

**NORTH OLMSTED**  
**CITY SCHOOL DISTRICT**  
North Olmsted, Ohio

**Comprehensive**  
**Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2011**

Prepared by  
Treasurer's Office  
Robert J. Matson CPA  
Treasurer

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## **INTRODUCTORY SECTION**

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**North Olmsted City School District**  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended June 30, 2011  
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North Olmsted City School District  
Administrative Offices  
27425 Butternut Ridge Road  
North Olmsted, Ohio 44070



December 16, 2011

Members of the North Olmsted Board of Education and  
Residents of North Olmsted City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the North Olmsted City School District for the year ended June 30, 2011. This CAFR includes an opinion from the State Auditor and conforms to U.S. generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the North Olmsted City School District with comprehensive financial data in a format that will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the North Olmsted Public Library, major taxpayers, financial rating services, local bankers and other interested parties.

### **THE REPORTING ENTITY**

North Olmsted City School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement (GASB) No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units". In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the North Olmsted City School District (the primary government) and its potential component units.

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

The School District is a member of the Lake Erie Educational Computer Association, the Polaris Career Center, the North Olmsted City Schools Education Foundation and the Ohio Schools Council Association. The relationship of these jointly governed organizations with the School District is described in more detail in Note 15 of the basic financial statements.

## **ORGANIZATIONAL STRUCTURE**

Statutorily, the School District operates under the standard prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide educational services prescribed by State and Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer. The District is one of 876 public school districts and community schools in the State of Ohio. The District provides education to 4,314 students in grades kindergarten through twelfth. The District provides general education, special education and vocational type academic programs. The District's enrollment has declined 601 students or 14.6 percent over the past decade.

## **SCHOOL DISTRICT**

The North Olmsted City School District is located in western Cuyahoga County, approximately 17 miles southwest of downtown Cleveland. The School District encompasses the entire City of North Olmsted, a community with a population of approximately 31,100. The City is primarily residential with a significant commercial tax base of retail businesses.

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

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

## **ECONOMIC CONDITION AND OUTLOOK**

North Olmsted City Schools, like most school districts in Northeast Ohio, is facing a serious decline in operating revenues due to the nationwide economic recession and foreclosure crisis. North Olmsted is experiencing a significant rise in tax delinquencies, a decline in real estate property values, and a 10 to 15 percent cut back in state funding. Fortunately, the economic impact of these losses in operating revenues has been softened with the passage of 7.9 mill operating levy in November 2010 and \$2.9 million in budgetary cuts and \$2.8 million in wage concessions from the unions.

The new 7.9 mill operating levy will generate approximately \$6.5 million of additional real estate tax revenue annually when completely phased in over the next two fiscal years. The budgetary cuts were obtained when the Superintendent of Schools eliminated 2 administrative, 12 teaching, and 25 support staff positions for the fiscal year 2010-11. The labor unions have also contributed to the financial stabilization of the District's finances by giving back a scheduled 2.55% salary increase in fiscal year 2010-11 and agreeing to a base salary freeze for the 2011-12 fiscal year.

A detailed analysis of future impact the above additional revenue and cost saving measures will have on the District's financial forecast and the assumptions used in its preparation can be found on the District's website "[www.northolmstedschools.org](http://www.northolmstedschools.org)".

## **MAJOR INITIATIVES - FISCAL YEAR 2011**

### **Excellence in Academics**

The North Olmsted City Schools continue to earn top ratings on the State Report Card for their academic program. The School District earned the State of Ohio's top rating of "Excellent" for the sixth consecutive year during the fiscal year 2010-11. North Olmsted is 1 of only 353 school districts out of 613 in the entire State of Ohio to be rated Excellent for the fiscal year 2010-11. Of our nine schools, seven earned ratings of Excellent and one earned an Effective rating. The Middle School reached the top ranking of Excellent with Distinction for the second consecutive year. The North Olmsted High School has been rated Excellent for ten consecutive years. Our community can be very proud of the accomplishments and hard work of its students, staff and their parents in an Excellent rating and the continued commitment to focus our resources on a top quality education for our students

North Olmsted High School seniors consistently score above the national average on the American College Test (ACT). North Olmsted students taking the ACT had a composite score of 23.2. This exceeds both the National average of 21.1 and the State average of 21.7. Out of a graduating class of 360 seniors: (84) eighty-four received an Honors Diploma by earning a 3.5 or better G.P.A. and a 27 or better score on the ACT; and (78) seventy-eight were awarded the Presidential Award of Educational Excellence by earning a 3.5 or better G.P.A. and having an ACT score in the 85<sup>th</sup> percentile.

During the school year, one student from North Olmsted became a finalist the National Merit Scholarship Program and six students received the Commended Student recognition.

Butternut Primary School was recognized as one of only 122 schools in the state to earn the Schools of Promise for the fiscal year 2010-11. This award recognizes the high reading and math achievement of students in a school building where the percent of economically disadvantaged students is greater than 40%. This is the fourth year in a row that Butternut Primary School has achieved this honor.

The Graduation Class of 2011 received over \$9.8 million in scholarships for advanced education to the schools of their choice; \$78,000 from community clubs and organizations, and additional \$11,500 from the North Olmsted Education Foundation.

### **Excellence in the Arts**

North Olmsted School students supplied original artwork for a community calendar. Called "The Town Planner", this calendar is provided to all businesses and residents in the community. The calendar provides the community members with a variety of North Olmsted City School District information, facts and figures. This has become a cost effective communication tool for both the City of North Olmsted leadership and the schools.

The North Olmsted High School annual Festival of the Arts showcases student talent in both art and music. This annual event includes a student art gallery at the High School and has begun to include performances by various student musical groups.

During this fiscal year the North Olmsted High School Symphony Orchestra participated in the Ohio Music Education Association (OMEA) State Orchestra contest. This year the students in the North Olmsted Symphony Orchestra earned the rating of Superior in all categories. The Superior rating is the highest available and the best for North Olmsted High School in a number of years. The North Olmsted High School Wind Ensemble also participated in the Ohio Music Education Association contest this year. They, too, earned the rating of Superior in their class. The Wind Ensemble also had the honor of being one of only two schools in their division to advance to the State level contest.

