

**NORTH OLMSTED CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 1999**

**NORTH OLMSTED CITY SCHOOL DISTRICT**

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**NORTH OLMSTED CITY SCHOOL DISTRICT**  
 Cuyahoga County  
 Schedule of Federal Awards Receipts and Expenditures (1)  
 For the Year Ended June 30, 1999

Federal Grantor / Pass through Grantor Program Title	Pass through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. Department of Agriculture</b>						
<b>Passed through Ohio Department of Education:</b>						
Children Nutrition Cluster:						
Food Distribution Program (2)	Not Available	10.550		\$ 59,356		\$ 55,062
National School Lunch Program (3)	044529-03-PU-98	10.555	\$ 9,163		\$ 9,163	
National School Lunch Program (3)	044529-03-PU-99	10.555	52,498		52,498	
National School Lunch Program (3)	044529-04-PU-98	10.555	16,909		16,909	
National School Lunch Program (3)	044529-04-PU-99	10.555	124,036		124,036	
<b>Total</b>			<u>202,606</u>		<u>202,606</u>	
<b>Total U.S. Department of Agriculture</b>			<u>\$ 202,606</u>	<u>\$ 59,356</u>	<u>\$ 202,606</u>	<u>\$ 55,062</u>
<b>U.S. Department of Education</b>						
<b>Passed through Ohio Department of Education:</b>						
Special Education Cluster:						
Education of All Handicapped (Title VI-B)	044529-6B-SF-99P	84.027	\$ 231,896		\$ 231,178	
Handicapped Preschool	044529-PG-S1-99P	84.173	19,773		7,211	
<b>Total Special Education Cluster</b>			<u>251,669</u>		<u>238,389</u>	

Continued

**NORTH OLIMSTED CITY SCHOOL DISTRICT**

Cuyahoga County

**Schedule of Federal Awards Receipts and Expenditures**

For the Year Ended June 30, 1999

Federal Grantor / Pass through Grantor Program Title	Pass through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
Adult Basic Literacy Education	044529-AB-S1-98	84,002	0		1,626	
Adult Basic Literacy Education	044529-AB-S1-99	84,002	9,343		9,343	
<b>TOTAL</b>			<u>9,343</u>		<u>10,969</u>	
IASA Title I	044529-C1-S1-98	84,010	21,677		67,917	
IASA Title I	044529-C1-S1-99	84,010	155,846		140,237	
<b>Total</b>			<u>177,523</u>		<u>208,154</u>	
Emergency Immigration Act of 1998	044529-EI-S1-99	84,162	2,948		2,398	
Drug Free Schools, IASA Title IV	044529-DR-S1-98	84,186			5,141	
Drug Free Schools, IASA Title IV	044529-DR-S1-99	84,186	20,061		19,822	
<b>Total</b>			<u>20,061</u>		<u>24,963</u>	
Eisenhower, IASA Title II	044529-MS-S1-97	84,281			5,669	
Eisenhower, IASA Title II	044529-MS-S1-98	84,281			7,963	
Eisenhower, IASA Title II	044529-MS-S1-99	84,281	15,249		13,622	
<b>Total</b>			<u>15,249</u>		<u>27,254</u>	
Innovative Programs, IASA Title VI	044529-C1-S1-98	84,298			2,347	
Innovative Programs, IASA Title VI	044529-C1-S1-99	84,298	21,613		30	
<b>Total</b>			<u>21,613</u>		<u>2,377</u>	
<b>Total U.S. Department of Education</b>			<u>\$ 498,406</u>		<u>\$ 500,872</u>	

See Accompanying Notes to Schedule of Federal Awards.

**NORTH OLMS TED CITY SCHOOL DISTRICT**  
 Cuyahoga County  
 Schedule of Federal Awards Receipts and Expenditures  
 For the Year Ended June 30, 1998

Federal Grantor / Pass through Grantor Program Title	Pass through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. Department of Labor</b>						
<i>Passed through Ohio Department of Education:</i>						
School to Work Grant	044529-STW-99	17.249	\$ 15,000		\$ 1,715	
<b>Corporation for National and Community Service</b>						
<i>Passed through Ohio Department of Education:</i>						
Learn and Serve America	044529-SV-S1-98	94.004			\$ 12,691	
Learn and Serve America	044529-SV-S1-99	94.004	\$ 33,000		\$ 30,283	
Total Corporation for National and Community Service			<u>\$ 33,000</u>		<u>\$ 42,974</u>	
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<u>\$ 749,012</u>	<u>\$ 59,356</u>	<u>\$ 748,167</u>	<u>\$ 55,082</u>

See Accompanying Notes to Schedule of Federal Awards.

## North Olmsted City School District

### Notes to Schedule of Federal Awards Receipts and Expenditures

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1. Significant Accounting Policies

The accompanying schedule of federal awards receipts and expenditures is a summary of the activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

2. Food Distribution

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. Moneys are commingled with State grants. It is assumed federal moneys are expended first. At June 30, 1999, the District had no significant food commodities in inventory.

3. National School Lunch

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

CFDA - Catalog of Federal Domestic Assistance



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OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

North Olmsted City School District  
Cuyahoga County  
24100 Palm Drive  
North Olmsted, Ohio 44070

To The Board of Education:

We have audited the financial statements of the North Olmsted City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 1999, and have issued our report thereon dated December 15, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 15, 1999.

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

A handwritten signature in black ink, appearing to read "Jim Petro", written over a circular scribble.

**JIM PETRO**  
Auditor of State

December 15, 1999





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

North Olmsted City School District  
Cuyahoga County  
24100 Palm Drive  
North Olmsted, Ohio 44070

To the Board of Education:

**Compliance**

We have audited the compliance of the North Olmsted City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 1999. The District's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 1999.

**Internal Control Over Compliance**

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

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

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

We have audited the general-purpose financial statements of the District as of and for the year ended June 30, 1999, and have issued our report thereon dated December 15, 1999. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying Schedule of Federal Awards Receipts and Expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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



**JIM PETRO**  
Auditor of State

December 15, 1999

**NORTH OLMSTED CITY SCHOOL DISTRICT  
JUNE 30, 1999**

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

A-133 §.505

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any other reportable internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under Sec. .510?</i>	No
(d)(1)(vii)	<i>Major Programs (list)</i>	<i>Nutrition Cluster: National School Lunch Program (CFDA No. 10.550) and Food Distribution (CFDA No. 10.555)</i>
(d)(1)(viii)	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others programs
(d)(1)(ix)	<i>Low Risk Auditee?</i>	Yes

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

None.

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

None.



North Olmsted  
City School District

**Comprehensive  
Annual  
Financial  
Report**

For the Fiscal Year  
Ended June 30, 1999  
North Olmsted, Ohio

**NORTH OLMSTED  
CITY SCHOOL DISTRICT**

**North Olmsted, Ohio**

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

Prepared by

Treasurer's office  
Robert J. Matson CPA  
Treasurer

**INTRODUCTORY  
SECTION**

**North Olmsted City School District**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 1999**  
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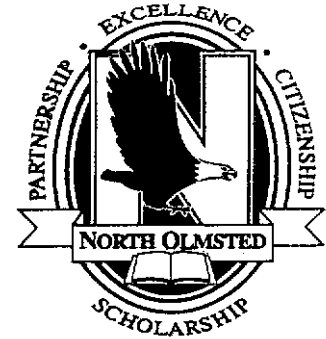
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**NORTH OLMSTED CITY SCHOOLS**

24100 PALM DRIVE, NORTH OLMSTED, OHIO 44070-2844  
(440)-779-3548 Fax: 779-3546



December 15, 1999

Members of the North Olmsted  
Board of Education:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the North Olmsted City School District for the year ended June 30, 1999. This CAFR includes an opinion from the State Auditor and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. This report will provide the taxpayers of the North Olmsted City School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the North Olmsted Public Library, major taxpayers, financial rating services, local bankers and other interested parties.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section, which contains a Table of Contents, Letter of Transmittal, List of Principal Officials, an Organizational Chart of the School District, the GFOA Certificate of Achievement, ASBO Certificate of Excellence, and the State of Ohio Auditor's Award.
2. The Financial Section which begins with the Report of Independent Accountants and includes the General Purpose Financial Statements and Notes that provide an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules that provide detailed information relative to the General Purpose Financial Statements.
3. The Statistical Section presents a ten year summary of social and economic data, financial trends and demographic information of the North Olmsted City School District.

- vii -

North Olmsted City Schools offers equal employment and educational opportunities to all qualified individuals regardless of sex, race, color, religion, national origin, age, disability or protected class status. Individuals who believe they have been discriminated against or harassed on the basis of sex, race, color, religion, national origin, age, or disability are encouraged to file a complaint with the North Olmsted City Schools Compliance Officer, Director of Human Resources (440) 779-3560.

## **SCHOOL DISTRICT**

The North Olmsted City School District is located in western Cuyahoga County, approximately 17 miles southwest of downtown Cleveland. The School District encompasses the entire City of North Olmsted, a community with a population of approximately 34,000. The City is primarily residential with a significant commercial tax base of retail businesses.

The School District was chartered in 1831 by the Ohio State legislature two years after the name "Olmstead" was assigned to the area. The region was named after Aaron Olmstead, an investor and Revolutionary War soldier who purchased land in the area in 1794. The exact time and reason for changing to the current spelling is unclear from the historical records. In 1837, under the auspices of the Office of the State Superintendent of Common School Education, Township Trustees were authorized to levy compulsory taxes for the support of public education. In 1853 State laws were enacted to create locally elected boards of education to govern local school districts. Today, the North Olmsted Board of Education is comprised of five members, elected at large, with staggered four year terms.

Statutorially, the School District operates under standards prescribed by the Ohio State Board of Education as provided in Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide educational services authorized by charter and further mandated by State and Federal agencies. Under Ohio law, the School District is a separate and distinct unit of government with its own taxing authority.

## **THE REPORTING ENTITY**

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

Excluded from the reporting entity because they are fiscally independent of the School District are the City of North Olmsted, the Cuyahoga County Public Library, and the Parent Teacher Organization. A complete discussion of the School District's reporting entity is provided in Note 1 to the general purpose financial statements.

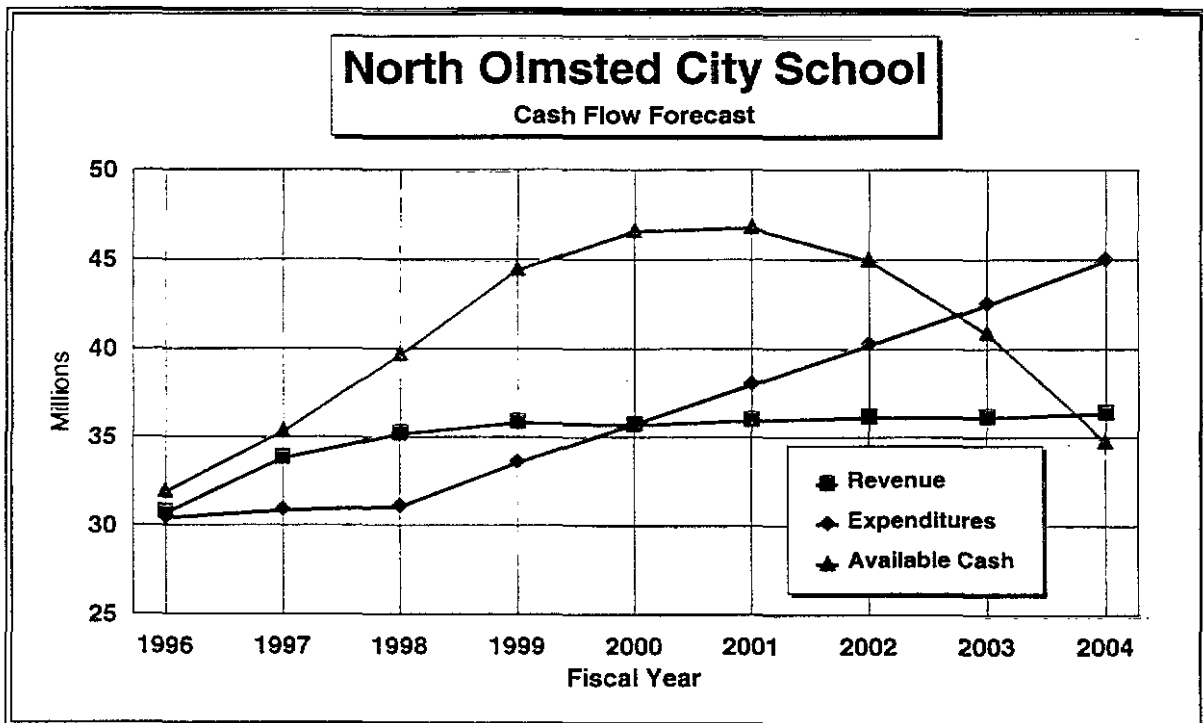
The School District is a member of the Lake Erie Educational Computer Association, the Polaris Career Center, the North Olmsted City Schools Education Foundation, and the Ohio School Council Association. The relationship of these jointly governed organizations with the School District is described in more detail in Note 19 of the

## **ECONOMIC CONDITION AND OUTLOOK**

Currently, the School District enjoys a very solid and stable financial position. During the year, General Fund unrestricted cash balance increased 32% to \$11,393,242 at June 30, 1999 while the General Fund unreserved equity fund balance increased 34% to \$5,764,059 during this period of time.

The favorable financial position was made possible when the community supported the passage of a 1.9 mill permanent improvement levy in November 1994 followed by the passage of a 5.9 mill operating levy in August 1995. These levies generated the funds necessary for the School District to meet its current financial obligations, maintain its buildings and grounds, and develop an effective computer technology program and enhance instructional services. During the levy campaigns, the Board of Education promised the community that the funds from these levies would support the District for at least five years. With the implementation of aggressive cost containment and revenue enhancement programs by the administration, the School District has successfully delayed the need to seek the passage of a new tax levy for six years.

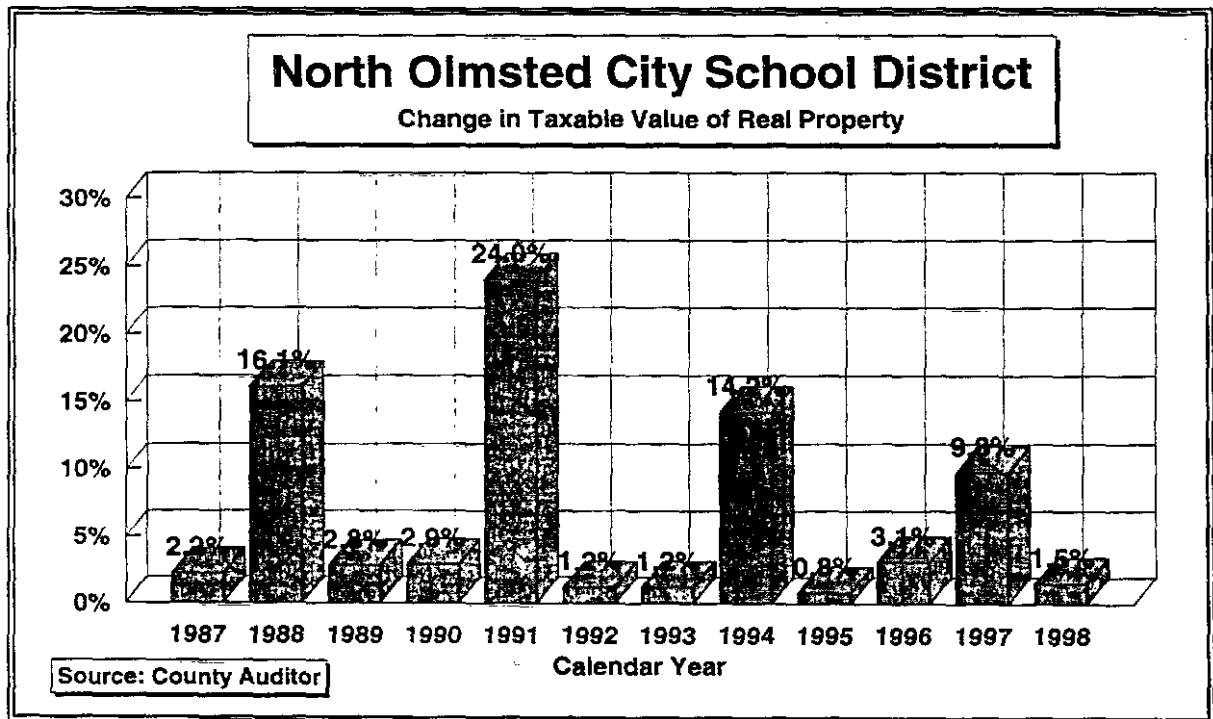
But why is it necessary for schools to periodically seek additional funds from the taxpayer? The answer to this question is based upon the nature of school funding in Ohio and can be illustrated with the following graph of the School District's cash flow forecast:



School districts in Ohio experience significant increases in their general fund cash balances for two or three years following the passage of a school levy (as indicated by the blue line in the above graph) until normal inflationary growth in expenses (as indicated by the red line in the above graph) exceed the revenue received during the year (as indicated by the green line in the above graph). The General Fund cash balance will then start to decline as the surplus cash balance is used to fund operating deficits. Growth in revenues are severely restricted in Ohio because legislation requires school districts to periodically return to the voters and request an increase in the amount of taxes assessed.

The School District's primary source of operating revenue is from the levying of taxes on real and personal property located within the community. During fiscal year 1999, 62.6 percent of the District's General Fund operating revenue comes from the collection of real estate taxes on residential and commercial property, 9.0 percent from tangible personal property and 4.6 percent from public utility property for a total of 76.2 percent. The long-term financial health of the School District is dependent on the stability of the tax base.

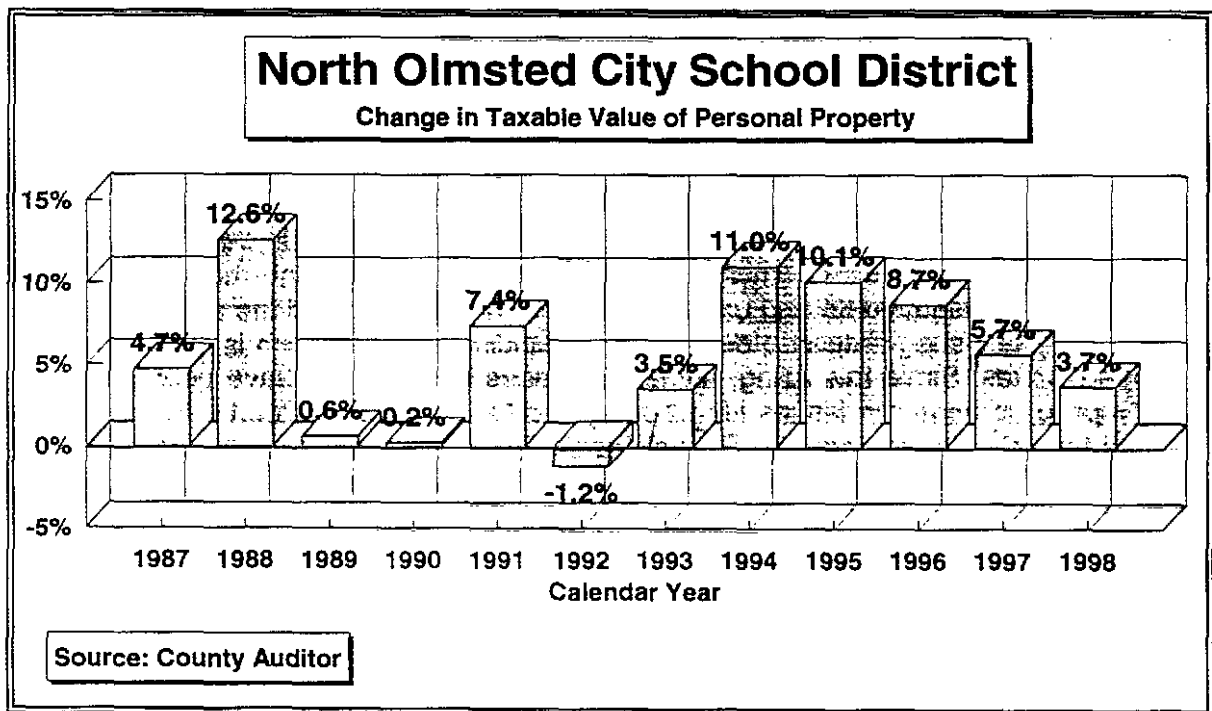
The total assessed valuation of residential and commercial properties in the community has increased 77.9 percent in the last ten years. The increase in value was due primarily to revaluation and updating of property values by the County Auditor every three years and is illustrated in the graph below. The City of North Olmsted is nearly completely developed, so future increases in the tax duplicate will come primarily from revaluation by the County Auditor.





Current state law prevents school districts in Ohio from receiving additional tax revenue when property values are revalued by the County Auditor. In 1976, the Ohio General Assembly passed House Bill 920. This law provides residential and commercial real property owners with a tax credit equal to any tax increase caused by an increase in value of all real property located in the taxing district as a result of the County Auditor's revaluation. In effect, House Bill 920 removes inflationary revenue growth in revenue and requires school districts throughout Ohio to periodically place tax issues on the ballot for voter approval in order to receive additional revenue. Based upon current financial projections, the North Olmsted City School District will be able to operate through fiscal 2002 without seeking the passage of a new tax levy.

Tangible personal property tax is assessed on the value of inventory and equipment owned by businesses located within the community. The provisions of House Bill 920 do not apply, and schools enjoy inflationary revenue growth in this source of revenue. In the past 5 years, the School District has experienced an average annual increase of 9 percent in these taxes as illustrated in the graph below:



Unfortunately, this favorable trend in personal property tax collections will not continue. In June 1999, the Ohio General Assembly passed House Bill 284 which will phase-out the inventory portion of personal property tax assessment. The phase-out period will be over 25 years beginning in calendar 2002 at an annual rate of approximately 4 percent. Once fully

implemented, the School District's operating revenue could be reduced \$2,400,000 annually. As of the date of this report, the Ohio General Assembly has not provided another source of funding to replace the lost taxes.

Public utility property tax is assessed on the value of power plants and equipment owned by electric, gas and telephone companies. Public utility property tax collections have generally been a stable source of revenue for the School District. In June 1999, the Ohio General Assembly passed Senate Bill 3 to deregulate the electric utility industry in Ohio. Under this legislation, the assessment rate on electric utility property for taxing purposes would be reduced from the present 100 percent for power plants and 88 percent for transmission and distribution property to 25 percent. The legislation provides for an alternative funding method to replace the lost tax revenue the school district will realize.

Money received from the State of Ohio through the State Foundation Program to assist in the funding of education has been declining as a major source of operating revenue for the North Olmsted City School District. In fiscal year 1991, the Foundation Program provided over 26 percent of the School District's annual operating revenue. Today, the Foundation Program accounts for only 18.5 percent of the School District's operating revenue. The formula used to allocate state funds among school districts in Ohio redistributes these funds from school districts with large tax bases such as North Olmsted to school districts with a smaller tax base. It is anticipated that money received from the State of Ohio will continue to decline as a major source of revenue as the financial burden of funding public education shifts to the local taxpayer.

On March 27, 1997, the Ohio Supreme Court rendered a decision declaring the State of Ohio's method of funding primary and secondary schools through the State Foundation Program to be inadequate and unconstitutional. The Court stayed the effect of its ruling to allow the State's legislature to design a new funding method which is less dependent on property taxes. Since this ruling, numerous pieces of legislation have been passed in an attempt to address the issues identified by the Ohio Supreme Court. As of the date of these financial statements, the School District is unable to determine what effect, if any, this decision will have on the amount of future State funding. See Note 20 of the general purpose financial statements for a more detailed discussion.

