital***

Contributed capital represents resources from other funds, other governments, and private sources provided to enterprise funds that is not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end.

Because the School District did not prepare financial statements in accordance with generally accepted accounting principles prior to fiscal year 1988, the exact amount of contributed capital cannot be determined. Consequently, only those amounts that have been specifically identified have been classified as contributed capital in the accompanying combined financial statements. All other fund equity amounts pertaining to proprietary funds have been classified as retained earnings.

***O. Estimates***

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

***P. Memorandum Only - Totals Columns***

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

**Note 3 - Changes in Accounting Principles and Restatement of Balances**

***Changes in Accounting Principles*** For fiscal year 2001, the School District has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues." This change in accounting principles had no effect on fund balances as of June 30, 2000.

Due to an overstatement in the Early Retirement Incentive Payable at June 30, 2000, the balance in the general long term obligations account was decreased by \$64,177 from \$52,281,109 to \$52,216,932.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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**Note 4 - Budgetary Basis of Accounting**

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balances for governmental fund types and as note disclosure in the proprietary fund type (GAAP basis).
4. For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transaction (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type.

Net Income/Excess of Revenues Over Expenses and Operating Transfers Proprietary Fund Type	
	<u>Enterprise</u>
GAAP Basis	\$15,075
Revenue Accrual	3,339
Expense Accrual	3,965
Capital Outlay	(700)
Depreciation Expense	2,566
Loss on Disposal of Fixed Assets	(270)
Encumbrances	<u>(23,245)</u>
 Budget Basis	 <u><u>\$730</u></u>



**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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

	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust
GAAP Basis	(\$601,910)	\$31,848	\$123,949	(\$10,097,477)	(\$654)
Revenue Accruals	316,186	(33,376)	80,866	(593,576)	0
Expenditure Accruals	245,309	60,318	0	(454,049)	0
Fair Value Adjustment					
For Investments	(23,945)	0	0	0	0
Encumbrances	(467,962)	(184,686)	0	(30,436,755)	(387)
Budget Basis	(\$532,322)	(\$125,896)	\$204,815	(\$41,581,857)	(\$1,041)

**Note 5 - Accountability and Compliance**

**A. Accountability**

The food service enterprise fund has deficit retained earnings of \$158,694 at June 30, 2001. Management is analyzing fund operations to determine appropriate action to alleviate the deficit.

**B. Legal Compliance**

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

Fund	Expenditures Plus Encumbrances	Appropriations	Excess
General	\$23,143,794	\$23,140,261	\$3,533
Capital Projects Fund:			
Building Improvements	43,535,513	43,318,068	217,445

Contrary to Section 5705.39, Ohio Revised Code, the following funds had appropriations in excess of estimated revenues and carryover balances:

Fund	Estimated Revenue Plus Carryover Balances	Appropriations	Excess
Special Revenue Funds:			
Local Grants	\$101,902	\$104,313	(\$2,411)
Title I	254,942	277,602	(22,660)
Capital Project Funds:			
Permanent Improvements	902,846	926,917	(24,071)
Interactive Video Distance Learner	7,000	7,500	(500)

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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In order to address these budgetary violations, management intends to more closely monitor the budgetary accounts.

**Note 6- Deposits and Investments**

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

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

Inactive deposits are public deposits that the 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 deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

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

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

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

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim moneys 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 that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

*Deposits:* At fiscal year end, the carrying amount of the School District's deposits was \$12,068,796 and the bank balance was \$12,630,917. \$7,314,464 of the bank balance was covered by federal depository insurance. \$5,316,453 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging financial institutions trust department or agent in the School District's name and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

*Investments:* 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 fiscal 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 the securities are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. STAROhio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

	Category 3	Carrying Value	Fair Value
Repurchase Agreement	\$2,185,000	\$2,185,000	\$2,185,000
U.S. Treasury Notes	1,195,872	1,195,872	1,195,872
Federal Home Loan Bank Bonds	5,976,880	5,976,880	5,976,880
Federal National Mortgage Association Notes	4,560,721	4,560,721	4,560,721
Student Loan Marketing Association Notes	1,996,680	1,996,680	1,996,680
STAROhio	0	9,751,199	9,751,199
Totals	<u>\$15,915,153</u>	<u>\$25,666,352</u>	<u>\$25,666,352</u>

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

A reconciliation between the classifications of cash and investments on the combined financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement 9	\$37,735,148	\$0
Investments which are part of the Cash management pool:		
Repurchase Agreement	(2,185,000)	2,185,000
U.S. Treasury Notes	(1,195,872)	1,195,872
Federal Home Loan Bank Bonds	(5,976,880)	5,976,880
Federal National Mortgage Association Notes	(4,560,721)	4,560,721
Student Loan Marketing Association Notes	(1,996,680)	1,996,680
STAROhio	(9,751,199)	9,751,199
GASB Statement 3	<u>\$12,068,796</u>	<u>\$25,666,352</u>

**Note 7 - Property Taxes**

Property taxes are levied and assessed on a calendar year basis while the School District fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half distributions occur in the first half of the following 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 2001 for real and public utility property taxes represents collections of calendar 2000 taxes. Property tax payments received during calendar 2001 for tangible personal property (other than public utility property) is for calendar 2001 taxes.

2001 Real property taxes are levied after April 1, 2001, on the assessed value listed as of the prior January 1, 2001, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

Public utility tangible personal property taxes currently are assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 2001 public utility property taxes became a lien December 31, 2000, are levied after April 1, 2001 and are collected in 2002 with real property taxes.

2001 tangible personal property taxes are levied after April 1, 2000 on the value as of December 31, 2000. Collections are made in 2001. Tangible personal property assessments are twenty-five percent of true value.

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

	2000 Second Half Collections		2001 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$409,713,190	69.49%	\$477,312,060	71.16%
Public Utility	102,252,710	17.34	119,221,210	17.77
Tangible Personal Property	77,626,205	13.17	74,240,490	11.07
Total Assessed Value	<u>\$589,592,105</u>	<u>100.00%</u>	<u>\$670,773,760</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$56.54		\$55.94	

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

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

The School District receives property taxes from Lorain 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, 2001, are available to finance fiscal year 2001 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2001 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 were levied to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current year operations. The amount available as an advance is recognized as revenue.

The amount available as an advance at June 30, 2001, was \$2,892,699. \$2,272,715 was available to the general fund, \$535,446 was available to the bond retirement debt service fund and \$84,538 was available to the permanent improvements capital projects fund. The amount available as an advance at June 30, 2000, was \$3,252,800. \$2,544,091 was available to the general fund, \$612,031 was available to the bond retirement debt service fund and \$96,678 was available to the permanent improvements capital projects fund.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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**Note 8 - Receivables**

Receivables at June 30, 2001, consisted of property taxes, accounts (rent and student fees), and intergovernmental grants. All receivables are considered collectible in full.

A summary of the principal items of intergovernmental receivables follows:

	Amounts
Special Revenue Funds	
Title VI-B	\$64,621
Title I	2,607
Drug Free Schools	1,920
E-Rate Grant	32,693
Education for Economic Security	877
Miscellaneous Federal Grants	22,315
<i>Total Special Revenue Funds</i>	125,033
Enterprise Fund	
Food Service	7,780
Total Intergovernmental Receivables	\$132,813

**Note 9 - Fixed Assets**

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

Furniture and Equipment	\$349,659
Less Accumulated Depreciation	(198,559)
Net Fixed Assets	\$151,100

A summary of the changes in general fixed assets during fiscal year 2001 follows:

Asset Category	Balance at 6/30/00	Additions	Deletions	Balance at 6/30/01
Land and Improvements	\$816,033	\$0	\$0	\$816,033
Buildings	15,948,073	0	0	15,948,073
Furniture and Equipment	4,712,039	474,575	(31,937)	5,154,677
Vehicles	1,166,128	23,299	0	1,189,427
Textbooks and Library Books	1,438,988	103,366	(129,441)	1,412,913
Construction in Progress	0	10,673,699	0	10,673,699
Totals	\$24,081,261	\$11,274,939	(\$161,378)	\$35,194,822

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

**Note 10 - Contractual Commitments**

As of June 30, 2001, the Avon Lake City School District had the following contractual commitments outstanding:

Contractor	Contract Amount	Amount paid as of June 30, 2001	Amount remaining on Contract
Acme Arsenia Company	\$1,140,960	\$43,900	\$1,097,060
Apollon Painting	34,100	0	34,100
Cincinnati Floors	224,610	0	224,610
Corporate Floors, Incorporated	740,912	0	740,912
Crown Floorcovering	60,698	0	60,698
Custom Fabricating	842,880	23,706	819,174
Fortney and Weygandt	1,654,500	363,930	1,290,570
Giambrone Masonry	3,741,584	1,371,473	2,370,111
Great Lakes Hotel Supply	434,584	59,728	374,856
G.Q. Contracting Company	571,200	69,419	501,781
Higgins Electric Company	582,065	568,908	13,157
Independence Excavating	2,002,449	1,465,993	536,456
K.S. Associates	110,550	105,550	5,000
M.W. Mielke, Incorporated	3,454,205	829,819	2,624,386
Marous Brothers Construction	2,167,672	558,968	1,608,704
PSI, Incorporated	165,938	133,868	32,070
Precision Environmental	30,812	22,812	8,000
Republic Construction	458,880	126,040	332,840
Rittman, Incorporated	1,695,352	457,073	1,238,279
R.J. Martin Electrical Contractors	2,484,659	417,263	2,067,396
R.J. Platten Contracting Company	493,039	441,077	51,962
S.A. Comunale Company	1,133,805	1,108,766	25,039
Phoenix Cement	1,017,331	391,182	626,149
Soehrlen Piping Company	1,492,440	431,335	1,061,105
Steingass Mechanical	497,280	44,444	452,836
Waller-Duman, Incorporated	102,342	99,875	2,467
<b>Total</b>	<b>\$27,334,847</b>	<b>\$9,135,129</b>	<b>\$18,199,718</b>

**Note 11 - Risk Management**

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. The School District contracts with the Crum and Forster Commercial Insurance Company for property insurance. Professional liability is protected by the Nationwide Mutual Insurance Company with a \$5,000,000 aggregate limit.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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Vehicles are covered by the Grange Mutual Insurance Company and hold a \$50 and \$250 deductible for comprehensive and collision, respectively. Automobile liability has a \$1,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past ten years and there has not been a significant reduction in coverage from the prior year.

The Ohio Casualty Insurance Company maintains both a \$50,000 public official bond for the treasurer, a \$20,000 public official bond for the Board of Education President, a \$20,000 public official bond for the Superintendent and a \$30,000 blanket bond for all other employees.

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

The School District has contracted with the Lake Erie Regional Council of Governments (LERC) to provide employee health and medical benefits since December 1988. The LERC is a claims-servicing pool comprised of fourteen Lorain County school districts. Rates are set through an annual calculation process. The School District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating school districts. Claims are paid for all participants regardless of claims flow or individual account balance. Upon termination, the terminating School District would be liable for all outstanding claims beyond their individual account balance. The LERC Board of Directors has the right to return monies to an exiting district subsequent to the settlement of all expenses and claims. This plan provides a medical/ surgical plan with deductibles of \$150 for single and \$300 for family coverage.

The LERC's pool premiums are billed to each participating school district based on actuarially determined rates. Should contributions prove to be insufficient to pay program costs of the insurance program in any given year, each participating member is notified of their deficiency and their premium is adjusted to cover its share of the additional cost of anticipated future claims.

## **Note 12 - Defined Benefit Pension Plans**

### ***A. School Employees Retirement System***

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

Plan members are required to contribute 9 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 2001, 4.2 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2000, 5.5 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, 2001, 2000, and 1999 were \$187,976, \$168,338, and \$216,482, respectively; 54.51 percent has been contributed for fiscal



**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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year 2001 and 100 percent for fiscal years 2000 and 1999. \$85,512 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds and the general long-term obligations account group.

***B. State Teachers Retirement System***

The School District participates in the School Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides basic 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 43215-3771.

For the fiscal year ended June 30, 2001, plan members are required to contribute 9.3 percent of their annual covered salaries. The School District is required to contribute 14 percent; 9.5 percent was the portion used to fund pension obligations. For fiscal year 2000, the portion used to fund pension obligations was 6 percent. 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, 2001, 2000, and 1999 were \$685,340, \$651,034, and \$609,563, respectively; 82.73 percent has been contributed for fiscal year 2001, and 100 percent for fiscal years 2000 and 1999. \$118,385 represents the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds.

***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, 2001, all but one members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

**Note 13 - 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-certificated employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

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 cost 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 the fiscal year ended June 30, 2001, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$913,787 for fiscal year 2001.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent 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, 2001, employer contributions to fund health care benefits were 9.8 percent of covered payroll, an increase of 1.3 percent from fiscal year 2000. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay has been established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2001 fiscal year equaled \$364,341.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 2000, (the latest information available), were \$140,696,340 and the target level was \$211 million. At June 30, 2000, SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participants receiving health care benefits.

## **Note 14 - Other Employee Benefits**

### ***A. Compensated Absences***

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

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Unused sick leave may be accumulation is unlimited. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum of 40 days for classified employees and 90 days for certified employees.

### ***B. Life Insurance***

The School District provides life insurance and accidental death and dismemberment insurance to its employees. Coverage is equal to employees' annual salary amount rounded to the nearest one thousand dollars. Life insurance is covered through the Prudential Life Insurance.

### ***C. Early Retirement Incentive***

The Avon Lake School District Board of Education approved an Early Retirement Incentive program in fiscal year 2000 for certified employees. The Retirement Incentive is based upon first-time retirement eligibility under the State Teachers Retirement System and notification by May 24. The retirement incentive will be paid in two installments; one in July and one in January of each year following the effective retirement date,

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

as long as the employees meet the criteria for retirement and notifies the Board on or before June 30. The payments are made from the general fund. The last payment was made in July 2001.

**Note 15 - Long Term Obligations**

The changes in the School District's long-term obligations during fiscal year 2001 were as follows:

	Principal Outstanding 6/30/00	Additions	Deductions	Principal Outstanding 6/30/01
<i>General Obligation Bonds:</i>				
1981 \$900,000 Library Building Addition and Equipment 9.875%	\$90,000	\$0	(\$90,000)	\$0
1991 \$2,195,000 Energy Conservation Improvement 4.6656%	1,340,000	0	(315,000)	1,025,000
1993 \$4,000,000 Public Library Improvements 5.5116%	3,175,000	0	(160,000)	3,015,000
1995 \$2,000,000 Troy Renovation/ Improvement 6.272%	1,830,000	0	(50,000)	1,780,000
1999 \$41,799,977 School Facilities Issue Serial and Term Bonds 4.125%-5.4%	41,150,000	0	0	41,150,000
Capital Appreciation Bonds 17.928%	2,550,432	127,863	0	2,678,295
<b>Total General Obligation Bonds</b>	<b>50,135,432</b>	<b>127,863</b>	<b>(615,000)</b>	<b>49,648,295</b>
Early Retirement Incentive	42,681	0	(42,681)	0
Pension Obligation	205,514	222,212	(205,514)	222,212
Compensated Absences	1,833,305	139,411	(31,211)	1,941,505
Arbitrage	0	125,510	0	125,510
<b>Total General Long-Term Obligations</b>	<b>\$52,216,932</b>	<b>\$614,996</b>	<b>(\$894,406)</b>	<b>\$51,937,522</b>

All general obligation bonds will be paid from property taxes. Early retirement incentive, compensated absences, and the pension obligation will be paid from the fund from which the person is paid. In 1993, the School District issued bonds for improvements to the public library in the amount of \$4,000,000. The bonds are included as School District debt because the School District serves as the taxing authority for the library and is required to issue tax related debt.

