

**ORANGE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2001



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

ORANGE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

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**ORANGE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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

| Federal Grantor/ Pass Through Grantor Program Title | Pass Through Entity Number | Federal CFDA Number | Receipts | Non-Cash Receipts | Disbursements | Non-Cash Disbursements |
|---|----------------------------------|---------------------------|------------------|----------------------|------------------|---------------------------|
| <u>U.S. DEPARTMENT OF AGRICULTURE</u> | | | | | | |
| <i>Passed Through Ohio Department of Education:</i> | | | | | | |
| Nutrition Cluster: | | | | | | |
| Food Distribution Program | N/A | 10.550 | \$0 | \$21,724 | \$0 | \$21,718 |
| National School Lunch Program | N/A | 10.555 | 29,952 | 0 | 29,952 | 0 |
| Total U.S. Department of Agriculture - Nutrition Cluster | | | 29,952 | 21,724 | 29,952 | 21,718 |
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | | | |
| <i>Passed Through Ohio Department of Education:</i> | | | | | | |
| Special Education Cluster: | | | | | | |
| Special Education Grants to States | 046581-6B-SF-00P | 84.027 | 9,935 | 0 | 26,701 | 0 |
| | 046581-6B-SF-01P | | 110,682 | 0 | 79,725 | 0 |
| Subtotal Special Education Grants to States | | | 120,617 | 0 | 106,426 | |
| Special Education - Preschool Grant | 046581-PG-S1-00P | 84.173 | (312) | 0 | 6,236 | 0 |
| | 046581-PG-S1-01P | | 15,271 | 0 | 11,744 | 0 |
| Subtotal Special Education - Preschool Grant | | | 14,959 | 0 | 17,980 | 0 |
| Total Special Education Cluster | | | 135,576 | 0 | 124,406 | 0 |
| Title I - Grants to Local Educational Agencies | 046581-C1-S1-00 | 84.010 | 0 | 0 | 11,478 | 0 |
| | 046581-C1-S1-01 | | 99,854 | 0 | 89,421 | 0 |
| Total Title I - Grants to Local Educational Agencies | | | 99,854 | 0 | 100,899 | 0 |
| Safe and Drug-Free Schools Grant | 046581-DR-S1-99C | 84.186 | (175) | 0 | 0 | 0 |
| | 046581-DR-S1-00 | | 1,374 | 0 | 3,479 | 0 |
| | 046581-DR-S1-01 | | 7,106 | 0 | 2,999 | 0 |
| Total Safe and Drug-Free Schools Grant | | | 8,305 | 0 | 6,478 | 0 |
| Eisenhower Professional Development Grant | 046581-MS-S1-99C | 84.281 | (4,518) | 0 | 1,290 | 0 |
| | 046581-MS-S1-00 | | 2,458 | 0 | 134 | 0 |
| | 046581-MS-S1-01 | | 8,578 | 0 | 0 | 0 |
| Total Eisenhower Professional Development Grant | | | 6,518 | 0 | 1,424 | 0 |
| Innovative Education Program Strategies Grant | 046581-C2-S1-99 | 84.298 | (8,721) | 0 | 0 | 0 |
| | 046581-C2-S1-00 | | 6,844 | 0 | 3,604 | 0 |
| | 046581-C2-S1-01 | | 6,785 | 0 | 2,224 | 0 |
| Total Innovative Education Program Strategies Grant | | | 4,908 | 0 | 5,828 | 0 |
| Class Size Reduction Grant | 046581-CR-S1-00 | 84.340 | 1,813 | 0 | 4,069 | 0 |
| | 046581-CR-S1-01 | | 27,600 | 0 | 22,247 | 0 |
| Total Class Size Reduction Grant | | | 29,413 | 0 | 26,316 | 0 |
| Total Department of Education | | | 284,574 | 0 | 265,351 | 0 |
| Totals | | | \$314,526 | \$21,724 | \$295,303 | \$21,718 |

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

**ORANGE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
FISCAL YEAR ENDED JUNE 30, 2001**

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A--SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B--FOOD DISTRIBUTION

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



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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**

Board of Education
Orange City School District
Cuyahoga County
32000 Chagrin Boulevard
Pepper Pike, Ohio 44124

We have audited the financial statements of the Orange City School District, Cuyahoga County, Ohio, (the District), as of and for the year ended June 30, 2001, and have issued our report thereon dated October 31, 2001 wherein we noted the District restated the General Fund balance. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

However, we noted a certain immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated October 31, 2001.

Internal Control Over Financial Reporting

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

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated October 31, 2001.

Orange City School District
Cuyahoga County
Report on Compliance and on Internal Control Required
by *Government Auditing Standards*
Page 2

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

Jim Petro
Auditor of State

October 31, 2001



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

Board of Education
Orange City School District
Cuyahoga County
32000 Chagrin Boulevard
Pepper Pike, Ohio 44124

Compliance

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

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

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

Internal Control Over Compliance

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

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

We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of Orange City School District in a separate letter dated October 31, 2001.

Schedule of Federal Awards Expenditures

We have audited the general-purpose financial statements of Orange City School District, Cuyahoga County, Ohio, (the District), as of and for the year ended June 30, 2001, and have issued our report thereon dated October 31, 2001, in which we noted that the District restated the General Fund balance. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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

Jim Petro
Auditor of State

October 31, 2001

**ORANGE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
JUNE 30, 2001**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|--|
| (d)(1)(i) | Type of Financial Statement Opinion | Unqualified |
| (d)(1)(ii) | Were there any material control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material non-compliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material internal control weakness conditions reported for major federal programs? | No |
| (d)(1)(iv) | Were there any other reportable internal control weakness conditions reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unqualified |
| (d)(1)(vi) | Are there any reportable findings under § .510? | No |
| (d)(1)(vii) | Major Programs (list): | Special Education Cluster 84.027/84.173 Title I - Grants to Local Educational Agencies/ 84.010 |
| (d)(1)(viii) | Dollar Threshold: Type AIB Programs | Type A: > \$ 300,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee? | No |

**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

ORANGE CITY SCHOOL DISTRICT
PEPPER PIKE, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

Issued By:
Treasurer's Office

L. Greg Slemons
Treasurer/Director of Budget Services

Orange City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2001
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Comprehensive Annual Financial Report
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October 31, 2001

Board of Education Members and Residents of the Orange City School District:

We are pleased to submit to you the Orange City School District's Comprehensive Annual Financial Report (CAFR). This report provides full disclosure of the financial operation of the School District for the fiscal year ended June 30, 2001. This CAFR includes an opinion from the Auditor of the State of Ohio and conforms to generally accepted accounting principles as applicable to governmental entities.

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the 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 Orange City School District with comprehensive financial data in a format that will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the local villages and cities comprising the School District, the Cuyahoga County Public Library, major taxpayers, financial rating services, 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, GFOA Certificate of Achievement and ASBO Certificate of Excellence.
2. The Financial Section, which begins with the Report of Independent Accountants and includes the General Purpose Financial Statements and Notes which 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, which presents social and economic data, financial trends and the fiscal capacity of the Orange City School District.

The School District

History

More than a hundred years ago, a one-room school was built on land donated by the mother of President James A. Garfield. This school and seven other one-room schools located throughout the area were consolidated into the Orange School District.

Two stories of the central part of the original school building were completed in 1924, the year which Dr. Terry Wickham, former president of Heidelberg College, became superintendent.

The first senior class graduated in 1927 with 11 members. At that time, all grades were located in one building at the site of the current Orange High School.

Since 1939, Orange has been a member of the North Central Association of Colleges and Secondary Schools. It has continuously held a high rating among schools certified by the State Board of Education.

In the fall of 1954, Pepper Pike Elementary School was completed as the first separate elementary building in the Orange School District. In 1994, the Pepper Pike Elementary School was inducted into the Blue Ribbon Hall of Fame as a Hall of Fame School by the Ohio Association of Elementary School Administrators. In 1958, Moreland Hills Elementary School opened with all elementary grades housed for the first time in buildings apart from the high school.

Enrollment from kindergarten through grade 12 increased from 500 students in 1939 to 1,750 in the spring of 1958. Eighty-two students were graduated in 1958.

The School District then experienced a period of successful expansion as a result of the support of the citizens of the community and long-range planning by the Board of Education, administration and faculty.

Brady Middle School opened in 1965. It was named for Dr. Ballard Brady, superintendent from 1951 to 1967. Brady Middle School educated children in grades 5, 6, and 7 during the 2000/2001 school year. For the 2001/2002 school year, the school has been reconfigured to educate children in grades 6 - 8. Grade 5 children will attend the new Moreland Hills Elementary School in the 2001/2002 school year.

Orange High School was remodeled and expanded many times with the last two renovations taking place in 1973 and 2001. In the 1990-91 school year, Orange High School was recognized as a Blue Ribbon School of Excellence by the United States Department of Education. Throughout the Orange City School Districts' history, a heavy emphasis has been placed on the development of the whole person with the academic mission at the forefront of the school's attention.

Present

The Orange School campus is located on 176 beautifully wooded acres in the Chagrin Valley, approximately 15 miles east of Cleveland. The campus setting offers students the advantage of moving between buildings for academic offerings, performances, and sports programs, as well as the opportunity to study the environment in a natural setting. The School District encompasses five separate municipalities: Pepper Pike, Hunting Valley, Moreland Hills, Orange Village, and Woodmere Village as well as portions of Solon, Bedford Heights, and Warrensville Heights.

The School District's 2,321 students are bused daily to the campus consisting of four main school buildings and an administration building; Moreland Hills Elementary School (K-2 for 2000/2001 reconfigured to K-5 for 2001/2002), Pepper Pike Elementary School (3-4 for 2000/2001, no longer used for K-12 education in 2001/2002), Brady Middle School (5-7 in 2000/2001 reconfigured to 6-8 in 2001/2002), and Orange High School (8-12 in 2000/2001 reconfigured to 9-12 in 2001/2002). The Orange School District also manages the Community Education and Recreation Department, which includes preschool services, a senior adult

center, enrichment programs for students and adults plus a wide variety of sports and summer activities. The recreation department utilizes all School District facilities in concert with the school system. The Orange City School District includes 77 students who attend the Gund School which adjoins the School District's campus and serves as a residential facility for students with special needs.

The population within the School District is multi-racial and multi-cultural, with many students from other countries. Minority groups comprise approximately 20 percent of the student population in the School District. Orange parents are generally college-educated and involved in professional careers. The population has a very high regard for education and expects an educational program which produces educated, mature, competent, and skilled high school graduates who are able to attend the college of their first or second choice. More than 95 percent of Orange graduates pursue higher education. Over the past 20 years, residents have passed all school operating levies placed on the ballot for their approval. The last general operating levy, which was on the ballot in November 2000, was approved by 59 percent of the voters. A 36.5 million-dollar bond issue was approved in November 1998 by 68 percent of the voters. The Orange School District is fortunate to have residents who believe in, and are willing to support with tax dollars, a high quality of education for all children.

Organizational Structure

The Orange City Schools Board of Education approved the Superintendent's recommendation for a central office re-organization plan in January 1998. The plan re-structured central office administrative roles and support for the Superintendent of Schools. New job titles and job descriptions for central office administrators were established at that time.

The Superintendent serves as the Chief Administrative Officer of the School District, responsible for providing educational and administrative management leadership for the total operation of the School District.

The Treasurer/Director of Budget Services is the Chief Financial Officer of the School District and is responsible for maintaining records of all financial matters, issuing warrants and paying liabilities incurred by the School District. The Treasurer also serves as custodian of all School District funds with the responsibility for the investment of funds as specified by law. The Treasurer of the Orange School District reports directly to the five member Board of Education which serves as the taxing authority, the contracting body, and the policy developers for the School District. The Board adopts the annual operating budget and approves all expenditures of the School District's monies.

The remaining administrative team recommended by the Superintendent and appointed by the School Board include the following: Director of Human Resources/Student Services, Director of Educational Programs and Instructional Services, Coordinator of Special Education, Coordinator of Communications, Director of Recreation, Coordinator of Computer Services, Assistant Treasurer, Supervisor of Transportation Services, Supervisor of Food Services, Director of Operations and Business Services, and Campus Supervisor.

The School District has been implementing various aspects of Site Based Management with the building principals for the reason of providing site leadership while the central office directors strive to provide the highest quality services in order to fulfill the educational needs of the schools. Each director has a new and revised job description that includes an additional service aspect involving instruction, students, business, and budgeting.

The Reporting Entity

The 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 Orange City School District (the primary government) and its potential component units.

The Lakeshore Northeast Ohio Computer Association and Ohio Schools Council are jointly governed organizations whose relationships to the School District are described in Note 10 to the general-purpose financial statements. The Ohio School Boards Association Workers' Compensation Group Rating Plan is an insurance purchasing pool whose relationship is described in Note 11 to the general purpose financial statements.

Major Initiatives

Focus on Excellence

The Orange Schools will foster an academically excellent educational system to develop critical-thinking and civic-minded students who will contribute to our global society. This system will encourage the support and participation of the community it serves. The mission is based on the following basic beliefs and principles:

- Public education is a key element of a democratic society.
- All students have the ability and the right to grow intellectually. Thus, Orange Schools has a responsibility to provide programs and an environment to stimulate that growth.
- While the primary focus of the Orange Schools is K-12 education, community participation and involvement is encouraged. This involvement enhances K-12 education, provides better use of facilities and fosters continued learning for all residents.
- High expectations promote high performance. All students and staff are expected to work to their highest potential.
- Given the current state of public education funding, financial support from the entire community, both business and personal, is vital to a successful program.
- The Orange Schools will maintain excellence through a continuous improvement process.

The educational plan for the School District consists of the following:

1. Educational Programs. In order to develop students who will think critically to solve problems, acquire and apply knowledge, communicate effectively, utilize new technologies and are civic-minded, the Orange School District will:
 - Focus all energies on the core business of schools which is to design engaging work for students.
 - Encourage and design professional development for both certified and non certified staff which focuses on designing engaging and satisfying work for students.

- Create an environment which supports the work of the District in designing work for students that engages them in learning that which we know they need to learn in order to be well educated.
 - Design the schedule in each building to maximize available instructional time and to enhance student achievement.
 - Incorporate at each grade level curricular experiences which involve students and teachers in using instructional technology.
 - Maintain, improve and create programs which involve students from all grade levels in citizenship and school/community service programs.
 - Encourage student selection of electives, co-curricular and extra-curricular offerings which will contribute to the development of a well-qualified and well-rounded graduate.
 - Encourage involvement of all parties when implementing change or enacting new policies, programs and procedures.
 - Value the contributions of all employees while establishing an atmosphere which enhances continuous improvement of both the individual and the system.
 - Establish a complementary and/or extended curriculum through courses offered by the Orange Community Education and Recreation Department.
 - Analyze, plan, implement and evaluate strategies which demonstrate a commitment to excellence as measured by student test scores, college admissions, artistic and athletic accomplishments and other indicators of success.
 - Encourage all parents to participate in the continuous improvement process.
 - Plan and articulate a curriculum which is consistent and sequential.
 - Improve the current parent/teacher communication process regarding student welfare.
2. Fiscal Management. To enhance the efficiency of the business/finance operations, the School District will:
- Improve communications and efficiencies regarding financial operations through detailed spending and revenue plans, financial forecasts, useful and timely financial reporting in accordance with recognized standards and the use of available technology.
 - Pursue appropriate non-traditional school funding sources.
 - Provide a clear accounting of the revenues and expenditures from school operation and recreation levies.
 - Revise and implement an on-going marketing plan for the passage of school tax issues.

- Complete the appropriation process in a manner which allows the Board of Education to act prior to October 1 of each year.
3. Community Relations. To improve interaction with the community, the School District will:
- Periodically survey residents to determine where further communication is necessary and evaluate the extent of satisfaction or dissatisfaction with the School District.
 - Keep the community well-informed by frequently and routinely providing news about the District's programs, achievements and facilities. This is accomplished through various communication tools, such as school publications, public meetings, electronic correspondences and letters to the community.
 - Identify and communicate with Orange Alumni.
4. Business Services. To maintain and improve buildings and facilities, transportation and food service, the School District will:
- Work with the staff to analyze cost effectiveness of present programs and offer recommendations.
 - Involve support staff in continuous improvement opportunities.
 - Work with representative groups to formulate a plan and recommend solutions to issues of space, programming, and maintenance.
5. Board of Education Operations. To foster greater effectiveness in Board/Administrative operations, the Orange Board of Education will:
- Maintain a long-range strategic plan including financial, programmatic, personnel and facility components.
 - Develop an appropriate plan to increase the Board of Education's visibility and knowledge.
 - Explain with more regularity and intensity the realities of Ohio school finance in general and the finances of the Orange Schools in particular.
 - Re-design the system by which the Board of Education sets agendas, tracks issues and completes its annual evaluation.
 - Increase public attendance at Board of Education meetings.

Major Initiatives for School Year 2000 - 2001

The Orange Board of Education and the Orange Schools administration continue to work to improve quality education for all children and to provide prudent financial management to adequately fund this quality education.

During the 2000-2001 school year, the Orange Schools embarked on the final phase of the Orange School Master Plan as a result of the successful passage of the 36.5 million dollar bond issue in November of 1998.

A new 25,000 square foot multi-purpose addition to Orange High School was completed during fiscal year 2001. This addition was one portion of the complete renovation of the entire Orange School District's campus. This addition will be used to house various school and community events.

As of June 30, 2001, construction on a new elementary school to house K-5 students of the Orange City Schools was near completion. The site of the new school, which will be named Moreland Hills School, is located on a portion of the 176 acre school campus area behind Brady Middle School. This new elementary school was planned to hold 900 elementary students and was ready for student use starting in August of 2001 for the 2001 - 2002 school year. DeJong & Associates, Educational Planners of Dublin, Ohio developed educational specifications for the design and construction of this new elementary school.

Renovations to Brady Middle School, Orange High School, Pepper Pike School (to be renamed the Pepper Pike Learning Center), and the old Moreland Hills School (to be used as the School District's maintenance and storage facility) and improvements for the entire campus, roadways and utilities are in various stages of construction. All of the projects associated with the 36.5 million dollar bond issue approved in November 1998 are expected to be completed by January 2002.

During fiscal year 2001, the Orange Board of Education was able, through the collective bargaining process, to enter into multi-year agreements with the Orange Teachers Association (OTA), the Ohio Association of Public School Employees (OAPSE) and the Clerical and Educational Support Services Association (CESSA). These agreements were settled within the financial restraints as forecasted within the School District's five year forecast as required by Ohio law.

Future Projects

The Board of Education engaged and retained the firm of the Albert M. Higley Company to assist the School District in preparing a complete facilities analysis in order to anticipate future physical plant replacement and maintenance needs. This plan will be the starting point for the School District's ongoing assessment of plant and operational needs in order to provide the Orange Schools' students with the best possible environment in which to learn.

The School District also began a district-wide improvement process by becoming a participant in the Center for Leadership and School Reform (CLSR). The Board of Education and School District Administration believe that this process will enable the School District to evolve into a continuous-improvement organization which will greatly enhance the students' learning process. This process will take about three years to complete and will require the cooperation of all employees, including administrators, building principals, teachers and support staff.

Student Accomplishments and Achievements

Orange students continued to thrive, grow and achieve within the School District's curriculum. Some examples of their successes were:

- 1) A graduation rate of 99 percent with 95 percent of graduates continuing their education at an institution of higher learning.
- 2) 302 advanced placement exams taken with 92 percent of all scores being a 3 or better, placing Orange students in the top 1 percent of all test takers in the Country.
- 3) 45 students at Orange High School have been named Advanced Placement Scholars by the College Board in recognition of their exceptional achievements on advanced placement examinations. This number represents 30 percent of students taking advanced placement exams.

- 4) Orange High School was recognized by Newsweek for ranking 53rd in the nations' top 100 high schools for advanced placement testing. Orange was one of only four schools recognized in the State of Ohio.
- 5) 17 national merit scholarship winners, six semi-finalist, nine commended students and two National Hispanic Scholars, representing 9 percent of the graduating class.
- 6) Orange High School students who took the SAT exam in the 1999 - 2000 school year scored an average of 12% above the national average for both the verbal and math portions of the exam.

The School District takes great pride in all of its students' achievements and recognizes the need to both maintain and enhance its curriculum to ensure our students' future academic and intellectual growth.

Economic Outlook

The boundaries of the School District include residential parcels with a small portion of industrial/commercial property near interstate highway systems. Transportation access provides an excellent backdrop for commercial-industrial development. Interstate 271, our western boundary, and access to Interstate 480 less than five minutes away and the Cleveland-Hopkins International Airport about thirty minutes travel time to the west makes the School District a great location for all types of professionals. In addition, Interstate 480 permits easy connection with Interstates 71 and 77, leading south to Columbus and north to Cleveland. The Orange City School District is an ideal suburban location to major hospitals and businesses in the Cleveland area.

Seventy nine percent of the School District's valuation is comprised of residential property which proves the School District is an ideal suburban setting. The property valuation has almost doubled since fiscal year 1988. The homes in the School District continue to increase in market value. During the same period of time, the industrial base has increased approximately fifty percent.

Property taxes make up approximately 76 percent of the School District's total governmental revenue. Therefore, the School District relies heavily upon the continued support of its residents through the passage of tax levies.

The School Districts' enrollment has increased along with the growth of the five municipalities. The 2000/2001 enrollment of 2,321 compared with the 1985/1986 enrollment of 1,886 reflects an increase of 435 students, or 23%, over the fifteen year period. Enrollment is projected to remain relatively flat over the next five years.

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. As a result, districts throughout Ohio must place funding issues on the ballot to receive significant revenue growth. Ohio House Bill 94 is the most recent attempt by the Ohio State Legislature to address fundamental funding changes required by the Derolph II decision handed down by the Ohio Supreme Court in 1999. In September of 2001, the Ohio Supreme Court ruled that the systemic changes provided for in House Bill 94, with some modifications mandated by the court, would render the system of funding schools in Ohio constitutional. At this time, it is expected that the new school funding system will have little to moderate impact on the School District's revenue sources provided by the state. As of the date of this letter, both the plaintiffs and the State defendants have filed a motion to reconsider with the Ohio Supreme Court regarding the Derolph III decision. It is unclear what effect these motions will have on the court's decision and the future of public school funding in the State of Ohio.

The School District passed a 9.5 mill general operating levy and a .95 mill recreation levy in November 2000. These levies generate approximately \$7.2 million annually for the general fund and \$724,000 for the recreation program. These levies are projected to provide the funds needed to maintain current program levels through fiscal year 2004. The issues passed with a 59 percent vote of confidence. A \$36.5 million-dollar bond issue was also passed with a 68 percent vote of confidence back in November 1998. Based on the School District's current five-year forecast as filed in accordance with Ohio law, it is expected that another general operating levy will be needed by 2005.

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 are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are incurred. 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 payroll. These systems, coupled with the manual review of each invoice 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 is first adopted, a 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 three months after the start 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. Budgets are controlled by the Board of Education at the fund level. Within the School District's accounting system, a more stringent management budget is controlled at the object level within a function and fund. All purchase order requests must be approved by the Building Principal 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 appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible.

As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

The basis of accounting and the various funds and account groups utilized by the School District are fully described in Note 2 of the financial statements.

In August of 2000, the School District hired a full time Grants/Tuition Coordinator who reports directly to the Treasurer/Director of Budget Services. This position will enhance the School District's internal control over the accounting and compliance requirements that are involved with the School District's various state and federal grants as well as out-of-district tuition billing. In September of 2000, the School District hired a new Assistant Treasurer who is a Certified Public Accountant (CPA) and has an extensive background in internal controls and school compliance requirements through previous work experience as an auditor of local governments for the State of Ohio. In May of 2001, the School District hired Mr. L. Greg Slemmons as Treasurer/Director of Budget Services. Mr. Slemmons is a Certified Public Accountant (CPA) and possesses a master's degree in school administration. Mr. Slemmons comes to the School District with 15 years of prior experience as a public school treasurer in Ohio having previously been employed as Treasurer for the Hubbard Board of Education and, most recently, as Treasurer for the Warren Board of Education.

For the fiscal year beginning after June 15, 2002, the School District will be required to implement the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. This pronouncement will significantly change the way state and local governments report their financial information. The financial management of the School District is aware of the requirements of this statement and has begun to review the details of this statement to determine the possible effects on the School District's financial reporting process. Management of the School District will consider early implementation of this statement for the fiscal year ending June 30, 2002, if feasible.

General Governmental Functions

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

| | 2000 Amount | 2001 Amount | Percent of Total | Change | Percent Change |
|----------------------------|---------------------|---------------------|------------------------|--------------------|-------------------|
| Revenues: | | | | | |
| Taxes | \$24,309,358 | \$28,201,938 | 75.56% | \$3,892,580 | 16.01% |
| Intergovernmental | 4,940,474 | 5,633,637 | 15.09 | 693,163 | 14.03 |
| Interest | 2,706,402 | 1,928,964 | 5.17 | (777,438) | (28.73) |
| Tuition and Fees | 919,285 | 1,224,851 | 3.28 | 305,566 | 33.24 |
| Extracurricular Activities | 363,850 | 162,405 | 0.44 | (201,445) | (55.36) |
| Contributions and | | | | | |
| Donations | 338,199 | 21,064 | 0.06 | (317,135) | (93.77) |
| Charges for Services | 26,851 | 35,431 | 0.09 | 8,580 | 31.95 |
| Rentals | 25,311 | 24,983 | 0.07 | (328) | (1.30) |
| Miscellaneous | 37,197 | 89,409 | 0.24 | 52,212 | 140.37 |
| Total Revenues | \$33,666,927 | \$37,322,682 | 100.00% | \$3,655,755 | 10.86% |

The most significant revenue source to the School District is tax revenue, which increased by 16% in fiscal year 2001 over fiscal year 2000. This increase was due to the fact that the School District passed a new general operating levy in November of 2000 for which collections began in January 2001.

Intergovernmental revenues increased because of additional funds received through additional homestead and rollback, the State of Ohio's school foundation program and additional federal grants received.

Interest income decreased due to the spending down of bond proceeds on the various capital projects that were financed through the issuance of bonds in May of 1999. The proceeds of these bonds along with the School District's other revenue were invested in various investment instruments allowed by law during fiscal year 2001 with the assistance of a registered investment advisory firm.

Tuition and Fees collections increased as a result of the School District billing other districts for past due tuition/excess costs due for the attendance of their students in various programs of the Orange City School District. The majority of this revenue was derived from billings for students attending the Gund special needs school located within the Beechbrook facility which is located within the School District.

Extracurricular Activities revenue decreased significantly during fiscal year 2001 due to the high school marching band generating significantly less revenue because their bi-annual trip to a major college football bowl game took place in fiscal year 2000. There was a significant fundraising campaign undertaken by the band for this trip.

The large decrease in contributions and donations was a result of a one-time donation received in fiscal year 2000 from a settlement of a class-action lawsuit. The Building Improvement Fund also received a large, one-time donation in fiscal year 2000.

