



**Auditor of State  
Betty Montgomery**



**STREETSBORO CITY SCHOOL DISTRICT  
PORTAGE COUNTY**

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STREETSBORO CITY SCHOOL DISTRICT  
PORTAGE COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2004

FEDERAL GRANTOR/ <i>Passed Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U. S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education</i>						
<i>Nutrition Cluster:</i>						
Food Distribution Program		10.550		\$59,801		\$59,801
School Breakfast Program	05-PU 2004	10.553	\$25,615		\$25,615	
Total School Breakfast Program			25,615	59,801	25,615	59,801
National School Lunch Program	LL-P4 2004	10.555	123,005		123,005	
Total National School Lunch Program			123,005		123,005	
Total U. S. Department of Agriculture - <i>Nutrition Cluster</i>			148,620	59,801	148,620	59,801
<b>U. S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education</i>						
Grants to Local Educational Agencies (ESEA Title I, Part A)	C1-S1 2003 C1-S1 2004	84.010	2,035 141,140		13,798 144,873	
Total Grants to Local Educational Agencies			143,174		158,671	
<i>Special Education Cluster:</i>						
Special Education Grants to States (IDEA Part B)	6B-SF 2003	84.027			4,344	
Special Education Grants to States (IDEA Part B)	6B-SF 2004		244,302		243,185	
Total Special Education Grant to States - <i>Special Education Cluster</i>			244,302		247,529	
Drug Free Education - Subsidy	DR-S1 2003 DR-S1 2004	84.186	1,778 4,017		2,953 6,278	
Total Drug Free Education - Subsidy			5,796		9,231	
Title V, Part A - Innovative Education Program Subsidy	C2-S1 2001 C2-S1 2002 C2-S1 2003 C2-S1 2004	84.298			237 539 30 10,945	
Total Title V, Part A - Innovative Education Program Subsidy			11,203		11,751	
Technology Literacy Challenge Subsidy	TJ-S1 2003 TJ-S1 2004	84.318			1 3,471	
Total Technology Literacy Challenge Subsidy			3,848		3,473	
State Improvement Subsidy	ST-S1 2003	84.323	50,000		67,050	
Total State Improvement Subsidy			50,000		67,050	
Title II Part A - Teacher and Principal training and Recruiting	TR-S1 2003 TR-S1 2004	84.367	55,042		3,244 50,238	
Total Title II Part A - Teacher and Principal training and Recruiting			55,042		53,482	
Total U. S. Department of Education			513,365		551,187	
<b>Total Federal Assistance</b>			<b>\$661,985</b>	<b>\$59,801</b>	<b>\$699,806</b>	<b>\$59,801</b>

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

**STREETSBORO CITY SCHOOL DISTRICT  
PORTAGE COUNTY  
FISCAL YEAR ENDED JUNE 30, 2004**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B— FOOD DISTRIBUTION**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.



## **Auditor of State Betty Montgomery**

### **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Streetsboro City School District  
Portage County  
9000 Kirby Lane  
Streetsboro, Ohio 44241

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Streetsboro City School District, Portage County, (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 20, 2004. 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 is required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the District's management in a separate letter dated December 20, 2004.

#### **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. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings as item number 2004-001.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe the reportable condition described above is a material weakness. We also noted other matters involving the internal condition over financial reporting that do not require inclusion in this report, that we have reported to the management of the District in a separate letter dated December 20, 2004.

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

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

**Betty Montgomery**  
Auditor of State

December 20, 2004





## Auditor of State Betty Montgomery

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

Streetsboro City School District  
Portage County  
9000 Kirby Lane  
Streetsboro, Ohio 44241

To the Board of Education:

#### Compliance

We have audited the compliance of the Streetsboro City School District, Portage County, (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, 2004. 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, 2004.

#### 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.

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

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

We have audited the basic financial statements of the District as of and for the year ended June 30, 2004, and have issued our report thereon dated December 20, 2004. 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 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 the audit committee, management, Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

December 20, 2004

**STREETSBORO CITY SCHOOL DISTRICT  
PORTAGE COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
JUNE 30, 2004**

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

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

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

<b>Finding Number</b>	2004-001
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**Reportable Condition**

**Cafeterias to Implement Procedures to Strengthen Controls over Cash Collections and Record Keeping**

The District has a cafeteria in each of its five schools. The cash collection procedures are similar in all of the cafeterias. The cafeteria director (CD), at each school, collects money from the children for type-A lunches sold and verifies student numbers if the child is using a free, reduced, or prepaid card. This verification is marked on the weekly updated roster report.

**STREETSBORO CITY SCHOOL DISTRICT  
PORTAGE COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
JUNE 30, 2004  
(Continued)**

The CD also pushes one of the four buttons on the 'hand counter' to count the student as either a free lunch, a reduced lunch, a prepaid full/reduced lunch, or a full pay lunch. The daily totals from the weekly roster report are compared to the counter; however, the rosters are deemed the overriding source of information. Daily attendance records are attached to the weekly updated roster report to verify that students claiming a free or reduced lunch were indeed present on that day. Adult sales are tracked on notebook paper as daily sales take place for recording purposes; however, these records are not maintained for audit purposes. Plate counts are done at each building to track the number of lunches sold during each lunch period. However, there is no documentation maintained as to the original plate count, the final plate count, plates used, and remaining plates for audit purposes.

There is a separate line at each cafeteria for a la carte sales. Cashiers for the a la carte lines are rotated weekly to aid in targeting potential theft, except for at the high school and middle school – the cashiers are not rotated. No hand counter, tally sheet, or cash register is utilized to count or record a la carte sales. The a la carte cashier simply collects money and places it into a cash box. At the end of the lunch period, the a la carte cashier turns over the a la carte collections to the cafeteria director. a la carte sales are then determined by taking the difference between total daily collections less the amounts received for student lunch and milk sales.

There are several control weaknesses and potential areas for errors or irregularities with the District's present cash collections and recording procedures in their cafeterias.

- There is no evidence, such as a sales receipt or a cash register tape, to determine what each customer is charged or how much is collected for all sales (lunches, breakfast, milk, snacks, and a la carte), as the District does not use cash registers for any of their lunchrooms. Instead, a manual counter is used to track lunches sold, yet there are no controls to ensure the counter is pushed or the correct button on the counter has been pushed.
- There are no controls over a la carte items. Cash registers, hand counters, nor tally sheets are being used to record sales to customers going through the a la carte line. There is no count of all a la carte items before and then after the lunch period to determine the number of items sold. This count could be compared to the amount of a la carte cash collections. This lack of an independent comparison of a la carte collections to items sold hinders the ability to ensure completeness of cash collections which may lead to a decrease of inventory accountability.
- There is not an adequate segregation of duties over the collection, counting, recording, and reconciling of food sales. Cashiers balance their own collections to the beginning cash drawer and prepare the internal deposit slip and bank deposit slip. As a result, there exists an increased risk of undetected errors and irregularities. In addition, by not rotating cashiers in all cafeteria lines along with the lack of segregation of duties when reconciling daily receipts, there is an increased risk that potential errors and/or irregularities could be concealed.
- The cook managers, in each cafeteria, perform tray counts to aid in reconciling lunches served to cash collections, but there is no auditable evidence of such reconciliation.
- There is no documentation maintained if and when collections are over or under the amounts that should have been collected by the cashier.
- The cafeteria supervisors at each school are to maintain the daily absentee reports attached to the daily student rosters. However, of the 153 (out of a total of 1,740) daily student rosters we selected to review; only 20% had the absentee report attached to it.
- The Food Service Director does not review, compare, and verify sales, cash collections, milk counts, and recorded receipts to supporting documentation for each building on a daily basis. As such, there may be an increased risk that undetected errors or irregularities may occur. Also, there maybe an increased risk of inaccurate and incomplete information being reported to the Ohio Department of Education via the required monthly CN reports.

**STREETSBORO CITY SCHOOL DISTRICT  
PORTAGE COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
JUNE 30, 2004  
(Continued)**

- There is not adequate tracking of prepaid lunches within the district as a whole; the cafeteria supervisors at each building collect the monies for prepaid lunches and record the number of prepaid lunches with the students name on the student roster, however, the appropriate CN-7 report does not state the amount of prepaid lunches that correspond with that day's collections.
- The treasurer's office does not receive adequate documentation to properly monitor food service receipts. Currently the only information submitted is the internal deposit slip which shows totals for each type of sale daily, and the validated deposit ticket.

To help strengthen controls over food service cash collections and to help decrease the risk of undetected errors and irregularities, we recommend the District adopt policies and procedures requiring the following:

- The District must have documentation to support what was sold, the price charged, and the amount of money collected each day for each cafeteria. This may be accomplished through such methods as the use of cash registers, swipe card systems, or maintaining detailed support over each transaction.
- Tray counts should be performed and retained for each day to document the number of lunches served. These counts should be generated by the head cook. The head cook should then compare the count sheets to the hand counter, the daily roster, and actual cash collections taken in by the cafeteria director. The head cook must retain evidence of this comparison. There should also be a beginning and ending inventory count of a la carte items performed each day and it should not be done by the a la carte cashier. This count should then be compared to a la carte cash collections by someone other than the a la carte cashier.
- There needs to be segregation over collecting cash, counting and/or recording sales, performing tray and/or inventory counts, and reconciling sales and cash.
- The Food Service Director should review and compare various information of daily sales and lunches served (such as meal counts, receipt totals, daily tally sheet reconciliations, a la-carte sales, etc.) to the amounts recorded on the daily summary sheets. This reconciliation should be attested to by her signature and date being noted on all items reviewed.
- We recommend for the Food Service Director to perform surprise audits of each cashier in the District on a periodic basis, after all lunches have been served. The audit would consist of reconciling the sales recorded by the cashier to the cash collected. This may prevent sales from going unrecorded, since theft often takes place when a person is able to reconcile the difference between sales recorded and cash collected.
- We recommend that the cafeteria supervisor's on a daily basis prepare a prepaid monies reconciliation for all prepaid monies received. The reconciliation should state the lunch price, the number of days paid, and the total for each student and a total for all prepaid lunches. This should then be added to the total of regular lunchroom receipts received over the counter and shown as a separate amount on the CN 7 report in some fashion for purposes of audit and clarity.
- The Treasurer's office should receive detailed documentation for each day's receipts including but not limited to the duplicate deposit slip, the number of lunches of each type served, total receipts, and detailed cash reconciliations for each day. These reconciliations should also thoroughly document any discrepancies between actual collections and expected collections based on actual lunches served (over/under amounts).

Implementation of the above recommendations may assist the District in ensuring the daily cash receipts from cafeteria sales are complete and accurate, plus strengthening controls may be a good way to deter and detect errors and irregularities.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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<b>Finding Number</b>	None
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# **Streetsboro City School District, Streetsboro, Ohio**

Comprehensive Annual Financial Report  
For Fiscal Year Ended: June 30, 2004

<p>Prepared By: Todd Puster, Treasurer and Treasurer's Office Staff</p>
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**Streetsboro City School District**  
**Comprehensive Annual Financial Report**  
**For the fiscal year ended June 30, 2004**

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**Streetsboro City School District**  
**Comprehensive Annual Financial Report**  
**For the fiscal year ended June 30, 2004**

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## INTRODUCTORY SECTION





# STREETSBORO CITY SCHOOLS

9000 Kirby Lane, Streetsboro, OH 44241  
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December 30 , 2004

To the Citizens and Board of Education of the Streetsboro City School District:

The Comprehensive Annual Financial Report (CAFR) of the Streetsboro City School District (the "School District"), for the fiscal year ended June 30, 2004, is hereby submitted. This report, prepared by the Treasurer's Office, includes financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material and financial aspects of the School District for the 2003-2004 fiscal year.

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's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School District.

This CAFR, which includes an opinion, from the Auditor of the State of Ohio's office, conforms to Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the School District's commitment to provide meaningful information to the citizens of the Streetsboro City School District.

This CAFR is presented in three sections:

~~\*The Introductory Section~~, which is unaudited, includes this transmittal letter, a list of elected officials, the School District's organizational chart, and the Government Finance Officers' Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for fiscal year 2003.

~~\*The Financial Section~~, includes the Independent Accountants' Report, Management's Discussion and Analysis, the Basic Financial Statements, Notes that provide an overview of the School Districts financial position and operating results, the combining statements for non-major funds, and other schedules that provide detailed information relative to the basic financial statements.

~~\*The Statistical Section~~, which is unaudited, consists of a ten-year compilation of miscellaneous demographic statistics and pertinent financial information.

Copies of this reported will be distributed throughout the School District. A copy will be sent to all school building administrators, Board of Education members, Financial Ratings Services, and other interested parties.

## **~~Description of the School District~~**

Situated near the north-south Continental Divide in the former Connecticut Western Reserve and within an easy drive of the Great Lakes, the Streetsboro City School District offers its students a progressive, achievement-oriented educational program within a rural-suburban living atmosphere at the southeastern edge of the Cleveland economic region.

The 25-square-mile School District is located in the northwestern quadrant of Portage County. The School District educates students who live within the boundaries of the City of Streetsboro. The City of Streetsboro, according to the 2000 U.S. Census data, is the 11<sup>th</sup> fastest growing city in Ohio with a population of 12,311. That is a 36% increase compared with about 9,900 residents at the start of the decade. The City of Streetsboro is located within the Cleveland-Akron Consolidated Metropolitan Statistical Area (CMSA), the 16<sup>th</sup> largest in the United States and is located in the Cleveland economic region by Rand McNally's economic atlas. The location of the City coupled with current housing patterns and economic development trends suggest that the population of the city will continue to grow. The Ohio Turnpike (Interstate 80), which opened in 1955, bisects the School District. Exit 13 of the original 16 Turnpike exits is located where State Route 14 meets Interstate 480. Direct high-speed access to the suburbs and city of Cleveland approximately 30 miles to the northwest is provided via Interstate 480. State routes 14, 43 and 303 join in the center of the community forming the most heavily traveled intersection in Portage County, according to regional transportation data. Rail access is provided to the business community via the Wheeling-Lake Erie Railway. General aviation access is available via the Portage County Airport in nearby Shalersville Township. Commercial air access is available via Cleveland Hopkins Airport, Akron-Canton Regional Airport and Pittsburgh International Airport. The Cuyahoga River flows south-southwest through the community into Lake Rockwell.

Leading regional and national cultural institutions are readily accessible including the Cleveland Art Museum, Cleveland Natural History Museum, Western Reserve Historical Society, Great Lakes Science Center, Rock and Roll Hall of Fame, Cleveland Orchestra and National Inventors Hall of Fame. Major colleges, universities and post-secondary educational institutions are located nearby. Portage County's primary health care facility is Robinson Memorial Hospital. Other nationally recognized medical institutions including the Cleveland Clinic, University Hospitals and Children's Hospital Medical Center of Akron are nearby. Housing opportunities are numerous and include apartments, condominiums, assisted care facilities, cluster homes and single family homes. The School District has a diverse socio-economic profile that includes middle- and upper-income families. The opening of Ohio Turnpike Exit 13 in 1955 began a migration of people into Streetsboro that continues today. Initially, most new residents were from Ohio and the surrounding states. Today, many newcomers are from the Far East and India as well as all regions of the United States.

As of June 30, 2004, the School District had more than 2,000 public students enrolled in five school buildings: Wait Elementary School, Campus Elementary School, Henry Defer Intermediate School, Streetsboro Middle School and Streetsboro High School. As a result of population growth, voters in March 2000 approved a \$15,550,000 bond issue to finance additions and renovations to existing school buildings and to construct a new school. Enrollment trends suggest that the School District may have to build additional school facilities before the end of the current decade. As part of the March 2000 bond issue, the Board of Education has purchased 100 acres for future school development. Vocational educational programs are offered to students through the Maplewood Area Joint Vocational School District, which serves most Portage County school districts. Education for children with low-incidence special needs is provided by the Portage County Board of Mental Retardation and Developmental Disabilities, an unaffiliated public agency. The School District also operates several ancillary facilities including a central transportation and maintenance facility and several athletic facilities. The federal Head Start program leases land from the Board of Education for a pre-school program facility that serves children in the community who have not attained school age.

Besides the facilities of the School District, other local governments and agencies provide cultural and recreational opportunities of local interest. The Portage County Library District operates a library for local residents in a building on Board-owned land. The State of Ohio Department of Natural Resources operates Tinker's Creek State Park, which is located in northwestern Streetsboro. In addition to traditional municipal services, the City of Streetsboro also sponsors many activities for children and senior citizens. Public health needs are served through the Portage County General Health District.

Following a period of decline during the 1980s, the enrollment of the School District grew by roughly one-third during the 1990s. Several new housing developments are under construction or being planned. Through the use of Ohio's Enterprise Zone incentive program, approximately 50 new businesses, mostly industrial, have been attracted to the community. The City of Streetsboro has also encouraged commercial development through the use of tax-increment financing for infrastructure improvements. In the next few years, the School District expects some financial improvement as a result of the expiration of tax abatements given to lure those businesses to the community. Depending on the pace of residential development, the School District expects student enrollment to increase in the range of 25% to 50% in the next 10 years.

### **Organization of the School District**

The Board of Education (the "Board") of the School District is comprised of five members elected at large by the citizens of the School District. The Board serves as the taxing authority, contracting body, appropriating entity and policy initiator for the School District. The Board is responsible for the adoption of a tax budget, an annual operating budget and approves all debt issues of the School District. The Board is a body politic and corporate pursuant to Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it or otherwise implied by State statute.

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all administrative operations within the School District. Mr. Thomas Giovagnoli was appointed as superintendent of the School District on June 14, 2001. His contract to serve as superintendent expires on July 31, 2006. Mr. Giovagnoli joined the School District in 1995 and previously served as principal of Streetsboro Middle School and, most recently, as principal of Streetsboro High School.

The Treasurer is the chief financial officer of the School District and is responsible directly to the Board for all financial operations, investments, custody of all School District funds and assets, and serves as Secretary to the Board. Mr. Todd Puster was initially appointed on January 2, 1999. Mr. Puster was reappointed to his position in January 2001 and his current contract expires on the date of the Organizational Meeting of the Board of Education in January 2005. Mr. Puster has more than 10 years of Ohio service as a school district Treasurer.

All other School District employees, except those who report directly to the Treasurer, are responsible to the Superintendent and are employed by the Board upon the recommendation of the Superintendent.

### **Economic Condition and Future Outlook**

Centrally located between the four major cities of northeastern Ohio—Cleveland, Akron, Canton and Youngstown—the City of Streetsboro offers excellent opportunities for business enterprises. The City currently has three industrial parks and a developer is contemplating requesting development authority for a fourth. The City currently has several modern shopping areas open, under construction or proposed with land available for future development. Construction has occurred on less than half of the land available for development. Contrasted with other locales in northeastern Ohio, the City of Streetsboro has a favorable economic environment with a comparatively low tax rate for business establishments.