*School Facilities General Obligation Bonds* - On September 15, 1999, Avon Lake City School District issued \$41,799,977 in voted general obligation bonds for the purpose of constructing, improving and making additions to school buildings and related site development. The bond issue included serial, term and capital appreciation bonds in the amount of \$8,150,000, \$33,000,000, and \$649,977, respectively. The bonds were issued at a premium of \$1,799,444. The bonds will be retired with a voted property tax levy from the debt service fund.

The term bonds maturing on December 1, 2014, are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the School District. The mandatory redemption is to occur on December 1, in each of the years 2012 through 2013 (with the

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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balance of \$1,635,000 to be paid at stated maturity on December 1, 2014) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2012	\$1,465,000
2013	1,550,000

The term bonds maturing on December 1, 2019, are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the School District. The mandatory redemption is to occur on December 1, in each of the years 2015 through 2018 (with the balance of \$2,145,000 to be paid at stated maturity on December 1, 2019) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2015	\$1,730,000
2016	1,825,000
2017	1,925,000
2018	2,030,000

The term bonds maturing on December 1, 2026, are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the School District. The mandatory redemption is to occur on December 1, in each of the years 2020 through 2025 (with the balance of \$3,120,000 to be paid at stated maturity on December 1, 2026) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2020	\$2,260,000
2021	2,385,000
2022	2,520,000
2023	2,655,000
2024	2,800,000
2025	2,955,000

Current serial bonds redeemed by other than mandatory redemption, or purchased for cancellation, may be credited against the applicable mandatory redemption requirement.

The serial bonds maturing after December 1 in 2009 are subject to optional redemption, in whole or in part of any date in inverse order of maturity and by lot within a maturity, in integral multiples of \$5,000 at the option of the School District on or after December 1, 2009 at the redemption prices (expressed as percentages of the principal amount to be redeemed) set forth below, plus accrued interest to the redemption date:

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

Redemption Dates (Dates Inclusive)	Redemption Prices
December 1, 2009 through November 30, 2010	102%
December 1, 2010 through November 30, 2011	101
December 1, 2011 and thereafter	100

The capital appreciation bonds will mature in fiscal years 2009 through 2011. The maturity amount of the bonds is \$4,395,000. In fiscal year 2001, \$127,863 was accreted for a total bond obligation of \$2,678,295.

The arbitrage liability is an estimate as of June 30, 2001, with respect to the bonds. The accrued liability will increase or decrease depending on whether remaining bond proceeds are invested at a yield that is higher or lower than the bond yield.

The School District's overall legal debt margin at June 30, 2001, was \$13,157,522 with an unvoted debt margin of \$670,774 at June 30, 2001. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2001, are as follows:

Fiscal year Ending June 30,	Principal	Interest	Total
2002	\$1,160,000	\$2,498,746	\$3,658,746
2003	1,090,000	2,449,035	3,539,035
2004	1,195,000	2,397,319	3,592,319
2005	1,360,000	2,338,384	3,698,384
2006	1,470,000	2,271,715	3,741,715
2007-2011	7,541,502	11,379,102	18,920,604
2012-2016	8,661,793	9,599,791	18,261,584
2017-2021	10,735,000	6,051,263	16,786,263
2022-2027	16,435,000	2,852,713	19,287,713
Total	\$49,648,295	\$41,838,068	\$91,486,363

**Note 16 - Interfund Transactions**

Interfund balances at June 30, 2001, consist of the following individual fund receivables and payables:

Funds	Receivable		Payable	
	Interfund	Due From	Interfund	Due To
General	\$166	\$0	\$0	\$0
Drug Free Schools Special Revenue Fund	0	0	166	0
Bond Retirement Debt Service Fund	0	48,975	0	0
Building Improvements Capital Projects Fund	0	0	0	48,975
<i>Total</i>	\$166	\$48,975	\$166	\$48,975

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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**Note 17 - Jointly Governed Organizations**

**A. *Lake Erie Education Computer Association (LEECA)***

The Lake Erie Education Computer Association (LEECA) is a jointly governed organization among thirty School Districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the governments of these schools supports LEECA based upon a per pupil charge dependent upon the software package utilized. The LEECA assembly consists of a superintendent or designated representative from each participating school district and a representative from the fiscal agent. LEECA is governed by a Board of Directors chosen from the general membership of the LEECA Assembly. The Board of Directors consists of a representative from the fiscal agent, the chairman of each of the operating committees, and at least one Assembly member from each county in which participating school districts are located. The degree of control exercised by any participating school district is limited to its representation on the Board. Financial information can be obtained by contacting the Treasurer at the Lorain County Board of Education, who serves as the fiscal agent, at 1885 Lake Avenue, Elyria, Ohio 44035.

**B. *Lake Erie Regional Council of Governments (LERC)***

The Lake Erie Regional Council of Governments (LERC) is a jointly governed organization among thirteen school districts. The jointly governed organization was formed for the purpose of promoting cooperative agreements and activities among its members in dealing with problems of mutual concern such as a media center, gas consumption, driver education, food service and insurance. Each member provides operating resources to LERC on a per pupil or actual usage charge except for insurance.

The LERC assembly consists of a superintendent or designated representative from each participating school district and the fiscal agent. LERC is governed by a Board of Directors chosen from the general membership. The degree of control exercised by any participating school district is limited to its representation on the Board. In fiscal year 2001, the School District contributed \$25,317. Financial information can be obtained by contacting the Treasurer at the Educational Service Center at the Lorain County Board of Education at 1885 Lake Avenue, Elyria, Ohio 44035.

**C. *Lorain County Joint Vocational School District***

The Lorain County Joint Vocational School District is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each participating school district's elected board, which possesses its own budgeting and taxing authority. To obtain the financial information write to the Treasurer at the Lorain County Joint Vocational School District, Rt. 20 at Rt. 58, Oberlin, Ohio 44074.

**D. *Ohio Schools Council***

The Ohio Schools Council Association (Council) is a jointly governed organization among eighty-three school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2001, the School District paid \$800 to the Council. Financial information can be obtained by contacting Albert G. Vasek, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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The School District participates in the Council's electric purchase program which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corp., a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to purchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp.

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

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

## **Note 18 - Contingencies**

### ***A. Grants***

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

### ***B. Litigation***

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

## **Note 19 - Set-Asides**

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.

**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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

	Budget Stabilization Reserve	Capital Improvements Reserve	Textbooks/ Instructional Materials Reserve
Set-aside Reserve Balance as of June 30, 2000	\$285,832	\$0	\$0
Current Year Set-aside Requirement	0	530,699	530,699
Reduction in Requirement based on revised Legislation	(171,842)	0	0
Qualifying Disbursements	0	(667,936)	(144,192)
Totals	<u>\$113,990</u>	<u>(\$137,237)</u>	<u>\$386,507</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>\$113,990</u>	<u>\$0</u>	<u>\$386,507</u>
Set-aside Reserve Balance as of June 30, 2001	<u>\$113,990</u>	<u>\$0</u>	<u>\$386,507</u>

The School District had qualifying disbursements during the fiscal year that reduced the capital acquisition set-aside amount below zero. 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 fiscal years. The total reserve balance for the three set-asides at the end of the fiscal year was \$500,497.

**Note 20 - Related Organization**

Avon Lake Public Library - The Avon Lake Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Avon Lake City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Avon Lake Public Library, Clerk/Treasurer, at 32649 Electric Blvd., Avon Lake, Ohio 44012.

**Note 21 - Segment Information for Enterprise Funds**

The School District maintains three enterprise funds to account for the operations of food service, uniform school supply sales, and adult education. The table below reflects the more significant financial data relating to the enterprise funds of the Avon Lake City School District as of and for the fiscal year ended June 30, 2001.



**Avon Lake City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

	Food Service	Uniform School Supplies	Adult Education	Total Enterprise Funds
Operating Revenues	\$467,639	\$124,467	\$620	\$592,726
Depreciation Expense	2,511	55	0	2,566
Operating Income (Loss)	(73,808)	31,833	620	(41,355)
Donated Commodities	20,698	0	0	20,698
Operating Grants	56,430	0	0	56,430
Interest	4,567	0	0	4,567
Operating Transfers In	1,469	0	0	1,469
Operating Transfers Out	(26,464)	0	0	(26,464)
Net Income (Loss)	(17,378)	31,833	620	15,075
Fixed Asset Additions	700	0	0	700
Fixed Asset Deletions	(641)	0	0	(641)
Net Working Capital	86,581	78,664	682	165,927
Total Assets	282,940	81,403	682	365,025
Total Equity	209,925	80,809	682	291,416
Encumbrances Outstanding at June 30, 2001	1,800	21,415	30	23,245

**Note 22 - Subsequent Event**

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

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

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

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of December 7, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

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

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

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

## *General Fund*

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

**Avon Lake 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, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$19,409,971	\$18,111,791	(\$1,298,180)
Intergovernmental	2,832,027	2,837,081	5,054
Interest	1,486,564	1,428,823	(57,741)
Tuition and Fees	188,682	177,922	(10,760)
Donations	33,916	33,918	2
Rentals	10,734	7,644	(3,090)
Miscellaneous	23,267	13,793	(9,474)
<i>Total Revenues</i>	<u>23,985,161</u>	<u>22,610,972</u>	<u>(1,374,189)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	8,451,467	8,237,228	214,239
Fringe Benefits	2,642,920	2,206,393	436,527
Purchased Services	124,614	52,291	72,323
Materials and Supplies	252,067	289,449	(37,382)
Capital Outlay - New	60,519	70,792	(10,273)
Capital Outlay - Replacement	674	3,964	(3,290)
Total Regular	<u>11,532,261</u>	<u>10,860,117</u>	<u>672,144</u>
Special:			
Salaries	1,107,000	1,001,882	105,118
Fringe Benefits	229,350	264,273	(34,923)
Purchased Services	252,579	398,975	(146,396)
Materials and Supplies	3,051	0	3,051
Total Special	<u>1,591,980</u>	<u>1,665,130</u>	<u>(73,150)</u>
Vocational:			
Salaries	145,000	154,759	(9,759)
Fringe Benefits	43,300	34,633	8,667
Purchased Services	600	0	600
Total Vocational	<u>188,900</u>	<u>189,392</u>	<u>(492)</u>
Total Instruction	<u>\$13,313,141</u>	<u>\$12,714,639</u>	<u>\$598,502</u> (continued)

**Avon Lake 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, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Support Services:			
Pupils:			
Salaries	\$666,900	\$724,352	(\$57,452)
Fringe Benefits	186,200	159,319	26,881
Purchased Services	178,501	216,180	(37,679)
Materials and Supplies	21,872	12,844	9,028
Capital Outlay - New	892	1,258	(366)
Total Pupils	<u>1,054,365</u>	<u>1,113,953</u>	<u>(59,588)</u>
Instructional Staff:			
Salaries	835,500	878,366	(42,866)
Fringe Benefits	212,200	237,071	(24,871)
Purchased Services	15,300	16,903	(1,603)
Materials and Supplies	31,453	42,334	(10,881)
Other	500	144	356
Capital Outlay - New	200	8,534	(8,334)
Total Instructional Staff	<u>1,095,153</u>	<u>1,183,352</u>	<u>(88,199)</u>
Board of Education:			
Salaries	4,000	4,260	(260)
Fringe Benefits	800	592	208
Purchased Services	19,000	22,468	(3,468)
Other	3,500	16,975	(13,475)
Total Board of Education	<u>27,300</u>	<u>44,295</u>	<u>(16,995)</u>
Administration:			
Salaries	1,316,000	1,308,151	7,849
Fringe Benefits	428,580	465,325	(36,745)
Purchased Services	422,104	737,676	(315,572)
Materials and Supplies	22,373	20,069	2,304
Other	64,000	16,958	47,042
Capital Outlay - New	10,036	5,240	4,796
Total Administration	<u>2,263,093</u>	<u>2,553,419</u>	<u>(290,326)</u>
Fiscal:			
Salaries	188,000	167,414	20,586
Fringe Benefits	70,913	65,940	4,973
Purchased Services	23,600	26,271	(2,671)
Materials and Supplies	11,320	12,138	(818)
Other	312,000	306,530	5,470
Capital Outlay - New	16,900	2,258	14,642
Total Fiscal	<u>\$622,733</u>	<u>\$580,551</u>	<u>\$42,182</u> (continued)

**Avon Lake 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, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Business:			
Salaries	\$37,580	\$43,920	(\$6,340)
Fringe Benefits	26,670	13,302	13,368
Purchased Services	40,250	14,734	25,516
Materials and Supplies	0	2,114	(2,114)
<b>Total Business</b>	<b>104,500</b>	<b>74,070</b>	<b>30,430</b>
Operation and Maintenance of Plant:			
Salaries	960,350	990,720	(30,370)
Fringe Benefits	280,500	270,471	10,029
Purchased Services	1,005,419	1,192,220	(186,801)
Materials and Supplies	207,711	236,019	(28,308)
Capital Outlay - New	23,686	14,915	8,771
<b>Total Operation and Maintenance of Plant</b>	<b>2,477,666</b>	<b>2,704,345</b>	<b>(226,679)</b>
Pupil Transportation:			
Salaries	498,650	543,875	(45,225)
Fringe Benefits	162,000	131,243	30,757
Purchased Services	33,500	38,574	(5,074)
Materials and Supplies	65,960	65,057	903
Other	250	97	153
Capital Outlay - New	79,800	6,262	73,538
<b>Total Pupil Transportation</b>	<b>840,160</b>	<b>785,108</b>	<b>55,052</b>
Central:			
Salaries	25,000	45,658	(20,658)
Fringe Benefits	4,000	2,858	1,142
<b>Total Central</b>	<b>29,000</b>	<b>48,516</b>	<b>(19,516)</b>
<b>Total Support Services</b>	<b>8,513,970</b>	<b>9,087,609</b>	<b>(573,639)</b>
Extracurricular Activities:			
Academic Oriented Activities:			
Salaries	79,000	43,021	35,979
Fringe Benefits	17,600	10,004	7,596
<b>Total Academic Oriented Activities</b>	<b>96,600</b>	<b>53,025</b>	<b>43,575</b>
Occupation Oriented Activities:			
Salaries	4,300	1,775	2,525
Fringe Benefits	700	395	305
<b>Total Occupation Oriented Activities</b>	<b>\$5,000</b>	<b>\$2,170</b>	<b>\$2,830</b>

(continued)

**Avon Lake 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, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Sport Oriented Activities:</b>			
Salaries	\$312,500	\$352,926	(\$40,426)
Fringe Benefits	76,100	63,603	12,497
Purchased Services	2,500	4,735	(2,235)
Other	500	371	129
<b>Total Sport Oriented Activities</b>	<b>391,600</b>	<b>421,635</b>	<b>(30,035)</b>
<b>School and Public Service</b>			
<b>Co-Curricular Activities:</b>			
Salaries	64,700	67,050	(2,350)
Fringe Benefits	15,500	8,211	7,289
<b>Total Co-Curricular Activities</b>	<b>80,200</b>	<b>75,261</b>	<b>4,939</b>
<b>Total Extracurricular Activities</b>	<b>573,400</b>	<b>552,091</b>	<b>21,309</b>
<b>Capital Outlay</b>			
Purchased Services	0	13,000	(13,000)
Capital Outlay - New	739,750	776,270	(36,520)
<b>Total Capital Outlay</b>	<b>739,750</b>	<b>789,270</b>	<b>(49,520)</b>
<b>Total Expenditures</b>	<b>23,140,261</b>	<b>23,143,609</b>	<b>(3,348)</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>844,900</b>	<b>(532,637)</b>	<b>(1,377,537)</b>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	500	500	0
Operating Transfers Out	0	(185)	(185)
<b>Total Other Financing Sources (Uses)</b>	<b>500</b>	<b>315</b>	<b>(185)</b>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</b>	<b>845,400</b>	<b>(532,322)</b>	<b>(1,377,722)</b>
<b>Fund Balance Beginning of Year</b>	<b>3,723,573</b>	<b>3,723,573</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>244,684</b>	<b>244,684</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$4,813,657</b>	<b>\$3,435,935</b>	<b>(\$1,377,722)</b>

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## *Special Revenue Funds*

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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:

***Michael Baumhauer Scholarship Fund*** - This fund accounts for donations in honor of long-standing teacher Michael Baumhauer to be used for scholarships for eligible students.

