



**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2001



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

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**ROCKY RIVER 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	CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<u>U. S. Department of Agriculture</u>						
<i>Passed Through the Ohio Department of Education</i>						
Child Nutrition Cluster:						
Food Distribution	NA	10.550	\$0	\$17,076	\$0	\$18,127
National School Lunch Program	044701 LL-P1/P4-01	10.555	20,499	0	20,499	0
	044701 LL-P1/P4-00		3,396	0	3,396	0
Special Milk Program for Children	044701 02-PU-01	10.556	4,632	0	4,632	0
	044701 02-PU-00		911	0	911	0
Total U. S. Department of Agriculture - Child Nutrition Cluster			29,438	17,076	29,438	18,127
<u>U. S. Department of Education</u>						
<i>Passed Through the Ohio Department of Education</i>						
Special Education Cluster:						
Special Education Grants to States	044701 6B-SF-01	84.027	166,023	0	165,702	0
Special Education - Pre-School	044701 PG-S1-01	84.173	10,162	0	10,162	0
Total Special Education Cluster			176,185	0	175,864	0
Grants to Local Educational Agencies (ESEA Title I)						
	044701 C1-S1-01	84.010	98,164	0	86,256	0
	044701 C1-S1-00		0	0	8,986	0
Subtotal			98,164	0	95,242	0
Innovative Education Program						
	044701 C2-S1-01	84.298	22,166	0	12,866	0
	044701 C2-S1-00		0	0	6,998	0
	044701 C2-S1-99		0	0	1,603	0
Subtotal			22,166	0	21,467	0
Eisenhower Professional Development						
	044701 MS-S1-01	84.281	8,928	0	7,885	0
	044701 MS-S1-00		0	0	5,640	0
Subtotal			8,928	0	13,525	0
Safe and Drug Free Schools and Communities						
	044701 DR-S1-01	84.186	12,914	0	12,678	0
Subtotal			12,914	0	12,678	0
Title VI-R - Class Size Reduction						
	044701 CR-S1-01	84.340	30,966	0	27,174	0
Subtotal			30,966	0	27,174	0
Total U. S. Department of Education			349,323	0	345,950	0

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
Office of Library Services, Institute of Museum and Library Services, National Foundation on the Arts and Humanities						
<i>Passed Through the State Library of Ohio</i>						
State Library Program	II-8-00	45.310	0	0	10,425	0
Subtotal			<u>0</u>	<u>0</u>	<u>10,425</u>	<u>0</u>
Total Federal Assistance			<u>\$378,761</u>	<u>\$17,076</u>	<u>\$385,813</u>	<u>\$18,127</u>

Notes to the Schedule of Federal Awards Expenditures are an integral part of this statement.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

JUNE 30, 2001

NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (Schedule) summarizes the activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

NOTE B - 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. Values may change from month to month and are entirely subjective. At June 30, 2001, the District had no significant food commodities in inventory.

NOTE C - NATIONAL SCHOOL LUNCH PROGRAM

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

CFDA - Catalog of Federal Domestic Assistance.

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Building
615 W Superior Ave
Floor 12
Cleveland OH 44113-1801
Telephone 216-787-3665
800-626-2297
Facsimile 216-787-3361
www.auditor.state.oh.us

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

Board of Education
Rocky River City School District
Cuyahoga County
21600 Center Ridge Road
Rocky River, Ohio 44116

We have audited the financial statements of the Rocky River 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 December 14, 2001, wherein we noted the District adopted Governmental Accounting Standards Board Statement No. 34, changed its accounting for fixed assets, and restated fixed assets in the proprietary funds. 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 note certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 27, 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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 27, 2001.

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

Jim Petro
Auditor of State

December 27, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Building
615 W Superior Ave
Floor 12
Cleveland OH 44113-1801
Telephone 216-787-3665
800-626-2297
Facsimile 216-787-3361
www.auditor.state.oh.us

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

Board of Education
Rocky River City School District
Cuyahoga County
21600 Center Ridge Road
Rocky River, Ohio 44116

Compliance

We have audited the compliance of the Rocky River 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 its major federal program for the year ended June 30, 2001. The District's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

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

Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted another matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 27, 2001.

Schedule of Federal Awards Expenditures

We have audited the basic financial statements of the District as of and for the year ended June 30, 2001, and have issued our report thereon dated December 27, 2001, wherein we noted the District adopted Governmental Accounting Standards Board Statement No. 34, changed its accounting for fixed assets, and restated fixed assets in the proprietary funds. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards receipts and expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Jim Petro
Auditor of State

December 27, 2001

ROCKY RIVER SCHOOL DISTRICT
CUYAHOGA COUNTY
JUNE 30, 2001

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505

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

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

Rocky River City School District
Rocky River, Ohio

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

Rocky River City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2001
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**Rocky River
School District**

Educational Services Center
21600 Center Ridge Road
Rocky River, Ohio 44116-3980
440-333-6000
FAX 356-6014

Dennis L. Allen, Ed.D.
Superintendent of Schools

Cathy E. Dietlin, Ph.D.
Assistant Superintendent

Ted Blank
Executive Director
Human Resources & Support Services

Richard McIntosh
Treasurer

Board of Education

Andrew D. Bemer
Fred M. DeGrandis
Stanley M. Fairchild
Jean A. Rounds
James D. Schieda, D.D.S.

December 27, 2001

Board of Education
Rocky River City School District
21600 Center Ridge Road
Rocky River, Ohio 44116

Dear Board Members:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Rocky River City School District (School District) for the fiscal year ended June 30, 2001. This CAFR, which includes financial statements and other financial and statistical data, 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 School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

The report provides the taxpayers of the Rocky River City School District, bond rating agencies and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the School District's finances. This report is intended to contribute to meeting the accountability requirements of the public. Copies will be distributed to all school buildings, the Rocky River Public Library, the Rocky River Chamber of Commerce, rating agencies and other interested organizations. Copies will be made available to all residents of the Rocky River City School District.

This report is divided into the following sections:

1. The Introductory Section, which includes this transmittal letter, a list of principal officials, the School District's organizational chart, the GFOA Certificate of Achievement, and the ASBO Certificate of Excellence.
2. The Financial Section, which includes the management's discussion and analysis, the basic financial statements and notes, the combining statements for nonmajor funds and schedules that provide detailed information relative to the basic financial statements, as well as the independent accountants report on the financial statements.
3. The Statistical Section, which includes related financial and demographic information, generally presented on a multi-year basis.

The School District

The Rocky River City School District is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the State Department of Education. Under Ohio law, the School District is a separate and distinct unit of government with its own taxing authority. The Rocky River Board of Education is a five member board, elected at large, with staggered four year terms.

The School District is located in an affluent suburban area west of Cleveland, Ohio and encompasses the entire City of Rocky River and a small portion of the City of Fairview Park. The property tax base is primarily residential with significant amount of retail commercial property. The School District serves 2,458 students ranging from Kindergarten through Twelfth grade. In addition, a wide range of services are provided for preschool aged children and adults.

The Reporting Entity

The School District has reviewed its reporting entity definition in order to insure conformance with the Government 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 School District (the primary government) and its potential component units.

The School District is associated with the Lakeshore Northeast Ohio Computer Association and the Ohio Schools Council, both jointly governed organizations; the Ohio School Boards Association Workers' Compensation Group Rating Program, an insurance purchasing pool; and the Rocky River Public Library, a related organization.

Economic Condition and Outlook

The 1990 U. S. Census data reports a population of 20,735 in the City of Rocky River with approximately 10,000 dwelling units and over 1,000 businesses. The median household income is \$42,000. The occupational makeup of the City is 42 percent professional/managerial, 38 percent technical/sales/clerical, 8 percent service, 7 percent crafts and 5 percent operator/laborers. The businesses are predominantly retail and service oriented.

The Rocky River City School District receives 73 percent of its governmental fund revenues from local property tax collections. Therefore, the long-term financial health of the School District is very dependent on its tax base. The total assessed valuation of the School District's tax duplicate rose by nearly 56 percent in the last ten years. The increased value in the duplicate is due in most part to revisions in property values made by the County Auditor every three years and some new construction.

The City of Rocky River is nearly completely developed, so future assessed valuation increases will come primarily from property value changes. There are no major manufacturing plants located within the School District's boundaries. The largest real property taxpayer owns 2.32 percent of the total real property in the School District.

Major Initiatives - Fiscal Year 2001

Each year, the School District identifies a series of District Development Priorities that build upon the objectives of the mission statement and strategic goals. These priorities focus the School District's financial and other resources and provide measurable benchmarks upon which to evaluate the effectiveness of our efforts. The following provides a brief overview of the seven priorities that were addressed during the 2000-2001 school year and the School District's progress in achieving each priority.

- ***Establish a plan for the future use of Wooster and Beach Schools.***

A review was made of the use, cost of operation and revenue for both facilities. After analysis of the information, the Board directed the Administration to re-negotiate the Wooster lease, establish a fund from the revenues of both facilities as a contingency for future repairs, and to maintain the usage of both buildings.

This plan will allow the Board to maintain ownership of all of our current facilities at little or no cost to our general fund. It represents a responsible plan for addressing possible future repairs to these buildings. It maintains programs that serve the community. It maintains Wooster as a possible contingency against increased enrollment.

- ***Work with alumni to enhance their involvement in the District's activities and programs.***

The Board of Education, Administration and members of the Alumni Association met this year to discuss possible activities that would enhance both the District's and the associations programs. Included in this discussion were trustees of the Rocky River Educational Foundation.

Possible activities included a banquet that would formally induct members into the high school Hall of Fame, a joint approach toward fundraising for the foundation and a sharing of membership information for purposes of communications for all three organizations.

The leadership of the Alumni Association has enthusiastically endorsed these goals and will begin the process of working with the Board and the educational foundation to implement such programs. The outcome of this discussion should benefit both past, present and future students of the Rocky River schools.

- ***Analyze the future joint use of school and city facilities.***

As the city's new recreation center opens and as we complete work on all of our fields and facilities, the preliminary talks that were begun with the city will continue. Our task for this year seemed aimed at finding ways to accommodate each others needs with reduced access to facilities due to ongoing construction. The discussions have resulted in several in-roads regarding the use of facilities. Further interaction on a more regular basis will continue to pay dividends.

- ***Successfully renew negotiated agreements with employees.***

After several months of meetings, the employee agreements with the Rocky River Teachers' Association, the Executive Secretaries, the Support Personnel and the Administration have been successfully negotiated and renewed. The agreement with OAPSE (classified staff) was still in progress at fiscal year end. Negotiations continued and resulted with a new agreement in July, 2001.

- ***Determine effectiveness of security measures in our adopted plan and determine adjustments needed.***

All buildings, except the Middle School, installed video monitors at or near the entrances to the schools. The elementary buildings have control over the access to the main entrances. The High School courtyard was walled off to limit access. The Middle School building design forces all visitors to enter through the office area affording security and control. Visitor's badges have been used in each building to identify people who have a reason to be in the buildings. Last year's Emergency Plans were re-implemented and emergency cell phones are stored in each building and have been issued to coaches and activity advisors for emergencies. These plans and actions are in place to prevent as well as address emergency situations.

- ***Complete the construction plans.***

We monitored the completion of landscaping and the resurfacing of tennis courts at the Middle School. The Goldwood School turnaround and parking expansion project was completed this year. The punchlist at the Middle School is being addressed and is over half completed.

- ***Monitor remedies proposed for the DeRolph case. Communicate with citizens regarding these issues and work with OSBA and the West Shore Boards to protect the District's financial interests.***

The Supreme Court has turned over the remedy for increased state funding to the State legislature. Over the past several months the Board of Education and Administrative team have been involved in numerous meetings, hearings and activities targeted toward protecting the interests of the Rocky River taxpayer in this process. The District receives approximately 10 percent of their funding from State sources. As several alternatives for reorganizing State funding for schools have been introduced and discussed the Board has attempted to react to those through press releases, meetings and other means such as the West Shore Board of Education meetings. While increased funding is not part of any of those alternatives, the District has been able to maintain the level of funding that has been present in the past.

The Board of Education has held public meetings with other boards of education in the area and area legislators to make them aware of the needs of our students and the direction for future state funding and its impact on local funding. These meetings have developed stronger relationships with these legislators and sensitivity toward the impact that much of the legislation under consideration could have on our community.

The Supreme Court will be considering the most recent remedy as passed by the state legislature within the next month and reacting to it. Once the Supreme Court's decision is rendered the leadership team will work with the Board of Education to make our community aware of its impact on our current funding and to communicate to our residents regarding its impact and any influence it might have on future funding for the District.

- ***Maximize each child's achievement as reflected in the District's State Report Card.***
- ***Implement and monitor the District's Continuous Improvement Plan (CIP).***

These two priorities are inter-related, since maximizing student achievement is addressed through various strategies of the Continuous Improvement Plan.

Activities that have addressed the implementation of these priorities include:

- Building administrators identified areas within the building to address this priority. Principals developed their proficiency readiness plans and implemented them.
- An analysis K-12 of each State proficiency goal by each appropriate building for each proficiency content area was made to ensure it is being addressed at the appropriate grade level(s) leading to the test.
- Building administrators met in August to review and discuss the Continuous Improvement Plan (CIP) components. All subject coordinators and grade-level instructional coordinators met by building in September to discuss the District priorities and each Curriculum Development Committee's targets. These coordinators, in turn, reviewed meeting content with their colleagues.
- Teachers and administrators reviewed available draft standards from the State of Ohio (e.g., English/reading and mathematics K-12).
- Five administrators (grades 3-12) attended the Ohio Department of Education's Proficiency Seminar on September 12, 2000 and shared information with all administrators in a debriefing session.
- All elementary teachers (K-6) attended a district mathematics instructional strategies workshop led by Dr. Linda Gojak from John Carroll University.

- Area districts were surveyed to determine how they were addressing the option of allowing third graders to take the Fourth Grade Proficiency Test: Reading. Rocky River students were given the option to take the test; 99 percent took the option.
- CAC discussed and provided input for proficiency-related items and the Continuous Improvement Plan (CIP).
- Subject coordinators submitted Professional Development Plans for colleagues with whom they were working.
- English subject coordinators K-12 met to discuss targets, to review summer reading effectiveness and to prepare for the District's writing sample (grades 3-12) which are used for diagnostic information.
- High School Social Studies department met to begin reviewing needs to be addressed to ensure student success on the Ohio Graduation Test.
- Over 51 high school students volunteered to tutor students (grades 3-12) in preparation for the Mathematics proficiency tests. Additional students were tutored at Goldwood School in the spring. Delivery options included within the building and using distance learning connections within the District. The SOS design was used.
- Area districts were surveyed to determine how they were addressing the Ohio Graduation Test changes. Course catalogue changes 9-12 were begun to be implemented (e.g., Western Civilization required, et cetera).
- Off-grade proficiency testing was explored for grades 3, 5, 7, 8; students were tested with the multiple assessment version of Terra Nova which generated proficiency reports that predict Proficiency performance for students in grades 1, 2, 3, 5, 7, 8.
- High achieving school districts in mathematics were contacted to determine philosophy K-6/6-12.
- The high school science teachers met to determine how best to align their day-to-day work assessments with the new Ohio Graduation Test standards.
- High school staff took and students will take the State Developed Practice Test for the new Ohio Graduation Test to determine areas of weakness and instruction strategies necessary for student success.
- The Director of Learning Resource Services worked with staff to implement the new State mandate on alternative assessment, a goal of the Continuous Improvement Plan. One fourth-grade student and three sixth-grade students took alternative assessments.
- Each building trained a team on using data to the desk top (e.g., EMIS data downloaded, and additional District data added so data can be manipulated to profile each student K-12).
- To date, data received on student proficiency performance has indicated performance was maintained or increased (e.g., 12th-grade proficiency tests).
- ***Increase the availability and types of electronic technology available to students during and after school hours.***
 - The high school expanded library hours both before and after school for student access to technology. Additional options were discussed at the September Principals' Meeting. CAC suggestions were elicited at the October meeting. High School administrators reviewed feasible options. The revised

Technology Plan suggests implementation of a previous practice of having the High School lab open October - May for two nights a week.

- ***Communicate the academic achievements of our students and achieve state and national recognition for their accomplishments.***

Many previous “participations” are continuing. New opportunities were tried and were successful. Among achievements are the following:

- Odyssey of the Mind (grades 3-5) took third place regionally.
- National Merit - three finalists; commended - eight.
- National Achievement Scholarship Finalist: Outstanding Black American Students.
- Fourth graders placed first in the NASA National Student Involvement Program Competition: My Planet Earth.
- American Chemical Society Lab Coat Decorating Contest - 5th grade L. Bracken’s class.
- Pirate Press - first place in the Northeast Ohio Scholastic Press Association contest.
- Transportation staff finished in the upper percentile in the Ohio Department of Education Road-e-o.
- Maire Sammon was named a teacher leader by North Central Regional Laboratory.
- Krach Family presented \$100 awards to 51 high school students for SOS tutoring K-12 students.
- Who’s Who Among American Teachers: Mary Haggard, Amy Diehl Wilhelmy, and John Paul.
- National Board Certification - Judy Hudson, Megan Barry Kleinert, Kristen Kohut.
- Ohio Coach of the Year: Soccer - Pat Gillespie.

Prospects for the Future

The funding structure of public education in Ohio poses a challenge to school districts. There is very little in the funding structure which allows school districts to receive additional revenues relative to inflationary pressures. Boards of education throughout Ohio must put issues on the ballot for voter approval in order to receive significant additional revenues. The School District gained voter approval of a 3.9 mill operating levy in November, 1999. At that time the School District anticipated returning to the ballot in three years for a new operating levy.

Of particular concern is the status of the school funding structure at the State level. The State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational system, one that was neither “adequate” nor “equitable.” Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. On 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. On September 17, 2001 the State filed a motion asking the Court to reconsider and clarify certain parts of its decision. On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

Financial Information

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for the fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within three months of the fiscal year.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function for the general fund and at the fund level for all other funds. All purchase order requests must be approved by the Executive Director of Administrative Services 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 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 Rocky River City Schools are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

Financial Condition This is the first year the School District has prepared financial statements following GASB 34 "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the School District's financial activities as follows:

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

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

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

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion is presented in the financial section of this report and provides an assessment of the School District finances for 2001 and outlook for the future.

Cash Management

As the custodian of taxpayers' dollars, the School District maintains very conservative investment practices. Only after the highest degree possible of safety of principal and liquidity are achieved does the School District pursue yield on investments.