The School District works cooperatively with the Portage County Economic Development Corporation and the Streetsboro Chamber of Commerce to attract new businesses to the area. In the past six years, the assessed valuation of property in the School District has doubled as a direct result of increased business and residential development.

The School District's financial condition continues to be an area of focus for the Board of Education and Administration. In litigation now referred to as the "DeRolph Case", the Perry County Court of Common Pleas in 1995 declared the State's method of funding school districts to be unconstitutional. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding plan is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient. The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations. The DeRolph Case was appealed to the United States Supreme Court, which decided not to hear the case.

### **The Reporting Entity**

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the 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 components units.

The Stark Portage Area Computer Consortium (SPARCC) is reported as a joint venture without equity interest. The School District also participates in the Portage County School Consortium an insurance group-purchasing pool.

### **Major Initiatives and Accomplishments**

As of October 2004, 2099 students were enrolled in the School District's five school buildings compared to 2,075 enrolled in October 2003, an increase of 1.2%. The School District recently has reviewed potential housing starts and projected enrollment and has determined that major growth in pupil enrollment will occur during the next 10 years. This means that student enrollment would rise to approximately 4,000 students. According to the City of Streetsboro, between 1,000 and 2,000 housing units will likely be built. This data is based not only on approved housing development plans, but also on submissions to city planning officials and the statements of various developments. Approximately 40 percent of the land that can be developed in the community has been to date. As a result, the School District has placed a bond issue before the electorate to build a new high school and develop its campus.

According to the most recent data reported by the Ohio Department of Education, the average pupil-teacher ratio is 16.1:1 for the Streetsboro City School District. According to enrollment projections prepared by an independent consultant, the School District will add approximately 300 students in the next five years. Members of the Board and administration believe this estimate is likely to prove conservative. For the 2003-2004 school year, the School District employed 165 certified employees in teaching and administrative positions and 130 classified employees in support positions. The average teacher's salary in the School District for the 2002-2003 (latest information available) school year was \$44,401, an increase of \$1,673.



A variety of educational programs are offered to meet the educational needs of the students. In addition to the general education program, programs for children with above-average and below-average cognitive abilities are available to meet the unique needs of those children. Effective with the 2002-2003 school year, the School District has begun to offer an all-day, every-day kindergarten program.

High school students are offered a variety of courses designed to provide college preparation and workforce training. Four units of study are required of high school students in core academic areas. Eighth grade students with sufficient academic ability may also enroll in certain courses taught at a high-school level of understanding. A major curriculum realignment is underway with the state goal of improving the delivery of instruction from teacher to student. Several advanced placement courses are also offered at the high school and more advanced placement offerings are under consideration for addition to the curriculum as a result of student interest. Post-secondary enrollment options are available from several nearby institutions of higher education, including the University of Akron and Kent State University. The high school and middle school offer extracurricular, athletic and fine arts programs. All schools have libraries, lunch programs and dedicated space for art, music and physical education. Outside programs, such as Drug Abuse Resistance Education (DARE), are offered to students on an age-appropriate basis. The School District has one of the most comprehensive guided reading programs for elementary-age students available in the State of Ohio. State of Ohio Proficiency Test data show that the School District is currently ranked at the level of Continuous Improvement.

Starting in school year 2003 and continuing through 2006 the School District's mission is to make technology available to all students so that they are technology literate by the end of the eighth grade. It is the vision of the School District to continue to implement and upgrade a curriculum-based technology plan which will reflect a School District commitment to accomplish the following: increased student research, problem solving, thinking and communication skills; prepare all students in the School District to function effectively in a technology based world; provide students with the tools, knowledge, and training required from them to access, explore, and create information sources; support curriculum development and communication by maintaining and enhancing connectivity between classrooms, buildings, agencies, and the community; provide continuous staff development opportunities to implement the technology plan; provide the community with the opportunities for technology awareness, training, involvement, and connectivity; and continually evaluate and revise the technology/curriculum plan to ensure that the necessary materials will be provided, maintained and upgraded.

The student to computer ratio in the School District is a minimum of 5 students per computer and in most buildings it is 4 to 1, or better. All teachers and paraprofessionals will be actively involved in the use of technology for instruction and assessment to improve student learning. The School District will provide state of the art hardware at all workstations in the classrooms and labs.

Specialists in reading, mathematics, guidance, art, music and physical education support classroom teachers at all levels. Nurses, psychologists, speech pathologists and other aides are employed to assist students at all levels. The School District's Special Services program includes school health and psychological services, pupil appraisal, counseling, guidance, special education, speech, language and hearing services.

The School District's academic program includes these attributes, among others:

\*The School District offers 90 courses at the high school levels, including honors and accelerated courses in English, mathematics, science and social studies.

\*Ohio's Post-Secondary Enrollment Options Act allows 9<sup>th</sup> through 12<sup>th</sup> grade students to enroll full- or part-time at approved public colleges, universities or technical schools. The School District currently has students enrolled at Kent State University and the University of Akron. The purpose of the act is to promote rigorous education pursuits and to provide a wide variety of educational options for students.

\*The School District holds a license from the Federal Communications Commission to operate from Streetsboro High School a 1,000-watt FM broadcast radio station, WSTB-FM. Three fine-arts classes are offered in conjunction with WSTB.

\*The School District operates a local cable access television station, Channel 16. Four fine-arts classes are offered in conjunction with Channel 16.

\*The School District supports a School to Work Program that gives students in grades 9-12 the opportunity to shadow professionals in careers of interest to them. Seniors have the option of engaging in an approved mentorship during the last nine weeks of their senior year.

\*According to a survey of the Streetsboro High School Class of 2001, 76% of the high school graduates have indicated that they intend to pursue education beyond high school with 67% of the Class of 2001 planning to attend a four-year institution.

\*The School District's passage rate on the required ninth grade proficiency tests for graduation exceeds the minimum State requirements in all content areas.

\*An after-school learning program for at-risk elementary students is available in grade 4 and summer school programs are available to students throughout the School District. These opportunities are offered at little or no cost to students.

\*Athletic programs include a full range of interscholastic sports programs, sanctioned where applicable by the Ohio High School Athletic Association.

A number of community scholarships are available to students who wish to attend institutions of higher education.

An educational foundation supports the classroom instructional activities by providing additional financial support. Efforts to expand the scope of foundation activities are currently under study.

A number of parent support and booster clubs support academic, service, fine arts and extracurricular activities.

Promoting Assets through Character Education in Streetsboro (P.A.C.E.S.) is a program formulated by the School District and community representatives and adopted by the Board. The mission of P.A.C.E.S. is to identify and nurture healthy character traits that promote life-long growth and development in the children, families and community of the School District.

### **Financial Information**

This is the second year the School District has prepared financial statements following GASB Statement No. 34 "Basic Financial Statements – Management's Discussion and Analysis – State and Local Governments." GASB Statement No. 34 creates new basic financial statements for reporting on the School Districts 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 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. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

*Statement of budgetary comparison* – This statement presents a comparison 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, cash disbursements and encumbrances.

As determined by criteria established by GASB Statement No. 34, the School District does not report any activities that qualify as enterprise or business type activities. As part of this new reporting model, management is also responsible for preparing a discussion and analysis of the School District. This discussion follows the State Auditor's Report, providing an assessment of the School District's finances for fiscal year 2004 and the outlook for the future. Because that discussion focuses on major funds, the financial highlights provided in this letter focus on certain nonmajor funds of the School District.

#### *Internal Controls*

The management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School District are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the School District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

#### *Single Audit Act*

As a recipient of federal financial assistance, the School District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the School District and certain annual evaluations by the School District's independent auditors.

#### *Budgetary Controls*

The School District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Ohio Revised Code and the Ohio Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The School District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

All disbursements and transfers of cash between funds require appropriation authority from the Board. The Treasurer must certify purchase order requests have the necessary funds available. Then, purchase orders are encumbered, and released to vendors. Management may make budgetary modifications as long as the total fund appropriation is not affected.

The accounting system used by the School District provides monthly financial reports which the Board approves. The School District utilizes the State's software program.

In addition to the distribution of month-end reports to its management, and to ensure prescribed budgetary compliance within all levels of the School District, the Treasurer's office publishes and annually distributes to all School District employees the School District's financial handbook detailing the School District's adopted procedures for proper receipting and expending of School District funds.

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

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

### **Cash Management**

The School District has authority under Ohio law to use any of the following investment instruments: non-negotiable certificates of deposit, US Treasury Bills, Notes and Bonds, certain bankers acceptance notes and commercial paper notes, along with sweep accounts and STAR Ohio. To maximize earnings, all investments are matched to liabilities. The School District monitors its cash management program and investments on a weekly basis.

Protection of the School District's cash and investments is provided by the Federal Deposit Insurance Corporation as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. As required under Ohio law, pooled securities have been pledged in an amount equal to 105% of the total deposits, to secure the repayment of all public monies deposited in a financial institution. A detailed description of the School District's investment functions is described in Note 5 to the financial statements.

### **Risk Management**

As a political subdivision, the School District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for general liability, property loss, boiler and machinery coverage, and vehicle fleet liability are purchased from insurance companies licensed to do business in the State of Ohio.

The School District participates in a formal risk-management program through the Portage County School Consortium in an effort to minimize risk exposure, and to control claims and premium costs. The Health and Welfare Trust portion of this program is to facilitate the management of risks associated with providing School District employees benefits such as health and accident insurance, disability insurance, and life insurance. A third-party administrator is retained by the consortium to manage the operation of the Health and Welfare Trust.

All employees of the School District are covered by worker's compensation. Effective January 1, 1999, the School District joined a group-rating program through the Ohio School Boards Association in an effort to control these costs after participating in another program for several years.

### **Pension Plans**

All School District employees are covered by the statewide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system, currently 14%.

School District contributions for 2004 were \$1,044,286 as the employer portion to STRS and \$234,400 in employer contributions to SERS. Included in the SERS remittance is an annual employer surcharge. Starting in 1988-89 an additional employer charge (surcharge) was levied on salaries of lower-paid SERS members. Minimum annual compensation is determined annually by the System's actuaries and was \$14,500 for fiscal year 2004. The surcharge is calculated at 14% of the difference between the member's annual compensation and the minimum compensation level. For the 2003-04 fiscal year, a surcharge of \$48,977 was incurred.

### **Other Information**

#### **Independent Audit**

Provisions of State statute require the School District's financial statements to be subjected to an annual examination by the Auditor of State or an independent auditor contracted by the Auditor of State. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act Amendment of 1996. The Ohio Auditor of State's office performed the audit for the year ended June 30, 2004. The auditor's unqualified opinion rendered on the School District's basic financial statements, and their report on the combining and individual fund statements and schedules, is included in the financial section of this CAFR.

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

On November 22, 2004, the School District was recognized with the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for the quality of its financial reporting in the CAFR published for the 2002-2003 fiscal year. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to conform to the high standards required by the Certificate of Achievement program.

Acknowledgments

My sincere appreciation and thanks are extended to the many individuals who made the preparation and publication of this CAFR a reality. This accomplishment would not have been possible without the support and efforts of the staff in the Treasurer's office and many other dedicated employees of the School District.

I would also like to extend my appreciation to the members of the Streetsboro City Board of Education for their leadership, support, and commitment to excellence. It is with great pride that the Streetsboro City School District presents the 2003 Comprehensive Annual Financial Report to the citizens and taxpayers of the district.

Respectively Submitted,

A handwritten signature in black ink, appearing to read "Todd Puster". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Todd Puster  
Treasurer

***Streetsboro City School District***  
**Public Officials Roster**  
**For the Fiscal Year Ended June 30, 2004**

**Board of Education**

Eileen Kutinsky	Board Member, President
William Koleszar, Jr	Board Member, Vice-President
Kevin Grimm	Board Member
Barbara Cowling	Board Member
Cynthia Pennock-Hanish	Board Member

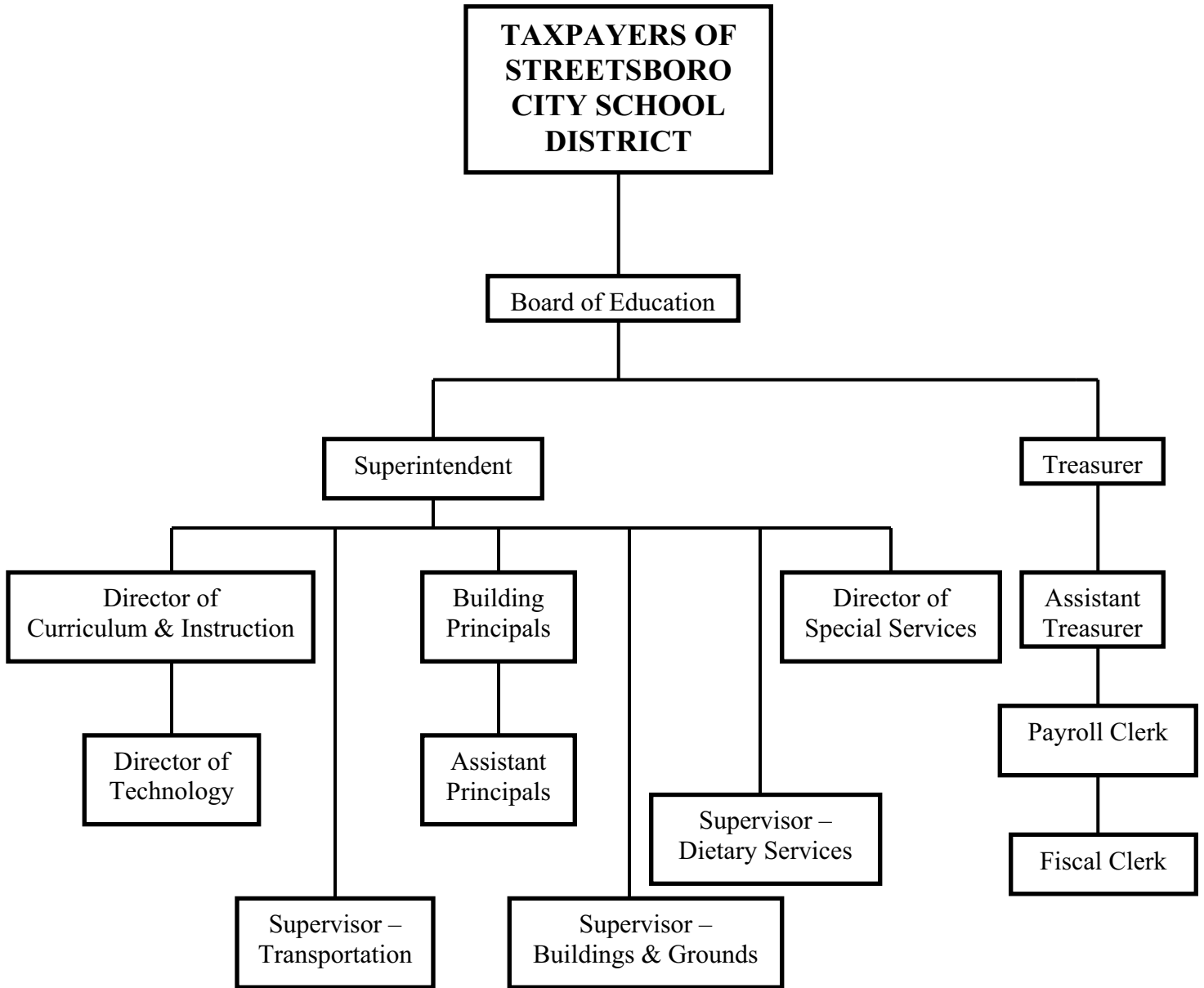
**Executive Administration**

Thomas Giovagnoli	Superintendent
Todd Puster	Treasurer
Agatha Van Brocklin	Director of Curriculum
Richard Vrable	Director of Special Services

**Operating Administrators**

James Montaquila	Principal, Streetsboro High School
George Hammond	Principal, Streetsboro Middle School
Carla Rodenbucher	Principal, Defer Intermediate School
Sheryl Langell	Principal, Campus Elementary School
Karen Frank	Principal, Wait Elementary School
Barbara Dorbish	Director, Food Services
Sharon DeYoung	Director, Transportation Services
Carl Hahn	Director, Maintenance Services

*Streetsboro City School District*  
Organizational Chart





# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Streetsboro City School District,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

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.



*Nancy L. Zjelke*

President

*Jeffrey R. Emery*

Executive Director



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## FINANCIAL SECTION





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Streetsboro City School District  
Portage County  
9000 Kirby Lane  
Streetsboro, Ohio 44241

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Streetsboro City School District, Portage County, Ohio (the District), as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Streetsboro City School District, Portage County, Ohio, as of June 30, 2004, and the respective changes in financial position and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2004, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is/are supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements, and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the nonmajor combining fund statements to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section or the schedules and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

**Betty Montgomery**  
Auditor of State

December 20, 2004

## ***Streetsboro City School District***

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

This discussion and analysis of Streetsboro City School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2004. 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 financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

### **Financial Highlights**

Key financial highlights for 2004 are as follows:

- General revenues accounted for \$17,732,903 in revenue, or 91% of all revenues. Program specific revenues in the form of charges for services, operating grants, contributions and interest, and capital grants and contributions accounted for \$1,756,402, or 9% of total revenues of \$19,489,305.
- The School District had \$19,618,618 in expenses related to governmental activities; program revenues offset \$1,756,402 of these expenses. \$17,732,903 in general revenues was insufficient to provide for these programs resulting in a decrease in net assets of \$129,313.
- Of the total governmental expenses of \$19.6 million, expenses related to the instruction of students amounted to nearly \$10.1 million, or 51.5% of this total.
- At the end of the fiscal year, the unreserved fund balance for the general fund is reporting a deficit of \$1,699,562, which is an increasing deficit from the prior year balance of \$(1,580,164).

### **Using this Annual Financial Report**

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

The statement of net assets and statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements present how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column.

## **Reporting the School District as a Whole**

### *Statement of Net Assets and the Statement of Activities*

While these statements contain information about a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and helps answer the question, "How did we do financially during 2004?" These statements include all non-fiduciary 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 changes in those assets. This 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 current 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 Districts' activities are considered to be all governmental activities.

Governmental Activities - Most of the School District's programs and services are reported here including instruction, support services, operation of non-instructional services, extracurricular activities and food service operations.

### ***Reporting the School District's Most Significant Funds***

#### *Fund Financial Statements*

The analysis of the School District's major funds begins on page 14. 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. The School District's major governmental funds are the general and bond retirement debt service 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 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 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.