The following schedule presents a summary of governmental funds' expenditures, by functional area, for the fiscal years ended June 30, 2000 and 2001, and the amount and percentage of increases and decreases in relation to the prior year's expenditures.

| | 2000 Amount | 2001 Amount | Percent of Total | Change | Percent Change |
|---------------------------------------|---------------------|---------------------|------------------------|---------------------|-------------------|
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | \$12,442,821 | \$12,625,478 | 19.42% | \$182,657 | 1.47% |
| Special | 4,560,383 | 5,464,607 | 8.40 | 904,224 | 19.83 |
| Vocational | 213,375 | 232,294 | 0.36 | 18,919 | 8.87 |
| Support Services: | | | | | |
| Pupils | 1,930,600 | 1,888,665 | 2.90 | (41,935) | (2.17) |
| Instructional Staff | 1,286,815 | 1,382,454 | 2.12 | 95,639 | 7.43 |
| Board of Education | 69,623 | 62,624 | 0.10 | (6,999) | (10.05) |
| Administration | 1,846,554 | 2,091,286 | 3.21 | 244,732 | 13.25 |
| Fiscal | 760,422 | 863,583 | 1.33 | 103,161 | 13.57 |
| Business | 404,954 | 380,977 | 0.59 | (23,977) | (5.92) |
| Operation and Maintenance Of Plant | 3,066,533 | 3,424,856 | 5.27 | 358,323 | 11.68 |
| Pupil Transportation | 2,193,991 | 2,516,022 | 3.87 | 322,031 | 14.68 |
| Central | 547,736 | 485,845 | 0.75 | (61,891) | (11.30) |
| Operation of Non- | | | | | |
| Instructional Services | 257,264 | 291,444 | 0.45 | 34,180 | 13.29 |
| Extracurricular Activities | 1,287,229 | 1,024,709 | 1.58 | (262,520) | (20.39) |
| Capital Outlay | 10,125,065 | 22,877,238 | 35.18 | 12,752,173 | 125.95 |
| Debt Service: | | | | | |
| Principal Retirement | 10,275,789 | 7,879,533 | 12.12 | (2,396,256) | (23.32) |
| Interest and Fiscal Charges | 1,659,463 | 1,528,572 | 2.35 | (130,891) | (7.89) |
| Total Expenditures | <u>\$52,928,617</u> | <u>\$65,020,187</u> | <u>100.00%</u> | <u>\$12,091,570</u> | <u>22.85%</u> |

Regular instruction costs are the second largest portion of the total expenditures and increased in fiscal year 2001 mainly due to salary increases which are governed by the various union contracts entered into between the School District and its employees through the collective bargaining process.

Special instruction costs are growing at a rate higher than regular instruction cost due to additional students identified with special needs within the School District and the increasing costs associated with adequately servicing these students.

Administration expenditures increased substantially because of the hiring of an additional principal for the new Moreland Hills School that is to open in August of 2001. In addition to this hiring, an additional personnel assistant position was also approved and filled in late fiscal year 2000 for which a full year of salary and benefits were paid in fiscal 2001.

Fiscal related expenditures increased substantially because, starting in January 2001, the School District paid an increased salary (and corresponding benefits) to the retiring Treasurer as the School District undertook the process of hiring a new Treasurer which ended in April 2001. The School District also incurred higher fees associated with tax collections and remittances made by the Cuyahoga County Auditor and Treasurer due to the new general operating levy passed in November 2000.

Operation and Maintenance of Plant expenditures increased because of substantially larger than normal utility costs incurred during fiscal year 2001.

Pupil Transportation expenditures increased substantially due to the purchase of two additional buses during fiscal year 2001 from the School District's general fund. An additional bus was purchased as a replacement and paid for mainly by a subsidy received from the State of Ohio.

Extracurricular Activities expenditures decreased substantially due to the fact that the high school band did not take their bi-annual trip to a college football bowl game during fiscal year 2001. This decrease corresponds to the significant reduction of Extracurricular Activities revenue noted in the revenue section above.

Capital outlay expenditures increased substantially during fiscal year 2001. This large variance was caused by the construction of a new elementary school as well as renovations to the high school, middle school and common areas of the school campus. Work on these facilities commenced during fiscal year 2000 and progressed during fiscal year 2001.

Principal retirement and interest/fiscal charges decreased due to the repayment of energy conservation notes with related interest charges in fiscal year 2000. The only debt repayment and interest charges during fiscal year 2001 were the payment of school improvement notes in the amount of \$7,000,000 and the scheduled principal and interest payments on the 36.5 mill bond issue from May 1999, which were also made in 2000.

General Fund Balance. The GAAP basis fund balance of the general fund decreased from \$2,824,441 at June 30, 2000 to \$2,022,410 at June 30, 2001. This decrease is largely due to a decrease of intergovernmental revenue from the prior year.

Financial Highlights - Enterprise Funds. Food service, uniform school supplies and recreation are classified as enterprise operations since they resemble those activities found in private industry and/or management periodically desires to determine the amount of profit/loss resulting from these operations that are significantly financed from user fees. In total, the enterprise funds had a net income of \$877,444 for the fiscal

year ended June 30, 2001. Of the proprietary funds, the Food Service enterprise fund had deficit retained earnings at June 30, 2001. Management is aware of the deficit and is analyzing the operation in an attempt to alleviate this problem.

Financial Highlights - Fiduciary Funds. The trust funds carried on the financial records of the School District include a memorial expendable trust fund and a scholarship nonexpendable trust fund with assets totaling \$113,677.

General Fixed Assets. The general fixed assets of the School District are used to carry on the main education and support function of the School District and are not financial resources available for expenditure. The total general fixed assets at June 30, 2001 was \$57,666,406. Such assets are accounted for at historical cost. Depreciation is not recognized on general fixed assets. As of June 30, 2001, the School District recognized \$23,260,307 in Construction in Progress due to various construction/renovation projects that were not completed during fiscal year 2001.

Debt Administration. At June 30, 2001, there was \$27,763,221 in general obligation bonds and \$6,250,000 in notes outstanding. As of June 30, 2001, the overall debt margin was \$44,904,307 and the unvoted debt margin was \$862,959. The School District received an "AA" credit rating from Moody's Investor Service, Inc. on its general obligation bonds.

Cash Management. The Board of Education has an aggressive cash management program which consists of the expediting the receipt of revenues and prudently depositing and investing cash. Available cash is invested in instruments issued by the United States Government and STAROhio as well as corporate commercial paper and other investments allowed by state law and the School District's own investment policy. The School District retained the services of Productive Portfolios, Inc., a registered investment advisory firm, during fiscal year 2001 to assist the School District in its investing strategy and to obtain even greater returns on investments while adhering to the principles of principal preservation and liquidity. The total amount of interest earned was \$2,138,248 for the fiscal year ended June 30, 2001, with \$304,062 being credited directly to the general fund.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation as well as by qualified securities pledged by the institution holding the assets or individual surety bonds. Per Ohio law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Risk Management. All employees of the Orange City School District are covered by a blanket bond while certain positions in decision/policy making roles are covered by separate, higher bond coverage.

The School District contracts for general liability insurance with Nationwide Insurance. The limits of coverage are \$1,000,000 per occurrence and \$3,000,000 in aggregate with no deductible.

The Orange Schools has insurance contracts for vehicle insurance and crime protection. The School District participates in the Ohio Schools Board Association Workers' Compensation Group Rating Plan.

Pension Plans. All School District employees are covered by the state-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Note 15 to the general purpose financial statements for additional information.

Awards

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

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

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

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

ASBO Certificate - The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2000, to the Orange City School District. This award certifies that the Comprehensive Annual Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing business officials. Management believes that the Comprehensive Annual Financial Report for fiscal year ended June 30, 2001, will conform to ASBO's principles and standards.

Independent Audit

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

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for 1981.

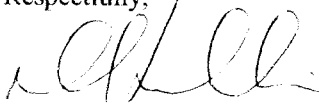
Acknowledgments

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

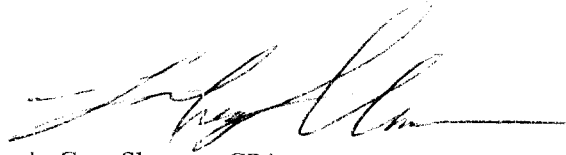
Special appreciation is expressed to the Local Government Services Division of State Auditor Jim Petro's office for assistance in planning, designing and reviewing this financial report.

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

Respectfully,



Dr. Daniel W. Lukich
Superintendent



L. Greg Slemons, CPA
Treasurer/Director of Budget Services

*Orange City School District
List of Principal Officials
June 30, 2001*

Board of Education

| | |
|-----------------------|----------------|
| Mrs. Cynthia Eickhoff | President |
| Mr. Chuck Jarrett | Vice President |
| Mr. Tom Bonda | Member |
| Mrs. Cathy Keith | Member |
| Mr. Peter Billington | Member |

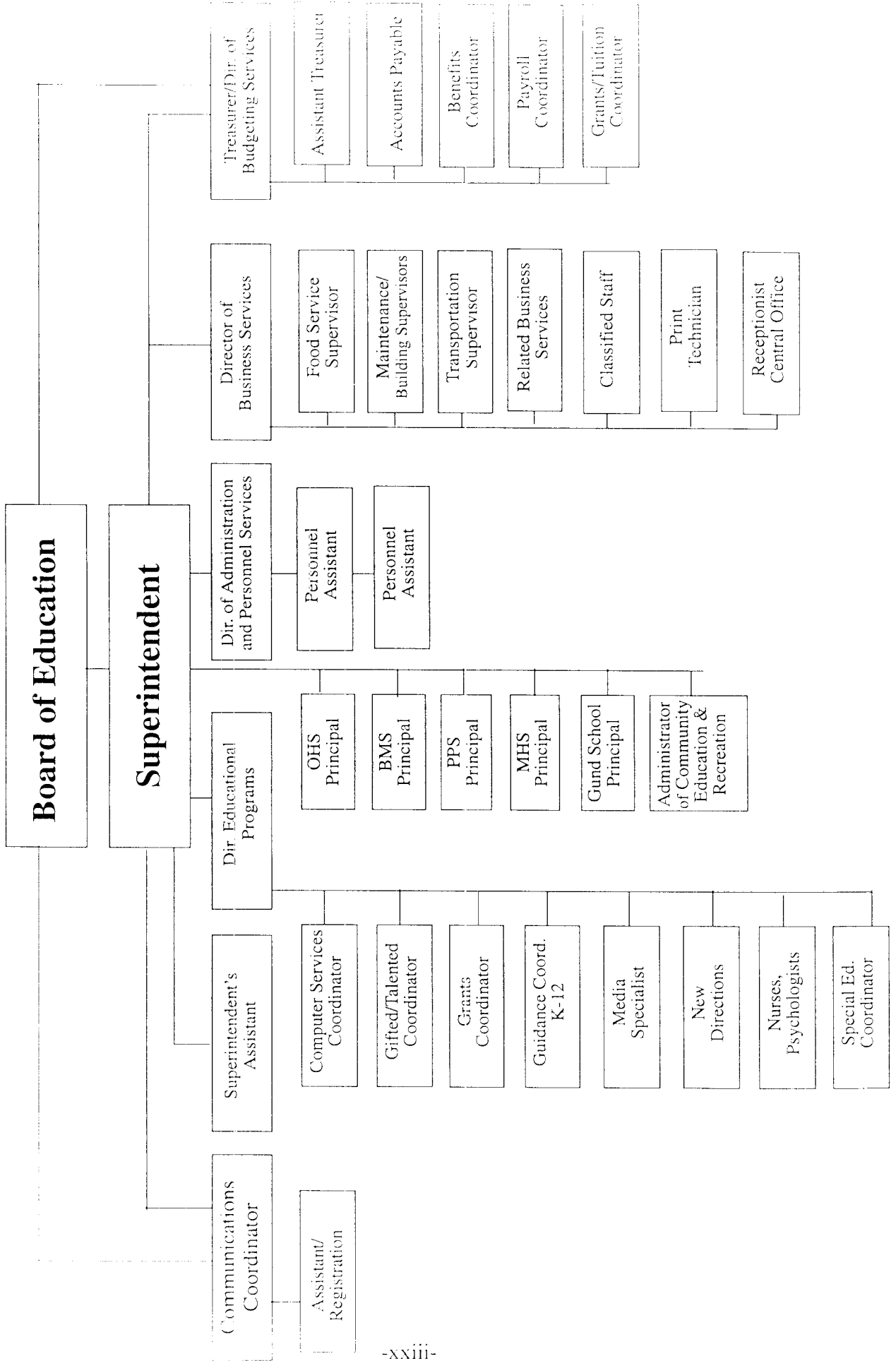
Treasurer/Director of Budget Services

Mr. L. Greg Slemons, CPA

Administration

| | |
|------------------------|---|
| Dr. Daniel W. Lukich | Superintendent |
| Dr. Joe Webb | Director of Human Resources/Student Services |
| Dr. Nancy Wingenbach | Director of Educational Programs and Instructional Services |
| Ms. April Siegel-Green | Coordinator of Special Education |
| Mr. Lou DeVincentis | Coordinator of Communications |
| Ms. Laura Guentner | Director of Recreation |
| Mr. Kurt Bernardo | Coordinator of Computer Services |
| Mr. Greg Markus, CPA | Assistant Treasurer |
| Ms. Joan Hill | Supervisor of Transportation Services |
| Ms. Sharlyne Berger | Supervisor of Food Services |
| Mr. Phil Dickinson | Director of Operations and Business Services |
| Mr. Jim Taylor | Campus Supervisor |

Orange City Schools Administrative Position Chart 2000-2001



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Orange City School
District, Ohio

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

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



Anne Spray Kinney
President

Jeffrey L. Essler
Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

ORANGE CITY SCHOOL DISTRICT

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

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

Linda White
President

Don A. Hergen
Executive Director

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Facsimile 216-787-3361
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education
Orange City School District
Cuyahoga County
32000 Chagrin Boulevard
Pepper Pike, Ohio 44124

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

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

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

As described in Note 3 to the accompanying financial statements, the District restated the General Fund balance as of June 30, 2000.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2001 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

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

Jim Petro
Auditor of State

October 31, 2001

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

| | Governmental Fund Types | | | |
|---|-------------------------|--------------------|--------------------|---------------------|
| | General | Special Revenue | Debt Service | Capital Projects |
| Assets and Other Debits | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$3,814,324 | \$399,450 | \$1,158,121 | \$12,515,659 |
| Receivables: | | | | |
| Taxes | 32,270,080 | 0 | 2,780,886 | 0 |
| Accounts | 351 | 0 | 0 | 0 |
| Intergovernmental | 1,990,386 | 0 | 0 | 0 |
| Accrued Interest | 46,898 | 0 | 14,143 | 92,983 |
| Interfund Receivable | 88,222 | 0 | 0 | 0 |
| Prepaid Items | 11,115 | 0 | 0 | 0 |
| Inventory Held for Resale | 0 | 0 | 0 | 0 |
| Materials and Supplies Inventory | 249,223 | 0 | 0 | 0 |
| Restricted Assets: | | | | |
| Equity in Pooled Cash and Cash Equivalents | 212,964 | 0 | 0 | 0 |
| Fixed Assets (Net, where applicable, of Accumulated Depreciation) | 0 | 0 | 0 | 0 |
| Other Debits | | | | |
| Amount Available in Debt Service Fund for Retirement of General Obligations | 0 | 0 | 0 | 0 |
| Amount to be Provided from General Government Resources | 0 | 0 | 0 | 0 |
| <i>Total Assets and Other Debits</i> | <u>\$38,683,563</u> | <u>\$399,450</u> | <u>\$3,953,150</u> | <u>\$12,608,642</u> |

| Proprietary Fund Type | Fiduciary Fund Types | Account Groups | | Totals (Memorandum Only) |
|--------------------------|-------------------------|----------------------------|-------------------------------------|--------------------------------|
| | | General Fixed Assets | General Long-Term Obligations | |
| Enterprise | Trust and Agency | | | |
| \$2,945,092 | \$210,604 | \$0 | \$0 | \$21,043,250 |
| 695,442 | 0 | 0 | 0 | 35,746,408 |
| 0 | 0 | 0 | 0 | 351 |
| 0 | 0 | 0 | 0 | 1,990,386 |
| 33,157 | 1,161 | 0 | 0 | 188,342 |
| 0 | 0 | 0 | 0 | 88,222 |
| 0 | 0 | 0 | 0 | 11,115 |
| 32,512 | 0 | 0 | 0 | 32,512 |
| 6,599 | 0 | 0 | 0 | 255,822 |
| 0 | 0 | 0 | 0 | 212,964 |
| 33,142 | 0 | 57,666,406 | 0 | 57,699,548 |
| 0 | 0 | 0 | 1,251,227 | 1,251,227 |
| 0 | 0 | 0 | 35,272,738 | 35,272,738 |
| <u>\$3,745,944</u> | <u>\$211,765</u> | <u>\$57,666,406</u> | <u>\$36,523,965</u> | <u>\$153,792,885</u> |

(continued)

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

| | Governmental Fund Types | | | |
|---|--|--------------------|--------------------|---------------------|
| | General | Special Revenue | Debt Service | Capital Projects |
| Liabilities, | | | | |
| Fund Equity and Other Credits | | | | |
| Liabilities | | | | |
| Accounts Payable | \$8,005 | \$37,846 | \$0 | \$0 |
| Contracts Payable | 0 | 0 | 0 | 4,033,153 |
| Accrued Wages and Benefits | 2,786,413 | 31,331 | 0 | 0 |
| Compensated Absences Payable | 108,106 | 0 | 0 | 0 |
| Interfund Payable | 0 | 0 | 0 | 87,970 |
| Intergovernmental Payable | 496,384 | 5,182 | 0 | 0 |
| Arbitrage Payable | 0 | 0 | 0 | 0 |
| Deferred Revenue | 33,262,245 | 0 | 2,701,923 | 0 |
| Undistributed Monies | 0 | 0 | 0 | 0 |
| Due to Students | 0 | 0 | 0 | 0 |
| Notes Payable | 0 | 0 | 0 | 0 |
| Capital Leases Payable | 0 | 0 | 0 | 0 |
| General Obligation Bonds Payable | 0 | 0 | 0 | 0 |
| | Total Liabilities | 74,359 | 2,701,923 | 4,121,123 |
| | 36,661,153 | | | |
| Fund Equity and Other Credits | | | | |
| Investment in General Fixed Assets | 0 | 0 | 0 | 0 |
| Contributed Capital | 0 | 0 | 0 | 0 |
| Retained Earnings: | | | | |
| Unreserved | 0 | 0 | 0 | 0 |
| Fund Balances: | | | | |
| Reserved for Encumbrances | 254,776 | 3,924 | 0 | 6,126,025 |
| Reserved for Inventory | 249,223 | 0 | 0 | 0 |
| Reserved for Budget Stabilization | 162,370 | 0 | 0 | 0 |
| Reserved for Property Taxes | 916,315 | 0 | 78,963 | 0 |
| Reserved for Textbooks | 50,594 | 0 | 0 | 0 |
| Reserved for Contributions | 0 | 0 | 0 | 0 |
| Unreserved: | | | | |
| Undesignated | 389,132 | 321,167 | 1,172,264 | 2,361,494 |
| | Total Fund Equity and Other Credits | 325,091 | 1,251,227 | 8,487,519 |
| | 2,022,410 | | | |
| Total Liabilities, Fund Equity and Other Credits | \$38,683,563 | \$399,450 | \$3,953,150 | \$12,608,642 |

See accompanying notes to the general purpose financial statements

| Proprietary Fund Type | Fiduciary Fund Types | Account Groups | | Totals (Memorandum Only) |
|--------------------------|-------------------------|----------------------------|-------------------------------------|--------------------------------|
| | | General Fixed Assets | General Long-Term Obligations | |
| Enterprise | Trust and Agency | | | |
| \$542 | \$0 | \$0 | \$0 | \$46,393 |
| 0 | 0 | 0 | 0 | 4,033,153 |
| 31,940 | 0 | 0 | 0 | 2,849,684 |
| 33,618 | 0 | 0 | 1,719,990 | 1,861,714 |
| 0 | 252 | 0 | 0 | 88,222 |
| 162,785 | 0 | 0 | 231,696 | 896,047 |
| 0 | 0 | 0 | 385,055 | 385,055 |
| 4,868 | 0 | 0 | 0 | 35,969,036 |
| 0 | 33,478 | 0 | 0 | 33,478 |
| 0 | 70,097 | 0 | 0 | 70,097 |
| 0 | 0 | 0 | 6,250,000 | 6,250,000 |
| 0 | 0 | 0 | 174,003 | 174,003 |
| 0 | 0 | 0 | 27,763,221 | 27,763,221 |
| <u>233,753</u> | <u>103,827</u> | <u>0</u> | <u>36,523,965</u> | <u>80,420,103</u> |
| 0 | 0 | 57,666,406 | 0 | 57,666,406 |
| 63,407 | 0 | 0 | 0 | 63,407 |
| 3,448,784 | 0 | 0 | 0 | 3,448,784 |
| 0 | 0 | 0 | 0 | 6,384,725 |
| 0 | 0 | 0 | 0 | 249,223 |
| 0 | 0 | 0 | 0 | 162,370 |
| 0 | 0 | 0 | 0 | 995,278 |
| 0 | 0 | 0 | 0 | 50,594 |
| 0 | 62,573 | 0 | 0 | 62,573 |
| 0 | 45,365 | 0 | 0 | 4,289,422 |
| <u>3,512,191</u> | <u>107,938</u> | <u>57,666,406</u> | <u>0</u> | <u>73,372,782</u> |
| <u>\$3,745,944</u> | <u>\$211,765</u> | <u>\$57,666,406</u> | <u>\$36,523,965</u> | <u>\$153,792,885</u> |

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

| | Governmental Fund Types | | |
|--|-------------------------|--------------------|--------------------|
| | General | Special Revenue | Debt Service |
| Revenues | | | |
| Taxes | \$25,892,910 | \$0 | \$2,309,028 |
| Intergovernmental | 4,714,945 | 584,668 | 303,024 |
| Interest | 304,062 | 2,513 | 77,122 |
| Tuition and Fees | 1,224,851 | 0 | 0 |
| Extracurricular Activities | 0 | 162,405 | 0 |
| Contributions and Donations | 0 | 14,064 | 0 |
| Charges for Services | 35,431 | 0 | 0 |
| Rentals | 24,983 | 0 | 0 |
| Miscellaneous | 23,316 | 62,593 | 0 |
| <i>Total Revenues</i> | <u>32,220,498</u> | <u>826,243</u> | <u>2,689,174</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 12,575,490 | 49,988 | 0 |
| Special | 5,312,916 | 151,691 | 0 |
| Vocational | 232,294 | 0 | 0 |
| Support Services: | | | |
| Pupils | 1,828,256 | 60,409 | 0 |
| Instructional Staff | 1,340,897 | 41,557 | 0 |
| Board of Education | 62,624 | 0 | 0 |
| Administration | 2,088,114 | 3,172 | 0 |
| Fiscal | 862,755 | 828 | 0 |
| Business | 380,977 | 0 | 0 |
| Operation and Maintenance of Plant | 3,422,458 | 2,398 | 0 |
| Pupil Transportation | 2,516,022 | 0 | 0 |
| Central | 460,149 | 25,696 | 0 |
| Operation of Non-Instructional Services | 6,879 | 284,565 | 0 |
| Extracurricular Activities | 752,538 | 272,171 | 0 |
| Capital Outlay | 0 | 0 | 0 |
| Debt Service: | | | |
| Principal Retirement | 0 | 0 | 7,865,000 |
| Interest and Fiscal Charges | 0 | 0 | 1,526,000 |
| <i>Total Expenditures</i> | <u>31,842,369</u> | <u>892,475</u> | <u>9,391,000</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>378,129</u> | <u>(66,232)</u> | <u>(6,701,826)</u> |
| Other Financing Sources (Uses) | | | |
| Inception of Capital Lease | 0 | 0 | 0 |
| Proceeds of Notes | 0 | 0 | 6,250,000 |
| Operating Transfers In | 0 | 87,000 | 0 |
| Operating Transfers Out | (1,171,037) | 0 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(1,171,037)</u> | <u>87,000</u> | <u>6,250,000</u> |
| <i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i> | <u>(792,908)</u> | <u>20,768</u> | <u>(451,826)</u> |
| <i>Fund Balances Beginning of Year (Restated - See Note 3)</i> | 2,824,441 | 304,323 | 1,703,053 |
| Decrease in Reserve for Inventory | <u>(9,123)</u> | <u>0</u> | <u>0</u> |
| <i>Fund Balances End of Year</i> | <u>\$2,022,410</u> | <u>\$325,091</u> | <u>\$1,251,227</u> |

See accompanying notes to the general purpose financial statements

| | Fiduciary Fund Type | | Totals (Memorandum Only) |
|---------------------|------------------------|--|--------------------------------|
| Capital Projects | Expendable Trust | | |
| \$0 | \$0 | | \$28,201,938 |
| 31,000 | 0 | | 5,633,637 |
| 1,545,267 | 2,012 | | 1,930,976 |
| 0 | 0 | | 1,224,851 |
| 0 | 0 | | 162,405 |
| 7,000 | 0 | | 21,064 |
| 0 | 0 | | 35,431 |
| 0 | 0 | | 24,983 |
| 3,500 | 0 | | 89,409 |
| <u>1,586,767</u> | <u>2,012</u> | | <u>37,324,694</u> |
| 0 | 0 | | 12,625,478 |
| 0 | 0 | | 5,464,607 |
| 0 | 0 | | 232,294 |
| 0 | 0 | | 1,888,665 |
| 0 | 1,100 | | 1,383,554 |
| 0 | 0 | | 62,624 |
| 0 | 0 | | 2,091,286 |
| 0 | 0 | | 863,583 |
| 0 | 0 | | 380,977 |
| 0 | 0 | | 3,424,856 |
| 0 | 0 | | 2,516,022 |
| 0 | 0 | | 485,845 |
| 0 | 0 | | 291,444 |
| 0 | 0 | | 1,024,709 |
| 22,877,238 | 0 | | 22,877,238 |
| 14,533 | 0 | | 7,879,533 |
| 2,572 | 0 | | 1,528,572 |
| <u>22,894,343</u> | <u>1,100</u> | | <u>65,021,287</u> |
| <u>(21,307,576)</u> | <u>912</u> | | <u>(27,696,593)</u> |
| 188,536 | 0 | | 188,536 |
| 0 | 0 | | 6,250,000 |
| 1,084,037 | 0 | | 1,171,037 |
| 0 | 0 | | (1,171,037) |
| <u>1,272,573</u> | <u>0</u> | | <u>6,438,536</u> |
| <u>(20,035,003)</u> | <u>912</u> | | <u>(21,258,057)</u> |
| 28,522,522 | 32,038 | | 33,386,377 |
| <u>0</u> | <u>0</u> | | <u>(9,123)</u> |
| <u>\$8,487,519</u> | <u>\$32,950</u> | | <u>\$12,119,197</u> |