Cash not needed for immediate use during the year was invested in interest bearing demand deposit accounts, repurchase agreements, Federal Home Loan Bank Bonds and the State Treasurer's Asset Reserve of Ohio (STAROhio) program administered by the Office of the Treasurer of the State of Ohio. STAROhio is an investment pool offered to political subdivisions of the State of Ohio for the investment of funds. STAROhio's investment portfolio consists of investments authorized by the Ohio Revised Code including instruments of the Federal government and its agencies, collateralized certificates of deposit and repurchase agreements. This investment pool offers daily liquidity of all funds, no minimum balance requirements and no service charges. Interest earnings for all funds during the year was \$995,291. Of that total, \$912,817 was credited to the General Fund. The balance was credited to other funds as directed by the Ohio Revised Code and Board of Education policy.

Risk Management

The School District uses the State Workers' Compensation plan and pays a premium based on a rate per \$100 of salaries. The School District is a member of Ohio School Boards Association Workers' Compensation Group Rating Program. The School District contracts for general liability insurance with a \$2,000,000 limit per occurrence and a limit of \$5,000,000 per year. The School District also carries an automobile liability insurance with a limit of \$2,000,000 and \$250 deductible. The School District provides property, inland marine and crime insurance with a \$1,000 deductible for property and crime insurance and a \$250 deductible for inland marine. Boiler and machinery are covered under a policy with a limit of \$30,000,000 and a \$250 deductible.

Independent Audit

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

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

Awards

This is the tenth Comprehensive Annual Financial Report published by the Rocky River City School District. The report will be submitted to the Government Finance Officers Association of the United States and Canada (GFOA) and to the Association of School Business Officials International (ASBO). It is felt that this report qualifies to earn GFOA's Certificate of Achievement for Excellence in Financial Reporting and ASBO's Certificate of Excellence in Financial Reporting. These Certificates are the highest forms of recognition available for governmental accounting and financial reporting. GFOA's and ASBO's certificates were awarded for last year's report. Attainment of these Certificates represents a substantial accomplishment of any governmental entity.

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

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

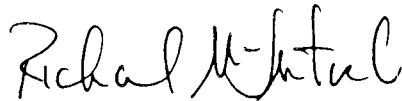
Acknowledgments

The publication of this report is a significant step toward professionalizing the School District's financial reporting. It can only enhance the School District's accountability to our investors, the residents of the Rocky River City School District, and to our customers, the students.

A special thanks must be extended to Greta Coleman and Joyce Younglas of the Treasurer's Office whose assistance and dedication were essential from the beginning, and also to the Local Government Services Division of the Ohio Auditor of State's Office for their assistance.

The Board of Education's commitment to excellence to the School District in general, and support for this project in particular, are sincerely appreciated.

Respectfully Submitted,



Richard McIntosh
Treasurer



Dennis L. Allen, Ed.D.
Superintendent

Rocky River City School District

Principal Officials

June 30, 2001

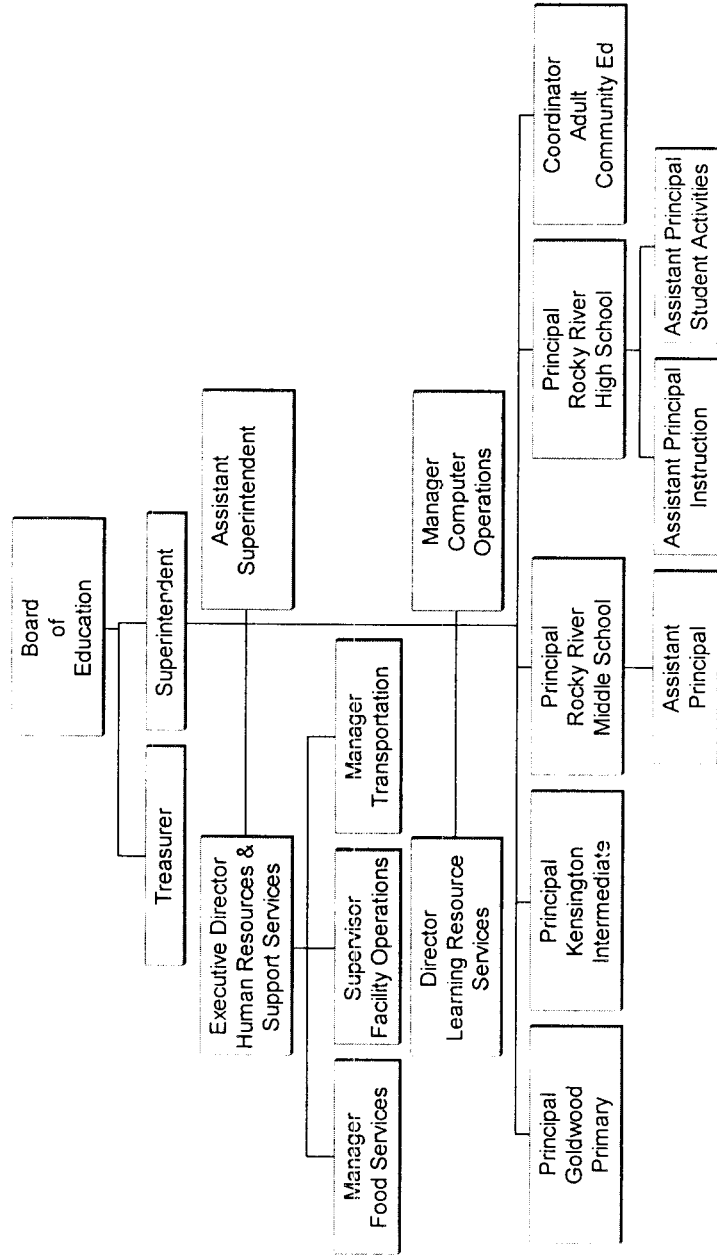
Board of Education

James D. Schieda President
Andrew D. Bemer Vice-President
Fred M. DeGrandis Member
Stanley M. Fairchild Member
Jean A. Rounds Member

Administration

Dennis L. Allen, Ed.D Superintendent
Cathy E. Dietlin, Ph.D Assistant Superintendent
Ted Blank Executive Director of Human Resources and Support Services
Richard McIntosh Treasurer

Rocky River City School District Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Rocky River 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.



Thomas A. Greve
President

Jeffrey L. Essler
Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

ROCKY RIVER 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

Ann K. Kung
Executive Director

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

Lausche Bldg
615 W Superior Ave
Floor 12
Cleveland, Ohio 44113
Telephone 216-787-3665
800-626-2297
Facsimile 216-787-3361
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education
Rocky River City School District
Cuyahoga County
21600 Center Ridge Road
Rocky River, Ohio 44116

We have audited the accompanying basic financial statements of the Rocky River 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 financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Rocky River City School District, Cuyahoga County, Ohio, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary funds 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 basic financial statements, the District adopted Governmental Accounting Standards Board Statement No. 34 and changed its accounting for fixed assets, as of and for the year ended June 30, 2001. Also as described in Note 3, the District restated fixed assets in the proprietary funds, as of and for the year ended June 30, 2001.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2001 on our consideration of the Government's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

We performed our audit to form an opinion on the basic financial statements of the District, taken as a whole. The combining and individual fund statements and schedules listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic 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", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

December 27, 2001

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

The discussion and analysis of Rocky River City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2001. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2001 are as follows:

Overall:

- Total net assets increased \$401,789. Net assets of governmental activities increased \$427,723, which represents a 3.11 percent increase from fiscal year 2000. Net assets of business-type activities decreased \$25,934 or 5.76 percent from 2000.
- Total revenues of \$27,817,884 were comprised of Governmental Activities revenues in the amount of \$27,134,460 and Business-Type Activities revenues in the amount of \$683,424.
- Total program expenses were \$27,416,095, \$26,652,737 in Governmental Activities and \$763,358 in Business-Type Activities.
- Outstanding bonded debt decreased to \$30,162,928 from \$31,881,394 in 2000.

Governmental Activities:

- Total net assets increased \$427,723 or 3.11%.
- Total revenues of \$27,134,460 were comprised of general revenues of \$24,965,087 or 92.01% and program revenues of \$2,169,373 or 7.99%.
- Program expenses totaled \$26,652,737. There was a transfer to Business-Type Activities in the amount of \$54,000.

Business-Type Activities:

- Total net assets decreased \$25,934 or 5.76%.
- Total revenues of \$683,424 were comprised of program revenues of \$634,996 or 92.76% and general revenues of \$48,428 or 7.24%. There was a transfer from Governmental Activities in the amount of \$54,000.
- Program expenses totaled \$763,358.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of two distinct series of financial statements: the district-wide and the fund financials. The district wide reports are designed to show the District as a sum of its significant fund activities.

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

The *Statement of Net Assets* and *Statement of Activities* provide information about the governmental-type and business-type activities of the whole District, presenting both an aggregate view of School District finances and a longer-term view of those finances.

Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of Rocky River City School District, the general, bond retirement and building funds are the most significant governmental funds.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

The analysis of the School District as a whole begins on page 5. The view of the School District as a whole looks at all financial transactions and asks the questions, "Are we in a better financial position this year than last?" and "Why" or "Why not". The Statement of Net Assets and the Statement of Activities provide the basis for answering these questions. The statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District food service and uniform school supplies operations are reported as business activities.

Reporting the School District's Most Significant Funds

The analysis of the School District's major funds begins on page 10. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds.

Governmental Funds - Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

statements provide a detailed *short-term view* of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between *governmental activities* (reported in the Statement of Net Assets and the Statement of Activities) and *governmental funds* is reconciled in the financial statements of the *Governmental Funds*.

Proprietary Funds- Proprietary funds (the food service, uniform supplies operations and community programs) have historically operated as *enterprise funds* using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the School District as a whole.

The School District as a Whole

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

Table 1 provides a comparison of Net Assets as of June 30, 2000 compared to June 30, 2001:

(Table 1)
Net Assets

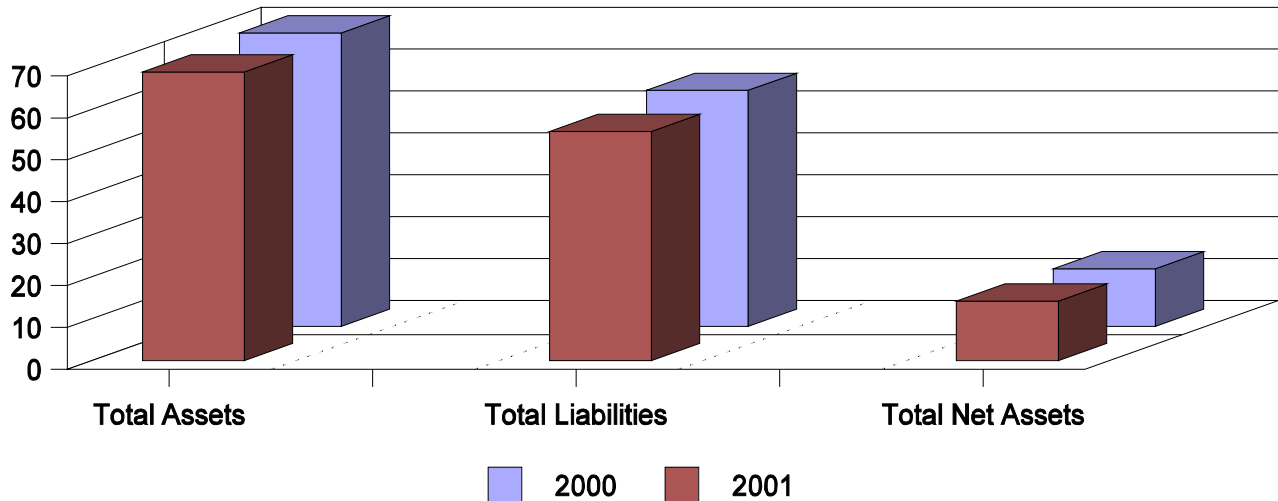
	Governmental Activities		Business-Type Activities		Total	
	2001	2000	2001	2000	2001	2000
Assets						
Current and Other Assets	\$30,444,341	\$34,076,275	\$212,492	\$179,169	\$30,656,833	\$34,255,444
Capital Assets	38,417,270	35,976,653	293,167	339,335	38,710,437	36,315,988
Total Assets	68,861,611	70,052,928	505,659	518,504	69,367,270	70,571,432
Liabilities						
Current and Other Liabilities	20,174,521	20,905,578	40,162	37,900	20,214,683	20,943,478
Long-Term Liabilities:						
Due Within One Year	2,292,477	2,172,350	0	0	2,292,477	2,172,350
Due in More than One Year	32,216,587	33,224,697	40,963	30,136	32,257,550	33,254,833
Total Liabilities	54,683,585	56,302,625	81,125	68,036	54,764,710	56,370,661
Net Assets						
Invested in Capital						
Assets Net of Debt	8,467,127	4,635,259	293,167	339,335	8,760,294	4,974,594
Restricted:						
Capital Projects	2,303,489	6,793,479	0	0	2,303,489	6,793,479
Debt Service	2,509,083	1,939,797	0	0	2,509,083	1,939,797
Set Asides	408,697	408,697	0	0	408,697	408,697
Other Purposes	314,407	381,638	0	0	314,407	381,638
Unrestricted (Deficit)	175,223	(408,567)	131,367	111,133	306,590	(297,434)
Total Net Assets	\$14,178,026	\$13,750,303	\$424,534	\$450,468	\$14,602,560	\$14,200,771

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

Graph 1.
 Net Assets Governmental Activities
 (In Millions)

	<u>2001</u>	<u>2000</u>
Total Assets	\$68.9	\$70.0
Total Liabilities	<u>54.7</u>	<u>56.3</u>
Total Net Assets	\$14.2	\$13.7

Governmental Activities



Total assets decreased \$1,191,317. Equity in pooled cash and cash equivalents decreased \$3,735,425 with the majority of the decrease reflected in the Capital Projects Funds. The decrease is attributed to the substantial completion of the projects included as part of the bond issue that was approved in November 1997. The major part of the bond issue, the new middle school, opened in the fall of the 2000-2001 school year. Taxes receivable totaled \$20,471,836; of this amount \$17,631,677 is offset as deferred revenue, revenue to be used in future periods.

Liabilities decreased by \$1,619,040. This decrease was primarily the result of long term liabilities falling by \$887,983 and current liabilities decreasing by \$731,057.

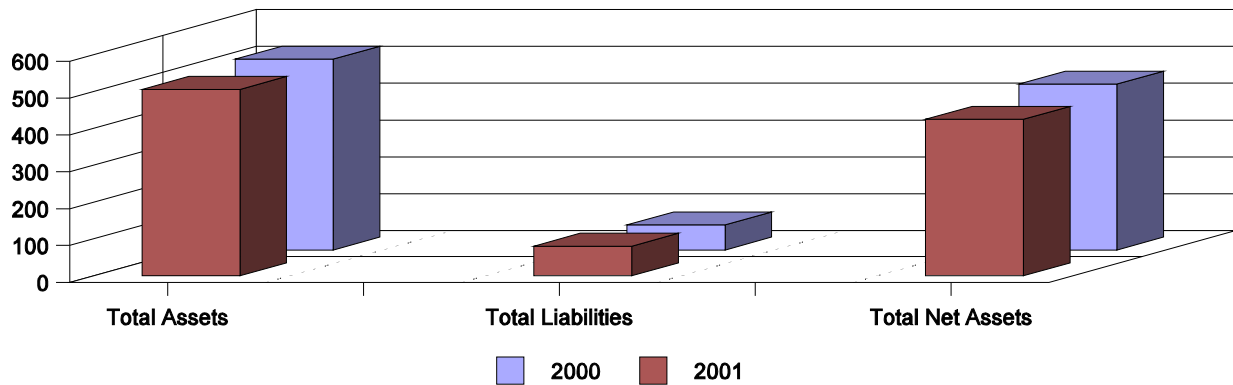
The net impact was an increase of net assets by \$427,723.

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

Graph 2.
 Net Assets Business-Type Activities
 (In Thousands)

	<u>2001</u>	<u>2000</u>
Total Assets	\$506	\$518
Total Liabilities	81	68
Total Net Assets	\$425	\$450

Business-Type Activities



The net assets of the School District business-type activities decreased by \$25,934 or 5.76 percent. Although the decline was slight, management has reviewed and, where feasible, increased fees. Food service pricing was increased for the 2000 fiscal year, but not for the 2001 fiscal year. Management will continue to monitor operating results to insure that business-type activities remain self-supporting.

Table 2 shows the changes in net assets for fiscal year 2001. Since this is the first year the School District has prepared financial statements following GASB Statement 34, revenue and expense comparisons to fiscal year 2000 are not available. In future years, when prior-year information is available, a comparative analysis of government-wide data will be presented.

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

Table 2
Changes in Net Assets

	Governmental Activities 2001	Business-Type Activities 2001	Total 2001
Revenues			
Program Revenues:			
Charges for Services	\$557,591	\$575,461	\$1,133,052
Operating Grants and Contributions	1,487,474	59,535	1,547,009
Capital Grants	124,308	0	124,308
General Revenue:			
Property Taxes	19,985,894	0	19,985,894
Grants and Entitlements	3,831,578	0	3,831,578
Gain on Sale of Capital Assets	6,016	0	6,016
Other	1,141,599	48,428	1,190,027
Total Revenues	27,134,460	683,424	27,817,884
Program Expenses			
Instruction	10,010,428	\$0	10,010,428
Support Services:			
Pupil and Instructional Staff	2,638,675	0	2,638,675
Board of Education, Administration, Fiscal and Business	4,245,881	0	4,245,881
Operation and Maintenance of Plant	2,967,923	0	2,967,923
Pupil Transportation	896,795	0	896,795
Central	2,303,118	0	2,303,118
Operation of Non-Instructional Services	1,196,061	0	1,196,061
Extracurricular Activities	808,624	0	808,624
Interest and Fiscal Charges	1,585,232	0	1,585,232
Food Service	0	403,527	403,527
Uniform School Supplies	0	25,404	25,404
Community Programs	0	334,427	334,427
Total Expenses	26,652,737	763,358	27,416,095
Excess (Deficiency) before Transfers	481,723	(79,934)	401,789
Transfers	(54,000)	54,000	0
Increase (Decrease) in Net Assets	\$427,723	(\$25,934)	\$401,789

The vast majority of revenue supporting Governmental Activities is general revenue. General Revenue totaled \$24,965,087 or 92.01% of revenue supporting Governmental Activities. Program Revenues for Governmental Activities totaled \$2,169,373 or 7.99%.