**Streetsboro City School District**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2004  
 Unaudited

**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 summary of the School District's net assets for 2004.

*Table 1*  
*Net Assets*

	<i>Governmental Activities</i>	
	<u>2004</u>	<u>2003</u>
<b><u>Assets:</u></b>		
<i>Current and other assets</i>	\$ 11,850,986	\$ 12,525,538
<i>Capital assets, net of depreciation</i>	18,150,618	18,077,406
<i>Total assets</i>	<u>30,001,604</u>	<u>30,602,944</u>
<b><u>Liabilities:</u></b>		
<i>Current and other liabilities</i>	12,246,393	12,617,797
<i>Long-term liabilities:</i>		
<i>Due within one year</i>	1,010,851	1,065,034
<i>Due in more than one year</i>	<u>16,871,811</u>	<u>16,918,251</u>
<i>Total liabilities</i>	<u>30,129,055</u>	<u>30,601,082</u>
<b><u>Net Assets:</u></b>		
<i>Invested in capital assets, net of debt</i>	1,259,281	1,150,256
<i>Restricted</i>	754,533	1,040,071
<i>Unrestricted</i>	<u>(2,141,265)</u>	<u>(2,188,465)</u>
<i>Total net assets</i>	<u>\$ (127,451)</u>	<u>\$ 1,862</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2004, the School District's liabilities exceeded assets by \$127,451.

Capital assets, net of related debt reported on the government-wide statements represents a large component of net assets. Capital assets include land, buildings and improvements, furniture, fixtures and equipment and vehicles, and are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net assets, \$754,533, represents resources that are subject to external restrictions on how the funds may be used. Of the total restricted net assets, \$419,682 is restricted for debt service payments and \$163,985 is restricted for capital projects and \$170,866, is restricted for other purposes. Net assets restricted for other purposes primarily include amounts generated by individual school buildings to supplement co-curricular and extra-curricular programs, and for operating or capital costs for any new and innovative programs designed to enhance or promote education with the school district. The remaining balance of net assets of (\$2,141,265) is unrestricted and may be used to meet the government's ongoing obligations to students and staff.

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Table 2 shows change in net assets for fiscal year 2004 as compared to 2003:

*Table 2*  
*Change in Net Assets*

	<i>Governmental Activities</i>	
	<u>2004</u>	<u>2003</u>
<b>Revenues</b>		
<i>Program revenues:</i>		
<i>Charges for services</i>	\$ 882,084	\$ 805,886
<i>Operating grants, contributions and interest</i>	873,983	811,270
<i>Capital grants and contributions</i>	335	28,811
<i>General revenues:</i>		
<i>Property taxes</i>	12,136,119	10,593,489
<i>Grants and entitlements</i>	5,368,164	5,327,369
<i>Payments in lieu of taxes</i>	159,672	132,352
<i>Investment earnings</i>	18,662	37,011
<i>Miscellaneous</i>	50,286	66,993
<i>Total revenues</i>	<u>19,489,305</u>	<u>17,803,181</u>
<b>Program Expenses</b>		
<i>Instruction:</i>		
<i>Regular</i>	8,434,134	8,296,939
<i>Special</i>	1,076,296	975,931
<i>Vocational</i>	68,563	67,614
<i>Adult/continuing</i>	4,903	2,864
<i>Other</i>	510,639	360,091
<i>Support services:</i>		
<i>Pupils</i>	1,342,869	1,277,129
<i>Instructional staff</i>	841,230	620,481
<i>Board of education</i>	169,628	105,821
<i>Administration</i>	1,434,668	1,404,999
<i>Fiscal</i>	600,967	528,970
<i>Business</i>	114,440	194,986
<i>Operation and maintenance of plant</i>	1,849,139	1,932,531
<i>Pupil transportation</i>	1,015,283	936,479
<i>Central</i>	80,205	94,101
<i>Food service operations</i>	733,258	711,877
<i>Operation on non-instructional services</i>	107,455	37,410
<i>Extracurricular activities</i>	430,399	386,134
<i>Interest and fiscal charges</i>	804,542	856,766
<i>Total expenses</i>	<u>19,618,618</u>	<u>18,791,123</u>
<i>Change in net assets</i>	<u>\$ (129,313)</u>	<u>\$ (987,942)</u>

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***Governmental Activities***

Several revenue sources fund governmental activities with property taxes and State foundation revenues being the largest contributors. Property tax levies generated over \$12.1 million in 2004. General revenues from grants and entitlements, such as the school foundation program, generated over \$5.3 million. With the combination of taxes and intergovernmental funding 89.8% of all revenues, the School District monitors both of these revenue sources very closely for fluctuations.

A review of Table 2 reflects the total cost of instructional services was \$10,094,535, or 51.5% of governmental program expenses. Instructional expenses include activities directly related to the teaching of pupils and the interaction between teacher and pupil. These expenses increased \$391,096, or 4.0% as compared to fiscal 2003. The primary cause to the increase was due to the effects of increased staff necessary as a result of an increase in enrollment. Also, the School District has incurred additional excess costs expenses as a result of students attending charter schools and other school districts through open enrollment.

Pupil services and instructional staff include the activities involved in assisting staff and the content and process of teaching to pupils. These expenses represent \$2,184,099, or 11.1% of the total governmental program expenses. Expenses for these programs increased \$286,489, or 15.1% as compared to fiscal 2003. One of the most significant causes to this increase was the hiring of additional staff as a result of an increase in enrollment. Also, the School District deemed it necessary to make additional technology purchases as a result of this increase.

Board of education, administration, fiscal and business classifications reflect expenses associated with establishing and administering school operation policies, financial operations and activities concerned with purchasing, receiving and maintaining goods and services for the School District. The total cost of these programs was \$2,319,703 or 11.8% of governmental program expenses. Program costs for fiscal year 2004 only increased \$84,927, or 1.8% as compared to fiscal year 2003.

Operation and maintenance of plant expenses refer to the care and upkeep of the buildings, grounds, equipment and the safety of the School District's operations. The total cost for the operation and maintenance services was \$1,849,139, or 9.4% of the governmental program expenses. Costs associated for this program decreased \$83,392, or 4.3% as compared to fiscal year 2003. Expenses of this program decreased as costs associated with the building construction projects ended. Costs of this nature included amounts not deemed to be capitalizable.

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 for fiscal year 2004. The following table compares 2004 to 2003:

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*Table 3*  
*Governmental Activities*

	<u>Total Cost of Services 2004</u>	<u>Total Cost of Services 2003</u>	<u>Net Cost of Services 2004</u>	<u>Net Cost of Services 2003</u>
<b>Program Expenses</b>				
<i>Instruction:</i>				
Regular	\$ 8,434,134	\$ 8,296,939	\$ (8,159,269)	\$ (8,099,142)
Special	1,076,296	975,931	(895,955)	(863,085)
Vocational	68,503	67,614	(68,563)	(65,570)
Adult/continuing	4,903	2,864	597	(2,864)
Other	510,639	360,091	(362,195)	(196,249)
<i>Support services:</i>				
Pupils	1,342,869	1,277,129	(1,219,216)	(1,103,795)
Instructional staff	841,230	620,481	(732,036)	(473,481)
Board of education	169,628	105,821	(169,628)	(105,821)
Administration	1,434,668	1,404,999	(1,433,749)	(1,403,951)
Fiscal	600,967	528,970	(593,258)	(528,970)
Business	114,440	194,986	(114,440)	(194,986)
Operation and maintenance of plant	1,849,139	1,932,531	(1,841,300)	(1,932,531)
Pupil transportation	1,015,283	936,479	(1,015,283)	(907,668)
Central	80,205	94,101	(73,261)	(90,201)
Food service operations	733,258	711,877	(56,704)	(90,475)
Other non-instructional services	107,455	37,410	(27,956)	44,867
Extracurricular activities	430,399	386,134	(295,458)	(274,468)
Interest and fiscal charges	804,542	856,766	(804,542)	(856,766)
Total expenses	<u>\$ 19,618,558</u>	<u>\$ 18,791,123</u>	<u>\$ (17,862,216)</u>	<u>\$ (17,145,156)</u>

The dependence upon general revenues for governmental activities is apparent with only 9% of expenses supported by program revenues.

**The School District's Funds**

The School District's governmental funds are accounted for using the modified accrual basis of accounting. The total revenues for governmental funds were \$19,617,834 and total expenditures were \$20,639,611. Fund balances for the School District's major funds increased \$82,862 for the general fund and decreased \$48,469 for the bond retirement debt service fund. Neither of these changes is deemed material to the basic financial statements. In addition to these changes, the fund balance of the building capital projects fund decreased \$177,460 during the fiscal year. This decrease was caused by the payment of the final costs associated with the completion of several building improvement and construction contracts from the prior fiscal period.

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**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 fiscal year 2004, the School District amended its general fund budget; however this amendment was not significant. Budget revisions are presented to the Board of Education for approval.

For the general fund, the final budget basis revenue estimate was \$16,105,389, which was an increase of \$1,066,936 as compared to the original budget estimate of \$15,038,453. The most significant cause to this increase was the issuance of \$900,000 tax anticipation notes during the year, which was not included in the original budget amount.

The original expenditures estimate of \$15,091,544 was revised during the fiscal year. The final appropriated amount was \$16,129,413, which was an increase of \$1,037,869. This increase was attributed to the \$900,000 in tax anticipation notes issued to meet current operating expenditures. The repayment of these notes were subsequently repaid from the bond retirement debt service fund.

**Capital Assets and Debt Administration**

**Capital Assets**

Capital assets reported as of June 30, 2003 were restated (see Note 3). At the end of fiscal year 2004, the School District had \$18,150,618 invested in land, land improvements, buildings and improvements, furniture, fixtures and equipment, and vehicles. Table 4 shows fiscal year 2004 balances compared to fiscal year 2003.

*Table 4*  
*Capital Assets, at Fiscal Year End*  
*(Net of Depreciation)*

	<i>Governmental Activities</i>	
	<u>2004</u>	<u>2003</u>
<i>Land</i>	\$ 1,635,135	\$ 1,635,135
<i>Land improvements</i>	423,351	426,555
<i>Buildings and improvements</i>	14,620,654	14,357,845
<i>Furniture, fixtures and equipment</i>	537,599	630,367
<i>Vehicles</i>	933,879	1,027,504
<i>Total capital assets</i>	<u>\$ 18,150,618</u>	<u>\$ 18,077,406</u>

The most significant asset capitalization occurred within building and improvements as a result of energy conservation projects within the school buildings of the School District. The total increase in capital assets was offset by the recognition of \$669,461 in current year depreciation expenses. See Note 8 to the basic financial statements for detail on the School District's capital assets.

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**Debt**

At June 30, 2004 the School District had \$16,869,413 in bonds outstanding with \$866,201 due within one year. This balance includes the issuance of \$750,000 of Energy Conservation bonds during the fiscal year, with an unamortized premium of \$48,413. Table 5 summarizes the debt and capital lease outstanding:

*Table 5  
 Outstanding Debt and Capital Lease, at Fiscal Year End*

	<i>Governmental Activities <u>2004</u></i>	<i>Governmental Activities <u>2003</u></i>
<i>Permanent improvement</i>	<i>\$ 15,435,000</i>	<i>\$ 16,025,000</i>
<i>Equipment purchase</i>	<i>555,000</i>	<i>720,000</i>
<i>Energy conservation</i>	<i>879,413</i>	<i>143,000</i>
<i>Capital leases</i>	<i>21,924</i>	<i>39,150</i>
<i>Total outstanding</i>	<u><u><i>\$ 16,891,337</i></u></u>	<u><u><i>\$ 16,927,150</i></u></u>

See Notes 14 and 15 to the basic financial statements for the repayment schedules of the bonded debt and the capital leases.

Capital leases are to be repaid from the general fund, and the bonds are to be repaid from the bond retirement debt service fund. The School District has budgeted to meet all of the School District's debt requirements.

**Current Issues Affecting Financial Condition**

The Board of Education and administration closely monitor its revenues and expenditures in accordance with its financial forecast. The financial future of the School District is not without its challenges though. These challenges stem from issues that are local and at the State level. The local challenges will continue to exist, as the School District must rely heavily on property taxes to fund its operations. State level challenges continue to evolve as the State of Ohio determines the outcome of the Ohio Supreme Court case dealing with the unconstitutionality of the State's educational funding system. Although the School District relies heavily on its property taxpayers to support its operations, the community support for the schools is quite strong.

The State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational funding system, one that was neither 'adequate' nor 'equitable'. Since 1997, the State has directed its additional financial support toward School Districts with little property tax wealth. In May 2001, the Ohio Supreme Court again, ruled that, while the State had made some progress, the current funding system for schools is far too dependent on property taxes, which are inherently not 'equitable' nor 'adequate'. The court directed the Governor and the legislature to address the fundamental issue creating the inequities. See Note 17 to the basic financial statements for more on this contingent matter.

***Streetsboro City School District***

Management's Discussion and Analysis  
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Due to the unsettled issues in the school funding, management is required to plan carefully and prudently to provide the resources to meet student needs over the next several years.

In conclusion, the School District's system of budgeting and internal controls is well regarded. All of the School District's financial abilities will be needed to meet the challenges of the future.

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

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions or need additional financial information, contact Todd Puster, Treasurer, at Streetsboro City School District, 9000 Kirby Lane, Streetsboro OH, 44241.

**Streetsboro City School District**

**Statement of Net Assets**

**June 30, 2004**

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in pooled cash and cash equivalents	\$ 615,605
Cash and cash equivalents:	
In segregated accounts	122,715
Receivables:	
Taxes	10,954,802
Accounts	1,442
Intergovernmental	68,819
Prepaid items	21,057
Inventory held for resale	23,245
Materials and supplies inventory	1,713
Deferred charges	41,588
Capital assets:	
Land	1,635,135
Depreciable capital assets, net	16,515,483
Total capital assets	<u>18,150,618</u>
Total assets	<u>30,001,604</u>
 <u>Liabilities:</u>	
Accounts payable	123,594
Accrued wages	1,300,709
Intergovernmental payable	535,736
Compensated absences payable	69,920
Deferred revenue	10,182,428
Accrued interest payable	34,006
Long-term liabilities:	
Due within one year	1,010,851
Due in more than one year	16,871,811
Total liabilities	<u>30,129,055</u>
 <u>Net assets:</u>	
Invested in capital assets, net of related debt	1,259,281
Restricted for:	
Capital projects	163,985
Debt service	419,682
Other purposes	170,866
Unrestricted	<u>(2,141,265)</u>
Total net assets	<u>\$ (127,451)</u>

See accompanying notes to the basic financial statements.



**Streetsboro City School District**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2004**

	Expenses	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants, Contributions and Interest	Capital Grants and Contributions		
<b>Governmental Activities:</b>						
Instruction:						
Regular	\$ 8,434,134	\$ 96,836	\$ 178,029	\$ -	\$ (8,159,269)	
Special	1,076,296	-	180,341	-	(895,955)	
Vocational	68,563	-	-	-	(68,563)	
Adult/continuing	4,903	-	5,500	-	597	
Other	510,639	-	148,444	-	(362,195)	
Support services:						
Pupils	1,342,869	103,582	20,071	-	(1,219,216)	
Instructional staff	841,230	-	109,194	-	(732,036)	
Board of education	169,628	-	-	-	(169,628)	
Administration	1,434,668	-	919	-	(1,433,749)	
Fiscal	600,967	-	7,709	-	(593,258)	
Business	114,440	-	-	-	(114,440)	
Operation and maintenance of plant	1,849,139	5,794	1,710	335	(1,841,300)	
Pupil transportation	1,015,283	-	-	-	(1,015,283)	
Central	80,205	6,815	129	-	(73,261)	
Food service operations	733,258	456,497	220,057	-	(56,704)	
Operation of non-instructional services	107,455	79,499	-	-	(27,956)	
Extracurricular activities	430,399	133,061	1,880	-	(295,458)	
Interest and fiscal charges	804,542	-	-	-	(804,542)	
<b>Total governmental activities</b>	<b>\$ 19,618,618</b>	<b>\$ 882,084</b>	<b>\$ 873,983</b>	<b>\$ 335</b>	<b>(17,862,216)</b>	

**General Revenues:**

Property taxes levied for:

General purposes	9,810,270
Debt service	2,325,849
Grants and entitlements not restricted to specific programs	5,368,164
Payment in Lieu of Taxes	159,672
Investment earnings	18,662
Miscellaneous	50,286
<b>Total general revenues</b>	<b>17,732,903</b>
Change in net assets	(129,313)
Net assets beginning of year - restated (See Note 3)	1,862
<b>Net assets end of year</b>	<b>\$ (127,451)</b>

See accompanying notes to the basic financial statements.

**Streetsboro City School District**

**Balance Sheet**

**Governmental Funds**

**June 30, 2004**

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ -	\$ 374,670	\$ 240,935	\$ 615,605
Cash and cash equivalents:				
In segregated accounts	-	-	122,715	122,715
Receivables:				
Taxes	9,538,043	1,416,759	-	10,954,802
Accounts	1,235	-	207	1,442
Intergovernmental	-	-	68,819	68,819
Interfund	22,105	-	38,566	60,671
Prepaid items	21,057	-	-	21,057
Inventory held for resale	-	-	23,245	23,245
Materials and supplies inventory	-	-	1,713	1,713
Total assets	<u>\$ 9,582,440</u>	<u>\$ 1,791,429</u>	<u>\$ 496,200</u>	<u>\$ 11,870,069</u>
<u>Liabilities:</u>				
Accounts payable	\$ 91,335	\$ -	\$ 32,259	\$ 123,594
Accrued wages	1,242,516	-	58,193	1,300,709
Interfund payable	-	-	60,671	60,671
Intergovernmental payable	339,226	-	13,646	352,872
Compensated absences payable	69,920	-	-	69,920
Deferred revenue	9,306,368	1,385,098	-	10,691,466
Total liabilities	<u>11,049,365</u>	<u>1,385,098</u>	<u>164,769</u>	<u>12,599,232</u>
<u>Fund balances:</u>				
Reserved:				
Reserved for encumbrances	962	-	134,402	135,364
Reserved for property taxes	231,675	31,661	-	263,336
Unreserved, undesignated, reported in:				
General fund	(1,699,562)	-	-	(1,699,562)
Special revenue funds	-	-	191,081	191,081
Debt service fund	-	374,670	-	374,670
Capital projects funds	-	-	5,948	5,948
Total fund balances	<u>(1,466,925)</u>	<u>406,331</u>	<u>331,431</u>	<u>(729,163)</u>
Total liabilities and fund balances	<u>\$ 9,582,440</u>	<u>\$ 1,791,429</u>	<u>\$ 496,200</u>	<u>\$ 11,870,069</u>

See accompanying notes to the basic financial statements.