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

| | General Fund | | Variance Favorable (Unfavorable) |
|--|--------------------|--------------------|--|
| | Revised Budget | Actual | |
| Revenues | | | |
| Taxes | \$26,994,000 | \$26,462,656 | (\$531,344) |
| Intergovernmental | 5,849,182 | 4,633,039 | (1,216,143) |
| Interest | 300,000 | 413,063 | 113,063 |
| Tuition and Fees | 913,856 | 1,224,851 | 310,995 |
| Extracurricular Activities | 0 | 0 | 0 |
| Contributions and Donations | 0 | 0 | 0 |
| Charges for Services | 141,000 | 35,431 | (105,569) |
| Rentals | 29,000 | 24,983 | (4,017) |
| Miscellaneous | 9,882 | 23,316 | 13,434 |
| <i>Total Revenues</i> | <u>34,236,920</u> | <u>32,817,339</u> | <u>(1,419,581)</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 12,614,472 | 12,502,104 | 112,368 |
| Special | 5,593,700 | 5,445,204 | 148,496 |
| Vocational | 289,947 | 282,561 | 7,386 |
| Support Services: | | | |
| Pupils | 1,920,826 | 1,869,929 | 50,897 |
| Instructional Staff | 1,320,429 | 1,297,095 | 23,334 |
| Board of Education | 66,582 | 66,105 | 477 |
| Administration | 2,158,100 | 2,081,150 | 76,950 |
| Fiscal | 874,064 | 860,577 | 13,487 |
| Business | 373,941 | 351,029 | 22,912 |
| Operation and Maintenance of Plant | 3,719,382 | 3,450,292 | 269,090 |
| Pupil Transportation | 2,554,494 | 2,483,271 | 71,223 |
| Central | 576,066 | 483,569 | 92,497 |
| Operation of Non-Instructional | | | |
| Services | 19,973 | 6,879 | 13,094 |
| Extracurricular Activities | 860,758 | 758,693 | 102,065 |
| Capital Outlay | 0 | 0 | 0 |
| Debt Service: | | | |
| Principal Retirement | 0 | 0 | 0 |
| Interest and Fiscal Charges | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>32,942,734</u> | <u>31,938,458</u> | <u>1,004,276</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>1,294,186</u> | <u>878,881</u> | <u>(415,305)</u> |
| Other Financing Sources (Uses) | | | |
| Proceeds of Notes | 0 | 0 | 0 |
| Advances In | 0 | 0 | 0 |
| Advances Out | 0 | (87,970) | (87,970) |
| Operating Transfers In | 175,254 | 0 | (175,254) |
| Operating Transfers Out | (1,171,037) | (1,171,037) | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(995,783)</u> | <u>(1,259,007)</u> | <u>(263,224)</u> |
| <i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i> | 298,403 | (380,126) | (678,529) |
| <i>Fund Balances</i> | | | |
| Beginning of Year | 3,931,127 | 3,931,127 | 0 |
| Prior Year Encumbrances Appropriated | 221,511 | 221,511 | 0 |
| <i>Fund Balances End of Year</i> | <u>\$4,451,041</u> | <u>\$3,772,512</u> | <u>(\$678,529)</u> |

| Special Revenue Funds | | | Debt Service Fund | | |
|-----------------------|------------------|----------------------------------|--------------------|--------------------|----------------------------------|
| Revised Budget | Actual | Variance Favorable (Unfavorable) | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| \$0 | \$0 | \$0 | \$2,448,601 | \$2,384,904 | (\$63,697) |
| 592,223 | 584,668 | (7,555) | 287,846 | 303,024 | 15,178 |
| 2,405 | 2,513 | 108 | 75,000 | 62,979 | (12,021) |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 310,531 | 162,405 | (148,126) | 0 | 0 | 0 |
| 43,210 | 14,064 | (29,146) | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 59,084 | 63,088 | 4,004 | 0 | 0 | 0 |
| <u>1,007,453</u> | <u>826,738</u> | <u>(180,715)</u> | <u>2,811,447</u> | <u>2,750,907</u> | <u>(60,540)</u> |
| 214,112 | 53,735 | 160,377 | 0 | 0 | 0 |
| 186,031 | 167,112 | 18,919 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 93,568 | 60,684 | 32,884 | 0 | 0 | 0 |
| 74,355 | 44,716 | 29,639 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 4,679 | 3,172 | 1,507 | 0 | 0 | 0 |
| 828 | 828 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 2,398 | 2,398 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 26,384 | 24,827 | 1,557 | 0 | 0 | 0 |
| 318,279 | 285,754 | 32,525 | 0 | 0 | 0 |
| 476,034 | 272,617 | 203,417 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 7,871,500 | 7,865,000 | 6,500 |
| 0 | 0 | 0 | <u>1,778,626</u> | <u>1,526,000</u> | <u>252,626</u> |
| <u>1,396,668</u> | <u>915,843</u> | <u>480,825</u> | <u>9,650,126</u> | <u>9,391,000</u> | <u>259,126</u> |
| <u>(389,215)</u> | <u>(89,105)</u> | <u>300,110</u> | <u>(6,838,679)</u> | <u>(6,640,093)</u> | <u>198,586</u> |
| 0 | 0 | 0 | 6,250,000 | 6,250,000 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 93,000 | 87,000 | (6,000) | 233,966 | 0 | (233,966) |
| <u>(24,001)</u> | <u>0</u> | <u>24,001</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>68,999</u> | <u>87,000</u> | <u>18,001</u> | <u>6,483,966</u> | <u>6,250,000</u> | <u>(233,966)</u> |
| <u>(320,216)</u> | <u>(2,105)</u> | <u>318,111</u> | <u>(354,713)</u> | <u>(390,093)</u> | <u>(35,380)</u> |
| 345,248 | 345,248 | 0 | 1,548,214 | 1,548,214 | 0 |
| 14,537 | 14,537 | 0 | 0 | 0 | 0 |
| <u>\$39,569</u> | <u>\$357,680</u> | <u>\$318,111</u> | <u>\$1,193,501</u> | <u>\$1,158,121</u> | <u>(\$35,380)</u> |

(continued)

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

| | Capital Projects Funds | | |
|--|------------------------|---------------------|--|
| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues | | | |
| Taxes | \$0 | \$0 | \$0 |
| Intergovernmental | 21,001 | 31,000 | 9,999 |
| Interest | 1,605,941 | 1,426,764 | (179,177) |
| Tuition and Fees | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 |
| Contributions and Donations | 500 | 7,000 | 6,500 |
| Charges for Services | 0 | 0 | 0 |
| Rentals | 0 | 0 | 0 |
| Miscellaneous | 2,000 | 3,500 | 1,500 |
| <i>Total Revenues</i> | <u>1,629,442</u> | <u>1,468,264</u> | <u>(161,178)</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 252 | 252 | 0 |
| Special | 0 | 0 | 0 |
| Vocational | 0 | 0 | 0 |
| Support Services: | | | |
| Pupils | 0 | 0 | 0 |
| Instructional Staff | 0 | 0 | 0 |
| Board of Education | 0 | 0 | 0 |
| Administration | 0 | 0 | 0 |
| Fiscal | 458 | 458 | 0 |
| Business | 0 | 0 | 0 |
| Operation and Maintenance of Plant | 0 | 0 | 0 |
| Pupil Transportation | 0 | 0 | 0 |
| Central | 292,667 | 287,103 | 5,564 |
| Operation of Non-Instructional Services | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 |
| Capital Outlay | 31,981,640 | 30,129,496 | 1,852,144 |
| Debt Service: | | | |
| Principal Retirement | 0 | 0 | 0 |
| Interest and Fiscal Charges | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>32,275,017</u> | <u>30,417,309</u> | <u>1,857,708</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(30,645,575)</u> | <u>(28,949,045)</u> | <u>1,696,530</u> |
| Other Financing Sources (Uses) | | | |
| Proceeds of Notes | 0 | 0 | 0 |
| Advances In | 90,000 | 87,970 | (2,030) |
| Advances Out | 0 | 0 | 0 |
| Operating Transfers In | 1,500,000 | 1,084,037 | (415,963) |
| Operating Transfers Out | 0 | 0 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>1,590,000</u> | <u>1,172,007</u> | <u>(417,993)</u> |
| <i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i> | <u>(29,055,575)</u> | <u>(27,777,038)</u> | <u>1,278,537</u> |
| Fund Balances | | | |
| Beginning of Year | 9,682,181 | 9,682,181 | 0 |
| Prior Year Encumbrances Appropriated | 20,641,816 | 20,641,816 | 0 |
| <i>Fund Balances End of Year</i> | <u>\$1,268,422</u> | <u>\$2,546,959</u> | <u>\$1,278,537</u> |

See accompanying notes to the general purpose financial statements

| Expendable Trust Fund | | | (Memorandum Only) | | |
|-----------------------|----------|--|-------------------|--------------|--|
| Revised Budget | Actual | Variance Favorable (Unfavorable) | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| \$0 | \$0 | \$0 | \$29,442,601 | \$28,847,560 | (\$595,041) |
| 0 | 0 | 0 | 6,750,252 | 5,551,731 | (1,198,521) |
| 40 | 1,708 | 1,668 | 1,983,386 | 1,907,027 | (76,359) |
| 0 | 0 | 0 | 913,856 | 1,224,851 | 310,995 |
| 252 | 0 | (252) | 310,783 | 162,405 | (148,378) |
| 0 | 0 | 0 | 43,710 | 21,064 | (22,646) |
| 0 | 0 | 0 | 141,000 | 35,431 | (105,569) |
| 0 | 0 | 0 | 29,000 | 24,983 | (4,017) |
| 0 | 5,487 | 5,487 | 70,966 | 95,391 | 24,425 |
| 292 | 7,195 | 6,903 | 39,685,554 | 37,870,443 | (1,815,111) |
| 0 | 0 | 0 | 12,828,836 | 12,556,091 | 272,745 |
| 0 | 0 | 0 | 5,779,731 | 5,612,316 | 167,415 |
| 0 | 0 | 0 | 289,947 | 282,561 | 7,386 |
| 0 | 0 | 0 | 2,014,394 | 1,930,613 | 83,781 |
| 6,035 | 1,100 | 4,935 | 1,400,819 | 1,342,911 | 57,908 |
| 0 | 0 | 0 | 66,582 | 66,105 | 477 |
| 0 | 0 | 0 | 2,162,779 | 2,084,322 | 78,457 |
| 0 | 0 | 0 | 875,350 | 861,863 | 13,487 |
| 0 | 0 | 0 | 373,941 | 351,029 | 22,912 |
| 0 | 0 | 0 | 3,721,780 | 3,452,690 | 269,090 |
| 0 | 0 | 0 | 2,554,494 | 2,483,271 | 71,223 |
| 0 | 0 | 0 | 895,117 | 795,499 | 99,618 |
| 0 | 0 | 0 | 338,252 | 292,633 | 45,619 |
| 0 | 0 | 0 | 1,336,792 | 1,031,310 | 305,482 |
| 0 | 0 | 0 | 31,981,640 | 30,129,496 | 1,852,144 |
| 0 | 0 | 0 | 7,871,500 | 7,865,000 | 6,500 |
| 0 | 0 | 0 | 1,778,626 | 1,526,000 | 252,626 |
| 6,035 | 1,100 | 4,935 | 76,270,580 | 72,663,710 | 3,606,870 |
| (5,743) | 6,095 | 11,838 | (36,585,026) | (34,793,267) | 1,791,759 |
| 0 | 0 | 0 | 6,250,000 | 6,250,000 | 0 |
| 0 | 0 | 0 | 90,000 | 87,970 | (2,030) |
| (252) | 0 | 252 | (252) | (87,970) | (87,718) |
| 0 | 0 | 0 | 2,002,220 | 1,171,037 | (831,183) |
| 0 | 0 | 0 | (1,195,038) | (1,171,037) | 24,001 |
| (252) | 0 | 252 | 7,146,930 | 6,250,000 | (896,930) |
| (5,995) | 6,095 | 12,090 | (29,438,096) | (28,543,267) | 894,829 |
| 32,290 | 32,290 | 0 | 15,539,060 | 15,539,060 | 0 |
| 0 | 0 | 0 | 20,877,864 | 20,877,864 | 0 |
| \$26,295 | \$38,385 | \$12,090 | \$6,978,828 | \$7,873,657 | \$894,829 |

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

| | Proprietary Fund Type | Fiduciary Fund Type | Totals (Memorandum Only) |
|---|--------------------------|------------------------|--------------------------------|
| | Enterprise | Nonexpendable Trust | |
| Operating Revenues | | | |
| Tuition | \$1,034,438 | \$0 | \$1,034,438 |
| Sales | 475,976 | 0 | 475,976 |
| Interest | 0 | 5,676 | 5,676 |
| Contributions and Donations | 0 | 2,500 | 2,500 |
| Other | 112,358 | 0 | 112,358 |
| <i>Total Operating Revenues</i> | <u>1,622,772</u> | <u>8,176</u> | <u>1,630,948</u> |
| Operating Expenses | | | |
| Salaries | 1,055,822 | 0 | 1,055,822 |
| Fringe Benefits | 337,032 | 0 | 337,032 |
| Purchased Services | 324,596 | 0 | 324,596 |
| Materials and Supplies | 106,363 | 0 | 106,363 |
| Cost of Sales | 230,140 | 0 | 230,140 |
| Depreciation | 10,789 | 0 | 10,789 |
| Other | 13,213 | 3,000 | 16,213 |
| <i>Total Operating Expenses</i> | <u>2,077,955</u> | <u>3,000</u> | <u>2,080,955</u> |
| <i>Operating Income (Loss)</i> | <u>(455,183)</u> | <u>5,176</u> | <u>(450,007)</u> |
| Non-Operating Revenues | | | |
| Federal Donated Commodities | 21,663 | 0 | 21,663 |
| Interest | 201,596 | 0 | 201,596 |
| Property Taxes | 1,008,714 | 0 | 1,008,714 |
| Operating Grants | 100,654 | 0 | 100,654 |
| <i>Total Non-Operating Revenues</i> | <u>1,332,627</u> | <u>0</u> | <u>1,332,627</u> |
| <i>Net Income</i> | 877,444 | 5,176 | 882,620 |
| <i>Retained Earnings/Fund Balance Beginning of Year</i> | <u>2,571,340</u> | <u>69,812</u> | <u>2,641,152</u> |
| <i>Retained Earnings/Fund Balance End of Year</i> | 3,448,784 | 74,988 | 3,523,772 |
| Contributed Capital Beginning and End of Year | <u>63,407</u> | <u>0</u> | <u>63,407</u> |
| <i>Total Fund Equity End of Year</i> | <u>\$3,512,191</u> | <u>\$74,988</u> | <u>\$3,587,179</u> |

See accompanying notes to the general purpose financial statements

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

| | Enterprise Funds | | |
|--|--------------------|--------------------|--|
| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues | | | |
| Tuition | \$1,183,148 | \$1,034,438 | (\$148,710) |
| Sales | 448,748 | 475,976 | 27,228 |
| Interest | 49,000 | 168,439 | 119,439 |
| Property Taxes | 618,123 | 618,123 | 0 |
| Contributions and Donations | 0 | 0 | 0 |
| Operating Grants | 100,110 | 109,196 | 9,086 |
| Other | 153,293 | 112,758 | (40,535) |
| <i>Total Revenues</i> | <u>2,552,422</u> | <u>2,518,930</u> | <u>(33,492)</u> |
| Expenses | | | |
| Salaries | 1,129,754 | 1,029,753 | 100,001 |
| Fringe Benefits | 374,639 | 316,224 | 58,415 |
| Purchased Services | 487,033 | 328,127 | 158,906 |
| Materials and Supplies | 360,696 | 315,683 | 45,013 |
| Capital Outlay | 16,556 | 16,227 | 329 |
| Other | 13,213 | 13,213 | 0 |
| <i>Total Expenses</i> | <u>2,381,891</u> | <u>2,019,227</u> | <u>362,664</u> |
| <i>Excess of Revenues Over (Under) Expenses</i> | 170,531 | 499,703 | 329,172 |
| Operating Transfers In | 40,000 | 0 | (40,000) |
| Operating Transfers Out | (15,000) | 0 | 15,000 |
| <i>Excess of Revenues Over (Under) Expenses, Operating Transfers</i> | 195,531 | 499,703 | 304,172 |
| <i>Fund Equity Beginning of Year</i> | 2,436,958 | 2,436,958 | 0 |
| Prior Year Encumbrances Appropriated | 5,490 | 5,490 | 0 |
| <i>Fund Equity End of Year</i> | <u>\$2,637,979</u> | <u>\$2,942,151</u> | <u>\$304,172</u> |

(continued)

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

| | Nonexpendable Trust Fund | | |
|--|--------------------------|-----------------|--|
| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues | | | |
| Tuition | \$0 | \$0 | \$0 |
| Sales | 0 | 0 | 0 |
| Interest | 0 | 4,819 | 4,819 |
| Property Taxes | 0 | 0 | 0 |
| Contributions and Donations | 0 | 2,500 | 2,500 |
| Operating Grants | 0 | 0 | 0 |
| Other | 0 | 0 | 0 |
| <i>Total Revenues</i> | <u>0</u> | <u>7,319</u> | <u>7,319</u> |
| Expenses | | | |
| Salaries | 0 | 0 | 0 |
| Fringe Benefits | 0 | 0 | 0 |
| Purchased Services | 0 | 0 | 0 |
| Materials and Supplies | 0 | 0 | 0 |
| Capital Outlay | 0 | 0 | 0 |
| Other | 3,000 | 3,000 | 0 |
| <i>Total Expenses</i> | <u>3,000</u> | <u>3,000</u> | <u>0</u> |
| <i>Excess of Revenues Over (Under) Expenses</i> | (3,000) | 4,319 | 7,319 |
| Operating Transfers In | 0 | 0 | 0 |
| Operating Transfers Out | 0 | 0 | 0 |
| <i>Excess of Revenues Over (Under) Expenses, Operating Transfers</i> | (3,000) | 4,319 | 7,319 |
| <i>Fund Equity Beginning of Year</i> | 69,812 | 69,812 | 0 |
| Prior Year Encumbrances Appropriated | 0 | 0 | 0 |
| <i>Fund Equity End of Year</i> | <u>\$66,812</u> | <u>\$74,131</u> | <u>\$7,319</u> |

See accompanying notes to the general purpose financial statements

| Totals (Memorandum Only) | | |
|-----------------------------|--------------------|--|
| Revised Budget | Actual | Variance Favorable (Unfavorable) |
| \$1,183,148 | \$1,034,438 | (\$148,710) |
| 448,748 | 475,976 | 27,228 |
| 49,000 | 173,258 | 124,258 |
| 618,123 | 618,123 | 0 |
| 0 | 2,500 | 2,500 |
| 100,110 | 109,196 | 9,086 |
| 153,293 | 112,758 | (40,535) |
| <u>2,552,422</u> | <u>2,526,249</u> | <u>(26,173)</u> |
| 1,129,754 | 1,029,753 | 100,001 |
| 374,639 | 316,224 | 58,415 |
| 487,033 | 328,127 | 158,906 |
| 360,696 | 315,683 | 45,013 |
| 16,556 | 16,227 | 329 |
| 16,213 | 16,213 | 0 |
| <u>2,384,891</u> | <u>2,022,227</u> | <u>362,664</u> |
| 167,531 | 504,022 | 336,491 |
| 40,000 | 0 | (40,000) |
| (15,000) | 0 | 15,000 |
| 192,531 | 504,022 | 311,491 |
| 2,506,770 | 2,506,770 | 0 |
| 5,490 | 5,490 | 0 |
| <u>\$2,704,791</u> | <u>\$3,016,282</u> | <u>\$311,491</u> |

Orange City School District
Combined Statement of Cash Flows
Proprietary Fund Type and Nonexpendable Trust Fund
For the Fiscal Year Ended June 30, 2001

| | <u>Proprietary Fund Type</u> | <u>Fiduciary Fund Type</u> | <u>Totals</u> |
|---|----------------------------------|--------------------------------|------------------------------|
| | <u>Enterprise</u> | <u>Nonexpendable Trust</u> | <u>(Memorandum Only)</u> |
| <i>Increase (Decrease) in Cash and Cash Equivalents</i> | | | |
| Cash Flows from Operating Activities | | | |
| Cash Received from Customers | \$475,976 | \$0 | \$475,976 |
| Cash Received from Tuition Payments | 1,034,438 | 0 | 1,034,438 |
| Cash Received from Contributions and Donations | 0 | 2,500 | 2,500 |
| Cash Received from Other Operating Revenues | 112,758 | 0 | 112,758 |
| Cash Payments to Suppliers for Goods and Services | (640,869) | 0 | (640,869) |
| Cash Payments to Employees for Services | (1,029,753) | 0 | (1,029,753) |
| Cash Payments for Employee Benefits | (316,224) | 0 | (316,224) |
| Cash Payments for Other Operating Expenses | (13,213) | (3,000) | (16,213) |
| <i>Net Cash Used for Operating Activities</i> | <u>(376,887)</u> | <u>(500)</u> | <u>(377,387)</u> |
| Cash Flows from Noncapital Financing Activities | | | |
| Property Taxes | 618,123 | 0 | 618,123 |
| Operating Grants Received | 109,196 | 0 | 109,196 |
| <i>Net Cash Provided by Noncapital Financing Activities</i> | <u>727,319</u> | <u>0</u> | <u>727,319</u> |
| Cash Flows from Capital and Related Financing Activities | | | |
| Payments for Capital Acquisitions | (16,227) | 0 | (16,227) |
| Cash Flows from Investing Activities | | | |
| Interest on Investments | 168,439 | 4,819 | 173,258 |
| <i>Net Increase in Cash and Cash Equivalents</i> | 502,644 | 4,319 | 506,963 |
| Cash and Cash Equivalents Beginning of Year | 2,442,448 | 69,812 | 2,512,260 |
| <i>Cash and Cash Equivalents End of Year</i> | <u>\$2,945,092</u> | <u>\$74,131</u> | <u>\$3,019,223</u> |

(continued)

Orange City School District
Combined Statement of Cash Flows
Proprietary Fund Type and Nonexpendable Trust Fund (continued)
For the Fiscal Year Ended June 30, 2001

| | Proprietary Fund Type | Fiduciary Fund Type | Totals |
|---|--------------------------|------------------------|----------------------|
| | Enterprise | Nonexpendable Trust | (Memorandum Only) |
| Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities: | | | |
| <i>Operating Income (Loss)</i> | (\$455,183) | \$5,176 | (\$450,007) |
| <i>Adjustments:</i> | | | |
| Depreciation | 10,789 | 0 | 10,789 |
| Donated Commodities Used During Year | 21,663 | 0 | 21,663 |
| Interest | 0 | (4,819) | (4,819) |
| <i>(Increase)/Decrease in Assets:</i> | | | |
| Accounts Receivable | 939 | 0 | 939 |
| Accrued Interest Receivable | 0 | (857) | (857) |
| Intergovernmental Receivable | 400 | 0 | 400 |
| Inventory Held for Resale | 2,832 | 0 | 2,832 |
| Materials and Supplies Inventory | (4,178) | 0 | (4,178) |
| <i>Increase/(Decrease) in Liabilities:</i> | | | |
| Accounts Payable | (87) | 0 | (87) |
| Accrued Wages and Benefits | 377 | 0 | 377 |
| Compensated Absences Payable | 4,002 | 0 | 4,002 |
| Intergovernmental Payable | 41,559 | 0 | 41,559 |
| <i>Total Adjustments</i> | 78,296 | (5,676) | 72,620 |
| <i>Net Cash Used for Operating Activities</i> | (\$376,887) | (\$500) | (\$377,387) |

Reconciliation of Cash and Cash Equivalents of Nonexpendable Trust Fund to Balance Sheet:

| | |
|--|-----------|
| Cash and Cash Equivalents - All Fiduciary Funds: | \$210,604 |
| Cash and Cash Equivalents - Expendable Trust Fund | (38,385) |
| Cash and Cash Equivalents - Agency Funds | (98,088) |
| Cash and Cash Equivalents - Nonexpendable Trust Fund | \$74,131 |

See accompanying notes to the general purpose financial statements

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

Note 1 - Description of the School

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

The School District operates under a locally elected five-member Board form of government. Each member is elected to a four year term. The School District provides educational services as mandated by State and/or federal agencies. The Board of Education controls the School District's four instructional support facilities staffed by 168 classified employees, 224 certified teaching personnel, and 25 administrators who provide services to 2,321 students and other community members.

The School District is located in Pepper Pike, Ohio, Cuyahoga County. The enrollment for the School District during the 2001 fiscal year was 2,321. The School District operates two elementary schools (K-2) and (3-4), one middle school (5-7) and a high school (8-12).

Reporting Entity

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

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

The School District participates in certain organizations which are defined as jointly governed organizations and an insurance purchasing pool. These organizations are the Lakeshore Northeast Ohio Computer Association (LNOCA), the Ohio Schools Council, and the Ohio School Boards Association Workers' Compensation Group Rating Program. These organizations are presented in Notes 10 and 11 to the general purpose financial statements.

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

Note 2 - Summary of Significant Accounting Policies

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

A. Basis Of Presentation - Fund Accounting

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

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

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

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

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

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

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

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

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).

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

Enterprise Funds Enterprise 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 Board of Education 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 Board of Education 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.

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

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

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

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

B. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

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

Property taxes for which there is an enforceable legal claim as of June 30, 2001, but which were levied to finance fiscal year 2002 governmental operations, have been recorded as deferred revenue. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue. On a modified accrual basis, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

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

amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

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

C. Budgetary Data

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

All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund level. Budgetary statements are presented beyond that legal level of control for informational purposes only. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow and are intended to be repaid.

Tax Budget Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Cuyahoga County Budget Commission for rate determination.

Estimated Resources Prior to April 1, unless a later date is approved by the Tax Commissioner, 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. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2001.

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

Appropriations Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriations must be approved by the Board of Education. The Treasurer maintains budgetary information at the object level and has the authority to allocate appropriations at the function and object level without resolution from the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions.

Encumbrances As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

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

D. Cash and Cash Equivalents

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

During fiscal year 2001, investments were limited to Commercial Paper, Banker's Acceptances, Certificates of Deposit, Federal Home Loan Bank Notes, Federal National Mortgage Association Notes, Repurchase Agreements, and STAROhio, the State Treasurer's Investment Pool.

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

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

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

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2001 amounted to \$304,062, which should have included \$62,989 assigned from other School District funds.

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

E. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2001, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

F. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include amounts required by statute to be set-aside by the School District for the purchase of textbooks and the creation of a reserve for budget stabilization. See Note 8 for additional information regarding set-asides.

G. Inventory

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

H. Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are

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

capitalized in the respective fund. All purchased fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five hundred dollars.

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

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment, vehicles, and improvements other than buildings in the enterprise funds is computed using the straight-line method over an estimated useful life that ranges from five to twenty years.