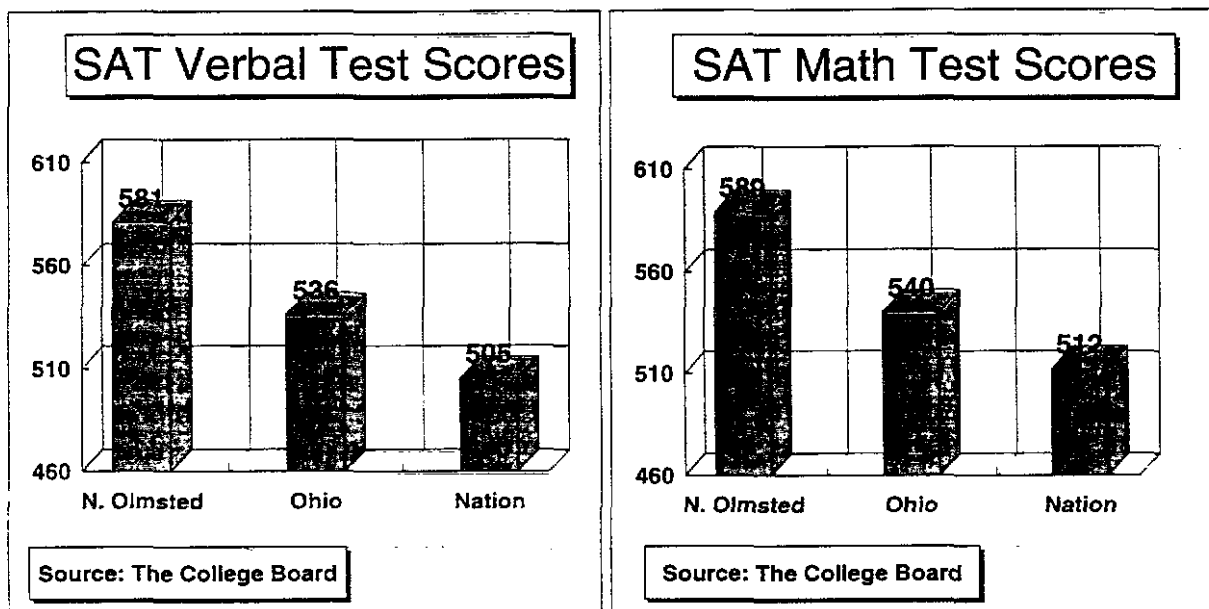
### **MAJOR INITIATIVES - FISCAL YEAR 1999**

During the year, the School District continued its work on development and implementation of its Strategic Plan to significantly improve student academic achievements, enhance curriculum development, integrate new technology, and increase fiscal responsibility.

One of the primary goals identified in the Strategic Plan was the updating of curriculum and instructional programs. The math, language arts, social studies, science, foreign language and industrial technology curriculums have been reviewed and revised with

new textbooks and instructional materials purchased in each area. Beginning next year and continuing into the following years, the curriculum review process will be underway for the fine and performing arts. An ongoing cycle of curriculum review will continue into future years to make sure that the School District's program is well coordinated and will keep pace with the demands placed upon our students in the 21st Century. In so doing, there will be continual emphasis on training teachers to properly and effectively implement these curriculums.

One of the measures as to the effectiveness of our curriculum program is how well North Olmsted students score on national standardized tests. Based on the most recent IOWA Test of Basic Skills, our 7th graders scored at the 87th percentile. On the Scholastic Aptitude Test (SAT), North Olmsted students continue to out-perform students across the country and in the State of Ohio on both the verbal and math sections of the test as illustrated in the graphs below.



The success of the District's education program received recognition from the business community when the North Olmsted City Schools was presented with the Gold Medal Award Winner by Expansion Management Magazine this year.

Every year Expansion Management Magazine ranks more than 1,500 school districts across the country on how well those districts prepare students to be part of the work force after graduation. School districts are evaluated in three areas: graduation rates and college scores for SAT and ACT; a community's financial commitment to education, including student-to-teacher ratios, per pupil expenditures, and teacher salaries; and the community's adult education and income levels.

The Gold Medal Award is presented to the top 15 percent of the schools evaluated. North Olmsted City Schools was the only district in Cuyahoga County to receive the Gold Medal and one of four in Ohio to receive the award.

Beyond improvements in student performance, the growth in technology and the permanent improvements to buildings and grounds throughout the School District has been impressive. All of this is due to the foresight this community had in passing a 1.9 mill Permanent Improvement Levy in November of 1994 which raises over \$1.1 million annually. With this money, the School District has been able to repair or replace the roofs on all buildings, complete massive asphalt and concrete repairs, and the wiring of all classrooms for technology. Electronic and voice mail and cable TV communication continue to grow in use throughout the School District. The ratio of students to computers continues to get smaller from 15.3 students per computer in fiscal year 1995 to only 9.3 students per computer today.

The School District has completed a comprehensive facility study to identify the long term needs of the School District. The preliminary findings of the study has identified the *need to possibly construct a new middle school or renovate the existing building, explore the construction of a performing art center, reactivate an idle elementary building, and renovate all buildings.* The Board of Education is currently reviewing the recommendations of the study and will consider the appropriate course of action within the year. Implementation of the study's findings would require the passage of a bond levy.

The Administration has recognized their responsibility to manage the School District's funds in an efficient and economic manner. The administration has implemented aggressive cost containment and revenue enhancement programs. These programs include zero based budgeting techniques and cost benefit analysis methods similar to those employed by the business community. To date, this program has yielded over \$2.5 million in savings.

One of the major financial goals identified by the Board of Education was the containment of rising healthcare costs. During fiscal year 1999, healthcare costs were reduced over \$400,000 from prior years. The dramatic reduction in costs can be contributed to a number of factors: redesign of the medical plan, higher than normal retirements and a substantial negotiated reduction in administrative fees. The significance of this accomplishment can best be illustrated by comparing our monthly premiums for family medical coverage with neighboring school districts. North Olmsted's monthly premium for family coverage is 18 to 67 percent lower!

## ***FINANCIAL INFORMATION***

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

The School District's accounting system is organized on a "fund" basis. Each fund (and

account group) is a distinct self-balancing accounting entity. Reports for general governmental operations and expendable trust funds are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. 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 the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Although the legal level of appropriations is at the fund and object level for the General Fund, all budgets are maintained at the object account level within a function and fund. All purchase order requests must be approved by either the Superintendent or Assistant Superintendent and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

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

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

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

**General Governmental Function**

The following schedule presents a summary of revenue for the governmental funds, which include general, special revenue, debt service, capital projects, and expendable trust funds, for the fiscal years ended June 30, 1999 and 1998. Also included with this summary is the amount and percentage of increases or decreases in relation to the prior year's revenue and an analysis of significant fluctuations.

<u>Revenue</u>	<u>1999 Amount</u>	<u>1998 Amount</u>	<u>Amount of Change</u>	<u>Percent of Change</u>
Taxes	\$ 26,296,670	\$ 25,834,991	\$ 461,679	1.8%
Tuition and fees	496,914	682,765	(185,851)	-27.2%
Interest	818,268	737,345	80,923	11.0%
Property Rentals	47,902	61,403	(13,501)	-22.0%
Intergovernmental	10,930,642	10,574,697	355,945	3.4%
Extracurricular activities	488,527	453,664	34,863	7.7%
Other	94,404	409,977	(315,573)	-77.0%
Total	<u>\$ 39,173,327</u>	<u>\$ 38,754,842</u>	<u>\$ 418,485</u>	1.1%

Tax revenue increased a modest \$461,679 or 1.8 percent during fiscal year 1999. The increase is due primarily to new commercial construction and increase inventory levels maintained by retail businesses located in the School District. It is anticipated that future increases will be limited to one or two percent.

Intergovernmental revenue increased \$355,945 or 3.4% during fiscal year 1999 and is due primarily to changes in the formula used to allocate money received from the State of Ohio through the State Funding Program. Future increases are difficult to predict at this time. See Note 20 of the general purpose financial statements for a more detail discussion of future state funding.

Decreased tuition and fees revenue reflects a timing difference in the recognition of tuition charged to other school districts for nonresident students attending special education

classes in North Olmsted. Revenue recognized in 1999 reflects a normal year of collection and should continue for the foreseeable future.

Increased interest earnings is due to additional funds available for investment over the prior year and the implementation of a new cash management program.

Other revenue decreased \$315,573 or 77.0% during fiscal year 1999. In 1998, the School District received a \$223,073 refund from the Ohio Bureau of Workers' Compensation which was not available in 1999. Similar refunds are not anticipated in future years.

The following schedule presents a summary of governmental fund expenditures for the general, special revenue, debt service, capital projects and expendable trust funds for the fiscal years ended June 30, 1999 and 1998. The summary also includes the amount and percentage of increases and decreases in relation to the prior year's expenditures and an analysis of significant fluctuations.

<u>Expenditures</u>	<u>1999 Amount</u>	<u>1998 Amount</u>	<u>Amount of Change</u>	<u>Percent of Change</u>
<b>Current Operations:</b>				
Instruction	\$ 21,974,455	\$ 20,035,314	\$ 1,939,141	9.7%
Support Service:				
Pupils	1,909,027	1,911,440	(2,413)	-0.1%
Instructional Staff	1,178,549	1,161,626	16,923	1.5%
Board of Education	155,873	183,336	(27,463)	-15.0%
Administration	2,176,289	2,148,822	27,467	1.3%
Fiscal Services	702,775	658,072	44,703	6.8%
Business	280,832	239,966	40,866	17.0%
Operation & Maintenance	2,892,338	2,972,227	(79,889)	-2.7%
Pupil Transportation	1,211,191	1,189,912	21,279	1.8%
Central Services	647,923	793,603	(145,680)	-18.4%
Community Services	377,660	394,187	(16,527)	-4.2%
Extracurricular Activities:				
Academic Oriented	147,583	134,089	13,494	10.1%
Sports Oriented	649,709	633,586	16,123	2.5%
Total operating expenses	34,304,204	32,456,180	1,848,024	5.7%
<b>Capital Outlay</b>	1,412,553	1,760,255	(347,702)	-19.8%
<b>Debt Service:</b>				
Principal Retirement	240,865	415,968	(175,103)	-42.1%
Interest Charges	121,931	179,407	(57,476)	-32.0%
<b>Total Expenditures</b>	<u>\$ 36,079,553</u>	<u>\$ 34,811,810</u>	<u>\$ 1,267,743</u>	<u>3.6%</u>

Total expenditures increased only 3.6% during fiscal year 1999. Significant changes in individual operating expenditures categories are as follows:

Instruction expenditures increased due to a modest increase in staffing, severance payments due to retirements and purchase of classroom supplies that were previously reported in 1998 in the Enterprise Fund - Uniform School Supplies.

The decline in Central Services expenditures reflect reduced repairs and maintenance for management information system and central duplicating services.

Capital Outlays decreased 19.8% during fiscal year 1999. The decrease reflects a normal year to year fluctuation due to the timing of expenditures.

Reduction in debt service reflects the decline in the outstanding principal balance.

### ***General Fund Balance***

The General Fund balance increased 42.2 percent from \$6,858,740 at June 30, 1998 to \$9,749,849 at June 30, 1999. The increase primarily reflects the additional tax revenue received from a 5.9 mill operating levy passed in August 1995 and new commercial construction within the District. School districts in Ohio experience significant increases in their general fund balance for two to four years following the passage of a school levy until normal inflationary growth in expenses exceed the revenue collected from the levy. Based upon current financial projections, the General Fund balance will continue to increase and peak to approximately \$11,000,000 in fiscal year 2001 and then will start to decline as the balance is used to fund operating deficits. See graph of School district's Cash Flow Forecast on page viii of transmittal.

### ***Financial Highlights - Enterprise Funds***

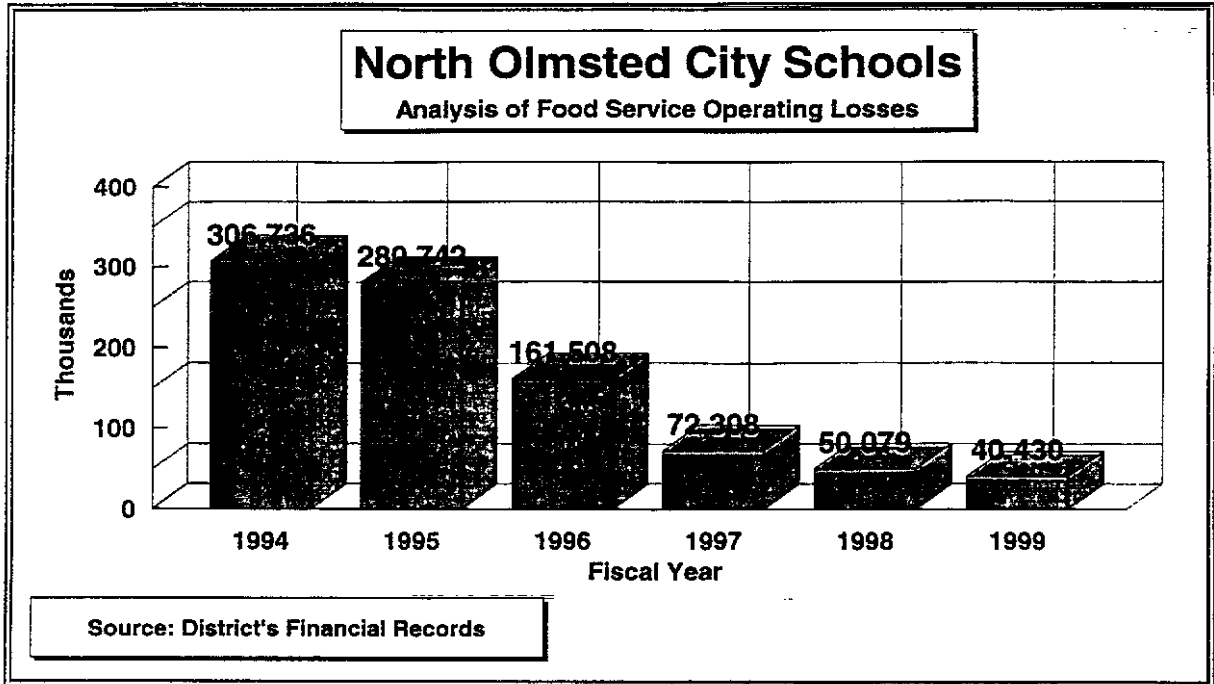
The School District classifies its Food Service and Adult Education programs as enterprise operations. It is the Board of Education's desire to operate these programs on a self-supporting basis from the revenue earned from operations.

The Food Service program provides lunches and other food related services to the pupils and staff of the School District, operates and manages the lunch programs for a number of area school districts, and offers catering services to outside groups. The Adult Education program offers various educational classes to the community.

During fiscal year 1999, Food Service operated at a \$40,430 loss. The loss is primarily due to high labor and fringe benefit costs associated with the program's operations and the loss of revenue associated with the closing of schools for four days due to severe



weather conditions during 1999. As indicated in the graph below, the Administration has significantly reduced the program's annual operating losses by negotiating salary freezes, implementing numerous cost saving measures and revenue enhancement ideas. The Administration will continue in its efforts to alleviate the operating loss.



***Financial Highlight - Internal Service Fund***

The Internal Service Funds account for all activities in which the School District provides goods and/or service to other governmental agencies or to students on a cost plus reimbursement basis. The School District provided the following types of services during fiscal year 1999: bus maintenance, regional transit and rotary services. During fiscal year 1999, the Internal Service Funds operated in total at a \$37,010 loss. The loss is due primarily to the timing of maintenance expenses and equipment purchases charged to the Contracted Bus Service Fund.

***Financial Highlight - Fiduciary Fund***

Included in this category are Trust and Agency Funds used to account for assets held by the School District in a trustee capacity. Trust Funds represent expendable trusts for groups. Agency Funds typically consist of student managed activities. Total assets in these funds at June 30, 1999 were \$61,160.

### ***General Fixed Assets***

The School District's general fixed assets are used to operate the education and support function of the District and are not financial resources available for expenditure. The total general fixed assets at June 30, 1999 were \$25,356,984. These assets are accounted for at historical cost and no depreciation is recognized for financial purposes.

### ***Debt Administration***

At June 30, 1999, general obligation notes outstanding totaled \$547,322 and were issued for the acquisition of school buses and the implementation of energy conservation improvements. These notes are scheduled to be retired in various amounts through the year 2006. See Note 11 of the general purpose financial statements for a more detail discussion. As of June 30, 1999, the School District's total general obligation debt limit was \$65,763,502 and its unvoted legal debt limit was \$730,706.

### ***Cash Management***

The Board has developed and implemented a cash management program to maximize the investment earning potential of all available cash. The program utilizes a remote disbursement bank arrangement combined with an on-line control disbursement system which enables the Board to maintain minimum account balances.

The School District maintains a conservative investment program with safety of principal and liquidity as its chief considerations for investment selection. Cash not needed for immediate use during the year was invested in the State Treasurer's Asset Reserve of Ohio (STAR) Program administered by the Office of the Treasurer of the State of Ohio and Fifth Third Bank's Liquid Asset Management (LAM) Account.

STAR Ohio is an investment pool offered to political subdivisions of the State of Ohio for the investment of funds. STAR Ohio's investment portfolio consists of investments authorized by the Ohio Revised Code including instruments of the Federal government and its agencies, collateralized certificates of deposit and repurchase agreements. This investment pool offers daily liquidity of all funds and no minimum balance requirements. The Fifth Third Bank LAM Account is an investment portfolio managed by Fifth Third Bank. The account is used to investment interim moneys in securities with a maturity of one to two years.

Total interest earned by the School District was \$819,323 for the fiscal year ended June 30, 1999 of which \$723,425 was credited to General Fund, \$5,903 to Auxiliary Services Special Revenue Fund, \$77,302 to Debt Service Fund and \$11,638 to the Permanent Improvement Fund. As required by law \$1,055 was credited to the Food Service Fund.

### ***Risk Management***

The School District provides employees and their dependents a comprehensive medical, prescription drug and dental program. The program is self-insured and administered by Medical Mutual of Ohio. Stop-loss insurance is maintained with an aggregate stop-loss threshold of \$2.0 million.

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

The School District contracts with Nationwide Insurance Company for property and liability insurance coverage. The limits on professional liability coverage is \$2.0 million per occurrence and a \$5.0 million aggregate limit with a \$1.0 million supplemental umbrella policy. Automobile liability has a \$3.0 million combined single limit with a \$1.0 million supplemental umbrella policy. Settled claims have not exceeded this commercial coverage in the past several years.

The School District participates in the State Workers' Compensation plan and pays an annual premium based on a rate per \$100 of salaries. The School District is a member of the Ohio Schools Board Association Workers' Compensation Group Rating Program and qualifies for a 45 percent reduction in the workers' compensation premium.

### ***Pension Plan***

All School District employees are covered by the statewide State Teachers Retirement System (STRS) or the School Employees Retirement System of Ohio (SERS). Employee contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay 14 percent of employees' salaries into each retirement system. See Note 15 to the general purpose financial statements for additional detail.

### **INDEPENDENT AUDIT**

State statutes and federal regulations require the School District to be subjected to periodical examinations by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the

*School District's financial statements for the year ended June 30, 1999. The opinion appears at the beginning of the financial section of this report.*

Pursuant to statute, the State prescribes a uniform accounting system to standardize

accounting classification and financial reporting for all public school districts in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

## **AWARDS**

### ***GFOA Certificate of Achievement***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Olmsted City School District for its Comprehensive Annual Financial Report for the year ended June 30, 1998. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting. In 1985, North Olmsted City School District was the first school district in Ohio to receive this award and has received the award for fourteen consecutive years.

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

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

### ***ASBO International Certificate of Excellence***

The School District received the Association of School Business Officials (ASBO) International Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the year ended June 30, 1998. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after an intensive review of financial reports by an expert ASBO panel of review consisting of certified public accountants and practicing school officials. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting.

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

## **STATE OF OHIO AUDITOR'S AWARD**

In October of 1999, the School District received the State of Ohio Auditor's Award issued by Jim Petro, Auditor of State, for its Comprehensive Annual Financial Report for the year ended June 30, 1997. This award recognize school systems that have met the highest standards of excellence in school financial reporting. The award is valid for a period of one year and we believe our current report continues to meet the award's strict criteria.

## **GOLD MEDAL AWARD**

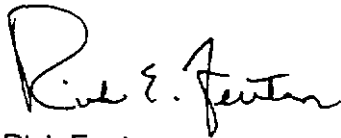
In November 1999, the North Olmsted City Schools received Expansion Management Magazine's Gold Medal Award. Each year, Expansion Management Magazine ranks more than 1,500 school districts across the country on how well those districts prepare students to be part of the force after graduation. School districts are evaluated in three areas: graduation rates and college scores for SAT and ACT; a community's financial commitment to education, including student-to-teacher ratios, per pupil expenditures, and teacher salaries; and the community's adult education and income levels.

The Gold Medal Award is presented to the top 15 percent of the schools evaluated. North Olmsted City Schools was one of four schools in Ohio to receive the award.

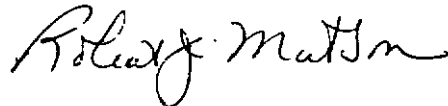
## **ACKNOWLEDGMENTS**

The publication of this report significantly increases the accountability of the School District to the taxpayers of North Olmsted City School District. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office, administrators and employees of the School District. Assistance from the County Auditor's office staff and outside agencies made possible the fair presentation of statistical data. In addition, special appreciation is expressed to Robbie DeCoske from the firm of Costin & Company, CPA, Inc. for the advice and guidance rendered to the production of this report.

Respectfully submitted,



Rick Fenton  
Superintendent of Schools



Robert J. Matson CPA  
Treasurer

**North Olmsted City School District**

Principal Officials

June 30, 1999

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**Board of Education**

Mrs. Claire Hayes  
Mrs. Joanne DiCarlo  
Mr. Donald Frazier  
Mrs. Donna Smeal  
Mr. Thomas Herbster

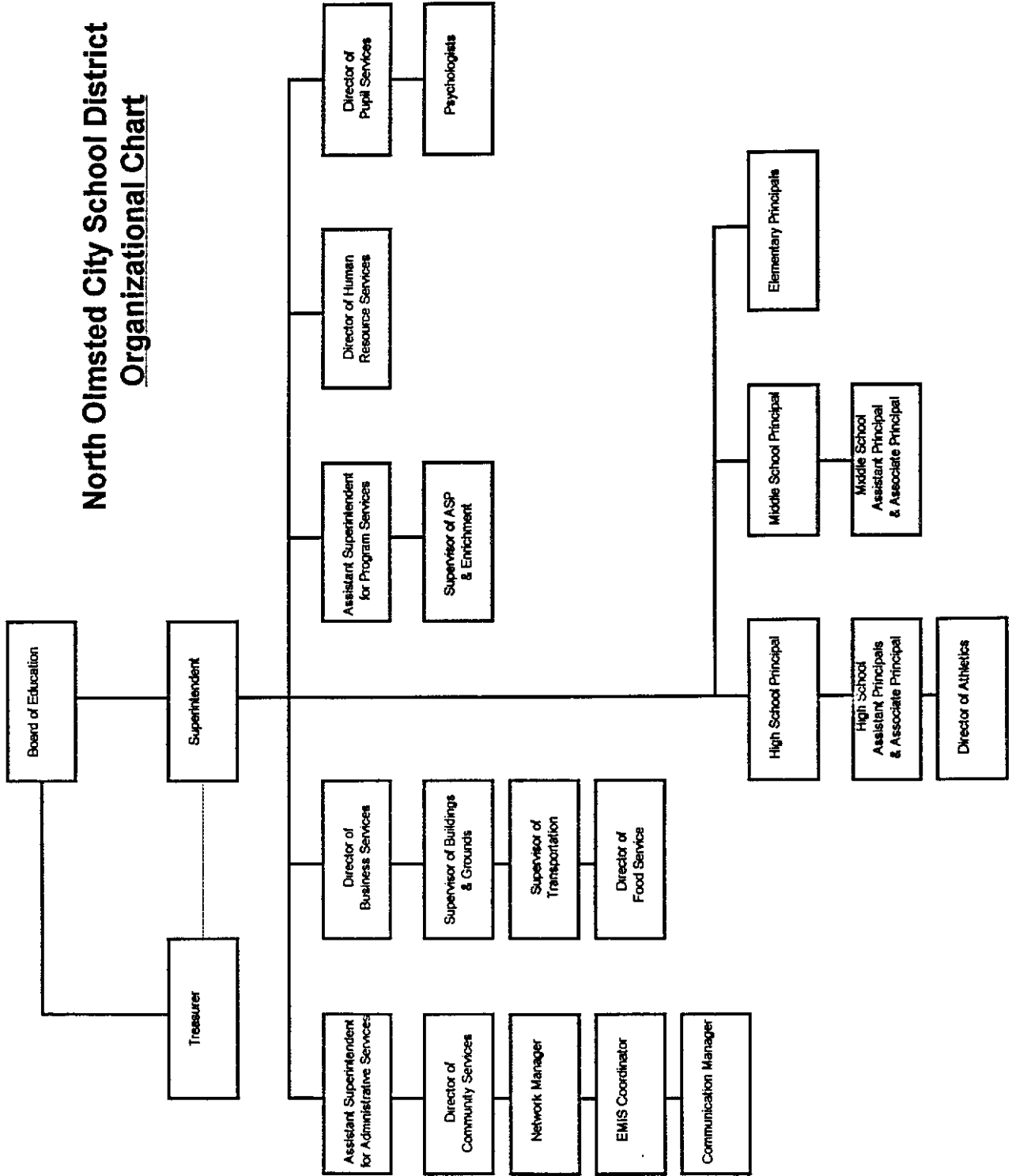
President  
Vice-President  
Member  
Member  
Member

**Administration**

Mr. Rick Fenton  
Dr. Douglas A. Sebring  
Dr. Cheryl Dubsky  
Robert J. Matson CPA  
Mr. Leonard Frick  
Mr. Gary Novak  
Mr. William Burkhardt

Superintendent  
Assistant Superintendent  
Assistant Superintendent  
Treasurer  
Director of Business Service  
Director of Personnel  
Director of Pupil Services

# North Olmsted City School District Organizational Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

North Olmsted City School  
District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1998

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.