**Streetsboro City School District**  
**Reconciliation of Total Governmental Fund Balances to**  
**Net Assets of Governmental Activities**  
**June 30, 2004**

Total governmental fund balances		\$ (729,163)
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		18,150,618
Other long-term assets that are not available to pay for current-period expenditures and therefore are deferred in the funds. For fiscal year 2004, this amount represents delinquent property taxes not received within the available period.		509,038
Deferred charges are included in the governmental activities in the statement of net assets.		41,588
Intergovernmental payable includes contractually required pension contributions not expected to be paid with expendable available financial resources and are therefore not reported in the funds.		(182,864)
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	\$ (15,990,000)	
Energy conservation notes	(879,413)	
Compensated absences	(991,325)	
Capital leases	(21,924)	
Accrued interest payable	(34,006)	
Total	<u>(17,916,668)</u>	<u>(17,916,668)</u>
Net assets of governmental activities		<u>\$ (127,451)</u>

See accompanying notes to the basic financial statements.

**Streetsboro City School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2004**

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>				
Taxes	\$ 10,802,204	\$ 1,449,944	\$ -	\$ 12,252,148
Intergovernmental	5,221,316	146,848	825,654	6,193,818
Interest	18,662	-	847	19,509
Tuition and fees	34,625	-	48,823	83,448
Extracurricular activities	8,655	-	243,460	252,115
Gifts and donations	1,400	-	60,319	61,719
Charges for services	-	-	539,330	539,330
Rent	5,794	-	-	5,794
Payment in lieu of taxes	159,672	-	-	159,672
Miscellaneous	32,557	-	17,724	50,281
Total revenues	16,284,885	1,596,792	1,736,157	19,617,834
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	7,937,233	-	232,654	8,169,887
Special	854,171	-	174,415	1,028,586
Vocational	64,761	-	3,467	68,228
Adult/continuing	-	-	4,903	4,903
Other	359,729	-	150,910	510,639
Support services:				
Pupils	1,191,952	-	124,383	1,316,335
Instructional staff	648,622	-	155,060	803,682
Board of education	169,537	-	91	169,628
Administration	1,390,422	-	21,364	1,411,786
Fiscal	579,506	32,052	9,487	621,045
Business	114,033	-	-	114,033
Operation and maintenance of plant	1,586,723	-	201,086	1,787,809
Pupil transportation	916,797	-	63	916,860
Central	69,023	-	7,025	76,048
Food service operations	-	-	700,160	700,160
Operation of non-instructional services	7,004	-	76,827	83,831
Extracurricular activities	279,223	-	142,101	421,324
Capital outlay	12,280	-	730,393	742,673
Debt service:				
Principal retirement	17,226	817,000	-	834,226
Interest and fiscal charges	3,781	804,377	-	808,158
Bond Issuance Costs	-	-	49,770	49,770
Total expenditures	16,202,023	1,653,429	2,784,159	20,639,611
Excess of revenues over (under) expenditures	82,862	(56,637)	(1,048,002)	(1,021,777)
<u>Other financing sources (uses):</u>				
General obligation bonds issued	-	-	750,000	750,000
Premium on debt issuance	-	8,168	49,770	57,938
Total other financing sources (uses)	-	8,168	799,770	807,938
Net change in fund balances	82,862	(48,469)	(248,232)	(213,839)
Fund balances beginning of year	(1,549,787)	454,800	579,663	(515,324)
Fund balances end of year	\$ (1,466,925)	\$ 406,331	\$ 331,431	\$ (729,163)

See accompanying notes to the basic financial statements.

**Streetsboro City School District**

**Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2004**

Net change in fund balances - total governmental funds \$ (213,839)

Amounts reported for governmental activities in the  
statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities,  
the cost of capital assets is allocated over their estimated useful lives as depreciation expense.

In the current period, these amounts are:

Capital asset additions	\$ 742,673	
Depreciation expense	(669,461)	
Excess of capital outlay over depreciation expense		73,212

Revenues in the statement of activities that do not provide current financial resources are not  
reported as revenues in the funds. These activities consist of:

Property taxes	\$ (116,029)	
Intergovernmental	(12,500)	
Net change in deferred revenues during the year		(128,529)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment  
reduces long-term liabilities in the statement of net assets. 817,000

Repayment of capital lease principal is an expenditure in the governmental funds, but the  
repayment reduces long-term liabilities in the statement of net assets 17,226

Some items reported in the statement of activities do not require the use of current financial  
resources and therefore are not reported as expenditures in governmental funds. These  
activities consist of:

Decrease in compensated absences	\$ 64,810	
Increase in pension obligation	(4,641)	
Decrease in accrued interest	2,273	
Total additional expenditures		62,442

The issuance of long-term notes results in expenditures and other financing sources and uses in the governmental  
funds, but these transactions are reflected in the statement of net assets as long-term assets and liabilities.

Proceeds of refunding bonds	\$ (750,000)	
Issuance cost	49,770	
Premium on new bonds	(57,938)	
Net change caused by the issuance and refunding of bonds		(758,168)

The amortization of issuance costs and bond premium is reflected as an expense in the statement of activities.

Issuance cost	\$ (8,182)	
Premium	9,525	
Total additional expenses		1,343

Change in net assets of governmental activities \$ (129,313)

See accompanying notes to the basic financial statements.

**Streetsboro City School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>				
Taxes	\$ 9,712,850	\$ 9,712,850	\$ 9,712,850	\$ -
Intergovernmental	5,070,295	5,229,244	5,221,316	(7,928)
Interest	18,107	18,662	18,662	-
Tuition and fees	33,551	34,625	34,625	-
Extracurricular activities	8,414	8,655	8,655	-
Gifts and donations	1,331	1,400	1,400	-
Rent	6,391	6,594	6,594	-
Payment in lieu of taxes	154,815	159,672	159,672	-
Miscellaneous	31,261	32,233	32,233	-
Total revenues	<u>15,037,015</u>	<u>15,203,935</u>	<u>15,196,007</u>	<u>(7,928)</u>
<u>Expenditures:</u>				
<u>Current:</u>				
<u>Instruction:</u>				
Regular	7,293,775	7,864,516	7,864,516	-
Special	834,905	834,616	834,616	-
Vocational	64,666	64,262	64,262	-
Other	225,000	483,601	483,601	-
<u>Support services:</u>				
Pupils	1,229,638	1,167,612	1,167,612	-
Instructional staff	565,223	627,290	627,290	-
Board of education	144,600	137,238	137,238	-
Administration	1,403,744	1,396,801	1,396,801	-
Fiscal	534,181	578,928	578,928	-
Business	157,686	128,433	128,433	-
Operation and maintenance of plant	1,435,626	1,549,964	1,549,964	-
Pupil transportation	812,436	915,257	915,257	-
Central	93,288	70,834	70,834	-
Operation of non-instructional services	1,000	7,004	7,004	-
Extracurricular activities	285,776	302,633	302,633	-
Total expenditures	<u>15,081,544</u>	<u>16,128,989</u>	<u>16,128,989</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(44,529)</u>	<u>(925,054)</u>	<u>(932,982)</u>	<u>(7,928)</u>
<u>Other financing sources (uses):</u>				
Proceeds from the sale of notes	-	900,000	900,000	-
Refund of prior year expenditures	213	204	204	-
Advances in	1,225	1,250	1,250	-
Advances out	(10,000)	(424)	(424)	-
Total other financing sources (uses)	<u>(8,562)</u>	<u>901,030</u>	<u>901,030</u>	<u>-</u>
Net change in fund balance	(53,091)	(24,024)	(31,952)	(7,928)
Fund balances at beginning of year	36,213	36,213	36,213	-
Prior year encumbrances appropriated	3,744	3,744	3,744	-
Fund balances at end of year	<u>\$ (13,134)</u>	<u>\$ 15,933</u>	<u>\$ 8,005</u>	<u>\$ (7,928)</u>

See accompanying notes to the basic financial statements.

**Streetsboro City School District**  
**Statement of Fiduciary Net Assets**  
**Agency Funds**  
**June 30, 2004**

	<u>Agency</u>
<u>Assets:</u>	
Equity in pooled cash and cash equivalents	<u>\$ 34,758</u>
<u>Liabilities:</u>	
Accounts payable	\$ 176
Due to students	<u>34,582</u>
Total liabilities	<u>\$ 34,758</u>

See accompanying notes to the basic financial statements.

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

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

The School District operates under a locally elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. The Board controls the School District's 7 instructional/support facilities staffed by 130 non-certificated employees and 165 certificated teaching and support personnel, including 14 administrators that provide services to 2,099 students and other community members.

Reporting Entity

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organizations' 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 organizations' 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 their budget, the issuance of their debt or the levying of their taxes. Based on the above criteria, the School District had no component units at June 30, 2004.

The School District is associated with the Stark Portage Area Computer Consortium and the Portage County Schools Consortium, which are defined as jointly governed organizations. Jointly governed organizations are governed by representatives from each of the governments that create the organizations, but there is no ongoing financial interest or responsibility by the participating governments. Information regarding these organizations is presented in Note 16.

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

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

***Streetsboro City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

A. Basis of Presentation - Fund Accounting

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 statement of net assets presents the financial condition of the governmental 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. 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 and 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 that 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 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 fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into two categories: governmental and fiduciary.

Governmental Fund Types:

Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the 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 School District has two major governmental funds:

***Streetsboro City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

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

Bond Retirement debt service fund: The bond retirement fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Fiduciary Fund Types

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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary fund is an agency fund which reports resources that belong to the student bodies of the various schools.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary assets and liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities presents increases (revenues) and decreases (expenses) in total 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.

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 and the agency fund uses the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenue - 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 sixty days of year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the fiscal year for which taxes are levied. 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 the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

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, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenditures/Expenses

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 fund financial statements as intergovernmental revenue and an expenditure of food service operations. In addition, this amount is reported on the statement of activities as an expense with a like amount reported within the "Operating Grants, Contributions and Interest" program revenue account.

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 the governmental funds.

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**D. Budgets and Budgetary Accounting**

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

The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The amounts reported as the original budget revenue in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted revenue amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2004. The amounts reported as the original budgeted expenditure 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 expenditure amounts represent the final appropriation amounts passed by the Board during the year.

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

**E. Cash and Investments**

To improve cash management, all cash received by the School District is pooled in a central bank account. Monies for all funds are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents". During the fiscal year, investments were limited to overnight repurchase agreements and interest in Star Ohio, the State Treasurer's Investment Pool. All investments of the School District had a maturity of two years or less. These investments are stated at cost, which approximates market value (fair value). Under existing Ohio statutes, all investment earnings accrue to the general fund except those specifically related to certain trust funds; required by a grant agreement; or when approved by the Board of Education to be recorded in another fund. The Board of Education has passed a resolution to allow interest to also be recorded in other funds.

The School District invested funds in STAR Ohio during fiscal year 2004. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2004.

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

***Streetsboro City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year which services are consumed.

G. Interfund Balances

On the 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 activities column of the statement of net assets.

H. Inventory

Within the basic financial statements, inventories are presented at cost on a first in, first out basis and are expensed when used.

Inventories of the general fund were not significant at the end of the year. Inventories of the food service special revenue fund consist of donated food, purchased food and supplies held for resale.

I. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are imposed by creditors, contributors, grantors, and laws of other governments or by enabling legislation. Restricted assets may include unexpended revenues restricted for the purchase of school buses, and amounts required to be set aside by the School District for the purchase of textbooks or for the acquisition or construction of capital assets. Restricted assets may also include amounts set aside as a reserve for budget stabilization, which is now optional as determined by the School District. See Note 18 for the calculation of the year-end restricted asset balance and the corresponding fund balance reserves.

J. Capital Assets

General capital assets are those assets resulting 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 on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five 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 the asset's life are not capitalized. The School District's policy is not to capitalize interest costs incurred as part of construction.

All reported capital assets, other than land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

<u>Description</u>	<u>Estimated Lives</u>
<i>Land improvements</i>	<i>5 - 20 years</i>
<i>Buildings and improvements</i>	<i>20 - 50 years</i>
<i>Furniture, fixtures and equipment</i>	<i>3 - 20 years</i>
<i>Vehicles</i>	<i>10 - 20 years</i>

**K. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the 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 payment method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments. The entire compensated absences liability is reported on the government-wide financial statements.

For the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid.

**L. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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 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 are recognized as a liability on the governmental fund financial statements when due.

**M. 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, laws, or regulations of other governments. Net assets restricted for other purposes primarily include amounts generated by individual school buildings to supplement co-curricular and extra-curricular programs, and for operating or capital costs for any new and innovative programs designed to enhance or promote education with the school district.

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

**Streetsboro City School District**  
 Notes to the Basic Financial Statements  
 For the Fiscal Year Ended June 30, 2004

N. Interfund Transactions

Interfund transactions are reported as other financing sources/uses for governmental funds in the fund financial statements. All transfers between governmental funds have been eliminated within the governmental activities column of the statement of net assets.

O. Estimates

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

P. Fund Balance Reserves

The School District records reservations for portions of fund balances, which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations or expenditures. Unreserved fund balance indicates the portion of fund balances that are available for appropriation in future periods. Fund balance reserves are established for encumbrances and tax revenue unavailable for appropriation.

**NOTE 3 - RESTATEMENT OF PRIOR YEAR NET ASSETS**

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During the fiscal year, the School District changed the estimated useful lives of school buses from eight years to fifteen years, and added the carry value of three buses previously excluded. By changing the useful lives of buses, these assets will be depreciated more accurately over the life of the assets in which they are used. Based on the change in estimate, and inclusion of three previously excluded buses, it was determined that a restatement to prior year's net assets is necessary. The impact on prior year's changes in net assets is deemed immaterial, thus there will be no presentation on the effect on prior year's change in net assets. The following is a summary of this effect:

	<i>Total</i>
<i>Net assets as previously stated, June 30, 2003</i>	\$ (359,431)
<i>Restatement</i>	<u>361,293</u>
<i>Net assets restated June 30, 2003.</i>	<u><u>\$ 1,862</u></u>

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

---

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual presentation 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 basis) as opposed to when susceptible to accrual (GAAP basis).



**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as a reservation of fund balance (GAAP basis).

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*

		<u>General</u>
<i>GAAP Basis</i>	\$	82,862
<i>Revenue Accruals</i>		(187,424)
<i>Expenditure Accruals</i>		74,618
<i>Encumbrances (Budget Basis)</i>		
<i>Outstanding at year end</i>		(2,008)
<i>Budget Basis</i>	\$	(31,952)

**NOTE 5 - 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.

Interim monies may be invested in the following obligations provided they mature or are redeemable within five years from the date of settlement:

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

***Streetsboro City School District***

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements for a period not to exceed thirty days in 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;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in item (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes in an amount not to exceed 25% of the interim monies available for investment at any one time and for a period not to exceed one hundred eighty days; 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.

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 the repayment of all public monies deposited with the institution.

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

*Deposits:* The carrying value of the School District's deposits and petty cash totaled (\$200,669) and the bank balances of the deposits totaled \$25,000. The entire bank balance of \$25,000 was covered by federal depository insurance.

*Investments:* GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that the School District's investments be classified in categories of credit risk. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during the fiscal year 2004 amounted to \$18,662, which included \$10,904 assigned from other School District funds.

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

	<u>Category 3</u>	<u>Fair Value</u>
<u>Categorized Investments</u>		
Repurchase Agreements	\$ 351,533	\$ 351,533
<u>Noncategorized Investments</u>		
State Treasurer's Pool		622,214
Total Investments		<u>\$ 973,747</u>

The School District's investment in Star Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

**NOTE 6- PROPERTY TAX**

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Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located within the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35% of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed at 35% of true value and public utility tangible personal property currently is assessed at varying percentages of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25% of true value for capital assets and 23% of true value of inventory.

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 alternative payment dates to be established.

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

The School District receives property taxes from Portage 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 year-end are available to finance the current fiscal year operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property and public utility taxes, which became measurable as of year-end. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at year-end is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at year-end was \$231,675 in the general fund and \$31,661 in the bond retirement debt service fund and is recognized as revenue on the fund financial statements.

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

On the accrual basis, collectible delinquent property taxes have been recorded as revenue on the statement of activities.

During the current fiscal year, the citizenry of the School District approved a 5.25 mills continuing operating levy. The assessed values upon which the current fiscal year taxes were collected are:

<u>Property Category</u>	<u>2003</u> <u>Assessed Value</u>	<u>2002</u> <u>Assessed Value</u>
<u>Real Property</u>		
Residential and agricultural	\$ 180,911,103	\$ 148,079,100
Commercial, industrial and minerals	121,445,330	117,028,250
Public utilities	12,400	11,490
<u>Tangible Personal Property</u>		
General	49,767,228	46,010,108
Public utilities	8,018,410	8,280,040
Total	<u>\$ 360,154,471</u>	<u>\$ 319,408,988</u>

**NOTE 7- RECEIVABLES**

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Receivables at year-end consisted of taxes, accounts (tuition and excess costs), intergovernmental grants and entitlements, and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs, and the current year guarantee of federal funds. A summary of the principal items of intergovernmental receivable follows:

	<u>Amount</u>
<u>Special revenue funds:</u>	
Food service	\$ 23,783
Summer intervention	23,373
Title I	18,571
Drug free schools	2,617
Miscellaneous federal grants	475
	<u>\$ 68,819</u>

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**NOTE 8 - CAPITAL ASSETS**

Capital assets reported as of June 30, 2003 have been restated (See Note 3). Capital asset activity for the fiscal year ended June 30, 2004, was as follows:

<i>Governmental Activities</i>	<i>Restated Balance June 30, 2003</i>	<i>Additions</i>	<i>Disposals</i>	<i>Balance June 30, 2004</i>
<i>Capital assets, not being depreciated:</i>				
<i>Land</i>	\$ 1,635,135	\$ -	\$ -	\$ 1,635,135
<i>Total capital assets, not being depreciated</i>	<u>1,635,135</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Capital assets, being depreciated:</i>				
<i>Land improvements</i>	653,271	25,962	-	679,233
<i>Buildings and improvements</i>	19,602,232	704,431	-	20,306,663
<i>Furniture, fixtures and equipment</i>	1,380,680	12,280	-	1,392,960
<i>Vehicles</i>	1,696,367	-	-	1,696,367
<i>Total capital assets, being depreciated</i>	<u>23,332,550</u>	<u>742,673</u>	<u>-</u>	<u>24,075,223</u>
<i>Less: Accumulated depreciation</i>				
<i>Land improvements</i>	(226,716)	(29,166)	-	(255,882)
<i>Buildings and improvements</i>	(5,244,387)	(441,622)	-	(5,686,009)
<i>Furniture, fixtures and equipment</i>	(750,313)	(105,048)	-	(855,361)
<i>Vehicles</i>	(668,863)	(93,625)	-	(762,488)
<i>Total accumulated depreciation</i>	<u>(6,890,279)</u>	<u>(669,461)</u>	<u>-</u>	<u>(7,559,740)</u>
<i>Total capital assets being depreciated, net</i>	<u>16,442,271</u>	<u>73,212</u>	<u>-</u>	<u>16,515,483</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 18,077,406</u>	<u>\$ 73,212</u>	<u>\$ -</u>	<u>\$ 18,150,618</u>

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

Depreciation expense was charged to governmental functions as follows:

<i>Instruction:</i>	<u>Amount</u>
<i>Regular</i>	\$ 342,145
<i>Special</i>	44,162
<i>Support services:</i>	
<i>Pupils</i>	19,791
<i>Instructional staff</i>	6,471
<i>Administration</i>	29,249
<i>Operation and maintenance of plant</i>	46,728
<i>Pupil transportation</i>	103,597
<i>Central</i>	4,157
<i>Operation of non-instructional services</i>	40,833
<i>Extracurricular activities</i>	23,567
<i>Food service operations</i>	<u>8,761</u>
<i>Total depreciation expense</i>	<u>\$ 669,461</u>

**NOTE 9 – INTERFUND RECEIVABLES AND PAYABLES**

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Interfund balances at June 30, 2004 consisted of the following:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
<i>General fund</i>	\$ 22,105	\$ -
<i>Nonmajor governmental funds</i>	<u>38,566</u>	<u>60,671</u>
<i>Totals</i>	<u>\$ 60,671</u>	<u>\$ 60,671</u>

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made. As of June 30, 2004, all interfund loans outstanding are anticipated to be repaid in fiscal year 2005.