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

***Local Grants Fund*** - This fund accounts for funds received to promote community involvement and volunteer activities between the school and community.

***Scholarship Fund*** - This fund accounts for monies from local donations for the purpose of scholarships for students.

***Venture Capital Fund*** - This fund accounts for State monies used to involve the community with the School District.

***Athletics Fund*** - This fund accounts for gate receipts and other revenues from athletic events and all costs (except personnel services) of the School District's athletic program.

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

***Teacher Development Fund*** - This fund accounts for receipts and expenditures for the development of in-service programs.

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

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

***Data Communications Fund*** - This fund accounts for State monies received to provide Ohio Educational Computer Network connections.

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

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

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

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***Special Revenue Funds (continued)***

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***Title VI Fund*** - This fund accounts for Federal monies which support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

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

***Early Childhood Education Development Fund*** - This fund accounts for State monies which partially support the preschool program focusing on the early education of handicapped children.

***E-Rate Grant Fund*** - This fund accounts for Federal monies received for various purposes including improved student achievement and teacher development.

***Classroom Size Reduction Fund*** - This fund accounts for Federal monies received to encourage and help fund smaller classroom size and additional staffing needs.

***Summer School Subsidy*** - This fund accounts for State monies used for the Summer School program.

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

**Avon Lake City School District**

*Combining Balance Sheet*

*All Special Revenue Funds*

*June 30, 2001*

	<u>Michael Baumhauer Scholarship</u>	<u>Public School Support</u>	<u>Local Grants</u>	<u>Scholarship</u>	<u>Athletics</u>	<u>Auxiliary Services</u>
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$6,175	\$72,756	\$56,385	\$10,967	\$124,735	\$92,502
Receivables:						
Accounts	0	6,942	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Prepaid Items	0	0	0	0	0	84
 <i>Total Assets</i>	 <u>\$6,175</u>	 <u>\$79,698</u>	 <u>\$56,385</u>	 <u>\$10,967</u>	 <u>\$124,735</u>	 <u>\$92,586</u>
 <b>Liabilities</b>						
Accounts Payable	\$0	\$10,823	\$5,212	\$0	\$4,914	\$42,884
Accrued Wages and Benefits	0	0	0	0	0	7,182
Interfund Payable	0	0	0	0	0	0
Intergovernmental Payable	0	0	7	0	0	222
Deferred Revenue	0	0	0	0	0	0
 <i>Total Liabilities</i>	 <u>0</u>	 <u>10,823</u>	 <u>5,219</u>	 <u>0</u>	 <u>4,914</u>	 <u>50,288</u>
 <b>Fund Equity</b>						
<i>Fund Balance (Deficit):</i>						
Reserved for Encumbrances	0	2,106	3,568	0	35,964	49,325
Unreserved, Undesignated	6,175	66,769	47,598	10,967	83,857	(7,027)
 <i>Total Fund Equity</i>	 <u>6,175</u>	 <u>68,875</u>	 <u>51,166</u>	 <u>10,967</u>	 <u>119,821</u>	 <u>42,298</u>
 <i>Total Liabilities and Fund Equity</i>	 <u>\$6,175</u>	 <u>\$79,698</u>	 <u>\$56,385</u>	 <u>\$10,967</u>	 <u>\$124,735</u>	 <u>\$92,586</u>

<u>Teacher Development</u>	<u>Management Information Systems</u>	<u>Miscellaneous State Grants</u>	<u>Data Communications</u>	<u>Education for Economic Security</u>
\$7,336	\$19,275	\$23,193	\$11,380	\$5,947
0	0	0	0	0
0	0	0	0	877
0	0	0	0	0
<u>\$7,336</u>	<u>\$19,275</u>	<u>\$23,193</u>	<u>\$11,380</u>	<u>\$6,824</u>
\$116	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>116</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
3,781	1,550	8,739	4,200	1,119
<u>3,439</u>	<u>17,725</u>	<u>14,454</u>	<u>7,180</u>	<u>5,705</u>
<u>7,220</u>	<u>19,275</u>	<u>23,193</u>	<u>11,380</u>	<u>6,824</u>
<u>\$7,336</u>	<u>\$19,275</u>	<u>\$23,193</u>	<u>\$11,380</u>	<u>\$6,824</u>

(continued)

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

	Title VI-B	Title I	Title VI	Drug Free Schools	Early Childhood Education Development
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$20,450	\$32,262	\$3,325	\$2,527	\$16,673
Receivables:					
Accounts	0	0	0	0	0
Intergovernmental	64,621	2,607	0	1,920	0
Prepaid Items	479	192	0	0	0
<i>Total Assets</i>	<u>\$85,550</u>	<u>\$35,061</u>	<u>\$3,325</u>	<u>\$4,447</u>	<u>\$16,673</u>
<b>Liabilities</b>					
Accounts Payable	\$4,287	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	2,182	14,595	0	0	0
Interfund Payable	0	0	0	166	0
Intergovernmental Payable	155	316	0	0	0
Deferred Revenue	64,621	0	0	1,920	0
<i>Total Liabilities</i>	<u>71,245</u>	<u>14,911</u>	<u>0</u>	<u>2,086</u>	<u>0</u>
<b>Fund Equity</b>					
<i>Fund Balance (Deficit):</i>					
Reserved for Encumbrances	5,125	0	300	0	0
Unreserved, Undesignated	9,180	20,150	3,025	2,361	16,673
<i>Total Fund Equity</i>	<u>14,305</u>	<u>20,150</u>	<u>3,325</u>	<u>2,361</u>	<u>16,673</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$85,550</u>	<u>\$35,061</u>	<u>\$3,325</u>	<u>\$4,447</u>	<u>\$16,673</u>

<u>E-Rate Grant</u>	<u>Classroom Size Reduction</u>	<u>Summer School Subsidy</u>	<u>Miscellaneous Federal Grants</u>	<u>Totals</u>
\$1,736	\$9,563	\$616	\$0	\$517,803
0	0	0	0	6,942
32,693	0	0	22,315	125,033
0	0	0	0	755
<u>\$34,429</u>	<u>9,563</u>	<u>\$616</u>	<u>22,315</u>	<u>\$650,533</u>
\$626	\$0	\$0	\$0	\$68,862
0	0	0	0	23,959
0	0	0	0	166
0	0	0	0	700
0	0	0	22,315	88,856
<u>626</u>	<u>0</u>	<u>0</u>	<u>22,315</u>	<u>182,543</u>
104	0	0	0	115,881
<u>33,699</u>	<u>9,563</u>	<u>616</u>	<u>0</u>	<u>352,109</u>
<u>33,803</u>	<u>9,563</u>	<u>616</u>	<u>0</u>	<u>467,990</u>
<u>\$34,429</u>	<u>\$9,563</u>	<u>\$616</u>	<u>\$22,315</u>	<u>\$650,533</u>

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

	Michael Baumhauer Scholarship	Public School Support	Local Grants	Scholarship	Venture Capital	Athletics
<b>Revenues</b>						
Intergovernmental	\$0	\$0	\$500	\$0	\$0	\$0
Interest	285	0	65	102	0	0
Tuition and Fees	0	0	0	135	0	0
Extracurricular Activities	0	121,871	16,684	0	0	239,567
Donations	1,160	19,508	24,430	10,730	0	49,611
Miscellaneous	0	2,696	0	0	0	0
<i>Total Revenues</i>	<u>1,445</u>	<u>144,075</u>	<u>41,679</u>	<u>10,967</u>	<u>0</u>	<u>289,178</u>
<b>Expenditures</b>						
Current:						
Instruction:						
Regular	0	29,057	44,381	0	11,969	0
Special	0	0	85	0	0	0
Support Services:						
Pupils	0	107,684	0	0	0	0
Instructional Staff	0	0	272	0	0	0
Administration	0	0	0	0	0	0
Fiscal	0	0	0	0	0	0
Central	0	0	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0	0	0
Extracurricular Activities	0	0	8,255	0	0	263,701
Capital Outlay	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>136,741</u>	<u>52,993</u>	<u>0</u>	<u>11,969</u>	<u>263,701</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,445</u>	<u>7,334</u>	<u>(11,314)</u>	<u>10,967</u>	<u>(11,969)</u>	<u>25,477</u>
<b>Other Financing Sources (Uses)</b>						
Operating Transfers In	0	26,907	0	0	0	3,036
Operating Transfers Out	0	(2,981)	0	0	0	(1,782)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>23,926</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,254</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	1,445	31,260	(11,314)	10,967	(11,969)	26,731
<i>Fund Balances Beginning of Year</i>	<u>4,730</u>	<u>37,615</u>	<u>62,480</u>	<u>0</u>	<u>11,969</u>	<u>93,090</u>
<i>Fund Balances End of Year</i>	<u><u>\$6,175</u></u>	<u><u>\$68,875</u></u>	<u><u>\$51,166</u></u>	<u><u>\$10,967</u></u>	<u><u>\$0</u></u>	<u><u>\$119,821</u></u>

Auxiliary Services	Teacher Development	Management Information Systems	Miscellaneous State Grants	Data Communi- cations	Education for Economic Security	Title VI-B
\$176,102	\$15,062	\$12,436	\$35,766	\$21,000	\$8,772	\$96,930
2,949	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>179,051</u>	<u>15,062</u>	<u>12,436</u>	<u>35,766</u>	<u>21,000</u>	<u>8,772</u>	<u>96,930</u>
0	7,842	0	0	9,620	7,137	0
0	0	0	0	0	0	38,560
0	0	0	0	0	0	75,685
0	2,538	0	0	0	1,948	0
0	1,466	157	0	0	0	15,135
0	0	3,941	0	0	0	0
0	0	0	23,638	0	0	0
169,103	0	0	345	0	0	2,852
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>169,103</u>	<u>11,846</u>	<u>4,098</u>	<u>23,983</u>	<u>9,620</u>	<u>9,085</u>	<u>132,232</u>
<u>9,948</u>	<u>3,216</u>	<u>8,338</u>	<u>11,783</u>	<u>11,380</u>	<u>(313)</u>	<u>(35,302)</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
9,948	3,216	8,338	11,783	11,380	(313)	(35,302)
<u>32,350</u>	<u>4,004</u>	<u>10,937</u>	<u>11,410</u>	<u>0</u>	<u>7,137</u>	<u>49,607</u>
<u>\$42,298</u>	<u>\$7,220</u>	<u>\$19,275</u>	<u>\$23,193</u>	<u>\$11,380</u>	<u>\$6,824</u>	<u>\$14,305</u>

(continued)

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

	Title I	Title VI	Drug Free Schools	Early Childhood Education Development	E-Rate Grant
<b>Revenues</b>					
Intergovernmental	\$241,509	\$16,642	\$10,672	\$16,768	\$40,562
Interest	0	0	0	0	0
Tuition and Fees	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>241,509</u>	<u>16,642</u>	<u>10,672</u>	<u>16,768</u>	<u>40,562</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	0	14,925	12,099	0	0
Special	91,754	0	0	561	0
Support Services:					
Pupils	0	0	0	1,287	0
Instructional Staff	0	0	0	15,072	0
Administation	0	2,106	0	0	23,957
Fiscal	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	6,082	1,639	0	0	0
Extracurricular Activities	0	0	0	0	0
Capital Outlay	180,000	0	0	0	0
<i>Total Expenditures</i>	<u>277,836</u>	<u>18,670</u>	<u>12,099</u>	<u>16,920</u>	<u>23,957</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(36,327)</u>	<u>(2,028)</u>	<u>(1,427)</u>	<u>(152)</u>	<u>16,605</u>
<b>Other Financing Sources (Uses)</b>					
Operating Transfers In	0	0	0	0	0
Operating Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(36,327)</u>	<u>(2,028)</u>	<u>(1,427)</u>	<u>(152)</u>	<u>16,605</u>
<i>Fund Balances Beginning of Year</i>	<u>56,477</u>	<u>5,353</u>	<u>3,788</u>	<u>16,825</u>	<u>17,198</u>
<i>Fund Balances End of Year</i>	<u>\$20,150</u>	<u>\$3,325</u>	<u>\$2,361</u>	<u>\$16,673</u>	<u>\$33,803</u>



Classroom Size Reduction	Summer School Subsidy	Miscellaneous Federal Grants	Totals
\$9,563	\$616	\$0	\$702,900
0	0	0	3,401
0	0	0	135
0	0	0	378,122
0	0	0	105,439
0	0	0	2,696
<u>9,563</u>	<u>616</u>	<u>0</u>	<u>1,192,693</u>
0	0	0	137,030
0	0	11,172	142,132
0	0	0	184,656
0	0	0	19,830
0	0	0	42,821
0	0	0	3,941
0	0	0	23,638
0	0	0	180,021
0	0	0	271,956
0	0	0	180,000
<u>0</u>	<u>0</u>	<u>11,172</u>	<u>1,186,025</u>
<u>9,563</u>	<u>616</u>	<u>(11,172)</u>	<u>6,668</u>
0	0	0	29,943
0	0	0	(4,763)
<u>0</u>	<u>0</u>	<u>0</u>	<u>25,180</u>
9,563	616	(11,172)	31,848
<u>0</u>	<u>0</u>	<u>11,172</u>	<u>436,142</u>
<u>\$9,563</u>	<u>\$616</u>	<u>\$0</u>	<u>\$467,990</u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Michael Baumhauer Scholarship Fund  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest	\$0	\$285	\$285
Donations	0	1,505	1,505
<i>Total Revenues</i>	0	1,790	1,790
<i>Excess of Revenues Over Expenditures</i>	0	1,790	1,790
<i>Fund Balance Beginning of Year</i>	4,385	4,385	0
<i>Fund Balance End of Year</i>	\$4,385	\$6,175	\$1,790