*Douglas R. Ellaworth*  
President

*Jeffrey L. Esler*  
Executive Director



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to  
**NORTH OLMSTED CITY SCHOOL DISTRICT**  
For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 1998

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

*Eileen A. Franklin*  
President

*Don L. Hagan*  
Executive Director



*Auditor of State  
Jim Petro  
is pleased to present*

*The Auditor's Award*

*to*

*North Olmsted City School District*

*Robert J. Matson, Treasurer*

*for outstanding commitment to the highest standards of financial reporting  
as evidenced by the presentation of their  
1996 Comprehensive Annual Financial Report.*

*And, in further recognition, the Auditor commends  
North Olmsted City School District for meeting the strict standards established  
by the United States Government Finance Officers  
Association as qualification for their receipt of the Association's  
Certificate of Achievement for Excellence in Financial Reporting.*

*Presented this month of August 1998.*



*Jim Petro*  
\_\_\_\_\_  
*Jim Petro  
Auditor of State*



Expansion Management Magazine  
proudly presents the

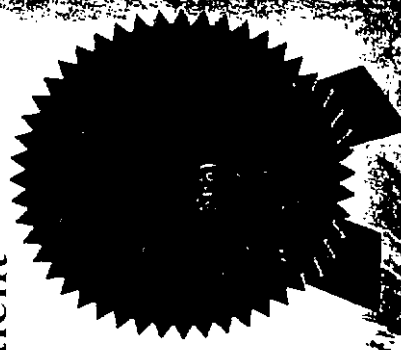
*Gold Medal*

distinction to

*North Olmsted City School Dist.*

in the 1999 Education Quotient

Bill King, Editor



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**FINANCIAL  
SECTION**



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

Lausche Building, 12th Floor  
615 Superior Avenue, N. W.  
Cleveland, Ohio 44113

Telephone (216) 787-3665  
(800) 626-2297  
Facsimile (216) 787-3361  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

North Olmsted City School District  
24100 Palm Drive  
North Olmsted, Ohio 44070

To the Board of Education:

We have audited the accompanying general-purpose financial statements of the North Olmsted City School District, Cuyahoga County, (District) as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the North Olmsted City School District, Cuyahoga County, as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 1999 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

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

  
JIM PETRO  
Auditor of State

December 15, 1999

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 JUNE 30, 1999

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<b>Assets and other debits</b>				
Equity in pooled cash	\$ 11,393,242	\$ 504,710	\$ -	\$ 574,016
Restricted cash	223,073	-	-	-
Receivables, net of allowance				
Taxes, current	25,304,737	-	-	1,044,096
Taxes, delinquent	1,019,033	-	-	42,046
Accounts and other	-	-	-	-
Due from other governments	105,140	53,982	-	-
Interfund receivable	351,423	-	-	5,000
Inventories and supplies	147,907	-	-	-
Fixed assets	-	-	-	-
Accumulated depreciation	-	-	-	-
Amount to be provided for retirement of general obligations	-	-	-	-
<b>Total assets and other debits</b>	<b>\$ 38,544,555</b>	<b>\$ 558,692</b>	<b>\$ -</b>	<b>\$ 1,665,158</b>

The accompanying notes are an integral part of these financial statements.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1999	1998
\$ 23,044	\$ 60,174	\$ 61,160	\$ -	\$ -	\$ 12,616,346	\$ 9,574,383
-	-	-	-	-	223,073	223,073
-	-	-	-	-	26,348,833	25,695,512
-	-	-	-	-	1,061,079	473,444
562	7,333	-	-	-	7,895	12,155
38,425	-	-	-	-	197,547	444,419
-	-	-	-	-	356,423	184,017
41,484	-	-	-	-	189,391	153,652
499,947	-	-	25,356,984	-	25,856,931	24,930,476
(389,835)	-	-	-	-	(389,835)	(381,469)
-	-	-	-	4,103,849	4,103,849	4,587,621
\$ 213,627	\$ 67,507	\$ 61,160	\$ 25,356,984	\$ 4,103,849	\$ 70,571,532	\$ 65,897,283

(Continued)



NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 JUNE 30, 1999  
 (CONTINUED)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<b>Liabilities, fund equity and other credits</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ 686,450	\$ 9,076	\$ -	\$ 55,237
Accrued liabilities				
Salaries, wages and benefits	3,485,470	43,079	-	-
Due to students	-	-	-	-
Due to other governments	736,279	8,788	-	-
Interfund payable	5,000	7,069	-	250,000
Deferred revenue				
Taxes	23,752,863	-	-	966,572
Intergovernmental	82,658	-	-	-
Notes payable	-	-	-	-
Capitalized lease obligations	-	-	-	-
Compensated absences	45,986	-	-	-
<b>Total liabilities</b>	<b>28,794,706</b>	<b>68,012</b>	<b>-</b>	<b>1,271,809</b>
<b>Fund equity and other credits</b>				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained earnings				
Unreserved	-	-	-	-
Fund balance				
Reserved for medical claims	400,000	-	-	-
Reserved for budget stabilization	223,073	-	-	-
Reserved for inventories	147,907	-	-	-
Reserved for property taxes	2,570,907	-	-	119,570
Reserved for encumbrances	643,903	97,276	-	420,692
Unreserved	5,764,059	393,404	-	(146,913)
<b>Total fund equity and other credits</b>	<b>9,749,849</b>	<b>490,680</b>	<b>-</b>	<b>393,349</b>
<b>Total liabilities, fund equity and other credits</b>	<b>\$ 38,544,555</b>	<b>\$ 558,692</b>	<b>\$ -</b>	<b>\$ 1,665,158</b>

The accompanying notes are an integral part of these financial statements.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1999	1998
\$ 1,729	\$ 4,452	\$ 2,569	\$ -	\$ -	\$ 759,513	\$ 321,163
48,289	-	-	-	-	3,576,838	3,458,354
-	-	52,352	-	-	52,352	51,300
81,166	-	-	-	268,786	1,095,019	964,399
88,354	-	6,000	-	-	356,423	184,017
-	-	-	-	-	24,719,435	24,210,328
19,119	-	-	-	-	101,777	241,761
-	-	-	-	547,322	547,322	677,000
-	-	-	-	229,784	229,784	340,971
11,400	-	-	-	3,057,957	3,115,343	3,384,047
250,057	4,452	60,921	-	4,103,849	34,553,806	33,833,340
-	-	-	25,356,984	-	25,356,984	24,439,566
433,217	-	-	-	-	433,217	433,217
(469,647)	63,055	-	-	-	(406,592)	(317,973)
-	-	-	-	-	400,000	-
-	-	-	-	-	223,073	223,073
-	-	-	-	-	147,907	122,267
-	-	-	-	-	2,690,477	1,958,628
-	-	-	-	-	1,161,871	598,875
-	-	239	-	-	6,010,789	4,606,290
(36,430)	63,055	239	25,356,984	-	36,017,726	32,063,943
\$ 213,627	\$ 67,507	\$ 61,160	\$ 25,356,984	\$ 4,103,849	\$ 70,571,532	\$ 65,897,283

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS  
 FOR THE YEAR ENDED JUNE 30, 1999

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<b>Revenues</b>				
Taxes	\$ 25,245,354	\$ -	\$ -	\$ 1,051,316
Tuition and fees	496,914	-	-	-
Interest	723,425	5,903	77,302	11,638
Property rentals	47,902	-	-	-
Intergovernmental	9,586,604	1,075,335	-	268,703
Extracurricular	-	488,527	-	-
Other	67,862	26,542	-	-
<b>Total revenues</b>	<b>36,168,061</b>	<b>1,596,307</b>	<b>77,302</b>	<b>1,331,657</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Instruction</b>				
Regular	17,038,015	409,062	-	347
Special	2,909,209	412,142	-	-
Vocational	579,111	38,409	-	-
Adult/continuing	19,060	29,335	-	-
Other instruction	539,765	-	-	-
<b>Supporting services</b>				
Pupil	1,861,866	47,161	-	-
Instructional staff	1,168,332	10,072	-	-
Board of education	155,873	-	-	-
Administration	2,165,973	10,316	-	-
Fiscal services	702,775	-	-	-
Business	280,172	660	-	-
Operation and maintenance	2,891,050	1,288	-	-
Pupil transportation	1,210,791	400	-	-
Central services	641,489	-	-	6,434
<b>Operation of non-instructional</b>				
Community services	20,474	357,186	-	-
<b>Extracurricular activities</b>				
Academic and subject oriented	147,583	-	-	-
Sports oriented	577,380	72,329	-	-
<b>Capital outlay</b>	78,826	78,399	-	1,255,328
<b>Debt service</b>				
Principal	111,187	-	129,678	-
Interest	14,553	-	107,378	-
<b>Total expenditures</b>	<b>33,113,484</b>	<b>1,466,759</b>	<b>237,056</b>	<b>1,262,109</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>3,054,577</b>	<b>129,548</b>	<b>(159,754)</b>	<b>69,548</b>
<b>Other financing sources (uses)</b>				
Operating transfers-in	76	35,000	159,754	-
Operating transfers-out	(269,754)	(76)	-	-
<b>Total other financing sources (uses)</b>	<b>(269,678)</b>	<b>34,924</b>	<b>159,754</b>	<b>-</b>
<b>Excess (deficiency) of revenues over expenditures and other sources (uses)</b>	<b>2,784,899</b>	<b>164,472</b>	<b>-</b>	<b>69,548</b>
<b>Fund balances, beginning of year</b>	<b>6,858,740</b>	<b>326,208</b>	<b>-</b>	<b>323,801</b>
<b>Increase in reserve for inventories</b>	<b>25,640</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Residual equity transfer-in</b>	<b>80,570</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances, end of year</b>	<b>\$ 9,749,849</b>	<b>\$ 490,680</b>	<b>\$ -</b>	<b>\$ 393,349</b>

The accompanying notes are an integral part of these financial statements.

FIDUCIARY FUND TYPE		TOTALS (MEMORANDUM ONLY)	
EXPENDABLE TRUST	1999	1998	
\$ -	\$ 26,296,670	\$ 25,834,991	
-	496,914	682,765	
-	818,268	737,345	
-	47,902	61,403	
-	10,930,642	10,574,697	
-	488,527	453,664	
-	94,404	409,977	
-	39,173,327	38,754,842	
-	17,447,424	15,865,930	
-	3,321,351	3,025,067	
-	617,520	718,451	
-	48,395	53,056	
-	539,765	372,810	
-	1,909,027	1,911,440	
145	1,178,549	1,161,626	
-	155,873	183,336	
-	2,176,289	2,148,822	
-	702,775	658,072	
-	280,832	239,966	
-	2,892,338	2,972,227	
-	1,211,191	1,189,912	
-	647,923	793,603	
-	377,660	394,187	
-	147,583	134,089	
-	649,709	633,586	
-	1,412,553	1,760,255	
-	240,865	415,968	
-	121,931	179,407	
145	36,079,553	34,811,810	
(145)	3,093,774	3,943,032	
-	194,830	432,794	
-	-	677,000	
-	-	327,630	
-	(269,830)	(480,303)	
-	(75,000)	957,121	
(145)	3,018,774	4,900,153	
384	7,509,133	2,606,610	
-	25,640	2,370	
-	80,570	-	
\$ 239	\$ 10,634,117	\$ 7,509,133	

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) -  
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS  
 FOR THE YEAR ENDED JUNE 30, 1999

	GENERAL		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$ 24,545,000	\$ 24,555,370	\$ 10,370
Tuition and fees	664,874	653,146	(11,728)
Interest	710,000	723,425	13,425
Property rentals	47,425	47,902	477
Intergovernmental	9,558,000	9,578,740	20,740
Extracurricular	-	-	-
Other	96,000	93,858	(2,142)
<b>Total revenues</b>	<b>35,621,299</b>	<b>35,652,441</b>	<b>31,142</b>
Expenditures			
Current			
Instruction			
Regular	17,528,237	16,998,245	529,992
Special	2,915,311	2,865,762	49,549
Vocational	615,646	601,314	14,332
Adult/continuing	20,000	18,720	1,280
Other instruction	1,055,375	960,458	94,917
Supporting services			
Pupil	1,918,536	1,876,077	42,459
Instructional staff	1,285,651	1,204,908	80,743
Board of education	207,902	190,068	17,834
Administration	2,235,460	2,173,602	61,858
Fiscal services	784,550	774,629	9,921
Business	316,154	289,900	26,254
Operation and maintenance	3,250,085	2,905,755	344,330
Pupil transportation	1,362,599	1,264,135	98,464
Central services	849,894	802,383	47,511
Operation of non-instructional			
Community services	24,850	20,474	4,376
Extracurricular activities			
Academic and subject oriented	154,500	147,583	6,917
Sports oriented	607,800	590,017	17,783
Capital outlay	150,251	133,845	16,406
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total expenditures</b>	<b>35,282,801</b>	<b>33,817,875</b>	<b>1,464,926</b>
Excess (deficiency) of revenues over expenditures	338,498	1,834,566	1,496,068
Other financing sources (uses)			
Operating transfers-in	85,000	80,685	(4,315)
Proceeds from sale of notes	-	-	-
Advances-in	85,000	84,963	(37)
Refund prior year expenditure	-	694	694
Advances-out	(257,369)	(257,369)	-
Operating transfers-out	(271,354)	(271,354)	-
<b>Total other financing sources (uses)</b>	<b>(358,723)</b>	<b>(362,381)</b>	<b>(3,658)</b>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(20,225)	1,472,185	1,492,410
Prior year encumbrances	591,335	591,335	-
Fund balances, beginning of year	8,222,443	8,222,443	-
<b>Fund balances, end of year</b>	<b>\$ 8,793,553</b>	<b>\$ 10,285,963</b>	<b>\$ 1,492,410</b>

The accompanying notes are an integral part of these financial statements.

SPECIAL REVENUE			DEBT SERVICE		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,903	5,903	-	77,302	77,302	-
1,043,031	1,043,031	-	-	-	-
495,970	488,527	(7,443)	-	-	-
21,039	28,482	7,443	-	-	-
1,565,943	1,565,943	-	77,302	77,302	-
548,726	426,383	122,343	-	-	-
416,988	400,527	16,461	-	-	-
41,127	39,500	1,627	-	-	-
66,951	30,693	36,258	-	-	-
-	-	-	-	-	-
54,926	50,531	4,395	-	-	-
10,775	10,072	703	-	-	-
-	-	-	-	-	-
19,503	10,171	9,332	-	-	-
-	-	-	-	-	-
26,682	660	26,022	-	-	-
1,291	1,288	3	-	-	-
400	400	-	-	-	-
-	-	-	-	-	-
412,322	412,547	(225)	-	-	-
-	-	-	-	-	-
78,434	70,812	7,622	-	-	-
124,553	98,662	25,891	-	-	-
-	-	-	2,043,678	2,043,678	-
-	-	-	107,378	107,378	-
1,802,678	1,552,246	250,432	2,151,056	2,151,056	-
(236,735)	13,697	250,432	(2,073,754)	(2,073,754)	-
35,000	35,000	-	159,754	159,754	-
-	-	-	1,914,000	1,914,000	-
7,069	7,069	-	-	-	-
-	-	-	-	-	-
(18,763)	(18,763)	-	-	-	-
(76)	(76)	-	-	-	-
23,230	23,230	-	2,073,754	2,073,754	-
(213,505)	36,927	250,432	-	-	-
24,668	24,668	-	-	-	-
336,763	336,763	-	-	-	-
\$ 147,926	\$ 398,358	\$ 250,432	\$ -	\$ -	\$ -

(Continued)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS) -  
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS  
 FOR THE YEAR ENDED JUNE 30, 1999  
 (CONTINUED)

CAPITAL PROJECTS			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$ 1,028,621	\$ 1,009,451	\$ (19,170)
Tuition and fees	-	-	-
Interest	9,400	11,638	2,238
Property rentals	-	-	-
Intergovernmental	267,686	268,703	1,017
Extracurricular	-	-	-
Other	-	-	-
<b>Total revenues</b>	<b>1,305,707</b>	<b>1,289,792</b>	<b>(15,915)</b>
Expenditures			
Current			
Instruction			
Regular	15,000	11,759	3,241
Special	-	-	-
Vocational	-	-	-
Adult/continuing	-	-	-
Other instruction	-	-	-
Supporting services			
Pupil	-	-	-
Instructional staff	-	-	-
Board of education	-	-	-
Administration	-	-	-
Fiscal services	-	-	-
Business	-	-	-
Operation and maintenance	-	-	-
Pupil transportation	-	-	-
Central services	7,000	6,434	566
Operation of non-instructional			
Community services	-	-	-
Extracurricular activities	-	-	-
Academic and subject oriented	-	-	-
Sports oriented	-	-	-
Capital outlay	1,774,017	1,689,987	84,030
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total expenditures</b>	<b>1,796,017</b>	<b>1,708,180</b>	<b>87,837</b>
Excess (deficiency) of revenues over expenditures	(490,310)	(418,388)	71,922
Other financing sources (uses)			
Operating transfers-in	-	-	-
Proceeds from sale of notes	-	-	-
Advances-in	250,000	250,000	-
Refund prior year expenditure	-	-	-
Advances-out	(51,000)	(51,000)	-
Operating transfers-out	-	-	-
<b>Total other financing sources (uses)</b>	<b>199,000</b>	<b>199,000</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(291,310)	(219,388)	71,922
Prior year encumbrances	258,782	258,782	-
Fund balances, beginning of year	58,694	58,694	-
<b>Fund balances, end of year</b>	<b>\$ 26,166</b>	<b>\$ 98,088</b>	<b>\$ 71,922</b>

The accompanying notes are an integral part of these financial statements.

EXPENDABLE TRUST			TOTALS (MEMORANDUM ONLY)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 25,573,621	\$ 25,564,821	\$ (8,800)
-	-	-	664,874	653,146	(11,728)
-	-	-	802,605	818,268	15,663
-	-	-	47,425	47,902	477
-	-	-	10,868,717	10,890,474	21,757
-	-	-	495,970	488,527	(7,443)
-	-	-	117,039	122,340	5,301
-	-	-	38,570,251	38,585,478	15,227
-	-	-	18,091,963	17,436,387	655,576
-	-	-	3,332,299	3,266,289	66,010
-	-	-	656,773	640,814	15,959
-	-	-	86,951	49,413	37,538
-	-	-	1,055,375	960,458	94,917
-	-	-	1,973,462	1,926,608	46,854
276	145	131	1,296,702	1,215,125	81,577
-	-	-	207,902	190,068	17,834
-	-	-	2,254,963	2,183,773	71,190
-	-	-	784,550	774,629	9,921
-	-	-	342,836	290,560	52,276
-	-	-	3,251,376	2,907,043	344,333
-	-	-	1,362,999	1,264,535	98,464
-	-	-	856,894	808,817	48,077
-	-	-	437,172	433,021	4,151
-	-	-	154,500	147,583	6,917
-	-	-	686,234	660,829	25,405
-	-	-	2,048,821	1,922,494	126,327
-	-	-	2,043,678	2,043,678	-
-	-	-	107,378	107,378	-
276	145	131	41,032,828	39,229,502	1,803,326
(276)	(145)	131	(2,462,577)	(644,024)	1,818,553
-	-	-	279,754	275,439	(4,315)
-	-	-	1,914,000	1,914,000	-
-	-	-	342,069	342,032	(37)
-	-	-	-	694	694
-	-	-	(327,132)	(327,132)	-
-	-	-	(271,430)	(271,430)	-
-	-	-	1,937,261	1,933,603	(3,658)
(276)	(145)	131	(525,316)	1,289,579	1,814,895
-	-	-	874,785	874,785	-
384	384	-	8,618,284	8,618,284	-
\$ 108	\$ 239	\$ 131	\$ 8,967,753	\$ 10,782,648	\$ 1,814,895



NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS -  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED JUNE 30, 1999

	ENTERPRISE	INTERNAL SERVICE	TOTALS (MEMORANDUM ONLY)	
			1999	1998
Operating revenues				
Tuition and fees	\$ 53,478	\$ -	\$ 53,478	\$ 52,581
Sales	899,585	52,397	951,982	931,996
Classroom materials and fees	-	-	-	94,906
Other	150	62,333	62,483	72,708
Total operating revenues	953,213	114,730	1,067,943	1,152,191
Operating expenses				
Salaries and wages	420,336	-	420,336	432,329
Fringe benefits	156,438	-	156,438	157,959
Contractual service	652,844	81,849	734,693	713,865
Materials and supplies	70,599	53,337	123,936	171,630
Other expenses	-	16,554	16,554	5,694
Depreciation	14,208	-	14,208	13,368
Total operating expenses	1,314,425	151,740	1,466,165	1,494,845
Operating (loss)	(361,212)	(37,010)	(398,222)	(342,654)
Nonoperating revenues (expenses)				
Interest	1,055	-	1,055	-
Intergovernmental	314,819	-	314,819	303,090
Loss on disposal of fixed assets	(701)	-	(701)	-
Total nonoperating revenues (expenses)	315,173	-	315,173	303,090
(Loss) before operating transfers	(46,039)	(37,010)	(83,049)	(39,564)
Operating transfers				
Operating transfers-in	60,000	15,000	75,000	47,509
Net income (loss)	13,961	(22,010)	(8,049)	7,945
Retained earnings, beginning of year	(403,038)	85,065	(317,973)	(325,918)
Residual equity transfer-out	(80,570)	-	(80,570)	-
Retained earnings, end of year	\$ (469,647)	\$ 63,055	\$ (406,592)	\$ (317,973)

The accompanying notes are an integral part of these financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINED STATEMENT OF CASH FLOWS -  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED JUNE 30, 1999

	ENTERPRISE	INTERNAL SERVICE	TOTALS (MEMORANDUM ONLY)	
			1999	1998
Cash flows from operating activities:				
Operating (loss)	\$ (361,212)	\$ (37,010)	\$ (398,222)	\$ (342,654)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	14,208	-	14,208	13,368
Donated commodities used	65,416	-	65,416	69,088
Changes in net assets (increase) decrease and liabilities increase (decrease):				
Receivables, accounts and other	(562)	1,169	607	30,231
Due from other governments	(38,425)	-	(38,425)	-
Inventories and supplies	(10,099)	-	(10,099)	2,580
Accounts and contracts payable	820	4,452	5,272	(1,798)
Accrued salaries and benefits payable	(5,734)	-	(5,734)	(9,575)
Due to other governments	(12,856)	-	(12,856)	(1,862)
Interfund payable	(15,000)	-	(15,000)	15,000
Deferred revenue	4,274	-	4,274	(3,387)
Compensated absences	(149)	-	(149)	591
Total adjustments	1,893	5,621	7,514	114,236
Net cash (used in) operating activities	(359,319)	(31,389)	(390,708)	(228,418)
Cash flows from non-capital financing activities:				
Intergovernmental revenue	249,403	-	249,403	234,002
Operating transfers-in	60,000	15,000	75,000	47,509
Residual equity transfer-out	(80,570)	-	(80,570)	-
Net cash provided by non-capital financing activities	228,833	15,000	243,833	281,511
Cash flows from capital and related financing activities:				
Acquisition of fixed assets	(15,580)	-	(15,580)	-
Net cash (used in) capital and related financing activities	(15,580)	-	(15,580)	-
Cash flows from investing activities:				
Interest income	1,055	-	1,055	-
Net cash provided by investing activities	1,055	-	1,055	-
Net increase (decrease) in cash and cash equivalents	(145,011)	(16,389)	(161,400)	53,093
Equity in pooled cash and equivalents, beginning of year	168,055	76,563	244,618	191,525
Equity in pooled cash and equivalents, end of year	\$ 23,044	\$ 60,174	\$ 83,218	\$ 244,618
Non-cash transactions:				
Disposal of fixed assets, net book value	\$ 701	\$ -	\$ 701	\$ -

The accompanying notes are an integral part of these financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS) -  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED JUNE 30, 1999

ENTERPRISE			
	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues			
Tuition and fees	\$ 53,476	\$ 53,478	\$ 2
Sales	882,256	899,023	16,767
Classroom materials and fees	10,118	-	(10,118)
Other	150	150	-
<b>Total operating revenues</b>	<b>946,000</b>	<b>952,651</b>	<b>6,651</b>
Operating expenses			
Instruction			
Adult and continuing education	69,861	54,494	15,367
Materials and supplies	10,118	-	10,118
Food service operations			
Salaries and wages	411,197	410,346	851
Fringe benefits	164,117	162,648	1,469
Purchased services	623,209	622,686	523
Materials and supplies	8,320	8,221	99
Instructional support services			
Purchased services	-	-	-
Transportation services			
Purchased services	-	-	-
Materials and supplies	-	-	-
Other expenditures	-	-	-
Capital outlay	16,500	16,303	197
<b>Total operating expenses</b>	<b>1,303,322</b>	<b>1,274,698</b>	<b>28,624</b>
Excess (deficiency) of operating revenues over operating expenses	(357,322)	(322,047)	35,275
Nonoperating revenues (expenses)			
Interest	700	1,055	355
Intergovernmental	238,100	210,978	(27,122)
Advances-out	(15,000)	(15,000)	-
<b>Total nonoperating revenues (expenses)</b>	<b>223,800</b>	<b>197,033</b>	<b>(26,767)</b>
Excess (deficiency) of revenues over expenses before operating transfers	(133,522)	(125,014)	8,508
Operating transfers			
Operating transfers-in	50,000	60,000	10,000
Operating transfers-out	(80,610)	(80,610)	-
<b>Total operating transfers</b>	<b>(30,610)</b>	<b>(20,610)</b>	<b>10,000</b>
Net excess (deficiency) of revenues over expenses	(164,132)	(145,624)	18,508
Prior year encumbrances	12,411	12,411	-
Fund balances, beginning of year	155,644	155,644	-
<b>Fund balances, end of year</b>	<b>\$ 3,923</b>	<b>\$ 22,431</b>	<b>\$ 18,508</b>

The accompanying notes are an integral part of these financial statements.