**NOTE 10 - ACCOUNTABILITY AND COMPLIANCE**

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A. Accountability

As of June 30, 2004, three funds had deficit fund balances. These deficits were caused by the application of GAAP. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The following funds had deficit balances:

<u>Fund</u>	<u>Amount</u>
General	\$ 1,466,925
<u>Special revenue funds:</u>	
Food service	53,253
Title VI-B	4,497

B. Compliance

Contrary to the Ohio Revised Code (ORC) 5705.41, the Ohio Reads special revenue fund reported final expenditures, plus outstanding encumbrances, in excess of appropriations at the legal level of control in the amount of \$3,142.

During the fiscal year the School District had appropriations exceeding estimated resources for the general fund in the amount of \$13,134, which contrary to ORC 5705.39.

ORC 5705.10 states that money paid into any fund shall be used only for the purpose for which such fund is established. As a result, a negative fund balance may indicate that money from one fund was used to cover expenditures of another fund. As of June 30, 2004 the following special revenue funds reported negative unencumbered cash balances:

<u>Fund</u>	<u>Amount</u>
Food service	\$ 23,783
Summer intervention	20,060
Title I	4,056
Drug free schools	2,516

To prevent future violations, the School District has implemented procedures, which increase the monitoring of expenditures and obligations as compared to appropriations, and will increase budgetary comparisons of appropriations versus certified estimated resources.

**NOTE 11 - RISK MANAGEMENT**

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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. These risks are covered by commercial insurance purchased from independent third parties. There have been no settlements paid in excess of insurance nor has insurance coverage been significantly reduced in the past three years.

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

The School District has joined the Portage County School Consortium for health insurance for the School District's employees. The Portage County School Consortium was established in 1981 so that thirteen educational-service providers in Portage County could manage risk exposures and purchase necessary insurance coverage as a group. The consortium has organized into two distinct entities to facilitate its risk management operations. The Property and Casualty Insurance Pool functions to manage the member districts' physical property and liability risks. The Health and Welfare Trust is organized under provisions of Section 501(c)(9) of the Internal Revenue Code. Its purpose is to facilitate the management of risks associated with providing employee benefits, coverage such as health and accident insurance, disability insurance and life insurance. The School District participates in the Health and Welfare Trust. A third-party administrator is retained by the consortium to facilitate the operation of the Health and Welfare Trust. The School District pays all insurance premiums directly to the consortium. Although the School District does not participate in the day-to-day management of the consortium, one of its administrators serves as a trustee of the consortium's governing board as provided in the consortium's enabling authority. The School District recognizes that it retains a contingent liability to provide insurance coverage should the assets of the consortium become depleted, it is the opinion of management that the assets of the consortium are sufficient to meet its claims.

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

**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

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A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer public employee retirement system administered by the School Employees Retirement Board. SERS provides basic retirement benefits, annual cost-of-living adjustments, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand alone financial report that includes financial statements and required supplementary information for SERS. The report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Columbus, Ohio 43215-3746.

Plan members are required to contribute 9% of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. A portion of the School's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2004, 8.17% of annual covered salary was the portion used to fund pension obligations. For the fiscal year 2003, 8.17% 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, 2004, 2003, and 2002 were \$234,400, \$223,895, and \$134,704, respectively; 38% has been contributed for fiscal year 2003 and 100% for the fiscal years 2003 and 2002. \$145,781, representing the unpaid contribution for fiscal year 2004, is recorded as an intergovernmental payable.



***Streetsboro City School District***

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**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 retirement and disability benefits, annual cost-of-living adjustments, disability, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand alone financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3746.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor.

The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment.

The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who became disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2004 plan members were required to contribute 10% of their annual covered salaries. The School District was required to contribute 14%; 13% was the portion used to fund pension obligations. For fiscal year 2003, 13% was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to the DB plan for the fiscal years ended June 30, 2004, 2003, and 2002 were \$1,044,286, \$966,732, and \$641,961, respectively; 83% has been contributed for fiscal year 2004 and 100% for the fiscal years 2003 and 2002. \$176,173, representing the unpaid contribution for fiscal year 2004, is recorded as an intergovernmental payable. Contributions to the DC and Combined plans for fiscal year 2004 were \$1,393 made by the School District and \$9,098 made by the plan members.

**NOTE 13 - POST-EMPLOYMENT BENEFITS**

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Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System (STRS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Benefit provisions and the obligations to contribute are established by the STRS based on authority granted by State statute. Most benefit recipients are required to pay a portion of the health care cost in the form of a monthly premium.

By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll. The retirement board currently allocates employer contributions equal to 1% of covered payroll to the Health Care Reserve Fund from which payments for health care benefits are paid. For the School District this amount equaled \$80,330 during the 2004 fiscal year. The balance in the Health Care Reserve Fund for the STRS was \$2.8 billion at June 30, 2003, (latest information available). For the year ended June 30, 2003 (latest information available), the net health care costs paid by the STRS were \$352,301,000 and eligible benefit recipients totaled 108,294.

For the School Employees Retirement System (SERS), coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75% of the premium. For this fiscal year, employer contributions to fund health care benefits were 5.83% of covered payroll.

In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2004, the minimum pay has been established at \$14,500. The surcharge, added to the unallocated portion of the 14% contribution rate, provides for maintenance of the asset target level for the health care fund. For the School District, the amount of employer contributions used to fund health care equaled \$216,241, which includes a surcharge of \$48,977 during the 2004 fiscal year.

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2003 (latest information available) were \$204,930,737 and the target level was \$307.4 million. At June 30, 2003 (latest information available), the SERS's net assets available for payment of health care benefits were \$303.6 million, at cost. The number of participants receiving health care benefits was approximately 50,000.

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**NOTE 14 - BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS**

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

	<i>Balance July 1</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance June 30</i>	<i>Due within one year</i>
<b><u>Governmental Long-term Obligations</u></b>					
<b><u>General Obligation Bonds</u></b>					
1982, 9.625% Permanent Improvement	\$ 25,000	\$ -	\$ (25,000)	\$ -	\$ -
1985, 8.75% Permanent Improvement	75,000	-	(25,000)	50,000	25,000
1989, 7.5% School Improvement	1,080,000	-	(105,000)	975,000	115,000
2001, 3.6 - 12.008% School Improvement	14,845,000	-	(435,000)	14,410,000	455,000
2002, 5.0% Equipment Purchase	720,000	-	(165,000)	555,000	175,000
Total general obligating bonds	<u>16,745,000</u>	<u>-</u>	<u>(755,000)</u>	<u>15,990,000</u>	<u>770,000</u>
<b><u>Long-term Notes</u></b>					
1994, 5.6% Energy Conservation	86,000	-	(43,000)	43,000	43,000
1995, 5.1% Energy Conservation	57,000	-	(19,000)	38,000	19,000
2003, 1.6-5.0% Energy Conservation	-	750,000	-	750,000	25,000
Unamortized premium	-	57,938	(9,525)	48,413	9,201
Total long-term notes	<u>143,000</u>	<u>807,938</u>	<u>(71,525)</u>	<u>879,413</u>	<u>96,201</u>
Total general obligation bonds and notes	<u>16,888,000</u>	<u>807,938</u>	<u>(826,525)</u>	<u>16,869,413</u>	<u>866,201</u>
<b><u>Other Long-term Obligations</u></b>					
Long-term compensated absences	1,056,135	54,933	(119,743)	991,325	124,292
Capital lease payable	39,150	-	(17,226)	21,924	20,358
Total other long-term obligations	<u>1,095,285</u>	<u>54,933</u>	<u>(136,969)</u>	<u>1,013,249</u>	<u>144,650</u>
Total governmental long-term obligations	<u>\$ 17,983,285</u>	<u>\$ 862,871</u>	<u>\$ (963,494)</u>	<u>\$ 17,882,662</u>	<u>\$ 1,010,851</u>

**General Obligation Bonds and Long-term Notes:** General obligation bonds and long-term notes are direct obligations of the School District for which its full faith and credit are pledged for repayment. General obligation bonds and long-term notes are to be repaid from voted and unvoted general property taxes. Property tax monies will be received in and the debt will be repaid from the bond retirement debt service fund.

During the year, the School District issued \$750,000 in Energy Conservation notes for the acquisition and installation of energy conservation measures. The notes are scheduled to mature during fiscal year 2005.

**Compensated absences:** Sick leave benefits will be paid from the fund from which the person is paid. In prior years, this fund has primarily been the general fund.

**Capital Leases:** Capital lease obligations will be paid from the general fund.

**Streetsboro City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

Principal and interest requirements to amortize all bonds outstanding at June 30, 2004 are as follows:

<i>Fiscal</i> <u>Year</u>	<u>General Obligation Bonds</u>			<u>Long-term Notes</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 770,000	\$ 746,992	\$ 1,516,992	\$ 87,000	\$ 31,746	\$ 118,746
2006	800,000	710,316	1,510,316	69,000	27,769	96,769
2007	805,000	672,724	1,477,724	75,000	25,650	100,650
2008	645,000	638,857	1,283,857	85,000	23,625	108,625
2009	675,000	607,658	1,282,658	85,000	21,075	106,075
2010-2014	2,420,000	3,475,533	5,895,533	430,000	53,400	483,400
2015-2019	3,420,000	2,072,366	5,492,366	-	-	-
2020-2024	4,380,000	1,093,034	5,473,034	-	-	-
2025-2026	2,075,000	105,125	2,180,125	-	-	-
<i>Total</i>	<u>\$ 15,990,000</u>	<u>\$ 10,122,605</u>	<u>\$ 26,112,605</u>	<u>\$ 831,000</u>	<u>\$ 183,265</u>	<u>\$ 1,014,265</u>

**NOTE 15 - CAPITALIZED LEASES - LESSEE DISCLOSURE**

In a prior year, the School District entered into a capital lease agreement for the acquisition of copiers. The terms of the agreement provided an option to purchase the equipment. The leases meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases," which defines a capital lease generally as one which transfers all benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the fund financial statements of governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized as equipment in the amount of \$56,376 equal to the present value of the future minimum lease payments at the time of acquisition. Principal payments in the current fiscal year totaled \$17,226.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments at year-end.

<i>Fiscal</i> <u>Year</u>	<i>Lease</i> <u>Payments</u>
2005	\$ 20,358
2006	1,566
<i>Total minimum lease payments</i>	21,924
<i>Less: amount representing interest</i>	-
<i>Total</i>	<u>\$ 21,924</u>

**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS**

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Stark Portage Area Computer Consortium (SPARCC) is the computer service organization or Data Acquisition Site (DAS) used by the School District. SPARCC is an association of public school districts in a geographic area determined by the Ohio Department of Education. The Stark County Educational Service Center acts as the fiscal agent for the consortium. The purpose of the consortium is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All Districts in the consortium are required to pay fees, charges, and assessments as charged. SPARCC is governed by a board made up of superintendents from all of the participating districts. An elected Executive Board consisting of five members of the governing board is the managerial body of the consortium and meets on a monthly basis. The School District does not maintain an ongoing financial interest or an ongoing financial responsibility. Payments to SPARCC are made from the general fund. During fiscal year 2004, the School District contributed \$50,473 to SPARCC.

Portage County School Consortium is an insurance group-purchasing consortium made up of thirteen school districts in Portage County. All member districts pay an insurance premium directly to the consortium. The School District paid \$2,154,419 and \$66,764 in the form of health care and property insurance premiums, respectively, and \$45,919 for service related contracts to the consortium for the current fiscal year.

**NOTE 17 - CONTINGENCIES**

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

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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2004.

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding plan is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "... the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...".

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

**NOTE 18- STATUTORY RESERVES**

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The School District is required by State statute to annually set-aside monies for the purchase of textbooks and other instructional materials, and for capital improvements. The amounts set-aside may be reduced by offset credits, which are monies received and restricted for the same specific purpose. Although the School District had offsets and/or qualifying disbursements during the year that reduced the set-aside amounts below zero, these extra amounts may only be used to reduce the set-aside requirements of future years for the purchase of textbooks and/or instructional materials. Negative amounts are therefore not presented as being carried forward to the next fiscal year for the other set-asides. Amounts not spent by year-end or reduced by offset credits must be held in cash at year-end and carried forward to be used for the same purposes in future years.

During the fiscal year ended June 30, 2004, the reserve activity was as follows:

	<i>Textbook Reserve</i>	<i>Capital Maintenance Reserve</i>	<i>Total</i>
<i>Set-aside cash balance as of June 30, 2003</i>	\$ (598,000)	\$ -	\$ (598,000)
<i>Current year set-aside requirement</i>	289,479	289,479	578,958
<i>Current year offset</i>	-	-	-
<i>Qualifying disbursements</i>	<u>(235,235)</u>	<u>(332,736)</u>	<u>(567,971)</u>
<i>Total</i>	<u>\$ (543,756)</u>	<u>\$ (43,257)</u>	<u>\$ (587,013)</u>
<i>Balance carried forward to future years</i>	<u>\$ (543,756)</u>		<u>\$ (543,756)</u>

**NOTE 19- NOTES PAYABLE**

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During the fiscal year, the School District issued tax anticipation notes in advance of property tax collections, depositing the proceeds in the general fund. These notes carried a 6.39% interest rate and were necessary for short-term borrowing by the School District.

Short-term debt activity for the year ended June 30, 2004, was as follows:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>
<i>Tax Anticipation Notes</i>	\$ -	\$ 900,000	\$ (900,000)	\$ -

**Combining Statements for Nonmajor  
Governmental Funds**

## **Combining Statements and Individual Fund Schedules**

### **Combining Statements – Nonmajor Governmental Funds**

#### **Nonmajor Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. The title of each special revenue fund is descriptive of the activities accounted for therein. A description of the School District's nonmajor special revenue funds follows:

##### Food Service

To account for all revenues and expenditures related to the provision of food services, including breakfast and lunch, for the School District students and staff.

##### Scholarship

To account for revenues, contributions and donations which are used for scholarships for students within the School District.

##### Uniform School Supplies

To account for the purchase and sale of school supplies as adopted by the Board of Education for resale to students of the School District.

##### Adult Education

To account for all revenues and expenditures related to the provision of credit and non-credit classes to the general public.

##### Miscellaneous Local Grants

To account for a number of small local grants that are restricted for specific expenditures.

##### Public School Support

To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

##### Surround Care

To account for income and expenditures made in connection with goods and services provided by the School District.



#### Education Foundation

To account for the proceeds of any bequest, gift, or endowment given to the School District for the Education Foundation Fund or given without conditions or limitations; or, for the proceeds of a transfer from the general fund of up to one-half of one percent of the total estimated appropriations included in the School District's tax budget. All boards of education must receipt any interest earnings on the principal of the education foundation fund into the fund. Monies in the fund shall be expended only by resolution adopted by a majority of the members of the board for operating or capital costs of any existing or new and innovative program designed to enhance or promote education within the School District, such as scholarships for students or teachers.

#### Underground Storage Tanks

To account for the financial responsibility rules of the State Fire Marshall to cover deductibles.

#### District Managed Student Activity

To account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund includes athletic programs as well as band, cheerleaders, drama clubs, and other similar types of activities.

#### Management Information Systems

To account for state funds provided to assist the School District in implementing a staff, student, and financial reporting system as mandated by the Omnibus Education Reform Act of 1989.

#### Disadvantaged Pupil Impact Aid

To account for state funds which provide instructional programs and materials for disadvantaged students.

#### Data Communications

To account for revenues received from the state to be used to install and provide support costs for data communication links to connect any school to the local data acquisition site.

#### SchoolNet Professional Development

To account for revenues received to provide professional development programs related to technology.

#### Ohio Reads

To account for improvements in reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public school buildings, for background checks for volunteers, to evaluate the Ohio Reads Program, and for operating expenses associated with administering the program.

#### Summer Intervention

To account for summer intervention services.

Miscellaneous State Grants

To account for monies received from state agencies which are not classified elsewhere.

Title VI-B

To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

Title I

To account for federal funds for services provided to meet special educational needs of educationally deprived children.

Title V

To account for federal funds to provide programs for at-risk students; instructional materials to improve the quality of instruction; professional development programs; programs to enhance personal excellence of students and student achievement.

Drug-Free Schools

To account for federal funds for the establishment, operation and improvement programs of drug abuse prevention, early intervention, rehabilitation referral and education in schools.

Improving Teacher Quality

To account for monies to hire additional classroom teachers grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants

To account for federal revenues received through state agencies from the federal government or directly from the federal government which are not classified elsewhere.

## Nonmajor Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities. The nonmajor capital projects funds are:

### Building

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

### SchoolNet

To account for monies received that are used to help the School District obtain computers and related educational technology equipment and or the necessary infrastructure for educational technology.