Two North Olmsted High School art students had their work submitted to the 2010 Art Criticism Open. The Open concentrates on making art criticism and writing a focus of instruction. One student placed third, with another receiving an Honorable mention. Both students received a Certificate of Recognition at the 2010 Ohio Governor's Youth Art Exhibition in April 2010. Five students from North Olmsted High School received 13 awards at the 31<sup>st</sup> Annual Regional Scholastic Art Competition. Students who receive Portfolio Awards and Gold Key Awards continue to the national completion in New York City. The award-winning works of these students had been on display in the 31<sup>st</sup> Regional Scholastic Art Exhibition located in the Reinberger Galleries of the Cleveland Institute of Art.

### **Excellence in Community Service**

The award winning SITES (Social Involvement Through Education and Service) program for North Olmsted High School seniors is recognized by the State of Ohio and at the national level as a model program and best practice for service-learning. Students have contributed over 500,000 service hours since the program began in 1991 providing community assistance to area nursing homes, daycare centers, the North Olmsted Senior Center and many local businesses. Their efforts are done in partnership with the City of North Olmsted, the North Olmsted City Schools Education Foundation, and The North Olmsted Kiwanis.

Each spring the SITES students travel to southeastern Ohio to learn about the people of the Appalachian region of our state. Their week of service includes working with various community agencies for the elderly and working with disabled adults in a sheltered workshop. The students work with the people of the community in cleaning and weatherizing homes.

High School SITES students continue to educate young students on how to recycle, Recycle bins have been placed in all District buildings and both staff and students are encouraged to keep the planet healthy by being "green". The SITES students also sponsor an annual Seniorfest, a lunch and dance for seniors in the community; as well as the annual Salute to Veteran's Day ceremony.

Students, along with staff members all across the District, support the annual Adopt-a-Family Program. This program serves many needy families in the community, and provides for holiday gifts for families that otherwise would do without.

The SITES students also sponsored a "Blankets for Babies" project for the local Providence House Shelter for mothers and their newborns.

The High School Key club collected over 180 pints of blood for the American Red Cross.

## **Excellence in Athletics**

Over 500 students participate in the sports program at the High School each year, and approximately 300 at the Middle School. There are opportunities for all students to participate in athletics other than football and basketball. North Olmsted's athletic program also includes ice hockey, wrestling, boys and girls softball and cross-country teams. Many North Olmsted student athletes have earned thousands of dollars with athletic scholarships. Many have gone on to sign with colleges across the country to further both their academic as well as athletic standings.

The North Olmsted High School's Athletic Hall of Fame held its 12<sup>th</sup> Annual Induction Ceremony in May of 2011. Seventy former North Olmsted Eagle athletes and coaches have been inducted into the Hall of Fame since its inception in 2000. The Hall of Fame also provides two scholarships each year to graduating seniors, and has provided over \$24,000 in scholarships to graduating seniors since its inception.

During the school year, the Girls Cross County Team qualified for the State Regional Tournament; the Boys soccer Team ranked in the Cleveland Top 10 all season; the Girls Golf Team set a record for a low 9-hole team total of 181; the boys bowling team won the North Shore League Championship; One student qualified for states in wrestling; and the Hockey team won the Trinity tournament and were SWC district champs

## **Other Accomplishments**

During the summer of 2010, the School District participated in the USDA Extended Summer Meals Program. The District partnered with the North Olmsted City Recreation Department and Horizon Activity Centers to serve as host sites to provide breakfasts, lunches and snacks to all children ages 1 through 18 during the months of June, July and August. Over 21,000 meals and snacks were served during the 49 days the program operated and earned a profit of \$18,000.

## **LONG-TERM FINANCIAL PLANNING**

As part of the District's long-term planning, the Treasurer prepares a five-year financial forecast. This document provides a snapshot of historical and projected revenues and expenses over the next five years and is accompanied by financial assumptions. The Board of Education reviews this document on a quarterly basis for changes that might impact their district financial decisions. The School District's five year financial forecast and the assumptions used in its preparation can be found on the District's website "[northolmstedschools.org](http://northolmstedschools.org)".

## **FINANCIAL POLICIES IMPACTING THE FINANCIAL STATEMENTS**

The Board of Education has adopted guidelines to maintain a prudent level of financial resources to protect the School District against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. To achieve this goal, the Board of Education has established a budget stabilization fund, a medical claims reserve fund, and a contingency fund to finance the next 27<sup>th</sup> pay period scheduled to occur during the 2015-16 fiscal year. A detailed discussion of these funds is provided in Notes 10.C and 17 to the basic financial statements.

The Board of Education has also adopted administrative procedures to compare actual expenditures to budget monthly and quarterly for the purpose of taking appropriate actions to bring the budget into balance.

## **FINANCIAL INFORMATION**

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

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

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

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

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. The legal level of appropriations is at the fund/object level for the General Fund and Debt Service Fund, at the fund/special cost center level for the Other Grants Fund, Miscellaneous State Grants Fund, Auxiliary Services Fund and Miscellaneous Federal Grants Fund, and at the fund level for all other funds. All budgets are maintained at the object account level within a function and fund. All purchase order requests must be approved by either the Superintendent or Assistant Superintendent and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors. Those requests that exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on-line inquiry system is available at each cost center site. The basis of accounting and the various funds utilized by the North Olmsted City Schools are fully described in Note 1 of the Notes to the Basic Financial Statements. Additional information on the School District's budgetary accounting can also be found in Note 1.

## Financial Presentation

The School District has prepared its financial statements following the guidelines of GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". GASB 34 creates basic financial statements for reporting on the School District's financial activities as follows:

**Government-wide Financial Statements** - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The District has no 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 a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