**Avon Lake 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, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Extracurricular Activities	\$90,632	\$114,929	\$24,297
Donations	16,880	19,508	2,628
Miscellaneous	7,915	2,696	(5,219)
<i>Total Revenues</i>	<u>115,427</u>	<u>137,133</u>	<u>21,706</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	12,517	9,514	3,003
Materials and Supplies	12,741	12,232	509
Capital Outlay - New	9,364	9,364	0
Total Instruction	<u>34,622</u>	<u>31,110</u>	<u>3,512</u>
Support Services:			
Pupils:			
Purchased Services	52,491	29,293	23,198
Materials and Supplies	50,332	69,805	(19,473)
Capital Outlay - New	1,654	8,745	(7,091)
Total Support Services	<u>104,477</u>	<u>107,843</u>	<u>(3,366)</u>
<i>Total Expenditures</i>	<u>139,099</u>	<u>138,953</u>	<u>146</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(23,672)</u>	<u>(1,820)</u>	<u>21,852</u>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers In	26,907	26,907	0
Operating Transfers Out	(2,905)	(2,981)	(76)
<i>Total Other Financing Sources (Uses)</i>	<u>24,002</u>	<u>23,926</u>	<u>(76)</u>
<i>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</i>	330	22,106	21,776
<i>Fund Balance Beginning of Year</i>	30,786	30,786	0
Prior Year Encumbrances Appropriated	<u>7,004</u>	<u>7,004</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$38,120</u></u>	<u><u>\$59,896</u></u>	<u><u>\$21,776</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Local Grants Fund  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$0	\$500	\$500
Interest	0	65	65
Extracurricular Activities	22,500	16,684	(5,816)
Donations	24,414	32,461	8,047
<i>Total Revenues</i>	<u>46,914</u>	<u>49,710</u>	<u>2,796</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	12,214	125	12,089
Purchased Services	26,251	33,516	(7,265)
Materials and Supplies	7,138	7,948	(810)
Capital Outlay - New	9,548	6,960	2,588
Total Regular	<u>55,151</u>	<u>48,549</u>	<u>6,602</u>
Special:			
Materials and Supplies	821	85	736
Total Instruction	<u>55,972</u>	<u>48,634</u>	<u>7,338</u>
Support Services:			
Pupils:			
Materials and Supplies	39,541	0	39,541
Instructional Staff:			
Materials and Supplies	272	272	0
Total Support Services	<u>39,813</u>	<u>272</u>	<u>39,541</u>
Non-Instructional Services:			
Materials and Supplies	541	0	541
Extracurricular Activities:			
School and Public Service:			
Materials and Supplies	7,987	8,255	(268)
<i>Total Expenditures</i>	<u>104,313</u>	<u>57,161</u>	<u>47,152</u>
<i>Excess of Revenues Under Expenditures</i>	(57,399)	(7,451)	49,948
<i>Fund Balance Beginning of Year</i>	<u>54,988</u>	<u>54,988</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$2,411)</u></u>	<u><u>\$47,537</u></u>	<u><u>\$49,948</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Scholarship Fund  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest	\$0	\$102	\$102
Tuition and Fees	0	135	135
Donations	0	10,730	10,730
<i>Total Revenues</i>	0	10,967	10,967
<b>Expenditures</b>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	10,967	10,967
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$10,967</u>	<u>\$10,967</u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Venture Capital Fund  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$46,632	\$0	(\$46,632)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	467	467	0
Fringe Benefits	12	12	0
Purchased Services	1,304	1,303	1
Materials and Supplies	5,275	5,275	0
Capital Outlay - New	4,934	4,934	0
<i>Total Expenditures</i>	11,992	11,991	1
<i>Excess of Revenues Over (Under) Expenditures</i>	34,640	(11,991)	(46,631)
<i>Fund Balance Beginning of Year</i>	11,968	11,968	0
Prior Year Encumbrances Appropriated	23	23	0
<i>Fund Balance End of Year</i>	\$46,631	\$0	(\$46,631)

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Athletics Fund  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Extracurricular Activities	\$282,859	\$239,567	(\$43,292)
Donations	500	49,611	49,111
<i>Total Revenues</i>	<u>283,359</u>	<u>289,178</u>	<u>5,819</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Sport Oriented Activities:			
Salaries	95,240	5,443	89,797
Fringe Benefits	260	355	(95)
Purchased Services	134,439	108,527	25,912
Materials and Supplies	73,867	177,002	(103,135)
Capital Outlay - New	4,000	14,279	(10,279)
<i>Total Expenditures</i>	<u>307,806</u>	<u>305,606</u>	<u>2,200</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(24,447)</u>	<u>(16,428)</u>	<u>8,019</u>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers In	100	3,036	2,936
Operating Transfers Out	0	(1,782)	(1,782)
<i>Total Other Financing Sources (Uses)</i>	<u>100</u>	<u>1,254</u>	<u>1,154</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<u>(24,347)</u>	<u>(15,174)</u>	<u>9,173</u>
<i>Fund Balance Beginning of Year</i>	90,044	90,044	0
Prior Year Encumbrances Appropriated	<u>8,987</u>	<u>8,987</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$74,684</u></u>	<u><u>\$83,857</u></u>	<u><u>\$9,173</u></u>

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$176,961	\$176,102	(\$859)
Interest	3,998	4,317	319
<i>Total Revenues</i>	<u>180,959</u>	<u>180,419</u>	<u>(540)</u>
<b>Expenditures</b>			
Current:			
Non-Instructional Services:			
Salaries	76,296	58,639	17,657
Fringe Benefits	383	1,553	(1,170)
Purchased Services	41,823	42,002	(179)
Materials and Supplies	97,548	99,670	(2,122)
Capital Outlay - New	2,195	16,371	(14,176)
<i>Total Expenditures</i>	<u>218,245</u>	<u>218,235</u>	<u>10</u>
<i>Excess of Revenues Under Expenditures</i>	(37,286)	(37,816)	(530)
<i>Fund Balance Beginning of Year</i>	36,874	36,874	0
Prior Year Encumbrances Appropriated	<u>1,262</u>	<u>1,262</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$850</u></u>	<u><u>\$320</u></u>	<u><u>(\$530)</u></u>



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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$12,187</u>	<u>\$15,062</u>	<u>\$2,875</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	<u>14,267</u>	<u>11,623</u>	<u>2,644</u>
Support Services:			
Instructional Staff:			
Purchased Services	2,289	2,538	(249)
Administration:			
Purchased Services	<u>73</u>	<u>1,466</u>	<u>(1,393)</u>
Total Support Services	<u>2,362</u>	<u>4,004</u>	<u>(1,642)</u>
<i>Total Expenditures</i>	<u>16,629</u>	<u>15,627</u>	<u>1,002</u>
<i>Excess of Revenues Under Expenditures</i>	(4,442)	(565)	3,877
<b>Other Financing Sources</b>			
Operating Transfers In	<u>3,065</u>	<u>0</u>	<u>(3,065)</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures</i>	(1,377)	(565)	812
<i>Fund Balance Beginning of Year</i>	3,813	3,813	0
Prior Year Encumbrances Appropriated	<u>190</u>	<u>190</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,626</u></u>	<u><u>\$3,438</u></u>	<u><u>\$812</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Management Information Systems Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$9,193</u>	<u>\$12,436</u>	<u>\$3,243</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Administration:			
Purchased Services	43	43	0
Materials and Supplies	<u>114</u>	<u>114</u>	<u>0</u>
Total Administration	<u>157</u>	<u>157</u>	<u>0</u>
Fiscal:			
Materials and Supplies	368	368	0
Capital Outlay - New	<u>3,573</u>	<u>3,573</u>	<u>0</u>
Total Fiscal	<u>3,941</u>	<u>3,941</u>	<u>0</u>
Central:			
Capital Outlay - New	<u>1,550</u>	<u>1,550</u>	<u>0</u>
<i>Total Expenditures</i>	<u>5,648</u>	<u>5,648</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	3,545	6,788	3,243
<i>Fund Balance Beginning of Year</i>	<u>10,938</u>	<u>10,938</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,483</u></u>	<u><u>\$17,726</u></u>	<u><u>\$3,243</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Miscellaneous State Grants Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	<u>\$34,720</u>	<u>\$35,766</u>	<u>\$1,046</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Central:			
Purchased Services	21,380	19,858	1,522
Materials and Supplies	12,360	14,478	(2,118)
Capital Outlay - New	<u>1,612</u>	<u>1,612</u>	<u>0</u>
Total Support Services	35,352	35,948	(596)
Non-Instructional Services:			
Community Services:			
Materials and Supplies	<u>940</u>	<u>345</u>	<u>595</u>
<i>Total Expenditures</i>	<u>36,292</u>	<u>36,293</u>	<u>(1)</u>
<i>Excess of Revenues Under Expenditures</i>	(1,572)	(527)	1,045
<i>Fund Balance Beginning of Year</i>	1,307	1,307	0
Prior Year Encumbrances Appropriated	<u>13,674</u>	<u>13,674</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$13,409</u></u>	<u><u>\$14,454</u></u>	<u><u>\$1,045</u></u>

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$27,379</u>	<u>\$21,000</u>	<u>(\$6,379)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	1,800	0	1,800
Capital Outlay - New	<u>19,200</u>	<u>13,820</u>	<u>5,380</u>
<i>Total Expenditures</i>	<u>21,000</u>	<u>13,820</u>	<u>7,180</u>
<i>Excess of Revenues Over Expenditures</i>	6,379	7,180	801
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,379</u></u>	<u><u>\$7,180</u></u>	<u><u>\$801</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Education for Economic Security Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$15,790</u>	<u>\$7,895</u>	<u>(\$7,895)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	5,605	5,605	0
Materials and Supplies	<u>1,532</u>	<u>1,532</u>	<u>0</u>
Total Instruction	<u>7,137</u>	<u>7,137</u>	<u>0</u>
Support Services:			
Instructional Staff:			
Purchased Services	7,717	2,111	5,606
Materials and Supplies	<u>1,500</u>	<u>956</u>	<u>544</u>
Total Support Services	<u>9,217</u>	<u>3,067</u>	<u>6,150</u>
<i>Total Expenditures</i>	<u>16,354</u>	<u>10,204</u>	<u>6,150</u>
<i>Excess of Revenues Under Expenditures</i>	(564)	(2,309)	(1,745)
<b>Other Financing Uses</b>			
Operating Transfers Out	<u>(5,647)</u>	<u>0</u>	<u>5,647</u>
<i>Excess of Revenues Under Expenditures and Other Financing Uses</i>	(6,211)	(2,309)	3,902
<i>Fund Balance Beginning of Year</i>	<u>7,137</u>	<u>7,137</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$926</u></u>	<u><u>\$4,828</u></u>	<u><u>\$3,902</u></u>

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$161,551	\$96,930	(\$64,621)
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries	10,374	10,374	0
Fringe Benefits	130	130	0
Materials and Supplies	22,061	14,210	7,851
Capital Outlay - New	6,540	6,540	0
Capital Outlay - Replacement	2,160	2,160	0
Total Instruction	41,265	33,414	7,851
Support Services:			
Pupils:			
Salaries	53,000	44,167	8,833
Fringe Benefits	12,285	5,221	7,064
Purchased Services	44,619	34,279	10,340
Materials and Supplies	3,000	398	2,602
Total Pupils	112,904	84,065	28,839
Administration:			
Salaries	8,665	3,847	4,818
Purchased Services	11,154	11,154	0
Materials and Supplies	1,500	134	1,366
Total Administration	21,319	15,135	6,184
Total Support Services	134,223	99,200	35,023
Non-Instructional Services:			
Community Service:			
Salaries	9,851	2,852	6,999
Fringe Benefits	700	0	700
Total Non-Instructional Services	10,551	2,852	7,699
<i>Total Expenditures</i>	186,039	135,466	50,573
<i>Excess of Revenues Under Expenditures</i>	(24,488)	(38,536)	(14,048)
<i>Fund Balance Beginning of Year</i>	49,606	49,606	0
<i>Fund Balance End of Year</i>	\$25,118	\$11,070	(\$14,048)

**Avon Lake 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, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$183,979	\$238,902	\$54,923
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries	83,213	83,215	(2)
Fringe Benefits	8,087	8,087	0
Total Instruction	91,300	91,302	(2)
Non-Instructional Services:			
Salaries	5,130	5,130	0
Fringe Benefits	824	824	0
Materials and Supplies	348	348	0
Total Non-Instructional Services	6,302	6,302	0
Capital Outlay			
Capital Outlay - New	154,710	154,710	0
Capital Outlay - Replacement	25,290	25,290	0
Total Capital Outlay	180,000	180,000	0
<i>Total Expenditures</i>	277,602	277,604	(2)
<i>Excess of Revenues Under Expenditures</i>	(93,623)	(38,702)	54,921
<i>Fund Balance Beginning of Year</i>	70,743	70,743	0
Prior Year Encumbrances Appropriated	220	220	0
<i>Fund Balance (Deficit) End of Year</i>	(\$22,660)	\$32,261	\$54,921

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$20,696</u>	<u>\$16,642</u>	<u>(\$4,054)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	6,097	6,093	4
Materials and Supplies	6,238	5,189	1,049
Capital Outlay - New	<u>5,000</u>	<u>4,670</u>	<u>330</u>
Total Instruction	<u>17,335</u>	<u>15,952</u>	<u>1,383</u>
Support Services:			
Administration:			
Materials and Supplies	<u>2,106</u>	<u>2,106</u>	<u>0</u>
Non-Instructional Services:			
Purchased Services	616	0	616
Materials and Supplies	<u>2,664</u>	<u>1,639</u>	<u>1,025</u>
Total Non-Instructional Services	<u>3,280</u>	<u>1,639</u>	<u>1,641</u>
<i>Total Expenditures</i>	<u>22,721</u>	<u>19,697</u>	<u>3,024</u>
<i>Excess of Revenues Under Expenditures</i>	(2,025)	(3,055)	(1,030)
<i>Fund Balance Beginning of Year</i>	3,612	3,612	0
Prior Year Encumbrances Appropriated	<u>2,468</u>	<u>2,468</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,055</u></u>	<u><u>\$3,025</u></u>	<u><u>(\$1,030)</u></u>



**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Drug Free Schools Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$12,725</u>	<u>\$10,672</u>	<u>(\$2,053)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	1,250	1,250	0
Purchased Services	4,022	2,104	1,918
Materials and Supplies	3,546	2,139	1,407
Capital Outlay - New	<u>7,706</u>	<u>6,606</u>	<u>1,100</u>
Total Instruction	16,524	12,099	4,425
Non-Instructional Services:			
Materials and Supplies	<u>21</u>	<u>0</u>	<u>21</u>
<i>Total Expenditures</i>	<u>16,545</u>	<u>12,099</u>	<u>4,446</u>
<i>Excess of Revenues Under Expenditures</i>	(3,820)	(1,427)	2,393
<i>Fund Balance Beginning of Year</i>	3,645	3,645	0
Prior Year Encumbrances Appropriated	<u>308</u>	<u>308</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$133</u></u>	<u><u>\$2,526</u></u>	<u><u>\$2,393</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Early Childhood Education Development Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$16,768</u>	<u>\$16,768</u>	<u>\$0</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	<u>1,234</u>	<u>561</u>	<u>673</u>
Total Instruction	<u>1,234</u>	<u>561</u>	<u>673</u>
Support Services:			
Pupils:			
Capital Outlay - Replacement	<u>1,287</u>	<u>1,287</u>	<u>0</u>
Instructional Staff:			
Salaries	<u>29,072</u>	<u>15,072</u>	<u>14,000</u>
Fringe Benefits	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Total Instructional Staff	<u>31,072</u>	<u>15,072</u>	<u>16,000</u>
Total Support Services	<u>32,359</u>	<u>16,359</u>	<u>16,000</u>
<i>Total Expenditures</i>	<u>33,593</u>	<u>16,920</u>	<u>16,673</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(16,825)</u>	<u>(152)</u>	<u>16,673</u>
<i>Fund Balance Beginning of Year</i>	<u>16,825</u>	<u>16,825</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$16,673</u></u>	<u><u>\$16,673</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
E-Rate Grant Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$7,868</u>	<u>\$7,868</u>	<u>\$0</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Administration:			
Purchased Services	811	811	0
Materials and Supplies	5,523	5,523	0
Capital Outlay - New	<u>17,727</u>	<u>17,727</u>	<u>0</u>
<i>Total Expenditures</i>	<u>24,061</u>	<u>24,061</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(16,193)	(16,193)	0
<i>Fund Balance Beginning of Year</i>	<u>17,198</u>	<u>17,198</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,005</u></u>	<u><u>\$1,005</u></u>	<u><u>\$0</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Classroom Size Reduction Fund  
For the Fiscal Year Ended June 30, 2001*