**Streetsboro City School District**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2004**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 235,385	\$ 5,550	\$ 240,935
Cash and cash equivalents:			
In segregated accounts	-	122,715	122,715
Receivables:			
Accounts	207	-	207
Intergovernmental	68,819	-	68,819
Interfund receivable	38,566	-	38,566
Inventory held for resale	23,245	-	23,245
Materials and supplies inventory	1,713	-	1,713
Total assets	<u>\$ 367,935</u>	<u>\$ 128,265</u>	<u>\$ 496,200</u>
 <u>Liabilities and fund equity :</u>			
<u>Liabilities:</u>			
Accounts payable	\$ 26,391	\$ 5,868	\$ 32,259
Accrued wages	58,193	-	58,193
Interfund payable	60,671	-	60,671
Intergovernmental payable	13,646	-	13,646
Total liabilities	<u>158,901</u>	<u>5,868</u>	<u>164,769</u>
 <u>Fund balances:</u>			
Reserved for encumbrances	17,953	116,449	134,402
Unreserved, undesignated, Reported in:			
Special revenue funds	191,081	-	191,081
Capital projects funds	-	5,948	5,948
Total fund balances	<u>209,034</u>	<u>122,397</u>	<u>331,431</u>
Total liabilities and fund balances	<u>\$ 367,935</u>	<u>\$ 128,265</u>	<u>\$ 496,200</u>

**Streetsboro City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended June 30, 2004**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues:</u>			
Intergovernmental	\$ 825,654	\$ -	\$ 825,654
Interest	512	335	847
Tuition and fees	48,823	-	48,823
Extracurricular activities	243,460	-	243,460
Gifts and donations	60,319	-	60,319
Charges for services	539,330	-	539,330
Miscellaneous	17,494	230	17,724
Total revenues	<u>1,735,592</u>	<u>565</u>	<u>1,736,157</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	232,654	-	232,654
Special	174,415	-	174,415
Vocational	3,467	-	3,467
Adult/continuing	4,903	-	4,903
Other	150,910	-	150,910
Support services:			
Pupils	124,229	154	124,383
Instructional staff	155,060	-	155,060
Board of education	91	-	91
Administration	21,364	-	21,364
Fiscal	9,487	-	9,487
Operation and maintenance of plant	3,454	5,868	9,322
Pupil transportation	63	-	63
Central	7,025	-	7,025
Food service operations	701,227	-	701,227
Operation of non-instructional services	75,760	-	75,760
Extracurricular activities	142,101	-	142,101
Capital outlay	-	922,157	922,157
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Bond issuance costs	-	49,770	49,770
Total expenditures	<u>1,806,210</u>	<u>977,949</u>	<u>2,784,159</u>
Excess of revenues over (under) expenditures	<u>(70,618)</u>	<u>(977,384)</u>	<u>(1,048,002)</u>
<u>Other financing sources (uses):</u>			
General obligation bonds issued	-	750,000	750,000
Premium on debt issuance	-	49,770	49,770
Total other financing sources (uses)	<u>-</u>	<u>799,770</u>	<u>799,770</u>
Net change in fund balance	(70,618)	(177,614)	(248,232)
Fund balances at beginning of year, as restated	<u>279,652</u>	<u>300,011</u>	<u>579,663</u>
Fund balances at end of year	<u>\$ 209,034</u>	<u>\$ 122,397</u>	<u>\$ 331,431</u>

**Streetsboro City School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2004**

	Food Service	Scholarship	Uniform School Supplies	Adult Education	Miscellaneous Local Grants
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ -	\$ 2,867	\$ 32,829	\$ 15,393	\$ 534
Receivables:					
Accounts	207	-	-	-	-
Intergovernmental	23,783	-	-	-	-
Interfund receivable	-	-	-	-	38,566
Inventory held for resale	23,245	-	-	-	-
Materials and supplies inventory	1,713	-	-	-	-
Total assets	<u>\$ 48,948</u>	<u>\$ 2,867</u>	<u>\$ 32,829</u>	<u>\$ 15,393</u>	<u>\$ 39,100</u>
 <u>Liabilities and fund balances:</u>					
<u>Liabilities:</u>					
Accounts payable	\$ 15,419	\$ -	\$ 2,444	\$ -	\$ -
Accrued wages	40,569	-	-	-	-
Interfund payable	35,876	-	-	-	-
Intergovernmental payable	10,337	-	-	-	-
Total liabilities	<u>102,201</u>	<u>-</u>	<u>2,444</u>	<u>-</u>	<u>-</u>
 <u>Fund balances:</u>					
Reserved for encumbrances	-	-	933	-	499
Unreserved, undesignated, Reported in special revenue funds	<u>(53,253)</u>	<u>2,867</u>	<u>29,452</u>	<u>15,393</u>	<u>35</u>
Total fund balances	<u>(53,253)</u>	<u>2,867</u>	<u>30,385</u>	<u>15,393</u>	<u>534</u>
Total liabilities and fund balances	<u>\$ 48,948</u>	<u>\$ 2,867</u>	<u>\$ 32,829</u>	<u>\$ 15,393</u>	<u>\$ 534</u>

Public School Support	Surround Care	Education Foundation	Underground Storage Tanks	District Managed Student Activity	Management Information Systems	Disadvantaged Pupil Impact Aid	Data Communications
\$ 32,184	\$ 40,357	\$ 39,201	\$ 11,000	\$ 43,462	\$ -	\$ -	\$ 77
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 32,184</u>	<u>\$ 40,357</u>	<u>\$ 39,201</u>	<u>\$ 11,000</u>	<u>\$ 43,462</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77</u>
\$ 2,576	\$ 124	\$ 1,458	\$ -	\$ 4,223	\$ -	\$ -	\$ -
-	3,916	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	879	-	-	-	-	-	-
<u>2,576</u>	<u>4,919</u>	<u>1,458</u>	<u>-</u>	<u>4,223</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,327	-	358	-	4,382	-	-	-
<u>66,847</u>	<u>35,438</u>	<u>37,385</u>	<u>11,000</u>	<u>34,857</u>	<u>-</u>	<u>-</u>	<u>77</u>
<u>68,174</u>	<u>35,438</u>	<u>37,743</u>	<u>11,000</u>	<u>39,239</u>	<u>-</u>	<u>-</u>	<u>77</u>
<u>\$ 70,750</u>	<u>\$ 40,357</u>	<u>\$ 39,201</u>	<u>\$ 11,000</u>	<u>\$ 43,462</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77</u>

**Streetsboro City School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2004**

	SchoolNet Professional Development	Ohio Reads	Summer Intervention	Miscellaneous State Grants	Title VI-B
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ 7	\$ 7,930	\$ -	\$ 39	\$ 1,116
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	-	23,373	-	-
Interfund receivable	-	-	-	-	-
Inventory held for resale	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	-
Total assets	<u>\$ 7</u>	<u>\$ 7,930</u>	<u>\$ 23,373</u>	<u>\$ 39</u>	<u>\$ 1,116</u>
 <u>Liabilities and fund balances:</u>					
<u>Liabilities:</u>					
Accounts payable	\$ -	\$ -	\$ 64	\$ 29	\$ -
Accrued wages	-	-	-	-	4,484
Interfund payable	-	-	18,799	-	-
Intergovernmental payable	-	-	10	-	1,129
Total liabilities	<u>-</u>	<u>-</u>	<u>18,873</u>	<u>29</u>	<u>5,613</u>
 <u>Fund balances:</u>					
Reserved for encumbrances	-	3,142	1,197	-	-
Unreserved, undesignated, Reported in special revenue funds	7	4,788	3,303	10	(4,497)
Total fund balances	<u>7</u>	<u>7,930</u>	<u>4,500</u>	<u>10</u>	<u>(4,497)</u>
Total liabilities and fund balances	<u>\$ 7</u>	<u>\$ 7,930</u>	<u>\$ 23,373</u>	<u>\$ 39</u>	<u>\$ 1,116</u>



Title I	Title V	Drug Free Schools	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ 258	\$ -	\$ 4,805	\$ 3,326	\$ 235,385
-	-	-	-	-	207
18,571	-	2,617	-	475	68,819
-	-	-	-	-	38,566
-	-	-	-	-	23,245
-	-	-	-	-	1,713
<u>\$ 18,571</u>	<u>\$ 258</u>	<u>\$ 2,617</u>	<u>\$ 4,805</u>	<u>\$ 3,801</u>	<u>\$ 367,935</u>

\$ -	\$ -	\$ 54	\$ -	\$ -	\$ 26,391
9,224	-	-	-	-	58,193
3,734	-	2,262	-	-	60,671
1,291	-	-	-	-	13,646
<u>14,249</u>	<u>-</u>	<u>2,316</u>	<u>-</u>	<u>-</u>	<u>158,901</u>

322	115	200	4,626	852	17,953
4,000	143	101	179	2,949	191,081
<u>4,322</u>	<u>258</u>	<u>301</u>	<u>4,805</u>	<u>3,801</u>	<u>209,034</u>
<u>\$ 18,571</u>	<u>\$ 258</u>	<u>\$ 2,617</u>	<u>\$ 4,805</u>	<u>\$ 3,801</u>	<u>\$ 367,935</u>

**Streetsboro City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2004**

	Food Service	Scholarship	Uniform School Supplies	Adult Education	Miscellaneous Local Grants
<u>Revenues:</u>					
Intergovernmental	\$ 220,057	\$ -	\$ -	\$ -	\$ 750
Interest	-	-	-	-	-
Tuition and fees	-	-	48,823	-	-
Extracurricular activities	-	-	-	-	-
Gifts and donations	-	-	-	-	30,000
Charges for services	456,497	-	-	-	-
Miscellaneous	-	2,494	-	15,000	-
Total revenues	<u>676,554</u>	<u>2,494</u>	<u>48,823</u>	<u>15,000</u>	<u>30,750</u>
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	-	2,750	41,172	-	31,030
Special	-	-	-	-	233
Vocational	-	-	3,467	-	-
Adult/continuing	-	-	-	-	-
Other	-	-	-	100	-
Support services:					
Pupils	-	-	-	173	-
Instructional staff	-	-	-	-	-
Board of education	-	-	-	-	-
Administration	-	-	-	-	-
Fiscal	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Food service operations	700,160	-	-	-	-
Operation of non-instructional services	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Total expenditures	<u>700,160</u>	<u>2,750</u>	<u>44,639</u>	<u>273</u>	<u>31,263</u>
Excess of revenues over (under) expenditures	<u>(23,606)</u>	<u>(256)</u>	<u>4,184</u>	<u>14,727</u>	<u>(513)</u>
<u>Other financing sources (uses):</u>					
Transfers in	-	-	-	-	-
Net change in fund balance	(23,606)	(256)	4,184	14,727	(513)
Fund balances (deficit) at beginning of year,	(29,647)	3,123	26,201	666	1,047
Fund balances (deficit) at end of year	<u>\$ (53,253)</u>	<u>\$ 2,867</u>	<u>\$ 30,385</u>	<u>\$ 15,393</u>	<u>\$ 534</u>

Public School Support	Surround Care	Education Foundation	Underground Storage Tanks	District Managed Student Activity	Management Information Systems	Disadvantaged Pupil Impact Aid	Data Communications
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,709	\$ 24,367	\$ 15,000
-	-	512	-	-	-	-	-
-	-	-	-	-	-	-	-
110,399	-	-	-	133,061	-	-	-
28,439	-	-	-	1,880	-	-	-
-	79,499	3,334	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>138,838</u>	<u>79,499</u>	<u>3,846</u>	<u>-</u>	<u>134,941</u>	<u>7,709</u>	<u>24,367</u>	<u>15,000</u>
12,281	-	8,524	-	-	-	24,367	-
50	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
115,909	-	3,854	-	-	-	-	60
-	-	1,458	-	-	-	-	14,922
91	-	-	-	-	-	-	-
1,005	-	-	-	-	-	-	-
-	-	-	-	-	7,709	-	-
-	-	150	-	-	-	-	-
63	-	-	-	-	-	-	-
7,025	-	-	-	-	-	-	-
-	1,067	-	-	-	-	-	-
-	75,760	-	-	-	-	-	-
-	-	-	-	142,101	-	-	-
<u>136,424</u>	<u>76,827</u>	<u>13,986</u>	<u>-</u>	<u>142,101</u>	<u>7,709</u>	<u>24,367</u>	<u>14,982</u>
<u>2,414</u>	<u>2,672</u>	<u>(10,140)</u>	<u>-</u>	<u>(7,160)</u>	<u>-</u>	<u>-</u>	<u>18</u>
-	-	-	-	-	-	-	-
2,414	2,672	(10,140)	-	(7,160)	-	-	18
65,760	32,766	47,883	11,000	46,399	-	-	59
<u>\$ 68,174</u>	<u>\$ 35,438</u>	<u>\$ 37,743</u>	<u>\$ 11,000</u>	<u>\$ 39,239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77</u>

**Streetsboro City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2004**

	SchoolNet Professional Development	Ohio Reads	Summer Intervention	Miscellaneous State Grants	Title VI-B
<u>Revenues:</u>					
Intergovernmental	\$ 4,140	\$ 14,480	\$ 38,226	\$ 7,210	\$ 244,302
Interest	-	-	-	-	-
Tuition and fees	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Gifts and donations	-	-	-	-	-
Customer services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>4,140</u>	<u>14,480</u>	<u>38,226</u>	<u>7,210</u>	<u>244,302</u>
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	3,071	12,687	33,844	-	-
Special	-	-	-	-	37,635
Vocational	-	-	-	-	-
Adult/continuing	-	-	-	4,903	-
Other	-	-	-	-	150,810
Support services:					
Pupils	-	-	-	-	-
Instructional staff	4,132	200	-	667	59,330
Board of education	-	-	-	-	-
Administration	-	-	3,464	-	570
Fiscal	-	-	-	-	-
Operation and maintenance of plant	-	-	-	3,304	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Food service operations	-	-	-	-	-
Operation of non-instructional services	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Total expenditures	<u>7,203</u>	<u>12,887</u>	<u>37,308</u>	<u>8,874</u>	<u>248,345</u>
Excess of revenues over (under) expenditures	<u>(3,063)</u>	<u>1,593</u>	<u>918</u>	<u>(1,664)</u>	<u>(4,043)</u>
<u>Other financing sources (uses):</u>					
Transfers in	-	-	-	-	-
Net change in fund balance	(3,063)	1,593	918	(1,664)	(4,043)
Fund balances (deficit) at beginning of year,	3,070	6,337	3,582	1,674	(454)
Fund balances (deficit) at end of year	<u>\$ 7</u>	<u>\$ 7,930</u>	<u>\$ 4,500</u>	<u>\$ 10</u>	<u>\$ (4,497)</u>

Title I	Title V	Drug Free Schools	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 159,711	\$ 11,203	\$ 6,634	\$ 55,042	\$ 16,823	\$ 825,654
-	-	-	-	-	512
-	-	-	-	-	48,823
-	-	-	-	-	243,460
-	-	-	-	-	60,319
-	-	-	-	-	539,330
-	-	-	-	-	17,494
<u>159,711</u>	<u>11,203</u>	<u>6,634</u>	<u>55,042</u>	<u>16,823</u>	<u>1,735,592</u>
1,982	10,945	2,624	43,905	3,472	232,654
136,497	-	-	-	-	174,415
-	-	-	-	-	3,467
-	-	-	-	-	4,903
-	-	-	-	-	150,910
-	-	4,233	-	-	124,229
15,732	-	-	9,576	49,043	155,060
-	-	-	-	-	91
2,576	-	-	-	13,749	21,364
1,778	-	-	-	-	9,487
-	-	-	-	-	3,454
-	-	-	-	-	63
-	-	-	-	-	7,025
-	-	-	-	-	701,227
-	-	-	-	-	75,760
-	-	-	-	-	142,101
<u>158,565</u>	<u>10,945</u>	<u>6,857</u>	<u>53,481</u>	<u>66,264</u>	<u>1,806,210</u>
<u>1,146</u>	<u>258</u>	<u>(223)</u>	<u>1,561</u>	<u>(49,441)</u>	<u>(70,618)</u>
-	-	-	-	-	-
1,146	258	(223)	1,561	(49,441)	(70,618)
3,176	-	524	3,244	53,242	279,652
<u>\$ 4,322</u>	<u>\$ 258</u>	<u>\$ 301</u>	<u>\$ 4,805</u>	<u>\$ 3,801</u>	<u>\$ 209,034</u>

**Streetsboro City School District**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**June 30, 2004**

	<u>Building</u>	<u>SchoolNet</u>	<u>Total Nonmajor Capital Projects Funds</u>
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 5,550	\$ -	\$ 5,550
Cash and cash equivalents			
In segregated accounts	<u>122,715</u>	<u>-</u>	<u>122,715</u>
Total assets	<u><u>128,265</u></u>	<u><u>-</u></u>	<u><u>128,265</u></u>
<u>Liabilities and fund balances :</u>			
<u>Liabilities:</u>			
Accounts payable	<u>5,868</u>	<u>-</u>	<u>5,868</u>
<u>Fund balances:</u>			
Reserved for encumbrances	116,449	-	116,449
Unreserved, undesignated,			
Reported in capital projects funds	<u>5,948</u>	<u>-</u>	<u>5,948</u>
Total fund balance	<u>122,397</u>	<u>-</u>	<u>122,397</u>
Total liabilities and fund balances	<u><u>\$ 128,265</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 128,265</u></u>

***Streetsboro City School District***  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**For the Fiscal Year Ended June 30, 2004**

	Building	SchoolNet	Total Nonmajor Capital Projects Funds
<u>Revenues:</u>			
Interest	\$ 335	\$ -	\$ 335
Miscellaneous	230	-	230
Total revenues	<u>565</u>	<u>-</u>	<u>565</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Pupils	-	154	154
Operation and maintenance of plant	5,868	-	5,868
Capital outlay	922,157	-	922,157
Debt service:			
Bond issuance costs	49,770	-	49,770
Total expenditures	<u>977,795</u>	<u>154</u>	<u>977,949</u>
Excess of revenues over (under) expenditures	<u>(977,230)</u>	<u>(154)</u>	<u>(977,384)</u>
<u>Other financing sources (uses):</u>			
General obligation bonds issued	750,000	-	750,000
Premium on debt issuance	49,770	-	49,770
Total other financing sources (uses)	<u>799,770</u>	<u>-</u>	<u>799,770</u>
Net change in fund balance	(177,460)	(154)	(177,614)
Fund balances at beginning of year	<u>299,857</u>	<u>154</u>	<u>300,011</u>
Fund balances at end of the year	<u>\$ 122,397</u>	<u>\$ -</u>	<u>\$ 122,397</u>

**Individual Fund Schedules of Revenues, Expenditures and Changes  
in Fund Balance – Budget (Non-GAAP Basis) and Actual  
Governmental Funds – Major and Nonmajor**



