



**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2010**



**Mary Taylor, CPA**  
Auditor of State





# Dave Yost • Auditor of State

January 11, 2011

The attached audit report was completed and prepared for release prior to the commencement of my term of office on January 10, 2011. Thus, I am certifying this audit report for release under the signature of my predecessor.

A handwritten signature in cursive script that reads "Dave Yost".

DAVE YOST  
Auditor of State

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**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2010**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b><u>U.S. DEPARTMENT OF DEFENSE</u></b>					
<i>Direct Assistance</i>					
Junior ROTC	12.000	\$54,511	\$0	\$54,511	\$0
<b>Total U.S. Department of Defense</b>		<u>54,511</u>	<u>0</u>	<u>54,511</u>	<u>0</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>					
<i>Passed Through Ohio Department of Education:</i>					
Child Care - Summer School Meals	10.559	29,504	0	29,504	0
National School - Breakfast	10.553	364,954	0	364,954	0
National School Lunch Program	10.555	1,408,232	213,704	1,408,232	213,704
Total Nutrition Cluster		<u>1,802,690</u>	<u>213,704</u>	<u>1,802,690</u>	<u>213,704</u>
<b>Total U.S. Department of Agriculture</b>		<u>1,802,690</u>	<u>213,704</u>	<u>1,802,690</u>	<u>213,704</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>					
<i>Passed Through Ohio Department of Education:</i>					
Special Education Grants	84.027	1,324,322	0	1,315,969	0
ARRA - Special Education Grants	84.391	675,003	0	622,877	0
Subtotal Special Education Grants		<u>1,999,325</u>	<u>0</u>	<u>1,938,846</u>	<u>0</u>
Preschool Grant - 2009	84.173	0	0	6,166	0
Preschool Grant - 2010	84.173	42,074	0	41,809	0
ARRA - Preschool Grant - 2010	84.392	19,112	0	14,212	0
Subtotal Preschool Grant		<u>61,186</u>	<u>0</u>	<u>62,187</u>	<u>0</u>
Total Special Education Cluster		<u>2,060,511</u>	<u>0</u>	<u>2,001,033</u>	<u>0</u>
Adult Basic Education - 2009	84.002	58,307	0	132,808	0
Adult Basic Education - 2010	84.002	683,176	0	696,291	0
Total Adult Basic Education		<u>741,483</u>	<u>0</u>	<u>829,099</u>	<u>0</u>
Title I - 2009	84.010	190,000	0	267,529	0
Title I - 2010	84.010	1,235,628	0	1,412,393	0
Title I, School Improvement Subsidy - 2010	84.010	300,000	0	298,110	0
ARRA - Title I - 2010	84.389	398,702	0	304,563	0
Total Title I, Part A Cluster		<u>2,124,330</u>	<u>0</u>	<u>2,282,595</u>	<u>0</u>
Drug Free Schools Grant - State Grant - 2009	84.186	7,837	0	10,483	0
Drug Free Schools Grant - State Grant - 2010	84.186	11,971	0	11,913	0
Total Drug Free Schools - State Grant		<u>19,808</u>	<u>0</u>	<u>22,396</u>	<u>0</u>
Educational Technology - 2009	84.318	0	0	928	0
Educational Technology - 2010	84.318	30,599	0	10,195	0
ARRA - Educational Technology - 2010	84.386	205,950	0	192,596	0
Total Educational Technology		<u>236,549</u>	<u>0</u>	<u>203,719</u>	<u>0</u>
Improving Teacher Quality - 2009	84.367	1,714	0	36,884	0
Improving Teacher Quality - 2010	84.367	267,302	0	259,479	0
Total Improving Teacher Quality		<u>269,016</u>	<u>0</u>	<u>296,363</u>	<u>0</u>
ARRA - State Fiscal Stabilization Fund, Education State Grants	84.394	1,953,475	0	1,849,304	0
<b>Total U.S. Department of Education</b>		<u>7,405,172</u>	<u>0</u>	<u>7,484,509</u>	<u>0</u>
<b>Total Federal Assistance</b>		<u>\$9,262,373</u>	<u>\$213,704</u>	<u>\$9,341,710</u>	<u>\$213,704</u>

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

**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2010**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) reports the Euclid City School District's (the District's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

**NOTE C – FOOD DONATION PROGRAM**

The District reports commodities received and consumed on the Schedule at the entitlement value.

CFDA – Catalog of Federal Domestic Assistance





# Mary Taylor, CPA

Auditor of State

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

Euclid City School District  
Cuyahoga County  
651 East 222<sup>nd</sup> Street  
Euclid, Ohio 44123

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Euclid City School District, Cuyahoga County, (the District) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 27, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 27, 2010.

We intend this report solely for the information and use of management, the audit committee, Board of Education, federal awarding agencies and pass-through entities, and others within the District. We intend it for no one other than these specified parties.

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

**Mary Taylor, CPA**  
Auditor of State

December 27, 2010



# Mary Taylor, CPA

Auditor of State

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND SCHEDULE OF FEDERAL AWARDS  
RECEIPTS AND EXPENDITURES**

Euclid City School District  
Cuyahoga County  
651 East 222nd Street  
Euclid, Ohio 44123

To the Board of Education:

## **Compliance**

We have audited the compliance of the Euclid City School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Euclid City School District's major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the 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 included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Euclid City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2010.

### **Internal Control Over Compliance**

The District's management is responsible for establishing and maintaining effective internal control over compliance with the 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 the requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, we cannot assure we have identified all deficiencies, significant deficiencies, or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2010-001 to be a material weakness.

The District's response to the finding we identified is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on.

### **Federal Awards Receipts and Expenditures Schedule**

We have also audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Euclid City School District (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 27, 2010. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Euclid City School District  
Cuyahoga County  
Independent Accountants' Report On Compliance With Requirements  
Applicable To Each Major Federal Program And On Internal Control Over  
Compliance Required By OMB Circular A-133 And Schedule of Federal Award  
Receipts and Expenditures  
Page 3

We intend this report solely for the information and use of the audit committee, management, Board of Education, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

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

**Mary Taylor, CPA**  
Auditor of State

December 27, 2010

**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2010**

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

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	Yes
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	Yes
<i>(d)(1)(vii)</i>	Major Programs (list):	Nutrition Cluster – CFDA # 10.553, 10.555 and 10.559 Special Education Cluster – CFDA # 84.027, 84.173, 84.391 (ARRA) and 84.392 (ARRA) Adult Basic Education – CFDA # 84.002 Title I – CFDA 84.010 and 84.389 (ARRA) State Fiscal Stabilization Fund – CFDA # 84.394 (ARRA)
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2010  
(Continued)**

**3. FINDINGS FOR FEDERAL AWARDS**

**Review of Nutrition Program Claims for Reimbursement**

<b>Finding Number</b>	2010-001
<b>CFDA Title and Number</b>	Nutrition Cluster CFDA # 10.553, 10.555 and 10.559
<b>Federal Award Number / Year</b>	2010
<b>Federal Agency</b>	U.S. Department of Agriculture
<b>Pass-Through Agency</b>	Ohio Department of Education

**Material Weakness**

The District operates a nutrition program that offers full price, reduced price and free meals and is reimbursed for free and reduced breakfasts and lunches served to eligible students. These federal and state reimbursements are processed based on data the District records on their MR-12 and MR-31 reports. Data on these reports should be reviewed for accuracy prior to submission to ensure the District will be reimbursed for the correct number of meals.

We noted variances during our testing of the month end System Link Technology Reports (SNAP) that track the District's daily food service sales by building, and the MR-12 and MR-31 reports submitted to the Ohio Department of Education (ODE). We estimated the District was underpaid \$30,276 for lunch reimbursements and overpaid \$19,641 for breakfast reimbursements. This resulted in approximately \$10,635 less in reimbursements received than if correct sales were used for the audit period. The majority of the variance was due to one instance at the high school for the month of February 2010. The District reported actual breakfasts served as lunch reimbursements and vice versa on the respective MR-12 and MR-31 reports submitted to ODE. This error has been addressed and remittance received by the District during December 2010. The District's failure to properly review these reports exhibits a deficiency in controls over A-133 compliance requirements for allowable costs, cash management and reporting.

Failure to accurately and timely review the MR-12 and MR-31 reports before submission could lead to similar mistakes as mentioned above or even significant undetected variances.

We recommend the District timely review and compare each building's SNAP report with the MR-12 and MR-31 reports submitted to the ODE prior to submission. This will ensure the actual number of meals served is accurately reported to obtain the correct Federal reimbursement.

**Officials Response:**

District officials will review procedures and make necessary adjustments to correct the deficiency noted.

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2010

EUCLID CITY SCHOOL DISTRICT,  
CUYAHOGA COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

JAMES G. ZUPKA, CPA, INC.  
5240 EAST 98<sup>TH</sup> STREET  
GARFIELD HEIGHTS, OH 44125



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**INTRODUCTORY SECTION**

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# Euclid City Schools

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651 East 222 Street • Euclid, OH 44123-2090 • (216) 797-2915 • FAX: (216) 289-8845

e-mail: [svasek@euclid.k12.oh.us](mailto:svasek@euclid.k12.oh.us)

**Stephen Vasek, Treasurer**

December 27, 2010

Members of the Board of Education and  
Residents of the Euclid City School District

Dear Board Members and Residents:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Euclid City School District. This CAFR, which includes an unqualified opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles as applicable to governmental entities for the fiscal year ended June 30, 2010.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's discussion and analysis (MD&A) immediately follows the Independent Accountants' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

## **Profile of the School District**

Euclid was officially settled in 1797 by eleven families. In 1830, the village meeting minutes indicated that a sum of \$300 was to be paid to the directors of the Euclid City School District. In 1868, a class of six high school pupils was organized. In 1895, the first high school building was erected. The first class graduated from that building in 1897. By 1896, the Euclid City School District was patterned after a district plan dividing the City into eleven districts. The eleven districts were consolidated into five buildings. At the close of 1918, there were two high schools, Central and Shore.

During the peak enrollment years of the 1960's and 1970's, the District maintained an enrollment of approximately 11,000 students, precipitating the need for additional buildings to be constructed. As enrollment declined during the 1980's by approximately 5,000 students, three elementary buildings and one junior high building were closed. Due to the reinstatement of all day, every day kindergarten continued enrollment increased, two of the closed elementary buildings were reopened in 2004. The District currently consists of one high school, two middle schools, six elementary schools, and a special education center, with an enrollment of nearly 6,000 students.

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in Division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide educational services authorized and mandated by State and/or Federal agencies.

The District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units. Excluded from the reporting entity because they are fiscally independent of the District are the City of Euclid, the Parent Teacher Organization, and the Parochial Schools. The District is associated with two organizations, the Ohio Schools Council and the Euclid Public Library. The Ohio Schools' Council Association is a jointly governed organization whose relationship to the District is described in Note 16 to the accompanying financial statements. The Euclid Public Library is a related organization and is described in Note 17 to the accompanying financial statements.

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

The District uses a team approach to meet today's educational challenges and to make school improvements a reality. This team consists of a five-member Board of Education which serves as the taxing authority, contracting body, and policy developers for the District. The Board adopts the annual operating budget and approves all expenditures of the District's monies. The administrative team consists of the Superintendent, who is the Chief Administrative Officer of the District and is responsible for providing educational and administrative management leadership for the total operation of the District, and the Treasurer, who is the Chief Fiscal Officer of the District and is responsible for maintaining records of all financial matters, issuing warrants and payment of liabilities incurred by the District, and who also serves as the Chief Financial Officer of all District funds and investments as specified by law.

The remaining administrative team members appointed by the Superintendent/School Board include the following: two Assistants to the Superintendent, Director of Pupil Personnel Services, Business Manager, and Director of Management Information Services. The above five individuals, along with the Superintendent and the Treasurer, constitute the administrative cabinet which meets to provide recommendations to the Superintendent and also provides problem-solving and policy implementing management to the District.

### **Local Economy and Relevant Financial Policies**

The District has the same boundaries as the City of Euclid. The City is bounded on the west by the City of Cleveland, on the north by Lake Erie, and on the south and east by smaller cities.

The City of Euclid has experienced a deterioration of its commercial property tax base in recent years. The District's commercial and industrial real estate assessed valuation has decreased from \$191 million in 1995 to \$182 million in 2010. The tangible personal property assessed valuation has decreased from \$100 million to \$15 million in that same time frame. This loss is a result of a change in state tax law phasing out the tangible personal property tax. The total assessed valuation for all property was \$755 million in 1995 compared to \$750 million in 2010. The City of Euclid has enacted a number of programs, including tax incentive programs, to encourage business growth and development.

As in most areas of the county, property tax delinquency and foreclosure increases have had a negative impact on property tax collections. Fortunately, the voters of Euclid approved a ten-year \$5.6 million operating levy in November, 2008.

Of the District's General Fund operations, 46 percent of the General Fund cash basis revenue is received from real estate taxes on residential, commercial, and industrial properties. Another 1 percent is received from tangible personal property taxpayers. Shared City income tax accounted for 7 percent. Approximately 44 percent is received from various forms of State aid. The balance represented Federal sources, interest earnings and miscellaneous receipts.

After several years of increasing enrollment to 6,573 in 2006, the last four years saw decreases to 6,466 in 2007, 6,134 in 2008, 6,095 in 2009, and 5,944 in 2010, due in most part, to the state's continued expansion of School Choice.

The State of Ohio's charter school and voucher programs have had a negative effect on the District's state revenues. Students who transfer to charter schools or receive vouchers to attend private schools essentially take their state per pupil funding along with them to those schools. In fiscal year 2010, approximately \$7.2 million was deducted from the District's State revenue for those programs.

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920 which mandates that any reappraisal property increase results in an approximately equal value decrease in millage. As a result, school districts throughout Ohio must place operating funding issues on the ballot at regular intervals to keep pace with inflation and added programming.

Ohio House Bill 66, enacted in 2005, made significant changes to the State's business tax law. Among the changes is the phase down and elimination of the tangible personal property tax.

The phase-out for the tangible personal property tax began with the 2006 tax collection year, in which approximately 75 percent of the traditional amount was payable, followed by 50 percent and 25 percent in tax collection years 2007 and 2008, respectively, with no tax due in tax collection year 2009 and beyond.

At the same time the tax phase-out is occurring, the phase-in of the H.B. 66 personal property tax loss reimbursement mechanism was initiated to make payments to school districts to help offset the loss of personal property tax collections. The reimbursement payments coincided with the phase-out, and in essence approximated the reciprocal percentage of the phase-out tax payment percentage (i.e. 25, 50, 75 and 100 for the tax collection years 2006, 2007, 2008, and 2009, respectively). These reimbursements are scheduled to be phased out after 2013.

The State of Ohio adopted its 2010-2011 biennial budget in the summer of 2009. This budget, House Bill 1, drastically changes how public education is funded. The State's formula has been changed from a per pupil funding base to an evidence based model which utilizes inputs of factors believed to be essential for successful schools. However, revenue shortfalls and corresponding budget issues prevented the State from fully funding the new formula.

### **Financial Information**

#### ***Internal Accounting and Budgetary Control***

In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing 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 District utilizes an automated accounting and payroll system as designed by the State software development team. An internal controls system for capital assets is provided by an outside company. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

Prior to the start of each fiscal year, the Board of Education adopts an appropriation measure for that fiscal year. The Board has the ability to adopt temporary appropriations prior to September 30 if permanent appropriations are not yet available. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed County Budget Commission's official estimate of resources. The County Auditor certifies that the Board of Education's appropriation measures, including any supplements or amendments do not exceed the amount set forth in the latest of those official estimates (See Note 2 for additional budgetary information).

### **Long-Term Financial Planning**

The District is the only school district in the State of Ohio with an enacted shared City/School income tax. The shared City income tax, enacted in 1994, is an .85 percent City voted income tax of which .47 percent was for the District and .38 percent for the City. The District and City continue to be partners in redeveloping various industrial sites in the City of Euclid that are currently vacant and/or under-utilized.

In 2004, a 2.5 mill continuing permanent improvement levy was passed by the voters. These funds were intended to be used for costs associated with a District wide reorganization, which included the reopening of two elementary schools, and ongoing capital improvements.

In November 2008, a ten-year \$5.6 million emergency levy was approved by the voters of the District. Approximately 6.9 mills was assessed beginning with the 2008 tax year (2009 collection year) and end with the 2017 tax year. This added revenue source in conjunction with spending reductions in the 2009-2010 fiscal year will enable the District to operate without a fund balance deficit through June 2011.

The District has a comprehensive technology plan for moving into the twenty-first century. The District is well known for accomplishments in the area of integrating technology into the instructional process. The District has a full-time technology resource teacher in every building. Several of the schools have been recognized annually by their winning entries into the National Computer Learning Month competition.

Over the last two years, the District developed a long range facility plan to replace all of its aging buildings. Additionally, the District and the Ohio School Facilities Commission agreed to a master plan to accomplish this goal with the State of Ohio paying 41% of the total cost. In November, 2009, the voters of Euclid approved a \$40.3 million 28-year bond issue that will provide the local 59% share to complete the elementary school segment of the Master Plan. The issuance of these bonds took place in March 2010. The District took advantage of federally designated Build America Bonds (BABs) and Qualified School Construction Bonds which significantly reduced the interest obligations of the bond issuances.

## **Major Initiatives**

In February, 1994, the District's Board of Education adopted the following mission statement:

*It is the mission of the Euclid City Schools to provide an environment for learning. Our graduates will be prepared for the world of work and a place in our community as good citizens. The responsibility for resources and support lies with everyone in our community. The responsibility to learn lies with the students.*

Starting in 1994, the District maintained a Five-Year Plan, which has guided the District's strategies and major initiatives. Effective with the 1999-2000 school year, the State Department of Education required each urban school district to develop and maintain a Consolidated Continuous Improvement Plan (CCIP). The (CCIP) has many of the same aspects as the District's Five-Year Plan. Initially, the development of the CCIP was primarily a revision of the Five-Year Plan. Beginning in 2004, school districts designated as districts in School Improvement (SI) status – as Euclid was – were required to focus most major initiatives through the CCIP document. At this time, the District abandoned the more cumbersome Five –Year Plan that had become less useful as a planning and implementation tool and had become redundant due to the required development and deployment of the CCIP.

Consolidated Continuous Improvement Plan (CCIP) Goals:

The CCIP is the major focus of all educational planning for the District and establishes the key goals for each school that must also write a School Improvement Plan (SIP) because the schools have not achieved Adequate Yearly Progress (AYP) required by No Child Left Behind (NCLB) legislation.

The District's CCIP establishes five major goals: Academic Excellence, Organizational Excellence, Safe and Supportive Schools, Partnering with Parents and Community and Adult Basic Literacy Education with appropriate supporting strategies and action steps.

The CCIP fulfills the state's required documentation for the awarding and expenditure of major grant funding as well as the guiding document for school-based planning.

Euclid is now required to participate in the Ohio Improvement Process (OIP). The OIP limits districts to two or three goals with supporting strategies and action steps. The State has reported that the District goals developed during the OIP will replace the CCIP goals, but since the CCIP has been required for grant funding, the District is waiting to see what will actually be included in the CCIP going forward.

The three major goals so far established include the following:

1. **Reading:** All students in the Euclid City Schools will be proficient in reading by 2014. Therefore, by August 2011 all schools will reduce by 50 percent the difference between their 2007-2008 passage rate on the OAT/OGT and 100 percent proficiency.
2. **Mathematics:** All students in the Euclid City Schools will be proficient in math by 2014. Therefore, by August 2011 all schools will reduce by 50 percent the difference between their 2007-2008 passage rate on the OAT/OGT and 100 percent proficiency.

3. **Climate:** The Euclid City Schools will provide learning environments that are safe, engaging and promote clear behavioral expectations for all students as evidenced by a 25 percent decrease in suspendable offenses by August 2011 compared to the 2007-2008 data.

Due to the District's aging facilities and an upcoming opportunity for matching funds from the State of Ohio, the District completed a long range facility study during the 2008 fiscal year. A professional facility assessment, and enrollment trend analysis, planning sessions and a series of community focus group meetings were completed over the course of the year. The District decided to segment the facilities plan into three segments in the following order: elementary phase; high school phase; and middle school phase. In 2009, the community supported a \$40.3 million bond issue for the elementary phase successfully assuring a \$25 million contribution from the State's Ohio School Facilities Commission (OSFC). Construction of four new elementary buildings will begin in spring 2011 with an expected completion in August 2012.

### **Awards**

GFOA Certificate of Achievement. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Euclid City School District for its comprehensive annual financial report for the year ended June 30, 2009. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **Acknowledgements**

The publication of this report maintains a high level of accountability of the District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the School Treasurer's Office and Finance Department and various administrators and employees of the District. Assistance of the County Auditor's office staff and other outside agencies made possible the fair presentation of the statistical data.

In addition, special appreciation is expressed to the firm of James G. Zupka, CPA, Inc. for the advice and guidance rendered to the production of this report.

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

Respectfully submitted,



Stephen Vasek, Treasurer



Dr. Joffrey Jones, Superintendent

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Euclid City School District  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2009

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



President

Executive Director



**PRINCIPAL OFFICIALS**  
**JUNE 30, 2010**

**BOARD OF EDUCATION**

- Mr. Berry Sweet** ..... **President**
- Mrs. Donna Sudar**..... **Vice President**
- Mrs. Angela Lisy** ..... **Member**
- Mr. Kent Smith** ..... **Member**
- Ms. Kay Van Ho**..... **Member**

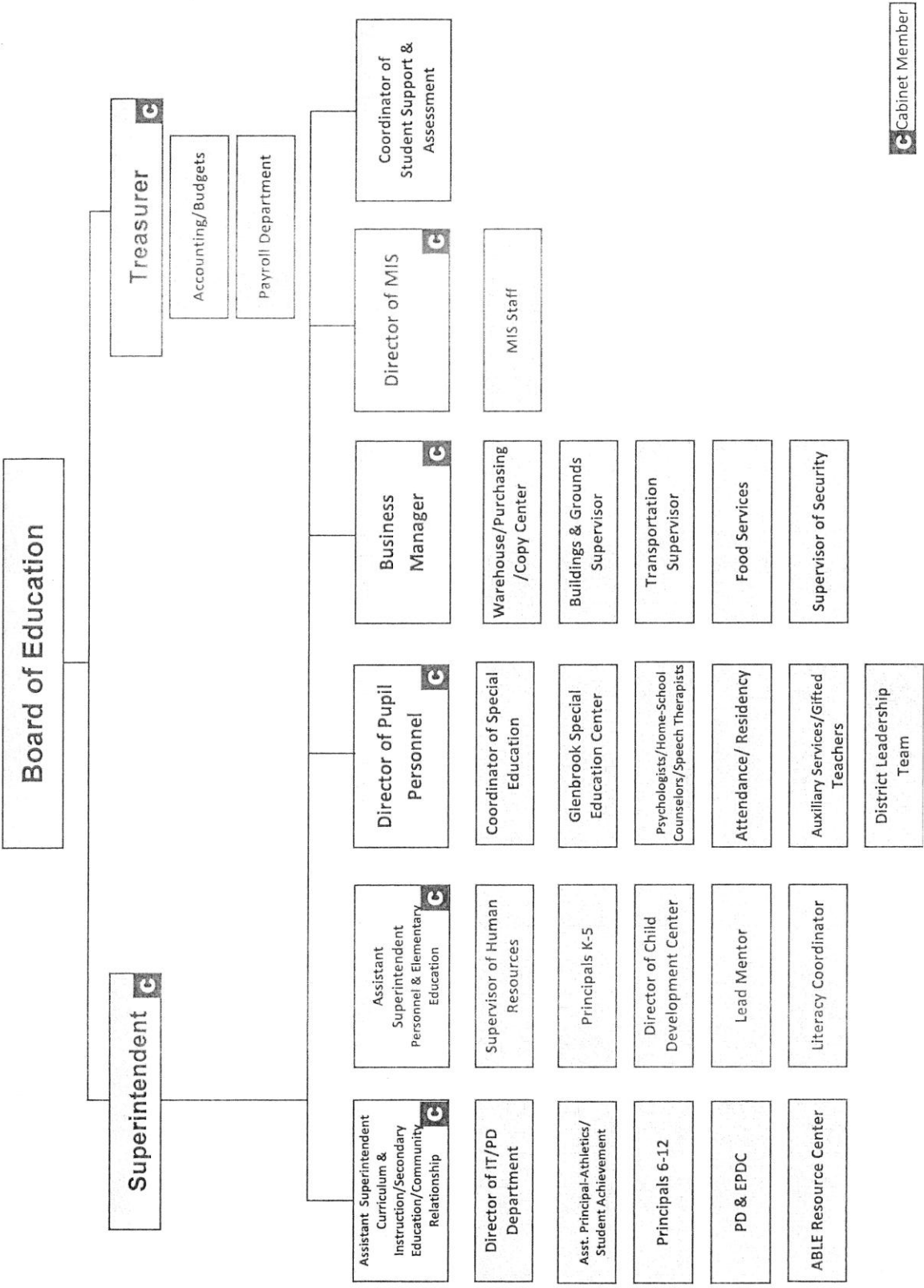
**TREASURER**

**Mr. Stephen Vasek**

**ADMINISTRATION**

- Dr. Joffrey Jones** ..... **Superintendent**
- Dr. Andrea Celico** ..... **Assistant Superintendent - Personnel**
- Dr. John Schweitzer**..... **Assistant Superintendent - Curriculum**
- Mr. Ken Clickenger** ..... **Business Manager**
- Mrs. Kim Allen**..... **Director, Pupil Personnel**

Administrative Organization Chart - Euclid Board of Education



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# **FINANCIAL SECTION**



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Euclid City School District  
Cuyahoga County  
651 East 222<sup>nd</sup> Street  
Euclid, Ohio 44123

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Euclid City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Euclid City School District, Cuyahoga County, Ohio, as of June 30, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General fund 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 27, 2010, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



**Mary Taylor, CPA**  
Auditor of State

December 27, 2010

**Management's Discussion and Analysis**

**For the Fiscal Year Ended June 30, 2010 (Unaudited)**

The management's discussion and analysis of the Euclid City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2010 are as follows:

- In total, net assets increased \$2,972,669 or by 9.3 percent. Net assets of governmental activities increased \$3,123,112 which represents a 10.1 percent increase from 2009 to 2010. Net assets of business-type activities decreased \$150,443 which represents a 19.7 percent decrease from 2009 to 2010.
- General revenues accounted for \$77,175,277 in revenue or 89.0 percent of all governmental revenues. Program specific revenues in the form of charges and sales and operating grants and contributions accounted for \$9,580,237 or 11.0 percent of total governmental revenues of \$86,755,514.
- Total assets of governmental activities increased by \$42,169,785 as current and other assets increased by \$41,948,617 and capital assets increased by \$221,168. Total liabilities of governmental activities increased by \$39,046,673. Both increases in assets and liabilities are a direct impact of the recognition of debt proceeds and the respective long-term liabilities associated with the debt that was issued during fiscal year 2010.
- The District had \$83,620,402 in expenses related to governmental activities; only \$9,580,237 of these expenses were offset by program specific charges for services and operating grants and contributions. General revenues (primarily taxes) of \$77,175,277 were adequate to provide for these programs.
- The general fund had \$70,247,466 in revenues (including other financing sources) and \$73,547,497 in expenditures (including other financing uses). The general fund's fund balance decreased to \$6,418,547 from \$9,718,578.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

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

***Reporting the District as a Whole***

*Statement of Net Assets and Statement of Activities*

While this document contains information about the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2010?” The Statement of Net Assets and Statement of Activities answer this question. These statements include *all assets* and *all liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Assets and Statement of Activities, the District is divided into two distinct kinds of activities:

- Governmental Activities - Most of the District’s programs and services are reported here including instruction, support services, operation and maintenance of plant services, pupil transportation, and extracurricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District’s food service, uniform school supplies, and customer services are reported as business activities.

***Reporting the District’s Most Significant Funds***

*Fund Financial Statements*

The analysis of the District’s major fund begins on page 8. Fund financial statements provide detailed information about the District’s major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District’s most significant funds. The District’s major governmental funds are the general fund and the classroom facilities fund.

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

*Proprietary Funds* Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.



**The School District as a Whole**

You may recall that the Statement of Net Assets provides the perspective of the District as a whole.

Table 1 provides a summary of the District’s net assets for 2010 compared to 2009:

**Table 1 - Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
<b>ASSETS</b>						
Current and other assets	\$ 104,535,717	\$ 62,587,100	\$ 809,187	\$ 913,683	\$ 105,344,904	\$ 63,500,783
Capital assets, net	26,012,971	25,791,803	108,001	127,705	26,120,972	25,919,508
<b>Total Assets</b>	<b>130,548,688</b>	<b>88,378,903</b>	<b>917,188</b>	<b>1,041,388</b>	<b>131,465,876</b>	<b>89,420,291</b>
<b>LIABILITIES</b>						
Current and other liabilities	39,315,901	40,350,870	200,132	180,206	\$ 39,516,033	\$ 40,531,076
Long-term liabilities:						
Due within one year	6,841,714	4,431,275	6,156	5,777	6,847,870	4,437,052
Due in more than one year	50,216,811	12,545,608	96,445	90,507	50,313,256	12,636,115
<b>Total Liabilities</b>	<b>96,374,426</b>	<b>57,327,753</b>	<b>302,733</b>	<b>276,490</b>	<b>96,677,159</b>	<b>57,604,243</b>
<b>NET ASSETS</b>						
Invested in capital assets, net of related debt	13,871,714	12,778,218	108,001	127,705	13,979,715	12,905,923
Restricted	8,668,214	5,610,784	-	-	8,668,214	5,610,784
Unrestricted	11,634,334	12,662,148	506,454	637,193	12,140,788	13,299,341
<b>Total Net Assets</b>	<b>\$ 34,174,262</b>	<b>\$ 31,051,150</b>	<b>\$ 614,455</b>	<b>\$ 764,898</b>	<b>\$ 34,788,717</b>	<b>\$ 31,816,048</b>

Current assets of governmental activities increased \$41,948,617. Capital assets slightly increased by \$221,168. Equity in pooled cash and cash equivalents and investments increased by \$39,268,868 due to the District’s issuing of \$40,299,828 in general obligation bonds to finance the construction of multiple school buildings and improvements. As a result of the bond issuance, the District’s long-term liabilities increased by \$40,081,642.

The net assets of the District’s business-type activities decreased by \$150,443 or 19.7 percent.

Table 2 shows the changes in net assets for fiscal year 2010 compared to 2009.