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

Governmental Activities

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

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 73 percent of revenues for governmental activities for Rocky River Schools in fiscal year 2001.

Instruction comprises 38 percent of governmental program expenses. Interest expense was 5.9 percent. Interest expense was attributable to the outstanding debt issues previously approved by the residents of the district to fund capital projects.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements. Comparisons to 2000 have not been made since they are not available.

Table 3
 Governmental Activities

	Total Cost of Services 2001	Net Cost of Services 2001
Instruction	\$10,010,428	(\$9,428,764)
Support Services:		
Pupil and Instructional Staff	2,638,675	(2,578,083)
Board of Education, Administration, Fiscal	4,245,881	(4,245,881)
Operation and Maintenance of Plant	2,967,923	(2,816,927)
Pupil Transportation	896,795	(879,158)
Central	2,303,118	(2,281,500)
Operation of Non-Instructional Services	1,196,061	(19,613)
Extracurricular Activities	808,624	(648,206)
Interest and Fiscal Charges	1,585,232	(1,585,232)
Total	\$26,652,737	(\$24,483,364)

The dependence upon general revenues for governmental activities is apparent. Over 95 percent of instructional activities are supported through taxes and other general revenues; for all governmental activities general revenue support is 92 percent of total governmental revenues. The community, as a whole, is by far the primary support for Rocky River City School District students.

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

Business-Type Activities

Business-type activities include the food service operation, the sale of uniform school supplies and the community programs funds. These programs had revenues of \$683,424 and expenses of \$763,358 for fiscal year 2001. Governmental activities provided a transfer in the amount of \$54,000 to the business-type activities to cover operating deficits in the adult/community education program. Management has reviewed the operation of this program and is adjusting fees and program offerings in the adult/community education program to insure net assets are not reduced further in fiscal 2002.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$26,571,774 and expenditures of \$30,095,931. The net change in fund balance for the year was most significant in the building fund, a decrease of \$4.6 million reflecting the continued completion of projects that were part of the bond issue approved in November 1997.

General Fund Budgeting Highlights

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

During the course of fiscal 2001 the School District amended its general fund budget numerous times. Many of the amendments are due to changes in expenditure priorities in the buildings. The School District uses a site-based budgeting system designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, the final budget basis revenue was \$20,880,612 representing a \$665,285 increase from the original budget estimates of \$20,215,327. Most of this difference was due to conservative estimates of taxes.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$21,124,998, \$208,505 above revenues.

The School District's ending unobligated cash balance was \$378,955 above the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2001 the School District had \$38,710,437 invested in land and improvements, buildings and improvements, furniture and equipment and vehicles; \$38,417,270 of this amount are in governmental activities. Table 4 shows fiscal 2001 balances compared to 2000:

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

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

	Governmental Activities		Business-Type Activities		Total	
	2001	2000	2001	2000	2001	2000
Land and Improvements	\$2,097,022	\$1,565,073	\$48,591	\$48,591	\$2,145,613	\$1,613,664
Buildings and	34,913,837	14,745,974	199,729	272,214	35,113,566	15,018,188
Furniture and Equipment	957,090	811,755	44,847	18,530	1,001,937	830,285
Vehicles	449,321	443,653	0	0	449,321	443,653
Construction in Progress	0	18,410,198	0	0	0	18,410,198
Totals	<u>\$38,417,270</u>	<u>\$35,976,653</u>	<u>\$293,167</u>	<u>\$339,335</u>	<u>\$38,710,437</u>	<u>\$36,315,988</u>

The largest increase in value was in buildings and improvements. The School District demolished the old middle school and the substantial completion of the construction projects was recognized and value of construction in progress was moved to buildings and improvements.

Debt

At June 30, 2001 the School District had \$30,162,928 in bonds outstanding, \$1,895,000 due within one year. Table 5 summarizes bonds outstanding.

(Table 5)
 Outstanding Debt, at Year End

	Governmental Activities 2001	Governmental Activities 2000
School Building Improvement GO Bonds	\$22,160,000	\$23,020,000
School Building Improvement Refunding Bonds	7,732,928	8,321,394
Library GO Bond	270,000	540,000
Total	<u>\$30,162,928</u>	<u>\$31,881,394</u>

The School Building Improvement Bonds were issued following passage of the bond issue in November 1997. The bonds were issued in February 1998 in the amount of \$24,500,000. The proceeds of the issue funded the construction of the new middle school and renovations of the other facilities in the district.

The School Building Refunding Bonds were issued in September 1996 in the amount of \$9,994,128 to issue bonds and advance refund bonds issued in January 1991. The original issue of these bonds followed passage of a bond issue at the regular election held in November 1989.

The Library Bonds were issued in January 1992 in the amount of \$2,665,000. The issue will be retired in December 2001 with the final principal and interest payment.

Rocky River City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2001
Unaudited

At June 30, 2001, the School District's overall legal debt margin was \$29,687,258 with an unvoted debt margin of \$636,180. The School District maintains an Aa2 bond rating from Moody's.

Current Financial Related Activities

Rocky River City School District is strong financially. A major factor of the District's financial strength has been the community's support of regular additional operating levies. As the preceding information shows, the School District heavily depends on its property taxpayers. The last additional operating levy was passed in 1999. At that time, the Board and the administration projected that the funds from that issue would provide for the continuation of the educational program for three years.

The School District has been successful in continuing to maintain its strong academic programs while dealing with enrollment growth during the time period since the last operating levy.

The State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational system, one that was neither "adequate" nor "equitable." Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. On 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. On September 17, 2001 the State filed a motion asking the Court to reconsider and clarify certain parts of its decision. On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

Rocky River City School District has not anticipated any meaningful growth in State revenue. The concern is that, to meet the requirements of the court, the State may reduce state aide to districts such as Rocky River or it may redistribute revenue from a school district's local tax base. The Board of Education has been working with other local boards to insure that the legislators representing the school district and its taxpayers are fully aware of the impact any state action may have on the school district.

In conclusion, Rocky River City School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting since 1992.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Richard McIntosh, Treasurer at Rocky River City School District, 21600 Center Ridge Road, Rocky River, Ohio 44116.

Rocky River City School District

Statement of Net Assets

June 30, 2001

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$9,875,333	\$190,030	\$10,065,363
Cash and Cash Equivalents			
With Fiscal Agents	1,831	0	1,831
Accounts Receivable	26,911	1,468	28,379
Intergovernmental Receivable	5,316	5,727	11,043
Prepaid Items	45,148	0	45,148
Inventory Held for Resale	0	14,060	14,060
Materials and Supplies			
Inventory	17,966	1,207	19,173
Taxes Receivable	20,471,836	0	20,471,836
Nondepreciable Capital Assets	2,097,022	0	2,097,022
Depreciable Capital Assets, Net	36,320,248	293,167	36,613,415
<i>Total Assets</i>	<u>68,861,611</u>	<u>505,659</u>	<u>69,367,270</u>
Liabilities			
Accounts Payable	199,315	11,836	211,151
Contracts Payable	28,421	0	28,421
Accrued Wages	1,436,806	432	1,437,238
Intergovernmental Payable	748,441	23,636	772,077
Matured Interest Payable	1,831	0	1,831
Accrued Interest Payable	128,030	0	128,030
Deferred Revenue	17,631,677	4,258	17,635,935
Long-Term Liabilities:			
Due Within One Year	2,292,477	0	2,292,477
Due In More Than One Year	32,216,587	40,963	32,257,550
<i>Total Liabilities</i>	<u>54,683,585</u>	<u>81,125</u>	<u>54,764,710</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	8,467,127	293,167	8,760,294
Restricted for:			
Capital Projects	2,303,489	0	2,303,489
Debt Service	2,509,083	0	2,509,083
Set Asides	408,697	0	408,697
Other Purposes	314,407	0	314,407
Unrestricted	175,223	131,367	306,590
<i>Total Net Assets</i>	<u>\$14,178,026</u>	<u>\$424,534</u>	<u>\$14,602,560</u>

See accompanying notes to the basic financial statements

Rocky River City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2001

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Instruction:				
Regular	\$6,732,218	\$222,513	\$83,746	\$70,102
Special	2,938,803	0	205,303	0
Vocational	339,407	0	0	0
Support Services:				
Pupil	1,441,604	23,664	22,158	0
Instructional Staff	1,197,071	0	14,770	0
Board of Education	20,275	0	0	0
Administration	2,374,172	0	0	0
Fiscal	799,415	0	0	0
Business	1,052,019	0	0	0
Operation and Maintenance of Plant	2,967,923	150,996	0	0
Pupil Transportation	896,795	0	0	17,637
Central	2,303,118	0	21,618	0
Operation of Non-Instructional Services				
	1,196,061	0	1,139,879	36,569
Extracurricular Activities	808,624	160,418	0	0
Interest and Fiscal Charges	1,585,232	0	0	0
<i>Total Governmental Activities</i>	<u>26,652,737</u>	<u>557,591</u>	<u>1,487,474</u>	<u>124,308</u>
Business-Type Activities				
Food Service	403,527	362,545	53,035	0
Uniform School Supplies	25,404	26,682	0	0
Community Programs	334,427	186,234	6,500	0
<i>Total Business-Type Activities</i>	<u>763,358</u>	<u>575,461</u>	<u>59,535</u>	<u>0</u>
<i>Totals</i>	<u>\$27,416,095</u>	<u>\$1,133,052</u>	<u>\$1,547,009</u>	<u>\$124,308</u>

General Revenues

Property Taxes Levied for:

General Purposes

Debt Service

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Gain on Sale of Capital Assets

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year - (See Note 3)

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$6,355,857)	\$0	(\$6,355,857)
(2,733,500)	0	(2,733,500)
(339,407)	0	(339,407)
(1,395,782)	0	(1,395,782)
(1,182,301)	0	(1,182,301)
(20,275)	0	(20,275)
(2,374,172)	0	(2,374,172)
(799,415)	0	(799,415)
(1,052,019)	0	(1,052,019)
(2,816,927)	0	(2,816,927)
(879,158)	0	(879,158)
(2,281,500)	0	(2,281,500)
(19,613)	0	(19,613)
(648,206)	0	(648,206)
(1,585,232)	0	(1,585,232)
(24,483,364)	0	(24,483,364)
0	12,053	12,053
0	1,278	1,278
0	(141,693)	(141,693)
0	(128,362)	(128,362)
(24,483,364)	(128,362)	(24,611,726)
16,754,585	0	16,754,585
3,231,309	0	3,231,309
3,831,578	0	3,831,578
988,182	5,414	993,596
6,016	0	6,016
153,417	43,014	196,431
24,965,087	48,428	25,013,515
(54,000)	54,000	0
24,911,087	102,428	25,013,515
427,723	(25,934)	401,789
13,750,303	450,468	14,200,771
\$14,178,026	\$424,534	\$14,602,560

Rocky River City School District

Balance Sheet

Governmental Funds

June 30, 2001

	<u>General</u>	<u>Bond Retirement Debt Service</u>	<u>Building Capital Projects</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,803,494	\$2,278,191	\$1,730,921
Cash and Cash Equivalents With Fiscal Agent	0	1,831	0
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	101,708	0	0
Taxes Receivable	17,339,354	3,132,482	0
Accounts Receivable	3,937	0	0
Intergovernmental Receivable	5,316	0	0
Materials and Supplies Inventory	17,966	0	0
Prepaid Items	45,148	0	0
<i>Total Assets</i>	<u>\$22,316,923</u>	<u>\$5,412,504</u>	<u>\$1,730,921</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$169,444	\$0	\$1,978
Contracts Payable	0	0	28,421
Accrued Wages and Benefits	1,425,173	0	0
Intergovernmental Payable	546,395	0	13,839
Deferred Revenue	15,833,412	2,816,673	0
Matured Interest Payable	0	1,831	0
<i>Total Liabilities</i>	<u>17,974,424</u>	<u>2,818,504</u>	<u>44,238</u>
Fund Balances			
Reserved for Encumbrances	1,005,067	0	690,528
Reserved for Inventory	17,966	0	0
Reserved for Property Taxes	1,434,368	308,853	0
Reserved for Budget Stabilization	101,708	0	0
Unreserved:			0
Designated:			
Budget Stabilization	289,626	0	0
Undesignated, Reported in:			
General Fund	1,493,764	0	0
Special Revenue Funds	0	0	0
Debt Service Funds	0	2,285,147	0
Capital Projects Funds	0	0	996,155
<i>Total Fund Balances</i>	<u>4,342,499</u>	<u>2,594,000</u>	<u>1,686,683</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$22,316,923</u>	<u>\$5,412,504</u>	<u>\$1,730,921</u>

See accompanying notes to the basic financial statements

Rocky River City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2001*

Other Governmental Funds	Total Governmental Funds
\$961,019	\$9,773,625
0	1,831
0	101,708
0	20,471,836
22,974	26,911
0	5,316
0	17,966
0	45,148
<u>\$983,993</u>	<u>\$30,444,341</u>
\$27,893	\$199,315
0	28,421
11,633	1,436,806
8,626	568,860
0	18,650,085
0	1,831
<u>48,152</u>	<u>20,885,318</u>
151,298	1,846,893
0	17,966
0	1,743,221
0	101,708
0	289,626
0	1,493,764
165,748	165,748
0	2,285,147
<u>618,795</u>	<u>1,614,950</u>
<u>935,841</u>	<u>9,559,023</u>
<u>\$983,993</u>	<u>\$30,444,341</u>

Total Governmental Fund Balances	\$9,559,023
<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	38,417,270
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Delinquent Property Taxes	1,018,408
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(30,162,928)
Compensated Absences	(4,288,921)
Accrued Interest Payable	(128,030)
Capital Lease Payable	(57,215)
Intergovernmental Payable	(179,581)
<u>Total</u>	<u>(34,816,675)</u>
<i>Net Assets of Governmental Activities</i>	<u>\$14,178,026</u>

Rocky River City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2001

	General	Bond Retirement Debt Service	Building Capital Projects
Revenues			
Taxes	\$16,321,910	\$3,107,314	\$0
Intergovernmental	3,478,108	419,978	0
Interest	912,817	0	22,953
Tuition and Fees	165,032	0	0
Extracurricular Activities	0	0	0
Rentals	68,457	0	0
Charges for Services	50,026	0	0
Contributions and Donations	0	0	0
Miscellaneous	1,034	0	61,549
<i>Total Revenues</i>	<u>20,997,384</u>	<u>3,527,292</u>	<u>84,502</u>
Expenditures			
Current:			
Instruction:			
Regular	9,271,819	0	0
Special	2,273,603	0	0
Vocational	339,407	0	0
Support Services:			
Pupil	1,187,076	0	0
Instructional Staff	682,993	0	0
Board of Education	20,275	0	0
Administration	1,110,961	0	0
Fiscal	572,253	38,215	0
Business	290,860	0	0
Operation and Maintenance of Plant	2,445,296	0	0
Pupil Transportation	932,466	0	0
Central	442,158	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	508,765	0	0
Capital Outlay	0	0	4,728,146
Debt Service:			
Principal Retirement	26,461	1,825,000	0
Interest and Fiscal Charges	3,719	1,488,786	0
<i>Total Expenditures</i>	<u>20,108,112</u>	<u>3,352,001</u>	<u>4,728,146</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>889,272</u>	<u>175,291</u>	<u>(4,643,644)</u>
Other Financing Sources (Uses)			
Sale of Fixed Assets	6,016	0	0
Transfers Out	(54,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(47,984)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	841,288	175,291	(4,643,644)
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	3,505,513	2,418,709	6,330,327
Decrease in Reserve for Inventory	(4,302)	0	0
<i>Fund Balances End of Year</i>	<u>\$4,342,499</u>	<u>\$2,594,000</u>	<u>\$1,686,683</u>

See accompanying notes to the basic financial statements

Rocky River City School District
*Reconciliation of the Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2001*

Other Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	(\$3,572,141)
		<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
		Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
\$0	\$19,429,224	Fixed Asset Additions	4,135,091
1,545,274	5,443,360	Current Year Depreciation	(1,694,474)
52,412	988,182		
0	165,032		
160,418	160,418		
89,994	158,451		
0	50,026		
23,664	23,664		
90,834	153,417		
1,962,596	26,571,774	Total	2,440,617
		Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
104,074	9,375,893	Delinquent Property Taxes	556,670
197,423	2,471,026	Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	1,851,461
0	339,407		
60,172	1,247,248	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	13,807
30,453	713,446		
0	20,275	Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represent contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
0	1,110,961	Compensated Absences	(856,944)
0	610,468	Pension Obligation	105,089
0	290,860	Change in Inventory	(4,302)
0	2,445,296	Bond Accretion	(106,534)
0	932,466		
1,911	444,069	Total	(862,691)
1,209,458	1,209,458	<i>Change in Net Assets of Governmental Activities</i>	\$427,723
265,081	773,846		
39,100	4,767,246		
0	1,851,461		
0	1,492,505		
1,907,672	30,095,931		
54,924	(3,524,157)		
0	6,016		
0	(54,000)		
0	(47,984)		
54,924	(3,572,141)		
880,917	13,135,466		
0	(4,302)		
\$935,841	\$9,559,023		

Rocky River City School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2001

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$15,662,779	\$16,178,240	\$16,178,240	\$0
Intergovernmental	3,377,311	3,488,458	3,488,458	0
Interest	905,645	935,450	971,290	35,840
Tuition and Fees	159,774	165,032	165,032	0
Rentals	59,019	60,961	61,002	41
Charges for Services	49,096	50,712	50,712	0
Miscellaneous	1,703	1,759	1,759	0
<i>Total Revenues</i>	<u>20,215,327</u>	<u>20,880,612</u>	<u>20,916,493</u>	<u>35,881</u>
Expenditures				
Current:				
Instruction:				
Regular	9,297,760	9,325,619	9,255,504	70,115
Special	2,360,904	2,871,014	2,809,963	61,051
Vocational	236,000	404,850	403,633	1,217
Support Services:				
Pupils	1,123,168	1,196,657	1,172,823	23,834
Instructional Staff	795,030	716,008	692,883	23,125
Board of Education	23,011	23,792	20,269	3,523
Administration	1,212,542	1,126,108	1,116,554	9,554
Fiscal	537,708	858,733	848,393	10,340
Business	293,102	293,365	282,635	10,730
Operation and Maintenance of Plant	2,358,543	2,562,066	2,545,889	16,177
Pupil Transportation	988,203	977,659	970,920	6,739
Central	711,659	491,645	462,415	29,230
Extracurricular Activities	577,364	574,648	543,117	31,531
Capital Outlay	4,402	0	0	0
<i>Total Expenditures</i>	<u>20,519,396</u>	<u>21,422,164</u>	<u>21,124,998</u>	<u>297,166</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(304,069)</u>	<u>(541,552)</u>	<u>(208,505)</u>	<u>333,047</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Fixed Assets	6,016	6,016	6,016	0
Advances In	3,000	3,000	3,000	0
Advances Out	(5,000)	(5,000)	(3,000)	2,000
Operating Transfers Out	(120,000)	(97,908)	(54,000)	43,908
<i>Total Other Financing Sources (Uses)</i>	<u>(115,984)</u>	<u>(93,892)</u>	<u>(47,984)</u>	<u>45,908</u>
<i>Net Change in Fund Balance</i>	(420,053)	(635,444)	(256,489)	378,955
<i>Fund Balance Beginning of Year</i>	3,155,302	3,155,302	3,155,302	0
Prior Year Encumbrances Appropriated	861,997	861,997	861,997	0
<i>Fund Balance End of Year</i>	<u>\$3,597,246</u>	<u>\$3,381,855</u>	<u>\$3,760,810</u>	<u>\$378,955</u>