INTERNAL SERVICE			TOTALS (MEMORANDUM ONLY)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 53,476	\$ 53,478	\$ 2
52,397	52,397	-	934,653	951,420	16,767
-	-	-	10,118	-	(10,118)
63,502	63,502	-	63,652	63,652	-
115,899	115,899	-	1,061,899	1,068,550	6,651
-	-	-	69,861	54,494	15,367
-	-	-	10,118	-	10,118
-	-	-	411,197	410,346	851
-	-	-	164,117	162,648	1,469
-	-	-	623,209	622,686	523
-	-	-	8,320	8,221	99
1,487	1,120	367	1,487	1,120	367
87,299	80,729	6,570	87,299	80,729	6,570
81,995	47,898	34,097	81,995	47,898	34,097
16,554	16,554	-	16,554	16,554	-
14,966	14,818	148	31,466	31,121	345
202,301	161,119	41,182	1,505,623	1,435,817	69,806
(86,402)	(45,220)	41,182	(443,724)	(367,267)	76,457
-	-	-	700	1,055	355
-	-	-	238,100	210,978	(27,122)
-	-	-	(15,000)	(15,000)	-
-	-	-	223,800	197,033	(26,767)
(86,402)	(45,220)	41,182	(219,924)	(170,234)	49,690
15,000	15,000	-	65,000	75,000	10,000
-	-	-	(80,610)	(80,610)	-
15,000	15,000	-	(15,610)	(5,610)	10,000
(71,402)	(30,220)	41,182	(235,534)	(175,844)	59,690
-	-	-	12,411	12,411	-
76,563	76,563	-	232,207	232,207	-
\$ 5,161	\$ 46,343	\$ 41,182	\$ 9,084	\$ 68,774	\$ 59,690

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 1 NATURE OF BASIC OPERATIONS AND DESCRIPTION OF THE ENTITY

The North Olmsted City School District (the District) was 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 school district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the District. Average daily membership on, or as of, October 1, 1998 was 4,983. The District employs 385 certificated and 243 non-certificated employees.

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organizations' governing board and, 1) the District is able to significantly influence the programs or services performed or provided by the organization; or 2) the District is legally entitled to or can otherwise access the organizations' resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provided financial support to the organization; or the District is obligated for the debt of the organization. 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 the Lake Erie Educational Computer Association, the Polaris Career Center, the North Olmsted City Schools Education Foundation, and the Ohio School Council Association which are considered to be jointly governed organizations. The District also participates in a public risk pool managed by the Ohio Schools Boards Association Workers' Compensation Group Rating Program. These organizations and their relationships with the District are described in more detail in Notes 18 and 19 to these financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the District are maintained on the basis of fund and account groups, each of which is considered a separate accounting entity. The operation of each fund is accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. The following fund types and account groups are used by the District:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the School District are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds and trust funds) are accounted for through governmental funds. The measurement focus is based upon current financial resources. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) of "available spendable resources" during a period. Governmental funds include the following fund types:

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

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 specified purposes.

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION - FUND ACCOUNTING (continued)

Proprietary Fund Types

Proprietary Funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. Proprietary fund measurement focus is based upon the flow of economic resources. All assets and all liabilities (whether current or noncurrent) associated with their activity are included on the balance sheet. Fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary funds include the following fund types:

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

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

Fiduciary Fund Types

Fiduciary fund types are used to account for assets held by the District in a trustee capacity or as an agent on behalf of others. Fiduciary fund types are as follows:

Expendable Trust Funds - are accounted for in essentially the same manner as governmental fund types, using the same measurement focus and basis of accounting.

Agency Funds - are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION - FUND ACCOUNTING (continued)

Account Groups

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

General Fixed Assets Account Group - used to account for all fixed assets acquired principally for general purposes other than those accounted for in proprietary or trust funds.

General Long-term Debt Account Group - used to account for the outstanding principal balances of general obligation debt and other long-term debt not reported in the proprietary funds.

B. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made. The modified accrual basis of accounting is followed for governmental, agency and expendable trust funds. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. Under the modified accrual basis of accounting:

1. Only current assets and current liabilities are generally included on the balance sheet.
2. Operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.
3. Revenues are recognized when they become both measurable and available to finance expenditures for the current period, which for the School District is sixty days after year end.
  - a) Revenue accrued at the end of the year included rent, tuition, interest, student fees, a portion of personal property taxes, and a portion of state funds for expenditure reimbursements.
  - b) Property taxes measurable as of June 30, 1999, and delinquent property taxes, whose availability is indeterminable, and which are intended to finance fiscal 2000 operations, have been recorded as deferred revenue.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF ACCOUNTING (continued)

4. Expenditures are recognized in the period in which the fund liability is incurred with the following exceptions: general long term obligation principal and interest are reported only when due; the current costs of accumulated unpaid vacation and sick leave are reported in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

The proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred. As permitted, the Board of Education has elected to apply only applicable FASB Statements and Interpretations issued before November 30, 1989 in its accounting and reporting practices for its proprietary operations, unless those pronouncements conflict or contradict GASB pronouncements.

C. BUDGETARY ACCOUNTING

The School District is required by state statute to adopt an annual appropriated budget for all governmental and proprietary funds. The specific timetable follows:

1. Prior to January 15, the Treasurer submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers comments. The purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the Board of Education adopted budget is filed with the Cuyahoga County Budget Commission for rate determination.
3. On or about April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BUDGETARY ACCOUNTING (continued)

The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered 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 Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final amended certificate issued for 1999.

4. On or before July 1, the annual appropriation resolution is legally enacted by the Board of Education. The legal level of appropriations is at the fund and object level of expenditures for the General Fund and at the fund level for all other funds. Budgetary control used for management purposes is maintained at the fund, function and object level. Agency type funds have only total receipts and expenditures as their budget. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals. Management may revise budget amounts within an individual fund so long as the legal level of control is not exceeded.
5. Appropriation amounts are as originally adopted, or as amended by the Board of Education throughout the year by supplemental appropriations. All supplemental appropriations were legally enacted by the Board of Education during 1999 and none were significant.
6. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BUDGETARY ACCOUNTING (continued)

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

1. Revenues are recorded when received (budget basis) rather than when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid or encumbered (budget basis) rather than when the liability is incurred (GAAP basis).

The adjustments necessary to convert the results of operations for the year from the budget basis to the GAAP basis for the governmental funds follow:

Excess (deficiency) of revenues over expenditures and other sources (uses)

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>
Budget basis	\$ 1,472,185	\$ 36,927	\$ -	\$ (219,388)
Adjustments, increase (decrease)				
Revenue accruals	515,620	30,364	-	41,865
Expenditure accruals	704,391	85,487	1,914,000	446,071
Other sources (uses)	<u>92,703</u>	<u>11,694</u>	<u>(1,914,000)</u>	<u>(199,000)</u>
GAAP basis, as reported	<u>\$ 2,784,899</u>	<u>\$ 164,472</u>	<u>\$ -</u>	<u>\$ 69,548</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BUDGETARY ACCOUNTING (continued)

The adjustments necessary to convert the results of operations for the year from the budget basis to the GAAP basis for the proprietary funds follow:

Excess (deficiency) of revenues over expenses and other sources (uses)

	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
Budget basis	\$ (145,624)	\$ (30,220)
Adjustments, increase (decrease)		
Revenue accruals	104,403	(1,169)
Expense accruals	69,390	9,379
Depreciation	<u>(14,208)</u>	<u>-</u>
GAAP basis as reported	<u>\$ 13,961</u>	<u>\$ (22,010)</u>

D. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control. Encumbrances are reported as a reservation of fund balance in all governmental funds.

E. CASH AND INVESTMENTS

Cash received by the School District is deposited in one central bank account with individual fund balance integrity maintained through District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAR Ohio) or other short term investments. Under existing Ohio statutes, interest earnings are allocated to funds based on average monthly cash balances. Interest income earned for the year ended June 30, 1999 totalled \$ 819,323.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with a maturity of three months or less are considered to be cash equivalents.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. RESTRICTED CASH

Restricted cash in the general fund represents cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval from the State. A fund balance reserve has also been established.

G. INVENTORY

Inventories are valued at cost, which approximates market, using the first-in, first-out method (FIFO) and are determined by physical count. Inventories in governmental funds consist of expendable supplies held for consumption. The cost of inventory items is recognized as an expenditure on acquisition (purchase method). Reported inventories in governmental funds are equally offset by a reservation of fund balance indicating they are unavailable for appropriation.

H. FIXED ASSETS

General Fixed Assets Account Group

General fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the General Fixed Assets Account Group. Donated fixed assets are recorded at their fair market value as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$250. No depreciation is recognized for assets in the General Fixed Assets Account Group. Interest incurred during construction is not capitalized on general fixed assets. The District does not possess any infrastructure.

Proprietary Funds

Fixed assets in the proprietary funds are stated at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Contributed fixed assets are recorded at their fair market value as of the date donated. Depreciation has been provided, where appropriate, on a straight-line basis over the following estimated useful lives:

<u>Asset</u>	<u>Estimated Useful Life</u>
Buildings	45 years
Building improvements	20 years
Equipment	10 years
Vehicles	5 years

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. INTERFUND TRANSACTIONS

During the course of normal operations, the School District has numerous transactions between funds. The most significant include:

1. Transfers of resources from one fund to another fund through which resources expended are recorded as operating transfers.
2. Reimbursements from one fund to another are treated as expenditures/expenses in the reimbursing fund and a reduction in expenditures/expenses in the reimbursed fund.
3. Short-term interfund loans are reflected as interfund receivable and interfund payable.
4. Residual equity transfers represent non-recurring or non-routine permanent transfers of the equity balance of funds no longer being used.

An analysis of interfund transactions is presented in Note 6.

J. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on an estimate of the amount of accumulated sick leave that will be paid as a termination benefit.

In the governmental funds compensated absences that are expected to be liquidated with expendable available resources are reported as an expenditure and fund liability in the fund that will pay for them. The remainder of the compensated absences liability is reported in the General Long-term Debt Account Group. In the proprietary funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

K. FUND BALANCE RESERVES

Reserved fund balances represent the portion of fund equity that is legally segregated for specific future use or not available for current appropriations. Fund equity reserves are established for encumbrances, inventories of material and supplies, property taxes, medical claims and for budget stabilization. The reserve for property taxes represents property taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statutes. Unreserved fund balances represents that portion of fund equity which is available for appropriation in future periods.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

M. USE OF ESTIMATES

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Fund balances at June 30, 1999 include a deficit fund equity balance of \$ 10,473 in the Title VIB Fund. This deficit results from reflecting expenditures in accordance with the modified accrual basis which are substantially larger than the amounts recognized on the budget basis. Retained earnings at June 30, 1999 include a deficit balance in the Food Service Fund of \$ 514,026. This deficit results from reflecting expenses in accordance with the accrual basis which are substantially larger than the amounts recognized on the budget basis. The District, in accordance with its budget basis, will appropriate such expenditures and expenses from resources of the subsequent year.

NOTE 4 STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 1999, the reserve activity (cash basis) was as follows:

	<u>Reserves</u>			
	<u>Textbook</u>	<u>Capital Maintenance</u>	<u>Budget Stabilization</u>	<u>Total</u>
Balance, 7/1/98	\$ -	\$ -	\$ 233,073	\$ 233,073
Required set-aside	576,461	576,461	-	1,152,922
Offset credits	(71,944)	(576,461)	-	(648,405)
Qualifying expenditures	(504,517)	-	-	(504,517)
Balance, 6/30/99	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,073</u>	<u>\$ 233,073</u>

Expenditures for textbooks and capital activity during the year were \$ 955,396 and \$910,436, respectively, which exceeded the required set-aside and the reserve balance.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1999

NOTE 5 DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

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

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

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1999

NOTE 5 DEPOSITS AND INVESTMENTS (continued)

A. LEGAL REQUIREMENTS (continued)

4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptance and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

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

The District maintains a cash and investment pool used by various funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in pooled cash."

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 5 DEPOSITS AND INVESTMENTS (continued)

B. DEPOSITS

The District maintains a control disbursement system for its main checking account. Under this system the actual cash on deposit at the bank is limited to the dollar amount of checks that will be cashed the following day. At June 30, 1999, the carrying amount of the District's deposits was \$ (448,015) and the bank balance was \$ 92,153, all of which was covered by federal depository insurance.

C. INVESTMENTS

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

	Category			Carrying value	Fair value
	1	2	3		
Commercial paper notes	\$ -	\$ 1,099,315	\$ -	\$ 1,099,315	\$ 1,099,315
U.S. Government securities	-	-	3,930,740	3,930,740	3,930,740
State Treasurer's investment pool				<u>8,257,379</u>	<u>8,257,379</u>
				<u>\$ 13,287,434</u>	<u>\$ 13,287,434</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 6 INTERFUND TRANSACTIONS

Interfund balances at June 30, 1999, consist of the following individual fund receivables and payables:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 351,423	\$ 5,000
Special Revenue Funds		
Adult Basic Education	-	7,069
Capital Projects Funds		
Permanent Improvement	5,000	250,000
Enterprise Funds		
Food Service	-	88,354
Agency Funds		
Student Activities	-	<u>6,000</u>
Total all funds	<u>\$ 356,423</u>	<u>\$ 356,423</u>

Interfund transfers at June 30, 1999 were as follows:

	<u>Operating Transfers-in</u>	<u>Operating Transfers-out</u>
General Fund	\$ 76	\$ 269,754
Special Revenue Funds		
Public Support Service	-	76
Athletic	35,000	-
Debt Service Fund	159,754	-
Enterprise Funds		
Food Service	60,000	-
Internal Service Funds		
Regional Transit	<u>15,000</u>	<u>-</u>
Total all funds	<u>\$ 269,830</u>	<u>\$ 269,830</u>

	<u>Residual Equity Transfers-in</u>	<u>Residual Equity Transfers-out</u>
General Fund	\$ 80,570	\$ -
Enterprise Funds		
Uniform School Supplies	-	<u>80,570</u>
	<u>\$ 80,570</u>	<u>\$ 80,570</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 7 PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal property (used in a business) located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

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

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

The 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, 1999 are available to finance fiscal year 2000 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property and public utility property taxes which became measurable as of June 30, 1999. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 1999 was \$ 2,570,907 in the General Fund and \$ 119,570 in the Permanent Improvements Fund.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 1999

NOTE 7 PROPERTY TAXES (continued)

The assessed values upon which fiscal year 1999 taxes were collected are:

	<u>1998 Second - Half Collections</u>		<u>1999 First - Half Collections</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Agricultural Residential Real Estate	\$ 464,240,450	64.57%	\$ 469,037,630	64.19%
Other (Commercial)	185,680,370	25.83	190,173,860	26.03
Public Utility Tangible	23,804,710	3.31	24,629,710	3.37
Tangible Personal Property	<u>45,200,585</u>	<u>6.29</u>	<u>46,864,374</u>	<u>6.41</u>
Total Assessed Valuation	<u>\$ 718,926,115</u>	<u>100.00%</u>	<u>\$ 730,705,574</u>	<u>100.00%</u>
Tax Rate per \$1,000 of Assessed Valuation:	<u>69.1</u>		<u>69.1</u>	

NOTE 8 RECEIVABLES

Current taxes uncollectible have been established at .8% based on the County Auditor's experience. Delinquent taxes uncollectible have been established at 42.0% based on historical trends and the County Auditor's experience. All intergovernmental receivables are assumed to be collectible in full due to the stable financial condition of state programs and current year guarantee of federal programs. All other receivables are anticipated to be fully collectible.

At June 30, 1999, net taxes receivable consisted of the following:

	<u>Gross Receivables</u>	<u>Allowance for Uncollectible</u>	<u>Net Receivables</u>
<u>GENERAL</u>			
Taxes - current	\$ 25,508,807	\$ (204,070)	\$ 25,304,737
Taxes - delinquent	1,756,953	(737,920)	1,019,033
<u>CAPITAL PROJECTS</u>			
Taxes - current	1,052,516	(8,420)	1,044,096
Taxes - delinquent	72,493	(30,447)	42,046

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 1999

NOTE 9 FIXED ASSETS

A. GENERAL FIXED ASSETS

The following is a summary of the changes in the general fixed asset account group during the fiscal year:

	<u>Balance</u> <u>June 30, 1998</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 1999</u>
Land and improvements	\$ 1,639,594	\$ -	\$ 5,483	\$ 1,634,111
Buildings and improvements	15,543,618	324,962	82,412	15,786,168
Furniture and equipment	5,174,458	713,758	142,941	5,745,275
Vehicles	<u>2,081,896</u>	<u>162,018</u>	<u>52,484</u>	<u>2,191,430</u>
Total	<u>\$ 24,439,566</u>	<u>\$ 1,200,738</u>	<u>\$ 283,320</u>	<u>\$ 25,356,984</u>

B. PROPRIETARY FIXED ASSETS

The following is a summary of the proprietary fund type fixed assets at June 30, 1999:

	<u>Enterprise</u> <u>Funds</u>
Buildings and improvements	\$ 167,975
Furniture and equipment	313,972
Vehicles	<u>18,000</u>
	499,947
Less accumulated depreciation	<u>(389,835)</u>
Net fixed assets	<u>\$ 110,112</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 10 CAPITAL LEASES

The District is obligated under certain leases accounted for as capital leases. The leased assets and related obligations are accounted for in the General Fixed Assets Account Group and the General Long-Term Debt Account Group, respectively. Assets under capital leases totaled \$ 608,945 at June 30, 1999.

The following is a schedule of the future minimum lease payments under capital leases, together with the net present value of the minimum lease payments as of June 30, 1999.

	<u>Year</u> <u>Ending</u>	<u>Amount</u>
	2000	\$ 97,944
	2001	97,944
	2002	<u>48,973</u>
Total minimum lease payments		244,861
Less amount representing interest		<u>15,077</u>
Present value of minimum lease payments		<u>\$ 229,784</u>

NOTE 11 LONG-TERM DEBT

Changes in general long-term debt are as follows:

	<u>Balance</u> <u>June 30, 1998</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30, 1999</u>
Due to other governments \$	248,884	\$ 268,786	\$ 248,884	\$ 268,786
Notes payable	677,000	-	129,678	547,322
Capital leases	340,971	-	111,187	229,784
Compensated absences	<u>3,320,766</u>	<u>106,886</u>	<u>369,695</u>	<u>3,057,957</u>
	<u>\$ 4,587,621</u>	<u>\$ 375,672</u>	<u>\$ 859,444</u>	<u>\$ 4,103,849</u>

Due to other governments recorded as general long-term debt consists of pension obligations payable that will not be paid with current available financial resources.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 1999

NOTE 12 NOTES PAYABLE

Notes payable outstanding at year end consisted of:

	<u>Rate of Interest</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance June 30, 1999</u>
School bus acquisition	5.000%	6-1-98	4-4-06	\$ 189,000
Energy conservation	4.989%	11-5-97	12-1-02	<u>358,322</u>
				<u>\$ 547,322</u>

Debt service requirements to retire notes payable outstanding at June 30, 1999, consisted of:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 136,675	\$ 24,491	\$ 161,166
2001	143,346	17,528	160,874
2002	151,301	10,226	161,527
2003	27,000	5,800	32,800
2004	28,000	7,500	35,500
2005-2006	<u>61,000</u>	<u>1,600</u>	<u>62,600</u>
	<u>\$ 547,322</u>	<u>\$ 67,145</u>	<u>\$ 614,467</u>

NOTE 13 OPERATING LEASES

The District is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore, the results of the lease agreements are not reflected in the District's account groups. During 1999, expenditures for operating leases totalled \$ 104,257.

The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 1999.

<u>Year Ending</u>	<u>Amount</u>
2000	\$ 104,743
2001	94,284
2002	<u>12,228</u>
Total minimum lease payments	<u>\$ 211,255</u>



NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 14 SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The School District maintains enterprise funds which are intended to be self-supporting through user fees charged for services. Financial segment information as of and for the fiscal year ended June 30, 1999 is presented below.

	<u>Food Service</u>	<u>Adult Education</u>	<u>Total Enterprise Funds</u>
Operating revenues	\$ 899,585	\$ 53,628	\$ 953,213
Operating expenses			
Salaries and wages	404,248	16,088	420,336
Fringe benefits	149,531	6,907	156,438
Contractual service	622,686	30,158	652,844
Materials and supplies	68,855	1,744	70,599
Depreciation	9,868	4,340	14,208
Total operating expenses	<u>1,255,188</u>	<u>59,237</u>	<u>1,314,425</u>
Operating (loss)	<u>(355,603)</u>	<u>(5,609)</u>	<u>(361,212)</u>
Nonoperating revenue	<u>315,173</u>	<u>-</u>	<u>315,173</u>
Operating transfers-in	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Net income (loss)	<u>\$ 19,570</u>	<u>\$ (5,609)</u>	<u>\$ 13,961</u>
Other information			
Net working capital (deficiency)	<u>\$ (150,984)</u>	<u>\$ 15,842</u>	<u>\$ (135,142)</u>
Fixed asset additions	<u>\$ -</u>	<u>\$ 15,580</u>	<u>\$ 15,580</u>
Total assets	<u>\$ 164,046</u>	<u>\$ 49,581</u>	<u>\$ 213,627</u>
Total liabilities	<u>\$ 247,513</u>	<u>\$ 2,544</u>	<u>\$ 250,057</u>
Total equity (deficit)	<u>\$ (83,467)</u>	<u>\$ 47,037</u>	<u>\$ (36,430)</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 15 DEFINED BENEFIT PENSION PLANS

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM

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

Plan members are required to contribute 9% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14% 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 District's required contributions to SERS for the years ended June 30, 1999, 1998, and 1997 were \$ 689,100, \$ 652,600, and \$ 634,800, respectively. The full amount has been contributed for 1998 and 1997. For 1999, 45% has been contributed with the remainder being reported as a fund liability and within the general long-term debt account group.

B. STATE TEACHERS RETIREMENT SYSTEM

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to STRS, 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

Plan members are required to contribute 9.3% of their annual covered salary and the District is required to contribute 14%. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The District's contribution to STRS for the years ended June 30, 1999, 1998, and 1997 were \$ 2,602,000, \$ 2,475,500, and \$ 2,515,500, respectively. The full amount has been contributed for 1998 and 1997. For 1999, 83% has been contributed with the remainder being reported as a fund liability.

NORTH OLMDSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 16 POSTEMPLOYMENT BENEFITS

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM

The Ohio Revised Code gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75% of the premium.

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. For 1998 (the latest information available), the allocation rate is 4.98%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal 1998, the minimum pay has been established at \$ 12,400. The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund.

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 125% of annual health care expenses. Expenses for health care at June 30, 1998 were \$ 111,900,575 and the target level was \$ 139.9 million. At June 30, 1998, the Retirement System's net assets available for payment of health care benefits was \$ 160.3 million. The number of participants receiving health care benefits is approximately 50,000. The portion of the District's contributions that were used to fund postemployment benefits amounted to \$ 326,700.

B. STATE TEACHERS RETIREMENT SYSTEM

The State Teachers Retirement System (STRS) provides comprehensive health care benefits to retirees and their dependents. Coverage includes hospitalization, physician fees, prescription drugs and reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Revised Code (R.C.), the State Teachers Retirement Board (the board) has discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium.

The R.C. grants authority to STRS to provide health care coverage to benefit recipients, spouses and dependents. By Ohio law, the cost of the coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll.

For the fiscal year ended June 30, 1998 (the latest information available), the Retirement Board allocated employer contributions equal to 3.5% of covered payroll to the Health Care Reserve Fund from which health care benefits are paid. The balance in the Health Care Reserve Fund was \$ 2,156 million at June 30, 1998. For the year ended June 30, 1998, net health care costs paid by STRS were \$ 219,224,000. There were 91,999 eligible benefit recipients.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 17 CONTINGENCIES

The District received financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 1999.