**Table 2 - Change in Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
<b>REVENUES</b>						
Program Revenues:						
Charges for services	\$ 918,336	\$ 1,107,029	\$ 1,159,420	\$1,177,473	\$ 2,077,756	\$ 2,284,502
Operating grants and contributions	8,661,901	9,462,064	2,094,721	1,856,667	10,756,622	11,318,731
<b>Total Program Revenues</b>	<b>9,580,237</b>	<b>10,569,093</b>	<b>3,254,141</b>	<b>3,034,140</b>	<b>12,834,378</b>	<b>13,603,233</b>
General Revenues:						
Property taxes	40,035,131	37,374,004	-	-	40,035,131	37,374,004
Municipal income taxes	5,232,280	5,745,681	-	-	5,232,280	5,745,681
Grants and entitlements	31,539,926	29,350,742	-	-	31,539,926	29,350,742
Payment in Lieu of Taxes	58,214	287,593	-	-	58,214	287,593
Investment income	244,143	332,880	222	712	244,365	333,592
All other revenues	65,583	96,400	26,607	26,132	92,190	122,532
<b>Total General Revenues</b>	<b>77,175,277</b>	<b>73,187,300</b>	<b>26,829</b>	<b>26,844</b>	<b>77,202,106</b>	<b>73,214,144</b>
<b>Total Revenues</b>	<b>86,755,514</b>	<b>83,756,393</b>	<b>3,280,970</b>	<b>3,060,984</b>	<b>90,036,484</b>	<b>86,817,377</b>
<b>EXPENSES</b>						
Program Expenses:						
Instruction:						
Regular	29,897,814	29,685,825	-	-	29,897,814	29,685,825
Special	16,347,412	14,747,557	-	-	16,347,412	14,747,557
Vocational	1,236,761	1,292,997	-	-	1,236,761	1,292,997
Adult/Continuing	153,632	80,245	-	-	153,632	80,245
Other	253,532	737,533	-	-	253,532	737,533
Supporting Services:						
Pupil	4,541,877	4,102,032	-	-	4,541,877	4,102,032
Instructional Staff	5,846,569	5,349,115	-	-	5,846,569	5,349,115
Board of Education	61,406	63,413	-	-	61,406	63,413
Administration	5,245,661	5,325,009	-	-	5,245,661	5,325,009
Fiscal	1,977,032	2,013,309	-	-	1,977,032	2,013,309
Business	814,625	758,527	-	-	814,625	758,527
Operation and Maintenance of Plant	8,052,726	8,039,562	-	-	8,052,726	8,039,562
Pupil Transportation	4,584,065	3,801,548	-	-	4,584,065	3,801,548
Central	1,633,202	1,240,344	-	-	1,633,202	1,240,344
Operation of Non-Instructional Services	982,236	1,152,878	-	-	982,236	1,152,878
Extracurricular Activities	1,116,742	1,281,346	-	-	1,116,742	1,281,346
Interest and Fiscal Charges	875,110	537,331	-	-	875,110	537,331
Food Service	-	-	2,619,356	2,450,210	2,619,356	2,450,210
Uniform School Supplies	-	-	12,816	5,909	12,816	5,909
Customer Service	-	-	811,241	816,342	811,241	816,342
<b>Total Expenses</b>	<b>83,620,402</b>	<b>80,208,571</b>	<b>3,443,413</b>	<b>3,272,461</b>	<b>87,063,815</b>	<b>83,481,032</b>
Change in Net Assets before Transfers	3,135,112	3,547,822	(162,443)	(211,477)	2,972,669	3,336,345
Transfers	(12,000)	57,638	12,000	(57,638)	-	-
<b>Change in Net Assets</b>	<b>3,123,112</b>	<b>3,605,460</b>	<b>(150,443)</b>	<b>(269,115)</b>	<b>2,972,669</b>	<b>3,336,345</b>
Net Assets - Beginning of Year	31,051,150	27,445,690	764,898	1,034,013	31,816,048	28,479,703
<b>Net Assets - End of Year</b>	<b>\$ 34,174,262</b>	<b>\$31,051,150</b>	<b>\$ 614,455</b>	<b>\$ 764,898</b>	<b>\$34,788,717</b>	<b>\$31,816,048</b>

***Governmental Activities***

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 46.1 percent of revenues for governmental activities for the District in fiscal year 2010. General grants and entitlements represented 36.4 percent of governmental activity revenue in fiscal year 2010.

Instruction comprises 57.3 percent of governmental program expenses. Pupil and Instructional Staff comprised 12.4 percent, Board of Education, Administration, Fiscal, and Business comprised 9.7 percent, Operations and Maintenance of Plant comprised 9.6 percent, and Pupil Transportation comprised 5.5 percent of governmental program expenses. Interest and fiscal charges expenses were 1.0 percent of governmental program expenses. Most of the interest and fiscal charges expense was attributable to outstanding debt issues previously approved by the residents of the District to fund capital projects.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services for 2010 and 2009. Table 3 shows the total cost for services for governmental activities and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 3 - Governmental Activities**

	Total Cost of Services 2010	Total Cost of Services 2009	Net Cost of Services 2010	Net Cost of Services 2009
Instruction	\$ 47,889,151	\$ 46,544,157	\$ (43,174,052)	(39,651,218)
Supporting Services:				
Pupils and Instructional Staff	10,388,446	9,451,147	(7,498,428)	(7,581,067)
Board of Education, Administration, Fiscal, and Business	8,098,724	8,160,258	(7,537,221)	(7,981,116)
Operation and Maintenance of Plant	8,052,726	8,039,562	(7,994,682)	(7,872,032)
Pupil Transportation	4,584,065	3,801,548	(4,486,275)	(3,733,961)
Central	1,633,202	1,240,344	(1,621,930)	(1,222,232)
Operation of Non-Instructional Services	982,236	1,152,878	7,569	(56,624)
Extracurricular Activities	1,116,742	1,281,346	(860,036)	(1,003,897)
Interest and fiscal charges	875,110	537,331	(875,110)	(537,331)
Total cost of service	<u>\$ 83,620,402</u>	<u>\$ 80,208,571</u>	<u>\$ (74,040,165)</u>	<u>\$ (69,639,478)</u>

The dependence upon general revenues for governmental activities is apparent. Over 88.5 percent of governmental activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 89.0 percent of total governmental revenues. The community, as a whole, is the primary support for the District.

***Business Type Activities***

Business-type activities include the food service operation, the sale of uniform school supplies, and an automotive shop customer service operation. These programs had revenues of \$3,280,970 and expenses of \$3,443,413 in fiscal year 2010. The food service and customer service programs had decreases in net assets of \$77,937 and \$71,331, respectively. Reviews of these operations, including consideration of price adjustments and expense control is ongoing.

**The School District's Funds**

The District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$125,815,688 and expenditures of \$87,645,947 (including other financing sources and uses). The net increase in fund balance (including Other Financing Sources and Uses) of \$38,169,741 was due in part, to the District's issuance of \$40,299,828 in general obligation bonds. Only \$1,232,142 of the bond proceeds has been spent. Due to the state of public school funding in the Ohio, the current system does not allow for built in adjustments to revenue streams as operating costs increase. Ohio school districts are generally required to place funding issues on the ballot every three to five years in order to increase funding for the increased cost of doing business.

Due to decreases in taxes and interest income coupled with increases in expenditures, the general fund experienced a net decrease in fund balance of \$3,300,031. The classroom facilities fund netted an increase of \$34,585,123 in fund balance due to the bond issuance mentioned above. All other governmental funds netted an increase in fund balance of \$6,884,649 in total.

***General Fund Budgeting Highlights***

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

During the course of fiscal year 2010, the District amended its general fund budget numerous times, none being significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, the total final budget basis revenue was decreased to \$73,024,641 from the total original budget estimates of \$73,804,522, due to a decrease in anticipated tax revenues. Actual tax revenues were lower than the final amended budget.

The total original appropriations of \$77,719,970 were increased to \$78,119,971. The District did perform several legally approved transfers within line items of the general fund.

The District's ending unobligated cash balance was \$720,824 above the final budgeted amount.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal 2010, the District had \$26,120,972 invested in land, land improvements, buildings and improvements, furniture and equipment, and vehicles of which, \$26,012,971 represented governmental activities. Table 4 shows fiscal 2010 balances compared to 2009.

**Table 4 - Capital Assets at June 30 (net of depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2010	Restated	2010	2009	2010	2009
		2009				
Land	\$ 2,052,789	\$ 2,052,789	\$ -	\$ -	\$ 2,052,789	\$ 2,052,789
Construction in progress	1,232,142	-	-	-	1,232,142	-
Land Improvements	1,001,182	1,068,699	-	-	1,001,182	1,068,699
Buildings and Improvements	20,595,672	21,286,138	11,250	11,400	20,606,922	21,297,538
Furniture and Equipment	341,598	383,062	67,818	80,942	409,416	464,004
Vehicles	789,588	1,001,115	28,933	35,363	818,521	1,036,478
<b>Total Capital Assets</b>	<b>\$ 26,012,971</b>	<b>\$ 25,791,803</b>	<b>\$ 108,001</b>	<b>\$ 127,705</b>	<b>\$ 26,120,972</b>	<b>\$ 25,919,508</b>

For fiscal year 2010, Ohio law required school districts to set aside three percent of certain revenues for capital improvements and textbooks. For fiscal 2010, this amounted to \$832,844 for each set aside. For fiscal year 2010, the District had qualifying disbursements or offsets exceeding these requirements. The District has budgeted to meet these requirements.

Additional information on capital asset policies and activity are contained in Notes 2 and 10 of the basic financial statements.

***Debt***

At June 30, 2010, the District had \$50,503,682 in bonds and long-term notes outstanding with \$3,629,300 due within one year. Table 5 summarizes the District's bonds and notes outstanding.

**Table 5 - Outstanding Debt at Year End**

	Governmental Activities	
	2010	2009
General Obligation Bonds:		
Energy Conservation Bonds	\$ 2,643,900	\$ 2,878,000
School and Library Refunding	3,944,954	5,554,954
Classroom Facilities and School Improvements	40,299,828	-
Long-Term Tax Anticipation Notes	3,615,000	4,250,000
<b>Total Outstanding Debt</b>	<b>\$ 50,503,682</b>	<b>\$ 12,682,954</b>

The energy conservation bonds were issued to replace heating systems and lighting systems at several schools throughout the District. Both bonds will be repaid in 15 years from the bond retirement fund.

In 2004, the District issued \$6.5 million, ten year tax anticipation notes for the renovation and equipping of three school buildings, parking lot resurfacing and track resurfacing.

In 2006, the District issued bonds to refund most of the school refunding and library improvement issues.

In 2010, the District issued bonds to finance multiple school building construction and improvement projects.

At June 30, 2010, the District's overall legal debt margin was \$28,161,678 with an unvoted debt margin of \$749,990. The District maintains an A-1 bond rating.

Additional information on debt policies and activity are contained in Notes 2 and 11 of the basic financial statements.

### **For the Future**

A ten-year \$5.6 million emergency operating levy was passed by voters in November, 2008. The positive impact of that additional revenue has been offset by weakening economic conditions the last three years. Property tax collections have suffered due to increases in delinquencies and foreclosures. Additionally, property values, as determined by the Cuyahoga County Auditor for tax collections, were reduced on average by 10% in 2009. Income tax collections dropped by nearly 15% since the 2007-08 fiscal year. Due to historically low available market rates, annual interest earnings dropped by nearly \$1 million in that same time frame.

State Funding for K-12 education remained relatively flat for the FY10-11 biennium. However, this was only accomplished through use of \$8 billion of "one-time" money, the largest amount being fiscal stabilization funding from the federal government's fiscal stimulus package.

Additional federal monies are not expected for the State's next budget cycle, which begins July 1, 2011. As the State's economy has not yet fully recovered from the recession, a significant reduction in funding for K-12 education is expected.

In order to address the financial difficulties, the District has made spending reductions of \$3.7 million over the last two years. It is anticipated an operating levy will be placed on the ballot in 2011 in conjunction with further expenditure reductions.

The Euclid School District has committed itself to financial excellence for many years. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1997.

In addition, the District's system of budget and internal controls are well regarded. All of the District's financial abilities will be needed to meet the challenges of the future.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Stephen Vasek, Treasurer at Euclid City School District, 651 East 222 Street, Euclid, Ohio 44123-2090 or e-mail at [svasek@euclid.k12.oh.us](mailto:svasek@euclid.k12.oh.us)

*Basic Financial Statements*



**Statement of Net Assets**

**June 30, 2010**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 15,694,360	\$ 789,517	\$ 16,483,877
Investments	42,648,068	-	42,648,068
Income Taxes Receivable	419,125	-	419,125
Property Taxes Receivable	43,711,601	-	43,711,601
Accounts Receivable	857,034	-	857,034
Accrued Interest Receivable	132,055	-	132,055
Intergovernmental Receivable	457,802	-	457,802
Materials and Supplies Inventory	107,828	19,355	127,183
Prepaid Items	79,356	315	79,671
Deferred Charges	428,488	-	428,488
Nondepreciable Capital Assets	3,284,931	-	3,284,931
Depreciable Capital Assets, Net	22,728,040	108,001	22,836,041
<b>Total Assets</b>	<b>130,548,688</b>	<b>917,188</b>	<b>131,465,876</b>
<b>LIABILITIES</b>			
Accounts Payable	786,741	11,868	798,609
Accrued Wages and Benefits	5,646,035	35,083	5,681,118
Intergovernmental Payable	2,555,905	150,020	2,705,925
Matured Bonds Payable	-	3,161	3,161
Accrued Interest Payable	421,934	-	421,934
Matured Compensated Absences Payable	960	-	960
Deferred Revenue	29,904,326	-	29,904,326
Long-term Liabilities:			
Due within one year	6,841,714	6,156	6,847,870
Due in more than one year	50,216,811	96,445	50,313,256
<b>Total Liabilities</b>	<b>96,374,426</b>	<b>302,733</b>	<b>96,677,159</b>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	13,871,714	108,001	13,979,715
Restricted:			
Capital Projects	1,481,374	-	1,481,374
Debt Service	5,296,865	-	5,296,865
Special Revenue	613,840	-	613,840
Set-Asides	1,276,135	-	1,276,135
Unrestricted	11,634,334	506,454	12,140,788
<b>Total Net Assets</b>	<b>\$ 34,174,262</b>	<b>\$ 614,455</b>	<b>\$ 34,788,717</b>

See accompanying notes to the basic financial statements.

**Statement of Activities**

**For the Fiscal Year Ended June 30, 2010**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>						
Instruction:						
Regular Instruction	\$ 29,897,814	\$ 444,689	\$ 1,761,177	\$ (27,691,948)	\$ -	\$ (27,691,948)
Special Instruction	16,347,412	900	2,350,193	(13,996,319)	-	(13,996,319)
Vocational Instruction	1,236,761	-	-	(1,236,761)	-	(1,236,761)
Adult/Continuing Instruction	153,632	-	158,140	4,508	-	4,508
Other Instruction	253,532	-	-	(253,532)	-	(253,532)
Supporting Services:						
Pupils	4,541,877	-	259,458	(4,282,419)	-	(4,282,419)
Instructional Staff	5,846,569	-	2,630,560	(3,216,009)	-	(3,216,009)
Board of Education	61,406	-	-	(61,406)	-	(61,406)
Administration	5,245,661	67,504	354,798	(4,823,359)	-	(4,823,359)
Fiscal Services	1,977,032	-	139,201	(1,837,831)	-	(1,837,831)
Business	814,625	-	-	(814,625)	-	(814,625)
Operation and Maintenance of Plant	8,052,726	58,044	-	(7,994,682)	-	(7,994,682)
Pupil Transportation	4,584,065	90,493	7,297	(4,486,275)	-	(4,486,275)
Central	1,633,202	-	11,272	(1,621,930)	-	(1,621,930)
Operation of Non-Instructional Services	982,236	-	989,805	7,569	-	7,569
Extracurricular Activities	1,116,742	256,706	-	(860,036)	-	(860,036)
Interest and Fiscal Charges	875,110	-	-	(875,110)	-	(875,110)
<b>Total Governmental activities</b>	<u>83,620,402</u>	<u>918,336</u>	<u>8,661,901</u>	<u>(74,040,165)</u>	<u>-</u>	<u>(74,040,165)</u>
<b>Business-type activities:</b>						
Food Service	2,619,356	474,817	2,066,280	-	(78,259)	(78,259)
Uniform School Supplies	12,816	-	-	-	(12,816)	(12,816)
Customer Services	811,241	684,603	28,441	-	(98,197)	(98,197)
<b>Total Business-type activities</b>	<u>3,443,413</u>	<u>1,159,420</u>	<u>2,094,721</u>	<u>-</u>	<u>(189,272)</u>	<u>(189,272)</u>
<b>Totals</b>	<u>\$ 87,063,815</u>	<u>\$ 2,077,756</u>	<u>\$ 10,756,622</u>	<u>(74,040,165)</u>	<u>(189,272)</u>	<u>(74,229,437)</u>
<b>General Revenues:</b>						
Property and Other Local Taxes levied for:						
General Purposes				34,566,784	-	34,566,784
Debt Service				4,709,405	-	4,709,405
Capital Outlay				758,942	-	758,942
Income Taxes levied for:						
General Purposes				5,232,280	-	5,232,280
Payment in Lieu of Taxes				58,214	-	58,214
Grants & Entitlements not restricted to specific programs				31,539,926	-	31,539,926
Investment Income				244,143	222	244,365
All Other Revenues				65,583	26,607	92,190
<b>Total General Revenues</b>				<u>77,175,277</u>	<u>26,829</u>	<u>77,202,106</u>
Transfers				(12,000)	12,000	-
Change in Net Assets				3,123,112	(150,443)	2,972,669
Net Assets - Beginning of Year				31,051,150	764,898	31,816,048
<b>Net Assets - End of Year</b>				<u>\$ 34,174,262</u>	<u>\$ 614,455</u>	<u>\$ 34,788,717</u>

See accompanying notes to the basic financial statements.

**Balance Sheet  
Governmental Funds**

**June 30, 2010**

	General	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,192,434	\$ 1,337,868	\$ 5,992,829	\$ 11,523,131
Investments	1,108,369	33,155,234	4,674,236	38,937,839
Materials and Supplies Inventory	107,828	-	-	107,828
Accrued Interest Receivable	400	119,305	-	119,705
Accounts Receivable	857,034	-	-	857,034
Interfund Receivable	280,722	-	122,503	403,225
Intergovernmental Receivable	58,000	-	399,802	457,802
Prepaid Items	75,909	-	3,447	79,356
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	1,276,135	-	-	1,276,135
Income Taxes Receivable	419,125	-	-	419,125
Property Taxes Receivable	37,580,927	-	6,130,674	43,711,601
<b>Total Assets</b>	<b>\$ 45,956,883</b>	<b>\$ 34,612,407</b>	<b>\$ 17,323,491</b>	<b>\$ 97,892,781</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 569,322	\$ 27,284	\$ 189,963	\$ 786,569
Accrued Wages and Benefits	5,004,942	-	641,093	5,646,035
Intergovernmental Payable	1,927,755	-	139,664	2,067,419
Matured Compensated Absences Payable	960	-	-	960
Interfund Payable	-	-	397,000	397,000
Deferred Revenue	32,035,357	-	5,100,006	37,135,363
<b>Total Liabilities</b>	<b>39,538,336</b>	<b>27,284</b>	<b>6,467,726</b>	<b>46,033,346</b>
<b>Fund Balances:</b>				
Reserved for:				
Encumbrances	637,786	9,900	326,852	974,538
Inventory	107,828	-	-	107,828
Prepaid Items	75,909	-	3,447	79,356
Budget Stabilization	1,276,135	-	-	1,276,135
Property Taxes	5,603,570	-	1,030,668	6,634,238
Unreserved:				
Undesignated, Reported in:				
General Fund	(1,282,681)	-	-	(1,282,681)
Special Revenue Funds	-	-	(1,995)	(1,995)
Debt Service Fund	-	-	4,179,001	4,179,001
Capital Projects Funds	-	34,575,223	5,317,792	39,893,015
<b>Total Fund Balances</b>	<b>6,418,547</b>	<b>34,585,123</b>	<b>10,855,765</b>	<b>51,859,435</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 45,956,883</b>	<b>\$ 34,612,407</b>	<b>\$ 17,323,491</b>	<b>\$ 97,892,781</b>

See accompanying notes to the basic financial statements.

**Reconciliation of Total Governmental Fund Balances to  
Net Assets of Governmental Activities**

**June 30, 2010**

**Total Governmental Funds Balance** \$ 51,859,435

*Amounts reported for Governmental Activities in the Statement of Net Assets  
are different because:*

Capital Assets used in Governmental Activities (excluding internal service fund  
capital assets) are not financial resources and, therefore, are not reported in the funds 25,992,127

Other long-term assets are not available to pay for current-period expenditures  
and, therefore, are deferred in the funds:

Property taxes	<u>\$ 7,231,037</u>	
Total		7,231,037

Internal Service funds are used by management to charge the costs  
of certain activities, such as insurance to individual funds. The assets  
and liabilities of the Internal Service funds are included in Governmental  
Activities in the Statement of Net Assets. 4,453,140

Long-term liabilities, including bonds payable, are not due and payable in the  
current period and therefore are not reported in the funds:

General obligation bonds	(46,888,682)	
Tax anticipation notes payable	(3,615,000)	
Bond accretion	(410,994)	
Unamortized bond premium	(705,261)	
Deferred charges related to debt issuance	428,488	
Compensated absences	(3,169,433)	
Retirement payout liability	(578,661)	
Accrued interest payable	<u>(421,934)</u>	
Total		<u>(55,361,477)</u>

**Net Assets of Governmental Activities** \$ 34,174,262

See accompanying notes to the basic financial statements.

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds**

**For the Fiscal Year Ended June 30, 2010**

	General	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 38,430,948	\$ -	\$ 4,808,053	\$ 43,239,001
Intergovernmental	31,252,572	-	8,950,311	40,202,883
Interest	54,697	176,974	12,472	244,143
Tuition	151,078	-	-	151,078
Extracurricular Activities	-	-	270,111	270,111
Charges for Services	112,353	-	148,500	260,853
Transportation Fees	76,380	-	706	77,086
Classroom Materials and Fees	158,150	-	-	158,150
Miscellaneous	21	-	64,803	64,824
<b>Total Revenues</b>	<u>70,236,199</u>	<u>176,974</u>	<u>14,254,956</u>	<u>84,668,129</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Instruction	28,299,137	-	1,585,869	29,885,006
Special Instruction	12,954,715	-	3,440,569	16,395,284
Vocational Instruction	1,246,927	-	-	1,246,927
Adult/Continuing Instruction	-	-	153,457	153,457
Other Instruction	284,880	-	99	284,979
Supporting Services:				
Pupils	4,228,007	-	313,955	4,541,962
Instructional Staff	4,017,547	-	1,843,584	5,861,131
Board of Education	63,380	-	-	63,380
Administration	5,034,698	-	263,463	5,298,161
Fiscal Services	1,922,203	-	54,829	1,977,032
Business	809,513	-	6,414	815,927
Operation and Maintenance of Plant Services	7,790,522	-	174,595	7,965,117
Pupil Transportation	4,292,964	-	91,380	4,384,344
Central	1,391,009	-	225,543	1,616,552
Operation of Non-Instructional Services:				
Community Services	59,723	-	928,421	988,144
Extracurricular Activities	773,092	-	351,643	1,124,735
Capital Outlay	-	1,187,102	94,096	1,281,198
Debt Service:				
Principal Retirement	-	-	2,479,100	2,479,100
Interest and Fiscal Charges	-	-	435,817	435,817
Bond Issuance Costs	-	-	467,442	467,442
<b>Total Expenditures</b>	<u>73,168,317</u>	<u>1,187,102</u>	<u>12,910,276</u>	<u>87,265,695</u>
Excess of Revenues Over Expenditures	<u>(2,932,118)</u>	<u>(1,010,128)</u>	<u>1,344,680</u>	<u>(2,597,566)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	11,267	-	770	12,037
General Obligation Bonds Issued	-	35,595,251	4,704,577	40,299,828
Premium on Bonds Issued	-	-	467,442	467,442
Transfers In	-	-	368,252	368,252
Transfers Out	(379,180)	-	(1,072)	(380,252)
<b>Total Other Financing Sources (Uses)</b>	<u>(367,913)</u>	<u>35,595,251</u>	<u>5,539,969</u>	<u>40,767,307</u>
Net Change in Fund Balances	<u>(3,300,031)</u>	<u>34,585,123</u>	<u>6,884,649</u>	<u>38,169,741</u>
Fund Balances - Beginning of Year	9,718,578	-	3,971,116	13,689,694
<b>Fund Balances - End of Year</b>	<u>\$ 6,418,547</u>	<u>\$ 34,585,123</u>	<u>\$ 10,855,765</u>	<u>\$ 51,859,435</u>

See accompanying notes to the basic financial statements.

**Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities**

**For the Fiscal Year Ended June 30, 2010**

**Net Change in Fund Balances-Total Governmental Funds** \$ 38,169,741

*Amounts reported for Governmental Activities in the Statement of Activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	\$ 1,607,654	
Depreciation	<u>(1,385,320)</u>	
Total		222,334

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	<u>2,086,624</u>	
Total		2,086,624

Other financing sources in the Governmental funds that increase long-term liabilities in the Statement of Net Assets. These sources were attributed to the issuance of general obligation bonds. (40,299,828)

Repayment of bond principal is an expenditure in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 2,479,100

Premiums on bonds issued are recognized as revenues in the Governmental funds, however, they are amortized over the life of the issuance in the Statement of Activities. (374,630)

Bond issuance costs are recognized as expenditures in the governmental funds, however, they are amortized over the life of the issuance in the Statement of Activities. 428,488

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due. (384,258)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental funds.

Compensated absences	(427,383)	
Retirement payout liability	340,486	
Bond accretion	<u>(108,893)</u>	
Total		(195,790)

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities. 991,331

**Change in Net Assets of Governmental Activities** \$ 3,123,112

See accompanying notes to the basic financial statements.

**Statement of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
General Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 36,673,041	\$ 35,893,160	\$ 38,466,253	\$ 2,573,093
Intergovernmental	36,369,581	36,369,581	31,252,572	(5,117,009)
Interest	82,964	82,964	71,291	(11,673)
Tuition	174,230	174,230	149,717	(24,513)
Charges for Services	146,104	146,104	125,548	(20,556)
Transportation Fees	73,021	73,021	62,747	(10,274)
Classroom Materials and Fees	105,294	105,294	90,480	(14,814)
Miscellaneous	169,020	169,020	169,017	(3)
<b>Total Revenues</b>	<u>73,793,255</u>	<u>73,013,374</u>	<u>70,387,625</u>	<u>(2,625,749)</u>
<b>Expenditures</b>				
Current:				
Instruction				
Regular	29,333,073	29,275,380	28,927,395	347,985
Special	13,471,732	13,797,495	13,120,937	676,558
Vocational	1,835,752	1,349,954	1,343,204	6,750
Other	286,499	326,847	297,684	29,163
Supporting Services				
Pupils	4,493,209	4,534,098	4,198,315	335,783
Instructional Staff	4,325,828	4,361,384	4,044,532	316,852
Board of Education	118,061	87,861	74,136	13,725
Administration	5,422,512	5,257,388	5,149,761	107,627
Fiscal Services	2,045,215	2,122,220	2,026,710	95,510
Business	979,659	963,287	821,033	142,254
Operation and Maintenance of Plant Services	8,480,129	8,466,161	7,860,585	605,576
Pupil Transportation	3,698,722	4,421,669	4,266,621	155,048
Central	1,705,741	1,721,086	1,398,817	322,269
Operation of Non-Instructional Services	60,585	60,585	50,740	9,845
Extracurricular Activities	884,073	885,937	787,523	98,414
<b>Total Expenditures</b>	<u>77,140,790</u>	<u>77,631,352</u>	<u>74,367,993</u>	<u>3,263,359</u>
Excess of Revenues Over Expenditures	<u>(3,347,535)</u>	<u>(4,617,978)</u>	<u>(3,980,368)</u>	<u>637,610</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	11,267	11,267	11,267	-
Advances Out	-	(26,225)	(26,225)	-
Transfers Out	(379,180)	(379,180)	(379,180)	-
Contingencies	(200,000)	(83,214)	-	83,214
<b>Total Other Financing Sources (Uses)</b>	<u>(567,913)</u>	<u>(477,352)</u>	<u>(394,138)</u>	<u>83,214</u>
Net Change in Fund Balance	(3,915,448)	(5,095,330)	(4,374,506)	720,824
Fund Balance - Beginning of Year	8,655,399	8,655,399	8,655,399	-
Prior Year Encumbrances Appropriated	895,705	895,705	895,705	-
<b>Fund Balance - End of Year</b>	<u>\$ 5,635,656</u>	<u>\$ 4,455,774</u>	<u>\$ 5,176,598</u>	<u>\$ 720,824</u>

See accompanying notes to the basic financial statements.

**Statement of Fund Net Assets  
Proprietary Funds**

**June 30, 2010**

	<u>Business-Type Activities - Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Equity in Pooled Cash and Cash Equivalents	\$ 789,517	\$ 2,895,094
Investments	-	3,710,229
Materials and Supplies Inventory	19,355	-
Accrued Interest Receivable	-	12,350
Prepaid Items	315	-
<b>Total Current Assets</b>	<u>809,187</u>	<u>6,617,673</u>
<b>Noncurrent Assets:</b>		
Capital Assets:		
Depreciable Capital Assets, Net of Depreciation	108,001	20,844
<b>Total Assets</b>	<u>917,188</u>	<u>6,638,517</u>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	11,868	172
Accrued Wages and Benefits	35,083	-
Compensated Absences Payable	6,156	-
Intergovernmental Payable	150,020	488,486
Interfund Payable	-	6,225
Matured Compensated Absences Payable	3,161	-
Workers' Compensation Claims Payable	-	150,537
Insurance Claims Payable	-	1,223,600
<b>Total Current Liabilities</b>	<u>206,288</u>	<u>1,869,020</u>
<b>Noncurrent Liabilities:</b>		
Compensated Absences Payable	96,445	-
Workers' Compensation Claims Payable	-	316,357
<b>Total Noncurrent Liabilities</b>	<u>96,445</u>	<u>316,357</u>
<b>Total Liabilities</b>	<u>302,733</u>	<u>2,185,377</u>
<b>NET ASSETS</b>		
Invested in Capital Assets	108,001	20,844
Unrestricted	506,454	4,432,296
<b>Total Net Assets</b>	<u>\$ 614,455</u>	<u>\$ 4,453,140</u>

See accompany notes to the basic financial statements.



**Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Funds**

**For the Fiscal Year Ended June 30, 2010**

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
<b>OPERATING REVENUES</b>		
Food Services	\$ 474,817	\$ -
Charges for Services	12,908	10,084,752
Miscellaneous	26,607	572,433
Extracurricular Activities	-	8,248
Classroom Materials and Fees	-	90,577
Tuition	669,678	-
Transportation Fees	2,017	3,217
<b>Total Operating Revenues</b>	<b>1,186,027</b>	<b>10,759,227</b>
<b>OPERATING EXPENSES</b>		
Salaries	1,450,182	1,698,419
Fringe Benefits	598,745	7,773,474
Purchased Services	78,919	183,461
Materials and Supplies	1,278,279	9,161
Depreciation	31,704	11,782
Other	5,584	128,541
<b>Total Operating Expenses</b>	<b>3,443,413</b>	<b>9,804,838</b>
Operating Income (Loss)	<b>(2,257,386)</b>	<b>954,389</b>
<b>NON-OPERATING REVENUES</b>		
Gain on Sale of Capital Assets	-	12,074
Interest	222	24,868
Intergovernmental	1,881,017	-
Donated Commodities	213,704	-
<b>Total Non-operating Revenues</b>	<b>2,094,943</b>	<b>36,942</b>
Transfers In	12,000	-
Change in Net Assets	(150,443)	991,331
Net Assets - Beginning of Year	764,898	3,461,809
<b>Net Assets - End of Year</b>	<b>\$ 614,455</b>	<b>\$ 4,453,140</b>

See accompany notes to the basic financial statements.

**Statement of Cash Flows  
Proprietary Funds**

**For the Fiscal Year Ended June 30, 2010**

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers	\$ 1,174,386	\$ 10,759,227
Other Cash Receipts	11,641	-
Cash Payments to Employees for Services	(1,437,515)	(1,698,419)
Cash Payments for Employee Benefits	(590,525)	(7,721,920)
Cash Payments for Goods and Services	(1,128,573)	(194,966)
Cash Payments for Other Operating Expenses	(5,584)	(128,541)
Net Cash Provided by (Used in) Operating Activities	(1,976,170)	1,015,381
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating Grants Received	1,881,017	-
Transfers In	12,000	-
Advances In	-	6,225
Net Cash Provided by (Used in) Noncapital Financing Activities	1,893,017	6,225
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from Sale of Capital Assets	-	12,074
Payments for Capital Acquisitions	(12,000)	(10,616)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(12,000)	1,458
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	-	(3,710,229)
Interest on Investments	222	12,518
Net Cash Provided by (Used in) Investing Activities	222	(3,697,711)
Net Increase (Decrease) in Cash and Cash Equivalents	(94,931)	(2,674,647)
Cash and Cash Equivalents - Beginning of Year	884,448	5,569,741
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 789,517</b>	<b>\$ 2,895,094</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (2,257,386)	\$ 954,389
Adjustments:		
Depreciation	31,704	11,782
Federal Donated Commodities	213,704	-
(Increase) Decrease in Assets:		
Materials and Supplies Inventory	9,556	-
Prepaid Items	9	-
Increase (Decrease) in Liabilities:		
Accounts Payable	5,356	(2,344)
Accrued Wages and Benefits	3,189	-
Compensated Absences Payable	6,317	-
Retainage Payable	3,161	-
Intergovernmental Payable	8,220	(40,239)
Claims Payable	-	91,793
Net Cash Provided by (Used in) Operating Activities	\$ (1,976,170)	\$ 1,015,381

**Schedule of Noncash Non-Capital Financing Activities**

During the year, the Food Service enterprise fund received donated commodities of \$213,704.