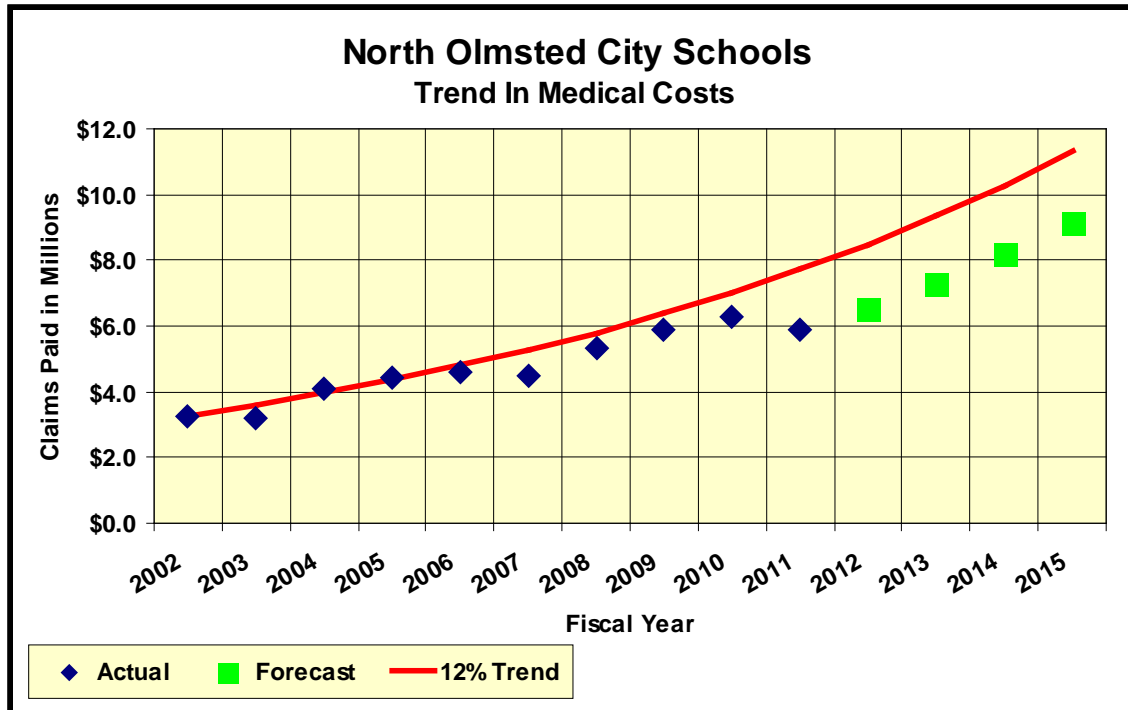
**Statement of Budgetary Comparisons** - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the School District. This discussion follows the Independent Accountants' Report and provides an assessment of the School District's finances for fiscal year 2011 and a discussion of current issues affecting the School District in the future. Because that discussion focuses on major funds, other non-major funds are discussed briefly in this letter of transmittal.

### Financial Highlight - Internal Service Fund

During fiscal year 2010, only one activity, the Self-Insurance Fund, is reported as an internal service fund. The Self-Insurance Fund accounts for the revenue and expenses associated with the School District's medical, prescription drug and dental benefits provided to its employees. The District limits its liability for medical and surgical claims by maintaining a specific stop-loss insurance policy with a maximum threshold of \$100,000.

As of June 30, 2011, the Self-Insurance Fund had net assets of \$1,504,505. The District is concerned with spiraling health care costs. As illustrated in the graph below, health care costs have been increasing at an annual rate of 12.0 percent. To help off-set rising health care costs, the Unions have agreed to pay 7.5 percent of the cost of the monthly insurance premiums. Administrators are required to pay 10 percent of the cost of their monthly healthcare. The Unions have also agreed to double the co-pays for prescription drugs and enroll their spouses in a coordination of benefit program.



**Financial Highlight - Agency Fund**

Included in this category are student managed activities assets held by the School District in a trustee capacity. Total assets in these funds at June 30, 2011 were \$137,459.

**INDEPENDENT AUDIT**

State statutes and federal regulations require the School District to be subjected to periodical examinations by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. The Independent Auditor of State was selected to render an opinion on the School District's financial statements for the year ended June 30, 2011. The opinion appears at the beginning of the financial section of this report.

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



## **AWARDS**

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Olmsted City School District for its Comprehensive Annual Financial Report for the year ended June 30, 2010. In 1985, North Olmsted City School District was the first school district in Ohio to receive this award and has received the award for (27) twenty-seven consecutive years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

The School District received the Association of School Business Officials (ASBO) International Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the year ended June 30, 2010. This is the (24th) twenty-fourth consecutive Certificate of Excellence award that North Olmsted City Schools has received. The Certificate of Excellence in Financial Reporting Program was designed by ASBO International to enable school business officials to achieve a high standard of financial reporting.

Since its inception in 1972, the program has gained the distinction of being a prestigious national award recognized by: accounting professionals; underwriters; securities analysts; bond rating agencies; state and federal agencies. A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to ASBO.