NOTE 18 RISK MANAGEMENT

A. PROPERTY AND LIABILITY

The District is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 1999, the School District contracted with Nationwide Insurance Company for property insurance. Professional liability is protected by Nationwide Insurance Company with a \$ 2 million per occurrence and a \$ 5 million aggregate limit with a \$ 1 million supplemental umbrella policy. Vehicles are covered by Nationwide Insurance Company. Automobile liability has a \$ 3 million combined single limit of liability with a \$ 1 million supplemental umbrella policy. Settled claims have not exceeded this commercial coverage in any of the past years. Performance bonds of \$20,000 are maintained for the Superintendent, Business Manager, and Board President by Nationwide Insurance Company and the Treasurer for \$ 100,000 from Ohio Casualty. The District provides life insurance and accidental death and dismemberment insurance to its employees. Life insurance is covered through the Ohio Schools Council's Group Life Insurance.

B. WORKERS' COMPENSATION

The District participated in the Ohio School Board Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 18 RISK MANAGEMENT (continued)

B. WORKERS' COMPENSATION (continued)

A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co., provides administrative, cost control and actuarial services to the GRP.

C. EMPLOYEE MEDICAL BENEFITS

The District provides employee medical, surgical, prescription drug and dental benefits through a self-insurance program administered by Medical Mutual of Ohio. The District limits its liability for medical claims by maintaining a 110% aggregate stop-loss threshold of \$ 2.0 million.

The claim liability of \$ 218,024 reported at June 30, 1999 was estimated by Medical Mutual of Ohio and is based on the requirements of Governmental Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs related to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balance of claims liability during the year ended June 30, 1999 and 1998 are summarized below. Incurred claims and claims payments are not segregated between current and prior years claims due to the impracticability of obtaining such information.

	<u>June 30, 1999</u>	<u>June 30, 1998</u>
Unpaid claims, beginning of year	\$ 254,000	\$ 265,000
Incurred claims	1,992,529	1,568,376
Claims payments	<u>(2,028,505)</u>	<u>(1,579,376)</u>
Unpaid claims, end of year	<u>\$ 218,024</u>	<u>\$ 254,000</u>

NOTE 19 JOINTLY GOVERNED ORGANIZATIONS

A. LAKE ERIE EDUCATION COMPUTER ASSOCIATION

The Lake Erie Educational Computer Association (LEECA) is a jointly governed organization comprised of thirty school districts. The jointly governed organization was formed to provide data processing services for accounting, administrative and instructional functions of member districts. Each of the governments of these districts supports LEECA based upon a per pupil charge dependent upon the software packages utilized. The LEECA assembly consists of a superintendent or designated representative from each participating district and a representative from the fiscal agent.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 19 JOINTLY GOVERNED ORGANIZATIONS (continued)

A. LAKE ERIE EDUCATION COMPUTER ASSOCIATION (continued)

LEECA is governed by a board of directors chosen from the general membership of the LEECA assembly. The board of directors consists of a representative from the fiscal agent, the chairman of each operating committee, and at least one assembly member from each county from which participating districts are located. Financial information can be obtained by contacting the Treasurer at the Educational Service Center of Lorain County, which serves as fiscal agent, located at 1885 Lake Avenue, Elyria, Ohio 44035. During the year ended June 30, 1999, the District paid \$ 37,127 to LEECA.

B. POLARIS CAREER CENTER

The Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special needs of the students. The Board of Education consists of representatives from the board of each participating school district. The Board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. North Olmsted City School District students may attend the vocational school. Each school district's control is limited to its representation on the Board. Financial information can be obtained by contacting the Polaris Career Center, 7285 Old Oak Blvd., Middleburg Heights, Ohio 44130.

C. NORTH OLMSTED CITY SCHOOLS EDUCATION FOUNDATION

The North Olmsted City Schools Education Foundation (Foundation) is a jointly governed organization established by the Ohio Revised Code to support and enhance educational opportunities for the youth of the North Olmsted Community. The trustees of the Foundation consist of five ex officio trustees and up to fifteen members selected by a nominating committee appointed by the ex officio trustees. The ex officio trustees are composed of the following individuals: the Superintendent of the North Olmsted City School District, a member of the North Olmsted Board of Education, a member of the North Olmsted PTA Council, a member of the North Olmsted City Schools' Financial Advisory Board, and a member of the Community Education Advisory Board. All trustees are voting members. The Foundation is responsible for approving its own budgets, appointing personnel, creation of committees, and accounting and financial related activities.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 19 JOINTLY GOVERNED ORGANIZATIONS (continued)

D. OHIO SCHOOLS COUNCIL

The Ohio Schools Council (Council) is a jointly governed organization among eighty-three school districts. The Council was formed to offer supplies and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee for the services provided. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board.

The North Olmsted City Schools participates in the Council's electric purchase program which was implemented during fiscal year 1998. The program allows school districts to purchase electricity at reduced rates for a period of eight years through Energy Acquisition Corporation (Corporation), a non-profit corporation with a self-appointing board of trustees. The Corporation issued \$ 119,140,000 of notes to prepurchase eight years of electricity from Cleveland Electric Illuminating (CEI). The participating school districts are not obligated in any manner for this debt. If a participating school district terminates their agreement during the eight year period, they are required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corporation.

The North Olmsted City Schools also participates in the Council's group life insurance, natural gas, operating supplies, and school bus acquisition programs. Financial information can be obtained by contacting Joseph Lesak, Executive Director at the Ohio Schools Council at 155 Center Road, Bedford, Ohio 44146-2738.

NOTE 20 OHIO SCHOOL FUNDING PLAN

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the District. During fiscal year ended June 30, 1999, the District received \$ 6,645,933 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas of the Ohio Supreme Court. As of the date of these financial statements, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas in Perry County has been stayed by the Ohio Supreme Court, and, as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

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

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

NOTE 21 YEAR 2000 ISSUE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the government's operations.

The North Olmsted City School District has completed an inventory of computer systems and other equipment necessary to conducting District operations and has identified such systems as being financial reporting, payroll and employee benefits, and educational statistics reporting through the State's Education Management and Information System (EMIS).

The District uses the State of Ohio Uniform School Accounting System software for its financial reporting, and the State of Ohio Uniform Staff Payroll system software for its payroll and employee benefits. The State of Ohio is responsible for remediating these systems.

The District utilizes Medical Mutual of Ohio to administer the District's self-insured medical, surgical, prescription drug and dental benefit program. Medical Mutual of Ohio is responsible for remediating this system.

The State of Ohio distributes a substantial sum of money to the District in the form of "Foundation" and federal and state grant payments. Further, the State processes a significant amount of financial and non-financial information about the District through EMIS. The State is responsible for remediating these systems.

Cuyahoga County collects real estate and personal property taxes for distribution to the District. Cuyahoga County is responsible for remediating its tax collection system.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District is or will be year 2000 ready, that the District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be year 2000 ready.

NOTE 22 SUBSEQUENT EVENT

On July 1, 1999 the District issued \$ 1.65 million in tax anticipation notes through the Treasurer of the State of Ohio's School District Cash Flow Financing Program. The notes are scheduled to mature on June 30, 2000.



GENERAL FUND

The General Fund is used to account for all activities of the School District not included in other specified funds. This includes, but is not limited to, general instruction, pupil services, operation and maintenance of buildings and grounds, pupil transportation, and the administration of School District functions.

NORTH OLMSTED CITY SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 1999 AND JUNE 30, 1998

	1999	1998
<b>Assets and other debits</b>		
Equity in pooled cash	\$ 11,393,242	\$ 8,590,705
Restricted cash	223,073	223,073
Receivables, net of allowance		
Taxes, current	25,304,737	24,676,089
Taxes, delinquent	1,019,033	454,661
Accounts and other	-	3,653
Due from other governments	105,140	420,802
Interfund receivable	351,423	179,017
Inventories and supplies	147,907	122,267
<b>Total assets and other debits</b>	<b>\$ 38,544,555</b>	<b>\$ 34,670,267</b>
<b>Liabilities, fund equity and other credits</b>		
<b>Liabilities</b>		
Accounts and contracts payable	\$ 686,450	\$ 290,494
Accrued salaries, wages and benefits	3,485,470	3,372,595
Due to other governments	736,279	614,963
Interfund payable	5,000	5,000
Deferred revenue		
Taxes	23,752,863	23,249,827
Intergovernmental	82,658	226,916
Compensated absences	45,986	51,732
<b>Total liabilities</b>	<b>28,794,706</b>	<b>27,811,527</b>
<b>Fund equity and other credits</b>		
Fund balances		
Reserved for medical claims	400,000	-
Reserved for budget stabilization	223,073	223,073
Reserved for inventories	147,907	122,267
Reserved for property taxes	2,570,907	1,880,923
Reserved for encumbrances	643,903	341,761
Unreserved	5,764,059	4,290,716
<b>Total fund balances</b>	<b>9,749,849</b>	<b>6,858,740</b>
<b>Total liabilities and fund balances</b>	<b>\$ 38,544,555</b>	<b>\$ 34,670,267</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEARS ENDED JUNE 30, 1999 AND JUNE 30, 1998

	1999	1998
<b>Revenues</b>		
Taxes	\$ 25,245,354	\$ 24,813,394
Tuition and fees	496,914	682,765
Interest	723,425	613,270
Property rentals	47,902	61,403
Intergovernmental	9,586,604	9,243,646
Other	67,862	391,961
<b>Total revenues</b>	<b>36,168,061</b>	<b>35,806,439</b>
<b>Expenditures</b>		
Current		
Instruction		
Regular	17,038,015	15,355,668
Special	2,909,209	2,635,742
Vocational	579,111	692,218
Adult/continuing	19,060	16,134
Other instruction	539,765	372,810
Supporting services		
Pupil	1,861,866	1,836,245
Instructional staff	1,168,332	1,157,305
Board of education	155,873	183,336
Administration	2,165,973	2,138,965
Fiscal services	702,775	658,072
Business	280,172	239,966
Operation and maintenance	2,891,050	2,970,069
Pupil transportation	1,210,791	1,189,912
Central services	641,489	782,740
Operation of non-instructional		
Community services	20,474	20,747
Extracurricular activities		
Academic and subject oriented	147,583	134,089
Sports oriented	577,380	572,022
Capital outlay	78,826	90,928
Debt service		
Principal	111,187	415,968
Interest	14,553	41,684
<b>Total expenditures</b>	<b>33,113,484</b>	<b>31,504,620</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>3,054,577</b>	<b>4,301,819</b>
<b>Other financing sources (uses)</b>		
Operating transfers-in	76	127,038
Capital lease	-	327,630
Operating transfers-out	(269,754)	(118,823)
<b>Total other financing sources (uses)</b>	<b>(269,678)</b>	<b>335,845</b>
<b>Excess (deficiency) of revenues over expenditures and other sources (uses)</b>	<b>2,784,899</b>	<b>4,637,664</b>
<b>Fund balances, beginning of year</b>	<b>6,858,740</b>	<b>2,218,706</b>
<b>Increase in reserve for inventories</b>	<b>25,640</b>	<b>2,370</b>
<b>Residual equity transfer-in</b>	<b>80,570</b>	<b>-</b>
<b>Fund balances, end of year</b>	<b>\$ 9,749,849</b>	<b>\$ 6,858,740</b>

NORTH OLMPSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

GENERAL FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$ 24,545,000	\$ 24,555,370	\$ 10,370
Tuition and fees	664,874	653,146	(11,728)
Interest	710,000	723,425	13,425
Property rentals	47,425	47,902	477
Intergovernmental	9,558,000	9,578,740	20,740
Other	96,000	93,858	(2,142)
<b>Total revenues</b>	<b>35,621,299</b>	<b>35,652,441</b>	<b>31,142</b>
Expenditures			
Current			
Instruction			
Regular			
Salaries	12,718,300	12,712,155	6,145
Benefits	3,303,000	3,195,064	107,936
Purchased services	107,192	106,928	264
Materials and supplies	1,349,745	950,332	399,413
Other	50,000	33,766	16,234
<b>Total regular</b>	<b>17,528,237</b>	<b>16,998,245</b>	<b>529,992</b>
Special			
Salaries	2,304,900	2,275,801	29,099
Benefits	589,000	570,175	18,825
Purchased services	1,489	1,489	-
Materials and supplies	19,922	18,297	1,625
<b>Total special</b>	<b>2,915,311</b>	<b>2,865,762</b>	<b>49,549</b>
Vocational			
Salaries	466,400	463,700	2,700
Benefits	122,500	116,504	5,996
Purchased services	2,629	589	2,040
Materials and supplies	24,117	20,521	3,596
<b>Total vocational</b>	<b>615,646</b>	<b>601,314</b>	<b>14,332</b>
Adult/continuing			
Salaries	8,000	7,451	549
Benefits	2,500	1,775	725
Purchased services	9,500	9,494	6
<b>Total adult/continuing</b>	<b>20,000</b>	<b>18,720</b>	<b>1,280</b>
Other instruction			
Salaries	28,100	27,993	107
Benefits	10,000	7,016	2,984
Purchased services	1,017,275	925,449	91,826
<b>Total other instruction</b>	<b>1,055,375</b>	<b>960,458</b>	<b>94,917</b>
<b>Total instruction</b>	<b>22,134,569</b>	<b>21,444,499</b>	<b>690,070</b>

(Continued)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

GENERAL FUND (CONTINUED)

	Budget	Actual	Variance Favorable (Unfavorable)
Supporting services			
Pupil			
Salaries	1,322,700	1,301,262	21,438
Benefits	340,000	323,237	16,763
Purchased services	223,830	223,395	435
Materials and supplies	30,906	28,183	2,723
Other	1,100	-	1,100
Total pupil	1,918,536	1,876,077	42,459
Instructional staff			
Salaries	793,617	784,180	9,437
Benefits	196,000	189,764	6,236
Purchased services	103,729	96,795	6,934
Materials and supplies	119,346	79,979	39,367
Other	72,959	54,190	18,769
Total instructional staff	1,285,651	1,204,908	80,743
Board of education			
Salaries	15,000	10,880	4,120
Benefits	2,000	1,517	483
Purchased services	178,902	168,726	10,176
Materials and supplies	2,000	-	2,000
Other	10,000	8,945	1,055
Total board of education	207,902	190,068	17,834
Administration			
Salaries	1,704,600	1,675,641	28,959
Benefits	421,000	413,972	7,028
Purchased services	61,225	43,891	17,334
Materials and supplies	33,635	31,940	1,695
Other	15,000	8,158	6,842
Total administration	2,235,460	2,173,602	61,858
Fiscal services			
Salaries	216,400	215,770	630
Benefits	131,000	126,795	4,205
Purchased services	8,000	7,362	638
Materials and supplies	8,500	6,722	1,778
Other	420,650	417,980	2,670
Total fiscal services	784,550	774,629	9,921
Business			
Salaries	78,100	77,955	145
Benefits	21,000	19,318	1,682
Purchased services	217,054	192,627	24,427
Total business	316,154	289,900	26,254

(Continued)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

GENERAL FUND (CONTINUED)

	Budget	Actual	Variance Favorable (Unfavorable)
Operation and maintenance			
Salaries	1,589,400	1,564,750	24,650
Benefits	379,000	372,700	6,300
Purchased services	1,099,533	818,963	280,570
Materials and supplies	156,252	126,689	29,563
Other	25,900	22,653	3,247
<b>Total operation and maintenance</b>	<b>3,250,085</b>	<b>2,905,755</b>	<b>344,330</b>
Pupil transportation			
Salaries	712,600	700,391	12,209
Benefits	168,000	166,823	1,177
Purchased services	283,850	257,800	26,050
Materials and supplies	198,149	139,121	59,028
<b>Total pupil transportation</b>	<b>1,362,599</b>	<b>1,264,135</b>	<b>98,464</b>
Central services			
Salaries	331,477	329,448	2,029
Benefits	89,000	79,761	9,239
Purchased services	291,225	274,716	16,509
Materials and supplies	127,226	108,832	18,394
Other	10,966	9,626	1,340
<b>Total central services</b>	<b>849,894</b>	<b>802,383</b>	<b>47,511</b>
<b>Total supporting services</b>	<b>12,210,831</b>	<b>11,481,457</b>	<b>729,374</b>
Operation of non-instructional			
Community services			
Purchased services	24,850	20,474	4,376
<b>Total community services</b>	<b>24,850</b>	<b>20,474</b>	<b>4,376</b>
<b>Total operation of non-instructional</b>	<b>24,850</b>	<b>20,474</b>	<b>4,376</b>
Extracurricular activities			
Academic and subject oriented			
Salaries	122,500	118,365	4,135
Benefits	32,000	29,218	2,782
<b>Total academic and subject oriented</b>	<b>154,500</b>	<b>147,583</b>	<b>6,917</b>
Sports oriented			
Salaries	475,200	462,903	12,297
Benefits	116,000	111,259	4,741
Purchased services	16,600	15,855	745
<b>Total sports oriented</b>	<b>607,800</b>	<b>590,017</b>	<b>17,783</b>
<b>Total extracurricular activities</b>	<b>762,300</b>	<b>737,600</b>	<b>24,700</b>
Capital outlay	150,251	133,845	16,406
<b>Total expenditures</b>	<b>35,282,801</b>	<b>33,817,875</b>	<b>1,464,926</b>

(Continued)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

GENERAL FUND (CONTINUED)

	Budget	Actual	Variance Favorable (Unfavorable)
Excess (deficiency) of revenues over expenditures	338,498	1,834,566	1,496,068
Other financing sources (uses)			
Operating transfers-in	85,000	80,685	(4,315)
Advances-in	85,000	84,963	(37)
Refund prior year expenditure	-	694	694
Advances-out	(257,369)	(257,369)	-
Operating transfers-out	(271,354)	(271,354)	-
Total other financing sources (uses)	(358,723)	(362,381)	(3,658)
Excess (deficiency) of revenues over expenditures and other sources (uses)	(20,225)	1,472,185	1,492,410
Prior year encumbrances	591,335	591,335	-
Fund balances, beginning of year	8,222,443	8,222,443	-
Fund balances, end of year	\$ 8,793,553	\$ 10,285,963	\$ 1,492,410

## SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

Public Support Service Fund - This fund accounts for school site sales projects, field trips, assemblies and other activity costs.

Other Grants Fund - This fund accounts for local grants received to enhance educational programs of the District.

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

Auxiliary Service Fund - This fund accounts for non-public schools within the school district as provided by state law. Funds are primarily for educational supplies, materials, and testing.

Professional Development Grant - This fund provides resources for locally developed professional development.

Education M.I.S. Fund - This fund accounts for State revenues to support expenditures for development of a Statewide information system for all school districts in Ohio.

Data Communications Fund - This fund provides support costs for data communication links to connect a school district electronically to the data acquisition site.

School Net Professional Development Fund - This fund accounts for workstations and training of personnel and for wiring upgrades at the individual schools.

State Aid - Textbook and Instruction - This fund accounts for the State revenue received to support the purchase of school textbooks and supplemental instructional materials.

Adult Basic Education - This fund accounts for Federal monies used to provide programs in reading, writing and math competency for non-diploma adults.



Eisenhower Math Fund - This fund accounts for Federal monies to improve the skills of teachers and instruction in learning; and increase the access of all students to that instruction.

Title VIB Fund - This fund accounts for Federal revenues in support of program expenditures related to Special Education; e.g. Developmentally Handicapped.

Title I Fund - This fund accounts for Federal monies to implement a variety of programs intended to provide supplemental instruction for children of low income families identified as educationally disadvantaged.

Title VI Fund - This fund accounts for Federal revenues which support the implementation of a variety of programs (drug/alcohol abuse, computer education) to profit schools within the community.

ESL Grant Fund - This fund accounts for Federal revenues to provide supplemental instruction for eligible immigrant children.

Drug Free Schools Fund - This fund accounts for Federal revenues for education of students and staff in drug abuse prevention.

Preschool Fund - This fund accounts for federal monies supporting programs for handicapped services for children ages 2-5 to ready them for the school environment.

Miscellaneous Grants Fund - This fund accounts for a continuous improvement grant for the development of professional staff and a grant for school based service learning programs.

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NORTH OLMSTED CITY SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 1999

	PUBLIC SUPPORT SERVICE	OTHER GRANTS	ATHLETIC	AUXILIARY SERVICE
<b>Assets</b>				
Equity in pooled cash	\$ 134,853	\$ 11,425	\$ 57,505	\$ 59,130
Due from other governments	-	-	-	-
<b>Total assets</b>	<b>\$ 134,853</b>	<b>\$ 11,425</b>	<b>\$ 57,505</b>	<b>\$ 59,130</b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ 1,462	\$ -	\$ 3,566	\$ 4,030
Accrued salaries, wages and benefits	-	-	-	8,606
Due to other governments	-	-	-	2,130
Interfund payable	-	-	-	-
<b>Total liabilities</b>	<b>1,462</b>	<b>-</b>	<b>3,566</b>	<b>14,766</b>
<b>Fund balances</b>				
Reserved for encumbrances	5,209	3,217	12,714	55,100
Unreserved	128,182	8,208	41,225	(10,736)
<b>Total fund balances</b>	<b>133,391</b>	<b>11,425</b>	<b>53,939</b>	<b>44,364</b>
<b>Total liabilities and fund balances</b>	<b>\$ 134,853</b>	<b>\$ 11,425</b>	<b>\$ 57,505</b>	<b>\$ 59,130</b>

PROFESSIONAL DEVELOPMENT GRANT	EDUCATION M.I.S.	DATA COMMUNICATIONS	SCHOOL NET PROFESSIONAL DEVELOPMENT	STATE AID-TEXTBOOK AND INSTRUCTION	ADULT BASIC EDUCATION
\$ 31,401	\$ 5,010	\$ 23,982	\$ 2,100	\$ 70,538	\$ 6,648
-	-	-	-	-	5,000
\$ 31,401	\$ 5,010	\$ 23,982	\$ 2,100	\$ 70,538	\$ 11,648
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	7,069
-	-	-	-	-	7,069
10,900	-	-	-	-	2,970
20,501	5,010	23,982	2,100	70,538	1,609
31,401	5,010	23,982	2,100	70,538	4,579
\$ 31,401	\$ 5,010	\$ 23,982	\$ 2,100	\$ 70,538	\$ 11,648

(Continued)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 1999  
(CONTINUED)

	EISENHOWER MATH	TITLE VI B	TITLE 1	TITLE VI
<b>Assets</b>				
Equity in pooled cash	\$ 21,014	\$ 718	\$ 15,609	\$ 31,806
Due from other governments	-	-	43,383	-
<b>Total assets</b>	<b>\$ 21,014</b>	<b>\$ 718</b>	<b>\$ 58,992</b>	<b>\$ 31,806</b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ -	\$ -	\$ 18	\$ -
Accrued salaries, wages and benefits	-	5,455	29,018	-
Due to other governments	-	5,736	922	-
Interfund payable	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>11,191</b>	<b>29,958</b>	<b>-</b>
<b>Fund balances</b>				
Reserved for encumbrances	383	-	1,439	2,521
Unreserved	20,631	(10,473)	27,595	29,285
<b>Total fund balances</b>	<b>21,014</b>	<b>(10,473)</b>	<b>29,034</b>	<b>31,806</b>
<b>Total liabilities and fund balances</b>	<b>\$ 21,014</b>	<b>\$ 718</b>	<b>\$ 58,992</b>	<b>\$ 31,806</b>

ESL GRANT	DRUG FREE SCHOOLS	PRESCHOOL	MISCELLANEOUS GRANTS	TOTAL
\$ 2,948	\$ 1,458	\$ 12,563	\$ 16,002	\$ 504,710
-	5,599	-	-	53,982
\$ 2,948	\$ 7,057	\$ 12,563	\$ 16,002	\$ 558,692

\$ -	\$ -	\$ -	\$ -	\$ 9,076
-	-	-	-	43,079
-	-	-	-	8,788
-	-	-	-	7,069
-	-	-	-	68,012

194	1,382	-	1,247	97,276
2,754	5,675	12,563	14,755	393,404
2,948	7,057	12,563	16,002	490,680
\$ 2,948	\$ 7,057	\$ 12,563	\$ 16,002	\$ 558,692