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

J. Contributed Capital

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

K. Accrued Liabilities and Long-term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits are reported as a liability in the general long-term obligations account group to the extent that they will not be

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

paid with current expendable available financial resources. Payments made more than sixty days after year-end are generally considered not to have been paid with current available financial resources. Bonds and capital leases are recognized as a liability of the general long-term obligations account group until due or until resources have been accumulated in the fund for payment early in the following year.

Bond anticipation notes that are re-issued prior to the issuance of the financial statements and have a maturity date more than 12 months subsequent to the end of the fiscal year are reported in the general long-term obligations account group.

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

L. Interfund Assets and Liabilities

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

M. Interfund Transactions

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

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

N. Fund Balance Reserves

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

The reserve for budget stabilization represents money required to be set-aside by statute to protect against cyclical changes in revenue and expenditures. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The reserve for textbooks and instructional materials represents money required to be set-aside for the purchase of textbooks and instructional materials. The reserve for contributions represents contributions to the nonexpendable trust fund that must be kept intact.

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

Note 5 - Budgetary Basis of Accounting

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

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

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

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

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

| | General | Special Revenue | Debt Service | Capital Projects | Expendable Trust |
|---|--------------------|--------------------|--------------------|-----------------------|---------------------|
| GAAP Basis | (\$792,908) | \$20,768 | (\$451,826) | (\$20,035,003) | \$912 |
| Net Adjustment for Fair Value Adjustment | | | | | |
| For Investments | 0 | 0 | 0 | (25,520) | 0 |
| Net Adjustment for Revenue Accruals | 596,841 | 495 | 61,733 | (281,519) | 5,183 |
| Advance In | 0 | 0 | 0 | 87,970 | 0 |
| Net Adjustment for Expenditure Accruals | 158,687 | 18,402 | 0 | 2,420,214 | 0 |
| Advance Out | (87,970) | 0 | 0 | 0 | 0 |
| Adjustment for Encumbrances | (254,776) | (41,770) | 0 | (9,943,180) | 0 |
| Budget Basis | <u>(\$380,126)</u> | <u>(\$2,105)</u> | <u>(\$390,093)</u> | <u>(\$27,777,038)</u> | <u>\$6,095</u> |

Net Income/Excess of Revenues
Over Expenses and Operating Transfers
All Proprietary Fund Types and Nonexpendable Trust Fund

| | Enterprise | Nonexpendable Trust |
|-------------------------------------|------------------|------------------------|
| GAAP Basis | \$877,444 | \$5,176 |
| Net Adjustment for Revenue Accruals | (436,469) | (857) |
| Net Adjustment for Expense Accruals | 34,653 | 0 |
| Capital Outlay | 16,227 | 0 |
| Depreciation Expense | 10,789 | 0 |
| Encumbrances | (2,941) | 0 |
| Budget Basis | <u>\$499,703</u> | <u>\$4,319</u> |

Note 6 - Deposits and Investments

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

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

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

Inactive deposits are public deposits that the School 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.

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

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

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

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

Cash on Hand At fiscal year-end, the School District had \$4,250 in cash on hand which is included on the balance sheet of the School District as part of equity in pooled cash and cash equivalents.

Deposits At fiscal year-end, the carrying amount of the School District's deposits was \$3,448,431 and the bank balance was \$4,585,281. \$185,281 of the bank balance was covered by federal depository insurance. \$4,400,000 was collateralized with securities held by the pledging financial institutions trust department or agent in the School District's name.

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

| | Category 3 | Carrying Value | Fair Value |
|---|--------------------|---------------------|---------------------|
| Federal Home Loan Bank Notes | \$1,000,450 | \$1,000,450 | \$1,000,450 |
| Federal National Mortgage Association Notes | 2,005,890 | 2,005,890 | 2,005,890 |
| Repurchase Agreements | 831,822 | 831,822 | 831,822 |
| STAROhio | 0 | 13,965,371 | 13,965,371 |
| Total Investments | <u>\$3,838,162</u> | <u>\$17,803,533</u> | <u>\$17,803,533</u> |

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting." A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

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

| | Cash and Cash Equivalents/Deposit | Investments |
|--|--------------------------------------|--------------|
| GASB Statement No. 9 | \$21,256,214 | \$0 |
| Cash on Hand | (4,250) | |
| Investments which are part of a cash management pool: | | |
| Federal Home Loan Bank Notes | (1,000,450) | 1,000,450 |
| Federal National Mortgage Association Notes | (2,005,890) | 2,005,890 |
| Repurchase Agreements | (831,822) | 831,822 |
| STAROhio | (13,965,371) | 13,965,371 |
| GASB Statement No. 3 | \$3,448,431 | \$17,803,533 |

Note 7 - Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar year 2001 for real and public utility property taxes represents collections of calendar year 2000 taxes. Property tax payments received during calendar year 2001 for tangible personal property (other than public utility property) is for calendar year 2001 taxes.

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

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

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

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

| | 2000 Second- Half Collections | | 2001 First- Half Collections | |
|--|----------------------------------|---------|---------------------------------|---------|
| | Amount | Percent | Amount | Percent |
| Agricultural/ Residential and Other Real Estate | \$705,439,830 | 92.55% | \$806,821,810 | 93.49% |
| Public Utility Personal | 16,126,190 | 2.12 | 18,440,740 | 2.14 |
| Tangible Personal Property | 40,664,220 | 5.33 | 37,696,353 | 4.37 |
| Total | \$762,230,240 | 100.00% | \$862,958,903 | 100.00% |
| Tax rate per \$1,000 of assessed valuation | \$71.50 | | \$81.10 | |

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

The School District passed a \$9.5 mill general operating levy and a \$0.95 mill recreation levy in November, 2000. The collection on these levies began in January of fiscal year 2001.

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. This year, the June 2001 tangible personal property tax settlement was not received until July of 2001.

The School District receives property taxes from Cuyahoga County. The county auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2001 are available to finance fiscal year 2002 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

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

The amount available as an advance at June 30, 2001, was \$995,278. \$916,315 was available to the general fund and \$78,963 was available to the bond retirement fund.

Note 8 - Set-Asides

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

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

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

| | Textbooks | Capital Acquisition | Budget Stabilization |
|---|-----------------|------------------------|-------------------------|
| Set-aside Cash Balance as of June 30, 2000 | \$0 | \$0 | \$385,904 |
| Current Year Set-aside Requirement | 697,141 | 697,141 | 0 |
| Reduction Authorized by Legislative Revisions | 0 | 0 | (223,534) |
| Qualifying Disbursements | (634,591) | (18,783,332) | 0 |
| Offsets During the Fiscal Year | (11,956) | 0 | 0 |
| Total | <u>\$50,594</u> | <u>(\$18,086,191)</u> | <u>\$162,370</u> |
| Set-Aside Reserve Balance as of June 30, 2001 | <u>\$50,594</u> | <u>\$0</u> | <u>\$162,370</u> |

The School District had qualifying disbursements and offsets during the fiscal year that reduced the capital acquisition set-aside amount below zero. This amount may not be used to reduce the set aside requirement of future years. This negative balance is therefore not presented as being carried forward to future fiscal years. The total reserve balance for the three set-asides at the end of the fiscal year was \$212,964.

Note 9 - Receivables

Receivables at June 30, 2001, consisted of taxes, accounts (rent, billings for user charged services and student fees), intergovernmental grants and accrued interest. All receivables are considered to be collectible in full. At June 30, the general fund had intergovernmental receivables of \$1,990,386, for tuition from various Ohio schools.

Note 10 - Jointly Governed Organizations

A. Lakeshore Northeast Ohio Computer Association

The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed organization among eleven School Districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the governments of these schools supports LNOCA based on a per pupil charge. Orange City School District contributed \$47,673 to LNOCA during fiscal year 2001. LNOCA is governed by a Board of Directors consisting of a superintendent or designated representative from each participating school district. The degree of control exercised by any participating school district is limited to its representation on the board. Financial information can be obtained by contacting the Treasurer at the Cuyahoga County Board of Education, who serves as the fiscal agent, at 5700 West Canal Road, Valley View, Ohio 44125.

B. Ohio Schools Council

The Ohio Schools Council Association (Council) is a jointly governed organization among eighty-three school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2001, the School District paid \$2,263 to the Council. Financial information can

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

can be obtained by contacting Albert G. Vasek, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

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

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

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

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

Note 11 - Insurance Purchasing Pool

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

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

Note 12 - Fixed Assets

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

| | |
|-----------------------------------|---------------|
| | Totals |
| Improvements other than Buildings | \$6,631 |
| Furniture and Equipment | 568,544 |
| Vehicles | 276,150 |
| Less: Accumulated Depreciation | (818,183) |
| Net Fixed Assets | \$33,142 |

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

| | Balance June 30, 2000 | Additions | Deletions | Balance June 30, 2001 |
|-----------------------------|--------------------------|--------------|-----------|--------------------------|
| Land | \$7,507,081 | \$0 | \$0 | \$7,507,081 |
| Buildings | 14,254,989 | 0 | 0 | 14,254,989 |
| Furniture and Equipment | 8,025,004 | 1,251,333 | 99,501 | 9,176,836 |
| Vehicles | 3,165,389 | 314,207 | 12,403 | 3,467,193 |
| Construction In Progress | 6,304,237 | 16,956,070 | 0 | 23,260,307 |
| Total | \$39,256,700 | \$18,521,610 | \$111,904 | \$57,666,406 |

Note 13 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2001, the School District contracted with Nationwide Insurance for property, general and excess liability insurance. Nationwide Insurance also covers boiler and machinery, inland marine, audio/visual equipment and musical instruments, with a \$2,500 deductible. Coverages under these policies are as follows:

| | |
|--|--------------|
| Building and Contents-Replacement cost | \$47,159,900 |
| Builders Risk Limit | 10,832,400 |
| Umbrella | 5,000,000 |
| Automobile Liability | 2,000,000 |
| Uninsured Motorists | 2,000,000 |
| General Liability: | |
| Per occurrence | 1,000,000 |
| Total per year | 3,000,000 |
| Employer's Liability | 1,000,000 |

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

Settled claims have not exceeded this commercial coverage in any of the past three years and there has been no significant reduction in coverage from the prior year.

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 11). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

Note 14 - Employee Benefits

A. Life/Health Insurance

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Medical Life Insurance Company sponsored by Medical Mutual of Ohio, in the amount of \$100,000 for all certified and union exempt employees, \$200,000 for all administrators, the treasurer and the superintendent, \$50,000 for all bus drivers and hourly employees and \$50,000 for non-certified support staff employees. Non-union classified employees receive insurance that is double their salary, not to exceed \$100,000.

The School District has elected to provide employee medical, surgical, prescription drug, dental and vision through various companies. These plans provide medical/surgical plans with deductibles ranging from zero to \$100 single and zero to \$200 family. The dental benefits are subject to a \$25 single and \$50 family deductibles, co-pays and maximum benefits as are outlined in the plan. The vision plan has no deductible with 100 percent of the reasonable cost of exams covered, a portion of a pair of glasses per year and a portion of the cost of contact lenses. The School District pays various amounts for coverage based on the plan chosen and hours worked by each employee.

B. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn twelve to twenty-two days of vacation per year, depending upon length of service and hours worked. Teachers do not earn vacation time. Administrators employed to work 210 through 227 days per year receive 22 days of vacation annually. Administrators who receive vacation are not paid for accumulated unused vacation time upon termination of employment. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. There is no limit as to the amount of sick leave that may be accumulated. Upon retirement, classified employees, administrators and certified employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 280 days for classified and up to 320 days for administrators and certified employees.

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

Note 15 - Defined Benefit Pension Plans

A. School Employees Retirement System

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

Plan members are required to contribute 9 percent of their annual covered salary and the Orange City School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2001, 4.20 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2000, 5.5 percent was used to fund the pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS's Retirement Board. The Orange City School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$260,448, \$328,845, and \$388,805 respectively; 56.48 percent has been contributed for fiscal year 2001 and 100 percent for fiscal years 2000 and 1999. \$113,354 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds and the general long-term obligations account group.

B. State Teachers Retirement System

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

For the fiscal year ended June 30, 2001, plan members are required to contribute 9.3 percent of their annual covered salaries. The Orange City School District was required to contribute 14 percent; 9.5 percent was the portion used to fund pension obligations. For fiscal year 2000, the portion used to fund pension obligations was 6 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$1,407,593, \$870,981, and \$832,254, respectively; 90.94 percent has been contributed for fiscal year 2001 and 100 percent for fiscal years 2000 and 1999. \$127,509 represents the unpaid contribution for fiscal year 2001 and is recorded as a liability within the respective funds.

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

Note 16 - Postemployment Benefits

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

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2001, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$666,754 for fiscal year 2001.

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

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

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2001, employer contributions to fund health care benefits were 9.8 percent of covered payroll, an increase of 1.3 percent from fiscal year 2000. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay has been established at \$12,400. For the School District, the amount to fund health care benefits, including surcharge, during the 2001 fiscal year equaled \$682,984.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2000, (the latest information available), were \$140,696,340 and the target level was \$211.0 million. At June 30, 2000, SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

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

Note 17 - Long Term Obligations

Changes in long-term obligations of the School District during fiscal year 2001 were as follows:

| | Original Amount | Principal Outstanding 6/30/00 | Additions | Deductions | Principal Outstanding 6/30/01 |
|--|--------------------|-------------------------------------|--------------------|----------------------|-------------------------------------|
| General Long-Term Obligations: | | | | | |
| 1999 General Obligation Bonds 3.30-5.10% | \$29,500,000 | \$28,628,221 | \$0 | (\$865,000) | \$27,763,221 |
| 1999 School Improvement Note 3.64% | | 7,000,000 | 0 | (7,000,000) | 0 |
| 2000 School Improvement Note 4.60% | | 0 | 6,250,000 | 0 | 6,250,000 |
| Compensated Absences | | 1,129,241 | 698,855 | (108,106) | 1,719,990 |
| Pension Obligation | | 226,099 | 231,696 | (226,099) | 231,696 |
| Capital Leases | | 0 | 188,536 | (14,533) | 174,003 |
| Arbitrage | | 0 | 385,055 | 0 | 385,055 |
| <i>Total General Long-Term Obligations</i> | | <u>\$36,983,561</u> | <u>\$7,754,142</u> | <u>(\$8,213,738)</u> | <u>\$36,523,965</u> |

During fiscal year 2001, the School District issued a one-year school improvement note for the purpose of improving school facilities and their sites. The note is backed by the full faith and credit of the School District.

The general obligation bonds will be paid from the debt service fund. Compensated absences and the pension obligation will be paid from the fund from which the employee is paid. Capital lease obligations were paid from the capital projects fund because it utilizes the assets.

If the debt proceeds are retained by the School District beyond the scheduled deadlines, the School District is required to pay the federal government a portion of the interest earnings. For the 1999 General Obligation Bonds, the School District has not met the expenditure schedule.

The arbitrage liability is an estimate as of June 30, 2001, with respect to the bonds. The due date of the first rebate payment with respect to the bonds is July 19, 2004. The accrued liability will increase or decrease depending on whether remaining bond proceeds are invested at a yield that is higher or lower than the bond yield.

The School District's overall legal debt margin was \$44,904,307 at June 30, 2001. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2001, are as follows:

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

| Fiscal Year Ending June 30, | Principal and Interest |
|--------------------------------|----------------------------|
| 2002 | \$2,177,703 |
| 2003 | 2,177,538 |
| 2004 | 2,179,990 |
| 2005 | 2,174,988 |
| 2006 | 1,721,883 |
| 2007-2011 | 9,197,223 |
| 2012-2016 | 7,877,985 |
| 2017-2021 | 10,550,875 |
| 2022-2024 | 10,806,687 |
| Total Principal and Interest | <u>\$48,864,872</u> |
| Less Interest | <u>(\$21,101,651)</u> |
| Total | <u><u>\$27,763,221</u></u> |

Note 18 - Segment Information for Enterprise Funds

The School District maintains three Enterprise funds to account for the operations of food service, uniform school supplies and recreation. The table below reflects in a summarized format the more significant financial data relating to the Enterprise Funds of the Orange City School District as of and for the fiscal year ended June 30, 2001.

| | Food Service | Uniform School Supplies | Recreation | Totals |
|-------------------------------|-----------------|-------------------------------|-------------|-------------|
| Operating Revenues | \$412,400 | \$63,576 | \$1,146,796 | \$1,622,772 |
| Depreciation | 5,037 | 0 | 5,752 | 10,789 |
| Operating Loss | (39,479) | (1,433) | (414,271) | (455,183) |
| Operating Grants | 22,279 | 0 | 78,375 | 100,654 |
| Tax Revenues | 0 | 0 | 1,008,714 | 1,008,714 |
| Net Income (Loss) | 5,583 | (1,433) | 873,294 | 877,444 |
| Fixed Asset Additions | 0 | 0 | 16,227 | 16,227 |
| Net Working Capital | 35,252 | 40,845 | 3,436,570 | 3,512,667 |
| Total Assets | 77,734 | 40,845 | 3,627,365 | 3,745,944 |
| Total Equity | 18,712 | 40,845 | 3,452,634 | 3,512,191 |
| Encumbrances at June 30, 2001 | 0 | 0 | 2,941 | 2,941 |

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

Note 19 - State School Funding Decision

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 Ohio General Assembly to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 2001, the School District received \$1,532,098 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County 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 to the Ohio Supreme Court. On May 11, 2000, the Ohio Supreme court rendered a opinion on this issue. The Court concluded, "...the mandate of the [Ohio] Constitution has not been fulfilled." The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997, decision, however, it found seven "...major areas warrant further attention, study, and development by the General Assembly...", including the State's reliance on local property tax funding, the state's basic aid formula, the school foundation program, as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case.

As of the date of these financial statements, the School 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.

Note 20 - Capital Leases

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

General fixed assets consisting of equipment has been capitalized in the general fixed assets account group in the amount of \$188,536. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long term obligations account group. Principal payments in fiscal year 2001 totaled \$14,533.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2001.

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

| <u>Year</u> | <u>General Long-Term Obligation</u> |
|---|---|
| 2002 | \$68,421 |
| 2003 | 68,418 |
| 2004 | 51,314 |
| Total Minimum Lease Payments | 188,153 |
| Less: Amount Representing Interest | (14,150) |
| Present Value of minimum lease payments | <u>\$174,003</u> |

Note 21 - Contractual Commitments

As of June 30, 2001, the School District had the following contractual purchase commitments outstanding:

| <u>Contractor</u> | <u>Purpose</u> | <u>Amount</u> |
|---------------------------------|--|---------------|
| Acme Arsenia Company | Addition to New High School | \$52,146 |
| Albert M. Higley Company | Construction Manage Fees | 346,924 |
| Apple Computer | Computer Equipment and Installation | 523,333 |
| B-Tech Systems Integrators | Voice/Video/Data Equipment Installed | 76,361 |
| Bay Harbour Electric Inc | Construction New Elementary School | 117,689 |
| Bailey Communications Inc. | Voice/Video/Data Equipment Installed | 90,393 |
| Basic Computer Learning | Computer Equipment and Installation | 26,850 |
| Beckly Cardy, Inc | Equipment for Elementary School | 19,928 |
| Burkshire Construction Company | Renovations to High School | 31,362 |
| C.J. Natale Inc. | General Site Improvements | 103,603 |
| C.T. Taylor Company, Inc. | Construction of New Elementary School | 193,552 |
| Commerce Plumbing Company | Roofing of Brandy Middle School | 21,663 |
| Commercial Movers Inc. | Elementary School Site Preparation | 11,517 |
| Corporate Floors | Renovations to High School | 62,331 |
| Dupon Flooring Systems Inc. | New Gym/Addition to High School | 92,717 |
| E.B. Katz, Inc. | Construction to New Elementary School | 69,257 |
| Environcom Construction Inc | Renovations to Middle and High School | 65,186 |
| Fanning Howey Associates | Architect Fees for New Elementary School | 178,935 |
| Forest City Erectors | Addition to High School | 11,903 |
| Franklin Roofing Inc. | Construction to New Elementary School | 157,577 |
| Fujitsu Business Communications | Voice/Video/Data Equipment Installed | 102,819 |
| Gandee and Associates Inc. | Professional Services | 10,155 |
| Giorgi Interior | Construction of New Elementary School | 70,522 |
| Holcombs Inc. | Equipment for Elementary School | 38,953 |
| Illuminating Company | Construction of New Elementary School | 36,767 |
| Kaplan Mechanical Corp. | New Gym/Addition to High School | 11,586 |
| Kastra Painting Inc. | Renovations to High School | 24,627 |
| Key Municipal Finance | Voice/Video/Data Equipment Installed | 188,150 |

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

| Contractor | Purpose | Amount |
|------------------------------------|--|--------------------|
| Lepi Enterprises Inc. | General Site Preparations/Improvements | \$32,110 |
| Library Design Associates Inc. | Equipment for Elementary School | 66,979 |
| London Road Electric Company | New Gym/Addition to High School | 13,038 |
| M.C.S.I. | Computer Equipment and Installation | 71,250 |
| Maintenance Unlimited Inc. | Addition to High School | 122,779 |
| Martin Enterprises Inc. | Construction of New Elementary School | 401,112 |
| McDevitt Mechanical Contractors | Renovations to Brady Middle School | 44,597 |
| Meridian Construction Services | Construction New Elementary School | 361,653 |
| Metro Window and Glass Company | Construction New Elementary School | 338,670 |
| Micro Warehouse | Computer Equipment and Installation | 72,699 |
| Mid Continent Construction | Renovations to High School | 115,736 |
| Mike McGarry and Sons, Inc | New Gym/Addition to High School | 17,699 |
| Mr. Excavator Inc. | General Site Preparations/Improvements | 1,300,500 |
| Nirav | Computer Equipment and Installation | 12,080 |
| Northern Valley Contractors | New Gym/Addition to High School | 222,303 |
| P.J. Ellis Electric Company, Inc. | Renovations to Brady Middle School | 23,810 |
| Paley Plumbing and Heating | Construction of New Elementary School | 33,873 |
| Pyramid Electric Company | Renovations to High School | 150,826 |
| R.G. Industries | Renovations to High School | 83,219 |
| R.J. Martin Electrical Contractors | Old Moreland Hills School Renovation | 673,640 |
| S.S. Kemp | Middle School Renovations | 500,843 |
| Smith and Oby Company | Renovations to High School | 51,786 |
| Steingass Mechanical Contractors | Renovations to High School | 28,741 |
| Summit Construction Co. | General Site Preparations/Improvements | 941,632 |
| T & F System, Inc. | Renovations to High School | 33,771 |
| Thomarios | Construction of New Elementary School | 33,513 |
| Tom Sexton and Associates | Equipment for Elementary School | 134,951 |
| U.S. Office Products | Equipment for Elementary School | 235,783 |
| Vadakin Refrigeration and Air | General Site Preparations/Improvements | 508,214 |
| Wasserstrom Company | Construction of New Elementary School | 132,131 |
| Whitmer Company | High School Indoor Pool Renovations | 123,282 |
| York International Corp. | High School Renovations | 121,150 |
| Total | | <u>\$9,741,176</u> |

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

Note 22 - Interfund Transactions

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

| Fund | Receivable | Payable |
|-----------------------|------------|----------|
| General | \$88,222 | \$0 |
| Capital Projects | | |
| Building Improvements | 0 | 87,970 |
| Expendable Trust | | |
| Memorial Trust | 0 | 252 |
| <i>Total</i> | \$88,222 | \$88,222 |

Note 23 - Contingencies

A. Grants

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

B. Litigation

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

Note 24 – Subsequent Events

On July 19, 2001 the District issued school improvement notes in the amount of \$5,750,000, at a rate of 2.89%, with a maturity date of July 18, 2002, and retired school improvement notes in the amount of \$6,250,000.

On September 24, 2001, the School District joined the Suburban Health Consortium to maximize benefits and/or reduce costs of health, dental, life and/or other group insurance coverages for their employees, eligible dependants and designated beneficiaries. This nine member consortium will be classified as a jointly governed organization.

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

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

- ▶ A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.

- ▶ Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

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

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of October 31, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes may be made retroactive to July 1, 2001.