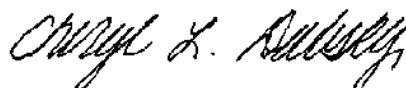
## **ACKNOWLEDGMENTS**

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

Respectfully submitted,



Robert J. Matson, CPA  
Chief Financial Officer



Cheryl L. Dubsky Ed.D.  
Superintendent of Schools

North Olmsted City School District  
Principal Officials  
June 30, 2011

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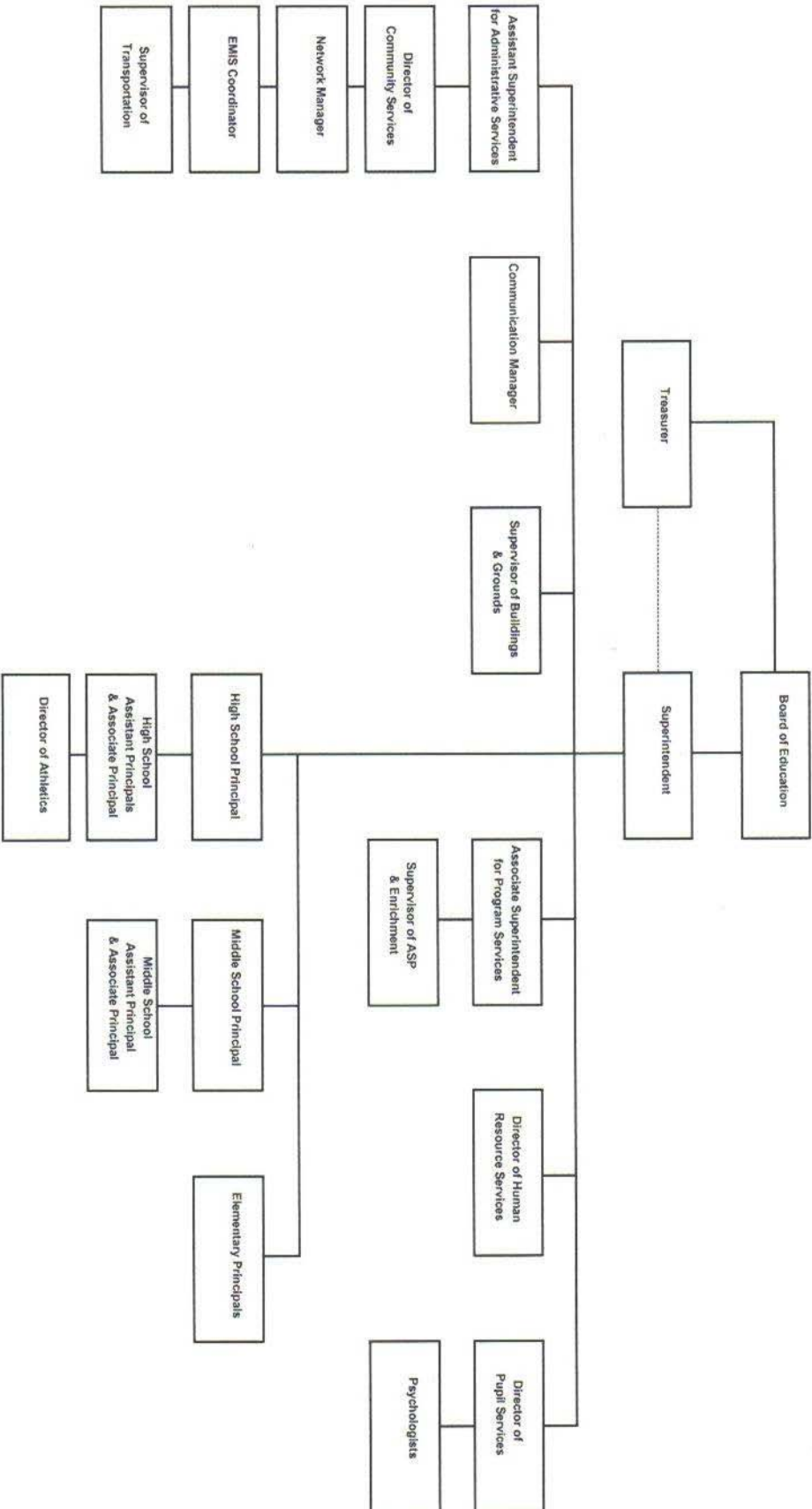
**Board of Education**

Mr. V. Michael Raig	President
Mrs. Joanne DiCarol	Vice-President
Mr. John J. Lasko, Jr.	Member
Mr. Thomas Herbster	Member
Mr. Terry Groden	Member

**Administration**

Dr. Cheryl Dubsky	Superintendent
Mr. Robert J. Matson, CPA	Treasurer
Mr. Stephen Barrett	Associate Superintendent
Mr. Michael Diamond	Director of Personnel
Ms. Kimberly Dittmann	Director of Pupil Services
Ms. Vera Brewer	Communications Manager

North Olmsted City School District Organizational Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

North Olmsted City School  
District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2010

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.



*Linda C. Danison*

President

*Jeffrey R. Emer*

Executive Director

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**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**NORTH OLMSTED CITY SCHOOLS**

**For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2010**

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

President

Executive Director

**FINANCIAL SECTION**



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

North Olmsted City School District  
Cuyahoga County  
27425 Butternut Ridge Road  
North Olmsted, Ohio 44070

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the North Olmsted City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the North Olmsted City School District, Cuyahoga County, Ohio, as of June 30, 2011, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2010 fund balances of the Governmental Funds due to a change in fund structure.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2011, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



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

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



**Dave Yost**  
Auditor of State

December 16, 2011

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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The management discussion and analysis of North Olmsted City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this management discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key Financial Highlights for 2011 are as follows:

Net assets increased \$ 5,031,873 from the previous year.

The General Fund maintains a strong unrestricted cash balance of \$ 13.4 million at June 30, 2011.

Revenues for governmental activities totaled \$ 60.4 million in fiscal year 2011 as compared to \$ 54.7 million in fiscal year 2010.

In fiscal year 2011, 90.5 percent of total revenue consisted of general revenues while program revenues accounted for the remaining balance of 9.5 percent.

In fiscal year 2011, total program expenses decreased 1.1 percent from the previous year to \$ 55.4 million. Instructional expenses made up 58.3 percent of this total while support services accounted for 35.2 percent. Other expenses rounded out the remaining 6.5 percent.

**Reporting the School District as a Whole**

*Statement of Net Assets and the Statement of Activities*

*The Statement of Net Assets and Statement of Activities* have been prepared using the accrual basis of accounting, similar to the method used by most private-sector companies. Accrual 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 net assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position of the 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 performance, demographic and socioeconomic factors and willingness of the community to support the School District. On the other hand, financial factors may include the School District's financial position, liquidity and solvency, fiscal capacity and risk and exposure.

In the Statement of Net Assets and the Statement of Activities, the School District is classified into governmental activities. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service operation and extracurricular activities.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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

*Governmental Fund Financial Statements*

The governmental fund financial statements 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 governmental fund financial statements focus on the School District's most significant funds. The School District has only one major governmental fund, the General Fund.

*Governmental Funds*

All of the School District's activities are reported as governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**The School District as a Whole**

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 2011 compared to 2010.

**TABLE 1**  
**Net Assets**  
**Governmental Activities**

	2011	2010
<b>Assets</b>		
Current and other assets	\$ 60,642,885	\$ 51,000,110
Capital assets, net	11,626,155	12,338,734
Total assets	\$ 72,269,040	\$ 63,338,844
<b>Liabilities</b>		
Current liabilities	\$ 41,302,627	\$ 37,507,971
Long-term liabilities		
Due in one year	1,066,174	1,100,471
Due in more than one year	2,965,392	2,827,428
Total liabilities	45,334,193	41,435,870
<b>Net Assets</b>		
Invested in capital assets, net of related debt	11,286,155	11,913,734
Restricted	2,982,814	3,494,251
Unrestricted	12,665,878	6,494,989
Total net assets	\$ 26,934,847	\$ 21,902,974

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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Total assets increased by \$ 8,930,196. The majority of this increase can be attributed to increases of \$ 4,291,349 in equity in pooled cash and \$ 5,456,934 in taxes receivable.