See accompanying notes to the basic financial statements

Rocky River City School District
Statement of Fund Net Assets
Enterprise Funds
June 30, 2001

	Food Service	Uniform School Supplies	Community Programs	Total
Assets				
Equity in Pooled Cash and Cash Equivalents	\$111,468	\$12,092	\$66,470	\$190,030
Receivables:				
Accounts	1,468	0	0	1,468
Intergovernmental	4,669	0	1,058	5,727
Inventory Held for Resale	6,174	7,886	0	14,060
Materials and Supplies Inventory	1,207	0	0	1,207
<i>Total Current Assets</i>	124,986	19,978	67,528	212,492
<i>Noncurrent Assets:</i>				
Capital Assets, Net	15,561	0	277,606	293,167
<i>Total Assets</i>	140,547	19,978	345,134	505,659
Liabilities				
Accounts Payable	703	0	11,133	11,836
Accrued Wages	0	0	432	432
Intergovernmental Payable	19,335	0	4,301	23,636
Deferred Revenue	4,258	0	0	4,258
<i>Total Current Liabilities</i>	24,296	0	15,866	40,162
Long-Term Liabilities:				
Compensated Absences Payable	38,297	0	2,666	40,963
<i>Total Liabilities</i>	62,593	0	18,532	81,125
Net Assets				
Invested in Capital Assets	15,561	0	277,606	293,167
Unrestricted	62,393	19,978	48,996	131,367
<i>Total Net Assets</i>	\$77,954	\$19,978	\$326,602	\$424,534

See accompanying notes to the basic financial statements

Rocky River City School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Enterprise Funds
For the Fiscal Year Ended June 30, 2001*

	Food Service	Uniform School Supplies	Community Programs	Total
Operating Revenues				
Tuition	\$0	\$0	\$13,508	\$13,508
Sales	361,077	26,682	168,780	556,539
Charges for Services	1,468	0	2,888	4,356
Rentals	0	0	1,058	1,058
Miscellaneous	0	0	43,014	43,014
<i>Total Operating Revenues</i>	<u>362,545</u>	<u>26,682</u>	<u>229,248</u>	<u>618,475</u>
Operating Expenses				
Salaries	87,272	0	29,547	116,819
Fringe Benefits	73,863	0	5,938	79,801
Purchased Services	3,053	0	107,792	110,845
Materials and Supplies	219,344	25,404	102,130	346,878
Cost of Sales	18,272	0	0	18,272
Depreciation	1,723	0	56,508	58,231
Other	0	0	32,512	32,512
<i>Total Operating Expenses</i>	<u>403,527</u>	<u>25,404</u>	<u>334,427</u>	<u>763,358</u>
<i>Operating Income (Loss)</i>	<u>(40,982)</u>	<u>1,278</u>	<u>(105,179)</u>	<u>(144,883)</u>
Non-Operating Revenues				
Donated Commodities	18,127	0	0	18,127
Interest	5,414	0	0	5,414
Operating Grants	34,908	0	6,500	41,408
<i>Total Non-Operating Revenues</i>	<u>58,449</u>	<u>0</u>	<u>6,500</u>	<u>64,949</u>
<i>Income (Loss) Before Transfers</i>	17,467	1,278	(98,679)	(79,934)
Transfers In	0	0	54,000	54,000
<i>Change in Net Assets</i>	17,467	1,278	(44,679)	(25,934)
<i>Net Assets Beginning of Year - Restated (See Note 3)</i>	<u>60,487</u>	<u>18,700</u>	<u>371,281</u>	<u>450,468</u>
<i>Net Assets End of Year</i>	<u>\$77,954</u>	<u>\$19,978</u>	<u>\$326,602</u>	<u>\$424,534</u>

See accompanying notes to the basic financial statements

Rocky River City School District
Statement of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 2001

	Food Service	Uniform School Supplies	Community Programs	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$361,077	\$26,682	\$197,378	\$585,137
Other Cash Receipts	0	0	43,014	43,014
Cash Payments to Employees for Services	(117,185)	0	(30,490)	(147,675)
Cash Payments for Employee Benefits	(35,045)	0	(5,103)	(40,148)
Cash Payments for Goods and Services	(221,551)	(22,514)	(205,282)	(449,347)
Other Cash Payments	0	0	(32,512)	(32,512)
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>(12,704)</u>	<u>4,168</u>	<u>(32,995)</u>	<u>(41,531)</u>
Cash Flows from Noncapital Financing Activities				
Operating Grants Received	30,239	0	6,500	36,739
Transfers In	0	0	54,000	54,000
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>30,239</u>	<u>0</u>	<u>60,500</u>	<u>90,739</u>
Cash Flows from Capital and Related Financing Activities				
Payments for Capital Acquisitions	(12,063)	0	0	(12,063)
Cash Flows from Investing Activities				
Interest on Investments	5,414	0	0	5,414
<i>Net Increase in Cash and Cash Equivalents</i>	10,886	4,168	27,505	42,559
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>100,582</u>	<u>7,924</u>	<u>38,965</u>	<u>147,471</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$111,468</u>	<u>\$12,092</u>	<u>\$66,470</u>	<u>\$190,030</u>

(continued)

Rocky River City School District
Statement of Cash Flows
Proprietary Funds (continued)
For the Fiscal Year Ended June 30, 2001

	Business-Type Activities - Enterprise Funds			
	Food Service	Uniform School Supplies	Community Programs	Total
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	(\$40,982)	\$1,278	(\$105,179)	(\$144,883)
Adjustments:				
Depreciation	1,723	0	56,508	58,231
Donated Commodities Used During Year	18,127	0	0	18,127
(Increase) Decrease in Assets:				
Accounts Receivable	(1,468)	0	2,581	1,113
Intergovernmental Receivable	0	0	8,563	8,563
Inventory Held for Resale	145	0	0	145
Materials and Supplies Inventory	143	2,890	0	3,033
Increase (Decrease) in Liabilities:				
Accounts Payable	703	0	4,640	5,343
Accrued Wages	0	0	(720)	(720)
Compensated Absences Payable	8,384	0	2,443	10,827
Intergovernmental Payable	521	0	(1,831)	(1,310)
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>(\$12,704)</u>	<u>\$4,168</u>	<u>(\$32,995)</u>	<u>(\$41,531)</u>

See accompanying notes to the basic financial statements

Rocky River City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2001

	Private Purpose Trust	
	Special Trust	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$28,104	\$61,501
Liabilities		
Due to Students	0	61,501
Net Assets		
Held in Trust for Scholarships	28,104	
<i>Total Net Assets</i>	\$28,104	

See accompanying notes to the basic financial statements

Rocky River City School District
Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2001

	<u>Special Trust</u>
Additions	
Interest	\$1,695
Contributions and Donations	29,950
<i>Total Additions</i>	31,645
Deductions	
Operation of Non-Instructional Services	29,400
<i>Change in Net Assets</i>	2,245
<i>Net Assets Beginning of Year</i>	25,859
<i>Net Assets End of Year</i>	\$28,104

See accompanying notes to the basic financial statements

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

Note 1 - Description of the School District and Reporting Entity

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

The School District is located in a suburban area west of Cleveland, Ohio. It is located in Cuyahoga County, and encompasses the entire City of Rocky River and a small portion of the City of Fairview Park. It is staffed by 161 certificated teaching personnel, 125 non-certificated support staff personnel, 13 administrative employees and 4 managers who provide services to 2,458 students and other community members. The School District currently operates a primary school, an intermediate school, a middle school, and a high school.

Reporting Entity

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

Non-public Schools - Within the School District boundaries, St. Christopher, St. Thomas, and Ruffing Montessori Elementary Schools, and Lutheran West and Magnificat High Schools are operated as non-public schools. Current State legislation provides funding to these schools. These monies are received and disbursed on behalf of the schools by the Treasurer of the School District, as directed by the schools. This activity is reflected in a special revenue fund for financial reporting purposes.

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 Rocky River City School District does not have any component units.

The School District participates in two jointly governed organizations, an insurance purchasing pool and is associated with a related organization. These organizations are the Lakeshore Northeast Ohio Computer Association, the Ohio Schools Council, the Ohio School Boards Association Workers' Compensation Group Rating Program and the Rocky River Public Library. These organizations are presented in Notes 16, 17, and 18 to the basic financial statements.

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

Note 2 - Summary of Significant Accounting Policies

The financial statements of the Rocky River City School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds 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

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

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

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

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

B. Fund Accounting

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

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

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

General Fund The general fund 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.

Bond Retirement Fund The bond retirement fund is used to account for the accumulation of property tax revenues for the payment of general obligation bonds issued for school improvement and the construction of a new middle school.

Building Fund The building fund accounts for bond proceeds and interest revenue to be used for the construction of a middle school.

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

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

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District's major enterprise funds are:

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

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

Community Programs Fund This fund accounts for the community education program operations.

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

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets.

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

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

D. Basis of Accounting

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

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include, property taxes, grants, entitlements and donations. 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 nonexchange transactions must also be available before it can be recognized.

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

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, fees and rentals.

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

Property taxes for which there is an enforceable legal claim as of June 30, 2001, but which were levied to finance fiscal year 2002 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

E. Budgetary Process

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the object level within each function for the general fund, and the fund level for all other funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2001.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

F. Cash and Investments

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

The School District utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the combined balance sheet as "cash and cash equivalents with fiscal agent" and represents deposits.

During fiscal year 2001, investments were limited to STAROhio, repurchase agreements, Federal Home Loan Bank Bonds and Certificates of Deposit.

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 and nonnegotiable certificates of deposit are reported at cost.

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

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during the fiscal year 2001 amounted to \$912,817, which includes \$466,134 assigned from other School District funds.

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

G. Prepaid Items

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

H. Inventory

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

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in,

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

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. Inventories of the enterprise funds are expensed when used.

I. Restricted Assets

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

J. Capital Assets

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

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

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	10 - 30 years	30 years
Furniture and Equipment	5 - 10 years	5 - 10 years
Vehicles	10 years	N/A

K. Interfund Balances

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

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

L. Compensated Absences

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

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.

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

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. In enterprise funds, the entire amount of compensated absences is reported as a fund liability.

M. Accrued Liabilities and Long-Term Obligations

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

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

N. Net Assets

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

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

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

O. Fund Balance Reserves

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

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

Fund balance in the general fund includes a designation that represents the amount set-aside by the Board of Education for budget stabilization in excess of the statutory requirement.

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for food service and uniform school supplies and charges for services for community education programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the funds.

Q. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of fixed assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. The proprietary funds received no capital contributions during this fiscal year.

R. Interfund Activity

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

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

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2001.

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

T. Estimates

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

Note 3 - Change in Accounting Principle and Restatement of Fund Balance

Changes in Accounting Principles For fiscal year 2001, the School District has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues", GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus", GASB Statement No. 38, "Certain Financial Statement Note Disclosures" and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements." At June 30, 2000, there was no effect on fund balance/retained earnings as a result of implementing GASB Statements 33, 36, 37 and 38.

GASB 34 creates new basic financial statements for reporting on the School District's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements split the School District's programs between business-type and governmental activities. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at June 30, 2000, caused by the conversion to the accrual basis of accounting and a change in the capital asset threshold amount from \$500 to \$1,000.

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	Debt				Total
	General	Service	Building	Nonmajor	
Fund Balances, June 30, 2000	\$3,434,265	\$2,418,709	\$6,330,327	\$880,917	\$13,064,218
Interpretation 6:					
Compensated Absences Payable	71,248	0	0	0	71,248
Restated Fund Balance, June 30, 2000	<u>\$3,505,513</u>	<u>\$2,418,709</u>	<u>\$6,330,327</u>	<u>\$880,917</u>	13,135,466
GASB 34 Adjustments:					
Capital Assets					35,976,653
Long-Term (Deferred) Assets					461,738
Long-Term Liabilities:					
General Obligation Bonds					(31,881,394)
Accrued Interest					(141,837)
Compensated Absences					(3,431,977)
Capital Lease					(83,676)
Pension Obligation					(284,670)
Governmental Activities Net Assets, June 30, 2000					<u>\$13,750,303</u>

At June 30, 2000, fixed assets were restated in the business-type activities for an increase in the fixed asset capitalization threshold from \$500 to \$1,000. This restatement had the following effect on net assets as it was previously reported:

	Food Service	Uniform School Supplies	Community Programs	Total Business- Type Activities
Net Assets at June 30, 2000, as previously reported	\$63,790	\$18,700	\$528,288	\$610,778
Fixed Assets	(3,303)	0	(157,007)	(160,310)
Restated Net Assets, June 30, 2000	<u>\$60,487</u>	<u>\$18,700</u>	<u>\$371,281</u>	<u>\$450,468</u>

Note 4 - Accountability and Compliance

A. Fund Deficits

Fund balances/retained earnings at June 30, 2001, included the following individual fund deficits:

Special Revenue Funds

Ohio Reads Grant	\$454
Drug Free Schools	58

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The special revenue fund deficits resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, rather than when accrual occur.

B. Compliance

The following funds had total original appropriations in excess of estimated resources plus carryover balances in violation of Section 5705.39, Ohio Revised Code:

	Revenues plus Carryover Balances	Appropriations	Amount
<i>Special Revenue Funds:</i>			
Auxiliary Services	\$1,253,268	\$1,395,478	\$142,210
Teacher Development	22,000	34,000	12,000
Title VI-B	115,000	164,000	49,000
Title VI	27,232	65,177	37,945
<i>Capital Project Fund</i>			
School Net Plus	10,000	24,000	14,000

Management has taken no action to alleviate these budgetary violations as of December 27, 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 cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unrecorded cash, which consists of unrecorded interest, is not reported by the School District on the operating statement (budget), but is reported on the GAAP basis operating statement.

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

Net Change in Fund Balance	
GAAP Basis	\$841,288
Revenue Accruals	(35,527)
Advance In	3,000
Unrecorded Cash	(19,764)
Fair Value Adjustment for Investments	(25,600)
Expenditure Accruals	82,142
Advance Out	(3,000)
Encumbrances	<u>(1,099,028)</u>
Budget Basis	<u><u>(\$256,489)</u></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.

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

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

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

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2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the purchase date in the amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

Cash on Hand At year end, the School District had \$200 in unreported cash which is included on the balance sheet of the School District as part of "equity in pooled cash and cash equivalents".

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

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Deposits At fiscal year end, the carrying amount of the School District's deposits was \$4,317,836 and the bank balance was \$4,548,237. \$148,237 of the bank balance was covered by federal depository insurance. \$4,400,000 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

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

	Category 3	Carrying Amount	Fair Value
Repurchase Agreements	\$233,893	\$233,893	\$233,893
Federal Home Loan Bank Bonds	978,810	978,810	978,810
StarOhio		4,626,060	4,626,060
Totals	\$1,212,703	\$5,838,763	\$5,838,763

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. A reconciliation between the classifications of cash and investments on the fund financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement 9	\$10,156,799	\$0
Cash on Hand	(200)	0
Investments of the Cash Management Pool:		
Federal Home Loan Bank Bonds	(978,810)	978,810
Repurchase Agreements	(233,893)	233,893
StarOhio	(4,626,060)	4,626,060
GASB Statement 3	\$4,317,836	\$5,838,763

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.

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

2001 real property taxes are levied after April 1, 2001, on the assessed value listed as of 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	\$524,675,910	93.92%	\$601,385,550	94.53%
Public Utility	12,877,130	2.30	13,190,950	2.07
Tangible Personal Property	21,160,548	3.78	21,603,344	3.40
Total Assessed Value	<u>\$558,713,588</u>	<u>100.00%</u>	<u>\$636,179,844</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$68.60		\$68.00	

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 earlier or later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30 and are intended to finance the fiscal year in which they are paid. 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, the late settlement of personal property taxes and real property, personal property and public utility taxes which became measurable as of June 30, 2001 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount of

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real property taxes available as an advance at June 30 were levied to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The late settlement and the amount available as an advance at June 30 are recognized as revenue.

The amount available as an advance at June 30, 2001, was \$1,743,221 and is recognized as revenue. \$1,434,368 was available to the general fund and \$308,853 was available to the bond retirement debt service fund.

Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2001, was as follows:

	Adjusted Balance 6/30/00	Additions	Deductions	Balance 6/30/01
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$722,230	\$0	\$0	\$722,230
Land Improvements	842,843	531,949	0	1,374,792
Construction in Progress	18,410,198	0	(18,410,198)	0
<i>Total Capital Assets, not being depreciated</i>	<u>19,975,271</u>	<u>531,949</u>	<u>(18,410,198)</u>	<u>2,097,022</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	29,232,000	21,557,076	(4,147,612)	46,641,464
Furniture and Equipment	2,383,757	355,794	(209,869)	2,529,682
Vehicles	1,098,042	100,470	(69,173)	1,129,339
<i>Total Capital Assets, being depreciated</i>	<u>\$32,713,799</u>	<u>\$22,013,340</u>	<u>(\$4,426,654)</u>	<u>\$50,300,485</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(14,486,026)	(1,389,213)	4,147,612	(11,727,627)
Furniture and Equipment	(1,572,002)	(210,459)	209,869	(1,572,592)
Vehicles	(654,389)	(94,802)	69,173	(680,018)
Total Accumulated Depreciation	<u>(16,712,417)</u>	<u>(1,694,474)*</u>	<u>4,426,654</u>	<u>(13,980,237)</u>
Total Capital Assets being depreciated, Net	<u>16,001,382</u>	<u>20,318,866</u>	<u>0</u>	<u>36,320,248</u>
Governmental Activities Capital Assets, Net	<u>\$35,976,653</u>	<u>\$20,850,815</u>	<u>(\$18,410,198)</u>	<u>\$38,417,270</u>

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	Adjusted Balance 6/30/00	Additions	Deductions	Balance 6/30/01
Business-Type Activities				
Land	\$48,591	\$0	\$0	\$48,591
Buildings and Improvements	1,473,477	0	0	1,473,477
Furniture and Equipment	57,720	12,063	(1,008)	68,775
Totals at Historical Cost	1,579,788	12,063	(1,008)	1,590,843
Less Accumulated Depreciation	(1,240,453)	(58,231)	1,008	(1,297,676)
Business-Type Activities Capital Assets, Net	<u>\$339,335</u>	<u>(\$46,168)</u>	<u>\$0</u>	<u>\$293,167</u>

During fiscal year 2001, the School District demolished the old middle school and replaced it with a newly constructed middle school. This accounts for the large changes in building and improvements.

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$884,922
Special	286,629
Support Services:	
Pupil	90,384
Instructional Staff	53,186
Administration	103,762
Fiscal	2,128
Business	1,636
Operation and Maintenance of Plant	189,865
Pupil Transportation	65,545
Central	5,128
Extracurricular Activities	<u>11,289</u>
Total Depreciation Expense	<u>\$1,694,474</u>

Note 9 - 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. For fiscal year 2001, the School District contracted with various insurance companies through the Ohio Schools Council insurance program. Crum & Foster Insurance provides property, inland marine and crime insurance coverage. There is a \$1,000 deductible on building and contents, along with a \$1,000 deductible for crime insurance. The inland marine coverage has a deductible of \$250.

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The boiler and machinery coverage is provided by Travelers Insurance Company. The coverage provides a \$30,000,000 limit and a \$1,000 deductible.

Nationwide Insurance Company provides fleet and liability insurance. Automobile liability has a limit of \$2,000,000 with a \$250 deductible. The general liability provides coverage with a limit of \$2,000,000 per occurrence and \$5,000,000 per year.

Coverages provided by these companies was as follows:

Building and Contents-replacement cost	\$65,093,754
Inland Marine Coverage	899,330
Boiler and Machinery	30,000,000
Crime Insurance	250,000
Automobile Liability	2,000,000
Uninsured Motorists	2,000,000
General Liability	
Per occurrence	2,000,000
Total per year	5,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there has not been a 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 17). 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 10 - Defined Benefit Pension Plans

A. School Employees Retirement System

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

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Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2001, 4.2 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2000, 5.5 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$134,521, \$172,792, and \$201,222 respectively; 55.44 percent has been contributed for fiscal year 2001 and 100 percent for the fiscal years 2000 and 1999. \$59,942 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds.

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides basic retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

For the fiscal year ended June 30, 2001, plan members were required to contribute 9.3 percent of their annual covered salaries. The 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 recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$958,132, \$543,624, and \$515,414 respectively; 76.03 percent has been contributed for fiscal year 2001 and 100 percent for the fiscal years 2000 and 1999. \$229,701 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds.

Note 11 - 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 on a pay-as-you-go basis.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care 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.

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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 \$453,852 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 9.80 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 was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2001 fiscal year equaled \$453,502.

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 the 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 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.

Note 12 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements, Board of Education policies and State laws. Teachers do not earn vacation. Support staff personnel assigned to work less than 240 days annually do not earn vacation. Support staff personnel assigned to work 240 days or more and managers earn vacation leave from 10 to 20 days, based on years of service. Vacation leave must be used in the contract year earned and may not be accrued or accumulated. Administrators are entitled to 20 to 25 days of vacation leave annually, based on years of service and performance evaluations. Administrators may not accrue or accumulate vacation days.

All regular employees earn sick leave at a rate of one and one-fourth days per month up to a maximum of 245 days. Support staff personnel and managers employed by the School District for a minimum of two years, and eligible to retire pursuant to State statute, are entitled to severance benefits based on accumulated sick leave. These employees receive one-third of the value of the unused sick leave up to a maximum of 75 days at the daily rate of pay at the time of retirement.

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Teachers and administrators who resign with ten or more years of service, or those who meet the retirement eligibility requirements pursuant to State statute, are entitled to severance benefits equal to one-fourth of the value of unused sick leave up to a maximum of 40 days, plus twenty dollars per day for unused accumulated sick leave in excess of 120 days. Alternatively, teachers and administrators who resign during the year in which they attain 30 years of service credit with the State Teachers Retirement System are entitled to one-third of the value of unused sick leave up to a maximum of 70 days, plus an amount equal to thirty percent of the value of unused accumulated sick leave in excess of 120 days, plus \$350 per year served in the School District (\$650 for administrators) up to a maximum of 30 years.

B. Life and Medical Insurance

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Medical Life Insurance Company.

The School District has elected to provide employee medical, surgical, prescription drug and dental benefits through a conventional premium program.

Note 13 - Capital Leases - Lessee Disclosure

The School District has entered in a capitalized lease for musical equipment. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases".

The equipment has been capitalized in the amount of \$132,658. This amount represents the present value of the minimum lease payments at the time of acquisition.

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 is as follows:

Fiscal Year	Amount
2002	\$30,180
2003	30,180
Total Minimum Lease Payments	60,360
Less: Amount Representing Interest	(3,145)
Present Value of Minimum Lease Payments	\$57,215

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

Note 14 - Long-Term Obligations

The following is a schedule of long-term obligations outstanding at June 30, 2001, for the Rocky River City School District:

	Principal Outstanding 6/30/00	Additions	Deductions	Principal Outstanding 6/30/01	Amounts Due in One Year
Governmental Activities					
General Obligation Bonds:					
1998 \$24,500,000 3.65 - 5.375%					
School Building Improvement Bond	\$23,020,000	\$0	(\$860,000)	\$22,160,000	\$895,000
1996 \$9,994,128 4.25 - 5.75%					
School Building Refunding Bond	8,321,394	106,534	(695,000)	7,732,928	730,000
1992 \$2,665,000 4.95%					
Library Bond	540,000	0	(270,000)	270,000	270,000
Total General Obligation Bonds	<u>31,881,394</u>	<u>106,534</u>	<u>(1,825,000)</u>	<u>30,162,928</u>	<u>1,895,000</u>
Compensated Absences	3,431,977	1,177,833	(320,889)	4,288,921	369,610
Capital Lease Obligation	83,676	0	(26,461)	57,215	27,867
Total Governmental Activities					
Long Term Liabilities	<u>\$35,397,047</u>	<u>\$1,284,367</u>	<u>(\$2,172,350)</u>	<u>\$34,509,064</u>	<u>\$2,292,477</u>
Business - Type Activities					
Compensated Absences	<u>\$27,820</u>	<u>\$13,143</u>	<u>\$0</u>	<u>\$40,963</u>	<u>\$0</u>

In 1998, the School District issued bonds for the renovations of various school buildings. In 1996, the School District issued bonds for the advance refunding of school building improvement bonds. In 1992, the School District issued bonds for the library. All these bonds are paid from the bond retirement fund.

The 1996 general obligation bonds include serial bonds and capital appreciation bonds. This year the additions on these bonds was \$106,534 which represents the annual accretion of discounted interest. The final amount of these bonds will be \$10,801,148.

Pursuant to State law, the School District acts as the legal taxing authority for the Rocky River Public Library. As such, tax revenues earmarked for the retirement of the debt are collected by the School District and the debt is retired by the School District.

Compensated absences will be paid from the general fund, the auxiliary services and title I special revenue funds and the food service and community programs enterprise funds. The capital lease obligation will be paid from the general fund.

In a prior year, the School District defeased the 1991 series general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. On June 30, 2001, \$8,670,000 of bonds outstanding are considered defeased.

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

The School District's overall debt margin was \$29,687,258 with an unvoted debt margin of \$636,180 at June 30, 2001.

The School Districts' future debt service requirements to retire bonded debt is as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2002	\$1,895,000	\$1,413,821	\$3,308,821
2003	1,700,000	1,326,873	3,026,873
2004	1,780,000	1,249,589	3,029,589
2005	1,860,000	1,166,904	3,026,904
2006	1,955,000	1,078,745	3,033,745
2007-2011	9,677,928	9,062,573	18,740,501
2012-2016	7,635,000	3,082,684	10,717,684
2017-2018	3,660,000	199,412	3,859,412
Total	<u>\$30,162,928</u>	<u>\$18,580,601</u>	<u>\$48,743,529</u>

Note 15 - Interfund Transfers

A transfer of \$54,000 was made during fiscal year 2001 from the General fund to the Community Programs Enterprise fund. This transfer was made to move unrestricted balances to support the program.

Note 16 - Jointly Governed Organizations

Lakeshore Northeast Ohio Computer Association - The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed computer service bureau owned and operated by eleven public school districts. The primary function of LNOCA is to provide data services to the eleven member districts. Major areas of service provided by LNOCA include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. Each school is represented on the LNOCA Board of Directors by its superintendent. Each year, the Board of Directors elects a Chairman, a Vice Chairman and a Recording Secretary. The Treasurer of the fiscal agent is a nonvoting, ex-officio member of the Board of Directors. Rocky River City School District paid \$47,277 to LNOCA during fiscal year 2001. The Cuyahoga County Board of Education serves as the fiscal agent of LNOCA. Each school district supports LNOCA based upon a per pupil charge dependent upon the software packages used. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 5700 West Canal Road, Valleyview, OH 44125.

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 \$750 to the Council. Financial information can be obtained by contacting Albert G. Vasek, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

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, an 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 17 - Insurance Purchasing Pool

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

Note 18 - Related Organization

Rocky River Public Library - The Rocky River Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Rocky River City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. The Library did not receive any funding from Rocky River City School District

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

during fiscal year 2001. Financial information can be obtained from the Rocky River Public Library, James Wilson, Clerk/Treasurer, at 1600 Hampton, Rocky River, Ohio 44116.

Note 19 - Contingencies

A. Grants

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

B. Litigation

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

Note 20 - Set-Aside Calculations and Fund Reserves

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 School District is also required to set aside money for budget stabilization.

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

	Budget Stabilization Reserve	Capital Improvements Reserve	Textbooks Instructional Materials Reserve
Set-aside Reserve Balance as of June 30, 2000	\$296,200	\$0	(\$253,192)
Current Year Set-aside Requirement	0	462,717	462,717
Reduction in Requirement Based on Revised Legislation	(194,492)	0	0
Qualifying Disbursements	0	(4,836,327)	(483,709)
Total	<u>\$101,708</u>	<u>(\$4,373,610)</u>	<u>(\$274,184)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>\$101,708</u>	<u>\$0</u>	<u>(\$274,184)</u>
Set-aside Reserve Balance as of June 30, 2001	<u>\$101,708</u>	<u>\$0</u>	<u>\$0</u>

Rocky River City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2001

The School District had qualifying disbursements and offsets during the fiscal year that reduced the textbook and instructional materials set-aside amounts below zero. These extra amounts may be used to reduce the set-aside requirements in future fiscal years. Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years. The total reserve balance for the three set-asides at the end of the fiscal year was \$101,708.

Note 21 -Subsequent Event

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

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

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

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

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

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

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Combining Statements and
Individual Fund Schedules

Combining Statement -Nonmajor Funds

Nonmajor Special Revenue Funds

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

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

Career Education Fund - This fund accounts for State monies provided to make special education students aware of career opportunities.

District Managed Student Activities Fund This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program and transportation of the band to and from athletic events.

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

Teacher Development Fund This fund accounts for State monies used to provide seminars and workshops for staff development.

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

School Net Development Fund This fund accounts for State monies used to provide for a limited number of professional development subsidy grants.

Ohio Reads Grant Fund This fund accounts for monies that improve reading outcomes on the reading proficiency test and for volunteer coordinators in public school buildings.

School Conflict Management Fund This fund accounts for State monies provided to educate students on proper social behavior.

Eisenhower Math and Science Fund This fund accounts for monies used to improve the skills of teachers and the quality of instruction in mathematics, science, foreign languages and computer learning, and to increase the access of all students to that instruction.

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

(continued)

Combining Statement -Nonmajor Funds (continued)

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

Title VI Fund 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 Schools Fund This fund accounts for Federal revenues which support the implementation of programs for drug abuse education and prevention.

Preschool Grant Fund This fund accounts for Federal revenues used for speech therapy services and instructional supplies used in preschool programs.

E Rate Grant Fund This fund accounts for Federal monies which support the telecommunications activities within the School District.

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

Library Services and Technology Grant Fund This fund accounts for Federal monies used to provide library services and technology activities within the School District.

Learn and Serve America Fund This fund accounts for Federal monies used to engage Americans of all ages and backgrounds in community based service. There is no budgeted activity for this fund.

Nonmajor Capital Projects Funds

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

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

School Net Plus Fund This fund accounts for State grant monies used to purchase computer hardware and software.

Power Up Capacity Fund This fund accounts for State grant monies to be spent on electrical upgrades throughout the School District.

Net IVDL Fund This fund accounts for State monies to be used to provide interactive video cameras for classrooms.

Rocky River City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2001

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$365,055	\$595,964	\$961,019
Accounts Receivable	0	22,974	22,974
<i>Total Assets</i>	<u>\$365,055</u>	<u>\$618,938</u>	<u>\$983,993</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$27,893	\$0	\$27,893
Accrued Wages and Benefits	11,633	0	11,633
Intergovernmental Payable	8,483	143	8,626
<i>Total Liabilities</i>	<u>48,009</u>	<u>143</u>	<u>48,152</u>
Fund Balances			
Reserved for Encumbrances	151,298	0	151,298
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	165,748	0	165,748
Capital Projects Funds	0	618,795	618,795
<i>Total Fund Balances</i>	<u>317,046</u>	<u>618,795</u>	<u>935,841</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$365,055</u>	<u>\$618,938</u>	<u>\$983,993</u>

Rocky River City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2001

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$1,471,474	\$73,800	\$1,545,274
Interest	24,001	28,411	52,412
Extracurricular Activities	160,418	0	160,418
Rentals	0	89,994	89,994
Contributions and Donations	23,664	0	23,664
Miscellaneous	90,834	0	90,834
<i>Total Revenues</i>	<u>1,770,391</u>	<u>192,205</u>	<u>1,962,596</u>
Expenditures			
Current:			
Instruction:			
Regular	104,074	0	104,074
Special	197,423	0	197,423
Support Services:			
Pupil	60,172	0	60,172
Instructional Staff	30,453	0	30,453
Central	1,911	0	1,911
Operation of Non-Instructional Services	1,209,458	0	1,209,458
Extracurricular Activities	265,081	0	265,081
Capital Outlay	0	39,100	39,100
<i>Total Expenditures</i>	<u>1,868,572</u>	<u>39,100</u>	<u>1,907,672</u>
<i>Net Change in Fund Balances</i>	(98,181)	153,105	54,924
<i>Fund Balances Beginning of Year</i>	<u>415,227</u>	<u>465,690</u>	<u>880,917</u>
<i>Fund Balances End of Year</i>	<u><u>\$317,046</u></u>	<u><u>\$618,795</u></u>	<u><u>\$935,841</u></u>

Rocky River City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2001

	<u>Public School Support</u>	<u>Career Education</u>	<u>District Managed Student Activities</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	<u>\$69,488</u>	<u>\$3,459</u>	<u>\$37,548</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$879	\$1,413
Accrued Wages and Benefits	0	0	0
Intergovernmental Payable	<u>0</u>	<u>99</u>	<u>280</u>
<i>Total Liabilities</i>	<u>0</u>	<u>978</u>	<u>1,693</u>
Fund Balances			
Reserved for Encumbrances	200	108	5,883
Unreserved, Undesignated (Deficit), Reported in: Special Revenue Funds	<u>69,288</u>	<u>2,373</u>	<u>29,972</u>
<i>Total Fund Balances (Deficit)</i>	<u>69,488</u>	<u>2,481</u>	<u>35,855</u>
 <i>Total Liabilities and Fund Balances</i>	 <u>\$69,488</u>	 <u>\$3,459</u>	 <u>\$37,548</u>

<u>Auxiliary Services</u>	<u>Teacher Development</u>	<u>Educational Management Information</u>	<u>School Net Development</u>	<u>Ohio Reads Grant</u>
<u>\$184,168</u>	<u>\$5,232</u>	<u>\$22,469</u>	<u>\$79</u>	<u>\$0</u>
\$23,203	\$67	\$0	\$0	\$0
11,483	0	150	0	0
3,711	217	45	0	454
<u>38,397</u>	<u>284</u>	<u>195</u>	<u>0</u>	<u>454</u>
136,139	900	0	0	0
<u>9,632</u>	<u>4,048</u>	<u>22,274</u>	<u>79</u>	<u>(454)</u>
<u>145,771</u>	<u>4,948</u>	<u>22,274</u>	<u>79</u>	<u>(454)</u>
<u>\$184,168</u>	<u>\$5,232</u>	<u>\$22,469</u>	<u>\$79</u>	<u>\$0</u>

(continued)

Rocky River City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2001

	School Conflict Management	Eisenhower Math and Science	Title VI-B
Assets			
Equity in Pooled Cash and Cash Equivalents	\$530	\$1,046	\$321
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0
Intergovernmental Payable	0	214	0
<i>Total Liabilities</i>	0	214	0
Fund Balances			
Reserved for Encumbrances	0	107	321
Unreserved, Undesignated (Deficit), Reported in: Special Revenue Funds	530	725	0
<i>Total Fund Balances (Deficit)</i>	530	832	321
<i>Total Liabilities and Fund Balances</i>	\$530	\$1,046	\$321

<u>Title I</u>	<u>Title VI</u>	<u>Drug Free Schools</u>	<u>Classroom Size Reduction</u>	<u>Total Nonmajor Special Revenue Funds</u>
<u>\$26,757</u>	<u>\$9,930</u>	<u>\$236</u>	<u>\$3,792</u>	<u>\$365,055</u>
\$82	\$2,028	\$221	\$0	\$27,893
0	0	0	0	11,633
<u>2,468</u>	<u>0</u>	<u>73</u>	<u>922</u>	<u>8,483</u>
<u>2,550</u>	<u>2,028</u>	<u>294</u>	<u>922</u>	<u>48,009</u>
0	7,624	16	0	151,298
<u>24,207</u>	<u>278</u>	<u>(74)</u>	<u>2,870</u>	<u>165,748</u>
<u>24,207</u>	<u>7,902</u>	<u>(58)</u>	<u>2,870</u>	<u>317,046</u>
<u>\$26,757</u>	<u>\$9,930</u>	<u>\$236</u>	<u>\$3,792</u>	<u>\$365,055</u>