See accompanying notes to the basic financial statements.

**Statement of Assets and Liabilities  
Fiduciary Funds**

**June 30, 2010**

	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 256,351
<b>Liabilities</b>	
Deposits Held and Due to Others	\$ 225,000
Due to Students	31,351
Total Liabilities	<u>\$ 256,351</u>

See accompanying notes to the basic financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

**Notes to the Basic Financial Statements  
June 30, 2010**

**NOTE 1: DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

The Euclid City School District (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under an elected Board of Education (five members) and is responsible for the provisions of public education to residents of the District.

Average daily membership as of June 30, 2010 was 5,944. The District employed 1,140 certified and non-certified employees.

**Reporting Entity**

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

**Nonpublic Schools** – Within the District’s boundaries, Holy Cross, St. Felicitas, and St. William schools are operated through the Cleveland Catholic Diocese. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial schools. The activity of these state monies by the District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. The District has no component units.

The District is associated with two organizations which are defined as a jointly governed organization and a related organization. The Ohio School’s Council Association is a jointly governed organization and the Euclid Public Library is a related organization. The jointly governed organization is presented in Note 16 and the related organization is presented in Note 17 to the basic financial statements.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The District has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the District’s accounting policies are described below.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

A. **Fund Accounting**

The District uses funds 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 District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the following categories: governmental, proprietary and fiduciary.

***Governmental Funds***

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they must be used. Current assets are assigned to the fund from which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

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

***Classroom Facilities Fund*** – This fund is provided to account for monies received and expended in connection with contracts entered into by the District and the Ohio Department of Education for the building and equipping of classroom facilities.

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

***Proprietary Funds***

Proprietary funds focus on the determination of the changes in net assets, financial position and cash flows and are classified as either enterprise or internal service.

***Enterprise Funds*** – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's enterprise funds account for the provision of food services, uniform school supplies, child care and services to the general public financed by user charges. The District has no major enterprise funds.

***Internal Service Funds*** – Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governmental units, on a cost-reimbursement basis. The internal service funds of the District account for two self-insurance programs and purchase of services and equipment for internal use. The two self-insurance programs provide medical, dental and vision benefits to employees along with workers' compensation claims

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Fund Accounting (Continued)

*Fiduciary Funds*

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency funds are student activities and an employee withholding account.

B. Basis of Presentation

*Government-wide Financial Statements* – The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

*Fund Financial Statements* – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

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. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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 statement of fund net assets. The statement of revenues, expenses, and changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Agency funds do not report a resources measurement focus as they do not report operations.

**C. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. The proprietary funds and the fiduciary funds also use the accrual basis of accounting

**Revenues – Exchange and Non-Exchange Transactions**

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

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the fiscal year in which the exchange on which the tax is imposed takes place and 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 District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.



NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Basis of Accounting (Continued)**

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

Property taxes and compensation payments from a tax increment financing (TIF) agreement for which there is an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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.

**D. Cash and Cash Equivalents**

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

During the fiscal year 2010, investments were limited to U.S. agency securities, commercial paper, nonnegotiable certificates of deposit and STAR Ohio.

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

STAR Ohio is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price which is the price the investment could be sold for on June 30, 2010.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2010 amounted to \$54,697, which includes \$24,752 assigned from the other District funds.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

D. **Cash and Cash Equivalents** (Continued)

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

E. **Restricted Assets**

Restricted assets represent cash and cash equivalents and other current assets whose use is limited by legal requirements. Restricted assets in the general fund include amounts required by statute to be set aside for budget stabilization. See Note 20 for additional information regarding set-asides.

F. **Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2010 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year which services are consumed.

G. **Inventory**

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

On fund financial statements, inventories of governmental funds are stated at 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 funds types when used.

Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

H. **Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District's capitalization threshold for all capital assets is \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Capital Assets (Continued)**

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-10 years	3-10 years
Vehicles	10 years	N/A

**I. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables”. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the residual amounts due between governmental and business-type activities, which are presented as internal balances.

**J. Compensated Absences**

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

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

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

**K. Bond Premiums**

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, premiums are received in the year bonds are issued.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. Bond Issuance Costs**

Bond issuance costs for underwriting fees for the classroom facilities and school improvement bonds, series 2010 are being amortized using the straight-line method over the life of the agreement on the government-wide statements. The straight-line method of amortization is not materially different from the effective-interest method. On fund financial statements, bond issuance costs are disbursed in the year the bonds are issued.

**M. Accrued Liabilities and Long-Term Obligations**

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**N. Fund Balance Reserves**

The 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 the portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, inventory, prepaid items, budget stabilization, and property taxes.

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

**O. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District passed legislation to create a restriction to net assets for budget stabilization. This is the only net assets restriction imposed through enabling legislation. The net assets restricted for special revenues have external and internal restrictions imposed by state and federal governments along with the District's Board of Education.

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

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**P. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are tuition for adult education classes, sales for food service and uniform school supplies, and charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Any revenues and expenses not meeting the definition of operating are reported as non-operating.

**Q. Interfund Transactions**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2010.

**S. Estimates**

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

**T. Budgetary Accounting**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund, function and object level for the general fund and the fund level for all additional funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

T. **Budgetary Accounting (Continued)**

**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. Public hearings are publicized and conducted to obtain taxpayer's comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. The budget includes proposed expenditures and the means of financing for all funds. By no later than January 20, the Board-adopted budget is filed with the Cuyahoga 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 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 District's Treasurer. The amounts reported as the original budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2010.

**Appropriations**

Upon receipt from the County Auditor of an amended Certificate of Estimated Resources based on final assessed values and tax rates or a certification saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function and object level of expenditures for the general fund and the fund level for all other funds, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission. The total of expenditures and encumbrances may not exceed the appropriation totals at any level of control.

Any revisions that alter the total of any fund appropriation or alter total function or object level appropriations within the general fund or fund level for all other funds must be approved by the Board of Education. The Board may pass supplemental fund appropriations provided the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. 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.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

T. **Budgetary Accounting (Continued)**

**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 fund financial statements, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent year expenditures for governmental funds. A reserve for encumbrances is not reported on government-wide financial statements.

**Lapsing of Appropriations**

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

NOTE 3: **COMPLIANCE AND ACCOUNTABILITY**

**Accountability**

The following funds had negative fund balances at June 30, 2010:

	Deficit
<i><u>Special Revenue Funds</u></i>	
Vocational Education Enhancement	\$ 4,310
IDEA, Part B Special Education	25,216
School District Fiscal Stabilization	268,974
Reducing Class Size	1,341
 <i><u>Capital Projects Fund</u></i>	
Vocational Education Equipment	91

The fund deficits in the special revenue funds and the capital projects fund resulted from accrued liabilities. The general fund is liable for the deficits in these funds and will provide operating transfers when cash is required, not when accruals occur.

NOTE 4: **CHANGES IN ACCOUNTING PRINCIPLES**

For fiscal year 2010, the District has implemented GASB Statement No. 51, *Accounting and Reporting for Intangible Assets*, GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

**NOTE 4: CHANGES IN ACCOUNTING PRINCIPLES (CONTINUED)**

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any change to the District's financial statements.

GASB Statement No. 53 enhances the usefulness and comparability of derivative instrument information reported by state and local governments. This statement provides a comprehensive framework for the measurement, recognition, and disclosure of derivative instrument transactions. The implementation of this statement did not result in any change to the District's financial statements.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB authoritative literature. The GAAP hierarchy consists of the sources of accounting principles used in the presentation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. The implementation of this statement did not result in any change to the District's financial statements.

GASB Statement No. 56 incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants' and auditing literature into the GASB's accounting and financial reporting literature for state and local governments. The statement's guidance addresses related party transactions, going concern considerations, and subsequent events from the AICPA literature. The implementation of this statement did not result in any change to the District's financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this Statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any change in the District's financial statements.

**NOTE 5: BUDGETARY BASIS OF ACCOUNTING**

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

1. Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the fund liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balances (GAAP basis).



**NOTE 5: BUDGETARY BASIS OF ACCOUNTING (CONTINUED)**

4. Unrecorded cash represents amounts received but not included as revenue on the budgetary basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

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

Net Change in Fund Balance	
GAAP Basis	\$ (3,300,031)
Net Adjustment for Revenue Accruals	151,426
Net Adjustments for Expenditure Accruals	174,439
Adjustment for Encumbrances	(1,400,340)
Budget Basis	\$ (4,374,506)

**NOTE 6: DEPOSITS AND INVESTMENTS**

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

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

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or 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.

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

1. United States Treasury notes, bills, bonds, or any other obligations or security issued by the United States Treasury or any other obligation guaranteed as to payment of 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;
4. Bonds or other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

NOTE 6: **DEPOSITS AND INVESTMENTS (CONTINUED)**

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or division (2) of this section and repurchase agreements secured by such obligations;
7. The State Treasurer's investment pool (STAR Ohio);
8. Bankers' acceptances and commercial paper, if training requirements have been met.

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. Investments may only be made through specified dealers and institutions.

The following disclosure is based on the criteria described in GASB Statement No. 40, "*Deposits and Investments Risk Disclosures*".

Cash on Hand

At June 30, 2010, the School District had \$2,180 in undeposited cash on hand, which is included on the balance sheet of the District as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

At June 30, 2010, the carrying amount of the District's deposits was \$19,145,391, (including restricted cash of \$1,276,135 and \$4,818,598 in nonnegotiable certificates of deposit), and the bank balance was \$20,679,609. \$5,042,021 of the District's bank balance was covered by Federal Depository Insurance and \$15,637,588 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Although the securities were held by the pledging institution's trust department and all statutory requirements for the investments of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits or collateral securities may not be returned. The District's policy is to place deposits with major local banks approved by the District's Board of Education. All deposits, except for deposits held by fiscal and escrow agents, are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the ORC, is held in financial institution pools at Federal Reserve banks, or at member banks of the Federal Reserve System in the name of the respective depository bank, and pledged as a pool of collateral against all of the public deposits it holds.

Investments

The District has a formal investment policy. The objective of the policy shall be the preservation of capital and protection of principal while earning investment interest. Safety of principal is the primary objective of the investment program. The District follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. All investments are in an internal investment pool.

**NOTE 6: DEPOSITS AND INVESTMENTS (CONTINUED)**

Investments at year end were as follows:

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>	<u>Credit Rating (*)</u>	<u>Fair Value</u>
STAR Ohio	< 1	AAA	\$ 1,411,295
Commercial Paper	< 1	P1	8,590,146
FHLB	< 3	AAA	28,034,598
FFCB	< 3	AAA	2,204,686
Total Investments			<u>\$ 40,240,725</u>

\* Credit rating was obtained from Standard & Poor's.

Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the District's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and the District's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk

The credit risks of the District's investments are in the table above. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District has no investment policy that would further limit its investment choices.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investments in commercial paper, Federal Home Loan Bank securities, and Federal Farm Credit Bank securities are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one issuer. The District has invested 69.7 percent in FHLB securities, 21.3 percent in commercial paper, 5.5 percent in FFCB securities, and 3.5 percent in STAR Ohio.

**NOTE 7: PROPERTY TAXES**

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

Property taxes include amounts levied against all real, public utility, and certain tangible personal property (used in business) located in the District. Real property tax revenue received in calendar 2010 represents collections of calendar year 2009 taxes. Real property taxes received in calendar year 2010 were levied after April 1, 2009, on the assessed value listed as of January 1, 2009, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are paid annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2010 represents collections of calendar year 2009 taxes. Public utility real and tangible personal property taxes received in calendar year 2010 became a lien December 31, 2008, were levied after April 1, 2009 and are collected in 2009 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2010 (other than public utility property tax) represents the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

The District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2010, are available to finance fiscal year 2010 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property, and tangible personal property taxes which are measurable as of June 30, 2010, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2010 was \$5,603,570 in the general fund \$728,390 in the bond retirement fund, and \$302,278 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2009 was \$5,688,406 in the general fund, \$326,135 in the bond retirement fund, and \$305,910 in the permanent improvement capital projects fund.

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

**NOTE 7: PROPERTY TAXES (CONTINUED)**

The assessed values upon which fiscal year 2010 taxes were collected are:

	2009 Second Half Collections		2010 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 804,653,620	94.97%	\$ 734,881,250	97.99%
Public Utility	14,419,190	1.70%	15,108,400	2.01%
Tangible Personal Property	28,179,529	3.33%	-	0.00%
<b>Totals</b>	<b>\$ 847,252,339</b>	<b>100.00%</b>	<b>\$ 749,989,650</b>	<b>100.00%</b>
 Tax Rate per \$1,000 of Assessed Valuation	 \$ 85.20		 \$ 89.90	

**NOTE 8: INCOME TAXES**

The District is the only school district in the State of Ohio with an enacted shared City/School income tax. The shared City income tax, enacted in 1994, is an .85 percent City voted income tax of which .47 percent is for the District and .38 percent for the City of Euclid. Employers are required to withhold income tax on compensation and remit the tax to the City of Euclid. Taxpayers are required to file an annual return with the City of Euclid. The City makes monthly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

**NOTE 9: RECEIVABLES**

Receivables at June 30, 2010 consisted of property taxes, compensation payments from a TIF agreement, accounts (rent, billings for user charged services, and student fees), intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

	Governmental Activities
Alternative Education Challenge	\$ 5,304
Adult Basic Education	112,505
Stimulus Title II - Technology Grants	35,000
Title I	207,935
Drug-Free Schools	16,699
Reducing Class Size	22,359
TIF	58,000
<b>Total Intergovernmental Receivables</b>	<b>\$ 457,802</b>

**NOTE 10: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Restated Balance 6/30/2009	Additions	Deletions	Balance 6/30/2010
<b><u>Governmental Activities</u></b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 2,052,789	\$ -	\$ -	\$ 2,052,789
Construction in Progress	-	1,232,142	-	1,232,142
<i>Total Capital Assets, not being depreciated:</i>	<u>2,052,789</u>	<u>1,232,142</u>	<u>-</u>	<u>3,284,931</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	3,528,878	10,616	-	3,539,494
Building and Improvements	54,349,422	11,196	-	54,360,618
Furniture and Equipment	1,489,739	173,016	-	1,662,755
Vehicles	4,410,655	191,300	(123,524)	4,478,431
<i>Total Capital Assets, being depreciated</i>	<u>63,778,694</u>	<u>386,128</u>	<u>(123,524)</u>	<u>64,041,298</u>
Less Accumulated Depreciation:				
Land Improvements	(2,460,179)	(78,133)	-	(2,538,312)
Building and Improvements	(33,063,284)	(701,662)	-	(33,764,946)
Furniture and Equipment	(1,106,677)	(214,480)	-	(1,321,157)
Vehicles	(3,409,540)	(402,827)	123,524	(3,688,843)
Total Accumulated Depreciation	<u>(40,039,680)</u>	<u>(1,397,102)</u>	<u>123,524</u>	<u>(41,313,258)</u>
<b>Total Capital Assets being depreciated, Net</b>	<u>23,739,014</u>	<u>(1,010,974)</u>	<u>-</u>	<u>22,728,040</u>
<b>Governmental Activities' Capital Assets, Net</b>	<u>\$ 25,791,803</u>	<u>\$ 221,168</u>	<u>\$ -</u>	<u>\$ 26,012,971</u>
<b><u>Business-Type Activities</u></b>				
<i>Capital Assets, being depreciated:</i>				
Building and Improvements	\$ 12,000	\$ -	\$ -	\$ 12,000
Furniture and Equipment	197,345	12,000	-	209,345
Vehicles	51,437	-	-	51,437
<i>Total Capital Assets, being depreciated</i>	<u>260,782</u>	<u>12,000</u>	<u>-</u>	<u>272,782</u>
Less Accumulated Depreciation:				
Building and Improvements	(600)	(150)	-	(750)
Furniture and Equipment	(116,403)	(25,124)	-	(141,527)
Vehicles	(16,074)	(6,430)	-	(22,504)
Total Accumulated Depreciation	<u>(133,077)</u>	<u>(31,704)</u>	<u>-</u>	<u>(164,781)</u>
<b>Business-Type Activities' Capital Assets, Net</b>	<u>\$ 127,705</u>	<u>\$ (19,704)</u>	<u>\$ -</u>	<u>\$ 108,001</u>

Several reclasses between capital asset categories occurred during fiscal year 2010. These reclasses impacted the beginning balances as of June 30, 2009. Total beginning balances of capital assets were not impacted.

**NOTE 10: CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to the governmental functions as follows:

Instruction:		
Regular	\$	668,398
Support Services:		
Administration		48,907
Operation and Maintenance of Plant		137,733
Pupil Transportation		349,396
Central		192,668
Total Depreciation Expense	\$	1,397,102

**NOTE 11: LONG-TERM OBLIGATIONS**

The changes in the District's long-term obligations during fiscal year 2010 were as follows:

	Balance Outstanding 6/30/2009	Additions	Deletions	Balance Outstanding 6/30/2010	Amounts Due in One Year
<b><u>Governmental Activities</u></b>					
<i>General Obligation Bonds</i>					
<i>Energy Conservation Bonds</i>					
Series 2002 - \$2,715,000 - 2.50% to 6.00%	\$ 1,625,000	\$ -	\$ (175,000)	\$ 1,450,000	\$ 180,000
Series 2009 - \$1,253,000 - 5.25%	1,253,000	-	(59,100)	1,193,900	59,300
<i>School and Library Refunding, Series 2006 -</i>					
Serial Bonds - \$6,300,000 - 3.375 % to 5.00%	4,425,000	-	(1,610,000)	2,815,000	1,665,000
Capital Appreciation Bonds - \$1,129,954 - 7.464%	1,129,954	-	-	1,129,954	-
Bond Accretion	302,101	108,893	-	410,994	-
<i>Classroom Facilities and School</i>					
<i>Improvement Bonds, Series 2010</i>					
Serial Bonds - \$3,235,000 - 1.75 % to 2.00%	-	3,235,000	-	3,235,000	1,060,000
Capital Appreciation Bonds - \$499,828 - 18.35%	-	499,828	-	499,828	-
Unamortized Bond Premium	-	467,442	(38,954)	428,488	-
Term Bonds - \$11,210,000 - 6.15%	-	11,210,000	-	11,210,000	-
Term Bonds - \$10,190,000 - 6.30%	-	10,190,000	-	10,190,000	-
Sinking Fund Bonds - \$15,165,000 - 1.85%	-	15,165,000	-	15,165,000	-
<i>Total General Obligation Bonds</i>	8,735,055	40,876,163	(1,883,054)	47,728,164	2,964,300
<i>Other Long-Term Obligations</i>					
<i>Permanent Improvement Tax Anticipation -</i>					
\$6,500,000 - 3.60% to 5.00%	4,250,000	-	(635,000)	3,615,000	665,000
Unamortized Bond Premium	330,631	-	(53,858)	276,773	-
Retirement Payout Liability	919,147	128,661	(469,147)	578,661	386,661
Claims and Judgments	-	1,690,494	-	1,690,494	1,374,137
Compensated Absences	2,742,050	1,457,667	(1,030,284)	3,169,433	1,451,616
<i>Total Other Long-Term Obligations</i>	8,241,828	3,276,822	(2,188,289)	9,330,361	3,877,414
<b>Total Governmental Activities</b>					
<b>Long-Term Liabilities</b>	\$ 16,976,883	\$ 44,152,985	\$ (4,071,343)	\$ 57,058,525	\$ 6,841,714
<b><u>Business-Type Activities</u></b>					
Compensated Absences	\$ 96,284	\$ 11,562	\$ (5,245)	\$ 102,601	\$ 6,156

**NOTE 11: LONG-TERM OBLIGATIONS (CONTINUED)**

**Prior Year Defeased Debt**

In prior years, the District has defeased bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from the District's Government-wide financial statements. As of June 30, 2010, the amount of defeased debt outstanding amounted to \$2,545,000.

**General Obligation Bonds**

In 2002, the District issued \$2,715,000 in energy conservation bonds for a fifteen year period to replace heating and lighting systems at several schools, with final maturity at December, 2016. The bonds will be retired from the bond retirement fund.

In 2006, the District issued \$6,300,000 in school and library refunding bonds and \$1,129,954 in capital appreciation bonds. These bonds were issued to provide for all future debt payments on the refunded portion of the 1995 school and library bonds. The maturity amount of outstanding school and library refunding bonds at June 30, 2010 is \$2,815,000. These bonds will mature in December 2015. The capital appreciation bonds will mature in December 2011. The maturity amount of the bonds is \$1,720,000. For fiscal year 2010, \$108,893 was accreted for a total bond value of \$1,540,948. The bonds will be retired from the bond retirement fund.

In 2009, the District issued \$1,253,000 in energy conservation improvement bonds for a fifteen year period. The bond was issued to retire \$1,338,000 in bond anticipation notes that were provided to pay the costs of installations, modifications, and remodeling of school buildings to conserve energy. The bonds will be retired from the bond retirement fund.

On March 4, 2010, the District issued \$40,299,828 in voted general obligation bonds which comprised of serial, capital appreciation (deep discount), term, and sinking fund bonds in the amount of \$3,235,000, \$499,828, \$21,400,000 and \$15,165,000, respectively. The general obligation bonds were issued for the purpose of building new schools within the Euclid City Schools system. The bonds were issued with a twenty-eight year period with final maturity at January 15, 2038. The bond retirement fund will fund the annual debt service requirements on these bonds. The serial, capital appreciation, term, and sinking fund bonds remained outstanding at June 30, 2010.

\$21,400,000 of the bonds issued on March 4, 2010, consisted of Build America Bonds (BABs) – Direct Payment. These bonds were created through the American Recovery and Reinvestment Act (ARRA) and offer federal subsidies through a refundable tax credit paid to state or local governmental issuers by the Treasury Department and the Internal Revenue Service in an amount equal to 35 percent of the total coupon interest payable to investors in these taxable bonds. The issuer of such bond shall be allowed a credit with respect to each interest payment under such bond which shall be a payable by the Secretary of the Treasury.

\$15,165,000 of the bonds issued on March 4, 2010, consisted of Qualified School Construction Bonds (QSCBs). In addition to the aforementioned BABs, the QSCBs were authorized by the federal government through the ARRA. These bonds were issued as tax credit bonds under which the bond holders receive federal tax credits in lieu of interest as a means to significantly reduce the issuer's interest cost.



**NOTE 11: LONG-TERM OBLIGATIONS (CONTINUED)**

The maturity amount of the capital appreciation bonds is \$985,000. These bonds were originally sold at a discount of \$485,172, which is being accrued annually until the point of maturity of the bonds, which is January 15, 2014. The bonds will begin accruing interest in fiscal year 2011. Therefore, the total bond value as of June 30, 2010 remains at \$499,828.

The \$11,210,000 and \$10,190,000 term bonds maturing January 15, 2033 and January 15, 2038, respectively, are subject to optional mandatory redemption and extraordinary optional redemption requirements at a redemption price of 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, on January 15 in the years (mandatory redemption dates) and in respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2027	\$ 1,415,000	2034	\$ 1,875,000
2028	1,475,000	2035	1,950,000
2029	1,535,000	2036	2,035,000
2030	1,595,000	2037	2,120,000
2031	1,660,000	Totals	<u>\$ 7,980,000</u>
2032	1,730,000		
Totals	<u>\$ 9,410,000</u>		

The remaining principal amounts of the two term bonds (\$1,800,000 and \$2,210,000) will mature at the stated maturity on January 15, 2033 and January 15, 2038, respectively.

The \$15,165,000 sinking fund bonds maturing January 15, 2026 are subject to extraordinary mandatory redemption and extraordinary optional redemption requirements on January 15 in the years (mandatory sinking fund dates) and in respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 125,000
2015	1,120,000
2016	1,145,000
2017	1,165,000
2018	1,190,000
2019	1,215,000
2020	1,240,000
2021	1,265,000
2022	1,290,000
2023	1,315,000
2024	1,340,000
2025	1,370,000
2026	1,385,000
Totals	<u>\$ 15,165,000</u>

**NOTE 11: LONG-TERM OBLIGATIONS (CONTINUED)**

**Tax Anticipation Notes**

In 2004, the District issued \$6,500,000 in long-term payable notes to provide for the renovation of the school buildings and other District improvements. These notes will be paid off over a ten year period of time with property taxes collected in the bond retirement fund.

**Retirement Incentive**

Retirement Incentive will be paid from the fund from which the employee's salaries are paid. Compensated absences will be paid from the general fund and food service enterprise fund.

The District's voted legal debt margin was \$28,161,678 with an unvoted debt margin of \$749,990 at June 30, 2010.

Principal and interest requirements to retire the general obligation debt outstanding at June 30, 2010 are as follows:

Fiscal Year Ending June 30,	Permanent Improvement Tax Anticipation Note		General Obligation Bonds		Totals	
	Principal	Interest	Principal	Interest *	Principal	Interest
2011	\$ 665,000	\$ 129,263	\$ 2,964,300	\$ 1,251,493	\$ 3,629,300	\$ 1,380,756
2012	700,000	100,038	2,462,454	1,945,313	3,162,454	2,045,351
2013	725,000	73,844	1,700,900	1,316,095	2,425,900	1,389,939
2014	750,000	45,625	1,259,228	1,751,610	2,009,228	1,797,235
2015	775,000	15,500	1,788,200	1,233,694	2,563,200	1,249,194
2016-2020	-	-	6,914,200	5,927,293	6,914,200	5,927,293
2021-2025	-	-	7,014,400	5,776,875	7,014,400	5,776,875
2026-2030	-	-	7,405,000	4,258,566	7,405,000	4,258,566
2031-2035	-	-	9,015,000	2,430,158	9,015,000	2,430,158
2036-2038	-	-	6,365,000	528,460	6,365,000	528,460
Totals	<u>\$ 3,615,000</u>	<u>\$ 364,270</u>	<u>\$ 46,888,682</u>	<u>\$ 26,419,557</u>	<u>\$ 50,503,682</u>	<u>\$ 26,783,827</u>

\* - A portion of the interest has been netted against the federal subsidies provided by the federal government authorized through the American Recovery and Reinvestment Act (ARRA).

**NOTE 12: OTHER EMPLOYEE BENEFITS**

**A. Compensated Absences**

Employees earn vacation at rates specified under State of Ohio law and based on credited service. Clerical, technical, and maintenance and operations employees with one or more years of service are entitled to vacation ranging from 5 to 25 days. Employees with less than one year of service earn one vacation day per month worked, not to exceed five days. Unused vacation is not cumulative to the next year. Teachers do not earn vacation.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service (earned on a pro rata basis for less than full-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 40 to 60 days based on the collective bargaining agreements.

NOTE 12: **OTHER EMPLOYEE BENEFITS (CONTINUED)**

B. **Special Termination of Benefits**

The District implemented an early retirement incentive offered to teaching staff members who retired at the end of the 2005/2006 and 2006/2007 school years only. The incentive consists of a cash payment in five (5) equal installments. The eligibility requirements for certified employees are age 60 and 5 years of service credit, age 55 and 25 years of service credit or any age with 30 years of service credit. The District's liability for fiscal year ended June 30, 2010 is \$578,661.

NOTE 13: **PENSION PLANS**

A. **State Teachers Retirement System**

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad Street, Columbus, Ohio 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org).

**Plan Options** - New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. The Combined Plan offers features of the DC Plan and the DB Plan. In the Combined Plan, member contributions are allocated to investment choices by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

**DB Plan Benefits** – Plan benefits are established under Chapter 3307 of the Ohio Revised Code. Any member may retire who had (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the retirement allowance is based on years of credited service and final average salary, which is the average of the members’ three highest salary years. The annual allowance is calculated by using a base percentage of 2.2 percent multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31<sup>st</sup> year of earned Ohio service credit is calculated at 2.5 percent with an additional one-tenth of a percent added to the calculation for every year over 31 years (2.6 percent for 32 years, 2.7 percent for 33 years and so on) until 100 percent of the final average salary is reached. For members with 35 or more years of Ohio contributing services, the first 30 years will be calculated at 2.5 percent instead of 2.2 percent. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

NOTE 13: **PENSION PLANS (CONTINUED)**

**DC Plan Benefits** - Benefits are established under Sections 3307.80 to 3307.89 of the Ohio Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5 percent are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the members' designated beneficiary is entitled to receive the members' account balance.

**Combined Plan Benefits** - Member contributions are allocated to investments selected by the member, and employer contributions are used to fund a defined benefit payment. Plan members' defined benefit is determined by multiplying 1 percent of the members' final average salary by the members' years of service credit. The defined benefit portion of the Combined Plan payment is payable to members on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3 percent of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

For fiscal year ended June 30, 2009 (the latest information available), members were required to contribute 10 percent of their annual covered salary and the District was required to contribute 14 percent. Member and employer contributions were established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers provided by Chapter 3307 of the Ohio Revised Code. Of the 14 percent contributed by the District, 13 percent was the portion used to fund pension obligations.

**NOTE 13: PENSION PLANS (CONTINUED)**

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$4,747,383, \$4,635,825, and \$4,449,009, respectively; 84.72 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008. Member and employer contributions actually made for the Defined Contribution and Combined Plan participants will be provided upon written request.

**B. School Employees Retirement System**

*Plan Description* - The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement, disability, and survivor 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 can be obtained by contacting SERS, 300 E. Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free 1-800-878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Employer/Audit Resources*.

*Funding Policy* - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (the Pension Trust Fund, the Death Benefits Fund, the Medicare Part B Fund, and the Health Care Fund) of the System. For fiscal year ending June 30, 2010, the allocation to pension and death benefits is 12.78 percent. The remaining 1.22 percent of the 14.00 percent employer contribution rate is allocated to the Health Care and the Medicare Part B funds. The District's required pension contributions to SERS for the years ended June 30, 2010, 2009, and 2008 were \$1,681,161, \$1,148,468, and \$1,159,342, respectively; 43.05 percent has been contributed for fiscal year 2010 and 100 percent for fiscal year 2009 and 2008.

**NOTE 14: POST-EMPLOYMENT BENEFITS**

**A. State Teachers Retirement System**

*Plan Description* - Ohio law authorizes STRS to offer a cost-sharing, multiple employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to 3307 of the Ohio Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent *Comprehensive Annual Financial Report* by visiting [www.strsoh.org](http://www.strsoh.org) or by requesting a copy by calling toll-free 1-888-227-7877.

**NOTE 14: POST-EMPLOYMENT BENEFITS (CONTINUED)**

*Funding Policy* - Under Ohio law funding for post-employment health care may be deducted from employer contributions. Of the 14 percent employer contribution rate, 1 percent of covered payroll was allocated to post-employment health care for years ended June 30, 2009, 2008 and 2007 (the latest information available). For the fiscal years ended June 30, 2010, 2009, and 2008, the District's contributions to post-employment health care were \$365,183, \$356,602, and \$342,231, respectively; 84.72 percent has been contributed for 2010 and 100 percent for fiscal years 2009 and 2008.

**B. School Employees Retirement System**

*Plan Description* – In addition, to a the cost-sharing multiple-employer defined benefit pension plan described in Note 13, SERS administers two post-employment benefit plans, the Medicare Part B Plan and the Health Care Plan as permitted by Ohio Revised Code (ORC) Sections 3309.69 and 3309.375.

**Medicare Part B Plan** - The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code Section 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2010 was \$96.40 for most participants, but could be as high as \$353.60 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare Part B Fund. For fiscal year 2010, the actuarially required allocation is .76 percent. For the fiscal years ended June 30, 2010, 2009, and 2008, the District's contributions to the Medicare Part B Plan were \$99,975, \$94,758, and \$83,533, respectively; 43.05 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

**Health Care Plan** – ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plan from various vendors, including HMOs, PPOs, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employers' 14 percent contribution to the Health Care Fund. For the year ended June 30, 2010, the health care allocation is .46 percent. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, prorated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS covered payroll for the health care surcharge. For fiscal year 2010, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund.