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$9,563	\$9,563	\$0
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	9,563	9,563	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$9,563	\$9,563	\$0

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balances - Budget and Actual (Non-GAAP Basis)  
Summer School Subsidy Fund  
For the Fiscal Year Ended June 30, 2001*

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$616	\$616	\$0
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	616	616	0
<i>Fund Balances Beginning of Year</i>	0	0	0
<i>Fund Banance at End of Year</i>	\$616	\$616	\$0

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$43,519</u>	<u>\$0</u>	<u>(\$43,519)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries	8,615	8,615	0
Fringe Benefits	<u>2,393</u>	<u>2,393</u>	<u>0</u>
<i>Total Expenditures</i>	<u>11,008</u>	<u>11,008</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	32,511	(11,008)	(43,519)
<i>Fund Balance Beginning of Year</i>	<u>11,008</u>	<u>11,008</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$43,519</u></u>	<u><u>\$0</u></u>	<u><u>(\$43,519)</u></u>

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$780,147	\$666,722	(\$113,425)
Interest	3,998	4,769	771
Tuition and Fees	0	135	135
Extracurricular Activities	395,991	371,180	(24,811)
Donations	41,794	113,815	72,021
Miscellaneous	7,915	2,696	(5,219)
<i>Total Revenues</i>	<u>1,229,845</u>	<u>1,159,317</u>	<u>(70,528)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	13,931	1,842	12,089
Fringe Benefits	12	12	0
Purchased Services	71,863	69,758	2,105
Materials and Supplies	36,470	34,315	2,155
Capital Outlay - New	55,752	46,354	9,398
Total Regular	<u>178,028</u>	<u>152,281</u>	<u>25,747</u>
Special:			
Salaries	102,202	102,204	(2)
Fringe Benefits	10,610	10,610	0
Materials and Supplies	24,116	14,856	9,260
Capital Outlay - New	6,540	6,540	0
Capital Outlay - Replacement	2,160	2,160	0
Total Special	<u>145,628</u>	<u>136,370</u>	<u>9,258</u>
Total Instruction	<u>323,656</u>	<u>288,651</u>	<u>35,005</u>
Support Services:			
Pupils:			
Salaries	53,000	44,167	8,833
Fringe Benefits	12,285	5,221	7,064
Purchased Services	97,110	63,572	33,538
Materials and Supplies	92,873	70,203	22,670
Capital Outlay - New	1,654	8,745	(7,091)
Capital Outlay - Replacement	1,287	1,287	0
Total Pupils	<u>\$258,209</u>	<u>\$193,195</u>	<u>\$65,014</u>

(continued)

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Instructional Staff</b>			
Salaries	\$29,072	\$15,072	\$14,000
Fringe Benefits	2,000	0	2,000
Purchased Services	10,006	4,649	5,357
Materials and Supplies	1,772	1,228	544
<b>Total Instructional Staff</b>	<b>42,850</b>	<b>20,949</b>	<b>21,901</b>
<b>Administration:</b>			
Salaries	8,665	3,847	4,818
Purchased Services	12,081	13,474	(1,393)
Materials and Supplies	9,243	7,877	1,366
Capital Outlay - New	17,727	17,727	0
<b>Total Administration</b>	<b>47,716</b>	<b>42,925</b>	<b>4,791</b>
<b>Fiscal:</b>			
Materials and Supplies	368	368	0
Capital Outlay - New	3,573	3,573	0
<b>Total Fiscal</b>	<b>3,941</b>	<b>3,941</b>	<b>0</b>
<b>Central:</b>			
Purchased Services	21,380	19,858	1,522
Materials and Supplies	12,360	14,478	(2,118)
Capital Outlay - New	3,162	3,162	0
<b>Total Central</b>	<b>36,902</b>	<b>37,498</b>	<b>(596)</b>
<b>Total Support Services</b>	<b>389,618</b>	<b>298,508</b>	<b>91,110</b>
<b>Non-Instructional Services:</b>			
Salaries	91,277	66,621	24,656
Fringe Benefits	1,907	2,377	(470)
Purchased Services	42,439	42,002	437
Materials and Supplies	102,062	102,002	60
Capital Outlay - New	2,195	16,371	(14,176)
<b>Total Non-Instructional Services</b>	<b>\$239,880</b>	<b>\$229,373</b>	<b>\$10,507</b>

(continued)



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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Extracurricular Activities:			
School and Public Service:			
Materials and Supplies	\$7,987	\$8,255	(\$268)
Sport Oriented Activities:			
Salaries	95,240	5,443	89,797
Fringe Benefits	260	355	(95)
Purchased Services	134,439	108,527	25,912
Materials and Supplies	73,867	177,002	(103,135)
Capital Outlay - New	4,000	14,279	(10,279)
Total Sport Oriented Activities	<u>307,806</u>	<u>305,606</u>	<u>2,200</u>
Total Extracurricular Activities	<u>315,793</u>	<u>313,861</u>	<u>1,932</u>
Capital Outlay			
Capital Outlay - New	154,710	154,710	0
Capital Outlay - Replacement	25,290	25,290	0
Total Capital Outlay	<u>180,000</u>	<u>180,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,448,947</u>	<u>1,310,393</u>	<u>138,554</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(219,102)</u>	<u>(151,076)</u>	<u>68,026</u>
Operating Transfers In	30,072	29,943	(129)
Operating Transfers Out	(8,552)	(4,763)	3,789
<i>Total Other Financing Sources (Uses)</i>	<u>21,520</u>	<u>25,180</u>	<u>3,660</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<u>(197,582)</u>	<u>(125,896)</u>	<u>71,686</u>
<i>Fund Balances Beginning of Year</i>	424,877	424,877	0
Prior Year Encumbrances Appropriated	<u>34,136</u>	<u>34,136</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$261,431</u></u>	<u><u>\$333,117</u></u>	<u><u>\$71,686</u></u>

## *Debt Service Funds*

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The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest. A description of the School District's debt service funds follows:

***Bond Retirement Fund*** - This fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

***Library Bond Retirement Fund*** - This fund accounts for the accumulation of tax monies and the payment of general obligation bond principal and interest for the bonds issued for the Avon Lake Public Library.

**Avon Lake City School District**  
*Combining Balance Sheet*  
*All Debt Service Funds*  
*June 30, 2001*

	Bond Retirement	Library Bond Retirement	Totals
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$434,152	\$1,417,606	\$1,851,758
Receivables:			
Taxes	2,954,883	354,266	3,309,149
Due from Other Funds	48,975	0	48,975
<i>Total Assets</i>	<u>\$3,438,010</u>	<u>\$1,771,872</u>	<u>\$5,209,882</u>
<b>Liabilities</b>			
Deferred Revenue	\$2,474,221	\$299,482	\$2,773,703
<b>Fund Equity:</b>			
Fund Balance:			
Reserved for Property Taxes	480,662	54,784	535,446
Unreserved, Undesignated	483,127	1,417,606	1,900,733
<i>Total Fund Equity</i>	963,789	1,472,390	2,436,179
<i>Total Liabilities and Fund Equity</i>	<u>\$3,438,010</u>	<u>\$1,771,872</u>	<u>\$5,209,882</u>

**Avon Lake City School District**  
*Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
All Debt Service Funds  
For the Fiscal Year Ended June 30, 2001*

	Bond Retirement	Library Bond Retirement	Totals
<b>Revenues</b>			
Taxes	\$2,639,518	\$404,074	\$3,043,592
Intergovernmental	254,711	32,227	286,938
<i>Total Revenues</i>	<u>2,894,229</u>	<u>436,301</u>	<u>3,330,530</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	410,000	205,000	615,000
Interest and Fiscal Charges	2,414,660	176,921	2,591,581
<i>Total Expenditures</i>	<u>2,824,660</u>	<u>381,921</u>	<u>3,206,581</u>
<i>Excess of Revenues Over (Under )Expenditures</i>	69,569	54,380	123,949
<i>Fund Balances Beginning of Year</i>	<u>894,220</u>	<u>1,418,010</u>	<u>2,312,230</u>
<i>Fund Balances End of Year</i>	<u><u>\$963,789</u></u>	<u><u>\$1,472,390</u></u>	<u><u>\$2,436,179</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Bond Retirement Fund  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$2,734,311	\$2,770,291	\$35,980
Intergovernmental	254,711	254,711	0
<i>Total Revenues</i>	<u>2,989,022</u>	<u>3,025,002</u>	<u>35,980</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	410,000	410,000	0
Interest and Fiscal Charges	2,414,660	2,414,660	0
<i>Total Expenditures</i>	<u>2,824,660</u>	<u>2,824,660</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	164,362	200,342	35,980
<i>Fund Balance Beginning of Year</i>	<u>233,810</u>	<u>233,810</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$398,172</u></u>	<u><u>\$434,152</u></u>	<u><u>\$35,980</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Library Bond Retirement Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$354,167	\$354,167	\$0
Intergovernmental	<u>32,227</u>	<u>32,227</u>	<u>0</u>
<i>Total Revenues</i>	<u>386,394</u>	<u>386,394</u>	<u>0</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	205,000	205,000	0
Interest and Fiscal Charges	<u>176,921</u>	<u>176,921</u>	<u>0</u>
<i>Total Expenditures</i>	<u>381,921</u>	<u>381,921</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	4,473	4,473	0
<i>Fund Balance Beginning of Year</i>	<u>1,413,133</u>	<u>1,413,133</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,417,606</u></u>	<u><u>\$1,417,606</u></u>	<u><u>\$0</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In*  
*Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Debt Service Funds*  
*For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$3,088,478	\$3,124,458	\$35,980
Intergovernmental	286,938	286,938	0
<i>Total Revenues</i>	<u>3,375,416</u>	<u>3,411,396</u>	<u>35,980</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	615,000	615,000	0
Interest and Fiscal Charges	<u>2,591,581</u>	<u>2,591,581</u>	<u>0</u>
Total Expenditures	<u>3,206,581</u>	<u>3,206,581</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	168,835	204,815	35,980
<i>Fund Balances Beginning of Year</i>	<u>1,646,943</u>	<u>1,646,943</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,815,778</u></u>	<u><u>\$1,851,758</u></u>	<u><u>\$35,980</u></u>

## *Capital Projects Funds*

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

***Permanent Improvements Fund*** - This fund accounts for property taxes levied to be used for various capital improvements within the School District.

***Building Improvements Fund*** - This fund accounts for financial resources to be used for the acquisition, construction, or improvement of major capital facilities other than those financed by proprietary funds.

***School Net Plus Fund*** - This fund accounts for State monies used to provide technology equipment to classrooms at the K-5 grade levels that support the transmission of voice, video and data, and to provide a computer workstation and related technology for every classroom.

***Interactive Video Distance Learner Fund*** - This fund accounts for State monies to be used to provide interactive video cameras for classrooms.



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

	Permanent Improvements	Building Improvements	School Net Plus	Interactive Video Distance Learner	Totals
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$393,961	\$30,372,408	\$15,878	\$24,316	\$30,806,563
Cash and Cash Equivalents With Fiscal Agents	0	394,528	0	0	394,528
Receivables:					
Taxes	655,771	0	0	0	655,771
Accrued Interest	0	243,542	0	0	243,542
<i>Total Assets</i>	<u>\$1,049,732</u>	<u>\$31,010,478</u>	<u>\$15,878</u>	<u>\$24,316</u>	<u>\$32,100,404</u>
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$225	\$0	\$225
Contracts Payable	0	15,114	0	0	15,114
Retainage Payable	0	394,528	0	0	394,528
Due to Other Funds	0	48,975	0	0	48,975
Deferred Revenue	571,233	0	0	0	571,233
<i>Total Liabilities</i>	<u>571,233</u>	<u>458,617</u>	<u>225</u>	<u>0</u>	<u>1,030,075</u>
<b>Fund Equity</b>					
Fund Balance:					
Reserved for Encumbrances	172,740	30,248,704	0	0	30,421,444
Reserved for Property Taxes	84,538	0	0	0	84,538
Unreserved, Undesignated	221,221	303,157	15,653	24,316	564,347
<i>Total Fund Equity</i>	<u>478,499</u>	<u>30,551,861</u>	<u>15,653</u>	<u>24,316</u>	<u>31,070,329</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$1,049,732</u>	<u>\$31,010,478</u>	<u>\$15,878</u>	<u>\$24,316</u>	<u>\$32,100,404</u>

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

	Permanent Improvements	Building Improvements	School Net Plus	Interactive Video Distance Learner	Totals
<b>Revenues</b>					
Taxes	\$608,768	\$0	\$0	\$0	\$608,768
Intergovernmental	47,028	0	47,695	24,816	119,539
Interest	0	2,441,039	0	0	2,441,039
Donations	0	82,673	10,305	0	92,978
Miscellaneous	0	48,536	0	0	48,536
<i>Total Revenues</i>	<u>655,796</u>	<u>2,572,248</u>	<u>58,000</u>	<u>24,816</u>	<u>3,310,860</u>
<b>Expenditures</b>					
Capital Outlay	531,262	12,450,447	53,649	500	13,035,858
Debt Service:					
Interest and Fiscal Charges	0	372,479	0	0	372,479
<i>Total Expenditures</i>	<u>531,262</u>	<u>12,822,926</u>	<u>53,649</u>	<u>500</u>	<u>13,408,337</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	124,534	(10,250,678)	4,351	24,316	(10,097,477)
<i>Fund Balances Beginning of Year</i>	<u>353,965</u>	<u>40,802,539</u>	<u>11,302</u>	<u>0</u>	<u>41,167,806</u>
<i>Fund Balances End of Year</i>	<u><u>\$478,499</u></u>	<u><u>\$30,551,861</u></u>	<u><u>\$15,653</u></u>	<u><u>\$24,316</u></u>	<u><u>\$31,070,329</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In*  
*Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvements Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$617,172	\$620,908	\$3,736
Intergovernmental	<u>22,956</u>	<u>47,028</u>	<u>24,072</u>
<i>Total Revenues</i>	<u>640,128</u>	<u>667,936</u>	<u>27,808</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	388,819	161,237	227,582
Materials and Supplies	223,475	123	223,352
Capital Outlay - New	<u>400</u>	<u>3,162</u>	<u>(2,762)</u>
Total Instruction	<u>612,694</u>	<u>164,522</u>	<u>448,172</u>
Support Services:			
Administration:			
Capital Outlay - New	<u>295</u>	<u>295</u>	<u>0</u>
Fiscal:			
Other	<u>3,130</u>	<u>8,398</u>	<u>(5,268)</u>
Operation and Maintenance of Plant:			
Purchased Services	151,000	213,046	(62,046)
Materials and Supplies	8,500	67,071	(58,571)
Capital Outlay - New	0	53,573	(53,573)
Capital Outlay - Replacement	<u>13,998</u>	<u>20,975</u>	<u>(6,977)</u>
Total Operation and Maintenance	<u>173,498</u>	<u>354,665</u>	<u>(181,167)</u>
Pupil Transportation:			
Purchased Services	<u>6,000</u>	<u>5,540</u>	<u>460</u>
Total Support Services	<u>\$182,923</u>	<u>\$368,898</u>	<u>(\$185,975)</u>