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

	Public School Support	Career Education	District Managed Student Activities	Auxiliary Services
Revenues				
Intergovernmental	\$0	\$0	\$0	\$1,062,486
Interest	0	0	3,699	20,302
Extracurricular Activities	0	0	160,418	0
Contributions and Donations	23,664	0	0	0
Miscellaneous	25,923	0	64,911	0
<i>Total Revenues</i>	<u>49,587</u>	<u>0</u>	<u>229,028</u>	<u>1,082,788</u>
Expenditures				
Current:				
Instruction:				
Regular	0	4,070	0	0
Special	0	0	0	0
Support Services:				
Pupil	38,053	0	0	0
Instructional Staff	0	148	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	1,129,332
Extracurricular Activities	0	0	265,081	0
<i>Total Expenditures</i>	<u>38,053</u>	<u>4,218</u>	<u>265,081</u>	<u>1,129,332</u>
<i>Net Change in Fund Balances</i>	11,534	(4,218)	(36,053)	(46,544)
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>57,954</u>	<u>6,699</u>	<u>71,908</u>	<u>192,315</u>
<i>Fund Balances End of Year</i>	<u><u>\$69,488</u></u>	<u><u>\$2,481</u></u>	<u><u>\$35,855</u></u>	<u><u>\$145,771</u></u>

<u>Teacher Development</u>	<u>Educational Management Information</u>	<u>School Net Development</u>	<u>Ohio Reads Grant</u>	<u>School Conflict Management</u>	<u>Eisenhower Math and Science</u>
\$15,288	\$9,618	\$4,000	\$30,000	\$0	\$8,928
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>15,288</u>	<u>9,618</u>	<u>4,000</u>	<u>30,000</u>	<u>0</u>	<u>8,928</u>
0	0	0	29,832	0	0
10,036	0	0	0	0	0
0	0	0	0	0	0
0	0	0	4,312	0	13,678
0	1,911	0	0	0	0
0	0	6,906	0	0	0
0	0	0	0	0	0
<u>10,036</u>	<u>1,911</u>	<u>6,906</u>	<u>34,144</u>	<u>0</u>	<u>13,678</u>
5,252	7,707	(2,906)	(4,144)	0	(4,750)
(304)	14,567	2,985	3,690	530	5,582
<u>\$4,948</u>	<u>\$22,274</u>	<u>\$79</u>	<u>(\$454)</u>	<u>\$530</u>	<u>\$832</u>

(continued)

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

	Title VI-B	Title I	Title VI	Drug Free Schools
Revenues				
Intergovernmental	\$166,023	\$98,164	\$22,166	\$12,914
Interest	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>166,023</u>	<u>98,164</u>	<u>22,166</u>	<u>12,914</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	22,007	1,047
Special	97,400	83,699	0	0
Support Services:				
Pupil	12,723	0	0	9,396
Instructional Staff	0	2,023	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	55,579	9,826	1,488	2,453
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>165,702</u>	<u>95,548</u>	<u>23,495</u>	<u>12,896</u>
<i>Net Change in Fund Balances</i>	321	2,616	(1,329)	18
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>0</u>	<u>21,591</u>	<u>9,231</u>	<u>(76)</u>
<i>Fund Balances End of Year</i>	<u>\$321</u>	<u>\$24,207</u>	<u>\$7,902</u>	<u>(\$58)</u>

Preschool Grant	E-Rate Grant	Classroom Size Reduction	Library Services and Technology Grant	Learn and Serve America	Total Nonmajor Special Revenue Funds
\$10,162	\$0	\$30,966	\$0	\$759	\$1,471,474
0	0	0	0	0	24,001
0	0	0	0	0	160,418
0	0	0	0	0	23,664
0	0	0	0	0	90,834
<u>10,162</u>	<u>0</u>	<u>30,966</u>	<u>0</u>	<u>759</u>	<u>1,770,391</u>
0	19,042	28,076	0	0	104,074
6,288	0	0	0	0	197,423
0	0	0	0	0	60,172
0	0	0	10,292	0	30,453
0	0	0	0	0	1,911
3,874	0	0	0	0	1,209,458
0	0	0	0	0	265,081
<u>10,162</u>	<u>19,042</u>	<u>28,076</u>	<u>10,292</u>	<u>0</u>	<u>1,868,572</u>
0	(19,042)	2,890	(10,292)	759	(98,181)
<u>0</u>	<u>19,042</u>	<u>(20)</u>	<u>10,292</u>	<u>(759)</u>	<u>415,227</u>
<u>\$0</u>	<u>\$0</u>	<u>\$2,870</u>	<u>\$0</u>	<u>\$0</u>	<u>\$317,046</u>

Rocky River City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2001

	<u>Permanent Improvement</u>	<u>School Net Plus</u>	<u>Power Up Capacity</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$546,664	\$10,000	\$37,231
Accounts Receivable	<u>22,974</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$569,638</u></u>	<u><u>\$10,000</u></u>	<u><u>\$37,231</u></u>
 Liabilities and Fund Balances			
Liabilities			
Intergovernmental Payable	\$0	\$143	\$0
 Fund Balances			
Unreserved, Undesignated, Reported in: Capital Projects Funds	<u>569,638</u>	<u>9,857</u>	<u>37,231</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$569,638</u></u>	<u><u>\$10,000</u></u>	<u><u>\$37,231</u></u>

Net IVDL	Total Nonmajor Capital Projects Funds
\$2,069	\$595,964
0	22,974
<u>\$2,069</u>	<u>\$618,938</u>
\$0	\$143
<u>2,069</u>	<u>618,795</u>
<u>\$2,069</u>	<u>\$618,938</u>

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

	Permanent Improvement	School Net Plus	Power Up Capacity
Revenues			
Intergovernmental	\$0	\$34,000	\$37,231
Interest	28,411	0	0
Rentals	89,994	0	0
<i>Total Revenues</i>	118,405	34,000	37,231
Expenditures			
Capital Outlay	0	24,143	14,457
<i>Net Change in Fund Balances</i>	118,405	9,857	22,774
<i>Fund Balances Beginning of Year</i>	451,233	0	14,457
<i>Fund Balances End of Year</i>	\$569,638	\$9,857	\$37,231

Net IVDL	Total Nonmajor Capital Projects Funds
\$2,569	\$73,800
0	28,411
0	89,994
2,569	192,205
500	39,100
2,069	153,105
0	465,690
<u>\$2,069</u>	<u>\$618,795</u>

Rocky River City School District
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2001

	<u>Beginning Balance June 30, 2000</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance June 30, 2001</u>
Student Activities				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$54,479</u>	<u>\$155,433</u>	<u>\$148,411</u>	<u>\$61,501</u>
Liabilities				
Due to Students	<u>\$54,479</u>	<u>\$155,433</u>	<u>\$148,411</u>	<u>\$61,501</u>

Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balances/Fund Equity -
Budget (Non-GAAP) and Actual

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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$15,662,779	\$16,178,240	\$16,178,240	\$0
Intergovernmental	3,377,311	3,488,458	3,488,458	0
Interest	905,645	935,450	971,290	35,840
Tuition and Fees	159,774	165,032	165,032	0
Rentals	59,019	60,961	61,002	41
Charges for Services	49,096	50,712	50,712	0
Miscellaneous	1,703	1,759	1,759	0
<i>Total Revenues</i>	<i>20,215,327</i>	<i>20,880,612</i>	<i>20,916,493</i>	<i>35,881</i>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	6,947,609	6,904,501	6,879,622	24,879
Fringe Benefits	1,766,421	1,778,203	1,776,259	1,944
Purchased Services	129,984	120,216	111,182	9,034
Materials and Supplies	292,596	339,762	318,841	20,921
Capital Outlay - New	101,953	130,615	123,476	7,139
Capital Outlay - Replacement	7,367	4,068	3,336	732
Other	51,830	48,254	42,788	5,466
Total Regular	9,297,760	9,325,619	9,255,504	70,115
Special:				
Salaries and Wages	1,447,957	1,507,896	1,474,379	33,517
Fringe Benefits	328,331	404,190	402,428	1,762
Purchased Services	544,324	914,330	895,372	18,958
Materials and Supplies	21,592	27,397	25,440	1,957
Capital Outlay - New	16,700	13,201	12,344	857
Capital Outlay - Replacement	2,000	4,000	0	4,000
Total Special	2,360,904	2,871,014	2,809,963	61,051
Vocational:				
Purchased Services	216,000	384,850	383,633	1,217
Capital Outlay - Replacement	20,000	20,000	20,000	0
Total Vocational	236,000	404,850	403,633	1,217
Total Instruction	\$11,894,664	\$12,601,483	\$12,469,100	\$132,383

(continued)

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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Support Services:				
Pupil:				
Salaries and Wages	\$760,715	\$820,147	\$806,738	\$13,409
Fringe Benefits	213,534	232,335	231,467	868
Purchased Services	133,941	125,912	117,506	8,406
Materials and Supplies	13,655	15,226	14,471	755
Capital Outlay - New	1,023	2,737	2,641	96
Other	300	300	0	300
Total Pupil	1,123,168	1,196,657	1,172,823	23,834
Instructional Staff:				
Salaries and Wages	468,907	457,660	457,255	405
Fringe Benefits	146,651	151,792	151,713	79
Purchased Services	70,263	48,226	37,326	10,900
Materials and Supplies	34,959	37,194	34,753	2,441
Capital Outlay - New	72,750	16,922	7,622	9,300
Capital Outlay - Replacement	1,500	4,214	4,214	0
Total Instructional Staff	795,030	716,008	692,883	23,125
Board of Education:				
Salaries and Wages	8,000	8,000	8,000	0
Fringe Benefits	1,236	1,255	1,255	0
Purchased Services	7,500	7,500	4,265	3,235
Materials and Supplies	550	1,152	864	288
Capital Outlay - New	5,725	0	0	0
Other	0	5,885	5,885	0
Total Board of Education	23,011	23,792	20,269	3,523
Administration:				
Salaries and Wages	880,423	795,560	789,698	5,862
Fringe Benefits	299,032	299,461	298,829	632
Purchased Services	22,242	24,598	23,157	1,441
Materials and Supplies	5,460	4,954	4,080	874
Capital Outlay - Replacement	4,000	150	86	64
Other	1,385	1,385	704	681
Total Administration	\$1,212,542	\$1,126,108	\$1,116,554	\$9,554

(continued)

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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Fiscal:				
Salaries and Wages	\$136,003	\$119,087	\$117,816	\$1,271
Fringe Benefits	89,660	296,624	296,319	305
Purchased Services	34,945	27,446	24,808	2,638
Materials and Supplies	3,550	6,233	5,392	841
Capital Outlay - New	1,800	0	0	0
Capital Outlay - Replacement	600	600	0	600
Other	271,150	408,743	404,058	4,685
Total Fiscal	537,708	858,733	848,393	10,340
Business:				
Salaries and Wages	83,731	25,767	24,041	1,726
Fringe Benefits	30,635	25,932	25,110	822
Purchased Services	144,345	199,126	195,717	3,409
Materials and Supplies	23,871	26,464	24,711	1,753
Capital Outlay - New	0	1,590	1,590	0
Other	10,520	14,486	11,466	3,020
Total Business	293,102	293,365	282,635	10,730
Operation and Maintenance of Plant:				
Salaries and Wages	905,679	927,283	919,753	7,530
Fringe Benefits	277,910	241,636	241,008	628
Purchased Services	983,958	1,168,588	1,167,638	950
Materials and Supplies	133,980	210,352	204,262	6,090
Capital Outlay - New	28,500	12,622	11,643	979
Capital Outlay - Replacement	25,197	0	0	0
Other	3,319	1,585	1,585	0
Total Operation and Maintenance of Plant	2,358,543	2,562,066	2,545,889	16,177
Pupil Transportation:				
Salaries and Wages	522,273	498,907	498,907	0
Fringe Benefits	151,892	148,150	147,596	554
Purchased Services	128,225	116,335	114,253	2,082
Materials and Supplies	101,750	99,742	98,127	1,615
Capital Outlay - New	2,163	112,028	110,840	1,188
Capital Outlay - Replacement	81,300	2,397	1,097	1,300
Other	600	100	100	0
Total Pupil Transportation	\$988,203	\$977,659	\$970,920	\$6,739

(continued)

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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Central:				
Salaries and Wages	\$337,534	\$229,901	\$229,388	\$513
Fringe Benefits	130,357	78,300	76,769	1,531
Purchased Services	181,790	139,060	114,954	24,106
Materials and Supplies	30,099	20,653	17,573	3,080
Capital Outlay - New	19,129	13,426	13,426	0
Capital Outlay - Replacement	12,750	10,305	10,305	0
Total Central	711,659	491,645	462,415	29,230
Total Support Services	8,042,966	8,246,033	8,112,781	133,252
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	71,798	76,426	73,939	2,487
Fringe Benefits	10,700	11,576	10,936	640
Total Academic and Subject Oriented Activities	82,498	88,002	84,875	3,127
Sports Oriented Activities:				
Salaries and Wages	311,210	310,305	288,792	21,513
Fringe Benefits	48,100	44,650	42,865	1,785
Purchased Services	0	5,000	5,000	0
Total Sports Oriented Activities	359,310	359,955	336,657	23,298
School and Public Service Co-Curricular Activities:				
Salaries and Wages	97,179	93,659	88,553	5,106
Fringe Benefits	29,716	30,094	30,094	0
Purchased Services	3,500	500	500	0
Materials and Supplies	4,161	2,130	2,130	0
Capital Outlay - Replacement	1,000	308	308	0
Total School and Public Service Co-Curricular Activities	135,556	126,691	121,585	5,106
Total Extracurricular Activities	577,364	574,648	543,117	31,531
Capital Outlay:				
Site Improvement Services:				
Capital Outlay - Replacement	4,402	0	0	0
Total Expenditures	\$20,519,396	\$21,422,164	\$21,124,998	\$297,166

(continued)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(\$304,069)</u>	<u>(\$541,552)</u>	<u>(\$208,505)</u>	<u>\$333,047</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Fixed Assets	6,016	6,016	6,016	0
Advances In	3,000	3,000	3,000	0
Advances Out	(5,000)	(5,000)	(3,000)	2,000
Operating Transfers Out	<u>(120,000)</u>	<u>(97,908)</u>	<u>(54,000)</u>	<u>43,908</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(115,984)</u>	<u>(93,892)</u>	<u>(47,984)</u>	<u>45,908</u>
<i>Net Change in Fund Balance</i>	(420,053)	(635,444)	(256,489)	378,955
<i>Fund Balance Beginning of Year</i>	3,155,302	3,155,302	3,155,302	0
Prior Year Encumbrances Appropriated	<u>861,997</u>	<u>861,997</u>	<u>861,997</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,597,246</u></u>	<u><u>\$3,381,855</u></u>	<u><u>\$3,760,810</u></u>	<u><u>\$378,955</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$23,919	\$29,413	\$29,464	\$51
Miscellaneous	21,081	25,923	25,923	0
<i>Total Revenues</i>	<u>45,000</u>	<u>55,336</u>	<u>55,387</u>	<u>51</u>
Expenditures				
Current:				
Support Services:				
Pupil:				
Purchased Services	9,525	9,525	9,350	175
Materials and Supplies	18,175	18,175	5,913	12,262
Capital Outlay - New	1,000	1,000	789	211
Other	22,936	22,936	22,667	269
<i>Total Expenditures</i>	<u>51,636</u>	<u>51,636</u>	<u>38,719</u>	<u>12,917</u>
<i>Net Change in Fund Balance</i>	(6,636)	3,700	16,668	12,968
<i>Fund Balance Beginning of Year</i>	50,985	50,985	50,985	0
Prior Year Encumbrances Appropriated	<u>1,636</u>	<u>1,636</u>	<u>1,636</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$45,985</u></u>	<u><u>\$56,321</u></u>	<u><u>\$69,289</u></u>	<u><u>\$12,968</u></u>

Rocky River City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Career Education Fund
For the Fiscal Year Ended June 30, 2001

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$19,000	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	7,077	2,303	2,303	0
Fringe Benefits	1,128	367	353	14
Purchased Services	2,655	864	0	864
Materials and Supplies	2,062	671	671	0
Total Instruction	12,922	4,205	3,327	878
Support Services:				
Instructional Staff:				
Salaries and Wages	6,699	2,180	99	2,081
Fringe Benefits	43	14	14	0
Total Support Services	6,742	2,194	113	2,081
<i>Total Expenditures</i>	19,664	6,399	3,440	2,959
<i>Net Change in Fund Balance</i>	(664)	(6,399)	(3,440)	2,959
<i>Fund Balance Beginning of Year</i>	6,126	6,126	6,126	0
Prior Year Encumbrances Appropriated	664	664	664	0
<i>Fund Balance End of Year</i>	\$6,126	\$391	\$3,350	\$2,959