NORTH OLMSTED CITY SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 1999

	PUBLIC SUPPORT SERVICE	OTHER GRANTS	ATHLETIC	AUXILIARY SERVICE
Revenues				
Interest	-	-	-	5,903
Intergovernmental	-	12,971	-	343,613
Extracurricular	379,869	-	108,658	-
Other	18,842	-	7,700	-
<b>Total revenues</b>	<b>398,711</b>	<b>12,971</b>	<b>116,358</b>	<b>349,516</b>
Expenditures				
Current				
Instruction				
Regular	385,404	5,311	-	-
Special	-	-	-	-
Vocational	-	-	-	-
Adult/continuing	-	-	-	-
Supporting services				
Pupil	-	-	-	-
Instructional staff	-	116	-	-
Administration	458	-	-	-
Business	-	-	-	-
Operation and maintenance	-	-	-	-
Pupil transportation	-	-	-	-
Operation of non-instructional				
Community services	-	-	-	338,014
Extracurricular activities				
Sports oriented	-	-	72,329	-
Capital outlay	16,333	-	37,020	-
<b>Total expenditures</b>	<b>402,195</b>	<b>5,427</b>	<b>109,349</b>	<b>338,014</b>
Excess (deficiency) of revenues over expenditures	(3,484)	7,544	7,009	11,502
Other financing sources (uses)				
Operating transfers-in	-	-	35,000	-
Operating transfers-out	(76)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(76)</b>	<b>-</b>	<b>35,000</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(3,560)	7,544	42,009	11,502
Fund balances, beginning of year	136,951	3,881	11,930	32,862
<b>Fund balances, end of year</b>	<b>\$ 133,391</b>	<b>\$ 11,425</b>	<b>\$ 53,939</b>	<b>\$ 44,364</b>

PROFESSIONAL DEVELOPMENT GRANT	EDUCATION M.I.S.	DATA COMMUNICATIONS	SCHOOL NET PROFESSIONAL DEVELOPMENT	STATE AID-TEXTBOOK AND INSTRUCTION	ADULT BASIC EDUCATION
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27,307	14,144	11,915	-	71,944	29,074
-	-	-	-	-	-
27,307	14,144	11,915	-	71,944	29,074
6,768	-	-	-	1,406	-
-	-	-	-	-	-
-	-	-	-	-	15,360
-	-	-	-	-	7,152
8,295	-	-	-	-	1,661
-	-	-	-	-	660
-	-	-	-	-	1,288
-	-	-	-	-	-
-	-	-	-	-	-
-	21,197	-	-	-	-
15,063	21,197	-	-	1,406	26,121
12,244	(7,053)	11,915	-	70,538	2,953
-	-	-	-	-	-
-	-	-	-	-	-
12,244	(7,053)	11,915	-	70,538	2,953
19,157	12,063	12,067	2,100	-	1,626
\$ 31,401	\$ 5,010	\$ 23,982	\$ 2,100	\$ 70,538	\$ 4,579

(Continued)



NORTH OLMSTED CITY SCHOOL DISTRICT  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 1999  
(CONTINUED)

	EISENHOWER MATH	TITLE VIB	TITLE 1	TITLE VI
Revenues				
Interest	\$ -	\$ -	\$ -	\$ -
Intergovernmental	15,249	231,896	199,229	21,613
Extracurricular	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<b>15,249</b>	<b>231,896</b>	<b>199,229</b>	<b>21,613</b>
Expenditures				
Current				
Instruction				
Regular	-	-	-	-
Special	-	229,049	180,695	-
Vocational	-	-	-	-
Adult/continuing	13,622	-	-	353
Supporting services				
Pupil	-	13,320	3,516	-
Instructional staff	-	-	-	-
Administration	-	-	9,000	-
Business	-	-	-	-
Operation and maintenance	-	-	-	-
Pupil transportation	-	-	-	-
Operation of non-instructional				
Community services	-	-	17,147	2,025
Extracurricular activities				
Sports oriented	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>13,622</b>	<b>242,369</b>	<b>210,358</b>	<b>2,378</b>
Excess (deficiency) of revenues over expenditures	1,627	(10,473)	(11,129)	19,235
Other financing sources (uses)				
Operating transfers-in	-	-	-	-
Operating transfers-out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures and other sources (uses)	1,627	(10,473)	(11,129)	19,235
Fund balances, beginning of year	19,387	-	40,163	12,571
<b>Fund balances, end of year</b>	<b>\$ 21,014</b>	<b>\$ (10,473)</b>	<b>\$ 29,034</b>	<b>\$ 31,806</b>

ESL GRANT	DRUG FREE SCHOOLS	PRESCHOOL	MISCELLANEOUS GRANTS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ 5,903
2,948	25,659	19,773	48,000	1,075,335
-	-	-	-	488,527
-	-	-	-	26,542
2,948	25,659	19,773	48,000	1,596,307
-	8,458	-	1,715	409,062
2,398	-	-	-	412,142
-	-	-	38,409	38,409
-	-	-	-	29,335
-	11,398	7,210	4,565	47,161
-	-	-	-	10,072
-	858	-	-	10,316
-	-	-	-	660
-	-	-	-	1,288
-	400	-	-	400
-	-	-	-	357,186
-	-	-	-	72,329
-	3,849	-	-	78,399
2,398	24,963	7,210	44,689	1,466,759
550	696	12,563	3,311	129,548
-	-	-	-	35,000
-	-	-	-	(76)
-	-	-	-	34,924
550	696	12,563	3,311	164,472
2,398	6,361	-	12,691	326,208
\$ 2,948	\$ 7,057	\$ 12,563	\$ 16,002	\$ 490,680

NORTH OLMDSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

PUBLIC SUPPORT SERVICE FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Extracurricular	\$ 387,312	\$ 379,869	\$ (7,443)
Other	13,339	20,782	7,443
Total revenues	400,651	400,651	-
Expenditures			
Current			
Instruction			
Regular			
Purchased services	256,825	252,778	4,047
Materials and supplies	132,738	123,820	8,918
Other	15,603	14,569	1,034
Total regular	405,166	391,167	13,999
Total instruction	405,166	391,167	13,999
Supporting services			
Administration			
Materials and supplies	645	313	332
Total administration	645	313	332
Total supporting services	645	313	332
Capital outlay	17,709	16,528	1,181
Total expenditures	423,520	408,008	15,512
Excess (deficiency) of revenues over expenditures	(22,869)	(7,357)	15,512
Other financing sources (uses)			
Operating transfers-out	(76)	(76)	-
Total other financing sources (uses)	(76)	(76)	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(22,945)	(7,433)	15,512
Prior year encumbrances	10,125	10,125	-
Fund balances, beginning of year	125,490	125,490	-
Fund balances, end of year	\$ 112,670	\$ 128,182	\$ 15,512

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

	OTHER GRANTS FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 12,972	\$ 12,972	\$ -
Total revenues	12,972	12,972	-
Expenditures			
Current			
Instruction			
Regular			
Materials and supplies	336	81	255
Other	10,331	5,731	4,600
Total regular	10,667	5,812	4,855
Total instruction	10,667	5,812	4,855
Supporting services			
Instructional staff			
Purchased services	116	116	-
Total instructional staff	116	116	-
Total supporting services	116	116	-
Capital outlay	2,500	2,717	(217)
Total expenditures	13,283	8,645	4,638
Excess (deficiency) of revenues over expenditures	(311)	4,327	4,638
Prior year encumbrances	-	-	-
Fund balances, beginning of year	3,881	3,881	-
Fund balances, end of year	\$ 3,570	\$ 8,208	\$ 4,638

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

ATHLETIC FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Extracurricular	\$ 108,658	\$ 108,658	\$ -
Other	7,700	7,700	-
Total revenues	116,358	116,358	-
Expenditures			
Current			
Extracurricular activities			
Sports oriented			
Purchased services	34,437	34,437	-
Materials and supplies	22,797	16,340	6,457
Other	21,200	20,035	1,165
Total sports oriented	78,434	70,812	7,622
Total extracurricular activities	78,434	70,812	7,622
Capital outlay	54,024	52,107	1,917
Total expenditures	132,458	122,919	9,539
Excess (deficiency) of revenues over expenditures	(16,100)	(6,561)	9,539
Other financing sources (uses)			
Operating transfers-in	35,000	35,000	-
Total other financing sources (uses)	35,000	35,000	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	18,900	28,439	9,539
Prior year encumbrances	1,093	1,093	-
Fund balances, beginning of year	11,693	11,693	-
Fund balances, end of year	\$ 31,686	\$ 41,225	\$ 9,539

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

	AUXILIARY SERVICE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Interest	\$ 5,903	\$ 5,903	\$ -
Intergovernmental	343,612	343,612	-
<b>Total revenues</b>	<b>349,515</b>	<b>349,515</b>	<b>-</b>
Expenditures			
Current			
Operation of non-instructional			
Community services			
Salaries	65,756	65,756	-
Benefits	35,871	35,871	-
Purchased services	129,018	129,018	-
Materials and supplies	146,587	146,587	-
Other	13,744	13,744	-
<b>Total community services</b>	<b>390,976</b>	<b>390,976</b>	<b>-</b>
<b>Total operation of non-instructional</b>	<b>390,976</b>	<b>390,976</b>	<b>-</b>
Capital outlay	2,264	2,264	-
<b>Total expenditures</b>	<b>393,240</b>	<b>393,240</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures	(43,725)	(43,725)	-
Prior year encumbrances	10,293	10,293	-
Fund balances, beginning of year	33,432	33,432	-
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

PROFESSIONAL DEVELOPMENT GRANT FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 27,307	\$ 27,307	\$ -
Total revenues	27,307	27,307	-
Expenditures			
Current			
Instruction			
Regular			
Purchased services	37,491	17,668	19,823
Total regular	37,491	17,668	19,823
Total instruction	37,491	17,668	19,823
Supporting services			
Instructional staff			
Salaries	7,500	6,822	678
Benefits	1,473	1,473	-
Total instructional staff	8,973	8,295	678
Total supporting services	8,973	8,295	678
Total expenditures	46,464	25,963	20,501
Excess (deficiency) of revenues over expenditures	(19,157)	1,344	20,501
Prior year encumbrances	-	-	-
Fund balances, beginning of year	19,157	19,157	-
Fund balances, end of year	\$ -	\$ 20,501	\$ 20,501

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

EDUCATION  
 M.I.S. FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 14,144	\$ 14,144	\$ -
Total revenues	14,144	14,144	-
Expenditures			
Capital outlay	26,207	21,197	5,010
Total expenditures	26,207	21,197	5,010
Excess (deficiency) of revenues over expenditures	(12,063)	(7,053)	5,010
Prior year encumbrances	-	-	-
Fund balances, beginning of year	12,063	12,063	-
Fund balances, end of year	\$ -	\$ 5,010	\$ 5,010



NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

DATA  
 COMMUNICATIONS FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 11,915	\$ 11,915	\$ -
Total revenues	11,915	11,915	-
Expenditures			
Current			
Supporting services			
Business			
Purchased services	23,982	-	23,982
Total business	23,982	-	23,982
Total supporting services	23,982	-	23,982
Total expenditures	23,982	-	23,982
Excess (deficiency) of revenues over expenditures	(12,067)	11,915	23,982
Prior year encumbrances	-	-	-
Fund balances, beginning of year	12,067	12,067	-
Fund balances, end of year	\$ -	\$ 23,982	\$ 23,982

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

SCHOOL NET - PROFESSIONAL  
 DEVELOPMENT FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures			
Current			
Supporting services			
Business			
Purchased services	\$ 2,100	\$ -	\$ 2,100
Total business			
Total supporting services			
Total expenditures	2,100		
Excess (deficiency) of revenues over expenditures	(2,100)		2,100
Prior year encumbrances			
Fund balances, beginning of year	2,100	2,100	
Fund balances, end of year	\$	\$	2,100

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

STATE AID TEXTBOOKS  
 AND INSTRUCTION FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 71,944	\$ 71,944	\$ -
Total revenues	71,944	71,944	-
Expenditures			
Current			
Instruction			
Regular			
Materials and supplies	71,944	1,406	70,538
Total regular	71,944	1,406	70,538
Total instruction	71,944	1,406	70,538
Total expenditures	71,944	1,406	70,538
Excess (deficiency) of revenues over expenditures	-	70,538	70,538
Prior year encumbrances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ -	\$ 70,538	\$ 70,538

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

ADULT BASIC EDUCATION Fund			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 24,074	\$ 24,074	\$ -
Total revenues	24,074	24,074	-
Expenditures			
Current			
Instruction			
Adult/continuing			
Salaries	12,400	9,920	2,480
Benefits	3,479	3,258	221
Purchased services	850	810	40
Materials and supplies	2,083	2,097	(14)
Other	250	250	-
Total adult/continuing	19,062	16,335	2,727
Total instruction	19,062	16,335	2,727
Supporting services			
Pupil			
Salaries	7,263	7,263	-
Benefits	2,468	1,485	983
Other	399	399	-
Total pupil	10,130	9,147	983
Instructional staff			
Salaries	1,661	1,661	-
Benefits	25	-	25
Total instructional staff	1,686	1,661	25
Business			
Purchased services	600	660	(60)
Total business	600	660	(60)
Operation and maintenance			
Salaries	1,116	1,116	-
Benefits	175	172	3
Total operation and maintenance	1,291	1,288	3
Total supporting services	13,707	12,756	951
Total expenditures	32,769	29,091	3,678
Excess (deficiency) of revenues over expenditures	(8,695)	(5,017)	3,678
Other financing sources (uses)			
Advances-in	7,069	7,069	-
Total other financing sources (uses)	7,069	7,069	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(1,626)	2,052	3,678
Prior year encumbrances	-	-	-
Fund balances, beginning of year	1,626	1,626	-
Fund balances, end of year	\$ -	\$ 3,678	\$ 3,678

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

		EISENHOWER MATH FUND		
		Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$	15,249	\$ 15,249	\$ -
Total revenues		15,249	15,249	-
Expenditures				
Current				
Instruction				
Adult/continuing				
Salaries		14,684	6,488	8,196
Benefits		700	-	700
Purchased services		9,508	5,289	4,219
Materials and supplies		9,744	2,228	7,516
Total adult/continuing		34,636	14,005	20,631
Total instruction		34,636	14,005	20,631
Total expenditures		34,636	14,005	20,631
Excess (deficiency) of revenues over expenditures		(19,387)	1,244	20,631
Prior year encumbrances		200	200	-
Fund balances, beginning of year		19,187	19,187	-
Fund balances, end of year		\$ -	\$ 20,631	\$ 20,631

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

TITLE VI-B FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 231,896	\$ 231,896	\$ -
Total revenues	231,896	231,896	-
Expenditures			
Current			
Instruction			
Special			
Salaries	30,300	29,582	718
Purchased services	188,276	188,276	-
Total special	218,576	217,858	718
Total instruction	218,576	217,858	718
Supporting services			
Pupil			
Purchased services	13,320	13,320	-
Total pupil	13,320	13,320	-
Total supporting services	13,320	13,320	-
Total expenditures	231,896	231,178	718
Excess (deficiency) of revenues over expenditures	-	718	718
Prior year encumbrances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ -	\$ 718	\$ 718

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

TITLE 1 FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 177,523	\$ 177,523	\$ -
Total revenues	177,523	177,523	-
Expenditures			
Current			
Instruction			
Special			
Salaries	161,270	162,724	(1,454)
Benefits	8,882	10,265	(1,383)
Purchased services	6,182	5,513	669
Materials and supplies	5,071	1,575	3,496
Total special	181,405	180,077	1,328
Total instruction	181,405	180,077	1,328
Supporting services			
Pupil			
Salaries	5,675	3,242	2,433
Benefits	268	268	-
Total pupil	5,943	3,510	2,433
Administration			
Salaries	16,000	8,000	8,000
Benefits	2,000	1,000	1,000
Total administration	18,000	9,000	9,000
Total supporting services	23,943	12,510	11,433
Operation of non-instructional			
Community services			
Salaries	15,415	17,025	(1,610)
Total community services	15,415	17,025	(1,610)
Total operation of non-instructional	15,415	17,025	(1,610)
Capital outlay	3,000	-	3,000
Total expenditures	223,763	209,612	14,151
Excess (deficiency) of revenues over expenditures	(46,240)	(32,089)	14,151
Other financing sources (uses)			
Advances-out	(18,763)	(18,763)	-
Total other financing sources (uses)	(18,763)	(18,763)	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(65,003)	(50,852)	14,151
Prior year encumbrances	54	54	-
Fund balances, beginning of year	64,949	64,949	-
Fund balances, end of year	\$ -	\$ 14,151	\$ 14,151

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

TITLE VI FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 21,613	\$ 21,613	\$ -
<b>Total revenues</b>	<b>21,613</b>	<b>21,613</b>	<b>-</b>
Expenditures			
Current			
Instruction			
Adult/continuing			
Purchased services	7,530	-	7,530
Materials and supplies	5,723	353	5,370
Total adult/continuing	13,253	353	12,900
Total instruction	13,253	353	12,900
Operation of non-instructional			
Community services			
Purchased services	420	-	420
Materials and supplies	5,511	4,546	965
Total community services	5,931	4,546	1,385
Total operation of non-instructional	5,931	4,546	1,385
Capital outlay	15,000	-	15,000
<b>Total expenditures</b>	<b>34,184</b>	<b>4,899</b>	<b>29,285</b>
Excess (deficiency) of revenues over expenditures	(12,571)	16,714	29,285
Prior year encumbrances	-	-	-
Fund balances, beginning of year	12,571	12,571	-
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ 29,285</b>	<b>\$ 29,285</b>



NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

ESL GRANT FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 2,948	\$ 2,948	\$ -
Total revenues	2,948	2,948	-
Expenditures			
Current			
Instruction			
Special			
Salaries	2,650	1,385	1,265
Purchased services	501	-	501
Materials and supplies	2,195	1,207	988
Total special	5,346	2,592	2,754
Total instruction	5,346	2,592	2,754
Total expenditures	5,346	2,592	2,754
Excess (deficiency) of revenues over expenditures	(2,398)	356	2,754
Prior year encumbrances	-	-	-
Fund balances, beginning of year	2,398	2,398	-
Fund balances, end of year	\$ -	\$ 2,754	\$ 2,754

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

DRUG FREE SCHOOLS FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 20,061	\$ 20,061	\$ -
Total revenues	20,061	20,061	-
Expenditures			
Current			
Instruction			
Regular			
Salaries	7,458	7,458	-
Purchased services	1,000	1,000	-
Total regular	8,458	8,458	-
Total instruction	8,458	8,458	-
Supporting services			
Pupil			
Purchased services	7,856	7,856	-
Materials and supplies	5,001	4,924	77
Total pupil	12,857	12,780	77
Administration			
Salaries	858	858	-
Total administration	858	858	-
Pupil transportation			
Salaries	400	400	-
Total pupil transportation	400	400	-
Total supporting services	14,115	14,038	77
Capital outlay	3,849	3,849	-
Total expenditures	26,422	26,345	77
Excess (deficiency) of revenues over expenditures	(6,361)	(6,284)	77
Prior year encumbrances	1,953	1,953	-
Fund balances, beginning of year	4,408	4,408	-
Fund balances, end of year	\$ -	\$ 77	\$ 77

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

PRESCHOOL FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 19,773	\$ 19,773	\$ -
Total revenues	19,773	19,773	-
Expenditures			
Current			
Instruction			
Special			
Purchased services	11,661	-	11,661
Total special	11,661	-	11,661
Total instruction	11,661	-	11,661
Supporting services			
Pupil			
Purchased services	8,112	7,210	902
Total pupil	8,112	7,210	902
Total supporting services	8,112	7,210	902
Total expenditures	19,773	7,210	12,563
Excess (deficiency) of revenues over expenditures	-	12,563	12,563
Prior year encumbrances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ -	\$ 12,563	\$ 12,563

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

MISCELLANEOUS GRANTS FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 48,000	\$ 48,000	\$ -
Total revenues	48,000	48,000	-
Expenditures			
Current			
Instruction			
Regular			
Salaries	4,300	-	4,300
Benefits	1,080	-	1,080
Purchased services	8,870	1,622	7,248
Materials and supplies	750	250	500
Total regular	15,000	1,872	13,128
Vocational			
Salaries	12,000	12,000	-
Benefits	1,420	440	980
Purchased services	15,835	15,852	(17)
Materials and supplies	11,872	11,208	664
Total vocational	41,127	39,500	1,627
Total instruction	56,127	41,372	14,755
Supporting services			
Pupil			
Materials and supplies	4,564	4,564	-
Total pupil	4,564	4,564	-
Total supporting services	4,564	4,564	-
Total expenditures	60,691	45,936	14,755
Excess (deficiency) of revenues over expenditures	(12,691)	2,064	14,755
Prior year encumbrances	950	950	-
Fund balances, beginning of year	11,741	11,741	-
Fund balances, end of year	\$ -	\$ 14,755	\$ 14,755

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

COMBINED SPECIAL REVENUE FUNDS			
	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest	\$ 5,903	\$ 5,903	\$ -
Intergovernmental	1,043,031	1,043,031	-
Extracurricular	495,970	488,527	(7,443)
Other	21,039	28,482	7,443
<b>Total revenues</b>	<b>1,565,943</b>	<b>1,565,943</b>	<b>-</b>
<b>Expenditures</b>			
<b>Current</b>			
<b>Instruction</b>			
<b>Regular</b>			
Salaries	11,758	7,458	4,300
Benefits	1,080	-	1,080
Purchased services	304,186	273,068	31,118
Materials and supplies	205,768	125,557	80,211
Other	25,934	20,300	5,634
<b>Total regular</b>	<b>548,726</b>	<b>426,383</b>	<b>122,343</b>
<b>Special</b>			
Salaries	194,220	193,691	529
Benefits	8,882	10,265	(1,383)
Purchased services	206,620	193,789	12,831
Materials and supplies	7,266	2,782	4,484
<b>Total special</b>	<b>416,988</b>	<b>400,527</b>	<b>16,461</b>
<b>Vocational</b>			
Salaries	12,000	12,000	-
Benefits	1,420	440	980
Purchased services	15,835	15,852	(17)
Materials and supplies	11,872	11,208	664
<b>Total vocational</b>	<b>41,127</b>	<b>39,500</b>	<b>1,627</b>
<b>Adult/continuing</b>			
Salaries	27,084	16,408	10,676
Benefits	4,179	3,258	921
Purchased services	17,888	6,099	11,789
Materials and supplies	17,550	4,678	12,872
Other	250	250	-
<b>Total adult/continuing</b>	<b>66,951</b>	<b>30,693</b>	<b>36,258</b>
<b>Total instruction</b>	<b>1,073,792</b>	<b>897,103</b>	<b>176,689</b>

(Continued)

NORTH OLDMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

COMBINED SPECIAL  
 REVENUE FUNDS (CONTINUED)

	Budget	Actual	Variance Favorable (Unfavorable)
Supporting services			
Pupil			
Salaries	12,938	10,505	2,433
Benefits	2,736	1,753	983
Purchased services	29,288	28,386	902
Materials and supplies	9,565	9,488	77
Other	399	399	-
Total pupil	54,926	50,531	4,395
Instructional staff			
Salaries	9,161	8,483	678
Benefits	1,498	1,473	25
Purchased services	116	116	-
Total instructional staff	10,775	10,072	703
Administration			
Salaries	16,858	8,858	8,000
Benefits	2,000	1,000	1,000
Materials and supplies	645	313	332
Total administration	19,503	10,171	9,332
Business			
Purchased services	26,682	660	26,022
Total business	26,682	660	26,022
Operation and maintenance			
Salaries	1,116	1,116	-
Benefits	175	172	3
Total operation and maintenance	1,291	1,288	3
Pupil transportation			
Salaries	400	400	-
Total pupil transportation	400	400	-
Total supporting services	113,577	73,122	40,455
Operation of non-instructional			
Community services			
Salaries	81,171	82,781	(1,610)
Benefits	35,871	35,871	-
Purchased services	129,438	129,018	420
Materials and supplies	152,098	151,133	965
Other	13,744	13,744	-
Total community services	412,322	412,547	(225)
Total operation of non-instructional	412,322	412,547	(225)

(Continue)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

COMBINED SPECIAL  
 REVENUE FUNDS (CONTINUED)

	Budget	Actual	Variance Favorable (Unfavorable)
Extracurricular activities			
Sports oriented			
Purchased services	34,437	34,437	-
Materials and supplies	22,797	16,340	6,457
Other	21,200	20,035	1,165
Total sports oriented	78,434	70,812	7,622
Total extracurricular activities	78,434	70,812	7,622
Capital outlay	124,553	98,662	25,891
Total expenditures	1,802,678	1,552,246	250,432
Excess (deficiency) of revenues over expenditures	(236,735)	13,697	250,432
Other financing sources (uses)			
Operating transfers-in	35,000	35,000	-
Advances-in	7,069	7,069	-
Advances-out	(18,763)	(18,763)	-
Operating transfers-out	(76)	(76)	-
Total other financing sources (uses)	23,230	23,230	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(213,505)	36,927	250,432
Prior year encumbrances	24,668	24,668	-
Fund balances, beginning of year	336,763	336,763	-
Fund balances, end of year	\$ 147,926	\$ 398,358	\$ 250,432

### CAPITAL PROJECTS FUNDS

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

Permanent Improvement Fund - This fund accounts for the acquisition, construction or improvement of capital facilities other than those financed by proprietary and trust funds.

School Net Plus Fund - This fund accounts for wiring of schools for voice, video and data communications.