**NOTE 14: POST-EMPLOYMENT BENEFITS (CONTINUED)**

The District’s contributions assigned to health care for the years ended June 30, 2010, 2009 and 2008 were \$259,566, \$717,675, and \$634,312, respectively; 43.05 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial report of SERS’ Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 E. Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll-free (800) 878-5853. It is also posted on SERS’ website at [www.ohsers.org](http://www.ohsers.org) under *Employers/Audit Resources*.

**NOTE 15: RISK MANAGEMENT**

**A. Property and Liability**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2010, the District contracted with Hylant Administrative Services – Ohio School Plan for fleet and liability insurance, with Travelers Insurance for boiler and machinery, and with Hylant Administrative Services – Ohio School Plan for property and inland marine coverage. Coverages provided were as follows:

Building, Contents, Boiler and Machinery Contents (\$10,000 deductible)	\$ 172,420,669
Crime Insurance (\$500 deductible)	50,000
Automobile Liability (\$250 Comprehensive deductible/ \$500 Collision deductible)	1,000,000
Uninsured Motorists	50,000
General Liability (per occurrence)	1,000,000
General Liability (total per year)	2,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change from prior year’s coverage.

**B. Self-Insurance Program**

The self-insurance program for health care has been administered by Medical Mutual of Ohio since January, 2001. Medical Mutual of Ohio began administering the program in January, 2001. Payments are made to Medical Mutual of Ohio for the actual amount of claims processed, monthly stop-loss premiums, and administrative charges. Operating revenues of the fund consist of payments from other funds and are based on self-insurance losses, policy stop-loss premiums, and other operating expenses.

The claims liability of \$1,223,600 reported in the fund at June 30, 2010 was estimated by the third party administrator and is based on the requirements of GASB Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses (GASB Statement No. 30). Changes in the fund’s claims liability amount for the fiscal years ended June 30, 2008, 2009, and 2010 were:

**NOTE 15: RISK MANAGEMENT (CONTINUED)**

	<u>Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>End of Year</u>
June 30, 2008	\$ 1,289,600	\$ 6,674,643	\$ (6,649,243)	\$ 1,315,000
June 30, 2009	1,315,000	6,955,162	(6,940,462)	1,329,700
June 30, 2010	1,329,700	7,027,930	(7,134,030)	1,223,600

The above claim payments include management fees in the amount of \$574,348.

**C. Workers' Compensation Program**

The District participates in the State Workers' Compensation retrospective rating and payment system. The plan involves the payment of a minimum premium for administrative services and stop loss coverage plus the actual claim costs for employees injured. The program for workers' compensation is administered by Comp Management Inc. Payments are made directly to the Ohio Bureau of Workers' Compensation for actual claims processed. Operating revenues of the fund consist of payments from other funds and earnings on the investing of these funds that are based on self-insurance losses, policy stop-loss premiums, and other operating expenses.

The claims liability of \$466,894 reported in the fund at June 30, 2010 was estimated by the Bureau of Workers Compensation and is based on the requirement of Governmental Standards Board Statement No. 30, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. Changes in the fund's current claims liability amount for the fiscal years ended June 30, 2008, 2009, and 2010 were:

	<u>Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Interest Earned</u>	<u>End of Year</u>
June 30, 2008	\$ 615,059	\$ 36,244	\$ (355,106)	\$ 26,478	\$ 322,675
June 30, 2009	322,675	523,531	(595,291)	18,086	269,001
June 30, 2010	269,001	770,251	(579,644)	7,286	466,894

**NOTE 16: JOINTLY GOVERNED ORGANIZATIONS**

*Ohio Schools' Council Association (Council)* – The Council is a jointly governed organization among one hundred twenty-one school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board meets monthly September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2010, the District paid \$1,674 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.



**NOTE 16: JOINTLY GOVERNED ORGANIZATIONS (CONTINUED)**

The District participates in the Council's prepaid natural gas program. The Council provides participating school districts the ability to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. There are currently 139 districts in the Program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The District also participates in the Council's electric purchase program. In September 2009, the Council negotiated and approved a contract for discounted electric generation with Duke Energy Retail Sales, LLC for schools in the FirstEnergy territory – Ohio Edison, Cleveland Electric Illuminating and Toledo Edison. The price is \$0.051 per kWh for all district facilities (including non-classroom facilities) and is guaranteed for twenty months ending May 31, 2011. There are one hundred and ten (110) districts participating in this program. Each month, the Council invoices participants based on estimated usage that was determined when the program was established. Each September, these estimated payments are compared to their actual usage for the year (July to June). Refund checks are issued to districts that consumed less than their projected usage of electrical energy and districts that over-consumed are invoiced.

**NOTE 17: RELATED ORGANIZATION**

*Euclid Public Library* – The Euclid 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 Euclid City School District's Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District serves as the taxing authority and may 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 Euclid Public Library at 631 East 222<sup>nd</sup> Street, Euclid, Ohio 44123.

**NOTE 18: CONTINGENCIES**

**A. Grants**

The 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 District at June 30, 2010.

**B. Litigation**

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

NOTE 19: **INTERFUND TRANSACTIONS**

**A. Interfund Balances**

On June 30, 2010, interfund balances on fund financial statements consist of the following:

	Receivable	Payable
<b><u>Governmental Funds</u></b>		
<i>Major Fund</i>		
General Fund	\$ 280,722	\$ -
 <i>Nonmajor Governmental Funds</i>		
Special Revenue Funds	-	24,406
Debt Service Fund	-	122,503
Capital Projects Funds	122,503	250,091
 <i>Nonmajor Internal Service Fund</i>	 -	 6,225
<b>Total Interfund Balances</b>	<b>\$ 403,225</b>	<b>\$ 403,225</b>

Monies were advanced from one fund to another to cover operating expenses until additional monies are received. Interfund balances were eliminated since they were within governmental activities.

**B. Interfund Transfers**

On June 30, 2010, interfund transfers on fund financial statements consist of the following:

	Transfers In	Transfers Out
<i>Major Fund</i>		
General	\$ -	\$ 379,180
 <i>Nonmajor Governmental Funds</i>		
Special Revenue Funds	1,072	1,072
Debt Service Fund	367,180	-
<i>Total Nonmajor Governmental Funds</i>	368,252	1,072
 <i>Nonmajor Enterprise Fund</i>	 12,000	 -
<b>Total Interfund Transfers</b>	<b>\$ 380,252</b>	<b>\$ 380,252</b>

Transfers were made to provide additional resources for current operations. Transfers of \$368,252 were eliminated since they were within the governmental activities.

**NOTE 20: SET-ASIDE REQUIREMENTS**

The District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. In prior years, the District was also required to set aside money for budget stabilization. At June 30, 2010, only the unspent portion of certain workers' compensation refunds continues to be a required set-aside.

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

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-Aside Reserve Balance as of June 30, 2009	\$ (763,299)	\$ -	\$ 1,276,135
Current Year Set-Aside Requirements	832,844	832,844	-
Qualifying Disbursements	<u>(722,428)</u>	<u>(1,000,312)</u>	<u>-</u>
Totals	<u>(652,883)</u>	<u>(167,468)</u>	<u>1,276,135</u>
Set-Aside Balance Carried Forward to Future Fiscal Years	<u>\$ (652,883)</u>	<u>\$ -</u>	<u>\$ 1,276,135</u>
Set-Aside Reserve Balance as of June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,276,135</u>

The District had qualifying expenditures during the fiscal year that were below the current year textbook set-aside amount. Previous years' carry over balances were utilized to satisfy the set-aside requirement. Although the District had qualifying disbursements during the year that reduced the capital improvements set-aside amount below zero, these extra amounts may not be used to reduce the set-aside requirement in future fiscal years.

**NOTE 21: RESTATEMENT OF PRIOR YEAR'S FUND BALANCES**

As of June 30, 2009, the fund balance of the Poverty Based Assistance nonmajor special revenue fund was reduced by \$233,262. This restatement was necessary to properly reflect the accruals related to payroll liabilities in the School District Fiscal Stabilization nonmajor special revenue fund. The restatement had no effect on the June 30, 2009 fund balance of Other Governmental Funds.

**COMBINING STATEMENTS**

**Nonmajor Special Revenue Funds**

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 expenditures for specific purposes. A description of the District's nonmajor special revenue funds follow:

**Special Trust** – This fund accounts for monies used for purposes that are beneficial to the overall operation of the District.

**Public School Support** - This fund is used for the general support of the school building, staff, and students.

**Termination Benefits** – This fund accumulated funds to pay termination benefits to eligible employees.

**Student Activity** - This fund is used to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund includes all athletic programs, except supplemental coaching contacts, and accounts for revenues and costs of the District's athletic programs.

**Auxiliary Services** – This fund accounts for state funds for the purchase of science and math materials, as well as psychological and other supplemental services at the parochial schools within the District.

**Educational Management Information System** - This fund is used to account for revenue provided by the State of Ohio to be used solely for costs associated with the requirements of the education management information system required by Senate Bill 140.

**Public School Preschool Grant** – This fund accounts for the state revenues which address the educational needs of 4 year olds who are at risk of being poor achievers.

**School Net Professional Development** - This fund was established to provide training for teachers to become practitioners. This fund is provided to account for a limited number of professional development subsidy grants.

**Vocational Education Enhancement** – This fund was established to provide funds to purchase vocational equipment with a value of \$300 or more with the State reimbursing the District, upon completion, up to 40 percent of the final cost.

**Alternative Schools** – This grant was established to provide funding for Saturday School for discipline problem students. The funds will be used for salaries, benefits, supplies, purchased services, and equipment associated with the program.

**Poverty Based Assistance** – In 2005, the Ohio General Assembly passed a biennial budget bill which included a new allocation termed PBA. Qualifying districts receive these funds through the State Foundation Program, but must be accounted in a special fund. These funds must be used for all day kindergarten, student intervention, class size reduction, professional development, and community outreach.

**Miscellaneous State Grants** - This fund is used to account for various monies received from state agencies which are not classified elsewhere. A separate special cost center must be used for each grant and approved by the Auditor of State.

**Adult Basic Education** – This fund accounts for federal monies used to provide computer equipment, library resource materials, salaries, and room rental for adult education classes.

**IDEA, Part B Special Education** - The purpose of this Federal program is 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.

**School District Fiscal Stabilization** – This fund accounts for restricted Federal grant monies from the American Recovery and Reinvestment Act (ARRA) to support and restore state funding for elementary, secondary, post-secondary education and as applicable early childhood programs.

**Stimulus Title II – Technology Grants** – This fund accounts for restricted Federal grant monies from the ARRA to improve state academic achievement through technology in schools; to assist students in becoming technologically literate by the end of the eighth grade; and to encourage effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

**Title I School Improvement Stimulus A** – This fund accounts for restricted Federal grant monies from the ARRA to help schools improve the teaching and learning of children failing, or most at risk of failing to meet challenging state academic achievement standards.

**Title I** - This fund is used to provide financial assistance to state and local educational agencies to meet the special needs of educationally deprived children.

**Title V** - This fund is used to consolidate various programs into a single authorization of grants to states for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

**Drug-Free Schools** - This fund accounts for Federal revenues to local educational agencies and consortia of these agencies to establish, operate, and improve local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools, and to engage in development, training, technical assistance, and coordination activities.

**IDEA Preschool Grant for the Handicapped** – The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Reducing Class Size** - This fund is used to account for monies to hire additional classroom teachers in grades 1 through 3 so that the number of students per teacher will be reduced.

**Miscellaneous Federal Grants** - This fund is used to account for various monies received through state agencies from the Federal government or directly from the Federal government. This program is to provide individual instructions to first and second grade students in the academic area of reading and math, with the assistance of a trained group of adult volunteers using appropriate service training activities.

**Nonmajor Debt Service Fund**

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

**Bond Retirement** – This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**Nonmajor Capital Projects Fund**

Capital Projects funds are used to account for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Following is a description of the nonmajor capital projects funds:

**Permanent Improvement** – This fund is used to account for all transactions relating to the acquiring, constructing, or improving facilities.

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

**Replacement** – This fund exists for the replacement of equipment and other items not covered by the District’s building and contents insurance.

**Vocational Education Equipment** – This fund exists to account for the purchase of equipment used for vocational education purposes.

**Nonmajor Enterprise Funds**

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private sector businesses where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public, be financed or recovered primarily through user charges.

**Food Service** – This fund accounts for the provision of food service to the District.

**Uniform School Supplies** – This fund accounts for the purchase of necessary supplies, materials, or other school related items above those items provided for general instruction, paid for by students.

**Customer Services** – This fund accounts for services provided primarily to the general public which are financed or recovered through user charges.

**Internal Service Funds**

Internal Service funds are used to account for the financing of services provided by one department to other departments of the government or to other districts on a cost reimbursement basis.

**Special Rotary** – This fund provides for the purchase of services and equipment by internal persons and organizations.

**Health Reserve** – This fund is to account for the receipt and expense of funds for medical and dental claims for employees.

**Workers' Compensation** – This fund accounts for the claims and premiums paid to the State for workers' compensation insurance.

**Fiduciary Funds**

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

**Agency Funds**

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

**Employee Withholding** – This fund accounts for amounts withheld from the payroll of the District's employees.



**Combining Balance Sheet  
Nonmajor Governmental Funds**

**June 30, 2010**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 827,307	\$ 4,301,504	\$ 864,018	\$ 5,992,829
Investments	-	-	4,674,236	4,674,236
Interfund Receivable	-	-	122,503	122,503
Intergovernmental Receivable	399,802	-	-	399,802
Prepaid Items	3,447	-	-	3,447
Property Taxes Receivable	-	4,293,576	1,837,098	6,130,674
<b>Total Assets</b>	<b>\$ 1,230,556</b>	<b>\$ 8,595,080</b>	<b>\$ 7,497,855</b>	<b>\$ 17,323,491</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 111,394	\$ -	\$ 78,569	\$ 189,963
Accrued Wages and Benefits	641,093	-	-	641,093
Intergovernmental Payable	139,664	-	-	139,664
Interfund Payable	24,406	122,503	250,091	397,000
Deferred Revenue	-	3,565,186	1,534,820	5,100,006
<b>Total Liabilities</b>	<b>916,557</b>	<b>3,687,689</b>	<b>1,863,480</b>	<b>6,467,726</b>
<b>Fund Balances:</b>				
Reserved for:				
Encumbrances	312,547	-	14,305	326,852
Prepaid Items	3,447	-	-	3,447
Property Taxes	-	728,390	302,278	1,030,668
Unreserved:				
Undesignated, Reported in:				
Special Revenue Funds	(1,995)	-	-	(1,995)
Debt Service Fund	-	4,179,001	-	4,179,001
Capital Projects Funds	-	-	5,317,792	5,317,792
<b>Total Fund Balances</b>	<b>313,999</b>	<b>4,907,391</b>	<b>5,634,375</b>	<b>10,855,765</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,230,556</b>	<b>\$ 8,595,080</b>	<b>\$ 7,497,855</b>	<b>\$ 17,323,491</b>

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds**

**For the Fiscal Year Ended June 30, 2010**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ 4,151,312	\$ 656,741	\$ 4,808,053
Intergovernmental	8,125,218	485,153	339,940	8,950,311
Interest	384	-	12,088	12,472
Extracurricular Activities	270,111	-	-	270,111
Charges for Services	148,500	-	-	148,500
Transportation Fees	706	-	-	706
Miscellaneous	64,803	-	-	64,803
<b>Total Revenues</b>	<b>8,609,722</b>	<b>4,636,465</b>	<b>1,008,769</b>	<b>14,254,956</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Instruction	1,446,254	-	139,615	1,585,869
Special Instruction	3,440,569	-	-	3,440,569
Adult/Continuing Instruction	153,457	-	-	153,457
Other Instruction	99	-	-	99
Supporting Services:				
Pupils	313,955	-	-	313,955
Instructional Staff	1,717,961	-	125,623	1,843,584
Administration	263,463	-	-	263,463
Fiscal Services	54,829	-	-	54,829
Business	-	-	6,414	6,414
Operation and Maintenance of Plant Services	-	-	174,595	174,595
Pupil Transportation	7,980	-	83,400	91,380
Central	150,544	-	74,999	225,543
Operation of Non-Instructional Services:				
Community Services	928,421	-	-	928,421
Extracurricular Activities	351,643	-	-	351,643
Capital Outlay	-	-	94,096	94,096
Debt Service:				
Principal Retirement	-	2,479,100	-	2,479,100
Interest and Fiscal Charges	-	435,817	-	435,817
Bond Issuance Costs	-	-	467,442	467,442
<b>Total Expenditures</b>	<b>8,829,175</b>	<b>2,914,917</b>	<b>1,166,184</b>	<b>12,910,276</b>
Excess of Revenues Over Expenditures	(219,453)	1,721,548	(157,415)	1,344,680
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	770	-	-	770
General Obligation Bonds Issued	-	-	4,704,577	4,704,577
Premium on Debt Issued	-	-	467,442	467,442
Transfers In	1,072	367,180	-	368,252
Transfers Out	(1,072)	-	-	(1,072)
<b>Total Other Financing Sources (Uses)</b>	<b>770</b>	<b>367,180</b>	<b>5,172,019</b>	<b>5,539,969</b>
Net Change in Fund Balances	(218,683)	2,088,728	5,014,604	6,884,649
Fund Balances - Beginning of Year	532,682	2,818,663	619,771	3,971,116
<b>Fund Balances - End of Year</b>	<b>\$ 313,999</b>	<b>\$ 4,907,391</b>	<b>\$ 5,634,375</b>	<b>\$ 10,855,765</b>

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**Combining Balance Sheet  
Nonmajor Special Revenue Funds**

**June 30, 2010**

	<b>Special Trust</b>	<b>Public School Support</b>	<b>Termination Benefits</b>	<b>Student Activity</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 39,528	\$ 44,591	\$ 148,218	\$ 37,771
Intergovernmental Receivable	-	-	-	-
Prepaid Items	-	-	-	-
<b>Total Assets</b>	<b>\$ 39,528</b>	<b>\$ 44,591</b>	<b>\$ 148,218</b>	<b>\$ 37,771</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ 6,445	\$ -	\$ 818
Accrued Wages and Benefits	-	-	-	-
Intergovernmental Payable	-	-	-	-
Interfund Payable	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>6,445</b>	<b>-</b>	<b>818</b>
 <b>Fund Balances:</b>				
Reserved for:				
Encumbrances	500	-	-	-
Prepaid Items	-	-	-	-
Unreserved:				
Undesignated, Reported in:				
Special Revenue Funds	39,028	38,146	148,218	36,953
<b>Total Fund Balances (Deficit)</b>	<b>39,528</b>	<b>38,146</b>	<b>148,218</b>	<b>36,953</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 39,528</b>	<b>\$ 44,591</b>	<b>\$ 148,218</b>	<b>\$ 37,771</b>

<u>Auxiliary Services</u>	<u>Educational Management Information System</u>	<u>Vocational Education Enhancement</u>	<u>Alternative Schools</u>	<u>Adult Basic Education</u>	<u>IDEA, Part B Special Education, Education of Handicapped Children</u>
\$ 146,014	\$ 1,617	\$ -	\$ 10,616	\$ 11,415	\$ 60,479
-	-	-	5,304	112,505	-
321	-	-	-	3,126	-
<u>\$ 146,335</u>	<u>\$ 1,617</u>	<u>\$ -</u>	<u>\$ 15,920</u>	<u>\$ 127,046</u>	<u>\$ 60,479</u>
\$ 5,020	\$ -	\$ -	\$ -	\$ 8,320	\$ 13,163
32,806	-	-	10,643	30,147	60,219
6,101	-	-	1,469	15,168	12,313
96	-	4,310	-	20,000	-
<u>44,023</u>	<u>-</u>	<u>4,310</u>	<u>12,112</u>	<u>73,635</u>	<u>85,695</u>
93,854	-	-	927	21,940	-
321	-	-	-	3,126	-
8,137	1,617	(4,310)	2,881	28,345	(25,216)
<u>102,312</u>	<u>1,617</u>	<u>(4,310)</u>	<u>3,808</u>	<u>53,411</u>	<u>(25,216)</u>
<u>\$ 146,335</u>	<u>\$ 1,617</u>	<u>\$ -</u>	<u>\$ 15,920</u>	<u>\$ 127,046</u>	<u>\$ 60,479</u>

(Continued)

**Combining Balance Sheet  
Nonmajor Special Revenue Funds (Continued)**

**June 30, 2010**

	<b>School District Fiscal Stabilization</b>	<b>Stimulus Title II - Technology Grants</b>	<b>Title I School Improvement Stimulus A</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 104,171	\$ 34,831	\$ 1,890
Intergovernmental Receivable	-	35,000	-
Prepaid Items	-	-	-
<b>Total Assets</b>	<b>\$ 104,171</b>	<b>\$ 69,831</b>	<b>\$ 1,890</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 10,564	\$ 45,437	\$ 1,890
Accrued Wages and Benefits	294,663	16,957	-
Intergovernmental Payable	67,918	2,341	-
Interfund Payable	-	-	-
<b>Total Liabilities</b>	<b>373,145</b>	<b>64,735</b>	<b>1,890</b>
 <b>Fund Balances:</b>			
Reserved for:			
Encumbrances	4,928	1,979	-
Prepaid Items	-	-	-
Unreserved:			
Undesignated, Reported in:			
Special Revenue Funds	(273,902)	3,117	-
<b>Total Fund Balances (Deficit)</b>	<b>(268,974)</b>	<b>5,096</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 104,171</b>	<b>\$ 69,831</b>	<b>\$ 1,890</b>

<u>Title I</u>	<u>Drug-Free Schools</u>	<u>IDEA Preschool Grant for the Handicapped</u>	<u>Reducing Class Size</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 173,120	\$ 58	\$ 5,165	\$ 7,823	\$ 827,307
207,935	16,699	-	22,359	399,802
-	-	-	-	3,447
<u>\$ 381,055</u>	<u>\$ 16,757</u>	<u>\$ 5,165</u>	<u>\$ 30,182</u>	<u>\$ 1,230,556</u>
\$ 17,155	\$ 181	\$ 576	\$ 1,825	\$ 111,394
169,561	-	-	26,097	641,093
30,753	-	-	3,601	139,664
-	-	-	-	24,406
<u>217,469</u>	<u>181</u>	<u>576</u>	<u>31,523</u>	<u>916,557</u>
171,843	16,576	-	-	312,547
-	-	-	-	3,447
(8,257)	-	4,589	(1,341)	(1,995)
<u>163,586</u>	<u>16,576</u>	<u>4,589</u>	<u>(1,341)</u>	<u>313,999</u>
<u>\$ 381,055</u>	<u>\$ 16,757</u>	<u>\$ 5,165</u>	<u>\$ 30,182</u>	<u>\$ 1,230,556</u>

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Special Revenue Funds**

**For the Fiscal Year Ended June 30, 2010**

	<b>Special Trust</b>	<b>Public School Support</b>	<b>Termination Benefits</b>	<b>Student Activity</b>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Interest	63	-	-	-
Extracurricular Activities	-	101,867	-	168,244
Charges for Services	-	-	148,500	-
Transportation Fees	-	-	-	706
Miscellaneous	1,741	18,362	-	44,700
<b>Total Revenues</b>	<u>1,804</u>	<u>120,229</u>	<u>148,500</u>	<u>213,650</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Instruction	740	-	-	-
Special Instruction	-	-	-	-
Adult/Continuing Instruction	-	-	-	-
Other Instruction	-	-	-	-
Supporting Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	-
Administration	-	-	-	-
Fiscal Services	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	117,004	-
Operation of Non-Instructional Services:				
Community Services	500	-	-	-
Extracurricular Activities	2,009	130,468	-	219,166
<b>Total Expenditures</b>	<u>3,249</u>	<u>130,468</u>	<u>117,004</u>	<u>219,166</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,445)</u>	<u>(10,239)</u>	<u>31,496</u>	<u>(5,516)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	9	-	761
Transfers In	-	-	-	-
Transfer Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>9</u>	<u>-</u>	<u>761</u>
Net Change in Fund Balances	<u>(1,445)</u>	<u>(10,230)</u>	<u>31,496</u>	<u>(4,755)</u>
Fund Balances (Deficit) - Beginning of Year, Restated	40,973	48,376	116,722	41,708
<b>Fund Balances - End of Year</b>	<u>\$ 39,528</u>	<u>\$ 38,146</u>	<u>\$ 148,218</u>	<u>\$ 36,953</u>



**Euclid City School District**

<b>Auxiliary Services</b>	<b>Educational Management Information System</b>	<b>Public School Preschool Grant</b>	<b>Vocational Education Enhancement</b>	<b>Alternative Schools</b>	<b>Miscellaneous State Grants</b>	<b>Adult Basic Education</b>
\$ 652,720	\$ 11,272	\$ 76,000	\$ -	\$ 119,347	\$ -	\$ 814,472
321	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>653,041</u>	<u>11,272</u>	<u>76,000</u>	<u>-</u>	<u>119,347</u>	<u>-</u>	<u>814,472</u>
-	-	75,950	-	34	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	153,457
-	-	-	-	-	-	-
-	-	-	-	-	1,677	-
-	-	-	-	-	2,120	648,768
-	-	479	-	-	-	5,000
-	-	-	-	-	-	10,992
-	-	-	-	-	-	-
-	33,540	-	-	-	-	-
596,284	-	-	-	118,190	-	465
-	-	-	-	-	-	-
<u>596,284</u>	<u>33,540</u>	<u>76,429</u>	<u>-</u>	<u>118,224</u>	<u>3,797</u>	<u>818,682</u>
<u>56,757</u>	<u>(22,268)</u>	<u>(429)</u>	<u>-</u>	<u>1,123</u>	<u>(3,797)</u>	<u>(4,210)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>56,757</u>	<u>(22,268)</u>	<u>(429)</u>	<u>-</u>	<u>1,123</u>	<u>(3,797)</u>	<u>(4,210)</u>
45,555	23,885	429	(4,310)	2,685	3,797	57,621
<u>\$ 102,312</u>	<u>\$ 1,617</u>	<u>\$ -</u>	<u>\$ (4,310)</u>	<u>\$ 3,808</u>	<u>\$ -</u>	<u>\$ 53,411</u>

(Continued)

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Special Revenue Funds (Continued)**

**For the Fiscal Year Ended June 30, 2010**

	<b>IDEA, Part B Special Education</b>	<b>School District Fiscal Stabilization</b>	<b>Stimulus Title II - Technology Grants</b>	<b>Title I School Improvement Stimulus A</b>
<b>REVENUES</b>				
Intergovernmental	\$ 1,999,325	\$ 1,658,751	\$ 271,549	\$ 300,000
Interest	-	-	-	-
Extracurricular Activities	-	-	-	-
Charges for Services	-	-	-	-
Transportation Fees	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>1,999,325</u>	<u>1,658,751</u>	<u>271,549</u>	<u>300,000</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Instruction	-	1,023,413	33,996	-
Special Instruction	1,562,731	210,269	-	298,110
Adult/Continuing Instruction	-	-	-	-
Other Instruction	-	99	-	-
Supporting Services:				
Pupils	91,723	220,555	-	-
Instructional Staff	141,071	135,626	233,424	-
Administration	115,398	92,871	-	-
Fiscal Services	12,496	10,465	103	1,890
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Operation of Non-Instructional Services:				
Community Services	101,122	1,165	2	-
Extracurricular Activities	-	-	-	-
<b>Total Expenditures</b>	<u>2,024,541</u>	<u>1,694,463</u>	<u>267,525</u>	<u>300,000</u>
Excess of Revenues Over (Under) Expenditures	<u>(25,216)</u>	<u>(35,712)</u>	<u>4,024</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	-	-
Transfers In	-	-	1,072	-
Transfer Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>1,072</u>	<u>-</u>
Net Change in Fund Balances	<u>(25,216)</u>	<u>(35,712)</u>	<u>5,096</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year, Restated	-	(233,262)	-	-
<b>Fund Balances - End of Year</b>	<u>\$ (25,216)</u>	<u>\$ (268,974)</u>	<u>\$ 5,096</u>	<u>\$ -</u>

**Euclid City School District**

<b>Title I</b>	<b>Drug-Free Schools</b>	<b>IDEA Preschool Grant for the Handicapped</b>	<b>Reducing Class Size</b>	<b>Miscellaneous Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$1,842,265	\$ 28,670	\$ 61,186	\$ 289,661	\$ -	\$ 8,125,218
-	-	-	-	-	384
-	-	-	-	-	270,111
-	-	-	-	-	148,500
-	-	-	-	-	706
-	-	-	-	-	64,803
<u>1,842,265</u>	<u>28,670</u>	<u>61,186</u>	<u>289,661</u>	<u>-</u>	<u>8,609,722</u>
297,155	14,966	-	-	-	1,446,254
1,320,569	-	48,890	-	-	3,440,569
-	-	-	-	-	153,457
-	-	-	-	-	99
-	-	-	-	-	313,955
270,331	-	-	286,621	-	1,717,961
42,329	-	7,386	-	-	263,463
16,301	181	576	1,825	-	54,829
7,980	-	-	-	-	7,980
-	-	-	-	-	150,544
105,909	4,784	-	-	-	928,421
-	-	-	-	-	351,643
<u>2,060,574</u>	<u>19,931</u>	<u>56,852</u>	<u>288,446</u>	<u>-</u>	<u>8,829,175</u>
<u>(218,309)</u>	<u>8,739</u>	<u>4,334</u>	<u>1,215</u>	<u>-</u>	<u>(219,453)</u>
-	-	-	-	-	770
-	-	-	-	-	1,072
-	-	-	-	(1,072)	(1,072)
-	-	-	-	(1,072)	770
<u>(218,309)</u>	<u>8,739</u>	<u>4,334</u>	<u>1,215</u>	<u>(1,072)</u>	<u>(218,683)</u>
381,895	7,837	255	(2,556)	1,072	532,682
<u>\$ 163,586</u>	<u>\$ 16,576</u>	<u>\$ 4,589</u>	<u>\$ (1,341)</u>	<u>\$ -</u>	<u>\$ 313,999</u>

**Combining Balance Sheet  
Nonmajor Capital Projects Funds**

**June 30, 2010**

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Replacement</b>	<b>Vocational Education Equipment</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 706,812	\$ -	\$ 157,206	\$ -	\$ 864,018
Investments	-	4,674,236	-	-	4,674,236
Interfund Receivable	122,503	-	-	-	122,503
Property Taxes Receivable	1,837,098	-	-	-	1,837,098
<b>Total Assets</b>	<b>\$ 2,666,413</b>	<b>\$ 4,674,236</b>	<b>\$ 157,206</b>	<b>\$ -</b>	<b>\$ 7,497,855</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 76,994	\$ 1,575	\$ -	\$ -	\$ 78,569
Interfund Payable	250,000	-	-	91	250,091
Deferred Revenue	1,534,820	-	-	-	1,534,820
<b>Total Liabilities</b>	<b>1,861,814</b>	<b>1,575</b>	<b>-</b>	<b>91</b>	<b>1,863,480</b>
<b>Fund Balances:</b>					
Reserved for:					
Encumbrances	14,305	-	-	-	14,305
Property Taxes	302,278	-	-	-	302,278
Unreserved:					
Capital Projects Funds	488,016	4,672,661	157,206	(91)	5,317,792
<b>Total Fund Balances</b>	<b>804,599</b>	<b>4,672,661</b>	<b>157,206</b>	<b>(91)</b>	<b>5,634,375</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,666,413</b>	<b>\$ 4,674,236</b>	<b>\$ 157,206</b>	<b>\$ -</b>	<b>\$ 7,497,855</b>