Total liabilities increased by \$ 3,898,323. The majority of the increase can be attributed to an increase in unearned revenue of \$ 3,423,179.

To determine the overall financial performance of the School District one must consider the relative changes in net assets. By comparing assets and liabilities, one can see that the overall position of the School District has improved as evidenced by the increase in net assets of \$ 5,031,873. A change in net assets indicates how an entity is providing for future generations.

Prudent management of operating expenses by the Administration has allowed the School District to accumulate a General Fund unrestricted cash balance of \$ 13.4 million at June 30, 2011. This cash reserve allows the School District to insulate itself from the effects of fluctuations in revenue due to adverse economic conditions and prevents the need to make dramatic cuts in programs and services.

**Governmental Activities**

The vast majority of revenues supporting all Governmental Activities are general revenues. General revenue totaled \$ 54.6 million or 90.5 percent of the total revenue. The most significant portion of the general revenues is local property tax. Property tax revenue in fiscal year 2011 increased \$ 4,887,072 from the previous year. The increase in tax revenue is due primarily to the passage of a 7.9 mill operating levy in November 2010. The collection of taxes from this levy will be phased in over a period of two years starting in fiscal year 2011. Once fully phased in, this levy will generate an additional \$ 6.5 million in tax revenue annually.

The remaining amount of revenue received is in the form of program revenues amounting to \$ 5.8 million or only 9.5 percent of total revenue. Program revenues are derived from fees for services, sales from fund raising activities, operating grants, interest and contributions.

Although the School District relies heavily upon local property taxes to support its operations, the School District does actively solicit and receive additional grant and entitlement funds to help offset some operating costs.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

Table 2 summarizes the revenue, expenses and changes in net assets for fiscal years 2011 compared to 2010.

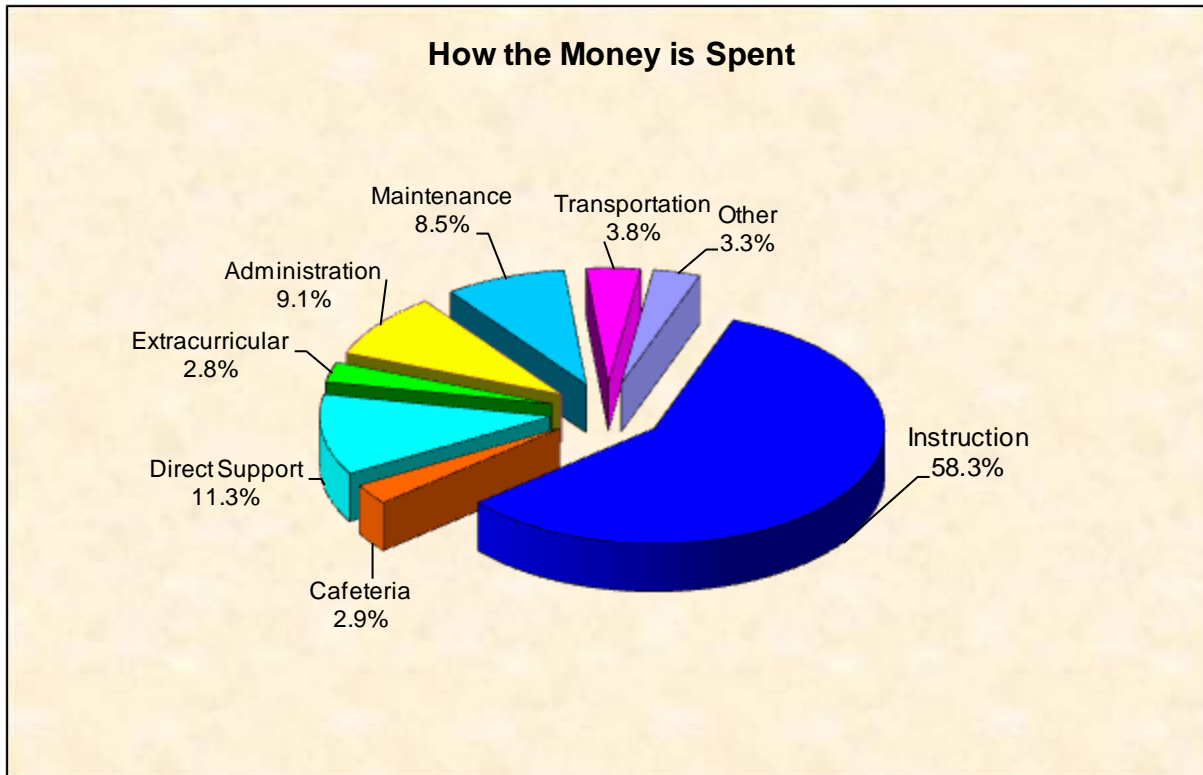
**TABLE 2**  
 Governmental Activities

	2011	2010	Change
Revenues			
Program revenues			
Charges for services and sales	\$ 1,864,612	\$ 2,172,835	\$ (308,223)
Operating grants, interest and contributions	3,896,102	3,546,598	349,504
Total program revenues	<u>5,760,714</u>	<u>5,719,433</u>	<u>41,281</u>
General revenue			
Property tax	39,013,386	34,126,314	4,887,072
Grants and entitlements	14,919,942	14,466,220	453,722
Investment earnings	25,058	52,289	(27,231)
Miscellaneous	669,310	309,834	359,476
Total general revenues	<u>54,627,696</u>	<u>48,954,657</u>	<u>5,673,039</u>
Total revenues	<u>60,388,410</u>	<u>54,674,090</u>	<u>5,714,320</u>
Program expenses			
Instruction			
Regular	24,042,334	24,376,479	(334,145)
Special	7,489,653	7,480,054	9,599
Vocational	438,325	494,788	(56,463)
Adult/continuing	-	22,162	(22,162)
Other instruction	293,115	345,290	(52,175)
Supporting services			
Pupil	5,151,519	5,004,703	146,816
Instructional staff	1,105,115	1,490,183	(385,068)
Board of education	185,639	300,183	(114,544)
Administration	3,572,252	3,819,462	(247,210)
Fiscal services	1,308,372	1,167,420	140,952
Business	138,213	141,522	(3,309)
Operation and maintenance	4,703,686	4,610,770	92,916
Pupil transportation	2,105,930	2,384,724	(278,794)
Central services	1,238,121	852,905	385,216
Operation of non-instructional			
Food service operation	1,602,903	1,544,266	58,637
Community services	390,432	442,191	(51,759)
Extracurricular activities	1,575,353	1,482,207	93,146
Debt service			
Interest	15,575	19,565	(3,990)
Total program expenses	<u>55,356,537</u>	<u>55,978,874</u>	<u>(622,337)</u>
Change in net assets	5,031,873	(1,304,784)	6,336,657
Net assets, beginning of year	<u>21,902,974</u>	<u>23,207,758</u>	<u>(1,304,784)</u>
Net assets, end of year	<u>\$ 26,934,847</u>	<u>\$ 21,902,974</u>	<u>\$ 5,031,873</u>