(continued)

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Permanent Improvements Fund (continued)  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Capital Outlay:			
Purchased Services	\$70,300	\$73,300	(\$3,000)
Capital Outlay - Replacement	<u>61,000</u>	<u>102,712</u>	<u>(41,712)</u>
Total Capital Outlay	<u>131,300</u>	<u>176,012</u>	<u>(44,712)</u>
<i>Total Expenditures</i>	<u>926,917</u>	<u>709,432</u>	<u>217,485</u>
<i>Excess of Revenues Under Expenditures</i>	(286,789)	(41,496)	245,293
<i>Fund Balance Beginning of Year</i>	197,420	197,420	0
Prior Year Encumbrances Appropriated	<u>65,298</u>	<u>65,298</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$24,071)</u></u>	<u><u>\$221,222</u></u>	<u><u>\$245,293</u></u>

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest	\$8,825,988	\$1,825,018	(\$7,000,970)
Donations	82,673	82,673	0
Miscellaneous	48,536	48,536	0
<i>Total Revenues</i>	<u>8,957,197</u>	<u>1,956,227</u>	<u>(7,000,970)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	539,387	6,750	532,637
Capital Outlay - New	421,417	283,394	138,023
Total Instruction	<u>960,804</u>	<u>290,144</u>	<u>670,660</u>
Support Services:			
Board of Education:			
Purchased Services	5,000	2,131	2,869
Fiscal:			
Purchased Services	15,000	10,989	4,011
Other	51,683	51,683	0
Total Fiscal	<u>66,683</u>	<u>62,672</u>	<u>4,011</u>
Total Support Services	<u>71,683</u>	<u>64,803</u>	<u>6,880</u>
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	13,602,422	12,904,773	697,649
Building Acquisition and Construction:			
Capital Outlay - New	28,183,159	29,801,844	(1,618,685)
Building Improvement Services:			
Purchased Services	0	16,734	(16,734)
Capital Outlay - New	0	25,146	(25,146)
Total Building Improvement Services	<u>0</u>	<u>41,880</u>	<u>(41,880)</u>
Total Capital Outlay	<u>41,785,581</u>	<u>42,748,497</u>	<u>(962,916)</u>
Debt Service:			
Interest and Fiscal Charges	500,000	432,069	67,931
<i>Total Expenditures</i>	<u>43,318,068</u>	<u>43,535,513</u>	<u>(217,445)</u>
<i>Excess of Revenues Under Expenditures</i>	(34,360,871)	(41,579,286)	(7,218,415)
<i>Fund Balance Beginning of Year</i>	34,548,023	34,548,023	0
Prior Year Encumbrances Appropriated	<u>7,139,854</u>	<u>7,139,854</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$7,327,006</u>	<u>\$108,591</u>	<u>(\$7,218,415)</u>

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$53,305	\$58,000	\$4,695
Donations	0	10,305	10,305
<i>Total Revenues</i>	<u>53,305</u>	<u>68,305</u>	<u>15,000</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Capital Outlay - New	<u>36,000</u>	<u>36,000</u>	<u>0</u>
Administration:			
Purchased Services	<u>391</u>	<u>1,350</u>	<u>(959)</u>
Central:			
Purchased Services	6,000	5,978	22
Materials and Supplies	74	74	0
Capital Outlay - New	<u>11,301</u>	<u>10,294</u>	<u>1,007</u>
Total Central	<u>17,375</u>	<u>16,346</u>	<u>1,029</u>
<i>Total Expenditures</i>	<u>53,766</u>	<u>53,696</u>	<u>70</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	(461)	14,609	15,070
<i>Fund Balance Beginning of Year</i>	999	999	0
Prior Year Encumbrances Appropriated	<u>71</u>	<u>71</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$609</u>	<u>\$15,679</u>	<u>\$15,070</u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
Interactive Video Distance Learner Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$7,000	\$24,816	\$17,816
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	<u>7,500</u>	<u>500</u>	<u>7,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(500)	24,316	24,816
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$500)</u></u>	<u><u>\$24,316</u></u>	<u><u>\$24,816</u></u>

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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$617,172	\$620,908	\$3,736
Intergovernmental	83,261	129,844	46,583
Interest	8,825,988	1,825,018	(7,000,970)
Donations	82,673	92,978	10,305
Miscellaneous	48,536	48,536	0
<i>Total Revenues</i>	<u>9,657,630</u>	<u>2,717,284</u>	<u>(6,940,346)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	935,706	168,487	767,219
Materials and Supplies	223,475	123	223,352
Capital Outlay - New	421,817	286,556	135,261
Total Regular Instruction	<u>1,580,998</u>	<u>455,166</u>	<u>1,125,832</u>
Support Services:			
Instructional Staff:			
Capital Outlay - New	36,000	36,000	0
Board of Education:			
Purchased Services	5,000	2,131	2,869
Administration:			
Purchased Services	391	1,350	(959)
Capital Outlay - New	295	295	0
Total Administration	<u>686</u>	<u>1,645</u>	<u>(959)</u>
Fiscal:			
Purchased Services	15,000	10,989	4,011
Other	54,813	60,081	(5,268)
Total Fiscal	<u>69,813</u>	<u>71,070</u>	<u>(1,257)</u>
Operation and Maintenance of Plant:			
Purchased Services	151,000	213,046	(62,046)
Materials and Supplies	8,500	67,071	(58,571)
Capital Outlay - New	0	53,573	(53,573)
Capital Outlay - Replacement	13,998	20,975	(6,977)
Total Operation and Maintenance of Plant	<u>\$173,498</u>	<u>\$354,665</u>	<u>(\$181,167)</u>

(continued)



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

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Pupil Transportation:			
Purchased Services	\$6,000	\$5,540	\$460
Central:			
Purchased Services	6,000	5,978	22
Materials and Supplies	74	74	0
Capital Outlay - New	11,301	10,294	1,007
Total Central	17,375	16,346	1,029
Total Support Services	308,372	487,397	(179,025)
Capital Outlay:			
Purchased Services	13,672,722	12,994,807	677,915
Capital Outlay - New	28,183,159	29,826,990	(1,643,831)
Capital Outlay - Replacement	61,000	102,712	(41,712)
Total Capital Outlay	41,916,881	42,924,509	(1,007,628)
Debt Service:			
Interest and Fiscal Charges	500,000	432,069	67,931
<i>Total Expenditures</i>	44,306,251	44,299,141	7,110
<i>Excess of Revenues Under Expenditures</i>	(34,648,621)	(41,581,857)	(6,933,236)
<i>Fund Balances Beginning of Year</i>	34,746,442	34,746,442	0
Prior Year Encumbrances Appropriated	7,205,223	7,205,223	0
<i>Fund Balances End of Year</i>	\$7,303,044	\$369,808	(\$6,933,236)

## *Enterprise Funds*

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

***Food Service Fund*** - This fund accounts for the financial transactions related to the food service operations of the School District.

***Uniform School Supplies Fund*** - This fund accounts for the purchase and sale of school supplies for use in the School District. Profits derived from such sales are used for school purposes or activities connected with the school.

***Adult Education Fund*** - This fund accounts for the revenues and expenses involved in upgrading and retaining out of school youths and adults for the purpose of improving their skills and knowledge in their occupation or planned occupation.

**Avon Lake City School District**  
*Combining Balance Sheet*  
*All Enterprise Funds*  
*June 30, 2001*

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Adult Education</u>	<u>Totals</u>
<b>Assets</b>				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$101,594	\$67,243	\$682	\$169,519
Intergovernmental Receivable	7,780	0	0	7,780
Prepaid Items	1,310	0	0	1,310
Inventory Held for Resale	9,357	0	0	9,357
Materials and Supplies Inventory	13,944	12,015	0	25,959
<i>Total Current Assets</i>	133,985	79,258	682	213,925
<i>Non Current Assets</i>				
Fixed Assets (Net of Accumulated Depreciation)	148,955	2,145	0	151,100
<i>Total Assets</i>	<u>\$282,940</u>	<u>\$81,403</u>	<u>\$682</u>	<u>\$365,025</u>
<b>Liabilities</b>				
<i>Current Liabilities:</i>				
Accounts Payable	\$39	\$594	\$0	\$633
Accrued Wages and Benefits	10,187	0	0	10,187
Intergovernmental Payable	27,821	0	0	27,821
Deferred Revenue	9,357	0	0	9,357
<i>Total Current Liabilities</i>	47,404	594	0	47,998
<i>Long-Term Liabilities</i>				
Compensated Absences Payable	25,611	0	0	25,611
<i>Total Liabilities</i>	<u>73,015</u>	<u>594</u>	<u>0</u>	<u>73,609</u>
<b>Fund Equity</b>				
Contributed Capital	368,619	0	0	368,619
Retained Earnings: Unreserved (Deficit)	(158,694)	80,809	682	(77,203)
<i>Total Fund Equity</i>	<u>209,925</u>	<u>80,809</u>	<u>682</u>	<u>291,416</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$282,940</u>	<u>\$81,403</u>	<u>\$682</u>	<u>\$365,025</u>

**Avon Lake City School District**  
*Combining Statement of Revenues,  
Expenses and Changes in Fund Equity  
All Enterprise Funds  
For the Fiscal Year Ended June 30, 2001*

	Food Service	Uniform School Supplies	Adult Education	Totals
<b>Operating Revenues</b>				
Tuition and Fees	\$0	\$0	\$620	\$620
Sales	467,639	119,060	0	586,699
Other	0	5,407	0	5,407
<i>Total Operating Revenues</i>	<u>467,639</u>	<u>124,467</u>	<u>620</u>	<u>592,726</u>
<b>Operating Expenses</b>				
Salaries	229,662	0	0	229,662
Fringe Benefits	54,209	0	0	54,209
Purchased Services	3,368	0	0	3,368
Materials and Supplies	12,191	55,483	0	67,674
Cost of Sales	238,481	31,776	0	270,257
Depreciation	2,511	55	0	2,566
Other Operating Expenses	1,025	5,320	0	6,345
<i>Total Operating Expenses</i>	<u>541,447</u>	<u>92,634</u>	<u>0</u>	<u>634,081</u>
<i>Operating Income (Loss)</i>	<u>(73,808)</u>	<u>31,833</u>	<u>620</u>	<u>(41,355)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Federal Donated Commodities	20,698	0	0	20,698
Operating Grants	56,430	0	0	56,430
Interest	4,567	0	0	4,567
Loss on Disposal of Fixed Assets	(270)	0	0	(270)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>81,425</u>	<u>0</u>	<u>0</u>	<u>81,425</u>
<i>Income Before Operating Transfers</i>	7,617	31,833	620	40,070
Operating Transfers In	1,469	0	0	1,469
Operating Transfers Out	(26,464)	0	0	(26,464)
<i>Net Income (Loss)</i>	(17,378)	31,833	620	15,075
<i>Retained Earnings (Deficit)</i>				
<i>Beginning of Year</i>	<u>(141,316)</u>	<u>48,976</u>	<u>62</u>	<u>(92,278)</u>
<i>End of Year</i>	(158,694)	80,809	682	(77,203)
<b>Contributed Capital</b>				
Beginning and End of Year	<u>368,619</u>	<u>0</u>	<u>0</u>	<u>368,619</u>
<i>Total Fund Equity End of Year</i>	<u><u>\$209,925</u></u>	<u><u>\$80,809</u></u>	<u><u>\$682</u></u>	<u><u>\$291,416</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenses and Changes in  
Fund Equity - Budget (Non-GAAP Basis) and Actual  
Food Service Fund  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Sales	\$499,864	\$467,814	(\$32,050)
Interest	4,217	4,567	350
Operating Grants	67,134	57,925	(9,209)
<i>Total Revenues</i>	<u>571,215</u>	<u>530,306</u>	<u>(40,909)</u>
<b>Expenses</b>			
Salaries:			
Food Service Operations	401,094	227,251	173,843
Fringe Benefits:			
Food Service Operations	35,365	54,763	(19,398)
Purchased Services:			
Food Service Operations	500	3,330	(2,830)
Materials and Supplies:			
Food Service Operations	221,977	231,927	(9,950)
Capital Outlay:			
Food Service Operations	0	700	(700)
Other:			
Food Service Operations	0	1,025	(1,025)
<i>Total Expenses</i>	<u>658,936</u>	<u>518,996</u>	<u>139,940</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(87,721)	11,310	99,031
Operating Transfers In	115	1,469	1,354
Operating Transfers Out	0	(26,464)	(26,464)
<i>Excess of Revenues Under Expenses and Operating Transfers</i>	(87,606)	(13,685)	73,921
<i>Fund Equity Beginning of Year</i>	<u>113,479</u>	<u>113,479</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$25,873</u></u>	<u><u>\$99,794</u></u>	<u><u>\$73,921</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenses and Changes in  
Fund Equity - Budget (Non-GAAP Basis) and Actual  
Uniform School Supplies Fund  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Sales	\$108,221	\$120,729	\$12,508
Other	12,058	5,407	(6,651)
<i>Total Revenues</i>	<u>120,279</u>	<u>126,136</u>	<u>5,857</u>
<b>Expenses</b>			
Materials and Supplies:			
Regular/Special Instruction	106,992	106,991	1
Other:			
Regular Instruction	<u>5,320</u>	<u>5,320</u>	<u>0</u>
<i>Total Expenses</i>	<u>112,312</u>	<u>112,311</u>	<u>1</u>
<i>Excess of Revenues Over Expenses</i>	7,967	13,825	5,858
<i>Fund Equity Beginning of Year</i>	29,287	29,287	0
Prior Year Encumbrances Appropriated	<u>2,716</u>	<u>2,716</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$39,970</u></u>	<u><u>\$45,828</u></u>	<u><u>\$5,858</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenses and Changes in  
Fund Equity - Budget (Non-GAAP Basis) and Actual  
Adult Education Fund  
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Tuition and Fees	\$3,938	\$620	(\$3,318)
<b>Expenses</b>			
Purchased Services:			
Adult/Continuing Instruction	<u>1,062</u>	<u>30</u>	<u>1,032</u>
<i>Excess of Revenues Over Expenses</i>	2,876	590	(2,286)
<i>Fund Equity Beginning of Year</i>	<u>62</u>	<u>62</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$2,938</u></u>	<u><u>\$652</u></u>	<u><u>(\$2,286)</u></u>