NORTH OLMSTED CITY SCHOOL DISTRICT  
 CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 1999

	PERMANENT IMPROVEMENTS	SCHOOL NET PLUS	TOTAL
<b>Assets</b>			
Equity in pooled cash	\$ 539,886	\$ 34,130	\$ 574,016
Receivables, net of allowance			
Taxes, current	1,044,096	-	1,044,096
Taxes, delinquent	42,046	-	42,046
Interfund receivable	5,000	-	5,000
<b>Total assets</b>	<b>\$ 1,631,028</b>	<b>\$ 34,130</b>	<b>\$ 1,665,158</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts and contracts payable	\$ 55,237	\$ -	\$ 55,237
Interfund payable	250,000	-	250,000
Deferred revenue			
Taxes	966,572	-	966,572
<b>Total liabilities</b>	<b>1,271,809</b>	<b>-</b>	<b>1,271,809</b>
<b>Fund balance</b>			
Reserved for property taxes	119,570	-	119,570
Reserved for encumbrances	403,115	17,577	420,692
Unreserved	(163,466)	16,553	(146,913)
<b>Total fund balances</b>	<b>359,219</b>	<b>34,130</b>	<b>393,349</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,631,028</b>	<b>\$ 34,130</b>	<b>\$ 1,665,158</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 1999

	PERMANENT IMPROVEMENTS	SCHOOL NET PLUS	TOTAL
Revenues			
Taxes	\$ 1,051,316	\$ -	\$ 1,051,316
Interest	11,638	-	11,638
Intergovernmental	123,017	145,686	268,703
Total revenues	1,185,971	145,686	1,331,657
Expenditures			
Current			
Instruction			
Regular	-	347	347
Supporting services			
Central services	-	6,434	6,434
Capital outlay	1,113,093	142,235	1,255,328
Total expenditures	1,113,093	149,016	1,262,109
Excess (deficiency) of revenues over expenditures	72,878	(3,330)	69,548
Fund balances, beginning of year	286,341	37,460	323,801
Fund balances, end of year	\$ 359,219	\$ 34,130	\$ 393,349

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

	PERMANENT IMPROVEMENTS FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$ 1,028,621	\$ 1,009,451	\$ (19,170)
Interest	9,400	11,638	2,238
Intergovernmental	122,000	123,017	1,017
Total revenues	1,160,021	1,144,106	(15,915)
Expenditures			
Capital outlay	1,612,871	1,541,587	71,284
Total expenditures	1,612,871	1,541,587	71,284
Excess (deficiency) of revenues over expenditures	(452,850)	(397,481)	55,369
Other financing sources (uses)			
Advances-in	250,000	250,000	-
Advances-out	(51,000)	(51,000)	-
Total other financing sources (uses)	199,000	199,000	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(253,850)	(198,481)	55,369
Prior year encumbrances	258,782	258,782	-
Fund balances, beginning of year	21,234	21,234	-
Fund balances, end of year	\$ 26,166	\$ 81,535	\$ 55,369

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

SCHOOL NET PLUS FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 145,686	\$ 145,686	\$ -
Total revenues	145,686	145,686	-
Expenditures			
Current			
Instruction			
Regular			
Salaries	-	347	(347)
Materials and supplies	15,000	11,412	3,588
Total regular	15,000	11,759	3,241
Total instruction	15,000	11,759	3,241
Supporting services			
Central services			
Purchased services	7,000	6,434	566
Total central services	7,000	6,434	566
Total supporting services	7,000	6,434	566
Capital outlay	161,146	148,400	12,746
Total expenditures	183,146	166,593	16,553
Excess (deficiency) of revenues over expenditures	(37,460)	(20,907)	16,553
Prior year encumbrances	-	-	-
Fund balances, beginning of year	37,460	37,460	-
Fund balances, end of year	\$ -	\$ 16,553	\$ 16,553

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

	COMBINED CAPITAL PROJECTS FUNDS		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$ 1,028,621	\$ 1,009,451	\$ (19,170)
Interest	9,400	11,638	2,238
Intergovernmental	267,686	268,703	1,017
Total revenues	1,305,707	1,289,792	(15,915)
Expenditures			
Current			
Instruction			
Regular			
Salaries	-	347	(347)
Materials and supplies	15,000	11,412	3,588
Total regular	15,000	11,759	3,241
Total instruction	15,000	11,759	3,241
Supporting services			
Central services			
Purchased services	7,000	6,434	566
Total central services	7,000	6,434	566
Total supporting services	7,000	6,434	566
Capital outlay	1,774,017	1,689,987	84,030
Total expenditures	1,796,017	1,708,180	87,837
Excess (deficiency) of revenues over expenditures	(490,310)	(418,388)	71,922
Other financing sources (uses)			
Advances-in	250,000	250,000	-
Advances-out	(51,000)	(51,000)	-
Total other financing sources (uses)	199,000	199,000	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(291,310)	(219,388)	71,922
Prior year encumbrances	258,782	258,782	-
Fund balances, beginning of year	58,694	58,694	-
Fund balances, end of year	\$ 26,166	\$ 98,088	\$ 71,922

## ENTERPRISE FUNDS

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

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

Uniform School Supplies Fund - This fund accounted for student fees collected for the purchase of instructional supplies and materials used to supplement the curriculum.

Adult Education Fund - This fund accounts for revenues and expenses related to the provision of credit and non-credit classes to the community.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 ENTERPRISE FUNDS  
 COMBINING BALANCE SHEETS  
 JUNE 30, 1999

	FOOD SERVICE	UNIFORM SCHOOL SUPPLIES	ADULT EDUCATION	TOTAL
<b>Assets</b>				
Equity in pooled cash	\$ 4,658	\$ -	\$ 18,386	\$ 23,044
Receivables, net of allowance				
Accounts and other	562	-	-	562
Due from other governments	38,425	-	-	38,425
Inventories and supplies	41,484	-	-	41,484
Fixed assets	436,741	-	63,206	499,947
Accumulated depreciation	(357,824)	-	(32,011)	(389,835)
<b>Total assets</b>	<b>\$ 164,046</b>	<b>\$ -</b>	<b>\$ 49,581</b>	<b>\$ 213,627</b>
<b>Liabilities and equity</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ 1,729	\$ -	\$ -	\$ 1,729
Accrued salaries, wages and benefits	47,100	-	1,189	48,289
Due to other governments	79,811	-	1,355	81,166
Interfund payable	88,354	-	-	88,354
Deferred revenue				
Intergovernmental	19,119	-	-	19,119
Compensated absences	11,400	-	-	11,400
<b>Total liabilities</b>	<b>247,513</b>	<b>-</b>	<b>2,544</b>	<b>250,057</b>
<b>Equity</b>				
Contributed capital	430,559	-	2,658	433,217
Retained earnings (deficit)	(514,026)	-	44,379	(469,647)
<b>Total equity</b>	<b>(83,467)</b>	<b>-</b>	<b>47,037</b>	<b>(36,430)</b>
<b>Total liabilities and equity</b>	<b>\$ 164,046</b>	<b>\$ -</b>	<b>\$ 49,581</b>	<b>\$ 213,627</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGS  
FOR THE YEAR ENDED JUNE 30, 1999

	FOOD SERVICE	UNIFORM SCHOOL SUPPLIES	ADULT EDUCATION	TOTAL
Operating revenues				
Tuition and fees	\$ -	\$ -	\$ 53,478	\$ 53,478
Sales	899,585	-	-	899,585
Other	-	-	150	150
Total operating revenues	899,585	-	53,628	953,213
Operating expenses				
Salaries and wages	404,248	-	16,088	420,336
Fringe benefits	149,531	-	6,907	156,438
Contractual service	622,686	-	30,158	652,844
Materials and supplies	68,855	-	1,744	70,599
Depreciation expense	9,868	-	4,340	14,208
Total operating expenses	1,255,188	-	59,237	1,314,425
Operating (loss)	(355,603)	-	(5,609)	(361,212)
Nonoperating revenues (expenses)				
Interest	1,055	-	-	1,055
Intergovernmental	314,819	-	-	314,819
Loss on sale of assets	(701)	-	-	(701)
Total nonoperating revenues (expenses)	315,173	-	-	315,173
(Loss) before operating transfers	(40,430)	-	(5,609)	(46,039)
Operating transfers				
Operating transfers-in	60,000	-	-	60,000
Net income (loss)	19,570	-	(5,609)	13,961
Retained earnings, beginning of year	(533,596)	80,570	49,988	(403,038)
Residual equity transfer-out	-	(80,570)	-	(80,570)
Retained earnings, end of year	\$ (514,026)	\$ -	\$ 44,379	\$ (469,647)



NORTH OLMSTED CITY SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 1999

	FOOD SERVICE	UNIFORM SCHOOL SUPPLIES	ADULT EDUCATION	TOTAL
Cash flows from operating activities:				
Operating (loss)	\$ (355,603)	\$ -	\$ (5,609)	\$ (361,212)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	9,868	-	4,340	14,208
Donated commodities used	65,416	-	-	65,416
Changes in net assets (increase) decrease and liabilities increase (decrease):				
Receivables, accounts and other	(562)	-	-	(562)
Due from other governments	(38,425)	-	-	(38,425)
Inventories and supplies	(10,099)	-	-	(10,099)
Accounts and contracts payable	860	(40)	-	820
Accrued salaries, wages and benefits	(5,949)	-	215	(5,734)
Due to other governments	(13,117)	-	261	(12,856)
Interfund payable	(15,000)	-	-	(15,000)
Deferred revenue	4,274	-	-	4,274
Compensated absences	(149)	-	-	(149)
Total adjustments	(2,883)	(40)	4,816	1,893
Net cash (used in) operating activities	(358,486)	(40)	(793)	(359,319)
Cash flows from non-capital financing activities:				
Intergovernmental revenue	249,403	-	-	249,403
Operating transfers-in	60,000	-	-	60,000
Residual equity transfer-out	-	(80,570)	-	(80,570)
Net cash provided by (used in) non-capital financing activities	309,403	(80,570)	-	228,833
Cash flows from capital and related financing activities:				
Acquisition of fixed assets	-	-	(15,580)	(15,580)
Net cash (used in) capital and related financing activities	-	-	(15,580)	(15,580)
Cash flows from investing activities:				
Interest income	1,055	-	-	1,055
Net cash provided by investing activities	1,055	-	-	1,055
Net (decrease) in cash and cash equivalents	(48,028)	(80,610)	(16,373)	(145,011)
Equity in pooled cash and equivalents, beginning of year	52,686	80,610	34,759	168,055
Equity in pooled cash and equivalents, end of year	\$ 4,658	\$ -	\$ 18,386	\$ 23,044
Non-cash transactions:				
Disposal of fixed assets, net book value	\$ 701	\$ -	\$ -	\$ 701

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

	FOOD SERVICE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues			
Sales	\$ 882,256	\$ 899,023	\$ 16,767
Total operating revenues	882,256	899,023	16,767
Operating expenses			
Food service operations			
Salaries and wages	411,197	410,346	851
Fringe benefits	164,117	162,648	1,469
Purchased services	623,209	622,686	523
Materials and supplies	8,320	8,221	99
Total food service operations	1,206,843	1,203,901	2,942
Capital outlay	200	183	17
Total operating expenses	1,207,043	1,204,084	2,959
Excess (deficiency) of operating revenues over operating expenses	(324,787)	(305,061)	19,726
Nonoperating revenues (expenses)			
Interest	700	1,055	355
Intergovernmental	238,100	210,978	(27,122)
Advances-out	(15,000)	(15,000)	-
Total nonoperating revenues (expenses)	223,800	197,033	(26,767)
Excess (deficiency) of revenues over expenses before operating transfers	(100,987)	(108,028)	(7,041)
Operating transfers			
Operating transfers-in	50,000	60,000	10,000
Total operating transfers	50,000	60,000	10,000
Net excess (deficiency) of revenues over expenses	(50,987)	(48,028)	2,959
Prior year encumbrances	1,129	1,129	-
Fund balances, beginning of year	51,557	51,557	-
Fund balances, end of year	\$ 1,699	\$ 4,658	\$ 2,959

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

UNIFORM SCHOOL SUPPLIES FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues			
Classroom materials and fees	\$ 10,118	\$ -	\$ (10,118)
Total operating revenues	10,118	-	(10,118)
Operating expenses			
Instruction			
Materials and supplies	10,118	-	10,118
Total instruction	10,118	-	10,118
Total operating expenses	10,118	-	10,118
Excess (deficiency) of revenues over expenses before operating transfers	-	-	-
Operating transfers			
Operating transfers-out	(80,610)	(80,610)	-
Total operating transfers	(80,610)	(80,610)	-
Net excess (deficiency) of revenues over expenses	(80,610)	(80,610)	-
Prior year encumbrances	10,118	10,118	-
Fund balances, beginning of year	70,492	70,492	-
Fund balances, end of year	\$ -	\$ -	\$ -

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

ADULT EDUCATION FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues			
Tuition and fees	\$ 53,476	\$ 53,478	\$ 2
Other	150	150	-
Total operating revenues	53,626	53,628	2
Operating expenses			
Instruction			
Adult and continuing education			
Salaries	17,560	15,874	1,686
Benefits	9,357	6,646	2,711
Purchased services	38,764	30,158	8,606
Materials and supplies	3,380	1,816	1,564
Other	800	-	800
Total adult and continuing education	69,861	54,494	15,367
Total instruction	69,861	54,494	15,367
Capital outlay	16,300	16,120	180
Total operating expenses	86,161	70,614	15,547
Net excess (deficiency) of revenues over expenses	(32,535)	(16,986)	15,549
Prior year encumbrances	1,164	1,164	-
Fund balances, beginning of year	33,595	33,595	-
Fund balances, end of year	\$ 2,224	\$ 17,773	\$ 15,549

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL (NON-GAAP BASIS) -  
 FOR THE YEAR ENDED JUNE 30, 1999

COMBINED ENTERPRISE FUNDS			
	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues			
Tuition and fees	\$ 53,476	\$ 53,478	\$ 2
Sales	882,256	899,023	16,767
Classroom materials and fees	10,118	-	(10,118)
Other	150	150	-
<b>Total operating revenues</b>	<b>946,000</b>	<b>952,651</b>	<b>6,651</b>
Operating expenses			
Instruction			
Adult and continuing education			
Salaries	17,560	15,874	1,686
Benefits	9,357	6,646	2,711
Purchased services	38,764	30,158	8,606
Materials and supplies	3,380	1,816	1,564
Other	800	-	800
<b>Total adult and continuing education</b>	<b>69,861</b>	<b>54,494</b>	<b>15,367</b>
Materials and supplies	10,118	-	10,118
<b>Total instruction</b>	<b>79,979</b>	<b>54,494</b>	<b>25,485</b>
Food service operations			
Salaries and wages	411,197	410,346	851
Fringe benefits	164,117	162,648	1,469
Purchased services	623,209	622,686	523
Materials and supplies	8,320	8,221	99
<b>Total food service operations</b>	<b>1,206,843</b>	<b>1,203,901</b>	<b>2,942</b>
Capital outlay	16,500	16,303	197
<b>Total operating expenses</b>	<b>1,303,322</b>	<b>1,274,698</b>	<b>28,624</b>
Excess (deficiency) of operating revenues over operating expenses	(357,322)	(322,047)	35,275
Nonoperating revenues (expenses)			
Interest	700	1,055	355
Intergovernmental	238,100	210,978	(27,122)
Advances-out	(15,000)	(15,000)	-
<b>Total nonoperating revenues (expenses)</b>	<b>223,800</b>	<b>197,033</b>	<b>(26,767)</b>
Excess (deficiency) of revenues over expenses before operating transfers	(133,522)	(125,014)	8,508
Operating transfers			
Operating transfers-in	50,000	60,000	10,000
Operating transfers-out	(80,610)	(80,610)	-
<b>Total operating transfers</b>	<b>(30,610)</b>	<b>(20,610)</b>	<b>10,000</b>
Net excess (deficiency) of revenues over expenses	(164,132)	(145,624)	18,508
Prior year encumbrances	12,411	12,411	-
Fund balances, beginning of year	155,644	155,644	-
<b>Fund balances, end of year</b>	<b>\$ 3,923</b>	<b>\$ 22,431</b>	<b>\$ 18,508</b>

### INTERNAL SERVICE FUNDS

These funds account for the financing of services provided by one department or agency to another department or agency of the School District on a cost-reimbursement basis.

Regional Transit Fund - This fund accounts for all revenues and expenses related to the purchase and resale of city transit system bus tickets for student transportation.

Contracted Bus Maintenance Fund - This fund accounts for all revenues and expenses related to the provision of bus maintenance and repair services to other school districts.

Rotary Fund - This fund accounts for all revenues and expenses related to telephone commissions and vending machines at the District high school.

NORTH OLMSTED CITY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 1999

	REGIONAL TRANSIT	CONTRACTED BUS MAINTENANCE	ROTARY	TOTAL
<b>Assets</b>				
Equity in pooled cash	\$ 2,973	\$ 56,432	\$ 769	\$ 60,174
Receivables, net of allowance				
Accounts and other	-	7,333	-	7,333
<b>Total assets</b>	<b>\$ 2,973</b>	<b>\$ 63,765</b>	<b>\$ 769</b>	<b>\$ 67,507</b>
<b>Liabilities and equity</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ -	\$ 4,452	\$ -	\$ 4,452
<b>Total liabilities</b>	<b>-</b>	<b>4,452</b>	<b>-</b>	<b>4,452</b>
<b>Equity</b>				
Retained earnings	2,973	59,313	769	63,055
<b>Total equity</b>	<b>2,973</b>	<b>59,313</b>	<b>769</b>	<b>63,055</b>
<b>Total liabilities and equity</b>	<b>\$ 2,973</b>	<b>\$ 63,765</b>	<b>\$ 769</b>	<b>\$ 67,507</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
INTERNAL SERVICES FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGS  
FOR THE YEAR ENDED JUNE 30, 1999

	REGIONAL TRANSIT	CONTRACTED BUS MAINTENANCE	ROTARY	TOTAL
Operating revenues				
Sales	\$ 52,397	\$ -	\$ -	\$ 52,397
Other	-	62,333	-	62,333
Total operating revenues	52,397	62,333	-	114,730
Operating expenses				
Contractual service	69,802	10,927	1,120	81,849
Materials and supplies	-	53,337	-	53,337
Other expenses	-	16,554	-	16,554
Total operating expenses	69,802	80,818	1,120	151,740
Operating income	(17,405)	(18,485)	(1,120)	(37,010)
Operating transfers				
Operating transfers-in	15,000	-	-	15,000
Net (loss)	(2,405)	(18,485)	(1,120)	(22,010)
Retained earnings, beginning of year	5,378	77,798	-1,889	85,065
Retained earnings, end of year	\$ 2,973	\$ 59,313	\$ 769	\$ 63,055



NORTH OLMSTED CITY SCHOOL DISTRICT  
INTERNAL SERVICES FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 1999

	REGIONAL TRANSIT	CONTRACTED BUS MAINTENANCE	ROTARY	TOTAL
Cash flows from operating activities:				
Operating (loss)	\$ (17,405)	\$ (18,485)	\$ (1,120)	\$ (37,010)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Changes in net assets (increase) decrease and liabilities increase (decrease):				
Receivables, accounts and other	-	1,169	-	1,169
Accounts and contracts payable	-	4,452	-	4,452
Total adjustments	-	5,621	-	5,621
Net cash (used in) operating activities	(17,405)	(12,864)	(1,120)	(31,389)
Cash flows from non-capital financing activities				
Operating transfers-in	15,000	-	-	15,000
Net cash provided by non-capital financing activities	15,000	-	-	15,000
Net (decrease) in cash and cash equivalents	(2,405)	(12,864)	(1,120)	(16,389)
Equity in pooled cash and equivalents, beginning of year	5,378	69,296	1,889	76,563
Equity in pooled cash and equivalents, end of year	\$ 2,973	\$ 56,432	\$ 769	\$ 60,174

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

REGIONAL TRANSIT FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues			
Sales	\$ 52,397	\$ 52,397	\$ -
Total operating revenues	52,397	52,397	-
Operating expenses			
Transportation services			
Purchased services	72,000	69,802	2,198
Total transportation services	72,000	69,802	2,198
Total operating expenses	72,000	69,802	2,198
Excess (deficiency) of revenues over expenses before operating transfers	(19,603)	(17,405)	2,198
Operating transfers			
Operating transfers-in	15,000	15,000	-
Total operating transfers	15,000	15,000	-
Net excess (deficiency) of revenues over expenses	(4,603)	(2,405)	2,198
Prior year encumbrances	-	-	-
Fund balances, beginning of year	5,378	5,378	-
Fund balances, end of year	\$ 775	\$ 2,973	\$ 2,198

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

CONTRACTED BUS  
 MAINTENANCE FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues			
Other	\$ 63,502	\$ 63,502	\$ -
Total operating revenues	63,502	63,502	-
Operating expenses			
Transportation services			
Purchased services	15,299	10,927	4,372
Materials and supplies	81,995	47,898	34,097
Other expenses	16,554	16,554	-
Total transportation services	113,848	75,379	38,469
Capital outlay	14,966	14,818	148
Total operating expenses	128,814	90,197	38,617
Net excess (deficiency) of revenues over expenses	(65,312)	(26,695)	38,617
Prior year encumbrances	-	-	-
Fund balances, beginning of year	69,296	69,296	-
Fund balances, end of year	\$ 3,984	\$ 42,601	\$ 38,617

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

ROTARY FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Operating expenses			
Instructional support services			
Purchased services	\$ 1,487	\$ 1,120	\$ 367
Total instructional support services	1,487	1,120	367
Total operating expenses	1,487	1,120	367
Net excess (deficiency) of revenues over expenses	(1,487)	(1,120)	367
Prior year encumbrances	-	-	-
Fund balances, beginning of year	1,889	1,889	-
Fund balances, end of year	\$ 402	\$ 769	\$ 367

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL (NON-GAAP BASIS) -  
 FOR THE YEAR ENDED JUNE 30, 1999

COMBINED INTERNAL SERVICE FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues			
Sales	\$ 52,397	\$ 52,397	\$ -
Other	63,502	63,502	-
Total operating revenues	115,899	115,899	-
Operating expenses			
Instructional support services			
Purchased services	1,487	1,120	367
Total instructional support services	1,487	1,120	367
Transportation services			
Purchased services	87,299	80,729	6,570
Materials and supplies	81,995	47,898	34,097
Other expenses	16,554	16,554	-
Total transportation services	185,848	145,181	40,667
Capital outlay	14,966	14,818	148
Total operating expenses	202,301	161,119	41,182
Excess (deficiency) of revenues over expenses before operating transfers	(86,402)	(45,220)	41,182
Operating transfers			
Operating transfers-in	15,000	15,000	-
Total operating transfers	15,000	15,000	-
Net excess (deficiency) of revenues over expenses	(71,402)	(30,220)	41,182
Prior year encumbrances	-	-	-
Fund balances, beginning of year	76,563	76,563	-
Fund balances, end of year	\$ 5,161	\$ 46,343	\$ 41,182

## TRUST AND AGENCY FUNDS

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

### Expendable Trust Funds:

Sanford Trust - This fund accounts for local revenues to support scholarships.

Kraley Art Trust - This fund accounts for local revenues to support scholarships and curriculum improvements.