**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Bond Retirement Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Taxes	\$ 2,329,960	\$ 2,329,960	\$ -
Intergovernmental	291,478	146,848	(144,630)
Total revenues	<u>2,621,438</u>	<u>2,476,808</u>	<u>(144,630)</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Fiscal	32,052	32,052	-
Debt service:			
Principal retirement	1,717,000	1,717,000	-
Interest and fiscal charges	808,158	808,158	-
Total expenditures	<u>2,557,210</u>	<u>2,557,210</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>64,228</u>	<u>(80,402)</u>	<u>(144,630)</u>
<u>Other financing sources (uses):</u>			
Premium on debt issuance	8,168	8,168	-
Net change in fund balance	72,396	(72,234)	(144,630)
Fund balance at beginning of year	446,902	446,902	-
Fund balance at end of year	<u>\$ 519,298</u>	<u>\$ 374,668</u>	<u>\$ (144,630)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Food Service Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 180,783	\$ 157,000	\$ (23,783)
Charges for services	483,794	456,290	(27,504)
Total revenues	<u>664,577</u>	<u>613,290</u>	<u>(51,287)</u>
<u>Expenditures:</u>			
Current:			
Food service operations	637,547	637,547	-
Excess of revenues over (under) expenditures	<u>27,030</u>	<u>(24,257)</u>	<u>(51,287)</u>
<u>Other financing sources (uses):</u>			
Advances in	424	424	-
Net change in fund balance	27,454	(23,833)	(51,287)
Fund balance at beginning of year	50	50	-
Fund balance at end of year	<u>\$ 27,504</u>	<u>\$ (23,783)</u>	<u>\$ (51,287)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Scholarship Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Miscellaneous	\$ 1,999	\$ 2,494	\$ 495
<u>Expenditures:</u>			
<u>Current:</u>			
<u>Instruction:</u>			
Regular	2,750	2,750	-
Net change in fund balance	(751)	(256)	495
Fund balance at beginning of year	3,124	3,124	-
Fund balance at end of year	<u>\$ 2,373</u>	<u>\$ 2,868</u>	<u>\$ 495</u>

**Uniform School Supplies Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Tuition and fees	\$ 51,246	\$ 48,823	\$ (2,423)
<u>Expenditures:</u>			
<u>Current:</u>			
<u>Instruction:</u>			
Regular	41,421	41,421	-
Vocational	3,732	3,732	-
Total expenditures	45,153	45,153	-
Net change in fund balance	6,093	3,670	(2,423)
Fund balance at beginning of year	25,615	25,615	-
Prior year encumbrances appropriated	2,504	2,504	-
Fund balance at end of year	<u>\$ 34,212</u>	<u>\$ 31,789</u>	<u>\$ (2,423)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Adult Education Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Miscellaneous	\$ 20,000	\$ 15,000	\$ (5,000)
<u>Expenditures:</u>			
Current:			
Instruction:			
Other	22,467	22,466	1
Support services:			
Pupils	115	115	-
Total expenditures	22,582	22,581	1
Net change in fund balance	(2,582)	(7,581)	(4,999)
Fund balance at beginning of year	8,261	8,261	-
Fund balance at end of year	\$ 5,679	\$ 680	\$ (4,999)

**Miscellaneous Local Grant Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 750	\$ 750	-
Gifts and donations	34,249	30,000	(4,249)
Total revenues	34,999	30,750	(4,249)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	31,030	31,030	-
Special	732	732	-
Total expenditures	31,762	31,762	-
Net change in fund balance	3,237	(1,012)	(4,249)
Fund balance at beginning of year	446	446	-
Prior year encumbrances appropriated	601	601	-
Fund balance at end of year	\$ 4,284	\$ 35	\$ (4,249)

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Public School Support Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Extracurricular activities	\$ 111,561	\$ 110,399	\$ (1,162)
Gifts and donations	28,439	28,439	-
Total revenues	<u>140,000</u>	<u>138,838</u>	<u>(1,162)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	12,281	12,281	-
Special	50	50	-
Support services:			
Pupils	120,089	120,089	-
Board of education	91	91	-
Administration	1,320	1,320	-
Pupil transportation	63	63	-
Central	7,025	7,025	-
Total expenditures	<u>140,919</u>	<u>140,919</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(919)</u>	<u>(2,081)</u>	<u>(1,162)</u>
<u>Other financing sources (uses):</u>			
Advances out	<u>(483)</u>	<u>(483)</u>	<u>-</u>
Net change in fund balance	(1,402)	(2,564)	(1,162)
Fund balance at beginning of year	66,325	66,325	-
Prior year encumbrances appropriated	3,686	3,686	-
Fund balance at end of year	<u>\$ 68,609</u>	<u>\$ 67,447</u>	<u>\$ (1,162)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Surround Care Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Charges for services	\$ 90,001	\$ 81,756	\$ (8,245)
<u>Expenditures:</u>			
<u>Current:</u>			
Operation of non-instructional services	76,567	76,567	-
Net change in fund balance	13,434	5,189	(8,245)
Fund balance at beginning of year	34,474	34,474	-
Prior year encumbrances appropriated	693	693	-
Fund balance at end of year	<u>\$ 48,601</u>	<u>\$ 40,356</u>	<u>\$ (8,245)</u>

**Education Foundation Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Interest	\$ 512	\$ 512	\$ -
Charges for services	9,487	3,334	(6,153)
Total revenues	<u>9,999</u>	<u>3,846</u>	<u>(6,153)</u>
<u>Expenditures:</u>			
<u>Current:</u>			
<u>Instruction:</u>			
Regular	10,340	10,340	-
<u>Support services:</u>			
Pupils	3,854	3,854	-
Operation and maintenance of plant	150	150	-
Total expenditures	<u>14,344</u>	<u>14,344</u>	<u>-</u>
Net change in fund balance	(4,345)	(10,498)	(6,153)
Fund balance at beginning of year	47,883	47,883	-
Fund balance at end of year	<u>\$ 43,538</u>	<u>\$ 37,385</u>	<u>\$ (6,153)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Underground Storage Tanks Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Total expenditures	-	-	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	11,000	11,000	-
Fund balance at end of year	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ -</u>

**District Managed Student Activity Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Extracurricular activities	\$ 148,121	\$ 133,061	\$ (15,060)
Gifts and donations	1,880	1,880	-
Total revenues	<u>150,001</u>	<u>134,941</u>	<u>(15,060)</u>
<u>Expenditures:</u>			
Current:			
Extracurricular activities	<u>146,929</u>	<u>146,928</u>	<u>1</u>
Net change in fund balance	3,072	(11,987)	(15,059)
Fund balance at beginning of year	37,598	37,598	-
Prior year encumbrances appropriated	9,591	9,591	-
Fund balance at end of year	<u>\$ 50,261</u>	<u>\$ 35,202</u>	<u>\$ (15,059)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Management Information Systems Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 8,000	\$ 7,709	\$ (291)
<u>Expenditures:</u>			
Current:			
Support services:			
Fiscal	7,709	7,709	-
Net change in fund balance	291	-	(291)
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ 291</u>	<u>\$ -</u>	<u>\$ (291)</u>

**Disadvantaged Pupil Impact Aid Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 25,000	\$ 24,367	\$ (633)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	24,367	24,367	-
Net change in fund balance	633	-	(633)
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ 633</u>	<u>\$ -</u>	<u>\$ (633)</u>



**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Data Communications Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 15,000	\$ 15,000	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Support services:			
Pupils	60	60	-
Instructional staff	14,922	14,922	-
Total expenditures	14,982	14,982	-
Net change in fund balance	18	18	-
Fund balance at beginning of year	59	59	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	<u>\$ 77</u>	<u>\$ 77</u>	<u>\$ -</u>

**SchoolNet Professional Development Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 5,000	\$ 4,140	\$ (860)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	3,071	3,071	-
Support services:			
Instructional staff	4,132	4,132	-
Total expenditures	7,203	7,203	-
Net change in fund balance	(2,203)	(3,063)	(860)
Fund balance at beginning of year	3,070	3,070	-
Fund balance at end of year	<u>\$ 867</u>	<u>\$ 7</u>	<u>\$ (860)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Ohio Reads Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 25,000	\$ 14,480	\$ (10,520)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	14,205	17,347	(3,142)
Support services:			
Instructional staff	200	200	-
Total expenditures	14,405	17,547	(3,142)
Net change in fund balance	10,595	(3,067)	(13,662)
Fund balance at beginning of year	26	26	-
Prior year encumbrances appropriated	7,829	7,829	-
Fund balance at end of year	<u>\$ 18,450</u>	<u>\$ 4,788</u>	<u>\$ (13,662)</u>

**Summer Intervention Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 40,000	\$ 14,853	\$ (25,147)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	35,031	35,031	-
Support services:			
Administration	3,464	3,464	-
Total expenditures	38,495	38,495	-
Net change in fund balance	1,505	(23,642)	(25,147)
Fund balance at beginning of year	3,582	3,582	-
Fund balance at end of year	<u>\$ 5,087</u>	<u>\$ (20,060)</u>	<u>\$ (25,147)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Miscellaneous State Grants Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 10,000	\$ 7,210	\$ (2,790)
<u>Expenditures:</u>			
Current:			
Instruction:			
Adult/continuing	4,903	4,903	-
Support services:			
Instructional staff	667	667	-
Operation and maintenance of plant	3,304	3,304	-
Total expenditures	8,874	8,874	-
Net change in fund balance	1,126	(1,664)	(2,790)
Fund balance at beginning of year	1,674	1,674	-
Fund balance at end of year	\$ 2,800	\$ 10	\$ (2,790)

**Title VI-B Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 245,303	\$ 244,302	\$ (1,001)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	37,571	37,571	-
Other	150,060	150,060	-
Support services:			
Instructional staff	59,330	59,330	-
Administration	570	570	-
Total expenditures	247,531	247,531	-
Net change in fund balance	(2,228)	(3,229)	(1,001)
Fund balance at beginning of year	3,859	3,859	-
Prior year encumbrances appropriated	486	486	-
Fund balance at end of year	\$ 2,117	\$ 1,116	\$ (1,001)

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Title I Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 161,748	\$ 143,175	\$ (18,573)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	2,304	2,304	-
Special	136,604	136,604	-
Support services:			
Instructional staff	15,732	15,732	-
Administration	2,576	2,576	-
Fiscal	1,778	1,778	-
Total expenditures	158,994	158,994	-
Net change in fund balance	2,754	(15,819)	(18,573)
Fund balance at beginning of year	10,643	10,643	-
Prior year encumbrances appropriated	1,120	1,120	-
Fund balance at end of year	<u>\$ 14,517</u>	<u>\$ (4,056)</u>	<u>\$ (18,573)</u>

**Title V Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 11,203	\$ 11,203	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	11,866	11,866	-
Net change in fund balance	(663)	(663)	-
Fund balance at beginning of year	805	805	-
Fund balance at end of year	<u>\$ 142</u>	<u>\$ 142</u>	<u>\$ -</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Drug-Free Schools Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 10,000	\$ 5,795	\$ (4,205)
<u>Expenditures:</u>			
<u>Current:</u>			
<u>Instruction:</u>			
Regular	2,624	2,624	-
<u>Support services:</u>			
Pupils	6,862	6,862	-
Total expenditures	9,486	9,486	-
Net change in fund balance	514	(3,691)	(4,205)
Fund balance at beginning of year	651	651	-
Prior year encumbrances appropriated	524	524	-
Fund balance at end of year	<u>\$ 1,689</u>	<u>\$ (2,516)</u>	<u>\$ (4,205)</u>

**Improving Teacher Quality Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 58,042	\$ 55,042	\$ (3,000)
<u>Expenditures:</u>			
<u>Current:</u>			
<u>Instruction:</u>			
Regular	43,905	43,905	-
<u>Support services:</u>			
Instructional staff	14,202	14,202	-
Total expenditures	58,107	58,107	-
Net change in fund balance	(65)	(3,065)	(3,000)
Fund balance at beginning of year	468	468	-
Prior year encumbrances appropriated	2,776	2,776	-
Fund balance at end of year	<u>\$ 3,179</u>	<u>\$ 179</u>	<u>\$ (3,000)</u>

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Miscellaneous Federal Grants Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 80,990	\$ 53,848	\$ (27,142)
<u>Expenditures:</u>			
<u>Current:</u>			
<u>Instruction:</u>			
Regular	4,324	4,324	-
<u>Support services:</u>			
Instructional staff	51,275	51,275	-
Administration	15,009	15,009	-
Total expenditures	70,608	70,608	-
Excess of revenues over (under) expenditures	10,382	(16,760)	(27,142)
<u>Other financing sources (uses):</u>			
Advances out	(767)	(767)	-
Net change in fund balance	9,615	(17,527)	(27,142)
Fund balance at beginning of year	2	2	-
Prior year encumbrances appropriated	20,000	20,000	-
Fund balance at end of year	\$ 29,617	\$ 2,475	\$ (27,142)

**Streetsboro City School District**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2004**

**Building Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Interest	\$ 335	\$ 335	\$ -
Miscellaneous	143,436	-	(143,436)
Total revenues	<u>143,771</u>	<u>335</u>	<u>(143,436)</u>
<u>Expenditures:</u>			
Capital outlay	1,038,606	1,038,606	-
Debt service:			
Bond issuance costs	49,770	49,770	-
Total expenditures	<u>1,088,376</u>	<u>1,088,376</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(944,605)</u>	<u>(1,088,041)</u>	<u>(143,436)</u>
<u>Other financing sources (uses):</u>			
Proceeds of bonds	750,000	750,000	-
Premium on debt issuance	-	49,770	49,770
Accrued interest received on debt issuance	230	230	-
Total other financing sources (uses)	<u>750,230</u>	<u>800,000</u>	<u>49,770</u>
Net change in fund balance	(194,375)	(288,041)	(93,666)
Fund balance at beginning of year	166,583	166,583	-
Prior year encumbrances appropriated	133,273	133,273	-
Fund balance at end of year	<u>\$ 105,481</u>	<u>\$ 11,815</u>	<u>\$ (93,666)</u>

**SchoolNet Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Pupils	154	154	-
Net change in fund balance	(154)	(154)	-
Fund balance at beginning of year	154	154	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## **Fiduciary Funds**

### **Statement of Changes in Assets and Liabilities – Agency Fund**



***Streetsboro City School District***  
**Statement of Changes in Assets and Liabilities**  
**Agency Fund**  
**For the Fiscal Year Ended June 30, 2004**

	Beginning Balance <u>July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2004</u>
<u>Student Managed Activity</u>				
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 32,612	\$ 85,514	\$ 83,368	\$ 34,758
<u>Liabilities:</u>				
Accounts payable	\$ 2,763	\$ 176	\$ 2,763	\$ 176
Due to students	29,849	4,733	-	34,582
Total liabilities	<u>\$ 32,612</u>	<u>\$ 4,909</u>	<u>\$ 2,763</u>	<u>\$ 34,758</u>



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## STATISTICAL SECTION

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**Streetsboro City School District**

**Revenues by Source and Expenses by Function - Governmental Activities**

**Last Ten Fiscal Years (1)**

	Fiscal Year Ended June 30, 2004	Fiscal Year Ended June 30, 2003
<u>Revenues:</u>		
Program revenues:		
Charges for services	\$ 882,084	\$ 805,886
Operating grants, contributions and interest	873,983	811,270
Capital grants and contributions	335	28,811
General revenues:		
Property taxes levied for general purposes	9,810,270	9,216,699
Property taxes levied for debt service	2,325,849	1,376,790
Grants and entitlements	5,368,164	5,327,369
Payments in lieu of taxes	159,672	132,352
Investment earnings	18,662	37,011
Miscellaneous	50,286	66,993
<b>Total revenues</b>	<b>\$ 19,489,305</b>	<b>\$ 17,803,181</b>
<u>Expenses:</u>		
Current:		
Instruction:		
Regular	\$ 8,434,134	\$ 8,296,939
Special	1,076,296	975,931
Vocational	68,563	67,614
Adult/continuing	4,903	2,864
Other	510,639	360,091
Support services:		
Pupils	1,342,869	1,277,129
Instructional staff	841,230	620,481
Board of education	169,628	105,821
Administration	1,434,668	1,404,999
Fiscal	600,967	528,970
Business	114,440	194,986
Operation and maintenance of plant	1,849,139	1,932,531
Pupil transportation	1,015,283	936,479
Central	80,205	94,101
Food service operations	733,258	711,877
Operation of non-instructional services	107,455	37,410
Extracurricular activities	430,399	386,134
Interest and fiscal charges	804,542	856,766
<b>Total expenditures</b>	<b>\$ 19,618,618</b>	<b>\$ 18,791,123</b>

Source: FY2003 - FY2004 Service Center Audit Reports

(1) Accrual basis will be reported for the last ten years when there are enough years of information available.

**Streetsboro City School District**

**General Governmental Revenues by Source and Expenditures by Function**

**Last Ten Fiscal Years**

	Fiscal Year Ended June 30, 2004	Fiscal Year Ended June 30, 2003	Fiscal Year Ended June 30, 2002	Fiscal Year Ended June 30, 2001
<u>Revenues:</u>				
Taxes	\$ 12,252,148	\$ 10,402,859	\$ 10,091,546	\$ 9,024,604
Intergovernmental	6,193,818	6,078,157	6,231,793	5,539,209
Interest	19,509	37,593	313,148	841,402
Tuition and fees	83,448	62,950	7,123	8,976
Extracurricular activities	252,115	250,539	173,214	177,379
Gifts and donations	61,719	42,216	68,035	150,204
Charges for services	539,330	492,395	1,850	5,800
Rent	5,794	9,521	11,625	4,035
Payments in lieu of taxes	159,672	132,353	-	-
Miscellaneous	50,281	57,472	19,310	757,295
<b>Total revenues</b>	<b>\$ 19,617,834</b>	<b>\$ 17,566,055</b>	<b>\$ 16,917,644</b>	<b>\$ 16,508,904</b>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	\$ 8,169,887	\$ 7,854,826	\$ 7,194,192	\$ 6,582,626
Special	1,028,586	937,419	1,056,442	951,728
Vocational	68,228	66,731	63,541	60,131
Adult/continuing	4,903	2,864	-	-
Other	510,639	360,091	108,433	297,231
Support services:				
Pupils	1,316,335	1,240,876	1,155,500	919,092
Instructional staff	803,682	650,446	526,875	460,375
Board of education	169,628	105,821	140,797	382,393
Administration	1,411,786	1,369,932	1,309,445	1,292,838
Fiscal	621,045	508,316	545,842	471,861
Business	114,033	194,650	130,431	36,863
Operation and maintenance of plant	1,787,809	2,033,874	1,288,905	1,053,782
Pupil transportation	916,860	833,310	1,027,563	1,113,987
Central	76,048	89,344	80,657	100,419
Food service operations	700,160	629,290	-	-
Operation of non-instructional services	83,831	65,584	565	2,580
Extracurricular activities	421,324	372,534	458,245	373,502
Capital outlay	742,673	392,113	9,755,426	6,922,838
Debt service:				
Principal retirement	834,226	841,344	500,479	11,459,657
Interest and fiscal charges	808,158	858,339	1,055,616	679,596
Bond issuance costs	49,770	-	-	-
<b>Total expenditures</b>	<b>\$ 20,639,611</b>	<b>\$ 19,407,704</b>	<b>\$ 26,398,954</b>	<b>\$ 33,161,499</b>

Source: 1995-2004 School District financial records.