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

General Fund

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

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|------------------------------|---------------------------|---------------------|--|
| Revenues | | | |
| Taxes | \$26,994,000 | \$26,462,656 | (\$531,344) |
| Intergovernmental | 5,849,182 | 4,633,039 | (1,216,143) |
| Interest | 300,000 | 413,063 | 113,063 |
| Tuition and Fees | 913,856 | 1,224,851 | 310,995 |
| Charges for Services | 141,000 | 35,431 | (105,569) |
| Rentals | 29,000 | 24,983 | (4,017) |
| Miscellaneous | 9,882 | 23,316 | 13,434 |
| <i>Total Revenues</i> | <u>34,236,920</u> | <u>32,817,339</u> | <u>(1,419,581)</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Salaries and Wages | 9,305,419 | 9,204,773 | 100,646 |
| Fringe Benefits | 2,614,752 | 2,608,158 | 6,594 |
| Purchased Services | 96,744 | 95,735 | 1,009 |
| Materials and Supplies | 390,950 | 387,239 | 3,711 |
| Capital Outlay - New | 113,125 | 112,848 | 277 |
| Capital Outlay - Replacement | 93,482 | 93,351 | 131 |
| Total Regular | <u>12,614,472</u> | <u>12,502,104</u> | <u>112,368</u> |
| Special: | | | |
| Salaries and Wages | 3,037,823 | 2,917,415 | 120,408 |
| Fringe Benefits | 954,449 | 934,455 | 19,994 |
| Purchased Services | 1,533,889 | 1,532,541 | 1,348 |
| Materials and Supplies | 42,719 | 39,611 | 3,108 |
| Capital Outlay - New | 24,820 | 21,182 | 3,638 |
| Total Special | <u>5,593,700</u> | <u>5,445,204</u> | <u>148,496</u> |
| Vocational: | | | |
| Salaries and Wages | 70,100 | 63,074 | 7,026 |
| Fringe Benefits | 16,305 | 15,996 | 309 |
| Purchased Services | 199,442 | 199,442 | 0 |
| Materials and Supplies | 4,100 | 4,049 | 51 |
| Total Vocational | <u>289,947</u> | <u>282,561</u> | <u>7,386</u> |
| Total Instruction | <u>\$18,498,119</u> | <u>\$18,229,869</u> | <u>\$268,250</u> |

(continued)

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2001

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|----------------------------------|-------------------|------------------|--|
| Support Services: | | | |
| Pupils: | | | |
| Salaries and Wages | \$1,449,636 | \$1,414,932 | \$34,704 |
| Fringe Benefits | 430,397 | 416,192 | 14,205 |
| Purchased Services | 18,518 | 17,566 | 952 |
| Materials and Supplies | 22,275 | 21,239 | 1,036 |
| Total Pupils | 1,920,826 | 1,869,929 | 50,897 |
| Instructional Staff: | | | |
| Salaries and Wages | 877,573 | 873,207 | 4,366 |
| Fringe Benefits | 317,828 | 304,886 | 12,942 |
| Purchased Services | 42,095 | 41,827 | 268 |
| Materials and Supplies | 62,162 | 57,661 | 4,501 |
| Capital Outlay - New | 15,676 | 14,559 | 1,117 |
| Capital Outlay - Replacement | 5,095 | 4,955 | 140 |
| Total Instructional Staff | 1,320,429 | 1,297,095 | 23,334 |
| Board of Education: | | | |
| Salaries and Wages | 7,280 | 7,280 | 0 |
| Fringe Benefits | 1,006 | 1,006 | 0 |
| Purchased Services | 25,265 | 25,264 | 1 |
| Other | 33,031 | 32,555 | 476 |
| Total Board of Education | 66,582 | 66,105 | 477 |
| Administration: | | | |
| Salaries and Wages | 1,273,260 | 1,255,604 | 17,656 |
| Fringe Benefits | 503,540 | 487,919 | 15,621 |
| Purchased Services | 307,435 | 275,254 | 32,181 |
| Materials and Supplies | 40,600 | 31,840 | 8,760 |
| Capital Outlay - New | 18,417 | 15,805 | 2,612 |
| Capital Outlay - Replacement | 3,550 | 3,533 | 17 |
| Other | 11,298 | 11,195 | 103 |
| Total Administration | 2,158,100 | 2,081,150 | 76,950 |
| Fiscal: | | | |
| Salaries and Wages | 272,000 | 269,219 | 2,781 |
| Fringe Benefits | 114,781 | 109,412 | 5,369 |
| Purchased Services | 34,525 | 31,813 | 2,712 |
| Materials and Supplies | 8,000 | 7,934 | 66 |
| Capital Outlay - New | 1,000 | 1,000 | 0 |
| Capital Outlay - Replacement | 4,039 | 4,039 | 0 |
| Other | 439,719 | 437,160 | 2,559 |
| Total Fiscal | \$874,064 | \$860,577 | \$13,487 |

(continued)

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2001

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|---------------------|---------------------|--|
| Business: | | | |
| Salaries and Wages | \$167,500 | \$165,142 | \$2,358 |
| Fringe Benefits | 63,867 | 58,820 | 5,047 |
| Purchased Services | 81,028 | 81,028 | 0 |
| Materials and Supplies | 36,396 | 22,878 | 13,518 |
| Capital Outlay - New | 12,500 | 11,609 | 891 |
| Capital Outlay - Replacement | 10,500 | 9,802 | 698 |
| Other | 2,150 | 1,750 | 400 |
| Total Business | 373,941 | 351,029 | 22,912 |
| Operation and Maintenance of Plant: | | | |
| Salaries and Wages | 1,413,776 | 1,282,637 | 131,139 |
| Fringe Benefits | 515,146 | 451,918 | 63,228 |
| Purchased Services | 1,447,211 | 1,428,303 | 18,908 |
| Materials and Supplies | 236,500 | 202,899 | 33,601 |
| Capital Outlay - New | 17,430 | 14,908 | 2,522 |
| Capital Outlay - Replacement | 59,319 | 58,434 | 885 |
| Other | 30,000 | 11,193 | 18,807 |
| Total Operation and Maintenance of Plant | 3,719,382 | 3,450,292 | 269,090 |
| Pupil Transportation: | | | |
| Salaries and Wages | 1,362,126 | 1,362,126 | 0 |
| Fringe Benefits | 543,553 | 511,452 | 32,101 |
| Purchased Services | 192,135 | 167,876 | 24,259 |
| Materials and Supplies | 180,105 | 165,377 | 14,728 |
| Capital Outlay - New | 10,350 | 10,215 | 135 |
| Capital Outlay - Replacement | 266,225 | 266,225 | 0 |
| Total Pupil Transportation | 2,554,494 | 2,483,271 | 71,223 |
| Central: | | | |
| Salaries and Wages | 277,450 | 248,375 | 29,075 |
| Fringe Benefits | 85,226 | 85,200 | 26 |
| Purchased Services | 141,555 | 92,856 | 48,699 |
| Materials and Supplies | 56,703 | 42,405 | 14,298 |
| Capital Outlay - New | 11,632 | 11,517 | 115 |
| Capital Outlay - Replacement | 3,500 | 3,216 | 284 |
| Total Central | 576,066 | 483,569 | 92,497 |
| Total Support Services | \$13,563,884 | \$12,943,017 | \$620,867 |

(continued)

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2001

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|--------------------|--|
| | <u> </u> | <u> </u> | <u> </u> |
| Operation of Non-Instructional Services: | | | |
| Food Service Operations: | | | |
| Fringe Benefits | \$14,000 | \$1,634 | \$12,366 |
| Materials and Supplies | 5,973 | 5,245 | 728 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Operation of Non-Instructional Services | 19,973 | 6,879 | 13,094 |
| Extracurricular Activities: | | | |
| Sport Oriented Activities: | | | |
| Salaries and Wages | 687,100 | 632,961 | 54,139 |
| Fringe Benefits | 173,469 | 125,543 | 47,926 |
| Purchased Services | 189 | 189 | 0 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Extracurricular Activities | 860,758 | 758,693 | 102,065 |
| <i>Total Expenditures</i> | <u>32,942,734</u> | <u>31,938,458</u> | <u>1,004,276</u> |
| <i>Excess of Revenues Over Expenditures</i> | <u>1,294,186</u> | <u>878,881</u> | <u>(415,305)</u> |
| Other Financing Sources (Uses) | | | |
| Advances Out | 0 | (87,970) | (87,970) |
| Operating Transfers In | 175,254 | 0 | (175,254) |
| Operating Transfers Out | (1,171,037) | (1,171,037) | 0 |
| | <u> </u> | <u> </u> | <u> </u> |
| <i>Total Other Financing Sources (Uses)</i> | <u>(995,783)</u> | <u>(1,259,007)</u> | <u>(263,224)</u> |
| <i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i> | 298,403 | (380,126) | (678,529) |
| <i>Fund Balance Beginning of Year</i> | 3,931,127 | 3,931,127 | 0 |
| Prior Year Encumbrances Appropriated | <u>221,511</u> | <u>221,511</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$4,451,041</u> | <u>\$3,772,512</u> | <u>(\$678,529)</u> |

Special Revenue Funds

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

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

Miscellaneous Grants - These funds account for local monies received for the training and purchasing of materials to help with students who have special needs in the third and fourth grades.

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

District Managed Activity - This fund accounts for those student activity programs which have student participation in the activity but do not have student management of the programs.

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

Local Professional Development Block Grant - This fund accounts for monies received to promote community involvement and to support activities between the school and the community.

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

School Net Professional Development - This fund accounts for State monies received for computer training for teachers in the District.

Interactive Video Distance Learning - This fund accounts for State monies received for learning and technology services.

Reggio Jennings - This fund accounts for State monies received for the enhancement of classroom settings by funding the purchase of various supplies.

Eisenhower Grant - This fund accounts for federal monies strengthening instruction in science, mathematics, modern foreign languages, English, the arts and computer learning.

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

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

(continued)

Special Revenue Funds (continued)

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

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

Preschool Disability - This fund accounts for monies received for the improvement and expansion of services for handicapped children ages three through five years.

Telecommunications Grant - This fund accounts for grant monies used for telecommunication.

Other Special Revenue

Community Education Grant

Children's Trust

Ohio Reads

Learn and Serve

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

| | Public School Support | Miscellaneous Grants | District Managed Activity |
|---|-----------------------------|-------------------------|---------------------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$30,492 | \$142,858 | \$27,239 |
| Liabilities | | | |
| Accounts Payable | \$0 | \$0 | \$0 |
| Accrued Wages and Benefits | 0 | 0 | 0 |
| Intergovernmental Payable | 0 | 14 | 106 |
| <i>Total Liabilities</i> | 0 | 14 | 106 |
| Fund Equity | | | |
| Fund Balance: | | | |
| Reserved for Encumbrances | 350 | 0 | 0 |
| Unreserved, Undesignated | 30,142 | 142,844 | 27,133 |
| <i>Total Fund Equity</i> | 30,492 | 142,844 | 27,133 |
| <i>Total Liabilities and Fund Equity</i> | \$30,492 | \$142,858 | \$27,239 |

| <u>Auxiliary Services</u> | <u>Local Professional Development Block Grant</u> | <u>Management Information Systems</u> | <u>School Net Professional Development</u> | <u>Reggio Jennings</u> |
|-------------------------------|---|---|--|----------------------------|
| <u>\$65,585</u> | <u>\$16,301</u> | <u>\$9,185</u> | <u>\$5,401</u> | <u>\$4,560</u> |
| \$37,846 | \$0 | \$0 | \$0 | \$0 |
| 21,640 | 0 | 0 | 864 | 0 |
| <u>2,946</u> | <u>104</u> | <u>0</u> | <u>233</u> | <u>0</u> |
| <u>62,432</u> | <u>104</u> | <u>0</u> | <u>1,097</u> | <u>0</u> |
| 0 | 3,210 | 0 | 0 | 89 |
| <u>3,153</u> | <u>12,987</u> | <u>9,185</u> | <u>4,304</u> | <u>4,471</u> |
| <u>3,153</u> | <u>16,197</u> | <u>9,185</u> | <u>4,304</u> | <u>4,560</u> |
| <u>\$65,585</u> | <u>\$16,301</u> | <u>\$9,185</u> | <u>\$5,401</u> | <u>\$4,560</u> |

(continued)

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

| | <u>Eisenhower Grant</u> | <u>Title VI-B</u> | <u>Title I</u> | <u>Title VI</u> |
|---|-----------------------------|---------------------|---------------------|--------------------|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$13,587</u> | <u>\$31,968</u> | <u>\$10,443</u> | <u>\$9,559</u> |
| | | | | |
| Liabilities | | | | |
| Accounts Payable | \$0 | \$0 | \$0 | \$0 |
| Accrued Wages and Benefits | 0 | 0 | 8,827 | 0 |
| Intergovernmental Payable | <u>0</u> | <u>0</u> | <u>1,606</u> | <u>0</u> |
| <i>Total Liabilities</i> | <u>0</u> | <u>0</u> | <u>10,433</u> | <u>0</u> |
| | | | | |
| Fund Equity | | | | |
| Fund Balance: | | | | |
| Reserved for Encumbrances | 0 | 0 | 0 | 0 |
| Unreserved, Undesignated | <u>13,587</u> | <u>31,968</u> | <u>10</u> | <u>9,559</u> |
| <i>Total Fund Equity</i> | <u>13,587</u> | <u>31,968</u> | <u>10</u> | <u>9,559</u> |
| <i>Total Liabilities and Fund Equity</i> | <u>\$13,587</u> | <u>\$31,968</u> | <u>\$10,443</u> | <u>\$9,559</u> |

| <u>Drug Free School Grant</u> | <u>Preschool Disability</u> | <u>Telecommunications Grant</u> | <u>Other</u> | <u>Totals</u> |
|-----------------------------------|---------------------------------|-------------------------------------|----------------|------------------|
| <u>\$4,110</u> | <u>\$3,527</u> | <u>\$19,001</u> | <u>\$5,634</u> | <u>\$399,450</u> |
| \$0 | \$0 | \$0 | \$0 | \$37,846 |
| 0 | 0 | 0 | 0 | 31,331 |
| 0 | 0 | 0 | 173 | 5,182 |
| 0 | 0 | 0 | 173 | 74,359 |
| 0 | 0 | 0 | 275 | 3,924 |
| <u>4,110</u> | <u>3,527</u> | <u>19,001</u> | <u>5,186</u> | <u>321,167</u> |
| <u>4,110</u> | <u>3,527</u> | <u>19,001</u> | <u>5,461</u> | <u>325,091</u> |
| <u>\$4,110</u> | <u>\$3,527</u> | <u>\$19,001</u> | <u>\$5,634</u> | <u>\$399,450</u> |

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

| | Public School Support | Miscellaneous Grants | Venture Capital | District Managed Activity |
|---|-----------------------------|-------------------------|--------------------|---------------------------------|
| Revenues | | | | |
| Intergovernmental | \$0 | \$0 | \$0 | \$0 |
| Interest | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 107,379 | 0 | 0 | 55,026 |
| Contributions and Donations | 1,747 | 0 | 0 | 12,317 |
| Miscellaneous | 0 | 48,113 | 500 | 13,980 |
| <i>Total Revenues</i> | <u>109,126</u> | <u>48,113</u> | <u>500</u> | <u>81,323</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 17,087 | 0 | 0 |
| Special | 0 | 0 | 0 | 0 |
| Support Services: | | | | |
| Pupils | 0 | 0 | 0 | 0 |
| Instructional Staff | 0 | 1,847 | 22,730 | 0 |
| Administration | 0 | 0 | 0 | 0 |
| Fiscal | 0 | 0 | 0 | 0 |
| Operation and Maintenance of Plant | 0 | 0 | 0 | 0 |
| Central | 0 | 105 | 0 | 0 |
| Operation of Non-Instructional | | | | |
| Services | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 107,062 | 0 | 0 | 165,109 |
| <i>Total Expenditures</i> | <u>107,062</u> | <u>19,039</u> | <u>22,730</u> | <u>165,109</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 2,064 | 29,074 | (22,230) | (83,786) |
| Other Financing Sources | | | | |
| Operating Transfers In | 0 | 0 | 0 | 87,000 |
| <i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i> | 2,064 | 29,074 | (22,230) | 3,214 |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>28,428</u> | <u>113,770</u> | <u>22,230</u> | <u>23,919</u> |
| <i>Fund Balances End of Year</i> | <u>\$30,492</u> | <u>\$142,844</u> | <u>\$0</u> | <u>\$27,133</u> |

| <u>Auxiliary Services</u> | <u>Local Professional Development Block Grant</u> | <u>Management Information Systems</u> | <u>School Net Professional Development</u> | <u>Interactive Video Distance Learning</u> |
|---------------------------|---|---------------------------------------|--|--|
| \$264,317 | \$16,197 | \$9,183 | \$4,000 | \$0 |
| 2,513 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| <u>266,830</u> | <u>16,197</u> | <u>9,183</u> | <u>4,000</u> | <u>0</u> |
| 0 | 0 | 0 | 165 | 3,441 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 10,522 | 0 | 3,344 | 0 |
| 0 | 0 | 0 | 1,000 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 6,328 | 18,758 | 505 |
| 278,983 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| <u>278,983</u> | <u>10,522</u> | <u>6,328</u> | <u>23,267</u> | <u>3,946</u> |
| (12,153) | 5,675 | 2,855 | (19,267) | (3,946) |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| (12,153) | 5,675 | 2,855 | (19,267) | (3,946) |
| <u>15,306</u> | <u>10,522</u> | <u>6,330</u> | <u>23,571</u> | <u>3,946</u> |
| <u>\$3,153</u> | <u>\$16,197</u> | <u>\$9,185</u> | <u>\$4,304</u> | <u>\$0</u> |

(continued)

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

| | Reggio Jennings | Eisenhower Grant | Title VI-B | Title I | Title VI |
|---|-----------------------|------------------------|------------------------|--------------------|-----------------------|
| Revenues | | | | | |
| Intergovernmental | \$6,398 | \$6,518 | \$120,617 | \$99,854 | \$4,907 |
| Interest | 0 | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 0 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| <i>Total Revenues</i> | <u>6,398</u> | <u>6,518</u> | <u>120,617</u> | <u>99,854</u> | <u>4,907</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | 5,125 | 378 | 0 | 0 | 1,935 |
| Special | 0 | 0 | 56,108 | 85,513 | 0 |
| Support Services: | | | | | |
| Pupils | 0 | 0 | 46,296 | 0 | 0 |
| Instructional Staff | 0 | 1,027 | 1,812 | 0 | 0 |
| Administration | 0 | 0 | 2,172 | 0 | 0 |
| Fiscal | 0 | 0 | 0 | 0 | 0 |
| Operation and Maintenance of Plant | 2,398 | 0 | 0 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 | 0 |
| Operation of Non-Instructional Services | 0 | 0 | 0 | 0 | 3,893 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>7,523</u> | <u>1,405</u> | <u>106,388</u> | <u>85,513</u> | <u>5,828</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (1,125) | 5,113 | 14,229 | 14,341 | (921) |
| Other Financing Sources | | | | | |
| Operating Transfers In | 0 | 0 | 0 | 0 | 0 |
| <i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i> | (1,125) | 5,113 | 14,229 | 14,341 | (921) |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>5,685</u> | <u>8,474</u> | <u>17,739</u> | <u>(14,331)</u> | <u>10,480</u> |
| <i>Fund Balances End of Year</i> | <u><u>\$4,560</u></u> | <u><u>\$13,587</u></u> | <u><u>\$31,968</u></u> | <u><u>\$10</u></u> | <u><u>\$9,559</u></u> |

| <u>Drug Free School Grant</u> | <u>Preschool Disability</u> | <u>Telecommunications Grant</u> | <u>Other</u> | <u>Totals</u> |
|-----------------------------------|---------------------------------|-------------------------------------|----------------|------------------|
| \$8,305 | \$14,959 | \$0 | \$29,413 | \$584,668 |
| 0 | 0 | 0 | 0 | 2,513 |
| 0 | 0 | 0 | 0 | 162,405 |
| 0 | 0 | 0 | 0 | 14,064 |
| 0 | 0 | 0 | 0 | 62,593 |
| <u>8,305</u> | <u>14,959</u> | <u>0</u> | <u>29,413</u> | <u>826,243</u> |
| 0 | 0 | 0 | 21,857 | 49,988 |
| 0 | 10,070 | 0 | 0 | 151,691 |
| 6,478 | 7,635 | 0 | 0 | 60,409 |
| 0 | 275 | 0 | 0 | 41,557 |
| 0 | 0 | 0 | 0 | 3,172 |
| 0 | 0 | 0 | 828 | 828 |
| 0 | 0 | 0 | 0 | 2,398 |
| 0 | 0 | 0 | 0 | 25,696 |
| 0 | 0 | 0 | 1,689 | 284,565 |
| 0 | 0 | 0 | 0 | 272,171 |
| <u>6,478</u> | <u>17,980</u> | <u>0</u> | <u>24,374</u> | <u>892,475</u> |
| 1,827 | (3,021) | 0 | 5,039 | (66,232) |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>87,000</u> |
| 1,827 | (3,021) | 0 | 5,039 | 20,768 |
| <u>2,283</u> | <u>6,548</u> | <u>19,001</u> | <u>422</u> | <u>304,323</u> |
| <u>\$4,110</u> | <u>\$3,527</u> | <u>\$19,001</u> | <u>\$5,461</u> | <u>\$325,091</u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Revenues | | | |
| Extracurricular Activities | \$110,341 | \$107,379 | (\$2,962) |
| Contributions and Donations | <u>10,500</u> | <u>1,747</u> | <u>(8,753)</u> |
| <i>Total Revenues</i> | <u>120,841</u> | <u>109,126</u> | <u>(11,715)</u> |
| Expenditures | | | |
| Current: | | | |
| Extracurricular Activities: | | | |
| School and Public Service | | | |
| Co-Curricular Activities: | | | |
| Purchased Services | 70,659 | 62,573 | 8,086 |
| Materials and Supplies | 49,105 | 44,687 | 4,418 |
| Capital Outlay - New | <u>5,400</u> | <u>152</u> | <u>5,248</u> |
| <i>Total Expenditures</i> | <u>125,164</u> | <u>107,412</u> | <u>17,752</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (4,323) | 1,714 | 6,037 |
| <i>Fund Balance Beginning of Year</i> | <u>28,428</u> | <u>28,428</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$24,105</u></u> | <u><u>\$30,142</u></u> | <u><u>\$6,037</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------------------|------------------|--|
| Revenues | | | |
| Miscellaneous | <u>\$40,584</u> | <u>\$48,608</u> | <u>\$8,024</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Salaries and Wages | 5,910 | 1,317 | 4,593 |
| Fringe Benefits | 960 | 163 | 797 |
| Purchased Services | 28,523 | 13,780 | 14,743 |
| Materials and Supplies | 3,801 | 1,337 | 2,464 |
| Capital Outlay - New | <u>110,495</u> | <u>495</u> | <u>110,000</u> |
| Total Instruction | <u>149,689</u> | <u>17,092</u> | <u>132,597</u> |
| Support Services: | | | |
| Instructional Staff: | | | |
| Purchased Services | 638 | 371 | 267 |
| Materials and Supplies | <u>1,957</u> | <u>1,491</u> | <u>466</u> |
| Total Instructional Staff | <u>2,595</u> | <u>1,862</u> | <u>733</u> |
| Central: | | | |
| Purchased Services | 26 | 26 | 0 |
| Materials and Supplies | <u>79</u> | <u>79</u> | <u>0</u> |
| Total Central | <u>105</u> | <u>105</u> | <u>0</u> |
| Total Support Services | <u>2,700</u> | <u>1,967</u> | <u>733</u> |
| <i>Total Expenditures</i> | <u>152,389</u> | <u>19,059</u> | <u>133,330</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (111,805) | 29,549 | 141,354 |
| <i>Fund Balance Beginning of Year</i> | <u>113,309</u> | <u>113,309</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$1,504</u> | <u>\$142,858</u> | <u>\$141,354</u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|-------------------|---|
| Revenues | | | |
| Miscellaneous | <u>\$500</u> | <u>\$500</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Instructional Staff: | | | |
| Purchased Services | 10,275 | 10,275 | 0 |
| Materials and Supplies | 7,796 | 7,796 | 0 |
| Capital Outlay - New | <u>4,659</u> | <u>4,659</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>22,730</u> | <u>22,730</u> | <u>0</u> |
| <i>Excess of Revenues Under Expenditures</i> | (22,230) | (22,230) | 0 |
| <i>Fund Balance Beginning of Year</i> | <u>22,230</u> | <u>22,230</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$0</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Activity
For the Fiscal Year Ended June 30, 2001

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|--|-------------------|-----------------|--|
| Revenues | | | |
| Extracurricular Activities | \$200,190 | \$55,026 | (\$145,164) |
| Contributions and Donations | 32,710 | 12,317 | (20,393) |
| Miscellaneous | 18,000 | 13,980 | (4,020) |
| <i>Total Revenues</i> | <u>250,900</u> | <u>81,323</u> | <u>(169,577)</u> |
| Expenditures | | | |
| Current: | | | |
| Extracurricular Activities: | | | |
| Academic and Subject Oriented Activities: | | | |
| Purchased Services | 135,549 | 18,001 | 117,548 |
| Materials and Supplies | 43,000 | 4,443 | 38,557 |
| Capital Outlay - New | 23,420 | 0 | 23,420 |
| Total Academic and Subject Oriented Activities | <u>201,969</u> | <u>22,444</u> | <u>179,525</u> |
| Sports Oriented Activities: | | | |
| Salaries and Wages | 11,969 | 11,969 | 0 |
| Fringe Benefits | 1,877 | 1,877 | 0 |
| Purchased Services | 64,396 | 62,107 | 2,289 |
| Materials and Supplies | 66,329 | 62,478 | 3,851 |
| Capital Outlay - New | 4,330 | 4,330 | 0 |
| Total Sports Oriented Activities | <u>148,901</u> | <u>142,761</u> | <u>6,140</u> |
| <i>Total Expenditures</i> | <u>350,870</u> | <u>165,205</u> | <u>185,665</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | <u>(99,970)</u> | <u>(83,882)</u> | <u>16,088</u> |
| Other Financing Sources (Uses) | | | |
| Operating Transfers In | 93,000 | 87,000 | (6,000) |
| Operating Transfers Out | (5,000) | 0 | 5,000 |
| <i>Total Other Financing Sources (Uses)</i> | <u>88,000</u> | <u>87,000</u> | <u>(1,000)</u> |
| <i>Excess of Revenues and Other</i> | | | |
| <i>Financing Sources Over (Under) Expenditures</i> | | | |
| <i>and Other Financing Uses</i> | (11,970) | 3,118 | 15,088 |
| <i>Fund Balance Beginning of Year</i> | <u>24,121</u> | <u>24,121</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$12,151</u> | <u>\$27,239</u> | <u>\$15,088</u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|------------------------|---|
| Revenues | | | |
| Intergovernmental | \$264,317 | \$264,317 | \$0 |
| Interest | <u>2,405</u> | <u>2,513</u> | <u>108</u> |
| <i>Total Revenues</i> | <u>266,722</u> | <u>266,830</u> | <u>108</u> |
| Expenditures | | | |
| Current: | | | |
| Operation of Non-Instructional Services: | | | |
| Community Services: | | | |
| Salaries and Wages | 164,726 | 143,973 | 20,753 |
| Fringe Benefits | 43,136 | 37,342 | 5,794 |
| Purchased Services | 40,341 | 40,158 | 183 |
| Materials and Supplies | 20,583 | 19,682 | 901 |
| Capital Outlay - New | <u>39,017</u> | <u>39,017</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>307,803</u> | <u>280,172</u> | <u>27,631</u> |
| <i>Excess of Revenues Under Expenditures</i> | (41,081) | (13,342) | 27,739 |
| <i>Fund Balance Beginning of Year</i> | 38,364 | 38,364 | 0 |
| Prior Year Encumbrances Appropriated | <u>2,717</u> | <u>2,717</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$27,739</u></u> | <u><u>\$27,739</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Professional Development Block Grant
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$16,197</u> | <u>\$16,197</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Instructional Staff: | | | |
| Salaries and Wages | 12,301 | 6,304 | 5,997 |
| Fringe Benefits | 3,335 | 1,661 | 1,674 |
| Purchased Services | 10,068 | 5,663 | 4,405 |
| Materials and Supplies | <u>646</u> | <u>0</u> | <u>646</u> |
| Total Support Services | 26,350 | 13,628 | 12,722 |
| Operation of Non-Instructional Services: | | | |
| Community Services: | | | |
| Purchased Services | <u>369</u> | <u>0</u> | <u>369</u> |
| <i>Total Expenditures</i> | <u>26,719</u> | <u>13,628</u> | <u>13,091</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (10,522) | 2,569 | 13,091 |
| <i>Fund Balance Beginning of Year</i> | <u>10,522</u> | <u>10,522</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$13,091</u></u> | <u><u>\$13,091</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|-----------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$0</u> | <u>\$9,183</u> | <u>\$9,183</u> |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Central: | | | |
| Salaries and Wages | 5,346 | 5,346 | 0 |
| Fringe Benefits | 892 | 892 | 0 |
| Materials and Supplies | <u>90</u> | <u>90</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>6,328</u> | <u>6,328</u> | <u>0</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (6,328) | 2,855 | 9,183 |
| <i>Fund Balance Beginning of Year</i> | <u>6,330</u> | <u>6,330</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$2</u></u> | <u><u>\$9,185</u></u> | <u><u>\$9,183</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---------------------------------------|---------------------------|----------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$4,000</u> | <u>\$4,000</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Salaries and Wages | 3,424 | 143 | 3,281 |
| Fringe Benefits | <u>576</u> | <u>22</u> | <u>554</u> |
| Total Instruction | <u>4,000</u> | <u>165</u> | <u>3,835</u> |
| Support Services: | | | |
| Instructional Staff: | | | |
| Salaries and Wages | 2,057 | 2,057 | 0 |
| Fringe Benefits | 355 | 347 | 8 |
| Purchased Services | 600 | 600 | 0 |
| Materials and Supplies | <u>359</u> | <u>359</u> | <u>0</u> |
| Total Instructional Staff | <u>3,371</u> | <u>3,363</u> | <u>8</u> |
| Administration: | | | |
| Purchased Services | <u>1,000</u> | <u>1,000</u> | <u>0</u> |
| Central: | | | |
| Salaries and Wages | 2,879 | 1,724 | 1,155 |
| Fringe Benefits | 550 | 248 | 302 |
| Purchased Services | 105 | 105 | 0 |
| Materials and Supplies | 3,291 | 3,291 | 0 |
| Capital Outlay - New | <u>12,621</u> | <u>12,521</u> | <u>100</u> |
| Total Central | <u>19,446</u> | <u>17,889</u> | <u>1,557</u> |
| Total Support Services | <u>23,817</u> | <u>22,252</u> | <u>1,565</u> |
| <i>Total Expenditures</i> | <u>27,817</u> | <u>22,417</u> | <u>5,400</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (23,817) | (18,417) | 5,400 |
| <i>Fund Balance Beginning of Year</i> | <u>23,818</u> | <u>23,818</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$1</u> | <u>\$5,401</u> | <u>\$5,400</u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Interactive Video Distance Learning
For the Fiscal Year Ended June 30, 2001