**Avon Lake City School District**  
*Schedule of Revenues, Expenses and Changes in  
Fund Equity - Budget (Non-GAAP Basis) and Actual  
All Enterprise Funds  
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition and Fees	\$3,938	\$620	(\$3,318)
Sales	608,085	588,543	(19,542)
Interest	4,217	4,567	350
Operating Grants	67,134	57,925	(9,209)
Other	12,058	5,407	(6,651)
<i>Total Revenues</i>	<u>695,432</u>	<u>657,062</u>	<u>(38,370)</u>
<b>Expenses</b>			
Salaries:			
Food Service Operations	401,094	227,251	173,843
Fringe Benefits:			
Food Service Operations	35,365	54,763	(19,398)
Purchased Services:			
Food Service Operations	500	3,330	(2,830)
Adult/Continuing Instruction	1,062	30	1,032
Total Purchased Services	<u>1,562</u>	<u>3,360</u>	<u>(1,798)</u>
Materials and Supplies:			
Food Service Operations	221,977	231,927	(9,950)
Regular/Special Instruction	106,992	106,991	1
Total Materials and Supplies	<u>328,969</u>	<u>338,918</u>	<u>(9,949)</u>
Capital Outlay - New:			
Food Service Operations	0	700	(700)
Other:			
Food Service Operations	0	1,025	(1,025)
Regular Instruction	5,320	5,320	0
Total Other	<u>5,320</u>	<u>6,345</u>	<u>(1,025)</u>
<i>Total Expenses</i>	<u>772,310</u>	<u>631,337</u>	<u>140,973</u>
<i>Excess of Revenues Over Expenses</i>	(76,878)	25,725	102,603
Operating Transfers In	115	1,469	1,354
Operating Transfers Out	0	(26,464)	(26,464)
<i>Excess of Revenues Over (Under) Expenses and Operating Transfers</i>	(76,763)	730	77,493
<i>Fund Equity Beginning of Year</i>	142,828	142,828	0
Prior Year Encumbrances Appropriated	<u>2,716</u>	<u>2,716</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$68,781</u>	<u>\$146,274</u>	<u>\$77,493</u>



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

	Food Service	Uniform School Supplies	Adult Education	Totals
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$467,814	\$120,729	\$0	\$588,543
Cash Received from Tuition Payments	0	0	620	620
Other Cash Receipts	0	5,407	0	5,407
Cash Payments to Suppliers for Goods and Services	(235,257)	(85,576)	0	(320,833)
Cash Payments to Employees for Services	(227,251)	0	0	(227,251)
Cash Payments for Employee Benefits	(52,963)	0	0	(52,963)
Other Cash Payments	(1,025)	(5,320)	0	(6,345)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(48,682)</u>	<u>35,240</u>	<u>620</u>	<u>(12,822)</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Operating Grants Received	57,925	0	0	57,925
Operating Transfers In	1,469	0	0	1,469
Operating Transfers Out	(26,464)	0	0	(26,464)
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>32,930</u>	<u>0</u>	<u>0</u>	<u>32,930</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Payments for Capital Acquisitions	(700)	0	0	(700)
<b>Cash Flows from Investing Activities:</b>				
Interest on Investments	4,567	0	0	4,567
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(11,885)	35,240	620	23,975
<i>Cash and Cash Equivalents Beginning of Year</i>	113,479	32,003	62	145,544
<i>Cash and Cash Equivalents End of Year</i>	<u>\$101,594</u>	<u>\$67,243</u>	<u>\$682</u>	<u>\$169,519</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
<i>Operating Income (Loss)</i>	<u>(\$73,808)</u>	<u>\$31,833</u>	<u>\$620</u>	<u>(\$41,355)</u>
Adjustments:				
Donated Commodities Used During Year	20,698	0	0	20,698
Depreciation	2,511	55	0	2,566
Accounts Receivable	175	1,669	0	1,844
Prepaid Items	(11)	0	0	(11)
Materials and Supplies Inventory	(1,953)	3,925	0	1,972
Increase (Decrease) in Liabilities:				
Accounts Payable	39	(2,242)	0	(2,203)
Accrued Wages and Benefits	3,503	0	0	3,503
Compensated Absences Payable	1,066	0	0	1,066
Intergovernmental Payable	(902)	0	0	(902)
<i>Total Adjustments</i>	<u>25,126</u>	<u>3,407</u>	<u>0</u>	<u>28,533</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(\$48,682)</u>	<u>\$35,240</u>	<u>\$620</u>	<u>(\$12,822)</u>

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### ***Fiduciary Funds***

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

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### ***Expendable Trust Fund***

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***Special Trust Fund*** - This fund accounts for assets held by the School District in a trustee capacity for individuals, private organizations or other governments.

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### ***Agency Funds***

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***Student Managed Activities Fund*** - This fund accounts for purchased of supplies on behalf of those student activity programs which have student participation in the activity and have student involvement in the management of the program.

***Staff Services Fund*** - This fund accounts for purchased of supplies and equipment on behalf of employees of the School District.

**Avon Lake City School District**  
*Combining Balance Sheet*  
*All Fiduciary Funds*  
*June 30, 2001*

	Expendable Trust	Agency	Totals
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$3,978	\$111,047	\$115,025
<b>Liabilities</b>			
Accounts Payable	\$0	\$705	\$705
Undistributed Monies	0	3,571	3,571
Due to Students	0	106,771	106,771
<i>Total Liabilities</i>	0	111,047	111,047
<b>Fund Equity</b>			
Fund Balance:			
Reserved for Encumbrances	387	0	387
Unreserved, Undesignated	3,591	0	3,591
<i>Total Fund Equity</i>	3,978	0	3,978
<i>Total Liabilities and Fund Equity</i>	\$3,978	\$111,047	\$115,025

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

	Beginning Balance <u>July 1, 2000</u>	Additions	Reductions	Ending Balance <u>June 30, 2001</u>
<b>Student Managed Activities</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$88,826	\$236,004	\$217,396	\$107,434
<b>Liabilities</b>				
Accounts Payable	\$0	\$663	\$0	\$663
Due to Students	88,826	236,004	218,059	106,771
<i>Total Liabilities</i>	<u>\$88,826</u>	<u>\$236,667</u>	<u>\$218,059</u>	<u>\$107,434</u>
<b>Staff Services</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$4,127	\$2,140	\$2,654	\$3,613
<b>Liabilities</b>				
Accounts Payable	\$0	\$42	\$0	\$42
Undistributed Monies	4,127	2,140	2,696	3,571
<i>Total Liabilities</i>	<u>\$4,127</u>	<u>\$2,182</u>	<u>\$2,696</u>	<u>\$3,613</u>
<b>All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$92,953	\$238,144	\$220,050	\$111,047
<b>Liabilities</b>				
Accounts Payable	\$0	\$705	\$0	\$705
Undistributed Monies	4,127	2,140	2,696	3,571
Due to Students	88,826	236,004	218,059	106,771
<i>Total Liabilities</i>	<u>\$92,953</u>	<u>\$238,849</u>	<u>\$220,755</u>	<u>\$111,047</u>

### *General Fixed Assets Account Group*

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The general fixed assets account group is used to account for all land and improvements, buildings, furniture and equipment, vehicles, textbooks and library books and construction in progress not used in the operations of the proprietary funds.

**Avon Lake City School District**

*Schedule of General Fixed Assets*

*By Source*

*June 30, 2001*

*General Fixed Assets:*

Land and Improvements	\$816,033
Buildings	15,948,073
Furniture and Equipment	5,154,677
Vehicles	1,189,427
Textbooks and Library Books	1,412,913
Construction in Progress	10,673,699
	<hr/>
	\$35,194,822
	<hr/> <hr/>

*Investments in General Fixed Assets From  
Acquisitions Since July 1, 1988:*

General Fund and General Fund Transfers	\$5,924,585
Capital Project Funds	12,386,238
State and Federal Grants	491,071
	<hr/>
	18,801,894
Acquisitions Prior to June 30, 1988	<hr/>
	16,392,928
<i>Total Investment in General Fixed Assets</i>	<hr/> <hr/>
	\$35,194,822

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

Function	General Fixed Assets June 30, 2000	Additions	Deletions	General Fixed Assets June 30, 2001
Instruction	\$16,090,882	\$444,402	(\$118,980)	\$16,416,304
Support Services:				
Pupils	65,882	9,619	(512)	74,989
Instructional Staff	1,050,157	31,140	(27,161)	1,054,136
Administration	195,544	7,651	(13,588)	189,607
Fiscal	43,819	5,168	(1,137)	47,850
Business	0	1,378	0	1,378
Operation and Maintenance of Plant	521,775	21,005	0	542,780
Pupil Transportation	1,369,275	45,172	0	1,414,447
Operation of Non-Instructional Services	136,190	15,722	0	151,912
Extracurricular Activities	51,568	6,897	0	58,465
Facilities Acquisition and Construction Services	4,556,169	13,086	0	4,569,255
Construction in Progress	0	10,673,699	0	10,673,699
Total General Fixed Assets	<u>\$24,081,261</u>	<u>\$11,274,939</u>	<u>(\$161,378)</u>	<u>\$35,194,822</u>

**Avon Lake City School District**  
*Schedule of General Fixed Assets*  
*By Function and Type*  
*June 30, 2001*

Function	Total	Land and Improvements	Buildings	Furniture and Equipment	Vehicles	Textbooks and Library Books
Instruction	\$16,416,304	\$543,986	\$11,704,165	\$3,721,968	\$0	\$446,185
Support Services:						
Pupils	74,989	0	0	72,436	0	2,553
Instructional Staff	1,054,136	0	0	89,961	0	964,175
Administration	189,607	0	0	189,607	0	0
Fiscal	47,850	0	0	47,850	0	0
Business	1,378	0	0	1,378	0	0
Operation and Maintenance of Plant	542,780	0	216,161	271,767	54,852	0
Pupil Transportation	1,414,447	0	123,788	176,749	1,113,910	0
Operation of Non-Instructional Services	151,912	0	87,921	63,991	0	0
Extracurricular Activities	58,465	2,831	0	34,969	20,665	0
Facilities Acquisition and Construction Services	4,569,255	269,216	3,816,038	484,001	0	0
Construction in Progress	10,673,699	0	0	0	0	0
<b>Total General Fixed Assets</b>	<b>\$35,194,822</b>	<b>\$816,033</b>	<b>\$15,948,073</b>	<b>\$5,154,677</b>	<b>\$1,189,427</b>	<b>\$1,412,913</b>



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

	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
<b>Current:</b>										
Instruction:										
Regular	\$11,045,523	\$10,420,650	\$9,733,316	\$9,501,146	\$9,017,623	\$8,965,145	\$8,388,986	\$7,668,443	\$6,719,378	\$7,297,133
Special	1,575,253	1,443,861	1,168,753	1,076,002	875,483	867,875	952,528	767,464	664,969	667,035
Vocational	191,316	177,010	143,794	134,168	130,345	125,976	112,860	105,714	56,061	7,426
Other	0	0	0	0	99,601	158,798	60,672	36,409	119,593	63,630
Support Services										
Pupil	1,115,029	1,005,906	983,075	941,077	778,467	772,524	692,396	685,511	637,424	700,899
Instructional Staff	1,165,923	920,043	800,467	801,111	734,898	704,616	704,771	587,647	638,752	693,894
Board of Education	38,207	334,084	251,372	284,936	240,762	169,656	126,097	166,437	162,571	118,225
Administration	2,480,528	1,981,966	1,684,343	1,730,171	1,488,630	1,429,355	1,288,794	1,240,211	1,302,296	1,089,867
Fiscal	578,080	518,842	502,699	480,054	454,284	450,189	429,404	431,720	374,884	335,977
Business	62,840	88,365	89,847	66,341	49,108	44,247	43,277	64,927	67,776	125,434
Operation and Maintenance										
of Plant	2,513,142	2,038,514	1,906,088	1,897,775	1,988,334	1,950,536	1,843,260	1,692,571	1,662,412	1,664,893
Pupil Transportation	785,314	779,798	675,721	691,100	717,771	575,253	491,164	488,077	433,413	439,891
Central	50,437	0	0	189	850	2,018	7,384	7,270	8,515	8,311
Non-Instructional Services		454	2,026	826	259	0	0	736	0	93
Extracurricular Activities	560,911	365,524	353,830	328,864	305,228	295,717	276,300	233,195	223,309	265,052
Debt Service	0	0	79,624	68,891	85,900	108,400	0	10,562	51,242	49,854
Capital Outlay	758,453	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$22,920,956</b>	<b>\$20,075,017</b>	<b>\$18,374,955</b>	<b>\$18,002,651</b>	<b>\$16,967,543</b>	<b>\$16,620,305</b>	<b>\$15,417,893</b>	<b>\$14,186,894</b>	<b>\$13,122,595</b>	<b>\$13,527,614</b>

Source: School District Financial Records

**Avon Lake City School District**  
*General Fund Revenues by Source*  
*Last Ten Fiscal Years*

	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Taxes	\$17,840,415	\$17,874,806	\$16,580,423	\$17,208,664	\$15,073,363	\$13,390,746	\$12,755,058	\$13,584,077	\$12,603,364	\$10,107,232
Intergovernmental	2,834,731	2,704,578	2,463,033	2,533,899	2,134,049	2,003,493	1,907,190	1,890,466	1,866,434	1,478,907
Interest	1,412,294	591,833	573,104	470,030	459,232	466,185	317,623	195,317	128,285	204,149
Tuition and Fees	178,074	75,037	22,185	4,845	1,570	6,623	2,746	209	4,015	9,878
Extracurricular Activities	0	0	0	0	0	0	0	0	12,508	0
Donations	33,918	10	0	0	0	47,361	0	7,610	9,963	0
Charges for Services	0	0	0	0	4,097	32	4,054	445	4,449	4,095
Rentals	5,922	9,582	6,314	7,918	5,595	4,345	71,258	91,885	91,194	85,670
Miscellaneous	13,377	5,818	4,760	116,482	0	593	1,083	618	941	480
<b>Total</b>	<b>\$22,318,731</b>	<b>\$21,261,664</b>	<b>\$19,649,819</b>	<b>\$20,341,838</b>	<b>\$17,677,906</b>	<b>\$15,919,378</b>	<b>\$15,059,012</b>	<b>\$15,770,627</b>	<b>\$14,721,153</b>	<b>\$11,890,411</b>

Source: School District Financial Records

**Avon Lake City School District**  
*Property Tax Levies and Collections*  
*Last Ten Years*

Year	Current Tax Levy (1)	Current Tax Collections (1)	Percent Collected	Delinquent Tax Collection	Total Tax Collection	Percent of Total Collections To Current Tax Levies	Outstanding Delinquent Taxes (2)	Percent of Outstanding Delinquent Taxes To Current Tax Levy
2000	\$18,396,971	\$18,217,508	99.02%	\$146,642	\$18,364,150	99.82%	\$248,453	1.35%
1999	15,320,145	15,193,124	99.17	163,710	15,356,834	100.24	182,242	1.19
1998	15,321,549	15,177,360	99.06	110,063	15,287,423	99.78	181,537	1.18
1997	14,972,306	14,856,181	99.22	131,575	14,987,756	100.10	139,709	0.93
1996	13,406,720	13,590,249	101.37	285,652	13,875,901	103.50	124,759	0.93
1995	12,810,239	12,685,229	99.02	119,613	12,804,842	99.96	290,597	2.27
1994	12,273,302	12,421,928	101.21	240,839	12,662,767	103.17	136,699	1.11
1993	12,298,619	12,163,344	98.90	78,745	12,242,089	99.54	258,631	2.10
1992	9,784,379	9,688,278	99.02	68,063	9,756,341	99.71	163,219	1.67
1991	8,739,903	8,854,999	101.32	62,513	8,917,512	102.03	24,792	0.28

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

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

(2) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

**Avon Lake City School District**  
Assessed and Estimated Actual Value of Taxable Property  
Last Ten Years

Year	Agriculture, Residential and Other Real Estate		Public Utility Property		Tangible Personal Property		Total	Ratio	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)			
2001	\$477,312,060	\$1,363,748,743	\$119,221,210	\$135,478,648	\$74,240,490	\$296,961,960	\$670,773,760	\$1,796,189,351	37%
2000	409,716,690	1,170,619,114	102,252,710	116,196,261	77,626,205	310,504,820	589,595,605	1,597,320,195	37
1999	396,077,135	1,131,648,957	89,551,480	101,763,045	73,246,003	292,984,012	558,874,618	1,526,396,014	37
1998	379,164,090	1,083,325,971	94,906,220	107,847,977	63,205,045	252,820,180	537,275,355	1,443,994,128	37
1997	338,117,080	966,048,800	95,204,230	108,186,625	57,582,400	230,329,600	490,903,710	1,304,565,025	38
1996	329,046,290	940,132,257	94,160,740	107,000,841	56,089,805	224,359,220	479,296,835	1,271,492,318	38
1995	320,859,670	916,741,914	86,832,890	98,673,739	61,390,491	245,561,964	469,083,051	1,260,977,617	37
1994	271,566,780	775,905,086	88,332,100	100,377,386	64,741,939	258,967,756	424,640,819	1,135,250,228	37
1993	263,693,451	753,409,860	86,667,170	98,485,420	60,888,869	243,555,476	411,249,490	1,095,450,756	38
1992	253,034,394	753,409,860	82,768,056	94,054,610	51,740,605	206,962,419	387,543,055	1,054,426,889	37

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

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

- Real estate is assessed at 35 percent of actual value;
- Public utility personal is assessed at 88 percent of actual value, and
- Tangible personal property is assessed at 25 percent of actual value.