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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Approximately 69.6 percent of the School District's budget is used to fund instructional and direct classroom support service expenses while only 9.1 percent of the budget is spent on administrative expenses. The remaining 21.3 percent of the budget is used to maintain the facilities, transport students, providing school lunches, offering sport and extracurricular programs to students. The relationship of these expenses is illustrated in the graph below.



The Administration continues to develop and implement cost containment and revenue enhancement programs to manage the School District's funds in an efficient and economic manner. One method to evaluate the effective use of funds is to compare our cost per pupil expenditures with those of neighboring school districts. Based upon the Ohio Department of Education "2011 Expenditure Flow Model Report", the North Olmsted City School's cost per pupil expenditure was ranked the 16<sup>th</sup> lowest among the 31 school districts in Cuyahoga County. A comparison of some of the neighboring school districts' cost per pupil expenditures can be found in Table 3.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
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**Table 3**  
 Cost per Pupil as of June 30, 2011

<u>School District</u>	<u>Cost per Pupil</u>	<u>Ranking in Cuyahoga County</u>
Bay Village	\$ 11,557	8
Berea	12,785	14
Fairview Park	11,471	7
Lakewood	12,269	11
<b>North Olmsted</b>	<b>13,018</b>	<b>16</b>
Olmsted Falls	10,101	2
Rocky River	12,949	15
Strongsville	11,564	9
Westlake	13,249	18
Source: Ohio Department of Education		

The Statement of Activities shows the total net cost of program services. Table 4 shows the total cost of services for governmental activities and the net cost of those services. It identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 4**  
 Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Governmental Activities</b>				
Instruction	\$ 32,263,427	\$ 32,718,773	\$ (30,383,213)	\$ (30,553,055)
Supporting services	19,508,847	19,771,872	(17,552,649)	(17,870,559)
Operation of non-instructional				
Food service operation	1,602,903	1,544,266	(230,088)	(191,139)
Community services	390,432	442,191	(348,099)	(364,326)
Extracurricular activities	1,575,353	1,482,207	(1,066,199)	(1,260,797)
Debt service - interest	15,575	19,565	(15,575)	(19,565)
<b>Total</b>	<u>\$ 55,356,537</u>	<u>\$ 55,978,874</u>	<u>\$ (49,595,823)</u>	<u>\$ (50,259,441)</u>

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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The School District is heavily reliant upon local tax revenues to fund its operations. In fact, local property tax funded approximately 70.5 percent of the total expenses in 2011, compared to 61.0 percent in 2010. Grants and entitlements not restricted to specific programs funded 27.0 percent of expenses, while program revenues funded only 10.4 percent.

The primary source of general revenue is property taxes levied. In fiscal years 2011 and 2010, property taxes accounted for 71.4 and 69.7 percent, respectively, of general revenue. Clearly, the North Olmsted community is by far the greatest source of financial support for the students of the North Olmsted City Schools.

### **School District Funds**

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful for assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2011, the School District's governmental funds reported combined ending fund balances of \$ 15,356,532, an increase of \$ 5,784,408 in comparison with the prior year. Of that amount \$ 9,275,707 constitutes unassigned fund balances, which is available for spending at the School District's discretion.

The School District's major funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$ 60.5 million and expenditures of \$ 54.6 million. The net change in fund balance for the year was most significant in the General Fund, an increase of \$ 5.5 million as compared to a decrease of \$ 2.4 million in fiscal year 2010.

Total revenues reported in fiscal year 2011 increased \$ 6,357,453 or 11.7 percent from the previous year. This increase in revenue is due to an increase in real estate tax revenue from the passage of a 7.9 mill operating levy in November 2010.

Total expenditures reported in fiscal year 2011 decreased \$ 1,194,708 or 2.1 percent from the previous year. The decrease is due primarily to the elimination of 2 administrative, 12 teaching and 25 classified staff positions during the year.

### **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 fund to be budgeted is the main operating fund of the School District, the General Fund.

During fiscal year 2011, the School District amended its General Fund Appropriation Budget several times. Property tax collections exceeded the initial budgetary estimates by approximately \$ 4,179,100 because of the passage of a 7.9 mill operating levy in November 2010. The collection of taxes from this levy will be phased in over a period of two years starting in fiscal year 2011. Once fully phased in, this levy will generate an additional \$6.5 million in tax revenue annually. Approximately 33.0% of the taxes raised from this levy will be paid by commercial property owners.

Total expenses for the year were approximately \$ 1,826,800 under original budgetary estimates. The savings can be attributed to lower than anticipated energy costs and a reduction in outside tuition paid toward special education programs.



**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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**Capital Assets and Debt Administration**

Capital Assets

All capital assets, except land and construction in progress, are reported net of depreciation. At the end of fiscal 2011, the School District had \$ 11.6 million invested in net capital assets. Table 5 shows fiscal 2011 values compared to fiscal 2010.

**Table 5**  
Net Capital Assets at June 30

	<u>2011</u>	<u>2010</u>
Land	\$ 1,172,491	\$ 1,172,491
Construction in progress	26,401	-
Land improvements	293,093	296,042
Buildings and improvements	7,962,938	8,445,135
Furniture and equipment	838,290	912,316
Vehicles	1,332,942	1,512,750
	<u>\$ 11,626,155</u>	<u>\$ 12,338,734</u>

During fiscal 2011, the School District purchased \$ 167,024 of capital assets. More information on capital assets is presented in Note 8 of the notes to the basic financial statements.

Debt Administration

At June 30, 2011, the School District had outstanding \$ 340,000 bonds payable. Proceeds from the bonds were used for building and facility improvements. The bonds were issued in August 2004 and will mature in varying amounts through December 2014.