### Agency Funds:

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
 FIDUCIARY FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 1999

	EXPENDABLE TRUST FUNDS	AGENCY FUNDS	TOTAL
<b>Assets</b>			
Equity in pooled cash	\$ 239	\$ 60,921	\$ 61,160
<b>Total assets</b>	<b>\$ 239</b>	<b>\$ 60,921</b>	<b>\$ 61,160</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts and contracts payable	\$ -	\$ 2,569	\$ 2,569
Due to students	-	52,352	52,352
Interfund payable	-	6,000	6,000
<b>Total liabilities</b>	<b>-</b>	<b>60,921</b>	<b>60,921</b>
<b>Fund balances</b>			
Unreserved	239	-	239
<b>Total fund balances</b>	<b>239</b>	<b>-</b>	<b>239</b>
<b>Total liabilities and fund balances</b>	<b>\$ 239</b>	<b>\$ 60,921</b>	<b>\$ 61,160</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
EXPENDABLE TRUST FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 1999

	SANFORD TRUST	KRALEY TRUST	TOTAL
<u>Assets</u>			
Equity in pooled cash	\$ 131	\$ 108	\$ 239
<b>Total assets</b>	<b>\$ 131</b>	<b>\$ 108</b>	<b>\$ 239</b>
<u>Fund balances</u>			
Fund balance Unreserved	\$ 131	\$ 108	\$ 239
<b>Total fund balances</b>	<b>\$ 131</b>	<b>\$ 108</b>	<b>\$ 239</b>



NORTH OLMSTED CITY SCHOOL DISTRICT  
 EXPENDABLE TRUST FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 1999

	SANFORD TRUST	KRALEY TRUST	TOTAL
Expenditures			
Current			
Supporting services			
Instructional staff	\$ 145	\$ -	\$ 145
Total expenditures	145	-	145
Excess (deficiency) of revenues over expenditures	(145)	-	(145)
Fund balances, beginning of year	276	108	384
Fund balances, end of year	\$ 131	\$ 108	\$ 239

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

SANFORD TRUST FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures			
Current			
Supporting services			
Instructional staff			
Materials and supplies	\$ 276	\$ 145	\$ 131
Total instructional staff	276	145	131
Total supporting services	276	145	131
Total expenditures	276	145	131
Excess (deficiency) of revenues over expenditures	(276)	(145)	131
Prior year encumbrances	-	-	-
Fund balances, beginning of year	276	276	-
Fund balances, end of year	\$ -	\$ 131	\$ 131

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

KRALEY TRUST FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -
Prior year encumbrances	-	-	-
Fund balances, beginning of year	108	108	-
Fund balances, end of year	\$ 108	\$ 108	\$ -

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
 FOR THE YEAR ENDED JUNE 30, 1999

COMBINED EXPENDABLE TRUST FUNDS			
	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures			
Current			
Supporting services			
Instructional staff			
Materials and supplies	\$ 276	\$ 145	\$ 131
Total instructional staff	276	145	131
Total supporting services	276	145	131
Total expenditures	276	145	131
Excess (deficiency) of revenues over expenditures	(276)	(145)	131
Prior year encumbrances	-	-	-
Fund balances, beginning of year	384	384	-
Fund balances, end of year	\$ 108	\$ 239	\$ 131

NORTH OLMSTED CITY SCHOOL DISTRICT  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 1999

STUDENT ACTIVITIES FUND

	BEGINNING BALANCE JUNE 30, 1998	ADDITIONS	DEDUCTIONS	ENDING BALANCE JUNE 30, 1999
<b>Assets</b>				
Equity in pooled cash	\$ 59,769	\$ 163,233	\$ 162,081	\$ 60,921
<b>Total assets</b>	<b>\$ 59,769</b>	<b>\$ 163,233</b>	<b>\$ 162,081</b>	<b>\$ 60,921</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 2,569	\$ -	\$ -	\$ 2,569
Due to students	51,300	163,133	162,081	52,352
Interfund payable	5,900	100	-	6,000
<b>Total liabilities</b>	<b>\$ 59,769</b>	<b>\$ 163,233</b>	<b>\$ 162,081</b>	<b>\$ 60,921</b>

GENERAL FIXED ASSETS

This group of accounts is used to account for all sites, buildings, equipment and vehicles not used in the operations of the Proprietary Funds.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF GENERAL FIXED ASSETS  
 BY FUNCTION AND TYPE  
 JUNE 30, 1999

FUNCTION	LAND AND IMPROVEMENTS	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	TOTAL
Instruction	\$ 941,819	\$ 12,676,381	\$ 3,871,304	\$ 81,375	\$ 17,570,879
Administration	12,652	602,235	864,043	-	1,478,930
Operation and maintenance of plant services	304,443	1,330,054	754,819	347,811	2,737,127
Pupil transportation services	15,000	1,011,846	110,217	1,762,244	2,899,307
Extracurricular activities	360,197	165,652	144,892	-	670,741
<b>Total general fixed assets</b>	<b>\$ 1,634,111</b>	<b>\$ 15,786,168</b>	<b>\$ 5,745,275</b>	<b>\$ 2,191,430</b>	<b>\$ 25,356,984</b>

SCHEDULE OF GENERAL FIXED ASSETS  
 BY FUNCTION  
 FOR THE YEAR ENDED JUNE 30, 1999

FUNCTION	BALANCE JUNE 30, 1998	INCREASES	DECREASES	BALANCE JUNE 30, 1999
Instruction	\$ 17,344,506	\$ 354,671	\$ 128,298	\$ 17,570,879
Administration	1,276,603	208,927	6,600	1,478,930
Operation and maintenance of plant services	2,361,132	470,883	94,888	2,737,127
Pupil transportation services	2,788,550	163,241	52,484	2,899,307
Extracurricular activities	668,775	3,016	1,050	670,741
<b>Total general fixed assets</b>	<b>\$ 24,439,566</b>	<b>\$ 1,200,738</b>	<b>\$ 283,320</b>	<b>\$ 25,356,984</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF GENERAL FIXED ASSETS  
 BY SOURCE  
 JUNE 30, 1999

General Fixed Assets

Land and improvements	\$ 1,634,111
Buildings	15,786,168
Furniture and equipment	5,745,275
Vehicles	2,191,430
	<u>\$ 25,356,984</u>

Investment in General Fixed Assets from:

	Land and Improvements	Buildings	Equipment and Vehicles Including Leases	Total by Fund Type or Other Source
General Fund	\$ -	\$ -	\$ 1,611,446	\$ 1,611,446
Special Revenue Funds	-	-	458,398	458,398
Capital Projects	-	2,837,878	1,705,789	4,543,667
Fiduciary Funds	-	-	1,696	1,696
Acquisitions prior to 1994	1,634,111	12,948,290	4,159,376	18,741,777
Total investment in general fixed assets	<u>\$ 1,634,111</u>	<u>\$ 15,786,168</u>	<u>\$ 7,936,705</u>	<u>\$ 25,356,984</u>



**North Okmsted City School District**  
 General Fund Revenues by Sources  
 and Other Financing Sources  
 Last Ten Fiscal Years

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Taxes	\$ 25,245,354	\$ 24,813,394	\$ 24,005,517	\$ 21,847,971	\$ 19,481,899	\$ 18,938,401	\$ 17,043,514	\$ 15,259,251	\$ 14,669,762	\$ 14,116,393
Intergovernmental	9,586,604	9,243,646	9,149,386	8,734,330	8,228,350	8,171,745	7,876,243	7,446,019	7,413,827	7,165,413
Tuition and Fees	496,914	682,765	199,349	161,871	189,373	274,062	126,230	140,956	131,908	149,127
Interest	723,425	613,270	403,054	265,550	172,521	109,274	59,924	88,209	109,664	152,960
Other	115,764	453,364	151,853	92,144	125,387	78,715	72,171	319,199	204,900	128,606
Other Financing Sources	76	454,668	215,183	133,753	4,666	404,971	42,645	202,981	168,777	174,249
<b>Total</b>	<b>\$ 36,168,137</b>	<b>\$ 36,261,107</b>	<b>\$ 34,124,342</b>	<b>\$ 31,235,619</b>	<b>\$ 28,202,196</b>	<b>\$ 27,977,168</b>	<b>\$ 25,220,727</b>	<b>\$ 23,456,614</b>	<b>\$ 22,698,838</b>	<b>\$ 21,886,748</b>

Source: School District Financial Records.

**North Olmsted City School District**  
 General Fund Expenditures by Function  
 and Other Financing Uses  
 Last Ten Fiscal Years

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Instruction	\$ 21,085,160	\$ 19,072,572	\$ 18,172,464	\$ 17,296,675	\$ 17,104,812	\$ 16,159,867	\$ 15,331,846	\$ 14,762,458	\$ 13,557,031	\$ 12,597,730
Pupil Support Services	1,861,866	1,836,245	1,957,389	1,838,305	1,710,618	1,458,172	1,477,534	1,371,168	1,247,970	1,108,855
Instructional Support	1,168,332	1,157,305	1,042,688	983,066	890,755	826,238	823,391	783,385	817,899	855,545
Administration	2,321,846	2,322,301	2,381,844	2,278,410	2,160,694	2,431,468	2,097,874	2,114,354	2,025,362	1,852,888
Business and Fiscal	982,947	898,038	818,814	783,055	758,296	521,902	428,838	432,637	518,852	481,812
Operation & Maintenance of Plant	2,891,050	2,970,069	2,898,677	2,969,427	2,618,140	2,783,129	2,778,028	2,946,440	2,639,399	2,958,835
Pupil Transportation	1,210,791	1,189,912	1,289,103	1,273,524	1,194,772	1,278,809	1,114,476	1,083,703	1,116,620	895,364
Community Services	661,963	803,487	949,443	638,399	504,268	976,057	584,995	399,497	712,832	682,738
Extra-Curricular Activities	724,963	706,111	662,175	551,319	577,092	498,482	462,202	448,225	427,617	452,510
Debt Service	125,740	457,652	190,629	230,672	224,944	84,938	100,838	21,466	18,330	-
Capital Outlay	78,826	90,928	73,571	76,816	131,439	76,140	37,116	196,848	149,725	536,401
Other Financing Uses	269,754	118,823	364,121	505,000	300,000	300,000	90,000	60,300	54,000	80,201
<b>Total</b>	<b>\$ 33,383,238</b>	<b>\$ 31,623,443</b>	<b>\$ 30,770,918</b>	<b>\$ 29,424,668</b>	<b>\$ 28,175,830</b>	<b>\$ 27,386,202</b>	<b>\$ 25,327,138</b>	<b>\$ 24,630,481</b>	<b>\$ 23,285,637</b>	<b>\$ 22,502,869</b>

Source: School District Financial Records.

**STATISTICAL  
SECTION**

**North Olmsted City School District**  
**Property Tax Levies and Collections(1)**  
**Last Ten Fiscal Years**

Collection Year(2)	Current Taxes Levy	Delinquent Taxes Levy	Total Taxes Levy	Current Taxes Collections	Percent of Current Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collection As a Percent of Current Levy
1998	\$ 24,876,522	\$ 1,522,238	\$ 26,398,760	\$ 24,244,799	97.5%	\$ 573,279	\$ 24,818,078	99.8%
1997	24,595,296	1,353,212	25,948,508	24,225,861	98.5%	423,118	24,648,979	100.2%
1996	24,173,715	852,034	25,025,749	23,960,322	99.1%	353,377	24,313,699	100.6%
1995	23,526,366	1,086,382	24,612,748	22,640,700	96.2%	712,670	23,353,370	99.3%
1994	21,140,434	1,459,923	22,600,357	20,641,456	97.6%	423,214	21,064,670	98.6%
1993	21,077,123	989,514	22,066,637	20,550,875	97.5%	418,281	20,968,956	99.5%
1992	17,318,079	1,023,405	18,341,484	16,851,595	97.3%	450,601	17,302,196	99.9%
1991	16,287,944	1,063,188	17,351,132	16,321,841	100.2%	224,424	16,546,265	101.6%
1990	16,187,746	662,130	16,849,876	15,808,858	97.7%	224,424	16,033,282	99.0%
1989	15,488,069	710,501	16,198,570	15,241,643	98.4%	224,424	15,466,067	99.9%

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

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

(2) Represents collection year. 1999 information cannot be presented because all collections have not been made by June 30.

**North Olmsted City School District**  
Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

Year	Real Property		Public Utility Property		Tangible Personal Property		Total		Assessed Value Ratio
	Assessed Value	Estimated Actual value (1)	Assessed Value	Estimated Actual value (2)	Assessed Value	Estimated Actual value (3)	Assessed Value	Estimated Actual value	
1999	\$ 659,211,490	\$ 1,883,461,400	\$ 24,629,710	\$ 27,988,307	\$ 46,864,374	\$ 187,457,496	\$ 730,705,574	\$ 2,098,907,203	34.8%
1998	649,920,820	1,856,916,629	23,804,710	27,050,807	45,200,585	180,802,340	718,926,115	2,064,769,776	34.8%
1997	591,673,740	1,690,496,400	24,522,540	27,866,523	42,771,806	171,087,224	658,968,086	1,889,450,147	34.9%
1996	573,675,650	1,639,073,286	25,111,460	28,535,750	39,343,895	157,375,580	638,131,005	1,824,984,616	35.0%
1995	568,907,430	1,625,449,800	27,468,570	31,214,284	35,731,767	142,927,068	632,107,767	1,799,591,152	35.1%
1994	498,206,300	1,423,446,571	25,778,330	29,293,557	32,182,540	128,730,160	556,167,170	1,581,470,288	35.2%
1993	492,283,360	1,406,523,896	25,781,180	29,286,795	31,098,210	124,392,840	549,162,750	1,560,213,521	35.2%
1992	486,488,680	1,389,967,657	24,315,810	27,631,602	31,474,758	121,056,762	542,279,248	1,538,656,021	35.2%
1991	382,419,850	1,121,199,571	22,010,930	25,012,420	29,307,397	108,545,915	443,738,177	1,254,757,906	35.4%
1990	381,349,320	1,089,569,486	21,003,090	21,003,090	29,258,288	104,493,896	431,610,698	1,215,066,462	35.5%

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

- (1) This amount is calculated based upon an assessed value of 35 percentage of actual value.
- (2) This amount is calculated based upon the current assessed value of 68 percentage of actual value. Prior to 1991, the assessed valuation was 100 percentage of actual value.
- (3) This amount is calculated based upon an assessed value of 25 percentage of actual value from 1994 to 1998. Assessed value percentage decreased 1% each year from 31 percent in 1988 to 26 percent in 1993.

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

Year	School District			County	Vocational School	City	Total
	General	Improvements	Total				
1999	67.20	1.90	69.10	16.70	2.40	12.70	100.90
1998	67.20	1.90	69.10	18.00	2.40	12.70	102.20
1997	67.20	1.90	69.10	18.00	2.40	12.70	102.20
1996	67.20	1.90	69.10	18.00	2.50	12.80	102.40
1995	61.30	1.90	63.20	18.20	2.50	12.60	96.50
1994	61.30	-0-	61.30	17.80	2.50	13.10	94.70
1993	61.30	-0-	61.30	17.80	2.50	13.20	94.80
1992	54.80	-0-	54.80	17.80	2.50	13.30	88.40
1991	54.80	-0-	54.80	17.80	2.50	13.20	88.30
1990	54.80	-0-	54.80	16.30	2.50	14.00	87.60

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

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

Year	Net General Obligation Bonded Debt (1)	Assessed Value For Operations (2)	Population (3)	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
1999	\$ -0-	\$ 730,705,574	34,204	0.000%	\$ -0-
1998	-0-	718,926,115	34,486	0.000%	-0-
1997	-0-	688,968,086	34,524	0.000%	-0-
1996	-0-	638,131,005	34,562	0.000%	-0-
1995	-0-	632,107,767	34,683	0.000%	-0-
1994	-0-	556,167,170	34,734	0.000%	-0-
1993	-0-	549,162,750	34,346	0.000%	-0-
1992	-0-	542,279,248	34,490	0.000%	-0-
1991	-0-	443,738,177	34,015	0.000%	-0-
1990	-0-	431,610,698	34,204	0.000%	-0-

Source:

- (1) School District Financial Records
- (2) Cuyahoga County Auditor
- (3) City of North Olmsted.

**North Olmsted City School District**  
 Computation of Legal Debt Margin  
 As of June 30, 1999

Assessed Valuation	\$ <u>730,706,574</u>
Debt Limit - 9% of Assessed Value (1)	\$ <u>65,763,502</u>
Amount of Debt Applicable to Debt Limit:	
General Obligation Notes	547,322
Revenue Anticipation Notes	-0-
Less: Amount Available in Debt Service Fund	-0-
Total	<u>547,322</u>
Overall Debt Margin	\$ <u>65,216,180</u>
Debt Limit - .10% of Assessed Value (1)	\$ 730,706
Amount of Debt Applicable	-0-
Unvoted Debt Margin	\$ <u>730,706</u>

Source: Cuyahoga County Auditor and School District Financial Records.

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



**North Olmsted City School District**  
**Computation of Direct and Overlapping General Obligation Debt**  
**June 30, 1999**

Jurisdiction	Debt Outstanding	Percentage Applicable to School District	Amount (1) Applicable to School District
North Olmsted City School District	\$ 547,322	100.00%	\$ 547,322
Cuyahoga County	154,064,636	2.88%	4,437,062
Regional Transit Authority	102,945,000	2.88%	2,964,816
Polaris Joint Vocational School	-0-	-0-	-0-
North Olmsted City	58,082,000	100.00%	58,082,000
<b>Total</b>	<b>\$ 315,638,958</b>		<b>\$ 66,031,200</b>

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis (including School District) because that is the manner in which the information is maintained by the County Auditor.

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.

**North Olmsted City School District**  
**Ratio of Annual Debt Service Expenditures for**  
**General Obligation Bonded Debt to General Fund Expenditures**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Fund Expenditures (1)</u>	<u>Percent of Debt Service to General Fund Expenditures</u>
1999	\$ -0-	\$ -0-	\$ -0-	\$ 33,383,238	-0-
1998	-0-	-0-	-0-	31,623,443	-0-
1997	-0-	-0-	-0-	30,770,918	-0-
1996	-0-	-0-	-0-	29,424,668	-0-
1995	-0-	-0-	-0-	28,175,830	-0-
1994	-0-	-0-	-0-	27,096,202	-0-
1993	-0-	-0-	-0-	25,237,138	-0-
1992	-0-	-0-	-0-	24,630,481	-0-
1991	-0-	-0-	-0-	23,285,637	-0-
1990	35,000	613	35,613	22,502,869	0.16%

Source: School District Financial Records

(1) Includes other financing uses.

**North Olmsted City School District**  
Demographic Statistics  
Last Ten Years

Year	Cuyahoga County Population (1)	North Olmsted City Population (2)	School Enrollment (3)	Cuyahoga County Unemployment Rate (1)
1999	1,412,140	34,204	4,983	4.3%
1998	1,380,696	34,486	4,985	4.1%
1997	1,389,559	34,524	4,951	5.0%
1996	1,398,169	34,562	5,056	4.7%
1995	1,398,169	34,683	5,021	5.8%
1994	1,414,141	34,734	5,020	6.8%
1993	1,414,141	34,346	5,038	7.6%
1992	1,411,209	34,490	5,061	7.3%
1991	1,404,286	34,015	5,004	5.2%
1990	1,404,286	34,204	4,903	5.8%

Source:

- (1) The Cleveland Public Library - Document Section.
- (2) The City of North Olmsted.
- (3) The School District's Financial Records.

**North Olmsted City School District**  
 Property Value,  
 Financial Institution Deposits and Building Permits  
 Last Ten Fiscal Years

Year	Real Estate Property Value (1)	Bank Deposits Cuyahoga County (000's)	Value of Residential Building Permits Issued	Value of Commercial Building Permits Issued
1998	\$ 649,920,820	\$ 58,904,596	\$ 18,811,709	\$ 31,876,717
1997	591,673,740	53,941,971 (2)	14,482,863	21,582,756
1996	573,675,650	24,628,923	11,680,825	10,380,000
1995	568,907,430	22,458,573	9,545,000	10,800,000
1994	498,206,300	20,885,453	6,747,000	26,000,000
1993	492,283,360	21,009,421	7,700,000	13,000,000
1992	486,488,680	19,379,280	13,486,670	18,914,600
1991	392,419,850	18,392,243	7,542,398	11,594,236
1990	381,349,320	19,188,641	8,029,910	10,193,275
1989	370,888,610	18,850,223	10,052,272	8,168,561

Source: North Olmsted City Building Department Reports and the Federal Reserve Bank of Cleveland - Data is presented on a calendar year basis because that is the manner in which the information is maintained.

- (1) Represents assessed value as reported by the Cuyahoga County Auditor.
- (2) Large increase in deposits due to Key Bank becoming single charter in 1997.

**North Olmsted City School District**  
Principal Taxpayers  
Tangible Personal Property Tax  
December 31, 1988

Name of Taxpayer	Assessed Value (1)	Percent of Total
Kaufmann's Department Store	\$ 2,687,930	5.74%
Sears Roebuck & Company	1,811,910	3.87%
GSS, Inc.	1,713,130	3.66%
J C Penney Company	1,626,080	3.47%
Wal Market Stores, Inc.	1,514,990	3.23%
Money Access Service Corporation	1,473,960	3.15%
Riser Foods Company	1,269,810	2.71%
Sunrisky Cars, Inc.	1,263,110	2.70%
Ameritech New Media, Inc.	1,237,400	2.64%
Great Northern Dodge, Inc.	1,137,432	2.43%
Ganley Pontiac & Imports, Inc.	1,097,650	2.34%
CompUSA, Inc.	973,120	2.08%
Motorcars USA, Inc.	941,020	2.01%
Best Buy Company	854,020	1.82%
Hills Department Stores	722,740	1.54%
Adon Equipment Company	709,000	1.51%
Sportmarket, Inc.	622,600	1.33%
Halleen Chevrolet & Oldsmobile	595,240	1.27%
K Mart Corporation	532,090	1.14%
Sun Television & Appliances of Ohio	524,770	1.12%
North Olmsted Nissan, Inc.	501,230	1.07%
Marc Glassman, Inc.	500,150	1.07%
Cablevision of the Midwest, Inc.	489,020	1.06%
Toys R Us of Ohio	469,520	1.00%
<b>Total</b>	<b>\$ 25,278,022</b>	<b>53.96%</b>

Total Value in the School District **\$ 46,864,374**

Source: Cuyahoga County Auditor

(1) Assessed values are for the 1988 collection year.

North Okmsted City School District  
Principal Taxpayers  
Real Estate Tax  
December 31, 1998

Name of Tax Payer	Assessed Value (1)	Percent of Total
Great Northern Partnership	\$ 16,641,700	2.56%
DDRC Great Northern LTD	12,770,840	1.96%
Great Northern Property Company	5,833,210	0.90%
Great Northern Limited Partnership	5,336,000	0.82%
Water Towers Apartments, LTD	4,431,670	0.68%
Tech park Associates, LTD	4,259,360	0.66%
Mays Department Stores	4,241,200	0.65%
Sears Roebuck & Company	3,898,370	0.60%
Wal Mart	3,850,000	0.59%
B&G Properties LTD	3,747,980	0.58%
Country Club Hotel Association	3,339,000	0.51%
Great Northern Partnership & Pennstead	3,294,410	0.51%
The Westbury Tower Corporation	2,890,340	0.44%
J G North Okmsted Hotel Limited	2,773,890	0.43%
Bridlewood Apartments	2,466,700	0.38%
Victoria Plaza LTD	2,441,950	0.38%
Manor Care of North Okmsted	2,186,420	0.34%
Anthony M. Pilla	2,011,420	0.31%
Patriot American Hospitality Inn	1,979,780	0.30%
GC Acquisition Corporation	1,897,280	0.29%
Brookdor LLC	1,890,660	0.29%
Atlantic Homestead Village LTD	1,675,420	0.26%
Columbia Villa Apartments	1,412,180	0.22%
North Okmsted Associates, LTD	1,408,890	0.22%
<b>Total</b>	<b>\$ 96,668,670</b>	<b>14.88%</b>
<b>Total Value in the School District</b>	<b>\$ 649,920,820</b>	

Source: Cuyahoga County Auditor

(1) Assessed values are for the 1998 collection year.

**North Olmsted City School District**  
Principal Taxpayers  
Public Utilities Tax  
December 31, 1998

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<u>Name of Tax Payer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total</u>
Cleveland Illuminating Company	\$ 12,550,440	50.96%
Ohio Bell Telephone Company	7,661,560	31.11%
East Ohio Gas Company	2,565,820	10.42%
AT&T Wireless PCS	924,020	3.75%
New Par	477,230	1.94%
GTE Mobilnet	315,410	1.28%
<b>Total</b>	<b>\$ 24,494,480</b>	<b>99.5%</b>

**Total Value in the School District \$ 24,629,710**

Source: Cuyahoga County Auditor

(1) Assessed values are for the 1998 collection year.

**North Olmsted City School District**  
Per Pupil Cost  
Last Ten Fiscal Years

Year	General Fund Expenditures	Average Daily Student Enrollment	Cost Per Pupil
1999	\$ 33,383,238	4,983	\$ 6,699
1998	31,623,443	4,985	6,344
1997	30,770,918	4,951	6,215
1996	29,424,688	5,056	5,820
1995	28,175,830	5,021	5,612
1994	26,231,436	5,020	5,225
1993	24,958,901	5,038	4,954
1992	24,630,481	5,061	4,867
1991	23,285,637	5,004	4,653
1990	22,502,869	4,903	4,590

Source: School District Financial Records.



**North Olmsted City School District**  
**Teacher Education and Experience**  
 June 30, 1999

Degree	Number of Teachers	Percent of Total
Bachelor's	50	14.8%
Bachelor's + 15 credit hours	27	8.0%
Bachelor's + 30 credit hours	48	14.2%
Master's	81	23.9%
Master's + 15 credit hours	32	9.5%
Master's + 30 credit hours	9	2.7%
Master's + 45 credit hours	15	4.4%
Master's + 60 credit hours	75	22.2%
Ph. D.	1	0.3%
<b>Total</b>	<u>338</u>	<u>100.0%</u>

Years of Experience	Number of Teachers	Percent of Total
0 - 5	101	28.9%
6-10	52	15.4%
11 and Over	185	54.7%
<b>Total</b>	<u>338</u>	<u>100.0%</u>

Source: School District Personnel Records.



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**NORTH OLMSTED 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.

By: *Susan Babbitt*

Date: **JAN 11 2000**