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---------------------------------------|-------------------|---------|--|
| Revenues | \$0 | \$0 | \$0 |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Capital Outlay - New | 3,441 | 3,441 | 0 |
| Support Services: | | | |
| Central: | | | |
| Purchased Services | 505 | 505 | 0 |
| <i>Total Expenditures</i> | 3,946 | 3,946 | 0 |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (3,946) | (3,946) | 0 |
| <i>Fund Balance Beginning of Year</i> | 3,946 | 3,946 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$0 | \$0 |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Reggio Jennings
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---------------------------------------|---------------------------|-----------------------|--|
| Revenues | | | |
| Intergovernmental | <u>\$6,309</u> | <u>\$6,398</u> | <u>\$89</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Purchased Services | 4,525 | 4,286 | 239 |
| Materials and Supplies | 816 | 749 | 67 |
| Capital Outlay - New | <u>255</u> | <u>179</u> | <u>76</u> |
| Total Instruction | <u>5,596</u> | <u>5,214</u> | <u>382</u> |
| Support Services: | | | |
| Instructional Staff: | | | |
| Purchased Services | 4,000 | 0 | 4,000 |
| Operation and Maintenance of Plant: | | | |
| Purchased Services | <u>2,398</u> | <u>2,398</u> | <u>0</u> |
| Total Support Services | <u>6,398</u> | <u>2,398</u> | <u>4,000</u> |
| <i>Total Expenditures</i> | <u>11,994</u> | <u>7,612</u> | <u>4,382</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (5,685) | (1,214) | 4,471 |
| <i>Fund Balance Beginning of Year</i> | <u>5,685</u> | <u>5,685</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$4,471</u></u> | <u><u>\$4,471</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Eisenhower Grant
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$6,518</u> | <u>\$6,518</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Materials and Supplies | <u>378</u> | <u>378</u> | <u>0</u> |
| Support Services: | | | |
| Instructional Staff: | | | |
| Salaries and Wages | 5,333 | 800 | 4,533 |
| Fringe Benefits | 1,141 | 145 | 996 |
| Purchased Services | 3,397 | 0 | 3,397 |
| Materials and Supplies | 2,000 | 101 | 1,899 |
| Capital Outlay - New | <u>500</u> | <u>0</u> | <u>500</u> |
| Total Support Services | <u>12,371</u> | <u>1,046</u> | <u>11,325</u> |
| Operation of Non-Instructional Services: | | | |
| Community Services: | | | |
| Purchased Services | <u>2,262</u> | <u>0</u> | <u>2,262</u> |
| <i>Total Expenditures</i> | <u>15,011</u> | <u>1,424</u> | <u>13,587</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (8,493) | 5,094 | 13,587 |
| <i>Fund Balance Beginning of Year</i> | <u>8,493</u> | <u>8,493</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$13,587</u></u> | <u><u>\$13,587</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$120,617</u> | <u>\$120,617</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Special Instruction: | | | |
| Purchased Services | 27,415 | 26,190 | 1,225 |
| Materials and Supplies | 19,951 | 14,067 | 5,884 |
| Capital Outlay - New | <u>15,930</u> | <u>15,887</u> | <u>43</u> |
| Total Instruction | <u>63,296</u> | <u>56,144</u> | <u>7,152</u> |
| Support Services: | | | |
| Pupils: | | | |
| Purchased Services | 60,022 | 39,321 | 20,701 |
| Materials and Supplies | 8,062 | 5,110 | 2,952 |
| Capital Outlay - New | <u>1,870</u> | <u>1,865</u> | <u>5</u> |
| Total Pupils | <u>69,954</u> | <u>46,296</u> | <u>23,658</u> |
| Instructional Staff: | | | |
| Purchased Services | 1,359 | 1,298 | 61 |
| Materials and Supplies | <u>529</u> | <u>514</u> | <u>15</u> |
| Total Instructional Staff | <u>1,888</u> | <u>1,812</u> | <u>76</u> |
| Administration: | | | |
| Purchased Services | 2,710 | 1,641 | 1,069 |
| Materials and Supplies | <u>544</u> | <u>531</u> | <u>13</u> |
| Total Administration | <u>3,254</u> | <u>2,172</u> | <u>1,082</u> |
| Total Support Services | <u>75,096</u> | <u>50,280</u> | <u>24,816</u> |
| <i>Total Expenditures</i> | <u>138,392</u> | <u>106,424</u> | <u>31,968</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (17,775) | 14,193 | 31,968 |
| <i>Fund Balance Beginning of Year</i> | 5,955 | 5,955 | 0 |
| Prior Year Encumbrances Appropriated | <u>11,820</u> | <u>11,820</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$31,968</u></u> | <u><u>\$31,968</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---------------------------------------|---------------------------|------------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$101,659</u> | <u>\$99,854</u> | <u>(\$1,805)</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Special: | | | |
| Salaries and Wages | 91,051 | 84,585 | 6,466 |
| Fringe Benefits | 17,605 | 15,129 | 2,476 |
| Purchased Services | 375 | 375 | 0 |
| Materials and Supplies | <u>1,885</u> | <u>809</u> | <u>1,076</u> |
| Total Instruction | 110,916 | 100,898 | 10,018 |
| Support Services: | | | |
| Administration: | | | |
| Other | <u>425</u> | <u>0</u> | <u>425</u> |
| <i>Total Expenditures</i> | <u>111,341</u> | <u>100,898</u> | <u>10,443</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (9,682) | (1,044) | 8,638 |
| <i>Fund Balance Beginning of Year</i> | <u>11,487</u> | <u>11,487</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$1,805</u></u> | <u><u>\$10,443</u></u> | <u><u>\$8,638</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|-----------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$15,191</u> | <u>\$4,907</u> | <u>(\$10,284)</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Purchased Services | 11,039 | 1,500 | 9,539 |
| Materials and Supplies | <u>9,101</u> | <u>435</u> | <u>8,666</u> |
| Total Instruction | <u>20,140</u> | <u>1,935</u> | <u>18,205</u> |
| Operation of Non-Instructional Services: | | | |
| Community Services: | | | |
| Purchased Services | 746 | 500 | 246 |
| Materials and Supplies | <u>4,785</u> | <u>3,393</u> | <u>1,392</u> |
| Total Community Services | <u>5,531</u> | <u>3,893</u> | <u>1,638</u> |
| <i>Total Expenditures</i> | <u>25,671</u> | <u>5,828</u> | <u>19,843</u> |
| <i>Excess of Revenues Under Expenditures</i> | (10,480) | (921) | 9,559 |
| <i>Fund Balance Beginning of Year</i> | <u>10,480</u> | <u>10,480</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$9,559</u></u> | <u><u>\$9,559</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------------------|-----------------------|--|
| Revenues | | | |
| Intergovernmental | <u>\$13,043</u> | <u>\$8,305</u> | <u>(\$4,738)</u> |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Pupils: | | | |
| Purchased Services | 10,881 | 4,000 | 6,881 |
| Materials and Supplies | <u>3,820</u> | <u>2,478</u> | <u>1,342</u> |
| Total Support Services | <u>14,701</u> | <u>6,478</u> | <u>8,223</u> |
| Operation of Non-Instructional Services: | | | |
| Community Services: | | | |
| Purchased Services | 150 | 0 | 150 |
| Capital Outlay - New | <u>475</u> | <u>0</u> | <u>475</u> |
| Total Operation of Non-Instructional Services | <u>625</u> | <u>0</u> | <u>625</u> |
| <i>Total Expenditures</i> | <u>15,326</u> | <u>6,478</u> | <u>8,848</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (2,283) | 1,827 | 4,110 |
| <i>Fund Balance Beginning of Year</i> | <u>2,283</u> | <u>2,283</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$4,110</u></u> | <u><u>\$4,110</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Disability
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|-----------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$14,959</u> | <u>\$14,959</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Special: | | | |
| Purchased Services | 1,350 | 987 | 363 |
| Materials and Supplies | 9,869 | 8,483 | 1,386 |
| Capital Outlay - New | <u>600</u> | <u>600</u> | <u>0</u> |
| Total Instruction | <u>11,819</u> | <u>10,070</u> | <u>1,749</u> |
| Support Services: | | | |
| Pupils: | | | |
| Materials and Supplies | 7,689 | 6,686 | 1,003 |
| Capital Outlay - New | <u>949</u> | <u>949</u> | <u>0</u> |
| Total Pupils | 8,638 | 7,635 | 1,003 |
| Instructional Staff: | | | |
| Purchased Services | <u>1,050</u> | <u>275</u> | <u>775</u> |
| Total Support Services | <u>9,688</u> | <u>7,910</u> | <u>1,778</u> |
| <i>Total Expenditures</i> | <u>21,507</u> | <u>17,980</u> | <u>3,527</u> |
| <i>Excess of Revenues Under Expenditures</i> | (6,548) | (3,021) | 3,527 |
| <i>Fund Balance Beginning of Year</i> | <u>6,548</u> | <u>6,548</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$3,527</u></u> | <u><u>\$3,527</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Telecommunications Grant
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Revenues | \$0 | \$0 | \$0 |
| Expenditures | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Excess of Revenues Over Expenditures</i> | 0 | 0 | 0 |
| Other Financing Uses | | | |
| Operating Transfers Out | <u>(19,001)</u> | <u>0</u> | <u>19,001</u> |
| <i>Excess of Revenues Under Expenditures and Other Financing Uses</i> | (19,001) | 0 | 19,001 |
| <i>Fund Balance Beginning of Year</i> | <u>19,001</u> | <u>19,001</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$19,001</u></u> | <u><u>\$19,001</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Education Grant
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|-------------------|---|
| Revenues | \$0 | \$0 | \$0 |
| Expenditures | | | |
| Current: | | | |
| Operation of Non-Instructional Services: | | | |
| Community Services: | | | |
| Materials and Supplies | <u>1,689</u> | <u>1,689</u> | <u>0</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (1,689) | (1,689) | 0 |
| <i>Fund Balance Beginning of Year</i> | <u>1,689</u> | <u>1,689</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$0</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Children's Trust
For the Fiscal Year Ended June 30, 2001

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---------------------------------------|-------------------|--------|--|
| Revenues | \$0 | \$0 | \$0 |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Pupils: | | | |
| Purchased Services | 275 | 275 | 0 |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (275) | (275) | 0 |
| <i>Fund Balance Beginning of Year</i> | 275 | 275 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$0 | \$0 |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---------------------------------------|---------------------------|-------------------|---|
| Revenues | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Salaries and Wages | 5 | 0 | 5 |
| Fringe Benefits | <u>22</u> | <u>22</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>27</u> | <u>22</u> | <u>5</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (27) | (22) | 5 |
| <i>Fund Balance Beginning of Year</i> | <u>27</u> | <u>27</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$5</u></u> | <u><u>\$5</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Learn and Serve
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|-----------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$29,413</u> | <u>\$29,413</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Salaries and Wages | 23,765 | 19,755 | 4,010 |
| Fringe Benefits | 6,922 | 5,733 | 1,189 |
| Purchased Services | <u>154</u> | <u>0</u> | <u>154</u> |
| Total Instruction | 30,841 | 25,488 | 5,353 |
| Support Services: | | | |
| Fiscal: | | | |
| Other | <u>828</u> | <u>828</u> | <u>0</u> |
| Total Expenditures | <u>31,669</u> | <u>26,316</u> | <u>5,353</u> |
| Excess of Revenues Over (Under) Expenditures | (2,256) | 3,097 | 5,353 |
| Fund Balance Beginning of Year | <u>2,257</u> | <u>2,257</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$1</u></u> | <u><u>\$5,354</u></u> | <u><u>\$5,353</u></u> |

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

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|--|-------------------|-----------------|--|
| Revenues | | | |
| Intergovernmental | \$592,223 | \$584,668 | (\$7,555) |
| Interest | 2,405 | 2,513 | 108 |
| Extracurricular Activities | 310,531 | 162,405 | (148,126) |
| Contributions and Donations | 43,210 | 14,064 | (29,146) |
| Miscellaneous | 59,084 | 63,088 | 4,004 |
| <i>Total Revenues</i> | <u>1,007,453</u> | <u>826,738</u> | <u>(180,715)</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Miscellaneous Grants | 149,689 | 17,092 | 132,597 |
| School Net Professional Development | 4,000 | 165 | 3,835 |
| Interactive Video Distance Learning | 3,441 | 3,441 | 0 |
| Reggio Jennings | 5,596 | 5,214 | 382 |
| Eisenhower Grant | 378 | 378 | 0 |
| Title VI | 20,140 | 1,935 | 18,205 |
| Ohio Reads | 27 | 22 | 5 |
| Learn and Serve | 30,841 | 25,488 | 5,353 |
| Total Regular | <u>214,112</u> | <u>53,735</u> | <u>160,377</u> |
| Special: | | | |
| Title VI-B | 63,296 | 56,144 | 7,152 |
| Title I | 110,916 | 100,898 | 10,018 |
| Preschool Disability | 11,819 | 10,070 | 1,749 |
| Total Special | <u>186,031</u> | <u>167,112</u> | <u>18,919</u> |
| Total Instruction | <u>400,143</u> | <u>220,847</u> | <u>179,296</u> |
| Support Services: | | | |
| Pupils: | | | |
| Title VI-B | 69,954 | 46,296 | 23,658 |
| Drug Free School Grant | 14,701 | 6,478 | 8,223 |
| Preschool Disability | 8,638 | 7,635 | 1,003 |
| Children's Trust | 275 | 275 | 0 |
| Total Pupils | <u>93,568</u> | <u>60,684</u> | <u>32,884</u> |
| Instructional Staff: | | | |
| Miscellaneous Grants | 2,595 | 1,862 | 733 |
| Venture Capital | 22,730 | 22,730 | 0 |
| Local Professional Development Block Grant | 26,350 | 13,628 | 12,722 |
| School Net Professional Development | 3,371 | 3,363 | 8 |
| Reggio Jennings | 4,000 | 0 | 4,000 |
| Eisenhower Grant | 12,371 | 1,046 | 11,325 |
| Title VI-B | 1,888 | 1,812 | 76 |
| Preschool Disability | 1,050 | 275 | 775 |
| Total Instructional Staff | <u>\$74,355</u> | <u>\$44,716</u> | <u>\$29,639</u> |

(continued)

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|----------------|---|
| Administration: | | | |
| School Net Professional Development | \$1,000 | \$1,000 | \$0 |
| Title VI-B | 3,254 | 2,172 | 1,082 |
| Title I | 425 | 0 | 425 |
| | <u>4,679</u> | <u>3,172</u> | <u>1,507</u> |
| Total Administration | | | |
| Fiscal: | | | |
| Learn and Serve | 828 | 828 | 0 |
| | <u>828</u> | <u>828</u> | <u>0</u> |
| Operation and Maintenance of Plant: | | | |
| Reggio Jennings | 2,398 | 2,398 | 0 |
| | <u>2,398</u> | <u>2,398</u> | <u>0</u> |
| Central: | | | |
| Miscellaneous Grants | 105 | 105 | 0 |
| Management Information Systems | 6,328 | 6,328 | 0 |
| School Net Professional Development | 19,446 | 17,889 | 1,557 |
| Interactive Video Distance Learning | 505 | 505 | 0 |
| | <u>26,384</u> | <u>24,827</u> | <u>1,557</u> |
| Total Central | | | |
| Total Support Services | <u>202,212</u> | <u>136,625</u> | <u>65,587</u> |
| Operation of Non-Instructional Services: | | | |
| Community Services: | | | |
| Auxiliary Services | 307,803 | 280,172 | 27,631 |
| Local Professional Development Block Grant | 369 | 0 | 369 |
| Eisenhower Grant | 2,262 | 0 | 2,262 |
| Title VI | 5,531 | 3,893 | 1,638 |
| Drug Free School Grant | 625 | 0 | 625 |
| Community Education Grant | 1,689 | 1,689 | 0 |
| | <u>318,279</u> | <u>285,754</u> | <u>32,525</u> |
| Total Operation of Non-Instructional Services: | | | |
| Extracurricular Activities: Academic and Subject Oriented Activities: District Managed Activity | <u>201,969</u> | <u>22,444</u> | <u>179,525</u> |

(continued)

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

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|------------------------|-------------------------|--|
| Sports Oriented Activities: District Managed Activity | \$148,901 | \$142,761 | \$6,140 |
| School and Public Service Co-Curricular Activities: Public School Support | <u>125,164</u> | <u>107,412</u> | <u>17,752</u> |
| Total Extracurricular Activities | <u>476,034</u> | <u>272,617</u> | <u>203,417</u> |
| <i>Total Expenditures</i> | <u>1,396,668</u> | <u>915,843</u> | <u>480,825</u> |
| <i>Excess of Revenues Under Expenditures</i> | <u>(389,215)</u> | <u>(89,105)</u> | <u>300,110</u> |
| Other Financing Sources (Uses) | | | |
| Operating Transfers In | 93,000 | 87,000 | (6,000) |
| Operating Transfers Out | <u>(24,001)</u> | <u>0</u> | <u>24,001</u> |
| <i>Total Other Financing Sources (Uses)</i> | <u>68,999</u> | <u>87,000</u> | <u>18,001</u> |
| <i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i> | (320,216) | (2,105) | 318,111 |
| <i>Fund Balances Beginning of Year</i> | 345,248 | 345,248 | 0 |
| Prior Year Encumbrances Appropriated | <u>14,537</u> | <u>14,537</u> | <u>0</u> |
| <i>Fund Balances End of Year</i> | <u><u>\$39,569</u></u> | <u><u>\$357,680</u></u> | <u><u>\$318,111</u></u> |

Debt Service Fund

The Debt Service fund accounts for the accumulation of financial resources for, and the payment of, general long-term debt principal and interest. Since there is only one debt service fund and the level of budgetary control is no greater than that presented in the combined financial statements, no additional financial statements are presented.

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 and trust funds).

Permanent Improvements - This fund accounts for all transactions related to the acquiring, constructing, or improving of various permanent improvements.

Building Improvements - This fund accounts for revenues to be used for various capital improvements within the School District.

School Net - This fund accounts for State monies used to obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

Telecommunity - This fund accounts for donations and grant monies used for consultation and teacher reimbursement for secondary education development using telecommunication.

Orange City School District

Combining Balance Sheet

All Capital Projects Funds

June 30, 2001

| | <u>Permanent Improvements</u> | <u>Building Improvements</u> | <u>School Net</u> | <u>Telecommunity</u> | <u>Totals</u> |
|---|-----------------------------------|----------------------------------|-----------------------|-----------------------|----------------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$920,840 | \$11,579,256 | \$9,999 | \$5,564 | \$12,515,659 |
| Receivables: | | | | | |
| Accrued Interest | <u>11,247</u> | <u>81,736</u> | <u>0</u> | <u>0</u> | <u>92,983</u> |
| Total Assets | <u><u>\$932,087</u></u> | <u><u>\$11,660,992</u></u> | <u><u>\$9,999</u></u> | <u><u>\$5,564</u></u> | <u><u>\$12,608,642</u></u> |
| | | | | | |
| Liabilities | | | | | |
| Contracts Payable | \$0 | \$4,033,153 | \$0 | \$0 | \$4,033,153 |
| Interfund Payable | <u>0</u> | <u>87,970</u> | <u>0</u> | <u>0</u> | <u>87,970</u> |
| Total Liabilities | <u><u>0</u></u> | <u><u>4,121,123</u></u> | <u><u>0</u></u> | <u><u>0</u></u> | <u><u>4,121,123</u></u> |
| | | | | | |
| Fund Equity | | | | | |
| Fund Balance: | | | | | |
| Reserved for Encumbrances | 0 | 6,126,025 | 0 | 0 | 6,126,025 |
| Unreserved, Undesignated | <u>932,087</u> | <u>1,413,844</u> | <u>9,999</u> | <u>5,564</u> | <u>2,361,494</u> |
| Total Fund Equity | <u><u>932,087</u></u> | <u><u>7,539,869</u></u> | <u><u>9,999</u></u> | <u><u>5,564</u></u> | <u><u>8,487,519</u></u> |
| Total Liabilities and Fund Equity | <u><u>\$932,087</u></u> | <u><u>\$11,660,992</u></u> | <u><u>\$9,999</u></u> | <u><u>\$5,564</u></u> | <u><u>\$12,608,642</u></u> |

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

| | <u>Permanent Improvements</u> | <u>Building Improvements</u> | <u>School Net</u> | <u>Telecommunity</u> | <u>Totals</u> |
|---|-----------------------------------|----------------------------------|-----------------------|-----------------------|---------------------------|
| Revenues | | | | | |
| Intergovernmental | \$0 | \$0 | \$31,000 | \$0 | \$31,000 |
| Interest | 57,441 | 1,487,826 | 0 | 0 | 1,545,267 |
| Contributions and Donations | 0 | 7,000 | 0 | 0 | 7,000 |
| Miscellaneous | 0 | 3,500 | 0 | 0 | 3,500 |
| <i>Total Revenues</i> | <u>57,441</u> | <u>1,498,326</u> | <u>31,000</u> | <u>0</u> | <u>1,586,767</u> |
| Expenditures | | | | | |
| Capital Outlay | 0 | 22,589,425 | 21,252 | 266,561 | 22,877,238 |
| Debt Service: | | | | | |
| Principal Retirement | 0 | 14,533 | 0 | 0 | 14,533 |
| Interest and Fiscal Charges | 0 | 2,572 | 0 | 0 | 2,572 |
| <i>Total Expenditures</i> | <u>0</u> | <u>22,606,530</u> | <u>21,252</u> | <u>266,561</u> | <u>22,894,343</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>57,441</u> | <u>(21,108,204)</u> | <u>9,748</u> | <u>(266,561)</u> | <u>(21,307,576)</u> |
| Other Financing Sources | | | | | |
| Inception of Capital Lease | 0 | 188,536 | 0 | 0 | 188,536 |
| Operating Transfers In | 400,000 | 684,037 | 0 | 0 | 1,084,037 |
| <i>Total Other Financing Sources</i> | <u>400,000</u> | <u>872,573</u> | <u>0</u> | <u>0</u> | <u>1,272,573</u> |
| <i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i> | 457,441 | (20,235,631) | 9,748 | (266,561) | (20,035,003) |
| <i>Fund Balances Beginning of Year</i> | <u>474,646</u> | <u>27,775,500</u> | <u>251</u> | <u>272,125</u> | <u>28,522,522</u> |
| <i>Fund Balances End of Year</i> | <u><u>\$932,087</u></u> | <u><u>\$7,539,869</u></u> | <u><u>\$9,999</u></u> | <u><u>\$5,564</u></u> | <u><u>\$8,487,519</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|-------------------------|---|
| Revenues | | | |
| Interest | \$0 | \$46,194 | \$46,194 |
| Expenditures | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Excess of Revenues Over Expenditures</i> | 0 | 46,194 | 46,194 |
| Other Financing Sources | | | |
| Operating Transfers In | <u>400,000</u> | <u>400,000</u> | <u>0</u> |
| <i>Excess of Revenues and Other Financing Sources Over Expenditures</i> | 400,000 | 446,194 | 46,194 |
| <i>Fund Balance Beginning of Year</i> | <u>474,646</u> | <u>474,646</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$874,646</u></u> | <u><u>\$920,840</u></u> | <u><u>\$46,194</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|---------------------------|---|
| Revenues | | | |
| Interest | \$1,605,941 | \$1,380,570 | (\$225,371) |
| Contributions and Donations | 500 | 7,000 | 6,500 |
| Miscellaneous | <u>2,000</u> | <u>3,500</u> | <u>1,500</u> |
| <i>Total Revenues</i> | 1,608,441 | 1,391,070 | (217,371) |
| Expenditures | | | |
| Current: | | | |
| Non-Instructional Services: | | | |
| Community Services: | | | |
| Capital Outlay | <u>31,981,640</u> | <u>30,129,496</u> | <u>1,852,144</u> |
| <i>Excess of Revenues Under Expenditures</i> | <u>(30,373,199)</u> | <u>(28,738,426)</u> | <u>1,634,773</u> |
| Other Financing Sources | | | |
| Advances In | 90,000 | 87,970 | (2,030) |
| Operating Transfers In | <u>1,100,000</u> | <u>684,037</u> | <u>(415,963)</u> |
| <i>Total Other Financing Sources</i> | <u>1,190,000</u> | <u>772,007</u> | <u>(417,993)</u> |
| <i>Excess of Revenues and Other Financing Sources Under Expenditures</i> | (29,183,199) | (27,966,419) | 1,216,780 |
| <i>Fund Balance Beginning of Year</i> | 8,935,159 | 8,935,159 | 0 |
| Prior Year Encumbrances Appropriated | <u>20,641,816</u> | <u>20,641,816</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$393,776</u></u> | <u><u>\$1,610,556</u></u> | <u><u>\$1,216,780</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|-----------------------|---|
| Revenues | | | |
| Intergovernmental | <u>\$21,001</u> | <u>\$31,000</u> | <u>\$9,999</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction | | | |
| Regular: | | | |
| Materials and Supplies | 116 | 116 | 0 |
| Capital Outlay - New | <u>136</u> | <u>136</u> | <u>0</u> |
| Total Instruction | 252 | 252 | 0 |
| Support Services: | | | |
| Central: | | | |
| Capital Outlay - New | <u>21,000</u> | <u>21,000</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>21,252</u> | <u>21,252</u> | <u>0</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (251) | 9,748 | 9,999 |
| <i>Fund Balance Beginning of Year</i> | <u>251</u> | <u>251</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$9,999</u></u> | <u><u>\$9,999</u></u> |

Orange City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Telecommunity
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---------------------------------------|---------------------------|-----------------------|---|
| Revenues | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Expenditures | | | |
| Current: | | | |
| Support Services | | | |
| Fiscal: | | | |
| Purchased Services | <u>458</u> | <u>458</u> | <u>0</u> |
| Central: | | | |
| Purchased Services | 67,399 | 61,926 | 5,473 |
| Materials and Supplies | 731 | 640 | 91 |
| Capital Outlay - New | <u>203,537</u> | <u>203,537</u> | <u>0</u> |
| Total Central | <u>271,667</u> | <u>266,103</u> | <u>5,564</u> |
| <i>Total Expenditures</i> | <u>272,125</u> | <u>266,561</u> | <u>5,564</u> |
| <i>Excess of Revenues</i> | | | |
| <i>Under Expenditures</i> | (272,125) | (266,561) | 5,564 |
| <i>Fund Balance Beginning of Year</i> | <u>272,125</u> | <u>272,125</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$0</u></u> | <u><u>\$5,564</u></u> | <u><u>\$5,564</u></u> |

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

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|--|---------------------|---------------------|--|
| Revenues | | | |
| Intergovernmental | \$21,001 | \$31,000 | \$9,999 |
| Interest | 1,605,941 | 1,426,764 | (179,177) |
| Contributions and Donations | 500 | 7,000 | 6,500 |
| Miscellaneous | 2,000 | 3,500 | 1,500 |
| Total Revenues | 1,629,442 | 1,468,264 | (161,178) |
| Expenditures | | | |
| Current: | | | |
| Instruction | | | |
| Regular: | | | |
| School Net | 252 | 252 | 0 |
| Support Services | | | |
| Fiscal: | | | |
| Telecommunity | 458 | 458 | 0 |
| Central: | | | |
| School Net | 21,000 | 21,000 | 0 |
| Telecommunity | 271,667 | 266,103 | 5,564 |
| Total Central | 292,667 | 287,103 | 5,564 |
| Total Support Services | 293,125 | 287,561 | 5,564 |
| Operation of Non-Instructional Services: | | | |
| Community Services: | | | |
| Capital Outlay: | | | |
| Building Improvements | 31,981,640 | 30,129,496 | 1,852,144 |
| Total Expenditures | 32,275,017 | 30,417,309 | 1,857,708 |
| Excess of Revenues Under Expenditures | (30,645,575) | (28,949,045) | 1,696,530 |
| Other Financing Sources | | | |
| Advances In | 90,000 | 87,970 | (2,030) |
| Operating Transfers In | 1,500,000 | 1,084,037 | (415,963) |
| Total Other Financing Sources | 1,590,000 | 1,172,007 | (417,993) |
| Excess of Revenues and Other Financing Sources Under Expenditures | (29,055,575) | (27,777,038) | 1,278,537 |
| Fund Balances Beginning of Year | 9,682,181 | 9,682,181 | 0 |
| Prior Year Encumbrances Appropriated | 20,641,816 | 20,641,816 | 0 |
| Fund Balances End of Year | \$1,268,422 | \$2,546,959 | \$1,278,537 |

Enterprise Funds

Enterprise 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 Board of Education 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 Board of Education 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 - This fund accounts for the financial transactions related to the food service operations of the School District.