The School District's overall legal debt margin was \$ 74,671,083 with an unvoted debt margin of \$ 489,679.

More information on debt is presented in Note 13 of the notes to the basic financial statements.

**School District Outlook**

North Olmsted Schools, like most school districts in Ohio, is facing a serious decline in operating revenues due to the nationwide economic recession, the foreclosure crisis and a cutback in state funding. The anticipated loss in operating revenue threatened to financially destabilize the District. The problem was so enormous, the Board of Education recognized that the only way to fix the problem was through a combination of budgetary cuts, staff concessions, and community support of a new operating levy.

The Board of Education set a goal of reducing operating expenses by \$4.5 million annually. This goal was exceeded when \$2.9 million in budgetary cuts were realized and \$2.8 million in salary concessions were obtained from employees. The majority of the budgetary cuts were obtained with the elimination of 39 staff positions during the 2010-11 school year and an additional 10 staff positions for the 2011-12 school year.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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The labor unions contributed to the cost reduction plan by agreeing to accept \$2.8 million in salary and fringe benefit concessions. Both unions voluntarily reopened their contracts and did not accept a 2.55% base salary increase they were legally entitled to receive during the 2010-11 school year. The unions also agreed to a base salary freeze for the 2011-12 school year.

The School District's financial position has been further stabilized with the passage of 7.9 mill operating levy in November 2010. This levy will be phased in over a period of two years and will generate an additional \$6.5 million of real estate tax revenue annually. Approximately 33.0% of the taxes will be paid by commercial property owners.

Based upon the combination of the above budgetary cuts, staff concessions, and the passage of a new 7.9 mill operating levy, the District should have adequate operating funds to maintain its current level of academic and extracurricular programs for the next five years. For additional information on the District's financial position, please go to the District's website at [www.northolmstedschools.org/treasurer](http://www.northolmstedschools.org/treasurer) where the District's Five Year Financial Forecast and major assumptions used in its preparation are posted.

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

This financial report is designed to provide our citizens, taxpayers 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. The North Olmsted City School District has committed itself to financial excellence for many years. The School District was the first school district in Ohio to receive the Government Financial Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 1985 and has received the award for twenty-seven consecutive years. The District has also received the Association of School Business Officials (ASBO) Certificate of Achievement for Excellence in Financial Reporting for the past twenty-four years. If you have any questions about this report or need additional financial information, contact Robert J. Matson, CPA, and Treasurer at North Olmsted City School District, 27425 Butternut Ridge Road, North Olmsted, Ohio 44070, by telephone at 440-779-3551 or by email at [Robert.matson@nocseagles.org](mailto:Robert.matson@nocseagles.org).

NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS

JUNE 30, 2011

	Governmental Activities
<b>Assets</b>	
Equity in pooled cash	\$ 19,656,031
Accounts receivable	18,713
Due from other governments	78,224
Inventories and supplies	46,105
Taxes receivable	40,843,812
Capital assets	
Nondepreciable capital assets	1,198,892
Depreciable capital assets	10,427,263
Total assets	<u>72,269,040</u>
<b>Liabilities</b>	
Accounts and contracts payable	402,460
Accrued salaries, wages and benefits	5,393,812
Accrued interest payable	980
Claims payable	572,000
Due to other governments	1,957,647
Unearned revenue	32,975,728
Long term liabilities	
Due within one year	1,066,174
Due in more than one year	2,965,392
Total liabilities	<u>45,334,193</u>
<b>Net assets</b>	
Invested in capital assets, net of related debt	11,286,155
Restricted for:	
Debt service	62,297
Capital projects	2,378,512
Set-asides	223,073
Food service	136,420
Extracurricular	142,917
State grants	37,990
Federal grants	1,605
Unrestricted	12,665,878
Total net assets	<u>\$ 26,934,847</u>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2011

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants Interest and Contributions	
Governmental activities				
Instruction				
Regular	\$ 24,042,334	\$ 398,731	\$ 1,190,667	\$ (22,452,936)
Special	7,489,653	290,816	-	(7,198,837)
Vocational	438,325	-	-	(438,325)
Other instruction	293,115	-	-	(293,115)
Supporting services				
Pupil	5,151,519	-	1,238,895	(3,912,624)
Instructional staff	1,105,115	-	302,463	(802,652)
Board of education	185,639	3,361	-	(182,278)
Administration	3,572,252	-	18	(3,572,234)
Fiscal services	1,308,372	12,373	-	(1,295,999)
Business	138,213	-	-	(138,213)
Operation and maintenance	4,703,686	3,678	17,461	(4,682,547)
Pupil transportation	2,105,930	12,743	104,265	(1,988,922)
Central services	1,238,121	-	260,941	(977,180)
Operation of non-instructional				
Food service operation	1,602,903	633,756	739,059	(230,088)
Community services	390,432	-	42,333	(348,099)
Extracurricular activities	1,575,353	509,154	-	(1,066,199)
Interest	15,575	-	-	(15,575)
Totals	\$ 55,356,537	\$ 1,864,612	\$ 3,896,102	(49,595,823)
General revenues				
Property taxes levied for:				
				37,907,103
General purpose				1,106,283
Capital improvements				14,919,942
Grants and entitlements not restricted to specific purposes				25,058
Investment earnings				669,310
Miscellaneous				54,627,696
Total general revenues				
Change in net assets				5,031,873
Net assets at beginning of year				21,902,974
Net assets at end of year				\$ 26,934,847