Note: For 1995-2002, General Government includes all governmental fund types and expendable trust fund; for 2003-2004, General Government includes general, special revenue and capital projects funds.

Fiscal Year Ended June 30, 2000	Fiscal Year Ended June 30, 1999	Fiscal Year Ended June 30, 1998	Fiscal Year Ended June 30, 1997	Fiscal Year Ended June 30, 1996	Fiscal Year Ended June 30, 1995
\$ 6,916,236	\$ 7,568,992	\$ 6,307,382	\$ 5,589,431	\$ 5,290,137	\$ 5,226,586
5,211,859	5,401,691	4,592,637	4,586,068	4,362,819	3,815,710
259,966	121,587	106,116	101,915	104,845	104,757
11,051	21,821	20,691	21,192	32,226	29,252
163,925	138,757	129,511	105,164	109,648	110,354
124,097	153,255	-	-	-	-
8,166	47,770	-	-	-	-
2,124	8,144	-	-	-	-
-	-	-	-	-	-
25,762	16,898	173,149	38,580	23,239	62,788
<u>\$ 12,723,186</u>	<u>\$ 13,478,915</u>	<u>\$ 11,329,486</u>	<u>\$ 10,442,350</u>	<u>\$ 9,922,914</u>	<u>\$ 9,349,447</u>
\$ 6,375,834	5,973,868	\$ 5,250,742	\$ 5,229,728	\$ 4,840,082	\$ 4,660,500.00
822,261	708,950	582,251	568,308	613,359	540,546
44,078	109,296	103,647	106,607	100,250	110,553
-	1,358	5,466	-	-	-
124,329	99,348	50,656	57,439	35,117	19,991
831,830	641,660	781,626	666,569	502,257	490,710
519,580	399,154	169,607	158,852	146,346	155,660
135,807	99,860	94,439	61,100	68,524	70,085
1,127,063	997,311	840,178	779,559	759,337	734,709
394,000	401,480	308,770	311,288	290,101	278,568
51,886	97,687	80,997	93,422	84,488	80,058
969,027	1,089,436	1,194,017	890,683	1,158,725	1,319,170
688,337	818,805	517,702	603,698	521,445	483,201
81,545	47,675	39,163	41,743	34,633	33,716
-	-	-	-	-	-
3,664	7,814	558	7,285	3,653	1,771
347,182	335,800	299,676	282,743	283,459	264,332
1,618,043	91,761	9,431	-	28,824	159,964
305,356	217,000	212,000	242,000	223,000	218,000
169,845	175,123	198,113	223,294	243,209	376,634
-	-	-	-	-	-
<u>\$ 14,609,667</u>	<u>\$ 12,313,386</u>	<u>\$ 10,739,039</u>	<u>\$ 10,324,318</u>	<u>\$ 9,936,809</u>	<u>\$ 9,998,168</u>

**Streetsboro City School District**  
**Property Tax Levies and Collections Real, Public Utility Tax and Tangible Personal Property (1)**  
**Last Eight Calendar Years**

Year	Current Levy		Delinquent Levy	Total Levy	Current Collections	Percent of Current Levy Collected		Delinquent Collection	Total Collection	Total Collection as a Percent of Total Levy		Delinquent Taxes Receivable
	\$					\$				\$		
2004	\$ 16,335,792		\$ 857,265	\$ 17,193,057	\$ 15,208,703	93.10%		\$ 510,047	\$ 15,718,750	91.42%		\$ 1,474,307
2003	11,654,955		922,882	12,577,837	11,205,710	96.15%		487,188	11,692,898	92.96%		884,939
2002	11,111,294		960,173	12,071,467	10,646,212	95.81%		621,539	11,267,751	93.34%		803,716
2001	10,822,474		-	10,822,474	10,467,425	96.72%		-	10,467,425	96.72%		355,049
2000	8,385,189		-	8,385,189	8,099,323	96.59%		-	8,099,323	96.59%		285,866
1999	8,527,422		-	8,527,422	7,861,812	92.19%		-	7,861,812	92.19%		665,610
1998	7,799,974		-	7,799,974	7,021,591	90.02%		-	7,021,591	90.02%		778,383
1997	6,445,969		-	6,445,969	5,933,569	92.05%		-	5,933,569	92.05%		512,400
1996												
1995												

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

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

Information not available for 1995-1996.



**Streetsboro City School District**  
**Assessed Valuation and Estimated Actual Value of Taxable Property**  
**Last Ten Collection Years**

Collection Year	Real Property (1)		Public Utility (2)		Tangible Personal Property (3)		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2003	\$ 302,356,433	\$ 863,875,523	\$ 8,030,810	\$ 9,125,920	\$ 49,767,228	\$ 199,068,912	\$ 360,154,471	\$ 1,072,070,355
2003	265,107,350	757,449,571	8,291,530	9,422,193	46,010,108	184,040,432	319,408,988	950,912,197
2002	244,806,420	699,446,914	7,811,740	8,876,977	48,089,549	192,358,196	300,707,709	900,682,088
2001	217,530,050	621,514,429	9,333,720	10,606,500	43,940,835	175,763,340	270,804,605	807,884,269
2000	170,035,310	485,815,171	10,744,540	12,209,705	40,714,462	162,857,848	221,494,312	660,882,724
1999	156,699,750	447,713,571	11,150,270	12,670,761	31,110,933	124,443,732	198,960,953	584,828,065
1998	148,657,700	424,736,286	9,855,870	11,199,852	29,584,335	118,337,340	188,097,905	554,273,478
1997	122,230,310	349,229,457	9,776,200	11,109,318	24,985,320	99,941,280	156,991,830	460,280,055
1996	112,431,770	321,233,629	9,857,910	11,202,170	21,985,413	87,941,652	144,275,093	420,377,451
1995	107,442,400	306,978,286	11,357,330	12,906,057	19,863,349	79,453,396	138,663,079	399,337,739

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

(1) Real estate value is assessed at 35% of actual value.

(2) Public utility personal is assessed at 88% of actual value.

(3) Tangible personal property is assessed at 25% of actual value.

***Streetsboro City School District***

**Property Tax Rates - Direct and Overlapping Governments**

**Last Ten Collection Years**

<u>Collection Year</u>	<u>School Levy</u>	<u>County Levy</u>	<u>Streetsboro City Levy</u>	<u>Portage County District Board of Health</u>	<u>Maplewood Joint Vocational School</u>	<u>Total</u>
2003	59.15	12.72	2.90	0.40	4.00	79.17
2002	55.12	12.72	2.90	0.40	4.00	75.14
2001	56.13	12.72	2.90	0.40	4.00	76.15
2000	55.09	12.72	2.90	0.40	4.00	75.11
1999	57.05	12.72	2.90	0.40	4.00	77.07
1998	58.98	12.72	2.90	0.40	4.00	79.00
1997	56.72	12.72	2.90	0.40	4.00	76.74
1996	58.16	10.92	2.90	0.40	4.00	76.38
1995	58.78	10.17	2.90	0.40	4.00	76.25
1994	62.50	10.30	2.90	0.40	4.00	80.10

Source: Portage 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.

Note: Rates are per \$1,000 of assessed valuation.

**Streetsboro City School District**

**Computation of Legal Debt Margin**

**June 30, 2004**

Assessed Valuation (2002) \$ 360,154,471

Bonded Debt Limit - 9% of Assessed Value (1) \$ 32,413,902

Outstanding debt:

Energy Conservation Bonds	\$ 831,000
Permanent Improvement Bonds	15,990,000
Less: Amount available in debt service fund	<u>(374,670)</u>
Total outstanding debt	<u>\$ 16,446,330</u>

Amount of debt applicable to debt limit 16,446,330

Voted Debt Margin \$ 15,967,572

Bonded Debt Limit - .10% of Assessed Value (1) \$ 360,154

Outstanding debt:

Energy Conservation Bonds	\$ 831,000
School Building Acquisition Bonds	15,990,000
Less: Amount available in debt service fund	<u>(374,670)</u>
Total outstanding debt	<u>\$ 16,446,330</u>

Less exemptions:

Energy Conservation Bonds	\$ 831,000
School Building Acquisition Bonds	15,990,000
Less: Amount available in debt service fund	<u>(374,670)</u>
	<u>\$ 16,446,330</u>

Unvoted Debt Margin \$ 360,154

Source: Portage County Auditor and School District financial records.

(1) Ohio Bond Law sets a limit of 9% of assessed value for voted debt and 1/10 of 1% for unvoted debt. All School District debt subject to the limitation is voted.

***Streetsboro City School District***

**Ratio of Net General Obligation Bonded Debt to  
Assessed Value and Net General Obligation Bonded Debt Per Capita  
Last Ten Collection Years**

<u>Collection Year</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Assessed Value</u>	<u>Population</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
2004	\$ 16,446,330	\$ 360,154,471	12,311	4.57%	\$ 1,336
2003	16,433,200	319,408,988	12,311	5.14%	1,335
2002	17,076,752	300,707,709	12,311	5.68%	1,387
2001	16,808,078	270,804,605	12,311	6.21%	1,365
2000	12,841,806	221,494,312	9,932	5.80%	1,293
1999	1,896,392	198,960,953	9,932	0.95%	191
1998	2,438,762	188,097,905	9,932	1.30%	246
1997	2,863,740	156,991,830	9,932	1.82%	288
1996	3,218,589	144,275,093	9,932	2.23%	324
1995	2,952,213	138,663,079	9,932	2.13%	297

Source: Portage County Auditor, School Districts records, School District Audit Reports, U.S. Bureau of Census and the Summit County Library.

(1) No debt is applicable to enterprise funds.

***Streetsboro City School District***

**Ratio of Annual Debt Service Expenditures for  
General Obligation Bonded Debt to Total Governmental Expenditures  
Last Ten Fiscal Years**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Governmental Expenditures</u>	<u>Ratio of Debt Service to Governmental Expenditures (Percentages)</u>
2003	\$ 817,000	\$ 804,377	\$ 1,621,377	\$ 20,639,611	7.86%
2003	817,000	858,184	1,675,184	20,639,611	8.12%
2002	487,000	1,054,549	1,541,549	19,407,704	7.94%
2001	11,352,000	622,685	11,974,685	26,398,954	45.36%
2000	222,000	154,633	376,633	33,161,499	1.14%
1999	217,000	171,300	388,300	14,609,667	2.66%
1998	212,000	185,269	397,269	12,313,386	3.23%
1997	242,000	201,799	443,799	10,739,039	4.13%
1996	223,000	213,414	436,414	10,324,318	4.23%
1995	218,000	376,634	594,634	9,936,809	5.98%

Source: School Districts records and Audit Reports.

***Streetsboro City School District***  
**Demographic Statistics**

Selected Population Characteristic	2000	1990
<u>Gender</u>		
Males	6,051	4,884
Females	6,260	5,048
<u>Age Distribution</u>		
Under 5 years	844	730
5 to 9 years	914	875
10 to 14 years	795	761
15 to 19 years	721	690
20 to 24 years	736	634
25 to 34 years	2,235	1,779
35 to 44 years	2,174	1,710
45 to 54 years	1,577	1,168
55 to 59 years	595	501
60 to 64 years	514	356
65 to 74 years	762	467
75 to 84 years	352	204
85 years and older	92	57
Percent of population under 21	27.63%	30.63%
Percent of population 21 and older	72.37%	69.37%
<u>Race</u>		
White	11,744	9,781
Black	241	65
Other	326	86

Source: U.S. Bureau of the Census & Summit County Library.

***Streetsboro City School District***  
**Property Values, Bank Deposits and Construction**  
**Last Ten Calendar Years**

Year	Total Assessed Values	Certified Bank Deposits	Value of New Construction
2004	\$ 360,154,471	\$ 93,879,318	\$ 15,992,730
2003	319,408,988	167,451,000	14,356,880
2002	300,707,709	161,528,000	18,690,560
2001	270,804,605	119,654,000	43,862,400
2000	221,494,312	112,500,000	15,094,770
1999	198,960,953	233,897,000	11,768,660
1998	188,097,905	199,923,000	10,099,110
1997	156,991,830	153,063,000	9,370,680
1996	144,275,093	137,993,000	9,275,750
1995	138,663,079	133,579,000	6,699,010

Sources:

Total Assessed Value - Portage County Auditor.  
Financial Institution Deposits - Cleveland Federal Reserve Board.  
Value of New Construction - Portage County Auditor.

**Streetsboro City School District**  
Principal Taxpayers (1)

Top Taxpayers	Assessed Valuations				Percent of Total	Estimated Actual Valuations			
	Real Property	Tangible Personal	Public Utility	Total		Real Property	Tangible Personal	Public Utility	Total
Shady Lake Apartments	\$ 4,702,290	\$ -	\$ -	\$ 4,702,290	1.31%	\$ 13,435,114	\$ -	\$ -	\$ 13,435,114
Step 2 Real Estate Company	3,735,560	-	-	3,735,560	1.04%	10,673,029	-	-	10,673,029
Coral Market Square LTD	3,664,990	-	-	3,664,990	1.02%	10,471,400	-	-	10,471,400
Portage Pointe Limited	3,664,990	-	-	3,664,990	1.02%	10,471,400	-	-	10,471,400
Ohio Edison Company	-	-	3,656,000	3,656,000	1.02%	-	-	4,154,545	4,154,545
Wallace Computer Services Inc.	-	3,405,270	-	3,405,270	0.95%	-	13,621,080	-	13,621,080
Streetsboro Crossing	3,402,840	-	-	3,402,840	0.94%	9,722,400	-	-	9,722,400
HD Development	2,590,000	-	-	2,590,000	0.72%	7,400,000	-	-	7,400,000
Millard Refrigerated	2,445,210	-	-	2,445,210	0.68%	6,986,314	-	-	6,986,314
Cardinal Packaging Inc.	-	2,328,260	-	2,328,260	0.65%	-	9,313,040	-	9,313,040
<b>Total Top Ten Taxpayers</b>	<b>\$ 24,205,880</b>	<b>\$ 5,733,530</b>	<b>\$ 3,656,000</b>	<b>\$ 33,595,410</b>	<b>9.33%</b>	<b>\$ 69,159,657</b>	<b>\$ 22,934,120</b>	<b>\$ 4,154,545</b>	<b>\$ 96,248,323</b>

90 Total All Assessed Valuations \$ 302,356,433 \$ 49,767,228 \$ 8,030,810 \$ 360,154,471 100.00%

Sources: Portage County Auditor.

(1) For fiscal year 2003. Fiscal year 2004 information not available.



**Streetsboro City School District**  
**Computation of Direct and Overlapping Bonded Debt**  
**June 30, 2004**

	<u>Assessed Valuation</u>	<u>Net General Tax Supported Debt (1)</u>	<u>Percent Overlapping (2)</u>	<u>Amount Applicable Streetsboro City School District</u>
Direct:				
Streetsboro City School District	\$ 360,154,471	<u>\$ 16,446,330</u>	100.00%	<u>\$ 16,446,330</u>
Overlapping:				
Portage County	2,802,473,305	17,001,349	12.85%	2,184,896
Streetsboro City	327,404,458	<u>5,281,290</u>	100.00%	<u>5,281,290</u>
Total overlapping:		<u>22,282,639</u>		<u>7,466,186</u>
Total direct and overlapping:		<u>\$ 38,728,969</u>		<u>\$ 23,912,516</u>

Sources: Portage County Auditor.

(1) Includes all general obligation bonds and notes at December 31, 2003 for Portage County and Streetsboro City.

(2) Overlapping percentages are calculated based on overlapping valuation and total entity valuation.

**Streetsboro City School District**

**Miscellaneous Statistics**

**Last Ten Fiscal Years (1)**

	Fiscal Year Ended June 30, 2003	Fiscal Year Ended June 30, 2002	Fiscal Year Ended June 30, 2001	Fiscal Year Ended June 30, 2000
Fall Enrollment	2,075	1,942	1,894	1,891
<u>Demographic Data:</u>				
Average Income	\$ 32,840	32,840	32,370	32,799
Property Valuation/Pupil	\$ 156,473	153,132	116,442	103,294
<u>Fiscal Data:</u>				
Effective Mills-Residential and Agricultural	46.88	32.08	33.09	34.98
Average Teacher Salary	\$ 44,401	42,728	42,759	42,585
<u>Staff Data:</u>				
Percent of Teachers With No Degree	-	-	-	-
Percent of Teachers With Bachelor Degree	46.30%	49.20%	74.34	73.67
Percent of Teachers With Masters Degree	53.70%	50.80%	25.66	26.33
Average Teacher Experience (yrs.)	13.00	12.00	14.00	15.80
<u>Output:</u>				
Pupil Attendance Rate	95.10%	95.00%	94.90	95.00
Staff Attendance Rate	94.20%	94.70%	95.10	94.70
Graduation Rate	92.10%	95.20%	83.70	91.10

Source: Ohio Department of Education and School District Report Card.

(1) Information not available for 2004.

<u>Fiscal Year Ended June 30, 1999</u>	<u>Fiscal Year Ended June 30, 1998</u>	<u>Fiscal Year Ended June 30, 1997</u>	<u>Fiscal Year Ended June 30, 1996</u>	<u>Fiscal Year Ended June 30, 1995</u>	<u>Fiscal Year Ended June 30, 1994</u>
1,897	1,901	1,851	1,806	1,799	1,717
31,471	31,471	30,467	29,333	27,735	27,482
97,208	80,712	76,029	74,822	61,523	62,605
36.47	35.15	36.22	36.71	40.18	42.31
42,086	40,546	40,256	39,935	39,140	36,205
-	-	-	-	-	-
71.48	74.23	72.37	73.19	74.16	72.95
28.52	25.77	27.63	26.81	25.84	27.05
16.60	16.70	16.20	16.30	16.00	16.30
94.40	94.62	94.74	94.10	93.58	94.16
95.70	95.43	95.65	95.37	95.61	96.23
79.10	94.70	85.27	88.49	76.87	91.72

***Streetsboro City School District***

**Directory of School Facilities**

**June 30, 2004**

<u>FACILITY</u>	<u>ADDRESS</u>	<u>PRINCIPAL</u>	<u>GRADES</u>
Streetsboro City High School	1900 Annalane Streetsboro, OH 44241	Mr. James Montaquila	9-12
Streetsboro Middle School	1951 Annalane Streetsboro, OH 44241	Mr. George Hammond	7-8
Henry Defer Intermediate School	1895 Annalane Streetsboro, OH 44241	Ms. Carla Rodenbucher	5-6
Campus Elementary School	8955 Kirby Lane Streetsboro, OH 44241	Ms. Sheryl Langell	2-4
Wait Elementary School	899 Frost Road Streetsboro, OH 44241	Ms. Karen Frank	K-1



**Auditor of State  
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

**STREETSBORO CITY SCHOOL DISTRICT  
PORTAGE 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  
FEBRUARY 10, 2005**