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Capital Projects Funds**

**For the Fiscal Year Ended June 30, 2010**

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Replacement</b>	<b>Vocational Education Equipment</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>					
Taxes	\$ 656,741	\$ -	\$ -	\$ -	\$ 656,741
Intergovernmental	339,940	-	-	-	339,940
Interest	-	11,824	264	-	12,088
<b>Total Revenues</b>	<b>996,681</b>	<b>11,824</b>	<b>264</b>	<b>-</b>	<b>1,008,769</b>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular Instruction	138,150	-	1,465	-	139,615
Supporting Services:					
Instructional Staff	125,623	-	-	-	125,623
Business	6,414	-	-	-	6,414
Operation and Maintenance of Plant Services	174,595	-	-	-	174,595
Pupil Transportation	83,400	-	-	-	83,400
Central	74,999	-	-	-	74,999
Capital Outlay	49,056	45,040	-	-	94,096
Debt Service:					
Bond Issuance Costs	-	467,442	-	-	467,442
<b>Total Expenditures</b>	<b>652,237</b>	<b>512,482</b>	<b>1,465</b>	<b>-</b>	<b>1,166,184</b>
Excess of Revenues Over (Under) Expenditures	344,444	(500,658)	(1,201)	-	(157,415)
<b>OTHER FINANCING SOURCES (USES)</b>					
General Obligation Bonds Issued	-	4,704,577	-	-	4,704,577
Premium on Debt Issued	-	467,442	-	-	467,442
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>5,172,019</b>	<b>-</b>	<b>-</b>	<b>5,172,019</b>
Net Change in Fund Balances	344,444	4,671,361	(1,201)	-	5,014,604
Fund Balances (Deficit) - Beginning of Year	460,155	1,300	158,407	(91)	619,771
<b>Fund Balances - End of Year</b>	<b>\$ 804,599</b>	<b>\$ 4,672,661</b>	<b>\$ 157,206</b>	<b>\$ (91)</b>	<b>\$ 5,634,375</b>

**Combining Statement of Fund Net Assets  
Nonmajor Enterprise Funds**

**June 30, 2010**

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Customer Services</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>ASSETS</b>				
<b>Current Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 608,456	\$ 43,651	\$ 137,410	\$ 789,517
Materials and Supplies Inventory	19,355	-	-	19,355
Prepaid Items	-	-	315	315
<b>Total Current Assets</b>	<u>627,811</u>	<u>43,651</u>	<u>137,725</u>	<u>809,187</u>
<b>Noncurrent Assets:</b>				
Capital Assets:				
Depreciable Capital Assets, Net of Depreciation	108,001	-	-	108,001
<b>Total Assets</b>	<u>735,812</u>	<u>43,651</u>	<u>137,725</u>	<u>917,188</u>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts Payable	9,158	-	2,710	11,868
Accrued Wages and Benefits	10,512	-	24,571	35,083
Compensated Absences Payable	3,530	-	2,626	6,156
Intergovernmental Payable	67,220	-	82,800	150,020
Matured Compensated Absences Payable	3,161	-	-	3,161
<b>Total Current Liabilities</b>	<u>93,581</u>	<u>-</u>	<u>112,707</u>	<u>206,288</u>
<b>Noncurrent Liabilities:</b>				
Compensated Absences Payable	55,311	-	41,134	96,445
<b>Total Noncurrent Liabilities</b>	<u>55,311</u>	<u>-</u>	<u>41,134</u>	<u>96,445</u>
<b>Total Liabilities</b>	<u>148,892</u>	<u>-</u>	<u>153,841</u>	<u>302,733</u>
<b>NET ASSETS</b>				
Invested in Capital Assets	108,001	-	-	108,001
Unrestricted	478,919	43,651	(16,116)	506,454
<b>Total Net Assets</b>	<u>\$ 586,920</u>	<u>\$ 43,651</u>	<u>\$ (16,116)</u>	<u>\$ 614,455</u>

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Nonmajor Enterprise Funds**

**For the Fiscal Year Ended June 30, 2010**

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Customer Services</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>OPERATING REVENUES</b>				
Food Services	\$ 474,817	\$ -	\$ -	\$ 474,817
Charges for Services	-	-	12,908	12,908
Miscellaneous	100	11,641	14,866	26,607
Tuition	-	-	669,678	669,678
Transportation Fees	-	-	2,017	2,017
<b>Total Operating Revenues</b>	<u>474,917</u>	<u>11,641</u>	<u>699,469</u>	<u>1,186,027</u>
<b>OPERATING EXPENSES</b>				
Salaries	957,223	-	492,959	1,450,182
Fringe Benefits	395,139	-	203,606	598,745
Purchased Services	24,182	-	54,737	78,919
Materials and Supplies	1,206,739	12,816	58,724	1,278,279
Depreciation	31,704	-	-	31,704
Other	4,369	-	1,215	5,584
<b>Total Operating Expenses</b>	<u>2,619,356</u>	<u>12,816</u>	<u>811,241</u>	<u>3,443,413</u>
Operating Income (Loss)	<u>(2,144,439)</u>	<u>(1,175)</u>	<u>(111,772)</u>	<u>(2,257,386)</u>
<b>NON-OPERATING REVENUES</b>				
Interest	222	-	-	222
Intergovernmental	1,852,576	-	28,441	1,881,017
Donated Commodities	213,704	-	-	213,704
<b>Total Non-operating Revenues</b>	<u>2,066,502</u>	<u>-</u>	<u>28,441</u>	<u>2,094,943</u>
Transfers In	-	-	12,000	12,000
Change in Net Assets	<u>(77,937)</u>	<u>(1,175)</u>	<u>(71,331)</u>	<u>(150,443)</u>
Net Assets - Beginning of Year	<u>664,857</u>	<u>44,826</u>	<u>55,215</u>	<u>764,898</u>
<b>Net Assets - End of Year</b>	<u><u>\$ 586,920</u></u>	<u><u>\$ 43,651</u></u>	<u><u>\$ (16,116)</u></u>	<u><u>\$ 614,455</u></u>

**Combining Statement of Cash Flows  
Nonmajor Enterprise Funds**

**For the Fiscal Year Ended June 30, 2010**

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Customer Services</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Customers	\$ 474,917	\$ -	\$ 699,469	\$ 1,174,386
Other Cash Receipts	-	11,641	-	11,641
Cash Payments to Employees for Services	(951,059)	-	(486,456)	(1,437,515)
Cash Payments for Employee Benefits	(395,858)	-	(194,667)	(590,525)
Cash Payments for Goods and Services	(1,004,032)	(13,108)	(111,433)	(1,128,573)
Cash Payments for Other Operating Expenses	(4,369)	-	(1,215)	(5,584)
Net Cash Provided by (Used in) Operating Activities	<u>(1,880,401)</u>	<u>(1,467)</u>	<u>(94,302)</u>	<u>(1,976,170)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Operating Grants Received	1,852,576	-	28,441	1,881,017
Transfers In	-	-	12,000	12,000
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>1,852,576</u>	<u>-</u>	<u>40,441</u>	<u>1,893,017</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Payments for Capital Acquisitions	(12,000)	-	-	(12,000)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(12,000)</u>	<u>-</u>	<u>-</u>	<u>(12,000)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on Investments	222	-	-	222
Net Cash Provided by Investing Activities	<u>222</u>	<u>-</u>	<u>-</u>	<u>222</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(39,603)	(1,467)	(53,861)	(94,931)
Cash and Cash Equivalents - Beginning of Year	648,059	45,118	191,271	884,448
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 608,456</u>	<u>\$ 43,651</u>	<u>\$ 137,410</u>	<u>\$ 789,517</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (2,144,439)	\$ (1,175)	\$ (111,772)	\$ (2,257,386)
Adjustments:				
Depreciation	31,704	-	-	31,704
Federal Donated Commodities	213,704	-	-	213,704
(Increase) Decrease in Assets:				
Materials and Supplies Inventory	9,556	-	-	9,556
Prepaid Items	-	-	9	9
Increase (Decrease) in Liabilities:				
Accounts Payable	3,629	(292)	2,019	5,356
Accrued Wages and Benefits	(169)	-	3,358	3,189
Compensated Absences Payable	3,172	-	3,145	6,317
Matured Compensated Absences Payable	3,161	-	-	3,161
Intergovernmental Payable	(719)	-	8,939	8,220
Net Cash Provided by (Used in) Operating Activities	<u>\$ (1,880,401)</u>	<u>\$ (1,467)</u>	<u>\$ (94,302)</u>	<u>\$ (1,976,170)</u>

**Schedule of Noncash Non-Capital Financing Activities**

During the year, the Food Service fund received donated commodities of \$213,704.



**Combining Statement of Fund Net Assets  
All Internal Service Funds**

**June 30, 2010**

	<u>Special Rotary</u>	<u>Health Reserve</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>				
<b>Current Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 333,724	\$ 1,979,147	\$ 582,223	\$ 2,895,094
Investments	-	2,003,486	1,706,743	3,710,229
Accrued Interest Receivable	-	10,655	1,695	12,350
<b>Total Current Assets</b>	<u>333,724</u>	<u>3,993,288</u>	<u>2,290,661</u>	<u>6,617,673</u>
<b>Noncurrent Assets:</b>				
Capital Assets:				
Depreciable Capital Assets, Net	20,844	-	-	20,844
<b>Total Assets</b>	<u>354,568</u>	<u>3,993,288</u>	<u>2,290,661</u>	<u>6,638,517</u>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts Payable	172	-	-	172
Intergovernmental Payable	-	-	488,486	488,486
Interfund Payable	6,225	-	-	6,225
Workers' Compensation Claims Payable	-	-	150,537	150,537
Insurance Claims Payable	-	1,223,600	-	1,223,600
<b>Total Current Liabilities</b>	<u>6,397</u>	<u>1,223,600</u>	<u>639,023</u>	<u>1,869,020</u>
<b>Noncurrent Liabilities:</b>				
Workers' Compensation Claims Payable	-	-	316,357	316,357
<b>Total Noncurrent Liabilities</b>	<u>-</u>	<u>-</u>	<u>316,357</u>	<u>316,357</u>
<b>Total Liabilities</b>	<u>6,397</u>	<u>1,223,600</u>	<u>955,380</u>	<u>2,185,377</u>
<b>NET ASSETS</b>				
Invested in Capital Assets	20,844	-	-	20,844
Unrestricted	327,327	2,769,688	1,335,281	4,432,296
<b>Total Net Assets</b>	<u>\$ 348,171</u>	<u>\$ 2,769,688</u>	<u>\$ 1,335,281</u>	<u>\$ 4,453,140</u>

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets  
All Internal Service Funds**

**For the Fiscal Year Ended June 30, 2010**

	<u>Special Rotary</u>	<u>Health Reserve</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 1,948,474	\$ 7,094,786	\$ 1,041,492	\$ 10,084,752
Miscellaneous	1,391	571,042	-	572,433
Extracurricular Activities	8,248	-	-	8,248
Classroom Materials and Fees	90,577	-	-	90,577
Transportation Fees	3,217	-	-	3,217
<b>Total Operating Revenues</b>	<u>2,051,907</u>	<u>7,665,828</u>	<u>1,041,492</u>	<u>10,759,227</u>
<b>OPERATING EXPENSES</b>				
Salaries	1,698,419	-	-	1,698,419
Fringe Benefits	8,246	7,027,930	737,298	7,773,474
Purchased Services	121,860	10,750	50,851	183,461
Materials and Supplies	9,161	-	-	9,161
Depreciation	11,782	-	-	11,782
Other	126,783	1,000	758	128,541
<b>Total Operating Expense</b>	<u>1,976,251</u>	<u>7,039,680</u>	<u>788,907</u>	<u>9,804,838</u>
Operating Income (Loss)	<u>75,656</u>	<u>626,148</u>	<u>252,585</u>	<u>954,389</u>
<b>NON-OPERATING REVENUES</b>				
Gain on Sale of Capital Assets	12,074	-	-	12,074
Interest	-	15,887	8,981	24,868
<b>Total Non-operating Revenues</b>	<u>12,074</u>	<u>15,887</u>	<u>8,981</u>	<u>36,942</u>
Change in Net Assets	87,730	642,035	261,566	991,331
Net Assets - Beginning of Year	260,441	2,127,653	1,073,715	3,461,809
<b>Net Assets - End of Year</b>	<u>\$ 348,171</u>	<u>\$ 2,769,688</u>	<u>\$ 1,335,281</u>	<u>\$ 4,453,140</u>

**Combining Statement of Cash Flows  
All Internal Service Funds**

**For the Fiscal Year Ended June 30, 2010**

	<b>Special Rotary</b>	<b>Health Reserve</b>	<b>Workers' Compensation</b>	<b>Total Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Customers	\$ 2,051,907	\$ 7,665,828	\$ 1,041,492	\$ 10,759,227
Cash Payments to Employees for Services	(1,698,419)	-	-	(1,698,419)
Cash Payments for Employee Benefits	(8,246)	(7,134,030)	(579,644)	(7,721,920)
Cash Payments for Goods and Services	(133,365)	(10,750)	(50,851)	(194,966)
Cash Payments for Other Operating Expenses	(126,783)	(1,000)	(758)	(128,541)
Net Cash Provided by (Used in) Operating Activities	<u>85,094</u>	<u>520,048</u>	<u>410,239</u>	<u>1,015,381</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Advances In	6,225	-	-	6,225
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>6,225</u>	<u>-</u>	<u>-</u>	<u>6,225</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from Sale of Capital Assets	12,074	-	-	12,074
Payments for Capital Acquisitions	(10,616)	-	-	(10,616)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>1,458</u>	<u>-</u>	<u>-</u>	<u>1,458</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceed from sales and maturities of investments				-
Purchase of Investments	-	(2,003,486)	(1,706,743)	(3,710,229)
Interest on Investments	-	5,232	7,286	12,518
Net Cash Provided by Investing Activities	<u>-</u>	<u>(1,998,254)</u>	<u>(1,699,457)</u>	<u>(3,697,711)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	92,777	(1,478,206)	(1,289,218)	(2,674,647)
Cash and Cash Equivalents - Beginning of Year	240,947	3,457,353	1,871,441	5,569,741
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 333,724</u>	<u>\$ 1,979,147</u>	<u>\$ 582,223</u>	<u>\$ 2,895,094</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 75,656	\$ 626,148	\$ 252,585	\$ 954,389
Adjustments:				
Depreciation	11,782	-	-	11,782
Increase (Decrease) in Liabilities:				
Accounts Payable	(2,344)	-	-	(2,344)
Intergovernmental Payable	-	-	(40,239)	(40,239)
Claims Payable	-	(106,100)	197,893	91,793
Net Cash Provided by (Used in) Operating Activities	<u>\$ 85,094</u>	<u>\$ 520,048</u>	<u>\$ 410,239</u>	<u>\$ 1,015,381</u>

**Statement of Changes in Assets and Liabilities  
Fiduciary Funds**

**For the Fiscal Year Ended June 30, 2010**

	<u>Balance 6/30/2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2010</u>
<b><u>Student Activities</u></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 35,599	\$ 110,234	\$ 114,482	\$ 31,351
<b>Total Assets</b>	<u>\$ 35,599</u>	<u>\$ 110,234</u>	<u>\$ 114,482</u>	<u>\$ 31,351</u>
<b>Liabilities</b>				
Due to Students	\$ 35,599	\$ -	\$ 4,248	\$ 31,351
<b><u>Employee Withholding</u></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 232,000	\$ 225,000	\$ 232,000	\$ 225,000
<b>Liabilities</b>				
Deposits Held and Due to Others	\$ 232,000	\$ 225,000	\$ 232,000	\$ 225,000
<b><u>Total Agency Funds</u></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 267,599	\$ 335,234	\$ 346,482	\$ 256,351
<b>Total Assets</b>	<u>\$ 267,599</u>	<u>\$ 335,234</u>	<u>\$ 346,482</u>	<u>\$ 256,351</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	\$ 232,000	\$ 225,000	\$ 232,000	\$ 225,000
Due to Students	35,599	-	4,248	31,351
<b>Total Liabilities</b>	<u>\$ 267,599</u>	<u>\$ 225,000</u>	<u>\$ 236,248</u>	<u>\$ 256,351</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES,  
EXPENDITURES/EXPENSES, AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BASIS) AND ACTUAL**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
General Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 36,673,041	\$ 35,893,160	\$ 38,466,253	\$ 2,573,093
Intergovernmental	36,369,581	36,369,581	31,252,572	(5,117,009)
Interest	82,964	82,964	71,291	(11,673)
Tuition	174,230	174,230	149,717	(24,513)
Charges for Services	146,104	146,104	125,548	(20,556)
Transportation Fees	73,021	73,021	62,747	(10,274)
Classroom Materials and Fees	105,294	105,294	90,480	(14,814)
Miscellaneous	169,020	169,020	169,017	(3)
<b>Total Revenues</b>	<b>73,793,255</b>	<b>73,013,374</b>	<b>70,387,625</b>	<b>(2,625,749)</b>
<b>Expenditures</b>				
Current:				
Instruction				
Regular				
Personal Services	20,840,443	20,630,443	20,362,627	267,816
Fringe Benefits	6,634,201	6,714,201	6,696,293	17,908
Purchased Services	460,925	541,592	538,153	3,439
Supplies and Materials	1,290,557	1,323,232	1,266,452	56,780
Capital Outlay	79,620	54,828	53,409	1,419
Capital Outlay - Replacement	10,247	4,416	4,100	316
Other Objects	17,080	6,668	6,361	307
<b>Total Regular</b>	<b>29,333,073</b>	<b>29,275,380</b>	<b>28,927,395</b>	<b>347,985</b>
Special				
Personal Services	6,528,734	6,518,734	6,264,785	253,949
Fringe Benefits	2,770,781	2,592,280	2,172,168	420,112
Purchased Services	4,046,777	4,604,491	4,604,491	-
Supplies and Materials	91,810	76,804	74,680	2,124
Capital Outlay	30,450	4,861	4,488	373
Other Objects	3,180	325	325	-
<b>Total Special</b>	<b>13,471,732</b>	<b>13,797,495</b>	<b>13,120,937</b>	<b>676,558</b>

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
General Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Vocational				
Personal Services	657,538	662,538	659,038	3,500
Fringe Benefits	222,940	240,440	237,445	2,995
Purchased Services	896,922	385,429	385,429	-
Supplies and Materials	54,526	60,342	60,135	207
Capital Outlay	2,876	664	616	48
Other Objects	950	541	541	-
Total Vocational	<u>1,835,752</u>	<u>1,349,954</u>	<u>1,343,204</u>	<u>6,750</u>
Other				
Personal Services	236,051	248,143	222,415	25,728
Fringe Benefits	44,490	66,684	64,310	2,374
Purchased Services	1,170	4,930	4,628	302
Supplies and Materials	4,788	7,090	6,331	759
Total Other	<u>286,499</u>	<u>326,847</u>	<u>297,684</u>	<u>29,163</u>
Total Instruction	<u>44,927,056</u>	<u>44,749,676</u>	<u>43,689,220</u>	<u>1,060,456</u>
Supporting Services				
Pupils				
Personal Services	3,059,939	3,059,939	2,905,010	154,929
Fringe Benefits	1,254,153	1,254,153	1,073,946	180,207
Purchased Services	123,260	173,958	173,734	224
Supplies and Materials	40,757	34,252	33,929	323
Capital Outlay	15,000	11,696	11,696	-
Other Objects	100	100	-	100
Total Pupils	<u>4,493,209</u>	<u>4,534,098</u>	<u>4,198,315</u>	<u>335,783</u>
Instructional Staff				
Personal Services	2,896,159	2,794,699	2,603,445	191,254
Fringe Benefits	1,055,866	1,174,996	1,126,177	48,819
Purchased Services	228,623	252,385	207,444	44,941
Supplies and Materials	107,661	104,934	80,845	24,089
Capital Outlay	25,100	22,191	17,013	5,178
Capital Outlay - Replacement	3,000	146	146	-
Other Objects	9,419	12,033	9,462	2,571
Total Instructional Staff	<u>4,325,828</u>	<u>4,361,384</u>	<u>4,044,532</u>	<u>316,852</u>

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
General Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Board of Education				
Personal Services	22,500	23,500	23,187	313
Fringe Benefits	4,561	4,561	3,568	993
Purchased Services	13,400	24,200	20,657	3,543
Supplies and Materials	600	600	203	397
Other Objects	77,000	35,000	26,521	8,479
Total Board of Education	<u>118,061</u>	<u>87,861</u>	<u>74,136</u>	<u>13,725</u>
Administration				
Personal Services	3,285,446	3,283,446	3,201,620	81,826
Fringe Benefits	1,428,147	1,426,647	1,420,078	6,569
Purchased Services	163,742	152,442	139,494	12,948
Supplies and Materials	47,038	42,001	37,623	4,378
Capital Outlay	13,489	16,470	16,426	44
Other Objects	484,650	336,382	334,520	1,862
Total Administration	<u>5,422,512</u>	<u>5,257,388</u>	<u>5,149,761</u>	<u>107,627</u>
Fiscal Services				
Personal Services	756,360	756,360	706,206	50,154
Fringe Benefits	252,356	252,356	249,848	2,508
Purchased Services	309,984	287,774	276,896	10,878
Supplies and Materials	28,100	50,905	44,220	6,685
Capital Outlay	15,000	4,095	-	4,095
Capital Outlay - Replacement	15,000	15,000	7,000	8,000
Other Objects	668,415	755,730	742,540	13,190
Total Fiscal Services	<u>2,045,215</u>	<u>2,122,220</u>	<u>2,026,710</u>	<u>95,510</u>
Business				
Personal Services	347,798	357,798	352,340	5,458
Fringe Benefits	131,461	148,461	147,057	1,404
Purchased Services	307,105	258,836	184,502	74,334
Supplies and Materials	122,510	129,332	118,823	10,509
Capital Outlay	28,000	23,000	12,734	10,266
Capital Outlay - Replacement	39,250	35,250	-	35,250
Other Objects	3,535	10,610	5,577	5,033
Total Business	<u>979,659</u>	<u>963,287</u>	<u>821,033</u>	<u>142,254</u>

(Continued)



**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
General Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Operation and Maintenance of Plant Services				
Personal Services	3,769,938	3,714,939	3,619,239	95,700
Fringe Benefits	1,617,469	1,742,469	1,723,747	18,722
Purchased Services	2,663,161	2,503,217	2,122,287	380,930
Supplies and Materials	380,095	380,337	277,461	102,876
Capital Outlay	21,166	15,452	13,332	2,120
Capital Outlay - Replacement	24,000	16,270	11,888	4,382
Other Objects	4,300	93,477	92,631	846
Total Operation and Maintenance of Plant Services	<u>8,480,129</u>	<u>8,466,161</u>	<u>7,860,585</u>	<u>605,576</u>
Pupil Transportation				
Personal Services	1,837,834	1,862,834	1,855,638	7,196
Fringe Benefits	638,111	768,111	763,261	4,850
Purchased Services	623,100	1,112,114	1,075,794	36,320
Supplies and Materials	522,652	551,138	462,311	88,827
Capital Outlay	16,300	16,300	1,660	14,640
Capital Outlay - Replacement	60,000	60,000	60,000	-
Other Objects	725	51,172	47,957	3,215
Total Pupil Transportation	<u>3,698,722</u>	<u>4,421,669</u>	<u>4,266,621</u>	<u>155,048</u>
Central				
Personal Services	644,356	644,356	630,783	13,573
Fringe Benefits	461,720	461,720	256,731	204,989
Purchased Services	403,515	389,305	299,545	89,760
Supplies and Materials	112,550	143,267	132,334	10,933
Capital Outlay	35,000	16,753	16,748	5
Capital Outlay - Replacement	46,000	63,991	61,991	2,000
Other Objects	2,600	1,694	685	1,009
Total Central	<u>1,705,741</u>	<u>1,721,086</u>	<u>1,398,817</u>	<u>322,269</u>
Total Supporting Services	<u>31,269,076</u>	<u>31,935,154</u>	<u>29,840,510</u>	<u>2,094,644</u>

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
General Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services				
Community Services				
Personal Services	51,663	51,663	42,511	9,152
Fringe Benefits	8,922	8,922	8,229	693
Total Operation of Non-Instructional Services	<u>60,585</u>	<u>60,585</u>	<u>50,740</u>	<u>9,845</u>
Extracurricular Activities				
Academic Oriented Activities				
Personal Services	107,744	105,989	90,827	15,162
Fringe Benefits	18,482	18,482	14,500	3,982
Purchased Services	2,500	3,755	3,566	189
Capital Outlay	7,000	9,124	9,124	-
Total Academic Oriented Activities	<u>135,726</u>	<u>137,350</u>	<u>118,017</u>	<u>19,333</u>
Occupation Oriented Activities				
Personal Services	12,007	12,007	10,941	1,066
Fringe Benefits	2,074	2,074	1,882	192
Total Occupation Oriented Activities	<u>14,081</u>	<u>14,081</u>	<u>12,823</u>	<u>1,258</u>
Sport Oriented Activities				
Personal Services	501,170	501,170	454,013	47,157
Fringe Benefits	126,660	126,660	109,584	17,076
Purchased Services	9,000	10,801	10,589	212
Supplies and Materials	3,439	3,749	3,749	-
Capital Outlay	7,561	7,690	5,345	2,345
Other Objects	8,000	6,000	4,600	1,400
Total Sport Oriented Activities	<u>655,830</u>	<u>656,070</u>	<u>587,880</u>	<u>68,190</u>
Co-Curricular Activities				
Personal Services	66,885	66,885	58,556	8,329
Fringe Benefits	11,551	11,551	10,247	1,304
Total Co-Curricular Activities	<u>78,436</u>	<u>78,436</u>	<u>68,803</u>	<u>9,633</u>
Total Extracurricular Activities	<u>884,073</u>	<u>885,937</u>	<u>787,523</u>	<u>98,414</u>
<b>Total Expenditures</b>	<u>77,140,790</u>	<u>77,631,352</u>	<u>74,367,993</u>	<u>3,263,359</u>
Excess of Revenues Over Expenditures	<u>(3,347,535)</u>	<u>(4,617,978)</u>	<u>(3,980,368)</u>	<u>637,610</u>

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
General Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	11,267	11,267	11,267	-
Advances Out	-	(26,225)	(26,225)	-
Transfers Out	(379,180)	(379,180)	(379,180)	-
Contingencies	(200,000)	(83,214)	-	83,214
<b>Total Other Financings Sources (Uses)</b>	(567,913)	(477,352)	(394,138)	83,214
Net Change in Fund Balance	(3,915,448)	(5,095,330)	(4,374,506)	720,824
Fund Balance - Beginning of Year	8,655,399	8,655,399	8,655,399	-
Prior Year Encumbrances Appropriated	895,705	895,705	895,705	-
<b>Fund Balance - End of Year</b>	<u>\$ 5,635,656</u>	<u>\$ 4,455,774</u>	<u>\$ 5,176,598</u>	<u>\$ 720,824</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Classroom Facilities Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Interest	\$ -	\$ 16,053	\$ 16,053
<b>Total Revenues</b>	<u>-</u>	<u>16,053</u>	<u>16,053</u>
<b>Expenditures</b>			
Capital Outlay:			
Purchased Services	5,000,000	1,192,843	3,807,157
<b>Total Expenditures</b>	<u>5,000,000</u>	<u>1,192,843</u>	<u>3,807,157</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,000,000)</u>	<u>(1,176,790)</u>	<u>3,823,210</u>
<b>Other Financing Sources (Uses)</b>			
General Obligation Bonds Issued	35,595,251	35,595,251	-
<b>Total Other Financings Sources (Uses)</b>	<u>35,595,251</u>	<u>35,595,251</u>	<u>-</u>
Net Change in Fund Balance	30,595,251	34,418,461	3,823,210
Fund Balance - Beginning of Year	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ 30,595,251</u>	<u>\$ 34,418,461</u>	<u>\$ 3,823,210</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Special Trust Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Interest	\$ 1,048	\$ 63	\$ (985)
Miscellaneous	28,952	1,741	(27,211)
<b>Total Revenues</b>	<u>30,000</u>	<u>1,804</u>	<u>(28,196)</u>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Purchased Services	250	-	250
Supplies and Materials	4,246	3,740	506
Total Instruction	<u>4,496</u>	<u>3,740</u>	<u>756</u>
Operation of Non-Instructional Services			
Community Services			
Other Objects	15,917	1,000	14,917
Total Operation of Non-Instructional Services	<u>15,917</u>	<u>1,000</u>	<u>14,917</u>
Extracurricular Activities			
Academic Oriented Activities			
Capital Outlay	24,702	2,009	22,693
<b>Total Expenditures</b>	<u>45,115</u>	<u>6,749</u>	<u>38,366</u>
Net Change in Fund Balance	(15,115)	(4,945)	10,170
Fund Balance - Beginning of Year	40,973	40,973	-
Prior Year Encumbrances Appropriated	3,000	3,000	-
<b>Fund Balance - End of Year</b>	<u>\$ 28,858</u>	<u>\$ 39,028</u>	<u>\$ 10,170</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Public School Support Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Extracurricular Activities	\$ 211,811	\$ 101,867	\$ (109,944)
Miscellaneous	38,180	18,362	(19,818)
<b>Total Revenues</b>	<u>249,991</u>	<u>120,229</u>	<u>(129,762)</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities			
School & Public Service Co-Curricular Activities			
Purchased Services	56,197	33,645	22,552
Supplies and Materials	160,332	71,311	89,021
Capital Outlay	14,900	5,953	8,947
Other Objects	31,202	13,114	18,088
<b>Total Expenditures</b>	<u>262,631</u>	<u>124,023</u>	<u>138,608</u>
Excess of Revenues (Under) Expenditures	<u>(12,640)</u>	<u>(3,794)</u>	<u>8,846</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	9	9	-
Transfers In	-	-	-
Transfers Out	(11,005)	-	11,005
<b>Total Other Financings Sources (Uses)</b>	<u>(10,996)</u>	<u>9</u>	<u>11,005</u>
Net Change in Fund Balance	(23,636)	(3,785)	19,851
Fund Balance - Beginning of Year	48,253	48,253	-
Prior Year Encumbrances Appropriated	123	123	-
<b>Fund Balance - End of Year</b>	<u><u>\$ 24,740</u></u>	<u><u>\$ 44,591</u></u>	<u><u>\$ 19,851</u></u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Termination Benefits Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Charges for Services	\$ 175,000	\$ 148,500	\$ (26,500)
<b>Total Revenues</b>	175,000	148,500	(26,500)
<b>Expenditures</b>			
Current:			
Supporting Services			
Central			
Fringe Benefits	180,000	117,004	62,996
<b>Total Expenditures</b>	180,000	117,004	62,996
Net Change in Fund Balance	(5,000)	31,496	36,496
Fund Balance - Beginning of Year	116,722	116,722	-
<b>Fund Balance - End of Year</b>	\$ 111,722	\$ 148,218	\$ 36,496

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Student Activity Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Extracurricular Activities	\$ 181,543	\$ 168,244	\$ (13,299)
Transportation Fees	762	706	(56)
Miscellaneous	48,233	44,700	(3,533)
<b>Total Revenues</b>	<b>230,538</b>	<b>213,650</b>	<b>(16,888)</b>
<b>Expenditures</b>			
Current:			
Extracurricular Activities			
Academic Oriented Activities			
Purchased Services	13,748	11,790	1,958
Supplies and Materials	16,450	13,957	2,493
Capital Outlay	13,856	13,074	782
Other Objects	9,929	8,720	1,209
Total Academic Oriented Activities	53,983	47,541	6,442
Sport Oriented Activities			
Purchased Services	59,174	58,076	1,098
Supplies and Materials	9,059	7,374	1,685
Capital Outlay	43,665	42,462	1,203
Other Objects	15,961	14,903	1,058
Total Sport Oriented Activities	127,859	122,815	5,044
Co-Curricular Activities			
Purchased Services	12,485	11,800	685
Supplies and Materials	36,771	34,592	2,179
Capital Outlay	385	-	385
Other Objects	2,208	1,690	518
Total Co-Curricular Activities	51,849	48,082	3,767
Total Extracurricular Activities	233,691	218,438	15,253
<b>Total Expenditures</b>	<b>233,691</b>	<b>218,438</b>	<b>15,253</b>
Excess of Revenues (Under) Expenditures	(3,153)	(4,788)	(1,635)

(Continued)