Rocky River City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 2001

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$4,386	\$3,699	\$3,699	\$0
Extracurricular Activities	190,225	160,418	160,418	0
Miscellaneous	55,389	46,710	64,911	18,201
<i>Total Revenues</i>	<u>250,000</u>	<u>210,827</u>	<u>229,028</u>	<u>18,201</u>
Expenditures				
Current:				
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Purchased Services	64,876	60,235	60,235	0
Materials and Supplies	27,179	25,235	21,235	4,000
Capital Outlay - New	3,881	3,603	3,603	0
Other	8,422	7,820	7,820	0
Total Academic and Subject Oriented Activities:	<u>104,358</u>	<u>96,893</u>	<u>92,893</u>	<u>4,000</u>
Sports Oriented Activities:				
Salaries and Wages	8,396	7,795	7,795	0
Fringe Benefits	1,205	1,119	1,119	0
Purchased Services	51,111	47,455	47,455	0
Materials and Supplies	90,874	84,373	84,373	0
Capital Outlay - New	29,359	27,259	27,259	0
Other	12,877	11,956	11,956	0
Total Sports Oriented Activities	<u>193,822</u>	<u>179,957</u>	<u>179,957</u>	<u>0</u>
<i>Total Expenditures</i>	<u>298,180</u>	<u>276,850</u>	<u>272,850</u>	<u>4,000</u>
<i>Net Change in Fund Balance</i>	(48,180)	(66,023)	(43,822)	22,201
<i>Fund Balance Beginning of Year</i>	72,314	72,314	72,314	0
Prior Year Encumbrances Appropriated	3,181	3,181	3,181	0
<i>Fund Balance End of Year</i>	<u>\$27,315</u>	<u>\$9,472</u>	<u>\$31,673</u>	<u>\$22,201</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$990,316	\$1,062,486	\$1,062,486	\$0
Interest	9,684	10,390	20,302	9,912
<i>Total Revenues</i>	<u>1,000,000</u>	<u>1,072,876</u>	<u>1,082,788</u>	<u>9,912</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	91,876	87,235	76,822	10,413
Fringe Benefits	23,129	21,961	19,637	2,324
Purchased Services	614,768	583,713	583,605	108
Materials and Supplies	608,928	578,168	578,135	33
Capital Outlay - New	56,777	53,909	53,909	0
<i>Total Expenditures</i>	<u>1,395,478</u>	<u>1,324,986</u>	<u>1,312,108</u>	<u>12,878</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(395,478)	(252,110)	(229,320)	22,790
Other Financing Uses				
Operating Transfers Out	0	(1,158)	0	1,158
<i>Net Change in Fund Balance</i>	(395,478)	(253,268)	(229,320)	23,948
<i>Fund Balance Beginning of Year</i>	57,790	57,790	57,790	0
Prior Year Encumbrances Appropriated	195,478	195,478	195,478	0
<i>Fund Balance End of Year</i>	<u>(\$142,210)</u>	<u>\$0</u>	<u>\$23,948</u>	<u>\$23,948</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$22,000	\$15,288	\$15,288	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	15,969	7,180	5,524	1,656
Fringe Benefits	2,618	1,177	785	392
Purchased Services	12,088	5,435	3,153	2,282
Materials and Supplies	3,325	1,495	1,494	1
<i>Total Expenditures</i>	<u>34,000</u>	<u>15,287</u>	<u>10,956</u>	<u>4,331</u>
<i>Net Change in Fund Balance</i>	(12,000)	1	4,332	4,331
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>(\$12,000)</u>	<u>\$1</u>	<u>\$4,332</u>	<u>\$4,331</u>

Rocky River City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Educational Management Information Fund
For the Fiscal Year Ended June 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$7,000	\$9,618	\$9,618	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Salaries and Wages	8,444	6,641	1,306	5,335
Fringe Benefits	1,359	1,069	202	867
Capital Outlay - Replacement	9,197	7,233	582	6,651
<i>Total Expenditures</i>	<u>19,000</u>	<u>14,943</u>	<u>2,090</u>	<u>12,853</u>
<i>Net Change in Fund Balance</i>	(12,000)	(5,325)	7,528	12,853
<i>Fund Balance Beginning of Year</i>	<u>14,942</u>	<u>14,942</u>	<u>14,942</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,942</u></u>	<u><u>\$9,617</u></u>	<u><u>\$22,470</u></u>	<u><u>\$12,853</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$5,000	\$4,000	\$4,000	\$0
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	2,812	3,571	3,504	67
Fringe Benefits	198	252	242	10
Purchased Services	1,460	1,854	1,854	0
Materials and Supplies	1,030	1,308	1,308	0
<i>Total Expenditures</i>	<u>5,500</u>	<u>6,985</u>	<u>6,908</u>	<u>77</u>
<i>Net Change in Fund Balance</i>	(500)	(2,985)	(2,908)	77
<i>Fund Balance Beginning of Year</i>	<u>2,985</u>	<u>2,985</u>	<u>2,985</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,485</u>	<u>\$0</u>	<u>\$77</u>	<u>\$77</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$60,000	\$30,000	\$30,000	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	13,405	12,234	12,234	0
Fringe Benefits	2,070	1,890	1,890	0
Materials and Supplies	16,800	15,333	15,333	0
Total Instruction	32,275	29,457	29,457	0
Support Services:				
Instructional Staff:				
Purchased Services	4,725	4,312	4,312	0
<i>Total Expenditures</i>	37,000	33,769	33,769	0
<i>Net Change in Fund Balance</i>	23,000	(3,769)	(3,769)	0
<i>Fund Balance Beginning of Year</i>	3,769	3,769	3,769	0
<i>Fund Balance End of Year</i>	<u>\$26,769</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Rocky River City School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 School Conflict Management Fund
 For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,000	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Pupil:				
Materials and Supplies	<u>1,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	500	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>530</u>	<u>530</u>	<u>530</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,030</u></u>	<u><u>\$530</u></u>	<u><u>\$530</u></u>	<u><u>\$0</u></u>

Rocky River City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Eisenhower Math and Science Fund
For the Fiscal Year Ended June 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$10,000	\$8,928	\$8,928	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	3,696	5,615	5,586	29
Fringe Benefits	544	827	812	15
Purchased Services	4,760	7,232	7,232	0
<i>Total Expenditures</i>	<u>9,000</u>	<u>13,674</u>	<u>13,630</u>	<u>44</u>
<i>Net Change in Fund Balance</i>	1,000	(4,746)	(4,702)	44
<i>Fund Balance Beginning of Year</i>	<u>5,640</u>	<u>5,640</u>	<u>5,640</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,640</u></u>	<u><u>\$894</u></u>	<u><u>\$938</u></u>	<u><u>\$44</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$115,000	\$166,023	\$166,023	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Purchased Services	96,213	97,400	97,400	0
Support Services:				
Pupil:				
Purchased Services	12,568	12,723	12,723	0
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	55,219	55,900	55,900	0
<i>Total Expenditures</i>	<u>164,000</u>	<u>166,023</u>	<u>166,023</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(49,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)				
Advances In	0	3,000	3,000	0
Advances Out	0	(3,000)	(3,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(49,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>(\$49,000)</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$120,000	\$98,164	\$98,164	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	91,517	76,016	67,712	8,304
Fringe Benefits	22,649	18,813	15,763	3,050
Total Instruction	114,166	94,829	83,475	11,354
Support Services:				
Instructional Staff:				
Purchased Services	2,720	2,259	1,807	452
Materials and Supplies	284	236	214	22
Total Support Services	3,004	2,495	2,021	474
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	11,666	9,690	9,690	0
Materials and Supplies	164	136	136	0
Total Operation of Non-Instructional Services:	11,830	9,826	9,826	0
<i>Total Expenditures</i>	129,000	107,150	95,322	11,828
<i>Net Change in Fund Balance</i>	(9,000)	(8,986)	2,842	11,828
<i>Fund Balance Beginning of Year</i>	23,836	23,836	23,836	0
<i>Fund Balance End of Year</i>	<u>\$14,836</u>	<u>\$14,850</u>	<u>\$26,678</u>	<u>\$11,828</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$18,000	\$22,166	\$22,166	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	24,557	11,830	11,671	159
Capital Outlay - New	36,784	17,720	17,600	120
Total Instruction	61,341	29,550	29,271	279
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	3,836	1,848	1,848	0
<i>Total Expenditures</i>	65,177	31,398	31,119	279
<i>Net Change in Fund Balance</i>	(47,177)	(9,232)	(8,953)	279
<i>Fund Balance Beginning of Year</i>	4,055	4,055	4,055	0
Prior Year Encumbrances Appropriated	5,177	5,177	5,177	0
<i>Fund Balance End of Year</i>	(\$37,945)	\$0	\$279	\$279

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$18,000	\$12,914	\$12,914	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	232	200	200	0
Materials and Supplies	1,011	870	847	23
Total Instruction	1,243	1,070	1,047	23
Support Services:				
Pupil:				
Salaries and Wages	2,184	1,880	1,880	0
Purchased Services	5,755	4,955	4,955	0
Materials and Supplies	2,962	2,550	2,543	7
Total Support Services	10,901	9,385	9,378	7
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	2,501	2,153	2,153	0
Materials and Supplies	355	306	306	0
Total Operation of Non-Instructional Services:	2,856	2,459	2,459	0
<i>Total Expenditures</i>	15,000	12,914	12,884	30
<i>Net Change in Fund Balance</i>	3,000	0	30	30
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$3,000	\$0	\$30	\$30

Rocky River City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Preschool Grant Fund
For the Fiscal Year Ended June 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$15,000</u>	<u>\$10,162</u>	<u>\$10,162</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Special:				
Purchased Services	6,807	6,288	6,288	0
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	<u>4,193</u>	<u>3,874</u>	<u>3,874</u>	<u>0</u>
<i>Total Expenditures</i>	<u>11,000</u>	<u>10,162</u>	<u>10,162</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	4,000	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$45,000	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	45,042	19,042	19,042	0
<i>Net Change in Fund Balance</i>	(42)	(19,042)	(19,042)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	19,042	19,042	19,042	0
<i>Fund Balance End of Year</i>	<u>\$19,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$31,000	\$30,966	\$30,966	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	26,956	23,629	23,629	0
Fringe Benefits	4,044	3,545	3,545	0
<i>Total Expenditures</i>	<u>31,000</u>	<u>27,174</u>	<u>27,174</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	3,792	3,792	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$3,792</u>	<u>\$3,792</u>	<u>\$0</u>

Rocky River City School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Library Services and Technology Grant Fund
 For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Capital Outlay - New	<u>10,425</u>	<u>10,425</u>	<u>10,425</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(10,425)	(10,425)	(10,425)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>10,425</u>	<u>10,425</u>	<u>10,425</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$3,109,850	\$2,997,086	\$2,997,086	\$0
Intergovernmental	435,780	419,978	419,978	0
<i>Total Revenues</i>	<u>3,545,630</u>	<u>3,417,064</u>	<u>3,417,064</u>	<u>0</u>
Expenditures				
Current:				
Support Services:				
Fiscal:				
Other	70,277	70,500	38,215	32,285
Debt Service:				
Principal Retirement	1,819,230	1,825,000	1,825,000	0
Interest and Fiscal Charges	1,484,293	1,489,000	1,488,786	214
Total Debt Service	<u>3,303,523</u>	<u>3,314,000</u>	<u>3,313,786</u>	<u>214</u>
<i>Total Expenditures</i>	<u>3,373,800</u>	<u>3,384,500</u>	<u>3,352,001</u>	<u>32,499</u>
<i>Net Change in Fund Balance</i>	171,830	32,564	65,063	32,499
<i>Fund Balance Beginning of Year</i>	<u>2,213,128</u>	<u>2,213,128</u>	<u>2,213,128</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,384,958</u></u>	<u><u>\$2,245,692</u></u>	<u><u>\$2,278,191</u></u>	<u><u>\$32,499</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$21,081	\$26,527	\$28,411	\$1,884
Rentals	63,919	80,434	80,434	0
<i>Total Revenues</i>	85,000	106,961	108,845	1,884
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	85,000	106,961	108,845	1,884
<i>Fund Balance Beginning of Year</i>	<u>437,819</u>	<u>437,819</u>	<u>437,819</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$522,819</u>	<u>\$544,780</u>	<u>\$546,664</u>	<u>\$1,884</u>

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$120,708	\$41,438	\$41,438	\$0
Miscellaneous	179,292	61,549	61,549	0
<i>Total Revenues</i>	<u>300,000</u>	<u>102,987</u>	<u>102,987</u>	<u>0</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	33,051	28,000	27,450	550
Fringe Benefits	4,721	4,000	3,843	157
Total Instructional Staff	<u>37,772</u>	<u>32,000</u>	<u>31,293</u>	<u>707</u>
Administration:				
Salaries and Wages	99,152	84,000	83,004	996
Fringe Benefits	14,165	12,000	11,621	379
Total Administration	<u>113,317</u>	<u>96,000</u>	<u>94,625</u>	<u>1,375</u>
Fiscal:				
Salaries and Wages	15,345	13,000	12,915	85
Fringe Benefits	2,361	2,000	1,808	192
Total Fiscal	<u>17,706</u>	<u>15,000</u>	<u>14,723</u>	<u>277</u>
Business:				
Salaries and Wages	67,282	57,000	56,014	986
Fringe Benefits	9,443	8,000	7,842	158
Total Business	<u>76,725</u>	<u>65,000</u>	<u>63,856</u>	<u>1,144</u>
Operation and Maintenance of Plant:				
Salaries and Wages	40,133	34,000	32,382	1,618
Fringe Benefits	6,020	5,100	4,574	526
Total Operation and Maintenance of Plant	<u>46,153</u>	<u>39,100</u>	<u>36,956</u>	<u>2,144</u>
Central:				
Salaries and Wages	165,254	140,000	139,796	204
Fringe Benefits	23,608	20,000	19,571	429
Total Central	<u>188,862</u>	<u>160,000</u>	<u>159,367</u>	<u>633</u>
Total Support Services	<u>\$480,535</u>	<u>\$407,100</u>	<u>\$400,820</u>	<u>\$6,280</u>

(continued)

Rocky River City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Building Fund (continued)
For the Fiscal Year Ended June 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Capital Outlay:				
Architecture and Engineering Services:				
Purchased Services	\$204,000	\$172,825	\$161,389	\$11,436
Building Improvement Services:				
Purchased Services	440,799	373,436	346,698	26,738
Materials and Supplies	4,195	3,554	3,499	55
Capital Outlay - New	5,450,377	4,617,453	4,498,035	119,418
Other	3,433	2,908	3,722	(814)
Total Building Improvement Services	5,898,804	4,997,351	4,851,954	145,397
Other Facilities Acquisition and Construction Services:				
Purchased Services	4,760	4,033	4,021	12
Total Capital Outlay	6,107,564	5,174,209	5,017,364	156,845
<i>Total Expenditures</i>	6,588,099	5,581,309	5,418,184	163,125
<i>Net Change in Fund Balance</i>	(6,288,099)	(5,478,322)	(5,315,197)	163,125
<i>Fund Balance Beginning of Year</i>	2,333,874	2,333,874	2,333,874	0
Prior Year Encumbrances Appropriated	3,988,100	3,988,100	3,988,100	0
<i>Fund Balance End of Year</i>	\$33,875	\$843,652	\$1,006,777	\$163,125

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$10,000	\$34,000	\$34,000	\$0
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	24,000	24,000	24,000	0
<i>Net Change in Fund Balance</i>	(14,000)	10,000	10,000	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	(\$14,000)	\$10,000	\$10,000	\$0

Rocky River City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Power Up Capacity Fund
For the Fiscal Year Ended June 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$15,000	\$37,231	\$37,231	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	<u>28,957</u>	<u>14,457</u>	<u>14,457</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(13,957)	22,774	22,774	0
Prior Year Encumbrances Appropriated	<u>14,457</u>	<u>14,457</u>	<u>14,457</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$500</u></u>	<u><u>\$37,231</u></u>	<u><u>\$37,231</u></u>	<u><u>\$0</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,569	\$2,569	\$2,569	\$0
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	500	500	500	0
Capital Outlay - New	2,069	2,069	0	2,069
<i>Total Expenditures</i>	<u>2,569</u>	<u>2,569</u>	<u>500</u>	<u>2,069</u>
<i>Net Change in Fund Balance</i>	0	0	2,069	2,069
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$2,069</u>	<u>\$2,069</u>

Rocky River City School District
*Schedule of Revenues, Expenditures and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Sales	\$341,619	\$361,032	\$361,077	\$45
Interest	4,768	5,039	5,414	375
Operating Grants	28,613	30,239	30,239	0
<i>Total Revenues</i>	375,000	396,310	396,730	420
Expenses				
Salaries	118,076	123,120	117,185	5,935
Fringe Benefits	34,402	35,872	35,045	827
Purchased Services	7,453	7,772	7,057	715
Materials and Supplies	222,563	232,071	224,683	7,388
Capital Outlay	15,506	16,168	12,063	4,105
<i>Total Expenses</i>	398,000	415,003	396,033	18,970
<i>Net Change in Fund Equity</i>	(23,000)	(18,693)	697	19,390
<i>Fund Equity Beginning of Year</i>	100,585	100,585	100,585	0
<i>Fund Equity End of Year</i>	\$77,585	\$81,892	\$101,282	\$19,390

Rocky River City School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Equity - Budget (Non-GAAP) and Actual
 Uniform School Supply Fund
 For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Sales	\$30,000	\$26,682	\$26,682	\$0
Expenses				
Materials and Supplies	<u>33,000</u>	<u>33,000</u>	<u>26,337</u>	<u>6,663</u>
<i>Net Change in Fund Equity</i>	(3,000)	(6,318)	345	6,663
<i>Fund Equity Beginning of Year</i>	<u>7,924</u>	<u>7,924</u>	<u>7,924</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$4,924</u></u>	<u><u>\$1,606</u></u>	<u><u>\$8,269</u></u>	<u><u>\$6,663</u></u>

Rocky River City School District
*Schedule of Revenues, Expenditures and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Community Programs Fund
For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Tuition	\$21,365	\$23,129	\$23,129	\$0
Sales	154,801	167,582	168,780	1,198
Charges For Services	5,052	5,469	5,469	0
Operating Grants	6,004	6,500	6,500	0
Miscellaneous	38,778	41,979	43,014	1,035
<i>Total Revenues</i>	<u>226,000</u>	<u>244,659</u>	<u>246,892</u>	<u>2,233</u>
Expenses				
Salaries	28,991	30,490	30,490	0
Fringe Benefits	4,852	5,103	5,103	0
Purchased Services	104,316	109,711	109,711	0
Materials and Supplies	121,012	127,271	108,036	19,235
Other	30,913	32,512	32,512	0
<i>Total Expenses</i>	<u>290,084</u>	<u>305,087</u>	<u>285,852</u>	<u>19,235</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(64,084)	(60,428)	(38,960)	21,468
Operating Transfers In	54,000	54,000	54,000	0
<i>Net Change in Fund Equity</i>	(10,084)	(6,428)	15,040	21,468
<i>Fund Equity Beginning of Year</i>	28,883	28,883	28,883	0
Prior Year Encumbrances Appropriated	10,084	10,084	10,084	0
<i>Fund Equity End of Year</i>	<u>\$28,883</u>	<u>\$32,539</u>	<u>\$54,007</u>	<u>\$21,468</u>

Rocky River City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Trust Fund
For the Fiscal Year Ended June 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$1,916	\$1,507	\$1,695	\$188
Contributions and Donations	<u>38,084</u>	<u>29,950</u>	<u>29,950</u>	<u>0</u>
<i>Total Revenues</i>	40,000	31,457	31,645	188
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Other	<u>35,000</u>	<u>35,000</u>	<u>30,400</u>	<u>4,600</u>
<i>Net Change in Fund Balance</i>	5,000	(3,543)	1,245	4,788
<i>Fund Balance Beginning of Year</i>	<u>26,859</u>	<u>26,859</u>	<u>26,859</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$31,859</u></u>	<u><u>\$23,316</u></u>	<u><u>\$28,104</u></u>	<u><u>\$4,788</u></u>

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Rocky River City School District

Statistical Section

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

Rocky River City School District
*General Fund Revenues by Source
and Expenditures by Function (1)*
Last Ten Fiscal Years

	2001	2000	1999	1998
Revenues				
Taxes	\$16,321,910	\$14,739,813	\$14,828,925	\$14,255,378
Intergovernmental	3,478,108	3,192,238	2,850,877	2,520,536
Interest	912,817	1,075,825	1,491,192	773,732
Tuition and Fees	165,032	112,045	76,811	13,264
Rentals	68,457	47,086	138,780	40,875
Charges for Services	50,026	47,832	50,087	56,614
Contributions and Donations	0	4,000	0	0
Gain on Sale of Capital Assets	0	0	0	0
Miscellaneous	1,034	924	5,318	200,921
Total	<u>\$20,997,384</u>	<u>\$19,219,763</u>	<u>\$19,441,990</u>	<u>\$17,861,320</u>
Expenditures				
Current:				
Instruction	\$11,884,829	\$11,485,411	\$10,475,192	\$9,543,069
Support Services:				
Pupils	1,187,076	1,077,231	964,165	865,259
Instructional Staff	682,993	733,502	671,078	646,513
Board of Education	20,275	18,970	28,064	31,735
Administration	1,110,961	1,152,030	972,060	1,033,329
Fiscal	572,253	941,808	449,018	522,526
Business	290,860	264,947	229,784	203,369
Operation and Maintenance of Plant	2,445,296	2,474,137	2,250,286	2,286,880
Pupil Transportation	932,466	896,073	747,354	727,042
Central	442,158	633,510	652,620	492,323
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	508,765	517,938	453,384	581,969
Capital Outlay	0	0	0	3,600
Debt Service:				
Principal Retirement	26,461	25,125	23,857	0
Interest and Fiscal Charges	3,719	5,055	6,323	0
Total	<u>\$20,108,112</u>	<u>\$20,225,737</u>	<u>\$17,923,185</u>	<u>\$16,937,614</u>

(1) Information is based on modified accrual, information for full accrual for governmental activities will be presented when there are enough years of information to make comparisons.