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

Recreation - This fund accounts for recreation receipts and other revenues from continuing education classes and all costs associated with these activities.

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

| | <u>Food Service</u> | <u>Uniform School Supplies</u> | <u>Recreation</u> | <u>Totals</u> |
|--|------------------------|--|---------------------------|---------------------------|
| Assets | | | | |
| Current Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$53,815 | \$14,065 | \$2,877,212 | \$2,945,092 |
| Receivables: | | | | |
| Taxes | 0 | 0 | 695,442 | 695,442 |
| Accrued Interest | 662 | | 32,495 | 33,157 |
| Inventory Held For Resale Materials and Supplies Inventory | 5,732 | 26,780 | 0 | 32,512 |
| | <u>610</u> | <u>0</u> | <u>5,989</u> | <u>6,599</u> |
| <i>Total Current Assets</i> | 60,819 | 40,845 | 3,611,138 | 3,712,802 |
| Non-Current Assets | | | | |
| Fixed Assets (Net of Accumulated Depreciation) | <u>16,915</u> | <u>0</u> | <u>16,227</u> | <u>33,142</u> |
| <i>Total Assets</i> | <u><u>\$77,734</u></u> | <u><u>\$40,845</u></u> | <u><u>\$3,627,365</u></u> | <u><u>\$3,745,944</u></u> |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts Payable | \$0 | \$0 | \$542 | \$542 |
| Accrued Wages and Benefits | 6,393 | 0 | 25,547 | 31,940 |
| Intergovernmental Payable | 14,306 | 0 | 148,479 | 162,785 |
| Deferred Revenue | <u>4,868</u> | <u>0</u> | <u>0</u> | <u>4,868</u> |
| <i>Total Current Liabilities</i> | 25,567 | 0 | 174,568 | 200,135 |
| Long-Term Liabilities | | | | |
| Compensated Absences Payable | <u>33,455</u> | <u>0</u> | <u>163</u> | <u>33,618</u> |
| <i>Total Liabilities</i> | <u>59,022</u> | <u>0</u> | <u>174,731</u> | <u>233,753</u> |
| Fund Equity | | | | |
| Contributed Capital: | | | | |
| Capital Contributed from Governmental Funds | 63,407 | 0 | 0 | 63,407 |
| Retained Earnings: | | | | |
| Unreserved (Deficit) | <u>(44,695)</u> | <u>40,845</u> | <u>3,452,634</u> | <u>3,448,784</u> |
| <i>Total Fund Equity</i> | <u>18,712</u> | <u>40,845</u> | <u>3,452,634</u> | <u>3,512,191</u> |
| <i>Total Liabilities and Fund Equity</i> | <u><u>\$77,734</u></u> | <u><u>\$40,845</u></u> | <u><u>\$3,627,365</u></u> | <u><u>\$3,745,944</u></u> |

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

| | <u>Food Service</u> | <u>Uniform School Supplies</u> | <u>Recreation</u> | <u>Totals</u> |
|--|------------------------|--|---------------------------|---------------------------|
| Operating Revenues | | | | |
| Tuition | \$0 | \$0 | \$1,034,438 | \$1,034,438 |
| Sales | 412,400 | 63,576 | 0 | 475,976 |
| Other | <u>0</u> | <u>0</u> | <u>112,358</u> | <u>112,358</u> |
| <i>Total Operating Revenues</i> | <u>412,400</u> | <u>63,576</u> | <u>1,146,796</u> | <u>1,622,772</u> |
| Operating Expenses | | | | |
| Salaries | 204,920 | 0 | 850,902 | 1,055,822 |
| Fringe Benefits | 59,218 | 0 | 277,814 | 337,032 |
| Purchased Services | 0 | 0 | 324,596 | 324,596 |
| Materials and Supplies | 17,573 | 0 | 88,790 | 106,363 |
| Cost of Sales | 165,131 | 65,009 | 0 | 230,140 |
| Depreciation | 5,037 | 0 | 5,752 | 10,789 |
| Other | <u>0</u> | <u>0</u> | <u>13,213</u> | <u>13,213</u> |
| <i>Total Operating Expenses</i> | <u>451,879</u> | <u>65,009</u> | <u>1,561,067</u> | <u>2,077,955</u> |
| <i>Operating Loss</i> | <u>(39,479)</u> | <u>(1,433)</u> | <u>(414,271)</u> | <u>(455,183)</u> |
| Non-Operating Revenues | | | | |
| Federal Donated Commodities | 21,663 | 0 | 0 | 21,663 |
| Interest | 1,120 | 0 | 200,476 | 201,596 |
| Property Taxes | 0 | 0 | 1,008,714 | 1,008,714 |
| Operating Grants | <u>22,279</u> | <u>0</u> | <u>78,375</u> | <u>100,654</u> |
| <i>Total Non-Operating Revenues</i> | <u>45,062</u> | <u>0</u> | <u>1,287,565</u> | <u>1,332,627</u> |
| <i>Net Income (Loss)</i> | 5,583 | (1,433) | 873,294 | 877,444 |
| <i>Retained Earnings (Deficit)</i> | | | | |
| <i>Beginning of Year</i> | <u>(50,278)</u> | <u>42,278</u> | <u>2,579,340</u> | <u>2,571,340</u> |
| <i>End of Year</i> | (44,695) | 40,845 | 3,452,634 | 3,448,784 |
| Contributed Capital Beginning and End of Year | | | | |
| | <u>63,407</u> | <u>0</u> | <u>0</u> | <u>63,407</u> |
| <i>Total Fund Equity End of Year</i> | <u><u>\$18,712</u></u> | <u><u>\$40,845</u></u> | <u><u>\$3,452,634</u></u> | <u><u>\$3,512,191</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Revenues | | | |
| Sales | \$375,000 | \$412,400 | \$37,400 |
| Interest | 0 | 458 | 458 |
| Operating Grants | <u>26,000</u> | <u>30,821</u> | <u>4,821</u> |
| <i>Total Revenues</i> | <u>401,000</u> | <u>443,679</u> | <u>42,679</u> |
| Expenses | | | |
| Salaries | 185,217 | 181,049 | 4,168 |
| Fringe Benefits | 75,084 | 74,528 | 556 |
| Purchased Services | 3,000 | 0 | 3,000 |
| Materials and Supplies | <u>165,550</u> | <u>160,752</u> | <u>4,798</u> |
| <i>Total Expenses</i> | <u>428,851</u> | <u>416,329</u> | <u>12,522</u> |
| <i>Excess of Revenues Over (Under) Expenses</i> | (27,851) | 27,350 | 55,201 |
| Operating Transfers In | <u>40,000</u> | <u>0</u> | <u>(40,000)</u> |
| <i>Excess of Revenues Over Expenses and Operating Transfers</i> | 12,149 | 27,350 | 15,201 |
| <i>Fund Equity Beginning of Year</i> | <u>26,465</u> | <u>26,465</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$38,614</u></u> | <u><u>\$53,815</u></u> | <u><u>\$15,201</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Revenues | | | |
| Sales | \$72,748 | \$63,576 | (\$9,172) |
| Expenses | | | |
| Materials and Supplies | <u>72,060</u> | <u>62,212</u> | <u>9,848</u> |
| <i>Excess of Revenues Over Expenses</i> | 688 | 1,364 | 676 |
| <i>Fund Equity Beginning of Year</i> | <u>12,701</u> | <u>12,701</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$13,389</u></u> | <u><u>\$14,065</u></u> | <u><u>\$676</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------------------|---------------------------|--|
| Revenues | | | |
| Tuition | \$1,183,148 | \$1,034,438 | (\$148,710) |
| Sales | 1,000 | 0 | (1,000) |
| Interest | 49,000 | 167,981 | 118,981 |
| Property Taxes | 618,123 | 618,123 | 0 |
| Operating Grants | 74,110 | 78,375 | 4,265 |
| Other | <u>153,293</u> | <u>112,758</u> | <u>(40,535)</u> |
| <i>Total Revenues</i> | <u>2,078,674</u> | <u>2,011,675</u> | <u>(66,999)</u> |
| Expenses | | | |
| Salaries | 944,537 | 848,704 | 95,833 |
| Fringe Benefits | 299,555 | 241,696 | 57,859 |
| Purchased Services | 484,033 | 328,127 | 155,906 |
| Materials and Supplies | 123,086 | 92,719 | 30,367 |
| Capital Outlay | 16,556 | 16,227 | 329 |
| Other | <u>13,213</u> | <u>13,213</u> | <u>0</u> |
| <i>Total Expenses</i> | <u>1,880,980</u> | <u>1,540,686</u> | <u>340,294</u> |
| <i>Excess of Revenues Over Expenses</i> | 197,694 | 470,989 | 273,295 |
| Operating Transfers Out | <u>(15,000)</u> | <u>0</u> | <u>15,000</u> |
| <i>Excess of Revenues Over Expenses and Operating Transfers</i> | 182,694 | 470,989 | 288,295 |
| <i>Fund Equity Beginning of Year</i> | 2,397,792 | 2,397,792 | 0 |
| Prior Year Encumbrances Appropriated | <u>5,490</u> | <u>5,490</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$2,585,976</u></u> | <u><u>\$2,874,271</u></u> | <u><u>\$288,295</u></u> |

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|------------------------------|---------------------------|------------------|---|
| Revenues | | | |
| Tuition | \$1,183,148 | \$1,034,438 | (\$148,710) |
| Sales | 448,748 | 475,976 | 27,228 |
| Interest | 49,000 | 168,439 | 119,439 |
| Property Taxes | 618,123 | 618,123 | 0 |
| Operating Grants | 100,110 | 109,196 | 9,086 |
| Other | <u>153,293</u> | <u>112,758</u> | <u>(40,535)</u> |
| <i>Total Revenues</i> | <u>2,552,422</u> | <u>2,518,930</u> | <u>(33,492)</u> |
| Expenses | | | |
| Salaries: | | | |
| Food Service | 185,217 | 181,049 | 4,168 |
| Recreation | <u>944,537</u> | <u>848,704</u> | <u>95,833</u> |
| Total Salaries | <u>1,129,754</u> | <u>1,029,753</u> | <u>100,001</u> |
| Fringe Benefits: | | | |
| Food Service | 75,084 | 74,528 | 556 |
| Recreation | <u>299,555</u> | <u>241,696</u> | <u>57,859</u> |
| Total Fringe Benefits | <u>374,639</u> | <u>316,224</u> | <u>58,415</u> |
| Purchased Services: | | | |
| Food Service | 3,000 | 0 | 3,000 |
| Recreation | <u>484,033</u> | <u>328,127</u> | <u>155,906</u> |
| Total Purchased Services | <u>487,033</u> | <u>328,127</u> | <u>158,906</u> |
| Materials and Supplies: | | | |
| Food Service | 165,550 | 160,752 | 4,798 |
| Uniform School Supplies | 72,060 | 62,212 | 9,848 |
| Recreation | <u>123,086</u> | <u>92,719</u> | <u>30,367</u> |
| Total Materials and Supplies | <u>360,696</u> | <u>315,683</u> | <u>45,013</u> |
| Capital Outlay: | | | |
| Recreation | <u>\$16,556</u> | <u>\$16,227</u> | <u>\$329</u> |

(continued)

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

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|---------------------------|---|
| Other: | | | |
| Recreation | <u>\$13,213</u> | <u>\$13,213</u> | <u>\$0</u> |
| <i>Total Expenses</i> | <u>2,381,891</u> | <u>2,019,227</u> | <u>362,664</u> |
| <i>Excess of Revenues Over Expenses</i> | 170,531 | 499,703 | 329,172 |
| Operating Transfers In | 40,000 | 0 | (40,000) |
| Operating Transfers Out | <u>(15,000)</u> | <u>0</u> | <u>15,000</u> |
| <i>Excess of Revenues Over Expenses and Operating Transfers</i> | 195,531 | 499,703 | 304,172 |
| <i>Fund Equity Beginning of Year</i> | 2,436,958 | 2,436,958 | 0 |
| Prior Year Encumbrances Appropriated | <u>5,490</u> | <u>5,490</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$2,637,979</u></u> | <u><u>\$2,942,151</u></u> | <u><u>\$304,172</u></u> |

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

| | Food Service | Uniform School Supplies | Recreation | Totals |
|---|-----------------|-------------------------------|--------------------|--------------------|
| <i>Increase (Decrease) in Cash and Cash Equivalents</i> | | | | |
| Cash Flows from Operating Activities | | | | |
| Cash Received from Customers | \$412,400 | \$63,576 | \$0 | \$475,976 |
| Cash Received from Tuition Payments | 0 | 0 | 1,034,438 | 1,034,438 |
| Cash Received from Other Operating Revenues | 0 | 0 | 112,758 | 112,758 |
| Cash Payments to Suppliers for Goods and Services | (160,752) | (62,212) | (417,905) | (640,869) |
| Cash Payments to Employees for Services | (181,049) | 0 | (848,704) | (1,029,753) |
| Cash Payments for Employee Benefits | (74,528) | 0 | (241,696) | (316,224) |
| Cash Payments for Other Operating Expenses | 0 | 0 | (13,213) | (13,213) |
| <i>Net Cash Provided by (Used for) Operating Activities</i> | <u>(3,929)</u> | <u>1,364</u> | <u>(374,322)</u> | <u>(376,887)</u> |
| Cash Flows from Noncapital Financing Activities | | | | |
| Property Taxes | 0 | 0 | 618,123 | 618,123 |
| Operating Grants Received | 30,821 | 0 | 78,375 | 109,196 |
| <i>Net Cash Provided by Noncapital Financing Activities</i> | <u>30,821</u> | <u>0</u> | <u>696,498</u> | <u>727,319</u> |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Payments for Capital Acquisitions | 0 | 0 | (16,227) | (16,227) |
| Cash Flows from Investing Activities | | | | |
| Interest on Investments | 458 | 0 | 167,981 | 168,439 |
| <i>Net Increase in Cash and Cash Equivalents</i> | 27,350 | 1,364 | 473,930 | 502,644 |
| Cash and Cash Equivalents Beginning of Year | 26,465 | 12,701 | 2,403,282 | 2,442,448 |
| <i>Cash and Cash Equivalents End of Year</i> | <u>\$53,815</u> | <u>\$14,065</u> | <u>\$2,877,212</u> | <u>\$2,945,092</u> |

(continued)

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

| | Food Service | Uniform School Supplies | Recreation | Totals |
|--|-----------------|-------------------------------|-------------|-------------|
| Reconciliation of Operating Loss to Net Cash Provided By (Used for) Operating Activities: | | | | |
| <i>Operating Loss</i> | (\$39,479) | (\$1,433) | (\$414,271) | (\$455,183) |
| <i>Adjustments:</i> | | | | |
| Depreciation | 5,037 | 0 | 5,752 | 10,789 |
| Donated Commodities Used During Year | 21,663 | 0 | 0 | 21,663 |
| <i>(Increase)/Decrease in Assets:</i> | | | | |
| Accounts Receivable | 0 | 0 | 939 | 939 |
| Intergovernmental Receivable | 0 | 0 | 400 | 400 |
| Inventory Held for Resale | 35 | 2,797 | 0 | 2,832 |
| Materials and Supplies Inventory | 254 | 0 | (4,432) | (4,178) |
| <i>Increase/(Decrease) in Liabilities:</i> | | | | |
| Accounts Payable | 0 | 0 | (87) | (87) |
| Accrued Wages and Benefits | (610) | 0 | 987 | 377 |
| Compensated Absences Payable | 3,839 | 0 | 163 | 4,002 |
| Intergovernmental Payable | 5,332 | 0 | 36,227 | 41,559 |
| <i>Total Adjustments</i> | 35,550 | 2,797 | 39,949 | 78,296 |
| <i>Net Cash Provided by (Used for) Operating Activities</i> | (\$3,929) | \$1,364 | (\$374,322) | (\$376,887) |

Fiduciary Funds

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds. These include expendable trust, nonexpendable trust and agency funds.

Expendable Trust Fund

Memorial Trust - This fund accounts for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental and/or other funds.

Nonexpendable Trust Fund

Scholarship Trust - This fund accounts for money and securities which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact.

Agency Funds

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

Employee Benefits - This fund accounts for monies withheld from employees' paychecks for future childcare and health services purchased by the employee.

Student Managed Activity - This fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program.

Orange City School District
Combining Balance Sheet
All Trust and Agency Funds
June 30, 2001

| | <u>Expendable Memorial Trust</u> | <u>Nonexpendable Scholarship Trust</u> | <u>Agency</u> | <u>Totals</u> |
|--|--------------------------------------|--|-----------------|------------------|
| Assets | | | | |
| Equity in Pooled Cash and | | | | |
| Cash Equivalents | \$38,385 | \$74,131 | \$98,088 | \$210,604 |
| Receivables: | | | | |
| Accrued Interest | 304 | 857 | 0 | 1,161 |
| Total Assets | \$38,689 | \$74,988 | \$98,088 | \$211,765 |
| Liabilities | | | | |
| Interfund Payable | \$252 | \$0 | \$0 | \$252 |
| Undistributed Monies | 5,487 | 0 | 27,991 | 33,478 |
| Due to Students | 0 | 0 | 70,097 | 70,097 |
| Total Liabilities | 5,739 | 0 | 98,088 | 103,827 |
| Fund Equity | | | | |
| Fund Balance: | | | | |
| Reserved for Contributions | 0 | 62,573 | 0 | 62,573 |
| Unreserved, Undesignated | 32,950 | 12,415 | 0 | 45,365 |
| Total Fund Equity | 32,950 | 74,988 | 0 | 107,938 |
| Total Liabilities and Fund Equity | \$38,689 | \$74,988 | \$98,088 | \$211,765 |

Orange City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Memorial Trust
For the Fiscal Year Ended June 30, 2001*

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|------------------------|---|
| Revenues | | | |
| Interest | \$40 | \$1,708 | \$1,668 |
| Extracurricular Activities | 252 | 0 | (252) |
| Miscellaneous | <u>0</u> | <u>5,487</u> | <u>5,487</u> |
| <i>Total Revenues</i> | 292 | 7,195 | 6,903 |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Instructional Staff: | | | |
| Materials and Supplies | <u>6,035</u> | <u>1,100</u> | <u>4,935</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (5,743) | 6,095 | 11,838 |
| Other Financing Uses | | | |
| Advances Out | <u>(252)</u> | <u>0</u> | <u>252</u> |
| <i>Excess of Revenues Over (Under) Expenditures and Other Financing Uses</i> | (5,995) | 6,095 | 12,090 |
| <i>Fund Balance Beginning of Year</i> | <u>32,290</u> | <u>32,290</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$26,295</u></u> | <u><u>\$38,385</u></u> | <u><u>\$12,090</u></u> |

Orange City School District
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Scholarship Trust
For the Fiscal Year Ended June 30, 2001

| | <u>Revised Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------------------|------------------------|--|
| Revenues | | | |
| Interest | \$0 | \$4,819 | \$4,819 |
| Contributions and Donations | <u>0</u> | <u>2,500</u> | <u>2,500</u> |
| <i>Total Revenues</i> | 0 | 7,319 | 7,319 |
| Expenses | | | |
| Other | <u>3,000</u> | <u>3,000</u> | <u>0</u> |
| <i>Excess of Revenues Over (Under) Expenses</i> | (3,000) | 4,319 | 7,319 |
| <i>Fund Equity Beginning of Year</i> | <u>69,812</u> | <u>69,812</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$66,812</u></u> | <u><u>\$74,131</u></u> | <u><u>\$7,319</u></u> |

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

| | Beginning Balance <u>June 30, 2000</u> | <u>Additions</u> | <u>Reductions</u> | Ending Balance <u>June 30, 2001</u> |
|---|--|------------------|-------------------|---|
| <i>Specialized Student Activity</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$24,036</u> | <u>\$84,435</u> | <u>\$84,771</u> | <u>\$23,700</u> |
| Liabilities | | | | |
| Undistributed Monies | <u>\$24,036</u> | <u>\$84,435</u> | <u>\$84,771</u> | <u>\$23,700</u> |
| <i>Employee Benefits</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$12,165</u> | <u>\$35,077</u> | <u>\$42,951</u> | <u>\$4,291</u> |
| Liabilities | | | | |
| Undistributed Monies | <u>\$12,165</u> | <u>\$35,077</u> | <u>\$42,951</u> | <u>\$4,291</u> |
| <i>Student Managed Activity</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$55,644</u> | <u>\$102,176</u> | <u>\$87,723</u> | <u>\$70,097</u> |
| Liabilities | | | | |
| Due to Students | <u>\$55,644</u> | <u>\$102,176</u> | <u>\$87,723</u> | <u>\$70,097</u> |
| <i>Total - All Agency Funds</i> | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$91,845</u> | <u>\$221,688</u> | <u>\$215,445</u> | <u>\$98,088</u> |
| Liabilities | | | | |
| Undistributed Monies | \$36,201 | \$119,512 | \$127,722 | \$27,991 |
| Due to Students | <u>55,644</u> | <u>102,176</u> | <u>87,723</u> | <u>70,097</u> |
| <i>Total Liabilities</i> | <u>\$91,845</u> | <u>\$221,688</u> | <u>\$215,445</u> | <u>\$98,088</u> |

General Fixed Assets Account Group

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

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

| | <u>Total</u> | <u>Land</u> | <u>Buildings</u> | <u>Furniture and Equipment</u> | <u>Vehicles</u> | <u>Construction In Progress</u> |
|--|----------------------------|---------------------------|----------------------------|--|---------------------------|-------------------------------------|
| Instruction | \$18,164,275 | \$4,355,609 | \$7,967,826 | \$4,486,416 | \$1,354,424 | \$0 |
| Support Services: | | | | | | |
| Pupils | 19,583 | 0 | 0 | 19,583 | 0 | 0 |
| Instructional Staff | 74,135 | 0 | 0 | 74,135 | 0 | 0 |
| Administration | 6,658,171 | 1,605,014 | 3,104,815 | 1,454,690 | 493,652 | 0 |
| Fiscal | 31,357 | 0 | 0 | 31,357 | 0 | 0 |
| Business | 54,279 | 0 | 0 | 54,279 | 0 | 0 |
| Operation and Maintenance of Plant | 3,714,537 | 871,572 | 1,281,899 | 868,569 | 692,497 | 0 |
| Pupil Transportation | 2,699,505 | 502,974 | 705,331 | 621,785 | 869,415 | 0 |
| Central | 731,412 | 0 | 77,000 | 654,412 | 0 | 0 |
| Operation of Non-Instructional Services | 19,582 | 0 | 0 | 19,582 | 0 | 0 |
| Extracurricular Activities | 675,261 | 171,912 | 241,076 | 205,068 | 57,205 | 0 |
| Facilities Acquisition and Construction | <u>24,824,309</u> | <u>0</u> | <u>877,042</u> | <u>686,960</u> | <u>0</u> | <u>23,260,307</u> |
| <i>Total General Fixed Assets</i> | <u><u>\$57,666,406</u></u> | <u><u>\$7,507,081</u></u> | <u><u>\$14,254,989</u></u> | <u><u>\$9,176,836</u></u> | <u><u>\$3,467,193</u></u> | <u><u>\$23,260,307</u></u> |

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

| Function | General Fixed Assets June 30, 2000 | Additions | Deletions | General Fixed Assets June 30, 2001 |
|---|--|---------------------|--------------------|--|
| Instruction | \$18,042,198 | \$219,573 | (\$97,496) | \$18,164,275 |
| Support Services: | | | | |
| Pupils | 17,641 | 1,942 | 0 | 19,583 |
| Instructional Staff | 54,115 | 20,020 | 0 | 74,135 |
| Administration | 6,643,910 | 14,261 | 0 | 6,658,171 |
| Fiscal | 27,427 | 3,930 | 0 | 31,357 |
| Business | 35,299 | 18,980 | 0 | 54,279 |
| Operation and Maintenance of Plant | 3,656,057 | 70,883 | (12,403) | 3,714,537 |
| Pupil Transportation | 2,424,652 | 274,853 | 0 | 2,699,505 |
| Central | 484,609 | 248,808 | (2,005) | 731,412 |
| Operation of Non-Instructional Services | 18,582 | 1,000 | 0 | 19,582 |
| Extracurricular Activities | 670,931 | 4,330 | 0 | 675,261 |
| Facilities Acquisition and Construction | <u>7,181,279</u> | <u>17,643,030</u> | <u>0</u> | <u>24,824,309</u> |
| <i>Total General Fixed Assets</i> | <u>\$39,256,700</u> | <u>\$18,521,610</u> | <u>(\$111,904)</u> | <u>\$57,666,406</u> |