**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Student Activity Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	761	761	-
Refund of Prior Year Expenditures	90	90	-
Transfers Out	(300)	-	300
Contingencies	(56)	-	56
<b>Total Other Financings Sources (Uses)</b>	<u>495</u>	<u>851</u>	<u>356</u>
Net Change in Fund Balance	(2,658)	(3,937)	(1,279)
Fund Balance - Beginning of Year	41,708	41,708	-
<b>Fund Balance - End of Year</b>	<u>\$ 39,050</u>	<u>\$ 37,771</u>	<u>\$ (1,279)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Auxiliary Services Fund  
For the Fiscal Year Ended June 30, 2010**

	Amounts		Variance with Final Budget
	Final	Actual	Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 729,641	\$ 652,720	\$ (76,921)
Interest	359	321	(38)
<b>Total Revenues</b>	<u>730,000</u>	<u>653,041</u>	<u>(76,959)</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services			
Community Services			
Personal Services	223,266	198,567	24,699
Fringe Benefits	114,436	102,435	12,001
Purchased Services	187,286	183,700	3,586
Supplies and Materials	200,845	195,562	5,283
Capital Outlay	45,898	44,990	908
<b>Total Expenditures</b>	<u>771,731</u>	<u>725,254</u>	<u>46,477</u>
Net Change in Fund Balance	(41,731)	(72,213)	(30,482)
Fund Balance - Beginning of Year	44,257	44,257	-
Prior Year Encumbrances Appropriated	74,644	74,644	-
<b>Fund Balance - End of Year</b>	<u>\$ 77,170</u>	<u>\$ 46,688</u>	<u>\$ (30,482)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Educational Management Information System Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 15,000	\$ 11,272	\$ (3,728)
<b>Total Revenues</b>	<u>15,000</u>	<u>11,272</u>	<u>(3,728)</u>
<b>Expenditures</b>			
Current:			
Supporting Services			
Central			
Purchased Services	18,885	13,540	5,345
Supplies and Materials	20,000	20,000	-
<b>Total Expenditures</b>	<u>38,885</u>	<u>33,540</u>	<u>5,345</u>
Net Change in Fund Balance	(23,885)	(22,268)	1,617
Fund Balance - Beginning of Year	22,381	22,381	-
Prior Year Encumbrances Appropriated	1,504	1,504	-
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ 1,617</u>	<u>\$ 1,617</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Public School Preschool Grant Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 94,000	\$ 76,000	\$ (18,000)
<b>Total Revenues</b>	<u>94,000</u>	<u>76,000</u>	<u>(18,000)</u>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Personal Services	52,598	52,598	-
Fringe Benefits	22,969	22,969	-
Supplies and Materials	383	383	-
Total Instruction	<u>75,950</u>	<u>75,950</u>	<u>-</u>
Supporting Services			
Administration			
Personal Services	479	479	-
<b>Total Expenditures</b>	<u>76,429</u>	<u>76,429</u>	<u>-</u>
Net Change in Fund Balance	17,571	(429)	(18,000)
Fund Balance - Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	429	429	-
<b>Fund Balance - End of Year</b>	<u>\$ 18,000</u>	<u>\$ -</u>	<u>\$ (18,000)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
School Net Professional Development Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 3,000	\$ -	\$ (3,000)
<b>Total Revenues</b>	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
<b>Expenditures</b>			
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,000	-	(3,000)
Fund Balance - Beginning of Year	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ (3,000)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Alternative Schools Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 216,000	\$ 114,043	\$ (101,957)
<b>Total Revenues</b>	<u>216,000</u>	<u>114,043</u>	<u>(101,957)</u>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Supplies and Materials	100	95	5
Supporting Services			
Operation and Maintenance of Plant Services			
Fringe Benefits	29	29	-
Operation of Non-Instructional Services			
Community Services			
Personal Services	102,882	88,497	14,385
Fringe Benefits	37,272	36,670	602
Total Operation of Non-Instructional Services	<u>140,154</u>	<u>125,167</u>	<u>14,987</u>
<b>Total Expenditures</b>	<u>140,283</u>	<u>125,291</u>	<u>14,992</u>
Net Change in Fund Balance	75,717	(11,248)	(86,965)
Fund Balance - Beginning of Year	20,908	20,908	-
Prior Year Encumbrances Appropriated	29	29	-
<b>Fund Balance - End of Year</b>	<u>\$ 96,654</u>	<u>\$ 9,689</u>	<u>\$ (86,965)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
 Budget and Actual (Non-GAAP Basis) –  
 Poverty Based Assistance Fund  
 For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 2,514,139	\$ -	\$ (2,514,139)
<b>Total Revenues</b>	<u>2,514,139</u>	<u>-</u>	<u>(2,514,139)</u>
<b>Expenditures</b>			
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	2,514,139	-	(2,514,139)
Fund Balance - Beginning of Year	-	-	-
<b>Fund Balance - End of Year</b>	<u><u>\$ 2,514,139</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (2,514,139)</u></u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Miscellaneous State Grants Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
<b>Total Revenues</b>	\$ -	\$ -	\$ -
<b>Expenditures</b>			
Current:			
Supporting Services			
Pupils			
Purchased Services	1,677	1,677	-
Instructional Staff			
Personal Services	15,111	15,111	-
Fringe Benefits	3,946	3,946	-
Purchased Services	2,280	2,280	-
Total Instructional Staff	21,337	21,337	-
<b>Total Expenditures</b>	23,014	23,014	-
Net Change in Fund Balance	(23,014)	(23,014)	-
Fund Balance - Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	23,014	23,014	-
<b>Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Adult Basic Education Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 877,728	\$ 741,483	\$ (136,245)
<b>Total Revenues</b>	<u>877,728</u>	<u>741,483</u>	<u>(136,245)</u>
<b>Expenditures</b>			
Current:			
Instruction			
Adult/Continuing			
Personal Services	84,641	74,821	9,820
Fringe Benefits	19,956	18,469	1,487
Purchased Services	36,150	34,618	1,532
Supplies and Materials	19,275	18,743	532
Capital Outlay	6,092	6,092	-
Total Instruction	<u>166,114</u>	<u>152,743</u>	<u>13,371</u>
Supporting Services			
Instructional Staff			
Personal Services	337,565	290,888	46,677
Fringe Benefits	117,069	98,552	18,517
Purchased Services	253,278	248,641	4,637
Supplies and Materials	60,923	49,625	11,298
Capital Outlay	1,966	966	1,000
Other Objects	1,435	1,385	50
Total Instructional Staff	<u>772,236</u>	<u>690,057</u>	<u>82,179</u>
Administration			
Personal Services	5,000	5,000	-
Fiscal Services			
Other Objects	11,396	10,992	404
Total Supporting Services	<u>788,632</u>	<u>706,049</u>	<u>82,583</u>
Operation of Non-Instructional Services			
Community Services			
Supplies and Materials	500	465	35
<b>Total Expenditures</b>	<u>955,246</u>	<u>859,257</u>	<u>95,989</u>
Excess of Revenues Over (Under) Expenditures	<u>(77,518)</u>	<u>(117,774)</u>	<u>(40,256)</u>

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Adult Basic Education Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Other Financing Sources (Uses)</b>			
Advances In	20,000	20,000	-
Advances Out	(20,000)	-	20,000
Transfers In	35,472	-	(35,472)
Transfers Out	(35,472)	-	35,472
<b>Total Other Financings Sources (Uses)</b>	-	20,000	20,000
Net Change in Fund Balance	(77,518)	(97,774)	(20,256)
Fund Balance - Beginning of Year	35,194	35,194	-
Prior Year Encumbrances Appropriated	43,838	43,838	-
<b>Fund Balance (Deficit) - End of Year</b>	<b>\$ 1,514</b>	<b>\$ (18,742)</b>	<b>\$ (20,256)</b>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
IDEA, Part B Special Education Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 2,844,000	\$ 1,999,325	\$ (844,675)
<b>Total Revenues</b>	<u>2,844,000</u>	<u>1,999,325</u>	<u>(844,675)</u>
<b>Expenditures</b>			
Current:			
Instruction			
Special			
Personal Services	547,845	191,743	356,102
Fringe Benefits	251,909	82,694	169,215
Purchased Services	1,248,697	1,248,697	-
Total Instruction	<u>2,048,451</u>	<u>1,523,134</u>	<u>525,317</u>
Supporting Services			
Pupils			
Personal Services	125,006	60,218	64,788
Fringe Benefits	76,920	18,874	58,046
Total Pupils	<u>201,926</u>	<u>79,092</u>	<u>122,834</u>
Instructional Staff			
Personal Services	125,006	89,253	35,753
Fringe Benefits	76,920	49,323	27,597
Total Instructional Staff	<u>201,926</u>	<u>138,576</u>	<u>63,350</u>
Administration			
Personal Services	170,089	71,560	98,529
Fringe Benefits	58,293	26,029	32,264
Total Administration	<u>228,382</u>	<u>97,589</u>	<u>130,793</u>
Fiscal Services			
Other Objects	17,064	12,496	4,568
Total Supporting Services	<u>649,298</u>	<u>327,753</u>	<u>321,545</u>

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
IDEA, Part B Special Education Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Operation of Non-Instructional Services			
Community Services			
Personal Services	144,420	100,455	43,965
Other Objects	910	667	243
Total Operation of Non-Instructional Services	145,330	101,122	44,208
<b>Total Expenditures</b>	<b>2,843,079</b>	<b>1,952,009</b>	<b>891,070</b>
 Net Change in Fund Balance	 921	 47,316	 46,395
 Fund Balance - Beginning of Year	 -	 -	 -
<b>Fund Balance - End of Year</b>	<b>\$ 921</b>	<b>\$ 47,316</b>	<b>\$ 46,395</b>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
School District Fiscal Stabilization Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 1,659,335	\$ 1,658,751	\$ (584)
<b>Total Revenues</b>	<b>1,659,335</b>	<b>1,658,751</b>	<b>(584)</b>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Personal Services	757,955	706,359	51,596
Fringe Benefits	275,000	266,438	8,562
Supplies and Materials	6,183	6,183	-
Total Regular	1,039,138	978,980	60,158
Special			
Personal Services	125,000	107,681	17,319
Fringe Benefits	42,776	41,531	1,245
Total Special	167,776	149,212	18,564
Other			
Personal Services	28,275	27,607	668
Fringe Benefits	4,936	4,820	116
Purchased Services	18,200	18,170	30
Supplies and Materials	1,242	1,242	-
Total Other	52,653	51,839	814
Total Instruction	1,259,567	1,180,031	79,536
Supporting Services			
Pupils			
Personal Services	122,000	120,375	1,625
Fringe Benefits	45,900	45,828	72
Total Pupils	167,900	166,203	1,697

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
School District Fiscal Stabilization Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive Negative
	Final	Actual	(Negative)
Instructional Staff			
Personal Services	75,000	72,858	2,142
Fringe Benefits	36,400	36,296	104
Purchased Services	12,000	10,498	1,502
Supplies and Materials	430	283	147
Total Instructional Staff	<u>123,830</u>	<u>119,935</u>	<u>3,895</u>
Administration			
Personal Services	65,000	62,461	2,539
Fringe Benefits	30,824	30,013	811
Total Administration	<u>95,824</u>	<u>92,474</u>	<u>3,350</u>
Fiscal Services			
Other Objects	10,465	10,465	-
Total Supporting Services	<u>398,019</u>	<u>389,077</u>	<u>8,942</u>
Operation of Non-Instructional Services			
Community Services			
Purchased Services	1,165	1,165	-
<b>Total Expenditures</b>	<u>1,658,751</u>	<u>1,570,273</u>	<u>88,478</u>
Net Change in Fund Balance	584	88,478	87,894
Fund Balance - Beginning of Year	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ 584</u>	<u>\$ 88,478</u>	<u>\$ 87,894</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Stimulus Title II – Technology Grants Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive Negative
	Final	Actual	(Negative)
<b>Revenues</b>			
Intergovernmental	\$ 371,228	\$ 236,549	\$ (134,679)
<b>Total Revenues</b>	<b>371,228</b>	<b>236,549</b>	<b>(134,679)</b>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Purchased Services	10,938	10,938	-
Capital Outlay	23,474	23,474	-
<b>Total Instruction</b>	<b>34,412</b>	<b>34,412</b>	<b>-</b>
Supporting Services			
Instructional Staff			
Personal Services	88,724	71,537	17,187
Fringe Benefits	23,459	21,312	2,147
Purchased Services	160,322	76,775	83,547
Supplies and Materials	20,201	1,700	18,501
Capital Outlay	44,659	42,709	1,950
<b>Total Instructional Staff</b>	<b>337,365</b>	<b>214,033</b>	<b>123,332</b>
Fiscal Services			
Other Objects	103	103	-
<b>Total Supporting Services</b>	<b>337,468</b>	<b>214,136</b>	<b>123,332</b>
Operation of Non-Instructional Services			
Community Services			
Supplies and Materials	380	-	380
Other Objects	2	2	-
<b>Total Operation of Non-Instructional Services</b>	<b>382</b>	<b>2</b>	<b>380</b>
<b>Total Expenditures</b>	<b>372,262</b>	<b>248,550</b>	<b>123,712</b>
Excess of Revenues Over (Under) Expenditures	(1,034)	(12,001)	(10,967)

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Stimulus Title II – Technology Grants Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive Negative
	Final	Actual	(Negative)
<b>Other Financing Sources</b>			
Transfers In	1,072	1,072	-
<b>Total Other Financings Sources</b>	<u>1,072</u>	<u>1,072</u>	<u>-</u>
Net Change in Fund Balance	38	(10,929)	(10,967)
Fund Balance - Beginning of Year	-	-	-
<b>Fund Balance (Deficit) - End of Year</b>	<u>\$ 38</u>	<u>\$ (10,929)</u>	<u>\$ (10,967)</u>



**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Title I School Improvement Stimulus A Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive Negative
	Final	Actual	(Negative)
<b>Revenues</b>			
Intergovernmental	\$ 300,000	\$ 300,000	\$ -
<b>Total Revenues</b>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Instruction			
Special			
Personal Services	235,132	235,132	-
Fringe Benefits	62,978	62,978	-
Total Instruction	<u>298,110</u>	<u>298,110</u>	<u>-</u>
Supporting Services			
Fiscal Services			
Capital Outlay - Replacement	1,890	1,890	-
<b>Total Expenditures</b>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Title I Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive Negative
	Final	Actual	(Negative)
<b>Revenues</b>			
Intergovernmental	\$ 3,150,254	\$ 1,824,330	\$ (1,325,924)
<b>Total Revenues</b>	<b>3,150,254</b>	<b>1,824,330</b>	<b>(1,325,924)</b>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Personal Services	553,650	185,505	368,145
Fringe Benefits	160,078	61,910	98,168
Supplies and Materials	26,874	15,090	11,784
Capital Outlay	24,580	15,360	9,220
<b>Total Regular</b>	<b>765,182</b>	<b>277,865</b>	<b>487,317</b>
Special			
Personal Services	1,279,672	933,733	345,939
Fringe Benefits	354,278	296,337	57,941
Purchased Services	93,859	37,994	55,865
Supplies and Materials	45,195	23,997	21,198
Capital Outlay	3,946	-	3,946
<b>Total Special</b>	<b>1,776,950</b>	<b>1,292,061</b>	<b>484,889</b>
<b>Total Instruction</b>	<b>2,542,132</b>	<b>1,569,926</b>	<b>972,206</b>
Supporting Services			
Instructional Staff			
Personal Services	68,246	64,605	3,641
Fringe Benefits	28,946	26,029	2,917
Purchased Services	341,183	297,032	44,151
Supplies and Materials	57,686	30,534	27,152
Capital Outlay	17,345	5,486	11,859
<b>Total Instructional Staff</b>	<b>513,406</b>	<b>423,686</b>	<b>89,720</b>
Administration			
Personal Services	54,583	31,360	23,223
Fringe Benefits	17,105	6,827	10,278
<b>Total Administration</b>	<b>71,688</b>	<b>38,187</b>	<b>33,501</b>

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Title I Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive Negative
	Final	Actual	(Negative)
Fiscal Services			
Other Objects	19,502	16,301	3,201
Pupil Transportation			
Purchased Services	12,000	7,980	4,020
<b>Total Supporting Services</b>	<b>616,596</b>	<b>486,154</b>	<b>130,442</b>
Operation of Non-Instructional Services			
Community Services			
Personal Services	97,080	77,996	19,084
Fringe Benefits	34,263	9,502	24,761
Purchased Services	26,251	8,711	17,540
Supplies and Materials	25,722	14,128	11,594
Capital Outlay	20,615	6,212	14,403
Other Objects	420	109	311
<b>Total Operation of Non-Instructional Services</b>	<b>204,351</b>	<b>116,658</b>	<b>87,693</b>
<b>Total Expenditures</b>	<b>3,363,079</b>	<b>2,172,738</b>	<b>1,190,341</b>
Excess of Revenues Over (Under) Expenditures	(212,825)	(348,408)	(135,583)
<b>Other Financing Sources (Uses)</b>			
Transfers In	255,746	-	(255,746)
Transfers Out	(255,746)	-	255,746
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balance	(212,825)	(348,408)	(135,583)
Fund Balance - Beginning of Year	245,945	245,945	-
Prior Year Encumbrances Appropriated	87,331	87,331	-
<b>Fund Balance (Deficit) - End of Year</b>	<b>\$ 120,451</b>	<b>\$ (15,132)</b>	<b>\$ (135,583)</b>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Title V Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 13,000	\$ -	\$ (13,000)
<b>Total Revenues</b>	<u>13,000</u>	<u>-</u>	<u>(13,000)</u>
<b>Expenditures</b>			
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	13,000	-	(13,000)
Fund Balance - Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ 13,000</u>	<u>\$ -</u>	<u>\$ (13,000)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Drug-Free Schools Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 37,000	\$ 19,808	\$ (17,192)
<b>Total Revenues</b>	<u>37,000</u>	<u>19,808</u>	<u>(17,192)</u>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Personal Services	25,500	25,500	-
Fringe Benefits	7,689	7,689	-
Supplies and Materials	1,000	1,000	-
Total Instruction	<u>34,189</u>	<u>34,189</u>	<u>-</u>
Supporting Services			
Fiscal Services			
Other Objects	181	181	-
Operation of Non-Instructional Services			
Community Services			
Purchased Services	4,784	4,784	-
<b>Total Expenditures</b>	<u>39,154</u>	<u>39,154</u>	<u>-</u>
Net Change in Fund Balance	(2,154)	(19,346)	(17,192)
Fund Balance - Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	2,647	2,647	-
<b>Fund Balance (Deficit) - End of Year</b>	<u>\$ 493</u>	<u>\$ (16,699)</u>	<u>\$ (17,192)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
IDEA Preschool Grant for the Handicapped Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 92,000	\$ 61,186	\$ (30,814)
<b>Total Revenues</b>	<u>92,000</u>	<u>61,186</u>	<u>(30,814)</u>
<b>Expenditures</b>			
Current:			
Instruction			
Special			
Personal Services	5,007	5,007	-
Fringe Benefits	1,158	1,158	-
Purchased Services	83,397	48,635	34,762
Total Instruction	<u>89,562</u>	<u>54,800</u>	<u>34,762</u>
Supporting Services			
Administration			
Personal Services	5,500	5,500	-
Fringe Benefits	1,886	1,886	-
Total Administration	<u>7,386</u>	<u>7,386</u>	<u>-</u>
Fiscal Services			
Other Objects	576	576	-
<b>Total Expenditures</b>	<u>97,524</u>	<u>62,762</u>	<u>34,762</u>
Net Change in Fund Balance	(5,524)	(1,576)	3,948
Fund Balance - Beginning of Year	6,165	6,165	-
<b>Fund Balance - End of Year</b>	<u>\$ 641</u>	<u>\$ 4,589</u>	<u>\$ 3,948</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Reducing Class Size Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 295,714	\$ 269,016	\$ (26,698)
<b>Total Revenues</b>	<u>295,714</u>	<u>269,016</u>	<u>(26,698)</u>
<b>Expenditures</b>			
Current:			
Supporting Services			
Instructional Staff			
Personal Services	242,454	218,080	24,374
Fringe Benefits	82,266	78,283	3,983
Total Instructional Staff	<u>324,720</u>	<u>296,363</u>	<u>28,357</u>
Fiscal Services			
Other Objects	1,825	1,825	-
<b>Total Expenditures</b>	<u>326,545</u>	<u>298,188</u>	<u>28,357</u>
Net Change in Fund Balance	(30,831)	(29,172)	1,659
Fund Balance - Beginning of Year	35,170	35,170	-
<b>Fund Balance - End of Year</b>	<u>\$ 4,339</u>	<u>\$ 5,998</u>	<u>\$ 1,659</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Miscellaneous Federal Grants Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 843,000	\$ -	\$ (843,000)
<b>Total Revenues</b>	<u>843,000</u>	<u>-</u>	<u>(843,000)</u>
<b>Expenditures</b>			
Current:			
Supporting Services			
Instructional Staff			
Personal Services	728	728	-
Fringe Benefits	200	200	-
<b>Total Expenditures</b>	<u>928</u>	<u>928</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>842,072</u>	<u>(928)</u>	<u>(843,000)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	(1,072)	(1,072)	-
<b>Total Other Financings Sources (Uses)</b>	<u>(1,072)</u>	<u>(1,072)</u>	<u>-</u>
Net Change in Fund Balance	841,000	(2,000)	(843,000)
Fund Balance - Beginning of Year	1,072	1,072	-
Prior Year Encumbrances Appropriated	928	928	-
<b>Fund Balance - End of Year</b>	<u>\$ 843,000</u>	<u>\$ -</u>	<u>\$ (843,000)</u>



**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Bond Retirement Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Taxes	\$ 3,027,385	\$ 3,749,057	\$ 721,672
Intergovernmental	248,550	485,153	236,603
<b>Total Revenues</b>	<u>3,275,935</u>	<u>4,234,210</u>	<u>958,275</u>
<b>Expenditures</b>			
Current:			
Supporting Services			
Fiscal Services			
Other Objects	2,500	-	2,500
Debt Service:			
Principal	2,479,100	2,479,100	-
Interest & Fiscal Charges	435,817	435,817	-
Total Debt Service	<u>2,914,917</u>	<u>2,914,917</u>	<u>-</u>
<b>Total Expenditures</b>	<u>2,917,417</u>	<u>2,914,917</u>	<u>2,500</u>
Excess of Revenues (Under) Expenditures	<u>358,518</u>	<u>1,319,293</u>	<u>960,775</u>
<b>Other Financing Sources</b>			
Transfers In	-	367,180	367,180
<b>Total Other Financings Sources</b>	<u>-</u>	<u>367,180</u>	<u>367,180</u>
Net Change in Fund Balance	358,518	1,686,473	1,327,955
Fund Balance - Beginning of Year	2,615,031	2,615,031	-
<b>Fund Balance - End of Year</b>	<u>\$ 2,973,549</u>	<u>\$ 4,301,504</u>	<u>\$ 1,327,955</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Permanent Improvement Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Taxes	\$ 1,746,171	\$ 660,373	\$ (1,085,798)
Intergovernmental	200,000	339,940	139,940
<b>Total Revenues</b>	<b>1,946,171</b>	<b>1,000,313</b>	<b>(945,858)</b>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Supplies and Materials	5,868	5,552	316
Capital Outlay	28,484	28,484	-
Capital Outlay - Replacement	105,596	105,596	-
<b>Total Instruction</b>	<b>139,948</b>	<b>139,632</b>	<b>316</b>
Supporting Services			
Instructional Staff			
Supplies and Materials	2,583	2,583	-
Capital Outlay	29,617	29,617	-
Capital Outlay - Replacement	93,452	93,452	-
<b>Total Instructional Staff</b>	<b>125,652</b>	<b>125,652</b>	<b>-</b>
Business			
Capital Outlay	6,414	6,414	-
Operation and Maintenance of Plant Services			
Purchased Services	118,700	118,399	301
Supplies and Materials	5,000	1,372	3,628
Capital Outlay - Replacement	45,800	45,800	-
<b>Total Operation and Maintenance of Plant Services</b>	<b>169,500</b>	<b>165,571</b>	<b>3,929</b>

(Continued)

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Permanent Improvement Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Pupil Transportation			
Capital Outlay - Replacement	83,400	83,400	-
Central			
Capital Outlay	75,000	75,000	-
<b>Total Supporting Services</b>	<b>459,966</b>	<b>456,037</b>	<b>3,929</b>
Capital Outlay:			
Purchased Services	115,656	61,850	53,806
<b>Total Expenditures</b>	<b>715,570</b>	<b>657,519</b>	<b>58,051</b>
Excess of Revenues Over Expenditures	1,230,601	342,794	(887,807)
<b>Other Financing Sources (Uses)</b>			
Advances Out	(250,000)	-	250,000
Contingencies	(43,078)	-	43,078
<b>Total Other Financings Sources (Uses)</b>	<b>(293,078)</b>	<b>-</b>	<b>293,078</b>
Net Change in Fund Balance	937,523	342,794	(594,729)
Fund Balance - Beginning of Year	273,095	273,095	-
Prior Year Encumbrances Appropriated	8,648	8,648	-
<b>Fund Balance - End of Year</b>	<b>\$ 1,219,266</b>	<b>\$ 624,537</b>	<b>\$ (594,729)</b>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Building Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Interest	\$ 11,824	\$ 11,824	\$ -
<b>Total Revenues</b>	<u>11,824</u>	<u>11,824</u>	<u>-</u>
<b>Expenditures</b>			
Capital Outlay:			
Purchased Services	4,301,300	33,425	4,267,875
Supplies and Materials	408,577	12,052	396,525
<b>Total Expenditures</b>	<u>4,709,877</u>	<u>45,477</u>	<u>4,664,400</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,698,053)</u>	<u>(33,653)</u>	<u>4,664,400</u>
<b>Other Financing Sources</b>			
General Obligation Bonds Issued	4,988,176	4,704,577	(283,599)
<b>Total Other Financings Sources</b>	<u>4,988,176</u>	<u>4,704,577</u>	<u>(283,599)</u>
Net Change in Fund Balance	290,123	4,670,924	4,380,801
Fund Balance - Beginning of Year	1,300	1,300	-
<b>Fund Balance - End of Year</b>	<u>\$ 291,423</u>	<u>\$ 4,672,224</u>	<u>\$ 4,380,801</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –  
Budget and Actual (Non-GAAP Basis) –  
Replacement Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Interest	\$ -	\$ 264	\$ 264
<b>Total Revenues</b>	<u>-</u>	<u>264</u>	<u>264</u>
<b>Expenditures</b>			
Current:			
Instruction			
Regular			
Capital Outlay - Replacement	1,465	1,465	-
<b>Total Expenditures</b>	<u>1,465</u>	<u>1,465</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,465)</u>	<u>(1,201)</u>	<u>264</u>
<b>Other Financing Sources (Uses)</b>			
Contingencies	(20,000)	-	20,000
<b>Total Other Financings Sources (Uses)</b>	<u>(20,000)</u>	<u>-</u>	<u>20,000</u>
Net Change in Fund Balance	(21,465)	(1,201)	20,264
Fund Balance - Beginning of Year	156,942	156,942	-
Prior Year Encumbrances Appropriated	1,465	1,465	-
<b>Fund Balance - End of Year</b>	<u>\$ 136,942</u>	<u>\$ 157,206</u>	<u>\$ 20,264</u>

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Food Service Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 2,268,251	\$ 1,852,576	\$ (415,675)
Interest	272	222	(50)
Food Services	581,355	474,817	(106,538)
Miscellaneous	122	100	(22)
<b>Total Revenues</b>	<b>2,850,000</b>	<b>2,327,715</b>	<b>(522,285)</b>
<b>Expenses</b>			
Salaries and Wages			
Operation of Non-Instructional Services			
Food Service Operations	970,000	951,059	18,941
Fringe Benefits			
Operation of Non-Instructional Services			
Food Service Operations	405,500	396,358	9,142
Purchased Services			
Supporting Services			
Operation and Maintenance of Plant Services	8,500	3,438	5,062
Operation of Non-Instructional Services			
Food Service Operations	30,000	21,040	8,960
<b>Total Purchased Services</b>	<b>38,500</b>	<b>24,478</b>	<b>14,022</b>
Supplies and Materials			
Supporting Services			
Operation and Maintenance of Plant Services	49,500	30,629	18,871
Operation of Non-Instructional Services			
Food Service Operations	987,000	942,978	44,022
<b>Total Supplies and Materials</b>	<b>1,036,500</b>	<b>973,607</b>	<b>62,893</b>
Capital Outlay			
Operation of Non-Instructional Services			
Food Service Operations	8,600	7,400	1,200

(Continued)

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Food Service Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Capital Outlay - Replacement			
Operation of Non-Instructional Services			
Food Service Operations	41,400	14,347	27,053
Other			
Supporting Services			
Fiscal Services	850	776	74
Operation of Non-Instructional Services			
Food Service Operations	4,000	3,593	407
Total Other	4,850	4,369	481
<b>Total Expenses</b>	<b>2,505,350</b>	<b>2,371,618</b>	<b>133,732</b>
Excess of Revenues Over (Under) Expenses	344,650	(43,903)	(388,553)
<b>Other Financing Sources (Uses)</b>			
Contingencies	(8,900)	-	8,900
<b>Total Other Financial Sources (Uses)</b>	<b>(8,900)</b>	<b>-</b>	<b>8,900</b>
Net Change in Fund Equity	335,750	(43,903)	(379,653)
Fund Equity - Beginning of Year	647,559	647,559	-
Prior Year Encumbrances Appropriated	500	500	-
<b>Fund Equity - End of Year</b>	<b>\$ 983,809</b>	<b>\$ 604,156</b>	<b>\$ (379,653)</b>

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Uniform School Supplies Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
<b>Total Revenues</b>	\$ -	\$ -	\$ -
<b>Expenses</b>			
Supplies and Materials			
Instruction			
Regular	20,158	12,497	7,661
Vocational	611	611	-
<b>Total Expenses</b>	20,769	13,108	7,661
Excess of Revenues Over (Under) Expenses	(20,769)	(13,108)	7,661
<b>Other Financing Sources</b>			
Sale of Capital Assets	20,000	11,641	(8,359)
<b>Total Other Financing Sources</b>	20,000	11,641	(8,359)
Net Change in Fund Equity	(769)	(1,467)	(698)
Fund Equity - Beginning of Year	44,349	44,349	-
Prior Year Encumbrances Appropriated	769	769	-
<b>Fund Equity - End of Year</b>	<b>\$ 44,349</b>	<b>\$ 43,651</b>	<b>\$ (698)</b>



**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Customer Services Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Intergovernmental	\$ 34,696	\$ 28,441	\$ (6,255)
Tuition	816,961	669,678	(147,283)
Charges for Services	15,747	12,908	(2,839)
Transportation Fees	2,461	2,017	(444)
Miscellaneous	18,135	14,866	(3,269)
<b>Total Revenues</b>	<b>888,000</b>	<b>727,910</b>	<b>(160,090)</b>
<b>Expenses</b>			
Salaries and Wages			
Operation of Non-Instructional Services			
Community Services	487,500	486,456	1,044
Fringe Benefits			
Operation of Non-Instructional Services			
Community Services	203,000	194,667	8,333
Purchased Services			
Instruction			
Vocational	2,500	1,472	1,028
Supporting Services			
Operation and Maintenance of Plant Services	46,491	45,508	983
Operation of Non-Instructional Services			
Community Services	22,877	11,913	10,964
<b>Total Purchased Services</b>	<b>71,868</b>	<b>58,893</b>	<b>12,975</b>
Supplies and Materials			
Instruction			
Vocational	26,500	19,756	6,744
Supporting Services			
Operation and Maintenance of Plant Services	915	864	51

(Continued)