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

Year	School Levy	Library	County Levy	JVS Levy	City Levy	Total Levy	Debt Service Included in Total Levy			
							School (1)	County (2)	City	Total
2001	\$55.94	\$1.80	\$10.79	\$2.45	\$7.24	\$78.22	\$5.18	\$0.00	\$0.00	\$5.18
2000	56.54	1.80	10.79	2.45	7.24	78.82	5.78	0.00	0.00	5.78
1999	56.63	1.80	12.69	2.45	7.24	80.81	5.87	0.00	0.00	5.87
1998	53.87	1.80	12.69	2.45	7.24	78.05	1.25	0.00	0.00	1.25
1997	53.87	1.80	12.69	2.45	7.24	78.05	1.25	0.00	0.00	1.25
1996	49.97	0.98	12.69	2.45	7.24	73.33	2.13	0.00	0.00	2.13
1995	48.99	0.98	11.49	2.45	7.24	71.15	1.63	0.00	0.00	1.63
1994	48.49	0.98	11.49	2.45	7.24	70.65	1.63	0.00	0.00	1.63
1993	47.66	0.98	11.39	2.45	7.24	69.72	0.80	0.00	0.00	0.80
1992	42.82	0.98	11.74	2.45	7.24	65.23	0.80	0.00	0.00	0.80

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

(1) Includes .76 mills for debt retirement for the Avon Lake Public Library.

(2) Lorain County does not have voted millage for debt service.

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

Year	Gross General Bonded Debt	Debt Service Monies Available	Net General Obligation Bonded Debt (1)		Assessed Value (2)	Population (3)	Ratio of Net Debt to Assessed Value		Net Debt Per Capita
2001	\$49,648,295	\$2,436,179	\$47,212,116		\$670,773,760	18,145	7.04%		\$2,602
2000	50,135,432	2,475,278	47,660,154		589,592,105	17,171	8.08		2,776
1999	7,020,000	2,410,455	4,609,545		558,874,513	16,570	0.82		278
1998	7,595,000	2,759,502	4,835,498		537,275,355	16,570	0.90		292
1997	6,584,555	2,887,354	3,697,201		490,903,710	16,570	0.75		223
1996	6,925,893	2,617,417	4,308,476		479,296,835	16,570	0.90		260
1995	7,225,637	2,174,974	5,050,663		469,083,051	16,570	1.08		305
1994	5,507,569	1,896,259	3,611,310		424,640,819	16,156	0.85		224
1993	5,657,198	1,739,811	3,917,387		411,249,219	15,066	0.95		260
1992	1,960,000	1,648,066	311,934		389,665,385	15,066	0.08		21

Source:

(1) Includes all general obligation bonded debt.

(2) Source: Lorain County, Ohio; County Auditor

(3) Source: U.S. Bureau of Census, Census of Population, Federal 1990 Census.  
Lorain County Regional Planning Commission.

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

Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
<b>Direct</b> Avon Lake City School District	\$49,648,295	100.00%	\$49,648,295
<b>Overlapping</b> Lorain County	6,950,000	3.65	253,675
City of Avon Lake	8,465,000	100.00	8,465,000
<i>Total Overlapping</i>	<u>15,415,000</u>		<u>8,718,675</u>
Total	<u>\$65,063,295</u>		<u>\$58,366,970</u>

Source: Lorain County Auditor, Avon Lake City School District and City of Avon Lake Finance Department

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

**Avon Lake City School District**  
*Computation of Legal Debt Margin*  
*June 30, 2001*

Assessed Valuation		670,773,760
Debt Limit - 9% of Assessed Value (1)		\$60,369,638
Amount of Debt Applicable to Debt Limit:		
General Obligation Bonds	49,648,295	
Less: Amount Available in Debt Service	<u>(2,436,179)</u>	
Net Bonded Debt		<u>47,212,116</u>
Overall Debt Margin		<u>\$13,157,522</u>
Debt Limit - .10% of Assessed Value		\$670,774
Amount of Debt Applicable		<u>0</u>
Unvoted Debt Margin		<u>\$670,774</u>
Additional Limit for Unvoted Energy Conservation Bonds:		
Debt Limit - .9% of Assessed Valuation		\$6,036,964
Energy Conservation Bonds		<u>1,025,000</u>
Additional Unvoted Debt Margin		<u>\$5,011,964</u>

Source: Lorain County Auditor and School District Financial Records

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



**Avon Lake City School District**  
Ratio of Annual Debt Service Expenditures For  
General Obligation Bonded Debt to General Fund Expenditures  
Last Ten Fiscal Years

Year	Principal	Interest (1)	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (Percentage)
2001	\$615,000	\$2,591,581	\$3,206,581	\$22,920,956	13.99%
2000	585,000	1,958,028	2,543,028	20,075,017	12.67
1999	575,000	409,831	984,831	18,374,955	5.36
1998	1,184,555	455,020	1,639,575	18,002,651	9.11
1997	341,338	428,543	769,881	16,967,543	4.54
1996	299,744	442,046	741,790	16,620,305	4.46
1995	281,932	336,114	618,046	15,417,893	4.01
1994	149,629	400,831	550,460	14,186,894	3.88
1993	302,802	140,546	443,348	13,122,595	3.38
1992	115,000	56,654	171,654	13,527,614	1.27

Source: School District Financial Records

(1) Includes fiscal charges

**Avon Lake City School District**  
*Demographic Statistics*  
*Last Ten Years*

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Income (3)</u>	<u>Median Age (1)</u>	<u>Education Level in Years of Formal Schooling (1)</u>	<u>School Enrollment</u>	<u>Unemployment Rate (2)</u>
2001	18,145	\$20,406	35	13.5	3,257	4.10%
2000	17,171	20,406	35	13.5	3,081	4.1
1999	16,570	20,406	35	13.5	3,017	3.8
1998	16,570	20,406	35	13.5	3,058	4.4
1997	16,570	20,406	35	13.5	3,064	6.9
1996	16,570	20,406	35	13.5	2,997	4.4
1995	16,570	20,406	35	13.5	2,980	4.9
1994	16,156	20,406	35	13.5	2,919	4.5
1993	15,066	20,406	35	13.5	2,866	10.1
1992	15,066	19,455	35	13.5	2,817	11.5

(1) Bureau of Census/Lorain County Regional Planning Commission

(2) State Department of Labor figures for Lorain County

(3) Ohio Department of Taxation

**Avon Lake City School District**  
*Industrial Employment,  
 Financial Institution Deposits and Building Permits  
 Last Ten Years*

Year	Industrial Employment	Financial Institution Deposits (1)	Value of Building Permits Issued (2)
2000	7,300	\$513,002,000	\$73,644,362
1999	7,300	463,871,000	49,976,735
1998	7,300	444,974,000	39,797,585
1997	7,300	920,050,000 (3)	39,422,199
1996	7,300	1,329,795,000	44,956,627
1995	7,300	1,237,991,000	46,141,844
1994	7,300	1,254,166,000	35,493,678
1993	7,300	1,170,558,000	35,126,902
1992	5,420	1,126,173,000	31,524,300
1991	4,935	1,066,123,000	51,846,725

Source:

(1) Bank - Cleveland Federal Reserve Bank.

(2) City of Avon Lake, Building Department.  
 Data are presented on a calendar year basis  
 because that is the manner in which the  
 information is maintained by the City and Banks.

(3) Large decrease due to only one commercial  
 bank headquartered in Lorain county instead  
 of two as in previous years.

**Avon Lake City School District**

*Principal Taxpayers*

*Real Estate Tax*

*December 31, 2000*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Cleveland Electric	\$91,455,990	19.16%
Orion Power Midwest, LP	14,827,270	3.10
Ford Motor Company	13,253,980	2.78
Geon Company	3,894,210	0.82
Columbia Gas of Ohio	2,914,210	0.61
KOPF Properties, Limited	2,213,970	0.46
BF Goodrich Company	1,997,350	0.42
Learwood Square Company	1,525,660	0.32
Riser Foods Company	1,237,320	0.26
Landings Shops and Offices	1,195,870	0.25
Total	<u>\$134,515,830</u>	<u>28.18%</u>
Total School District Assessed Valuation	<u>\$477,312,060</u>	

Source: Lorain County Auditor

(1) Assessed values are for the 2001 collection year.

**Avon Lake City School District**  
*Principal Taxpayers*  
**Tangible Personal Property Tax**  
*December 31, 2000*

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Ford Motor Company	\$24,466,080	32.96%
Geon Company	14,729,580	19.84
BF Goodrich Company	13,627,580	18.36
Glidden Company	1,535,000	2.07
Midwest Electrical Supply Company	1,476,670	1.99
Riser Foods Company	1,165,260	1.57
Scott Fetzer Company	1,102,670	1.49
First National Supermarkets Inc.	1,062,080	1.43
Ed Tomko Chrysler	1,054,000	1.42
IBM Credit Corpartion	1,021,460	1.38
Total	<u>\$61,240,380</u>	<u>85.25%</u>
Total School District Assessed Valuation	<u>\$74,240,490</u>	

Source: Lorain County Auditor

(1) Assessed values are for the 2001 collection year.

**Avon Lake City School District**  
*Principal Taxpayers*  
*Public Utilities Tax*  
*December 31, 2000*

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Cleveland Electric	\$111,003,304	93.11%
Century Telephone of Ohio	4,680,828	3.92
Columbia Gas of Ohio	<u>3,537,078</u>	<u>2.97</u>
Total	<u>\$119,221,210</u>	<u>100.00%</u>

Source: Lorain County Auditor

(1) Assessed values are for the 2001 collection year.

**Avon Lake City School District**  
*Per Pupil Cost*  
*Last Ten Fiscal Years*

Year	General Fund Expenditures	Average Daily Student Enrollment	Per Pupil Cost
2001	\$22,920,956	3,257	\$7,037
2000	20,075,017	3,081	6,516
1999	18,374,955	3,017	6,090
1998	18,002,651	3,058	5,887
1997	16,967,543	3,064	5,538
1996	16,620,305	2,997	5,546
1995	15,417,893	2,980	5,174
1994	14,186,894	2,919	4,860
1993	13,122,595	2,866	4,579
1992	13,527,614	2,817	4,802

Source: School District Financial Records.

**Avon Lake City School District**  
*Teacher Education and Experience*  
 June 30, 2001

Degree	Number of Teachers	Percentage of Total
Bachelor's Degree	25	12.08%
Bachelor + 10	14	6.76
Bachelor + 20	35	16.91
Master's Degree	57	27.54
Master's + 10	41	19.81
Master's + 20	13	6.28
Master's + 30	22	10.63
Total	<u>207</u>	<u>100.00%</u>

Years of Experience	Number of Teachers	Percentage of Total
0 - 5	46	22.22%
6 - 10	50	24.15
11 and Over	111	53.62
	<u>207</u>	<u>100.00%</u>

Source: School District Personnel Records



## Avon Lake City School District

### Average ACT Scores

#### Last Ten Years

	Avon Lake		State of Ohio		National	
	Avon Lake	State of Ohio	Avon Lake	State of Ohio	Avon Lake	State of Ohio
<u>English:</u>						
2000-2001	21.6	20.7	20.5	21.5	21.0	21.0
1999-2000	21.8	20.7	20.5	21.4	21.0	21.0
1998-1999	21.6	20.8	20.5	21.4	21.0	21.0
1997-1998	22.0	20.7	20.4	21.5	21.1	21.1
1996-1997	21.7	20.6	20.3	21.4	21.0	21.0
1995-1996	21.7	20.8	20.2	21.5	21.1	21.1
1994-1995	21.5	20.8	20.3	21.3	21.0	21.0
1993-1994	21.6	20.7	20.3	21.3	20.9	20.9
1992-1993	21.2	20.6	20.2	21.1	20.8	20.8
1991-1992	22.0	20.5	20.3	20.9	20.7	20.7
<u>Math:</u>						
2000-2001	22.3	21.1	20.7	21.4	21.0	21.0
1999-2000	22.7	21.2	20.7	21.4	21.0	21.0
1998-1999	22.3	21.1	20.7	21.4	21.0	21.0
1997-1998	22.5	21.2	20.8	21.4	21.0	21.0
1996-1997	22.0	21.0	20.6	21.3	21.0	21.0
1995-1996	21.9	20.7	20.2	21.3	20.9	20.9
1994-1995	21.8	20.6	20.2	21.2	20.8	20.8
1993-1994	22.2	20.5	20.2	21.2	20.8	20.8
1992-1993	20.7	20.3	20.1	21.0	20.7	20.7
1991-1992	21.8	20.2	20.0	20.9	20.6	20.6
<u>Composite:</u>						
2000-2001	22.3	21.4	21.0	21.4	21.0	21.0
1999-2000	22.8	21.4	21.0	21.4	21.0	21.0
1998-1999	22.2	21.4	21.0	21.4	21.0	21.0
1997-1998	22.7	21.4	21.0	21.4	21.0	21.0
1996-1997	21.9	21.3	21.0	21.3	21.0	21.0
1995-1996	22.1	21.3	21.0	21.3	20.9	20.9
1994-1995	22.1	21.2	21.0	21.2	20.8	20.8
1993-1994	22.2	21.2	21.0	21.2	20.8	20.8
1992-1993	21.6	21.0	20.1	21.0	20.7	20.7
1991-1992	22.3	20.9	20.0	20.9	20.6	20.6
<u>Reading:</u>						
2000-2001	22.4	21.8	21.3	21.8	21.0	21.0
1999-2000	23.0	21.9	21.4	21.9	21.0	21.0
1998-1999	22.3	21.9	21.4	21.9	21.0	21.0
1997-1998	23.1	21.8	21.4	21.8	21.0	21.0
1996-1997	22.0	21.8	21.3	21.8	21.0	21.0
1995-1996	22.1	21.9	21.3	21.9	21.0	21.0
1994-1995	22.5	21.7	21.3	21.7	21.0	21.0
1993-1994	22.3	21.8	21.2	21.8	21.0	21.0
1992-1993	21.8	21.6	21.2	21.6	21.0	21.0
1991-1992	22.6	21.5	21.1	21.5	21.0	21.0

Source: American College Testing Program





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**AVON LAKE CITY SCHOOL DISTRICT**

**LORAIN 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  
NOVEMBER 7, 2002**