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

General Fixed Assets

| | |
|--------------------------|-------------------|
| Land | \$7,507,081 |
| Buildings | 14,254,989 |
| Furniture and Equipment | 9,176,836 |
| Vehicles | 3,467,193 |
| Construction In Progress | <u>23,260,307</u> |

Total General Fixed Assets \$57,666,406

Investment in General Fixed Assets

| | |
|------------------------|-------------------|
| General Fund | \$27,914,777 |
| Special Revenue Funds | \$40,827 |
| Capital Projects Funds | <u>29,710,802</u> |

Total Investment in General Fixed Assets \$57,666,406

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

| | 2001 (1) | 2000 (1) | 1999 (1) | 1998 (1) | 1997 (1) | 1996 (1) | 1995 (1) | 1994 (1) | 1993 | 1992 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Current: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular | \$12,575,490 | \$12,382,930 | \$11,927,617 | \$10,863,782 | \$10,865,078 | \$10,956,237 | \$10,053,296 | \$10,242,253 | \$9,236,379 | \$9,032,042 |
| Special | 5,312,916 | 4,403,836 | 3,861,795 | 3,040,528 | 3,396,377 | 2,735,873 | 2,665,791 | 2,482,352 | 745,736 | 624,112 |
| Vocational | 232,294 | 213,375 | 82,633 | 462,098 | 80,765 | 155,495 | 7,437 | 152,870 | 123,572 | 114,797 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 283,064 | 229,288 |
| Support Services: | | | | | | | | | | |
| Pupils | 1,828,256 | 1,880,710 | 1,766,724 | 1,595,650 | 1,523,242 | 1,406,961 | 1,193,739 | 1,184,156 | 1,007,215 | 920,999 |
| Instructional Staff | 1,340,897 | 1,246,584 | 1,183,157 | 1,160,595 | 1,077,766 | 1,065,683 | 1,010,373 | 1,043,220 | 1,056,110 | 937,093 |
| Board of Education | 62,624 | 69,623 | 82,571 | 77,567 | 108,889 | 37,292 | 30,094 | 31,753 | 22,104 | 29,291 |
| Administration | 2,088,114 | 1,842,051 | 1,902,703 | 1,687,423 | 1,602,183 | 1,666,721 | 1,602,570 | 1,548,457 | 1,334,840 | 1,236,315 |
| Fiscal | 862,755 | 759,674 | 701,767 | 727,401 | 701,223 | 511,959 | 534,979 | 528,266 | 488,891 | 540,101 |
| Business | 380,977 | 404,954 | 412,272 | 90,817 | 133,483 | 131,012 | 261,235 | 246,694 | 226,220 | 227,553 |
| Operation and Maintenance of Plant | 3,422,458 | 3,064,224 | 2,957,963 | 3,057,897 | 2,826,846 | 2,709,935 | 2,722,351 | 2,879,030 | 2,868,570 | 2,667,436 |
| Pupil Transportation | 2,516,022 | 2,193,991 | 2,143,592 | 1,946,960 | 1,955,948 | 1,568,174 | 1,544,981 | 1,567,511 | 1,284,887 | 1,209,040 |
| Central | 460,149 | 521,266 | 702,422 | 678,033 | 558,460 | 450,180 | 500,543 | 507,412 | 278,004 | 206,626 |
| Operation of Non-Instructional Services | 6,879 | 6,859 | 11,640 | 9,036 | 5,346 | 2,738 | 2,486 | 0 | 4,374 | 56,684 |
| Extracurricular Activities | 752,538 | 762,477 | 722,950 | 650,953 | 589,802 | 551,768 | 491,394 | 450,966 | 400,875 | 395,972 |
| Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 440,262 | 579,706 |
| Debt Service | 0 | 4,144 | 9,689 | 26,980 | 42,426 | 47,525 | 60,335 | 58,699 | 0 | 0 |
| Other Financing Uses | 1,171,037 | 3,362,226 | 685,000 | 505,000 | 487,308 | 488,388 | 481,000 | 479,644 | 577,719 | 1,058,648 |
| Total | <u>\$33,013,406</u> | <u>\$33,118,924</u> | <u>\$29,154,495</u> | <u>\$26,580,720</u> | <u>\$25,955,142</u> | <u>\$24,485,941</u> | <u>\$23,162,604</u> | <u>\$23,403,283</u> | <u>\$20,378,822</u> | <u>\$20,065,703</u> |

Source: School District Financial Records.

(1) 1994 through 2001 reported on a GAAP basis; All others on cash basis.

Orange City School District
General Fund
Revenues by Source
and Other Financing Sources
Last Ten Fiscal Years

| | 2001 (1) | 2000 (1) | 1999 (1) | 1998 (1) | 1997 (1) | 1996 (1) | 1995 (1) | 1994 (1) | 1993 | 1992 |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Taxes | \$25,892,910 | \$22,198,020 | \$23,222,986 | \$22,571,130 | \$22,070,328 | \$20,871,663 | \$18,000,315 | \$17,714,652 | \$17,972,229 | \$17,154,363 |
| Intergovernmental | 4,714,945 | 6,302,166 | 5,361,478 | 4,199,826 | 4,407,458 | 3,803,002 | 3,576,343 | 3,333,309 | 2,908,228 | 2,915,805 |
| Interest | 304,062 | 424,856 | 717,527 | 444,057 | 311,654 | 171,294 | 152,369 | 104,188 | 98,727 | 125,762 |
| Tuition and Fees | 1,224,851 | 919,285 | 954,258 | 1,385,119 | 3,018,351 | 782,741 | 930,037 | 803,609 | 55,712 | 35,063 |
| Contributions and Donations | 0 | 0 | 0 | 200 | 100 | 10,000 | 65 | 0 | 0 | 0 |
| Charges for Services | 35,431 | 26,851 | 39,459 | 40,649 | 27,398 | 0 | 0 | 2,508 | 37,117 | 24,881 |
| Rentals | 24,983 | 25,311 | 27,822 | 31,382 | 31,857 | 47,296 | 7,544 | 27,284 | 0 | 0 |
| Miscellaneous | 23,316 | 17,750 | 5,771 | 166,090 | 2,698 | 5,322 | 4,550 | 11,285 | 38,199 | 3,925 |
| Other Financing Sources | 0 | 150 | 756 | 47 | 105 | 181 | 28,911 | 30,766 | 0 | 0 |
| Total | \$32,220,498 | \$29,914,389 | \$30,330,057 | \$28,838,500 | \$29,869,949 | \$25,691,499 | \$22,700,134 | \$22,027,601 | \$21,110,212 | \$20,259,799 |

Source: School District Financial Records.

(1) 1994 through 2001 reported on GAAP basis, all other years on cash basis.

Orange City School District
Property Tax Levies and Collections
Last Ten Years

| Year (1) | Total Tax Levy | Current Collections | Percent of Current Taxes Collected | Delinquent Collections | Total Collections | Percent of Total Tax Collections to Total Tax Levy | Outstanding Delinquent Taxes (2) | Percent of Outstanding Delinquent Taxes to Total Tax Levy |
|----------|----------------|---------------------|------------------------------------|------------------------|-------------------|--|----------------------------------|---|
| 2000 | \$27,016,336 | \$25,376,719 | 93.93% | \$580,080 | \$25,956,799 | 96.08% | \$1,023,409 | 3.78% |
| 1999 | 26,777,748 | 25,235,400 | 94.24 | 645,573 | 25,880,973 | 96.65 | 848,328 | 3.17 |
| 1998 | 24,022,082 | 22,602,658 | 94.09 | 391,457 | 22,994,115 | 95.72 | 654,088 | 2.72 |
| 1997 | 23,508,098 | 22,422,117 | 95.38 | 294,978 | 22,717,095 | 96.64 | 619,866 | 2.64 |
| 1996 | 23,000,683 | 22,263,294 | 96.79 | 186,333 | 22,449,627 | 97.60 | 465,616 | 2.02 |
| 1995 | 19,185,108 | 17,996,663 | 93.81 | 312,461 | 18,309,124 | 95.43 | 330,324 | 1.72 |
| 1994 | 18,744,513 | 17,774,561 | 94.83 | 354,293 | 18,128,854 | 96.72 | 541,571 | 2.89 |
| 1993 | 18,638,688 | 17,582,475 | 94.33 | 360,317 | 17,942,792 | 96.27 | 562,012 | 3.02 |
| 1992 | 18,513,069 | 17,523,955 | 94.66 | 362,322 | 17,886,277 | 96.61 | 588,359 | 3.18 |
| 1991 | 17,367,915 | 16,601,114 | 95.58 | 255,101 | 16,856,215 | 97.05 | 512,934 | 2.95 |

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) Represents collection year. 2001 information cannot be presented because all collections have not been made by June 30.

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

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

| Year | Real Property | | Public Utility Property | | Tangible Personal Property | | Total | | Ratio |
|------|----------------|----------------------------|-------------------------|----------------------------|----------------------------|----------------------------|----------------|----------------------------|-------|
| | Assessed Value | Estimated Actual Value (1) | Assessed Value | Estimated Actual Value (1) | Assessed Value | Estimated Actual Value (1) | Assessed Value | Estimated Actual Value (1) | |
| 2001 | \$806,821,810 | \$2,305,205,171 | \$18,440,740 | \$20,955,386 | \$37,696,353 | \$150,785,412 | \$862,958,903 | \$2,476,945,969 | 35% |
| 2000 | 705,439,830 | 2,015,542,371 | 16,126,190 | 18,325,216 | 40,664,220 | 162,656,880 | 762,230,240 | 2,196,524,467 | 35 |
| 1999 | 693,224,950 | 1,980,642,714 | 17,498,780 | 19,884,977 | 36,949,137 | 147,796,548 | 747,672,867 | 2,148,324,239 | 35 |
| 1998 | 686,445,870 | 1,961,273,914 | 17,227,850 | 19,577,102 | 37,333,996 | 149,335,984 | 741,007,716 | 2,130,187,000 | 35 |
| 1997 | 644,072,040 | 1,840,205,829 | 17,744,040 | 20,163,682 | 37,205,019 | 148,820,076 | 699,021,099 | 2,009,189,587 | 35 |
| 1996 | 632,370,520 | 1,806,772,914 | 18,397,650 | 20,906,420 | 43,214,942 | 172,859,768 | 693,983,112 | 2,000,539,102 | 35 |
| 1995 | 627,937,640 | 1,784,107,543 | 18,479,510 | 20,999,443 | 38,502,106 | 154,008,424 | 684,919,256 | 1,959,115,410 | 35 |
| 1994 | 556,919,230 | 1,591,197,800 | 18,298,840 | 20,794,136 | 40,063,059 | 160,252,236 | 615,281,129 | 1,772,244,172 | 35 |
| 1993 | 553,445,300 | 1,581,272,286 | 18,210,530 | 20,693,784 | 41,483,682 | 165,934,728 | 613,139,512 | 1,767,900,798 | 35 |
| 1992 | 545,143,700 | 1,557,553,429 | 18,295,690 | 20,790,557 | 42,439,241 | 169,756,964 | 605,878,631 | 1,748,100,950 | 35 |

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 on the following percentages:

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

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

| Year | School Levy | Library | County Levy | City Levy | Total Levy | Debt Service Included in Total Levy | | | |
|------|-------------|---------|-------------|-----------|------------|--|--------|--------|--------|
| | | | | | | School | County | City | Total |
| 2001 | \$81.10 | \$1.40 | \$16.20 | \$7.60 | \$106.30 | \$3.40 | \$0.79 | \$0.00 | \$4.19 |
| 2000 | 71.50 | 1.40 | 15.30 | 7.60 | 95.80 | 3.30 | 0.85 | 0.00 | 4.15 |
| 1999 | 71.50 | 1.40 | 15.30 | 7.30 | 95.50 | 3.30 | 0.72 | 0.00 | 4.02 |
| 1998 | 68.20 | 1.40 | 16.60 | 6.90 | 93.10 | 0.00 | 0.60 | 0.00 | 0.60 |
| 1997 | 68.15 | 1.40 | 16.60 | 6.50 | 92.65 | 0.00 | 0.90 | 0.00 | 0.90 |
| 1996 | 68.15 | 1.40 | 16.60 | 3.30 | 89.45 | 0.00 | 0.87 | 0.00 | 0.87 |
| 1995 | 62.60 | 1.40 | 16.80 | 3.30 | 84.10 | 0.05 | 0.76 | 0.00 | 0.81 |
| 1994 | 62.60 | 1.00 | 16.80 | 3.30 | 83.70 | 0.05 | 0.68 | 0.00 | 0.73 |
| 1993 | 62.60 | 1.00 | 16.80 | 3.30 | 83.70 | 0.05 | 0.71 | 0.00 | 0.76 |
| 1992 | 62.70 | 1.00 | 16.80 | 3.30 | 83.80 | 0.15 | 0.80 | 0.00 | 0.95 |

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.

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

| <u>Year</u> | <u>Net General Obligation Bonded Debt (1)</u> | <u>Assessed Value (2)</u> | <u>Population (3)</u> | <u>Ratio of Net Debt to Assessed Value</u> | <u>Net Debt Per Capita</u> |
|-------------|---|-------------------------------|-----------------------|--|--------------------------------|
| 2001 | \$26,511,994 | \$862,958,903 | 15,039 | 3.07% | \$1,762.88 |
| 2000 | 26,925,168 | 762,230,240 | 13,968 | 3.53 | 1,927.63 |
| 1999 | 27,776,138 | 747,672,867 | 13,968 | 3.72 | 1,988.55 |
| 1998 | 0 | 741,007,716 | 13,968 | 0.00 | 0.00 |
| 1997 | 0 | 699,021,099 | 13,968 | 0.00 | 0.00 |
| 1996 | 65,000 | 693,983,112 | 13,968 | 0.01 | 4.65 |
| 1995 | 130,000 | 684,919,256 | 13,968 | 0.02 | 9.31 |
| 1994 | 195,000 | 615,281,129 | 13,968 | 0.03 | 13.96 |
| 1993 | 260,000 | 613,139,512 | 13,968 | 0.04 | 18.61 |
| 1992 | 465,000 | 605,878,631 | 13,968 | 0.08 | 33.29 |

Source:

- (1) School District Financial Records.
- (2) Cuyahoga County Auditor.
- (3) 1999 Data from National Decision Systems Inc.

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

| | | |
|---|-------------|----------------------|
| Assessed Valuation | | <u>\$862,958,903</u> |
| Overall Debt Limit - 9% of Assessed Value (1) | | \$77,666,301 |
| Amount of Debt Applicable to Debt Limit: | | |
| General Obligation Bonds | 27,763,221 | |
| School Improvement Notes | 6,250,000 | |
| Less: Amount Available in Debt Service Fund | (1,251,227) | |
| Net Debt | | <u>32,761,994</u> |
| Overall Debt Margin | | <u>\$44,904,307</u> |
| Unvoted Debt Limit - .10% of Assessed Value (1) | | \$862,959 |
| Amount of Debt Applicable | | <u>0</u> |
| Unvoted Debt Margin | | <u>\$862,959</u> |

Source: Cuyahoga County Auditor and School District Financial Records.

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

Orange City School District

*Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2000*

| <u>Jurisdiction</u> | <u>General Obligation Bonded Debt Outstanding</u> | <u>Percentage Applicable to School District (1)</u> | <u>Amount Applicable to School District</u> |
|------------------------------|---|---|---|
| Orange City School District | \$27,763,221 | 100.00% | \$27,763,221 |
| Cuyahoga County | 231,044,636 | 3.02 | 6,977,548 |
| Regional Transit Authority | 98,030,000 | 3.02 | 2,960,506 |
| Orange Village | 5,900,000 | 97.87 | 5,774,330 |
| City of Bedford Heights | 9,045,000 | 17.00 | 1,537,650 |
| Moreland Hills Village | 2,205,000 | 79.98 | 1,763,559 |
| City of Pepper Pike | 4,842,934 | 99.97 | 4,841,481 |
| City of Warrensville Heights | 7,410,000 | 4.24 | 314,184 |
| City of Solon | <u>23,435,000</u> | 2.31 | <u>541,348</u> |
| Total | <u>\$409,675,791</u> | | <u>\$52,473,827</u> |

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis (Including School District) because that is the manner in which 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. The valuations used were for the 2001 collection year.

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

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> | <u>Total General Fund Expenditures (2)</u> | <u>Ratio of Debt Service to General Fund Expenditures (Percentage)</u> |
|-------------|------------------|-----------------|-----------------------------------|--|--|
| 2001 (1) | \$865,000 | \$1,289,860 | \$2,154,860 | \$33,013,406 | 6.53% |
| 2000 (1) | 871,779 | 1,442,458 | 2,314,237 | 33,118,924 | 6.99 |
| 1999 (1) | 0 | 0 | 0 | 29,154,495 | 0.00 |
| 1998 (1) | 0 | 0 | 0 | 26,580,720 | 0.00 |
| 1997 (1) | 0 | 0 | 0 | 25,955,142 | 0.00 |
| 1996 (1) | 65,000 | 1,575 | 66,575 | 24,485,941 | 0.27 |
| 1995 (1) | 65,000 | 4,875 | 69,875 | 23,162,604 | 0.30 |
| 1994 (1) | 65,000 | 8,125 | 73,125 | 23,403,283 | 0.31 |
| 1993 | 65,000 | 11,375 | 76,375 | 20,378,822 | 0.37 |
| 1992 | 65,000 | 14,625 | 79,625 | 20,065,703 | 0.40 |

Source: School District Financial Records.

(1) 1994 through 2001 on a modified accrual basis.

(2) Includes other financing uses.

Orange City School District

Demographic Statistics

Last Ten Years

| <u>Year</u> | <u>Cuyahoga County Population (1)</u> | <u>Orange City School District Population (2)</u> | <u>School Enrollment (3)</u> | <u>Unemployment Rate (4)</u> |
|-------------|---|---|----------------------------------|----------------------------------|
| 2001 | 1,393,978 | 15,039 | 2,321 | 4.6% |
| 2000 | 1,412,140 | 13,968 | 2,251 | 4.6 |
| 1999 | 1,386,096 | 13,968 | 2,258 | 4.5 |
| 1998 | 1,397,694 | 13,968 | 2,276 | 4.0 |
| 1997 | 1,398,169 | 13,968 | 2,279 | 5.0 |
| 1996 | 1,398,169 | 13,968 | 2,246 | 4.7 |
| 1995 | 1,403,239 | 13,968 | 2,239 | 5.8 |
| 1994 | 1,414,141 | 13,968 | 2,244 | 6.8 |
| 1993 | 1,414,141 | 13,968 | 2,232 | 7.6 |
| 1992 | 1,412,140 | 13,968 | 2,234 | 7.3 |

(1) Cleveland Plain Dealer Newspaper.

(2) U.S. Census of Population.

(3) School District Records.

(4) Cleveland Plain Dealer Statistical Data Base Department.

Orange City School District
*Property Value, Industrial Employment
and Financial Institution Deposits
Last Ten Years*

| <u>Year</u> | <u>Property Value (1) (Real Estate Only)</u> | <u>Industrial Employment</u> | <u>Financial Institution Deposits (000's) Banks</u> |
|-------------|--|----------------------------------|---|
| 2001 | \$2,305,205,171 | N/A | \$61,942,764 |
| 2000 | 2,015,542,371 | N/A | 57,816,942 |
| 1999 | 1,980,642,714 | N/A | 58,904,596 |
| 1998 | 1,961,273,914 | N/A | 53,941,971 |
| 1997 | 1,840,205,829 | N/A | 27,068,211 |
| 1996 | 1,806,772,914 | N/A | 22,458,573 |
| 1995 | 1,784,107,543 | N/A | 20,885,453 |
| 1994 | 1,591,197,800 | 636,300 | 21,009,421 |
| 1993 | 1,581,272,286 | 627,900 | 19,379,280 |
| 1992 | 1,557,553,429 | 629,200 | 18,392,243 |

Source: Ohio Bureau of Employment Service, Cuyahoga County Auditor and Federal Reserve Bank of Cleveland.

(1) Represents estimated actual value.

N/A - Not Available.

Orange City School District

Principal Taxpayers

Real Estate Tax

December 31, 2000

| <u>Name of Taxpayer</u> | <u>Assessed Value (1)</u> | <u>Percent of Real Assessed Value</u> |
|----------------------------------|-------------------------------|---|
| Eton Square | \$6,801,690 | 0.96% |
| Village Chagrin Partners | 5,303,100 | 0.75 |
| Duke Realty Ltd. Partnership | 4,341,720 | 0.62 |
| AM Castle and Company | 3,933,440 | 0.56 |
| Marotta Glazer Realty Company | 3,097,960 | 0.44 |
| PAH-Beachwood I, L.L.C. | 2,690,420 | 0.38 |
| Country Club, Inc. | 2,587,760 | 0.37 |
| Atlantic Homestead Village | 2,553,740 | 0.36 |
| Pepper Pike Place | 2,537,010 | 0.36 |
| American Spring Wire Corporation | <u>2,407,200</u> | <u>0.34</u> |
| Total | <u>\$36,254,040</u> | <u>5.14%</u> |
| Real Property Assessed Value | <u>\$705,439,830</u> | |

Source: Cuyahoga County Auditor.

(1) Assessed values are for the 2000 collection year.

Orange City School District
Principal Taxpayers
Tangible Personal Property Tax
December 31, 2000

| <u>Name of Taxpayer</u> | <u>Assessed Value (1)</u> | <u>Percent of Tangible Assessed Value</u> |
|---|-------------------------------|---|
| Olympic Steel Inc. | \$4,640,740 | 11.41% |
| American Spring Wire Corporation | 4,487,040 | 11.03 |
| Sherwin Williams dba Automotive Finishing | 3,719,580 | 9.15 |
| Card Pak Inc. | 2,400,440 | 5.90 |
| AM Castle and Company | 1,458,410 | 3.59 |
| Southern Electric Supply Company, Inc. | 1,171,320 | 2.88 |
| North Coast Distributing Inc. | 1,060,570 | 2.61 |
| Forest City Babin Company | 898,990 | 2.21 |
| Connell Limited Partnership | <u>704,390</u> | <u>1.73</u> |
| | <u>\$20,541,480</u> | <u>50.51%</u> |
| Tangible Assessed Value | <u>\$40,664,220</u> | |

Source: Cuyahoga County Auditor.

(1) Assessed values are for the 2000 collection year.

Orange City School District

Principal Taxpayers

Public Utilities Tax

December 31, 2000

| <u>Name of Taxpayer</u> | <u>Assessed Value (1)</u> | <u>Percent of Public Utility Assessed Value</u> |
|---|-------------------------------|---|
| Cleveland Electric Illuminating Company | \$11,969,890 | 74.23% |
| East Ohio Gas Company | 1,190,700 | 7.38 |
| Ohio Bell Telephone Company | <u>960,660</u> | <u>5.96</u> |
| Total | <u>\$14,121,250</u> | <u>87.57%</u> |
| Public Utility Assessed Value | <u>\$16,126,190</u> | |

Source: Cuyahoga County Auditor.

(1) Assessed values are for the 2000 collection year.

Orange City School District

Per Pupil Cost

Last Ten Fiscal Years

| <u>Year</u> | <u>General Fund Expenditures (1)</u> | <u>Average Daily Student Enrollment</u> | <u>Per Pupil Cost</u> |
|-------------|--|---|---------------------------|
| 2001 (2) | \$33,013,406 | 2,321 | \$14,224 |
| 2000 (2) | 33,118,924 | 2,251 | 14,713 |
| 1999 (2) | 29,154,495 | 2,258 | 12,912 |
| 1998 (2) | 26,580,720 | 2,276 | 11,679 |
| 1997 (2) | 25,955,142 | 2,279 | 11,389 |
| 1996 (2) | 24,485,941 | 2,246 | 10,902 |
| 1995 (2) | 23,162,604 | 2,239 | 10,345 |
| 1994 (2) | 23,403,283 | 2,244 | 10,429 |
| 1993 | 20,378,822 | 2,232 | 9,130 |
| 1992 | 20,065,703 | 2,234 | 8,982 |

Source: School District Financial Records.

(1) Includes Other Financing Uses.

(2) 1994 through 2001 on modified accrual basis.

Orange City School District
Teacher Education and Experience
 June 30, 2001

| <u>Degree</u> | <u>Number of Teachers</u> | <u>Percentage of Total</u> |
|-------------------|-----------------------------------|------------------------------------|
| Bachelor's Degree | 46 | 20.54% |
| Master's Degree | 174 | 77.68 |
| Ph.D. | 3 | 1.34 |
| Associates | <u>1</u> | <u>0.44</u> |
| Total | <u><u>224</u></u> | <u><u>100.00%</u></u> |

| <u>Years of Experience</u> | <u>Number of Teachers</u> | <u>Percentage of Total</u> |
|----------------------------|-----------------------------------|------------------------------------|
| 0 - 5 | 44 | 19.64% |
| 6 - 10 | 33 | 14.73 |
| 11 and Over | <u>147</u> | <u>65.63</u> |
| | <u><u>224</u></u> | <u><u>100.00%</u></u> |

Source: School District Personnel Records.

Orange City School District
Demographic Statistics
Last Ten Years

| <u>Year</u> | <u>Orange School Enrollment</u> | <u>Number of Families in the Orange School District</u> | <u>Percentage of Families in District with No Children</u> | <u>Percentage of School-age Children at Private/Parochial Schools</u> |
|-------------|---------------------------------|---|--|---|
| 2001 | 2,321 | 5,462 | 68% | 23% |
| 2000 | 2,251 | 5,438 | 65 | 21 |
| 1999 | 2,258 | 5,415 | 68 | 30 |
| 1998 | 2,276 | 5,259 | 70 | 17 |
| 1997 | 2,279 | 5,201 | 69 | 21 |
| 1996 | 2,246 | 5,197 | 68 | 21 |
| 1995 | 2,239 | 5,141 | 67 | 20 |
| 1994 | 2,244 | 5,151 | 67 | 19 |
| 1993 | 2,232 | 5,102 | 66 | 19 |
| 1992 | 2,234 | 5,102 | 67 | 19 |

Source: Statistics compiled by the Census Coordinator of the Orange Schools.

Note: The Orange School District includes all of the suburbs of Pepper Pike, Woodmere and Orange, Moreland Hills, Hunting Valley, and parts of Bedford Heights, Warrensville Heights, and Solon, so statistics from state or city agencies are not valid in most cases.



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OFFICE OF THE AUDITOR

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ORANGE CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 20, 2001**