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Customer Services Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Operation of Non-Instructional Services			
Community Services	44,025	39,346	4,679
Total Supplies and Materials	71,440	59,966	11,474
Capital Outlay			
Operation of Non-Instructional Services			
Community Services	135	-	135
Capital Outlay - Replacement			
Operation of Non-Instructional Services			
Community Services	500	-	500
Other			
Supporting Services			
Fiscal Services	1,000	842	158
Operation of Non-Instructional Services			
Community Services	750	373	377
Total Other	1,750	1,215	535
<b>Total Expenses</b>	<b>836,193</b>	<b>801,197</b>	<b>34,996</b>
Excess of Revenues Over (Under) Expenses	51,807	(73,287)	(125,094)
<b>Other Financing Sources (Uses)</b>			
Transfers In	12,000	12,000	-
Contingencies	(54)	-	54
<b>Total Other Financing Sources (Uses)</b>	<b>11,946</b>	<b>12,000</b>	<b>54</b>
Net Change in Fund Equity	63,753	(61,287)	(125,040)
Fund Equity - Beginning of Year	187,275	187,275	-
Prior Year Encumbrances Appropriated	3,996	3,996	-
<b>Fund Equity - End of Year</b>	<b>\$ 255,024</b>	<b>\$ 129,984</b>	<b>\$ (125,040)</b>

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Special Rotary Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Extracurricular Activities	\$ 8,186	\$ 8,248	\$ 62
Charges for Services	1,934,035	1,948,474	14,439
Transportation Fees	3,193	3,217	24
Classroom Materials and Fees	89,906	90,577	671
Miscellaneous	1,381	1,391	10
<b>Total Revenues</b>	<b>2,036,701</b>	<b>2,051,907</b>	<b>15,206</b>
<b>Expenses</b>			
Salaries and Wages			
Instruction			
Regular	18,000	17,955	45
Supporting Services			
Instructional Staff	27,300	17,543	9,757
Operation and Maintenance of Plant Services	1,000	51	949
Total Supporting Services	28,300	17,594	10,706
Operation of Non-Instructional Services			
Community Services	1,720,353	1,665,170	55,183
Total Salaries and Wages	1,766,653	1,700,719	65,934
Fringe Benefits			
Instruction			
Regular	3,111	3,025	86
Supporting Services			
Instructional Staff	7,338	5,331	2,007
Operation and Maintenance of Plant Services	50	2	48
Total Supporting Services	7,388	5,333	2,055

(Continued)

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Special Rotary Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Operation of Non-Instructional Services			
Community Services	1,000	226	774
Total Fringe Benefits	<u>11,499</u>	<u>8,584</u>	<u>2,915</u>
Purchased Services			
Instruction			
Regular	25,064	17,920	7,144
Supporting Services			
Instructional Staff	71,862	41,979	29,883
Central	75,000	60,826	14,174
Total Supporting Services	<u>146,862</u>	<u>102,805</u>	<u>44,057</u>
Operation of Non-Instructional Services			
Community Services	500	-	500
Extracurricular Activities			
School & Public Service Co-Curricular Activities	22,400	3,083	19,317
Total Purchased Services	<u>194,826</u>	<u>123,808</u>	<u>71,018</u>
Supplies and Materials			
Instruction			
Regular	6,514	5,568	946
Special	2,581	-	2,581
Vocational	1,350	1,342	8
Total Instruction	<u>10,445</u>	<u>6,910</u>	<u>3,535</u>
Supporting Services			
Instructional Staff	65,886	11,607	54,279
Operation of Non-Instructional Services			
Community Services	500	-	500
Total Supplies and Materials	<u>76,831</u>	<u>18,517</u>	<u>58,314</u>

(Continued)

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Special Rotary Fund (continued)  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Capital Outlay			
Instruction			
Regular	3,064	-	3,064
Special	1,919	1,481	438
Total Instruction	4,983	1,481	3,502
Supporting Services			
Instructional Staff	25,531	1,397	24,134
Operation of Non-Instructional Services			
Community Services	226	-	226
Total Capital Outlay	30,740	2,878	27,862
Other			
Instruction			
Regular	262	212	50
Extracurricular Activities			
School & Public Service Co-Curricular Activities	213,089	126,571	86,518
Total Other	213,351	126,783	86,568
<b>Total Expenses</b>	<b>2,293,900</b>	<b>1,981,289</b>	<b>312,611</b>
Excess of Revenues Over (Under) Expenses	(257,199)	70,618	327,817
<b>Other Financing Sources</b>			
Sale of Capital Assets	12,074	12,074	-
Advances In	6,225	6,225	-
Advances Out	(1,225)	-	1,225
<b>Total Other Financing Sources</b>	<b>17,074</b>	<b>18,299</b>	<b>1,225</b>
Net Change in Fund Equity	(240,125)	88,917	329,042
Fund Equity - Beginning of Year	225,972	225,972	-
Prior Year Encumbrances Appropriated	14,975	14,975	-
<b>Fund Equity - End of Year</b>	<b>\$ 822</b>	<b>\$ 329,864</b>	<b>\$ 329,042</b>

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Health Reserve Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Interest	\$ 5,047	\$ 5,232	\$ 185
Charges for Services	6,844,089	7,094,786	250,697
Miscellaneous	550,864	571,042	20,178
<b>Total Revenues</b>	<u>7,400,000</u>	<u>7,671,060</u>	<u>271,060</u>
<b>Expenses</b>			
Fringe Benefits			
Supporting Services			
Central	7,300,000	7,134,030	165,970
Purchased Services			
Supporting Services			
Central	21,125	10,750	10,375
Other			
Supporting Services			
Central	5,000	1,000	4,000
<b>Total Expenses</b>	<u>7,326,125</u>	<u>7,145,780</u>	<u>180,345</u>
Net Change in Fund Equity	73,875	525,280	451,405
Fund Equity - Beginning of Year	3,446,228	3,446,228	-
Prior Year Encumbrances Appropriated	11,125	11,125	-
<b>Fund Equity - End of Year</b>	<u>\$ 3,531,228</u>	<u>\$ 3,982,633</u>	<u>\$ 451,405</u>

**Schedule of Revenues, Expenses, and Changes in Fund Equity –  
Budget and Actual (Non-GAAP Basis) –  
Workers’ Compensation Fund  
For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
<b>Revenues</b>			
Interest	\$ 6,947	\$ 7,286	\$ 339
Charges for Services	993,053	1,041,492	48,439
<b>Total Revenues</b>	<u>1,000,000</u>	<u>1,048,778</u>	<u>48,778</u>
<b>Expenses</b>			
Fringe Benefits			
Supporting Services			
Central	917,938	770,446	147,492
Purchased Services			
Supporting Services			
Central	53,175	53,109	66
Other			
Supporting Services			
Central	825	758	67
<b>Total Expenses</b>	<u>971,938</u>	<u>824,313</u>	<u>147,625</u>
Net Change in Fund Equity	28,062	224,465	196,403
Fund Equity - Beginning of Year	1,645,503	1,645,503	-
Prior Year Encumbrances Appropriated	225,938	225,938	-
<b>Fund Equity - End of Year</b>	<u>\$ 1,899,503</u>	<u>\$ 2,095,906</u>	<u>\$ 196,403</u>

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## **STATISTICAL SECTION**

## Statistical Section

This part of the Euclid City School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial position and well-being have changed over time.	<b>S2-S9</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source, the property tax.	<b>S10-S15</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	<b>S16-S19</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	<b>S20</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	<b>S21-S32</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement No. 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

**Net Assets by Component  
Last Eight Fiscal Years  
(accrual basis of accounting)**

	2003	2004	2005	2006*	2007	2008	2009	2010
<b>Governmental Activities:</b>								
Invested in Capital Assets, Net of Related Debt	\$8,276,904	\$2,724,425	\$7,840,645	\$6,152,351	\$8,561,215	\$9,838,599	\$12,778,218	\$13,871,714
Restricted for:								
Capital Projects	573,430	5,964,957	1,036,459	549,725	393,661	588,498	847,132	1,481,374
Debt Service	2,064,417	2,124,221	2,098,012	1,957,392	1,731,645	2,600,179	2,714,707	5,296,865
Set Asides	1,169,331	1,169,331	1,169,331	1,276,135	1,276,135	1,276,135	1,276,135	1,276,135
Other Purposes	220,510	424,331	371,639	238,008	-	287,691	772,810	613,840
Unrestricted	28,999,904	21,887,104	16,537,658	15,250,573	16,127,987	12,854,588	12,662,148	11,634,334
Total Governmental Activities Net Assets	<u>\$41,304,496</u>	<u>\$34,294,369</u>	<u>\$29,053,744</u>	<u>\$25,424,184</u>	<u>\$28,090,643</u>	<u>\$27,445,690</u>	<u>\$31,051,150</u>	<u>\$34,174,262</u>
<b>Business-type Activities:</b>								
Invested in Capital Assets, Net of Related Debt	\$25,832	\$39,556	\$24,462	\$73,784	\$63,946	\$54,108	\$127,705	\$108,001
Restricted								
Unrestricted	799,044	828,944	875,969	1,153,986	1,297,272	979,905	637,193	506,454
Total Business-type Activities Net Assets	<u>\$824,876</u>	<u>\$868,500</u>	<u>\$900,431</u>	<u>\$1,227,770</u>	<u>\$1,361,218</u>	<u>\$1,034,013</u>	<u>\$764,898</u>	<u>\$614,455</u>
<b>Primary Government:</b>								
Invested in Capital Assets, Net of Related Debt	\$8,302,736	\$2,763,981	\$7,865,107	\$6,226,135	\$8,625,161	\$9,892,707	\$12,905,923	\$13,979,715
Restricted	4,027,688	9,682,840	4,675,441	4,021,260	3,401,441	4,752,503	5,610,784	8,668,214
Unrestricted	29,798,948	22,716,048	17,413,627	16,404,559	17,425,259	13,834,493	13,299,341	12,140,788
Total Primary Government Net Assets	<u>\$42,129,372</u>	<u>\$35,162,869</u>	<u>\$29,954,175</u>	<u>\$26,651,954</u>	<u>\$29,451,861</u>	<u>\$28,479,703</u>	<u>\$31,816,048</u>	<u>\$34,788,717</u>

\*Restated

**Changes in Net Assets  
Last Eight Fiscal Years  
(accrual basis of accounting)**

	2003	2004	2005	2006*	2007	2008	2009	2010
<b>Expenses</b>								
<b>Governmental Activities:</b>								
Regular Instruction	\$25,121,894	\$27,599,909	\$29,061,639	\$30,762,350	\$30,625,931	\$29,166,887	\$29,685,825	\$29,897,814
Special Instruction	7,996,936	10,051,513	12,316,845	12,699,262	13,892,586	14,488,562	14,747,557	16,347,412
Vocational Instruction	953,176	1,229,947	1,009,053	1,088,483	1,303,664	1,402,642	1,292,997	1,236,761
Adult/Continuing Instruction	112,754	108,816	153,962	36,595	79,440	86,990	80,245	153,632
Other Instruction	-	-	-	64,471	278,591	1,118,075	737,533	253,532
Pupil Support	3,516,098	3,898,995	4,198,302	3,920,772	3,828,014	3,869,019	4,102,032	4,541,877
Instructional Staff Support	3,766,168	4,474,740	5,490,332	5,005,227	5,400,031	4,807,402	5,349,115	5,846,569
Board of Education	51,081	55,903	62,438	115,826	35,154	77,856	63,413	61,406
Administration	4,028,170	5,080,997	5,107,922	5,158,833	5,133,221	5,201,897	5,325,009	5,245,661
Fiscal	1,639,518	1,683,433	1,802,982	1,649,290	1,766,357	2,030,498	2,013,309	1,977,032
Business	729,558	755,259	974,330	828,727	829,692	802,476	758,527	814,625
<b>Operation and Maintenance</b>								
Of Plant Services	8,031,948	8,274,032	6,539,696	8,005,025	7,739,439	8,444,510	8,039,562	8,052,726
Pupil Transportation	2,924,521	2,961,979	3,149,997	3,498,865	3,978,680	4,128,390	3,801,548	4,584,065
Central	1,258,017	1,412,449	1,332,194	1,268,704	1,447,617	1,356,385	1,240,344	1,633,202
<b>Operation of Non-Instructional</b>								
Services	1,229,449	1,010,153	1,489,136	3,741,458	4,954,623	4,916,594	1,152,878	982,236
Extracurricular Activities	1,151,165	1,367,238	1,445,647	1,355,265	1,375,937	1,307,174	1,281,346	1,116,742
Interest and Fiscal Charges	1,482,413	1,509,349	1,808,547	1,844,294	771,687	693,877	537,331	875,110
Other	2,389	50,357	7,255	-	-	-	-	-
<b>Total Governmental Activities Expenses</b>	<b>63,995,255</b>	<b>71,525,069</b>	<b>75,950,277</b>	<b>81,043,447</b>	<b>83,440,664</b>	<b>83,899,234</b>	<b>80,208,571</b>	<b>83,620,402</b>
<b>Business-type Activities:</b>								
Food Service	1,781,271	1,937,798	2,224,684	2,099,734	2,289,021	2,491,820	2,450,210	2,619,356
Uniform School Supplies	11,202	5,973	6,076	5,301	13,206	3,880	5,909	12,816
Customer Service	19,073	621,281	654,094	672,015	754,753	847,134	816,342	811,241
Adult and Community Education	16,378	16,302	16,719	5,537	2,753	2,000	-	-
Day Care	681,424	-	-	-	-	-	-	-
<b>Total Business-type Activities Expenses</b>	<b>2,509,348</b>	<b>2,581,354</b>	<b>2,901,573</b>	<b>2,782,587</b>	<b>3,059,733</b>	<b>3,344,834</b>	<b>3,272,461</b>	<b>3,443,413</b>
<b>Total Primary Government Expenses</b>	<b>66,504,603</b>	<b>74,106,423</b>	<b>78,851,850</b>	<b>83,826,034</b>	<b>86,500,397</b>	<b>87,244,068</b>	<b>83,481,032</b>	<b>87,063,815</b>

(continued)

\*Restated

## Euclid City School District

**Changes in Net Assets (continued)**  
**Last Eight Fiscal Years**  
**(accrual basis of accounting)**

	2003	2004	2005	2006*	2007	2008	2009	2010
<b>Program Revenues</b>								
Governmental Activities:								
Charges for Services:								
Regular Instruction	229,119	300,341	148,800	829,300	171,246	643,676	404,385	444,689
Special Instruction	1,165	1,908	704	974	184	1,454	272,408	900
Vocational Instruction	-	-	-	-	-	2,051	28,362	-
Other Instruction	-	-	-	-	-	-	1,781	-
Administration	2,070	4,195	103,332	3,603	1,129	2,397	3,620	67,504
Fiscal Services	7,281	-	-	-	-	-	-	-
Operation and Maintenance								
Of Plant Services	205,036	225,236	62,333	65,965	41,456	58,025	55,897	58,044
Pupil Transportation	66,420	72,404	90,753	82,495	74,293	93,066	63,127	90,493
Central	795	-	-	-	-	-	-	-
Operation of Non-Instructional Services	-	-	-	2,590,583	3,761,279	3,788,483	-	-
Extracurricular Activities	572,688	1,125,820	74,685	392,731	89,838	336,097	277,449	256,706
Other	-	422	-	-	-	370	-	-
Operating Grants and Contributions:								
Regular Instruction	2,324,000	3,334,815	2,729,938	1,489,754	3,588,574	3,390,831	3,073,944	1,761,177
Special Instruction	1,405,439	787,823	2,483,997	2,807,356	2,937,469	2,680,328	2,564,719	2,350,193
Adult/Continuing Instruction	737,563	97,845	104,823	81,659	83,701	97,237	74,797	158,140
Other	-	-	-	-	43,126	539,754	472,543	-
Pupil Support	29,082	242	1,494	-	149,658	61,103	53,475	259,458
Instructional Staff Support	48,786	691,417	975,649	825,965	1,109,717	813,769	1,816,605	2,630,560
Administration	17,332	589,534	121,061	-	75,805	64,927	54,559	354,798
Fiscal Services	-	-	-	-	9,279	110,064	120,963	139,201
Operation and Maintenance								
Of Plant Services	51,699	75,187	-	2,828	210,930	139,381	111,633	-
Pupil Transportation	-	17,156	23,947	24,337	16,638	12,556	4,460	7,297
Central	22,138	23,257	20,993	22,583	21,935	21,492	18,112	11,272
Operation of Non-Instructional Services	1,093,394	1,109,229	1,148,705	3,136,864	1,016,625	1,051,034	1,096,254	989,805
Interest and Fiscal Charges	-	375	-	-	-	-	-	-
Capital Grants and Contributions:								
Vocational Instruction	6,151	551	1,286	-	-	-	-	-
<b>Total Governmental Activities</b>								
<b>Program Revenues</b>	<b>6,908,619</b>	<b>8,579,902</b>	<b>8,271,368</b>	<b>12,381,091</b>	<b>13,465,376</b>	<b>13,908,095</b>	<b>10,569,093</b>	<b>9,580,237</b>

(continued)

\*Restated

**Changes in Net Assets of Governmental Activities (continued)**  
**Last Eight Fiscal Years**  
**(accrual basis of accounting)**

	2003	2004	2005	2006*	2007	2008	2009	2010
<b>Business-type Activities:</b>								
<b>Charges for Services:</b>								
Food Service	784,053	761,329	787,217	767,539	704,514	620,639	543,635	474,817
Uniform School Supplies	-	13,458	-	-	143	-	-	-
Customer Service	30,209	624,112	598,142	655,346	698,766	772,983	633,838	684,603
Adult Education	14,350	9,243	17,368	153	170	-	-	-
Day Care	637,379	-	-	-	-	-	-	-
<b>Operating Grants and Contributions:</b>								
Food Service	934,248	1,212,118	1,483,900	1,637,142	1,746,840	1,568,555	1,793,880	2,066,280
Customer Service	-	-	-	-	-	-	62,787	28,441
Adult and Community Education	-	1,900	2,000	1,500	900	-	-	-
<b>Total Business-type Activities</b>	<b>2,400,239</b>	<b>2,622,160</b>	<b>2,888,627</b>	<b>3,061,680</b>	<b>3,151,333</b>	<b>2,962,177</b>	<b>3,034,140</b>	<b>3,254,141</b>
<b>Total Primary Government</b>	<b>9,308,858</b>	<b>11,202,062</b>	<b>11,159,995</b>	<b>15,442,771</b>	<b>16,616,709</b>	<b>16,870,272</b>	<b>13,603,233</b>	<b>12,834,378</b>
<b>Net (Expense)/Revenue</b>								
Governmental Activities	(57,086,636)	(62,945,167)	(67,678,909)	(68,662,356)	(69,975,288)	(69,991,139)	(69,639,478)	(74,040,165)
Business-type Activities	(109,109)	40,806	(12,946)	279,093	91,600	(382,657)	(238,321)	(189,272)
<b>Total Primary Government</b>	<b>(\$57,195,745)</b>	<b>(\$62,904,361)</b>	<b>(\$67,691,855)</b>	<b>(\$68,383,263)</b>	<b>(\$69,883,688)</b>	<b>(\$70,373,796)</b>	<b>(\$69,877,799)</b>	<b>(\$74,229,437)</b>
<b>General Revenues and Other Changes in Net Assets</b>								
<b>Governmental Activities:</b>								
<b>Property Taxes Levied for:</b>								
General Purposes	\$33,227,963	\$26,129,561	\$29,315,609	\$32,102,887	\$35,406,732	\$33,118,052	\$33,921,534	\$34,566,784
Debt Service	1,812,808	1,637,167	1,931,736	2,361,032	2,305,300	2,737,174	2,701,072	4,709,405
Capital Outlay	321,137	442,730	1,001,951	1,416,639	1,485,349	882,490	751,398	758,942
Income Tax Levied for General Purposes	5,221,422	5,221,774	5,386,339	6,091,431	5,734,902	6,136,900	5,745,681	5,232,280
<b>Grants and Entitlements not</b>								
Restricted to Specific Programs	19,127,511	21,995,348	23,982,780	25,089,258	26,293,441	25,281,138	29,350,742	31,539,926
Payment in Lieu of Taxes	63,729	52,915	188,185	52,272	75,325	23,375	287,593	58,214
Investment Earnings	488,399	332,955	560,456	1,082,909	1,261,369	966,546	332,880	244,143
Gain (Loss) on Sale of Capital Assets	14,305	(1,423)	-	-	-	-	-	-
Miscellaneous	274,700	124,013	71,228	84,557	93,329	214,511	96,400	65,583
Transfers	-	-	-	-	-	(14,000)	57,638	(12,000)
<b>Total Governmental Activities</b>	<b>60,551,974</b>	<b>55,935,040</b>	<b>62,438,284</b>	<b>68,280,985</b>	<b>72,655,747</b>	<b>69,346,186</b>	<b>73,244,938</b>	<b>77,163,277</b>
<b>Business-type Activities:</b>								
Investment Earnings	3,990	2,818	3,260	4,738	6,341	5,151	712	222
Gain on Sale of Capital Assets	12,342	-	-	-	-	-	-	-
Miscellaneous	-	-	41,617	31,508	21,507	36,301	26,132	26,607
Transfers	-	-	-	-	-	14,000	(57,638)	12,000
<b>Total Business-type Activities</b>	<b>16,332</b>	<b>2,818</b>	<b>44,877</b>	<b>36,246</b>	<b>27,848</b>	<b>55,452</b>	<b>(30,794)</b>	<b>38,829</b>
<b>Total Primary Government</b>	<b>60,568,306</b>	<b>55,937,858</b>	<b>62,483,161</b>	<b>68,317,231</b>	<b>72,683,595</b>	<b>69,401,638</b>	<b>73,214,144</b>	<b>77,202,106</b>
<b>Change in Net Assets</b>								
Governmental Activities	3,465,338	(7,010,127)	(5,240,625)	(381,371)	2,680,459	(644,953)	3,605,460	3,123,112
Business-type Activities	(92,777)	43,624	31,931	315,339	119,448	(327,205)	(269,115)	(150,443)
<b>Total Primary Government</b>	<b>\$3,372,561</b>	<b>(\$6,966,503)</b>	<b>(\$5,208,694)</b>	<b>(\$66,032)</b>	<b>\$2,799,907</b>	<b>(\$972,158)</b>	<b>\$3,336,345</b>	<b>\$2,972,669</b>

\*Restated

## Euclid City School District

**Program Revenues by Function**  
**Last Eight Fiscal Years**  
**(accrual basis of accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental Activities</b>								
<i>Function</i>								
Regular Instruction	\$2,641,580	\$3,737,996	\$3,050,806	\$2,327,943	\$3,799,180	\$4,034,507	\$3,478,329	\$2,205,866
Special Instruction	1,406,604	789,731	2,484,701	2,808,330	2,937,653	2,681,782	2,837,127	2,351,093
Vocational Instruction	6,151	551	1,286	-	-	2,051	28,362	-
Adult/Continuing Instruction	737,563	97,845	104,823	81,659	83,701	97,237	74,797	158,140
Other	-	-	-	-	43,126	540,124	474,324	-
Pupil Support	29,082	242	1,494	-	149,658	61,103	53,475	259,458
Instructional Staff Support	48,786	691,417	975,649	825,965	1,109,717	813,769	1,816,605	2,630,560
Administration	19,402	593,729	224,393	3,603	76,934	67,324	58,179	422,302
Fiscal Services	7,281	-	-	-	9,279	110,064	120,963	139,201
Operation and Maintenance of Plant Services	256,735	300,423	62,333	68,793	252,386	197,406	167,530	58,044
Pupil Transportation	66,420	89,560	114,700	106,832	90,931	105,622	67,587	97,790
Central	22,933	23,257	20,993	22,583	21,935	21,492	18,112	11,272
Operation of Non-Instructional Services	1,093,394	1,109,229	1,148,705	5,727,447	4,777,904	4,839,517	1,096,254	989,805
Extracurricular Activities	572,688	1,145,125	81,485	407,936	112,972	336,097	277,449	256,706
Interest and Fiscal Charges	-	375	-	-	-	-	-	-
Other	-	422	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>6,908,619</b>	<b>8,579,902</b>	<b>8,271,368</b>	<b>12,381,091</b>	<b>13,465,376</b>	<b>13,908,095</b>	<b>10,569,093</b>	<b>9,580,237</b>
<b>Business-Type Activities</b>								
Food Service	1,718,301	1,973,447	2,271,117	2,404,681	2,451,354	2,189,194	2,337,515	2,541,097
Uniform School Supplies	-	13,458	-	-	143	-	-	-
Customer Service	30,209	624,112	598,142	655,346	698,766	772,983	696,625	713,044
Adult Education	14,350	11,143	19,368	1,653	1,070	-	-	-
Day Care	637,379	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>2,400,239</b>	<b>2,622,160</b>	<b>2,888,627</b>	<b>3,061,680</b>	<b>3,151,333</b>	<b>2,962,177</b>	<b>3,034,140</b>	<b>3,254,141</b>
<b>Total Primary Government</b>	<b>\$9,308,858</b>	<b>\$11,202,062</b>	<b>\$11,159,995</b>	<b>\$15,442,771</b>	<b>\$16,616,709</b>	<b>\$16,870,272</b>	<b>\$13,603,233</b>	<b>\$12,834,378</b>

**Fund Balances - Governmental Funds**  
**Last Eight Fiscal Years (1)**  
**(modified accrual basis of accounting)**

	2003	2004	2005	2006*	2007	2008	2009	2010
General Fund								
Reserved	\$5,314,705	\$7,470,740	\$6,047,986	\$5,615,812	\$6,245,656	\$6,765,588	\$7,711,231	\$7,701,228
Unreserved	13,654,823	11,975,497	8,040,243	7,655,132	7,430,001	2,333,203	2,007,347	(1,282,681)
<i>Total General Fund</i>	<u>18,969,528</u>	<u>19,446,237</u>	<u>14,088,229</u>	<u>13,270,944</u>	<u>13,675,657</u>	<u>9,098,791</u>	<u>9,718,578</u>	<u>6,418,547</u>
All Other Governmental Funds								
Reserved	563,178	6,157,046	1,226,847	1,206,917	1,046,603	989,793	821,493	1,370,867
Unreserved, Undesignated, Reported in:								
Special Revenue Funds	260,766	281,783	510,683	127,013	(1,099)	112,962	353,347	(1,995)
Debt Service Funds	1,497,418	1,670,486	1,861,389	2,019,030	1,788,970	2,004,304	2,492,528	4,179,001
Capital Projects Funds	545,563	588,566	67,335	(479,988)	(588,812)	(1,543,591)	303,748	39,893,015
<i>Total All Other Governmental Funds</i>	<u>2,866,925</u>	<u>8,697,881</u>	<u>3,666,254</u>	<u>2,872,972</u>	<u>2,245,662</u>	<u>1,563,468</u>	<u>3,971,116</u>	<u>45,440,888</u>
<i>Total Governmental Funds</i>	<u>\$21,836,453</u>	<u>\$28,144,118</u>	<u>\$17,754,483</u>	<u>\$16,143,916</u>	<u>\$15,921,319</u>	<u>\$10,662,259</u>	<u>\$13,689,694</u>	<u>\$51,859,435</u>

\*Restated

(1) Information prior to fiscal year 2003 is not available.



**Changes in Fund Balances - Governmental Funds**  
**Last Eight Fiscal Years (1)**  
**(modified accrual basis of accounting)**

	2003	2004	2005	2006*	2007	2008	2009	2010
<b>Revenues</b>								
Taxes	\$33,785,672	\$38,900,584	\$37,830,442	\$40,150,777	\$43,478,304	\$42,360,154	\$44,053,337	\$43,239,001
Intergovernmental	24,312,409	28,476,333	31,207,281	33,466,162	35,218,294	33,878,473	38,813,475	40,202,883
Tuition and Fees	82,096	101,327	42,329	2,678,724	3,843,126	3,841,629	424,084	151,078
Transportation Fees	88,035	96,453	115,416	90,787	83,986	97,824	69,017	77,086
Earnings on Investments	488,399	333,331	549,046	1,070,579	1,261,369	966,778	332,880	244,143
Extracurricular Activities	391,968	372,366	417,007	400,403	300,039	331,341	271,422	270,111
Classroom Materials and Fees	177,331	150,721	97,546	425,404	165,117	830,199	138,005	158,150
Charges for Services	223,910	363,847	30,110	102,419	69,681	209,768	212,285	260,853
Miscellaneous	806,977	851,578	637,644	436,394	251,410	237,652	362,663	64,824
<b>Total Revenues</b>	<b>60,356,797</b>	<b>69,646,540</b>	<b>70,926,821</b>	<b>78,821,649</b>	<b>84,671,326</b>	<b>82,753,818</b>	<b>84,677,168</b>	<b>84,668,129</b>
<b>Expenditures</b>								
Current:								
Instruction:								
Regular	24,773,558	26,005,624	28,600,791	28,018,015	28,525,083	29,273,989	29,513,925	29,885,006
Special	7,881,267	9,593,891	12,089,330	12,448,783	13,953,161	14,593,726	14,723,287	16,395,284
Vocational	927,575	1,185,831	969,366	1,038,210	1,312,550	1,409,531	1,288,483	1,246,927
Adult/Continuing	122,762	160,041	156,076	85,401	84,170	84,835	80,109	153,457
Other	-	-	-	-	293,743	1,109,985	727,357	284,979
Support Services:								
Pupil	3,375,182	3,679,544	4,194,132	3,799,346	3,868,706	3,931,431	4,088,536	4,541,962
Instructional Staff	3,680,310	4,423,391	5,369,866	4,962,364	5,399,739	4,843,888	5,334,449	5,861,131
Board of Education	51,581	54,938	64,668	114,790	35,511	78,016	62,252	63,380
Administration	4,003,303	4,748,816	5,074,401	5,024,979	5,099,971	5,252,202	5,275,109	5,298,161
Fiscal Services	1,613,522	1,664,051	1,755,139	1,597,243	1,756,260	2,018,979	2,013,309	1,977,032
Business	714,789	744,198	940,970	805,135	824,267	804,096	757,615	815,927
Operation and Maintenance of Plant Services	7,252,725	8,085,838	9,139,754	8,875,566	8,047,081	8,461,368	8,297,477	7,965,117
Pupil Transportation	2,856,297	2,891,579	3,121,529	3,359,787	3,582,044	3,966,357	3,937,938	4,384,344
Central	1,230,512	1,394,661	1,285,187	1,217,793	1,395,306	1,346,712	1,438,448	1,616,552
Operation of Non-Instructional Services	1,173,214	1,368,795	1,395,843	3,739,450	4,950,461	4,924,590	1,153,314	988,144
Extracurricular Activities	1,338,965	1,328,818	1,409,195	1,356,831	1,379,888	1,313,289	1,287,931	1,124,735
Capital Outlay	1,004,941	949,001	3,460,644	253,452	1,803,465	1,744,495	176,011	1,281,198
Debt Service:								
Principal Retirement	645,444	537,093	492,355	975,110	2,175,000	2,220,000	2,320,000	2,479,100
Interest and Fiscal Charges	1,474,481	1,480,427	1,797,210	1,714,212	672,343	626,556	497,565	435,817
Issuance Costs	-	-	-	-	-	-	-	467,442
<b>Total Expenditures</b>	<b>64,120,428</b>	<b>70,296,537</b>	<b>81,316,456</b>	<b>79,386,467</b>	<b>85,158,749</b>	<b>88,004,045</b>	<b>82,973,115</b>	<b>87,265,695</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3,763,631)</b>	<b>(649,997)</b>	<b>(10,389,635)</b>	<b>(564,818)</b>	<b>(487,423)</b>	<b>(5,250,227)</b>	<b>1,704,053</b>	<b>(2,597,566)</b>

(Continued)

**Changes in Fund Balances - Governmental Funds (continued)**  
**Last Eight Fiscal Years (1)**  
**(modified accrual basis of accounting)**

	2003	2004	2005	2006*	2007	2008	2009	2010
<b>Other Financing Sources (Uses)</b>								
Premium on Bonds	-	-	-	415,006	-	-	-	467,442
Proceeds from Refunded Bonds	-	-	-	7,459,954	-	-	-	-
Refunding Bond Issuance Costs	-	-	-	(154,560)	-	-	-	-
Payment of Bond Escrow Agent	-	-	-	(7,720,400)	-	-	-	-
Proceeds from the Sale of Assets	14,305	-	-	-	6,436	6,563	12,744	12,037
Proceeds from the Sale of Bonds	-	-	-	-	-	-	1,253,000	40,299,828
Proceeds from the Sale of Notes	-	6,622,503	-	-	-	-	-	-
Transfers In	3,142,178	245,059	534,725	254,722	367,070	256,881	1,710,505	368,252
Transfers Out	(3,142,178)	(245,059)	(534,725)	(266,722)	(381,070)	(272,277)	(1,652,867)	(380,252)
Refund by Expenditures (Receipts)	-	335,159	-	-	-	-	-	-
<i>Total Other Financing Sources</i>	<u>14,305</u>	<u>6,957,662</u>	<u>-</u>	<u>(12,000)</u>	<u>(7,564)</u>	<u>(8,833)</u>	<u>1,323,382</u>	<u>40,767,307</u>
<i>(Uses)</i>	<u>14,305</u>	<u>6,957,662</u>	<u>-</u>	<u>(12,000)</u>	<u>(7,564)</u>	<u>(8,833)</u>	<u>1,323,382</u>	<u>40,767,307</u>
<i>Net Change in Fund Balances</i>	<u>(\$3,749,326)</u>	<u>\$6,307,665</u>	<u>(\$10,389,635)</u>	<u>(\$576,818)</u>	<u>(\$494,987)</u>	<u>(\$5,259,060)</u>	<u>\$3,027,435</u>	<u>\$38,169,741</u>
Debt Service as a Percentage of Noncapital Expenditures	3.4%	2.9%	2.9%	3.4%	3.4%	3.3%	3.4%	3.9%

\* Restated

(1) Information prior to fiscal year 2003 was not available.