Source: School District Financial Records

1997	1996	1995	1994	1993	1992
\$13,281,292	\$12,215,597	\$12,108,238	\$11,840,679	\$10,301,133	\$10,148,640
2,436,851	2,273,398	2,329,013	2,243,075	2,149,761	2,146,593
261,786	279,928	276,490	200,601	160,015	260,512
13,793	15,426	39,325	37,532	68,011	34,907
39,885	0	0	0	0	0
46,047	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
15,313	86,246	101,275	55,595	85,960	180,828
<u>\$16,094,967</u>	<u>\$14,870,595</u>	<u>\$14,854,341</u>	<u>\$14,377,482</u>	<u>\$12,764,880</u>	<u>\$12,771,480</u>
\$8,750,966	\$8,564,230	\$7,761,358	\$7,394,124	\$6,933,230	\$6,724,547
875,978	771,073	768,148	742,503	705,814	673,567
621,191	577,442	533,453	546,851	528,458	528,959
29,835	35,854	44,780	14,178	11,503	12,134
1,036,815	936,592	946,685	899,334	913,570	838,518
399,496	318,168	421,517	399,980	431,092	351,032
227,293	268,768	270,106	315,920	292,907	277,650
2,238,259	2,143,505	1,901,023	1,993,012	1,846,377	2,002,741
840,714	739,719	591,708	797,305	629,289	705,588
614,600	484,400	524,219	379,006	365,987	650,820
0	0	0	0	0	0
463,038	422,300	367,890	393,357	371,601	348,295
92,675	54,124	190,869	164,573	12,242	128,239
0	49,109	46,578	44,047	41,516	38,985
0	2,532	5,063	7,594	10,125	12,656
<u>\$16,190,860</u>	<u>\$15,367,816</u>	<u>\$14,373,397</u>	<u>\$14,091,784</u>	<u>\$13,093,711</u>	<u>\$13,293,731</u>

Rocky River City School District
Property Tax Levies and Collections
Real and Tangible Personal Property (1)
Last Ten Calendar Years

<u>Year (2)</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Levy</u>	<u>Current Collections</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Total Collection As a Percent of Current Levy</u>
2000	\$21,734,779	\$701,301	\$22,436,080	\$21,407,883	98.50%	\$208,654	\$21,616,537	99.46%
1999	19,446,461	919,915	20,366,376	18,924,826	97.52	597,807	19,522,633	99.24
1998	19,225,206	1,112,513	20,337,719	18,730,169	97.42	606,605	19,336,774	100.00
1997	16,831,137	1,075,158	17,906,295	16,276,398	96.70	249,068	16,525,466	98.18
1996	15,555,703	1,033,787	16,589,490	15,233,043	97.93	262,991	15,496,034	99.62
1995	15,634,407	1,013,074	16,647,481	15,218,587	97.34	273,746	15,492,333	99.09
1994	15,378,860	919,195	16,298,055	14,966,492	97.32	189,530	15,156,022	98.55
1993	15,208,085	666,575	15,874,660	14,949,405	98.30	143,398	15,092,803	99.24
1992	13,486,774	643,029	14,129,803	13,213,219	97.97	205,384	13,418,603	99.49
1991	13,007,642	566,789	13,574,431	12,819,140	98.55	214,488	13,033,628	100.20

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

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

(2) 2001 information cannot be presented because all collections have not been made by June 30.

Rocky River City School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

Year	Real Property		Public Utility Property		Tangible Personal Property		Estimated Actual Value		Ratio
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value	
2001	\$601,385,550	\$1,718,244,429	\$13,190,950	\$14,989,716	\$21,603,344	\$86,413,376	\$636,179,844	\$1,819,647,520	35 %
2000	524,675,910	1,499,074,029	12,877,130	14,633,102	21,160,548	84,642,192	558,713,588	1,598,349,323	35
1999	520,815,150	1,488,043,286	14,147,550	16,076,761	22,236,921	88,947,684	557,199,621	1,593,067,731	35
1998 (3)	517,522,350	1,478,635,286	14,559,700	16,545,114	20,997,223	83,988,892	553,079,273	1,579,169,292	35
1997	474,869,360	1,356,769,600	15,216,930	17,291,966	21,196,321	84,785,284	511,282,611	1,458,846,850	35
1996	469,970,430	1,342,772,657	15,759,370	17,908,375	20,538,848	82,155,392	506,268,648	1,442,836,424	35
1995 (2)	468,577,200	1,338,792,000	17,452,450	19,832,330	20,552,352	82,209,408	506,582,002	1,440,833,738	35
1994	410,479,720	1,172,799,200	17,148,540	19,486,977	18,898,646	72,687,100	446,526,906	1,264,973,277	35
1993	408,740,030	1,167,828,657	17,441,320	19,819,682	18,588,105	71,492,712	444,769,455	1,259,141,051	35
1992 (3)	406,243,360	1,160,695,314	16,614,100	18,879,659	18,734,959	72,057,535	441,592,419	1,251,632,508	35

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because this 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 for 1995 - 2001.

(2) Reappraisal of property values

(3) Triennial update of property values

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

<u>Year</u>	<u>School Levy</u>	<u>Library Levy</u>	<u>County Levy</u>	<u>City Levy</u>	<u>Total Levy</u>	<u>Debt Service Included in Total Levy</u>		
						<u>School</u>	<u>County</u>	<u>Total</u>
2001	\$68.00	\$4.70	\$16.20	\$9.90	\$98.80	\$5.53	\$0.79	\$6.32
2000	68.60	4.70	15.30	9.90	98.50	6.13	0.85	6.98
1999	64.70	3.80	15.30	9.90	93.70	6.13	0.72	6.85
1998	64.40	3.80	16.60	9.90	94.70	5.83	0.60	6.43
1997	60.90	3.80	16.60	9.90	91.20	2.33	0.90	3.23
1996	58.40	3.80	16.60	9.90	88.70	3.33	0.87	4.20
1995	58.90	3.80	16.80	9.90	89.40	3.83	0.76	4.59
1994	59.40	2.60	16.80	9.90	88.70	4.33	0.68	5.01
1993	59.50	2.60	16.80	8.90	87.80	4.43	0.71	5.14
1992	55.80	2.60	16.80	8.90	84.10	4.03	0.80	4.83

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.

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

Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (Percentages)
2001	\$1,825,000	\$1,488,786	\$3,313,786	\$20,108,112	16.48%
2000	1,760,000	1,566,201	3,326,201	20,225,737	16.45
1999	1,300,000	1,630,604	2,930,604	17,923,185	16.35
1998	265,000	847,047	1,112,047	16,937,614	6.57
1997	1,165,000	376,767	1,541,767	16,190,860	9.52
1996	1,065,000	834,261	1,899,261	15,367,816	12.36
1995	1,030,000	897,088	1,927,088	14,373,397	13.41
1994	1,000,000	957,419	1,957,419	14,091,784	13.89
1993	780,000	1,009,288	1,789,288	13,093,711	13.67
1992	895,000	989,262	1,884,262	13,293,731	14.17

Source: School District Financial Records

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

Year	Gross General Obligation Bonded Debt	Less: Balance of Debt Service Fund	Net General Obligation Bonded Debt	Assessed Value	Population (1)	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
2001	\$30,162,928	\$2,594,000	\$27,568,928	\$636,179,844	20,735	4.33%	\$1,330
2000	31,881,394	2,418,709	29,462,685	558,713,588	20,410	5.27	1,444
1999	33,511,927	2,582,292	30,929,635	557,199,621	20,410	5.55	1,515
1998	34,775,591	2,127,551	32,648,040	553,079,273	20,410	5.90	1,600
1997	10,476,539	397,202	10,079,337	511,282,611	20,410	1.97	494
1996	12,260,000	1,061,030	11,198,970	506,268,648	20,410	2.21	549
1995	13,325,000	1,582,374	11,742,626	506,582,002	20,410	2.32	575
1994	14,355,000	1,712,876	12,642,124	446,526,906	20,410	2.83	619
1993	15,355,000	1,118,580	14,236,420	444,769,455	20,410	3.20	698
1992	16,135,000	1,063,149	15,071,851	441,592,419	20,410	3.41	738

(1) Source: Bureau of Census, City of Rocky River.

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

Assessed Valuation	\$636,179,844
Overall Debt Limit - 9% of Assessed Value (1)	\$57,256,186
Amount of Debt Applicable to Debt Limit:	
General Obligation Bond	(30,162,928)
Amount Available in Debt Service Fund	2,594,000
Overall Debt Margin	\$29,687,258
Unvoted Debt Limit - .10% of Assessed Value (1)	\$636,180
Amount of Debt Applicable	0
Unvoted Debt Margin	\$636,180

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.

Rocky River City School District
*Property Value, Construction
and Bank Deposits
Last Ten Calendar Years*

Year	Number of Commercial Units	Construction Value (a)	Number of Residential Units	Construction Value (a)	Cuyahoga County Bank Deposits (b) (Amount in 000's)		Tax Valuation Residential/ Agricultural (c)	Tax Valuation Commercial/ Other (c)	Total Assessed Real Property
					Value (a)	Value (a)			
2001	2	\$6,119,202	7	\$2,476,750	\$61,942,764	\$484,330,340	\$117,055,210	\$601,385,550	
2000	3	1,917,500	14	5,810,000	57,021,360	425,295,680	99,380,230	524,675,910	
1999	5	5,485,000	24	5,220,000	56,770,353	421,812,000	99,003,150	520,815,150	
1998	3	3,287,001	16	4,123,500	53,941,971	419,217,480	98,304,870	517,522,350	
1997	4	3,859,826	75	8,109,237	27,068,211	381,460,810	93,408,550	474,869,360	
1996	1	6,651,500	24	8,437,749	22,458,573	379,938,520	90,031,910	469,970,430	
1995	3	7,411,380	15	4,952,867	20,885,453	379,573,240	89,003,960	468,577,200	
1994	1	3,262,600	33	5,281,834	21,009,421	332,704,350	77,775,370	410,479,720	
1993	1	4,481,100	26	5,682,538	19,379,280	330,612,300	78,127,730	408,740,030	
1992	1	1,874,000	46	6,305,509	18,392,243	328,688,730	77,554,630	406,243,360	

Source: (a) City of Rocky River, Building Department

(b) Federal Reserve Bank of Cleveland (total demand, time and savings deposits per 000's) for Cuyahoga County, Ohio Banks

(c) Cuyahoga County Auditor

Note: One precinct of the City of Fairview Park, Ohio is part of the Rocky River City School District. The new construction data for that precinct only is not available from the City of Fairview Park.

Rocky River 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>
<u>Direct:</u>			
Rocky River City School District	<u>\$30,162,928</u>	100.00%	<u>\$30,162,928</u>
<u>Overlapping:</u>			
City of Rocky River	4,145,000	100.00	4,145,000
Cuyahoga County	231,044,636	2.05	4,736,415
Regional Transit Authority	<u>98,030,000</u>	2.05	<u>2,009,615</u>
Total Overlapping	<u>333,219,636</u>		<u>10,891,030</u>
Total	<u><u>\$363,382,564</u></u>		<u><u>\$41,053,958</u></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 2000 collection year.

Rocky River City School District

Principal Property Taxpayers

Real Estate Tax

December 31, 2000

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
Westgate Joint Venture	\$13,922,200	2.32%
Westwood Town Center	5,259,560	0.87
Normandy Associates, Ltd.	4,649,260	0.77
Presidential Apartments, Ltd.	3,927,840	0.65
Gross Management, Inc.	2,964,820	0.49
Westgate Joint Venture	2,798,500	0.47
Linden Apartments Company	2,744,460	0.46
Higbee Company	2,458,890	0.41
Missouri River Corporation	2,239,830	0.37
Rockport Associates Company	<u>2,235,100</u>	<u>0.37</u>
Total	<u>\$43,200,460</u>	<u>7.18%</u>
Total Real Estate Valuation	<u>\$601,385,550</u>	

Source: Cuyahoga County Auditor

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

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

Name of Taxpayer	Assessed Value (1)	Percent of Tangible Assessed Value
Higbee Company	\$3,573,880	16.54%
Target Corporation	915,070	4.24
Riser Foods Company	795,250	3.68
Home Depot	786,910	3.64
Lesco, Inc.	602,890	2.79
Hyland Software, Inc.	472,780	2.19
Marc Glassman, Inc.	452,780	2.10
Heinens, Inc.	387,390	1.79
CVS Drug Stores	364,330	1.69
Cox Cable Cleveland	<u>353,500</u>	<u>1.64</u>
Total	<u><u>\$8,704,780</u></u>	<u><u>40.29%</u></u>
Total Tangible Assessed Valuation	<u><u>\$21,603,344</u></u>	

Source: Cuyahoga County Auditor

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

Rocky River City School District
Principal Taxpayers
Public Utilities Real and Tangible Property Tax
December 31, 2000

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percentage of Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$6,270,840	47.54%
Ohio Bell Telephone Company	4,035,360	30.59
East Ohio Gas Company	2,195,850	16.65
Norfolk Southern Railroad	<u>219,500</u>	<u>1.66</u>
	<u>\$12,721,550</u>	<u>96.44%</u>
Total Public Utility Assessed Value	<u>\$13,190,950</u>	

Source: Cuyahoga County Auditor

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

Rocky River City School District

Enrollment Statistics

Last Ten Years

<u>Year</u>	<u>General Fund Expenditures</u>	<u>Official Enrollment</u>	<u>Per Pupil Cost</u>
2001	\$20,108,112	2,458	\$8,181
2000	20,225,737	2,397	8,438
1999	17,923,185	2,341	7,656
1998	16,937,614	2,213	7,654
1997	16,190,860	2,167	7,472
1996	15,367,816	2,124	7,235
1995	14,373,397	2,031	7,077
1994	14,091,784	1,997	7,056
1993	13,093,711	1,971	6,643
1992	13,293,731	1,899	7,000

Source: School District Financial Records.

Rocky River City School District
Certificated Staff Education and Experience
June 30, 2001

<u>Degree</u>	<u>Number of Staff</u>	<u>Percentage of Total</u>
Bachelor's Degree	18	11.18%
Bachelor's Degree + 9 hours	13	8.07
Bachelor's Degree + 18 hours	17	10.56
Master's Degree	52	32.30
Master's Degree+ 9 hours	19	11.80
Master's Degree + 18 hours	13	8.07
Master's Degree + 27 hours	9	5.59
Master's Degree + 36 hours	<u>20</u>	<u>12.42</u>
Total	<u><u>161</u></u>	<u><u>100.00%</u></u>

<u>Years of Experience</u>	<u>Number of Staff</u>	<u>Percentage of Total</u>
0 - 5	45	27.95%
6 - 10	37	22.98
11 and over	<u>79</u>	<u>49.07</u>
	<u><u>161</u></u>	<u><u>100.00%</u></u>

Source: School District Personnel Records (Excludes Administrators and Managers).

Rocky River City School District

Student Demographic Information

June 30, 2001

<u>Grade</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
CCB Preschool Handicapped	12	3	15
Kindergarten	88	74	162
First Grade	91	106	197
Second Grade	105	77	182
Third Grade	87	86	173
Fourth Grade	99	114	213
Fifth Grade	109	91	200
Sixth Grade	100	104	204
Seventh Grade	89	84	173
Eighth Grade	110	81	191
Ninth Grade	102	116	218
Tenth Grade	83	109	192
Eleventh Grade	76	74	150
Twelfth Grade	100	88	188
School District Total	<u>1,251</u>	<u>1,207</u>	<u>2,458</u>

	<u>Eskimo/ American Indian</u>	<u>Asian</u>	<u>Black</u>	<u>White</u>	<u>Multi-Racial</u>	<u>Hispanic</u>
Primary	0.20%	1.30%	0.70%	93.90%	2.30%	1.60%
Intermediate	0.00	2.00	0.50	94.10	2.20	1.20
Middle School	0.20	1.60	0.40	94.30	1.90	1.60
High School	0.70	2.10	0.30	94.20	0.80	1.90

Source: School District Student Records

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

ROCKY RIVER CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 15, 2002**