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

Collection Year	Real Property			Tangible Personal Property				Total Assessed Value	Total Estimated Value	Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
	Assessed Value		Estimated Actual Value	Public Utility		General Business					
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value				
2001	502,678,150	191,537,930	1,983,474,514	31,693,220	36,015,023	102,559,257	410,237,028	828,468,557	2,429,726,565	70.30	34.10%
2002	502,484,040	195,662,440	1,994,704,229	25,710,060	29,215,977	102,144,004	408,576,016	826,000,544	2,432,496,222	70.20	33.96%
2003	502,349,750	199,443,630	2,005,123,943	24,563,360	27,912,909	90,128,261	360,513,044	816,485,001	2,393,549,896	70.60	34.11%
2004	549,167,830	202,727,320	2,148,271,857	24,947,560	28,349,500	88,592,903	354,371,612	865,435,613	2,530,992,969	70.30	34.19%
2005	549,068,990	196,770,870	2,130,971,029	24,167,100	27,462,614	80,320,200	321,280,800	850,327,160	2,479,714,442	72.80	34.29%
2006	549,090,850	185,048,420	2,097,540,771	22,108,400	25,123,182	77,001,463	410,674,469	833,249,133	2,533,338,423	78.20	32.89%
2007	617,695,210	184,247,970	2,291,266,229	21,020,000	23,886,364	54,516,761	436,134,088	877,479,941	2,751,286,680	78.20	31.89%
2008	615,910,790	183,124,340	2,282,957,514	13,964,270	15,868,489	24,916,620	398,665,920	837,916,020	2,697,491,923	78.20	31.06%
2009	615,723,030	188,930,590	2,299,010,343	14,419,190	16,385,443	28,179,529	450,872,464	847,252,339	2,766,268,250	85.20	30.63%
2010	553,341,120	181,540,130	2,099,660,714	15,108,400	17,168,636	0	0	749,989,650	2,116,829,351	89.90	35.43%

**Source:** Office of the County Auditor, Cuyahoga County, Ohio

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010).

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by 10 percent, 2.5 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

**Property Tax Rates - Direct and Overlapping  
(per \$1,000 of assessed valuation)  
Last Ten Calendar Years**

Tax Year/ Collection Year	School Levy	County Levy	City Levy	Total Levy	Debt Service		
					Included in Total Levy		
					School	County	Total
2000/2001	70.30	14.65	15.60	100.55	2.28	0.27	2.55
2001/2002	70.20	14.65	15.60	100.45	2.18	0.27	2.45
2002/2003	70.60	14.65	15.60	100.85	2.58	0.27	2.85
2003/2004	70.30	13.52	15.60	99.42	2.28	0.27	2.55
2004/2005	72.80	13.52	15.60	101.92	2.28	0.27	2.55
2005/2006	78.20	13.52	15.60	107.32	2.28	0.27	2.55
2006/2007	78.20	13.42	15.60	107.22	2.28	0.27	2.55
2007/2008	78.20	13.42	15.60	107.22	2.28	0.27	2.55
2008/2009	85.20	13.32	15.60	114.12	2.38	0.27	2.65
2009/2010	89.90	13.32	15.60	118.82	5.98	0.27	6.25

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis consistent with the County Auditor's method of maintaining the information.

**Property Tax Levies and Collections (1)  
Last Ten Years**

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Total Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2001	37,704,753	36,481,508	96.76%	1,012,416	37,493,924	99.44%
2002	37,451,041	34,531,895	92.21%	1,933,726	36,465,621	97.37%
2003	36,992,571	28,376,462	76.71%	1,689,594	30,066,056	81.28%
2004	36,883,031	33,543,689	90.95%	1,466,873	35,010,562	94.92%
2005	38,109,366	34,817,685	91.36%	2,063,608	36,881,293	96.78%
2006	42,197,471	36,977,582	87.63%	1,767,636	38,745,218	91.82%
2007	43,289,692	38,850,154	89.74%	2,010,546	40,860,700	94.39%
2008	40,231,539	37,084,313	92.18%	2,289,521	39,373,834	97.87%
2009	44,485,431	38,229,909	85.94%	2,897,358	41,127,267	92.45%
2010	44,906,978	41,353,276	92.09%	3,309,735	44,663,011	99.46%

**Source:** Office of the County Auditor, Cuyahoga County, Ohio

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

(2) The County does not identify delinquent tax collections by tax year.

**Principal Taxpayers  
Real Property Tax  
2010 and 2001**

	2010	
Name of Taxpayer	Assessed Value	Percent of Real Property Assessed Value
Cleveland Electric Illuminating Co.	\$ 12,691,180	1.73%
Niederst Indian Hills, LLC	11,822,510	1.61%
Lincoln Electric Company	10,058,830	1.37%
Northpointe Towers, Ltd.	6,685,000	0.91%
Harbor Crest, Ltd.	5,510,970	0.75%
Willo Arms Euclid, LLC	5,017,300	0.68%
Horizon House, Ltd.	3,638,640	0.50%
Depot Land Company, Ltd.	3,369,730	0.46%
AE Portfolio, LLC	2,975,000	0.40%
Normandy Towers East	2,664,210	0.36%
Totals	\$64,433,370	8.77%
Total Assessed Valuation	\$734,881,250	

	2001	
Name of Taxpayer	Assessed Value	Percent of Real Property Assessed Value
Lincoln Electric Company	\$14,112,890	2.03%
Cleveland Electric Illuminating Co.	12,726,500	1.83%
Ohio Bell Telephone Company	9,945,180	1.43%
Argo Tech Corporation	7,728,840	1.11%
Regency Towers Associates	7,053,800	1.02%
Americana Apartments	5,265,720	0.76%
Depot Land Co.	4,944,040	0.71%
Reliance Electric and Engine Company	4,909,450	0.71%
Troy CMBS Property, LLC	4,566,630	0.66%
Indian Hills Senior Community, Inc	4,131,750	0.60%
Euclid Square Investments, LLC	3,600,800	0.52%
Horizon House LTD.	3,322,170	0.48%
Totals	\$82,307,770	11.86%
Total Assessed Valuation	\$694,216,080	

**Source:** Office of the County Auditor, Cuyahoga County, Ohio

**Principal Taxpayers  
Tangible Personal Property Tax  
2010 and 2001**

Name of Taxpayer	2010 (1)	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Total	\$0	0.00%
Total Assessed Valuation	\$0	
2001		
Name of Taxpayer	Assessed Value	Percent of Tangible Personal Property Assessed Value
Lincoln Electric Company	\$18,718,820	18.25%
Argo-Tech Corporation	8,029,440	7.83%
Rockwell International Corporation (Reliance Electric Industrial)	3,614,700	3.52%
Marathon Electric	3,540,030	3.45%
General Electric Company	3,088,560	3.01%
Turbine Engine Components	2,972,530	2.90%
Stamco Industries	2,610,500	2.55%
CSM Industries, Inc.	2,284,799	2.23%
Park Ohio Holdings Corporation	2,247,310	2.19%
Motch Corporation	1,914,980	1.87%
Kerr Lakeside, Incorporated	1,694,310	1.65%
Marine Mechanical Corp.	1,683,620	1.64%
Total	\$52,399,599	51.09%
Total Assessed Valuation	\$102,559,257	

**Source:** Office of the County Auditor, Cuyahoga County, Ohio

(1) General business tangible personal property tax was phased out completely for collection year 2010. Therefore, information for 2010 is no longer available.

**Principal Taxpayers  
Public Utility Personal Property Tax  
2010 and 2000**

	2010	
Name of Taxpayer	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$12,691,180	84.00%
East Ohio Gas Co.	1,826,670	12.09%
American Transmission Systems	967,270	6.40%
Norfolk Southern	667,180	4.42%
Ohio Bell Telephone	401,140	2.66%
Total (1)	\$16,553,440	109.56%
 Total Assessed Valuation (1)	 \$15,108,400	

	2001	
Name of Taxpayer	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$11,756,580	37.09%
Ohio Bell Telephone Company	9,085,750	28.67%
East Ohio Gas Company	1,473,440	4.65%
American Transmission System	1,305,300	4.12%
Norfolk Southern Combined	802,620	2.53%
CSX Transportation	335,380	1.06%
Total	\$24,759,070	78.12%
 Total Assessed Valuation	 \$31,693,220	

**Source:** Office of the County Auditor, Cuyahoga County, Ohio

(1) The assessed personal property valuation total is the 2004 frozen abstract values depreciated by 25 % a year until zero for 2009. The taxpayer values are the actual collected values for that year.



**Computation of Direct and Overlapping Debt  
Attributable to Governmental Activities  
June 30, 2010**

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct Debt			
Euclid City School District	\$ 46,888,682	100.00%	\$ 46,888,682
Overlapping Debt:			
City of Euclid	41,930,000	100.00%	41,930,000
Cuyahoga County	336,472,572	2.53%	8,512,756
Regional Transit Authority	163,025,000	2.53%	4,124,533
Total Overlapping Debt	<u>541,427,572</u>		<u>54,567,289</u>
Total Direct and Overlapping Debt	<u>\$ 588,316,254</u>		<u>\$ 101,455,971</u>

**Source:** Office of the Auditor, Cuyahoga County, Ohio. Data is presented on a calendar year basis, consistent with the County Auditor's method of maintaining the information.

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government. The valuations used were for the 2010 collection year.

**Ratio of Outstanding Debt By Type  
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Tax Anticipation Notes			
2001	\$ 12,800,000	\$ -	\$ 12,800,000	1.4%	\$ 233
2002	14,295,000	-	14,295,000	1.5%	271
2003	13,649,556	-	13,649,556	1.5%	259
2004	13,112,464	-	13,112,464	1.4%	249
2005	12,620,108	6,500,000	19,120,108	2.1%	363
2006	12,169,954	5,975,000	18,144,954	2.0%	344
2007	10,544,954	5,425,000	15,969,954	1.7%	303
2008	8,899,954	4,850,000	13,749,954	1.5%	261
2009	8,432,954	4,250,000	12,682,954	1.4%	241
2010	46,888,682	3,615,000	50,503,682	5.5%	958

(1) See schedule "Demographic and Economic Statistics, Last Ten years" for per capita personal income.

**Computation of Legal Debt Margin  
Last Ten Fiscal Years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Tax Valuation	\$828,468,557	\$826,000,544	\$816,485,001	\$865,435,613	\$850,327,160	\$833,249,133	\$877,479,941	\$837,916,020	\$847,252,339	\$749,989,650
Debt Limit - 9% of Taxable Valuation (1)	\$74,562,170	\$74,340,049	\$73,483,650	\$77,889,205	\$76,529,444	\$74,992,422	\$78,973,195	\$75,412,442	\$76,252,711	\$67,499,069
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	12,800,000	14,295,000	13,649,556	13,112,464	12,620,108	12,169,954	10,544,954	8,899,954	8,432,954	46,888,682
Less Amount Available in Debt Service	(1,488,350)	(4,528,737)	(1,715,263)	(2,055,309)	(2,167,986)	(2,040,330)	(2,022,641)	(2,333,397)	(2,818,663)	(4,907,391)
Total	11,311,650	9,766,263	11,934,293	11,057,155	10,452,122	10,129,624	8,522,313	6,566,557	5,614,291	41,981,291
Exemptions:										
Energy Conservation Bond	0	(2,715,000)	(2,535,000)	(2,400,000)	(2,255,000)	(2,105,000)	(1,955,000)	(1,795,000)	(2,878,000)	(2,643,900)
Overall Debt Margin	\$63,250,520	\$67,288,786	\$64,084,357	\$69,232,050	\$68,332,322	\$66,967,798	\$72,405,882	\$70,640,885	\$73,516,420	\$28,161,678
Debt Margin -.10% of Assessed Value (1)	\$828,469	\$826,001	\$816,485	\$865,436	\$850,327	\$833,249	\$877,480	\$837,916	\$847,252	\$749,990
Amount of Debt Subject to Limit	0	0	0	0	0	0	0	0	0	0
Unvoted Legal Debt Margin	\$828,469	\$826,001	\$816,485	\$865,436	\$850,327	\$833,249	\$877,480	\$837,916	\$847,252	\$749,990

**Source:** Office of the County Auditor, Cuyahoga County, Ohio and the School District Financial Records.

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

**Ratio of Debt  
to Assessed Value and Debt per Capita  
Last Ten Fiscal Years**

Fiscal Year	Population (1)	Estimated Actual Value of Taxable Property(2)	General Bonded Debt				
			General Bonded Debt Outstanding	Resources Available to Pay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
2001	52,717 (a)	2,429,726,565	12,800,000	1,488,350	11,311,650	0.47%	\$ 215
2002	52,717 (a)	2,432,496,222	14,295,000	4,528,737	9,766,263	0.40%	185
2003	52,717 (a)	2,393,549,896	13,649,556	1,715,263	11,934,293	0.50%	226
2004	52,717 (a)	2,530,992,969	13,112,464	2,055,309	11,057,155	0.44%	210
2005	52,717 (b)	2,479,714,442	12,620,108	2,167,986	10,452,122	0.42%	198
2006	52,717 (b)	2,533,338,423	12,169,954	2,040,330	10,129,624	0.40%	192
2007	52,717 (b)	2,751,286,680	10,544,954	2,022,641	8,522,313	0.31%	162
2008	52,717 (b)	2,697,491,923	8,899,954	2,333,397	6,566,557	0.24%	125
2009	52,717 (b)	2,766,268,250	8,432,954	2,818,663	5,614,291	0.20%	106
2010	52,717 (b)	2,116,829,351	46,888,682	4,907,391	41,981,291	1.98%	796

**Sources:** (1) U.S. Bureau of Census, Census of Population  
(a) 1990 Federal Census  
(b) 2000 Federal Census

(2) Office of the Auditor, Cuyahoga County, Ohio

**Demographic and Economic Statistics  
Last Ten Years**

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate (3)</u>
2000	54,875	\$924,611,904	\$16,849	3.4%
2001	52,717	924,603,463	\$17,539	3.7%
2002	52,717	924,603,463	\$17,539	4.7%
2003	52,717	924,603,463	\$17,539	6.5%
2004	52,717	924,603,463	\$17,539	6.7%
2005	52,717	924,603,463	\$17,539	6.0%
2006	52,717	924,603,463	\$17,539	5.5%
2007	52,717	924,603,463	\$17,539	6.1%
2008	52,717	924,603,463	\$17,539	7.1%
2009	52,717	924,603,463	\$17,539	9.0%

**Sources:** (1) U.S. Census Bureau (2000 Census available only)  
 (2) Computation of per capital personal income multiplied by population.  
 (3) Represents Cuyahoga County

**Principal Employers  
2009 and 2005 (1)**

Employer	December 31, 2009	
	Number of W-2 Issued	Percentage of Total Employment
Lincoln Electric	2,416	10.16%
Cleveland Clinic	1,594	6.70%
Euclid Board of Education	1,379	5.80%
City of Euclid	686	2.88%
Cuyahoga County	552	2.32%
University Hospitals Health System	519	2.18%
Argo Tech Corp.	434	1.82%
Babcock & Wilcox Nuclear Operations	249	1.05%
HC Starck Incorporated	245	1.03%
Hose Masters	244	1.03%
Totals	8,318	34.96%
<b>Total Employment Within the School District</b>	<b>23,790</b>	

Employer	December 31, 2005	
	Number of Employees	Percentage of Total Employment
Lincoln Electric	9,700	38.86%
Euclid Board of Education	1,154	4.62%
Flight Options	900	3.61%
Philip Medical System	500	2.00%
Argo-Tech Corporation	433	1.73%
Euclid Hospitals	375	1.50%
Netrex Holding	350	1.40%
General Electric	300	1.20%
Sears Roebuck and Co.	280	1.12%
Marine Mechanical Corporation	250	1.00%
Totals	14,242	57.06%
<b>Total Employment Within the School District</b>	<b>24,961</b>	

**Source:** City of Euclid Income Tax Department

(1) Information prior to 2005 is not available

**Building Statistics by Function/Program  
Last Five Fiscal Years (1)**

	2006	2007	2008	2009	2010
<b>Glenbrook</b>					
Constructed in 1965					
Total Building Square Footage	42,723	42,723	42,723	42,723	42,723
Enrollment Grades K-5	303	303	305	166	181
Student Capacity	380	380	380	380	380
Regular Instruction Classrooms	19	19	19	19	19
Regular Instruction Teachers	16	16.5	16.3	2	0
Special Instruction Teachers	5	4.5	4	8	8
Vocational Instruction Teachers	1	0	0	0	0
<b>Roosevelt</b>					
Constructed in 1920					
Total Building Square Footage	68,800	68,800	68,800	68,800	68,800
Enrollment Grades K-5	434	434	409	484	469
Student Capacity	540	540	540	540	540
Regular Instruction Classrooms	27	27	27	27	27
Regular Instruction Teachers	21	19	20.8	21	21
Special Instruction Teachers	8	7	7	13	6
<b>Upton</b>					
Constructed in 1925					
Total Building Square Footage	55,726	55,726	55,726	55,726	55,726
Enrollment Grades K-5	648	648	460	518	538
Student Capacity	700	700	700	700	700
Regular Instruction Classrooms	35	35	35	35	35
Regular Instruction Teachers	28.5	22	23	32	26
Special Instruction Teachers	11.5	13	11	11.6	5
<b>Memorial Park</b>					
Constructed in 1956					
Total Building Square Footage	46,745	46,745	46,745	46,745	46,745
Enrollment Grades K-12	374	374	380	363	358
Student Capacity	560	560	560	560	560
Regular Instruction Classrooms	28	28	28	28	28
Regular Instruction Teachers	21	23	22	24	20
Special Instruction Teachers	7	5.5	4	9	5
<b>Central</b>					
Constructed in 1968					
Total Building Square Footage	140,792	140,792	140,792	140,792	140,792
Enrollment Grades 6,7,8	759	759	664	635	617
Student Capacity	900	900	900	900	900
Regular Instruction Classrooms	45	45	45	45	45
Regular Instruction Teachers	35.8	39	35.5	44	33
Special Instruction Teachers	10	11	11	11	13
Gifted Instruction Teachers	5.2	7	7.4	5.2	6.2

(continued)

**Building Statistics by Function/Program - continued**  
**Last Five Fiscal Years (1)**

	2006	2007	2008	2009	2010
<b>Lincoln</b>					
Constructed in 1959					
Total Building Square Footage	30,195	30,195	30,195	30,195	30,195
Enrollment Grades K-5	366	366	338	328	283
Student Capacity	450	450	450	450	450
Regular Instruction Classrooms	18	18	18	18	18
Regular Instruction Teachers	19	21	18	18.6	20.0
Special Instruction Teachers	3	1	2	4	2
Gifted Teachers	0	1	1	0	0
<b>Thomas Jefferson</b>					
Constructed in 1953					
Total Building Square Footage	62,645	62,645	62,645	62,645	62,645
Enrollment Grades K-5	394	394	367	401	363
Student Capacity	480	480	480	480	480
Regular Instruction Classrooms	24	24	24	24	24
Regular Instruction Teachers	20	22	22.2	22.2	23.0
Special Instruction Teachers	6	4	4	4	3
Gifted Teachers	1	1	1	1	1
<b>Indian Hills</b>					
Constructed in 1970					
Total Building Square Footage	33,224	33,224	33,224	33,224	33,224
Enrollment Grades K-5	264	264	234	270	258
Student Capacity	380	380	380	380	380
Regular Instruction Classrooms	19	19	19	19	19
Regular Instruction Teachers	15	15.5	14.6	15.9	14.2
Special Instruction Teachers	4	5.5	5	3	3
<b>Forest Park</b>					
Constructed in 1962					
Total Building Square Footage	109,306	109,306	109,306	109,306	109,306
Enrollment Grades 6,7,8	842	842	649	676	687
Student Capacity	820	820	820	820	820
Regular Instruction Classrooms	41	41	41	41	41
Regular Instruction Teachers	41	42	41.6	36.7	30.5
Special Instruction Teachers	11	10	10	11	10
Gifted Teachers	1	0	1	6	8
<b>Euclid High School</b>					
Constructed in 1950					
Total Building Square Footage	470,000	470,000	470,000	470,000	470,000
Enrollment Grades 9,10,11,12	2,030	2,030	2,213	2,254	2,190
Student Capacity	2,040	2,040	2,040	2,040	2,040
Regular Instruction Classrooms	102	102	102	102	102
Regular Instruction Teachers	98.2	102.5	93	89.9	84.3
Special Instruction Teachers	15	16	20	20	18
Gifted Teachers	17.8	18	13.2	11	10
Vocational Teachers	8	0	8	9	8

**Source:** School District's Records

(1) Information prior to 2006 is not available.



**Per Pupil Cost  
Last Ten Fiscal Years**

Fiscal Year	(2) Expenditures	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff (1)	Pupil/ Teacher Ratio (1)
2001	\$59,129,892	6,097	9,698	7.72%	360	18.1
2002	62,459,721	6,180	10,107	4.21%	376	16.6
2003	63,970,093	6,144	10,412	3.02%	390.2	15.8
2004	71,525,069	6,423	11,136	6.95%	382.4	17.0
2005	81,316,456	6,502	12,506	12.31%	400.1	16.5
2006	76,795,884	6,573	11,684	-6.58%	401.9	18.5
2007	85,158,749	6,466	13,170	12.72%	419.1	18.4
2008	88,004,045	6,134	14,347	8.93%	405.6	15.9
2009	82,973,115	6,095	13,613	-5.11%	407.9	N/A
2010	87,265,695	5,944	14,681	7.85%	392.9	N/A

**Source:** School District Records  
 (1) Based upon EMIS information provided to the Ohio Department of Education  
 (2) Modified Accrual Basis  
 N/A - Information not available at time of completion

**Enrollment Statistics  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Elementary Schools</u>	<u>Middle School</u>	<u>Senior High School</u>	<u>Total</u>
2001	3,292	988	1,817	6,097
2002	3,300	1,007	1,873	6,180
2003	3,229	1,008	1,907	6,144
2004	3,362	983	2,078	6,423
2005	3,338	1,077	2,087	6,502
2006	2,823	1,623	2,127	6,573
2007	2,718	1,509	2,239	6,466
2008	2,464	1,349	2,321	6,134
2009	2,530	1,311	2,254	6,095
2010	2,450	1,304	2,190	5,944

**Source:** Euclid City School District Records

**Full-Time Equivalent School District  
Teachers by Education  
Last Ten Fiscal Years**

Fiscal Year	Bachelor's			Master's						PhD	Total
	Degree	Degree +12	Degree +24	Degree	Degree +12	Degree +24	Degree +36	Degree +48	Degree +60		
2001	33.00	8.00	130.00	99.00	38.00	23.00	21.00	8.00	64.00	1.00	425.00
2002	33.00	8.00	132.00	102.00	39.00	23.00	21.00	8.00	65.00	1.00	432.00
2003	35.00	8.00	137.00	104.00	40.00	23.00	22.00	8.00	66.00	2.00	445.00
2004	32.00	8.00	125.00	121.00	47.00	28.00	25.00	9.00	77.00	2.00	474.00
2005	26.00	6.00	104.00	134.00	51.00	29.00	27.00	13.00	87.00	1.00	478.00
2006	28.00	5.00	104.00	126.00	49.00	28.00	26.00	16.00	87.00	3.00	472.00
2007	24.00	6.00	107.00	142.00	46.00	32.00	24.00	20.00	76.00	4.00	481.00
2008	23.00	6.00	94.00	123.00	58.00	32.00	25.00	21.00	80.00	4.00	466.00
2009	18.00	6.00	87.00	131.00	52.00	30.00	29.00	19.00	86.00	3.00	461.00
2010	13.00	6.00	71.00	116.00	55.00	32.00	28.00	22.00	87.00	2.00	432.00

**Source:** Euclid City School District Records

**Average Number of Students per Teacher  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Euclid Average</u>	<u>State Average</u>
2001	18.1	18.0
2002	16.6	16.9
2003	15.8	16.5
2004	17.0	18.5
2005	16.5	18.5
2006	18.5	18.6
2007	18.4	19.6
2008	15.9	18.6
2009	N/A	N/A
2010	N/A	N/A

**Source:** Ohio Department of Education, EMIS Reports  
N/A - Information not available at time of completion

**Attendance and Graduation Rates  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Euclid Attendance Rate</u>	<u>State Average</u>	<u>Euclid Graduation Rate</u>	<u>State Average</u>
2001	93.9	93.9	93.4	81.2
2002	94.1	94.3	99.7	82.8
2003	94.4	94.5	97.7	83.9
2004	94.9	94.5	93.8	84.3
2005	94.1	94.3	90.9	85.9
2006	94.0	94.1	90.9	86.2
2007	94.1	94.1	86.3	86.1
2008	94.3	94.2	87.9	86.9
2009	95.1	94.3	88.3	84.6
2010	94.4	94.3	86.9	83.0

**Source:** Ohio Department of Education Local Report Cards

**SAT Composite Scores  
Last Seven School Years**

<u>School Year</u>	<u>Number of Test Takers</u>	<u>Number of Seniors</u>	<u>Percent of Students</u>	<u>Euclid Verbal</u>	<u>Ohio Verbal</u>	<u>National Verbal</u>	<u>Euclid Math</u>	<u>Ohio Math</u>	<u>National Math</u>
2004	(1)	(1)	(1)	(1)	536	507	(1)	541	519
2005	(1)	(1)	(1)	(1)	538	508	(1)	542	519
2006	146	99	35%	445	(1)	(1)	450	(1)	(1)
2007	156	113	27%	441	536	502	446	542	515
2008	147	147	37%	450	534	502	456	544	515
2009	120	120	26%	430	537	501	440	546	515
2010	120	120	29%	428	538	501	431	548	516

**Source:** High School Guidance Office  
(1) Information unavailable

**ACT Composite Scores  
Last Eight School Years**

<u>School Year</u>	<u>Number of Test Takers</u>	<u>Number of Seniors</u>	<u>Percent of Students</u>	<u>Euclid Composite</u>	<u>Ohio Composite</u>	<u>National Composite</u>
2003	(1)	(1)	(1)	(1)	21.4	20.8
2004	(1)	(1)	(1)	(1)	21.4	20.9
2005	(1)	(1)	(1)	(1)	21.4	20.9
2006	(1)	(1)	(1)	(1)	21.5	21.1
2007	(1)	(1)	(1)	(1)	21.6	21.2
2008	253	253	63%	18.4	21.7	21.1
2009	246	246	52%	17.9	21.7	21.1
2010	278	278	66%	17.6	21.8	21.0

**Source:** High School Guidance Office  
(1) Information unavailable

**School District Employees by Function/Program  
Last Six Fiscal Years (1)**

Function/Program	2010	2009	2008	2007	2006	2005
<b>Regular Instruction</b>						
Elementary Classroom Teachers	113	125	129	134.5	136	135
Middle School Classroom Teachers	47.5	55.5	66	67	67.5	67.5
High School Classroom Teachers	79	84	81.5	83.5	83.5	82.5
<b>Special Instruction</b>						
Elementary Classroom Teachers	20	16	27	17	22	21
Gifted Education Teachers	8	5.5	5	7	6	6
Middle School Classroom Teachers	27	22	16.5	23	21	21
High School Classroom Teachers	15.5	13	13	16	16	16
<b>Vocational Instruction</b>						
High School Classroom Teachers	8	9	8	9	8	8
<b>Pupil Support Services</b>						
Guidance Counselors	15	18	18	18	18	17
Librarians	1	1	1	3	4	4
Psychologists	8	8	8	8	8	8
Speech and Language Pathologists	6.7	7	6.5	7	7	6
Non-Teaching Support Staff Central	18	19	18	18	17	17
<b>Instructional Support Services</b>						
Non-Teaching Support Staff Elementary	46.58	48	26	26.5	30.5	30.5
Non-Teaching Support Staff Middle	8.5	8.5	8	9	10.5	10.5
Non-Teaching Support Staff High	13.5	14.5	15	13.5	21.5	21.5
Non-Teaching Support Staff Central	0	0	0	0	0.5	0.5
<b>Administration:</b>						
Elementary	8	8	7	8	8	8
Middle School	6	6	6	6	6	6
High School	6	6	6	6	6	6
Central	5	6	6	6	6	6
<b>Business</b>						
Central	2	2	2	2	2	2
<b>Fiscal</b>						
Treasurer Department	11	11.5	11.5	12.5	11.5	10.5
<b>Operation of Plant:</b>						
Custodial Department	21	22	21	22	22	22
Maintenance Department	46	41	46	49	51	52
<b>Pupil Transportation</b>						
Bus Drivers	31.5	30	27	29	25.5	25.5
Bus Aides	8	6	7.5	7	4	4
Mechanics	2	2	2	2	2	2
Transportation Support Staff	3	3	3	3	3	3
<b>Central</b>						
Technology	6	6	6	6	6	7
Personnel	3	3	3	2	3	4
<b>Extracurricular</b>						
Athletic Department	1.5	1.5	2	2	2	2
<b>Food Service Program</b>						
Elementary	11	10.5	13	12.5	9	9
Middle	7.5	7.5	6.5	7.5	6	6
High School Cooks	5.5	5	5	6.5	3.5	3.5
Central	3	3	3	3	4	4
<b>Adult Education/Community School</b>						
Preschool	5	5	5	5	5	5
Day Care	10.5	11.5	12	12	8.5	8.5
<b>Totals:</b>	<u>637.8</u>	<u>650.5</u>	<u>647.0</u>	<u>669.0</u>	<u>671.0</u>	<u>668.0</u>

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee

**Source:** Euclid City School District's Payroll Records

(1) Information prior to fiscal year 2005 is not available.



**Free or Reduced Lunch Program Percentages  
Last Five Fiscal Years (1)**

<u>School Year</u>	<u>Students</u>	<u>Students Applicable for Free Lunch</u>	<u>Percentage of Applicable Students for the Free Lunch Program</u>	<u>Students Applicable for Reduced Lunch</u>	<u>Percentage of Applicable Students for the Reduced Lunch Program</u>	<u>Total Students Applicable for the Free and Reduced Lunch Program</u>	<u>Total Percentage of Applicable Students for the Free and Reduced Lunch Programs</u>
2006	6,466	2,891	44.71%	807	12.48%	3,698	57.19%
2007	6,466	3,009	46.54%	872	13.49%	3,881	60.02%
2008	6,134	2,919	47.59%	702	11.44%	3,621	59.03%
2009	5,944	3,324	55.92%	625	10.51%	3,949	66.44%
2010	6,352	3,660	57.62%	671	10.56%	4,331	68.18%

**Source:** "Lunch MR 81 Report for October" obtained from the Ohio Department of Education for each respective school year  
(1) Information prior to 2006 is not available.





Mary Taylor, CPA  
Auditor of State

**EUCLID CITY SCHOOL DISTRICT**

**CUYAHOGA 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  
JANUARY 11, 2011**