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

BALANCE SHEET -  
GOVERNMENTAL FUNDS

JUNE 30, 2011

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Equity in pooled cash	\$ 13,414,639	\$ 3,941,814	\$ 17,356,453
Restricted cash	223,073	-	223,073
Receivables, net of allowance			
Taxes, current	38,436,867	963,845	39,400,712
Taxes, delinquent	1,407,000	36,100	1,443,100
Accounts and other	10,013	-	10,013
Due from other governments	55,927	22,297	78,224
Interfund receivable	1,241,391	-	1,241,391
Inventories and supplies	-	46,105	46,105
<b>Total assets</b>	<b>\$ 54,788,910</b>	<b>\$ 5,010,161</b>	<b>\$ 59,799,071</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts and contracts payable	\$ 94,112	\$ 308,348	\$ 402,460
Accrued wages and benefits	5,158,713	235,099	5,393,812
Due to other governments	1,749,450	208,197	1,957,647
Interfund payable	-	1,232,691	1,232,691
Deferred revenue			
Taxes	33,579,774	839,054	34,418,828
Other	55,927	-	55,927
Compensated absences	899,369	81,805	981,174
<b>Total liabilities</b>	<b>41,537,345</b>	<b>2,905,194</b>	<b>44,442,539</b>
<b>Fund balances</b>			
Nonspendable	-	46,105	46,105
Restricted	-	2,679,354	2,679,354
Committed	1,923,073	-	1,923,073
Assigned	1,432,293	-	1,432,293
Unassigned	9,896,199	(620,492)	9,275,707
<b>Total fund balances</b>	<b>13,251,565</b>	<b>2,104,967</b>	<b>15,356,532</b>
<b>Total liabilities and fund balances</b>	<b>\$ 54,788,910</b>	<b>\$ 5,010,161</b>	<b>\$ 59,799,071</b>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
 NET ASSETS OF GOVERNMENTAL ACTIVITIES

JUNE 30, 2011

Total governmental fund balances		\$ 15,356,532
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 not reported in the funds.		11,626,155
Other long term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Property taxes	1,443,100	
Other receivables	<u>55,927</u>	
		1,499,027
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		1,504,505
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(2,710,392)	
Bonds payable	(340,000)	
Accrued interest payable	<u>(980)</u>	
		<u>(3,051,372)</u>
Net assets of governmental activities		<u>\$ 26,934,847</u>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 38,071,303	\$ 1,117,383	\$ 39,188,686
Tuition and fees	876,716	-	876,716
Interest	22,863	2,195	25,058
Intergovernmental	14,384,631	4,375,486	18,760,117
Charges for services	29,667	625,726	655,393
Extracurricular	134,359	265,474	399,833
Other	536,723	65,257	601,980
Total revenues	<u>54,056,262</u>	<u>6,451,521</u>	<u>60,507,783</u>
Expenditures			
Current			
Instruction			
Regular	22,490,979	1,524,077	24,015,056
Special	7,627,156	-	7,627,156
Vocational	424,680	-	424,680
Other instruction	293,115	-	293,115
Supporting services			
Pupil	3,956,954	1,304,291	5,261,245
Instructional staff	790,304	311,208	1,101,512
Board of education	185,639	-	185,639
Administration	2,721,334	11,905	2,733,239
Fiscal services	1,297,302	4,369	1,301,671
Business	137,495	-	137,495
Operation and maintenance	4,230,054	515,527	4,745,581
Pupil transportation	1,756,468	152,356	1,908,824
Central services	1,001,558	251,848	1,253,406
Operation of non-instructional			
Food service operation	84,829	1,502,593	1,587,422
Community services	24,809	361,637	386,446
Extracurricular activities	1,339,030	220,963	1,559,993
Debt service			
Principal	-	85,000	85,000
Interest	-	15,895	15,895
Total expenditures	<u>48,361,706</u>	<u>6,261,669</u>	<u>54,623,375</u>
Excess (deficiency) of revenues over expenditures	<u>5,694,556</u>	<u>189,852</u>	<u>5,884,408</u>
Other financing sources (uses)			
Transfers-in	25,000	208,000	233,000
Transfers-out	<u>(200,000)</u>	<u>(133,000)</u>	<u>(333,000)</u>
Total other financing sources (uses)	<u>(175,000)</u>	<u>75,000</u>	<u>(100,000)</u>
Net change in fund balances	5,519,556	264,852	5,784,408
Fund balances, beginning of year, restated	<u>7,732,009</u>	<u>1,840,115</u>	<u>9,572,124</u>
Fund balances, end of year	<u>\$ 13,251,565</u>	<u>\$ 2,104,967</u>	<u>\$ 15,356,532</u>

See accompanying notes to the basic financial statements.

NORTH OLMSTED 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 YEAR ENDED JUNE 30, 2011

Net change in fund balances - total governmental funds		\$	5,784,408
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>			
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation and deletions exceeded capital outlay in the current period.</p>			
	Capital outlay, net	161,781	
	Depreciation expense	<u>(874,360)</u>	
	Total		(712,579)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>			
	Property taxes	(175,300)	
	Other receivables	<u>55,927</u>	
			(119,373)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. This amount is the net effect of the differences in the treatment of long-term debt on the statement of activities.</p>			
			85,000
<p>Accrued interest expense on the statement of activities does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.</p>			
			320
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>			
			(222,964)
<p>The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.</p>			
			<u>217,061</u>
Change in net assets of governmental activities		\$	<u>5,031,873</u>

See accompanying notes to the basic financial statements.



NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 31,844,000	\$ 35,257,000	\$ 36,023,139	\$ 766,139
Tuition and fees	1,045,000	912,084	876,716	(35,368)
Interest	35,000	24,000	22,863	(1,137)
Intergovernmental	13,959,000	14,169,000	14,371,741	202,741
Other	364,000	764,000	811,310	47,310
<b>Total revenues</b>	<b>47,247,000</b>	<b>51,126,084</b>	<b>52,105,769</b>	<b>979,685</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Instruction</b>				
Regular	23,385,544	23,080,325	22,384,860	695,465
Special	7,931,847	7,899,656	7,636,973	262,683
Vocational	454,499	453,400	442,382	11,018
Other instruction	349,774	330,800	293,052	37,748
<b>Supporting services</b>				
Pupil	4,052,083	4,200,840	3,857,171	343,669
Instructional staff	937,079	933,677	851,157	82,520
Board of education	280,159	272,350	220,757	51,593
Administration	3,008,117	3,034,559	2,943,003	91,556
Fiscal services	1,263,230	1,321,356	1,253,638	67,718
Business	150,256	149,088	136,646	12,442
Operation and maintenance	4,294,293	4,354,082	4,133,029	221,053
Pupil transportation	1,768,339	1,930,073	1,831,381	98,692
Central services	948,599	987,756	873,345	114,411
<b>Operation of non-instructional</b>				
Food service operation	162,647	89,542	82,165	7,377
Community services	26,800	27,000	24,809	2,191
Extracurricular activities	1,241,306	1,462,085	1,377,667	84,418
<b>Debt service</b>				
Principal	-	85,690	85,690	-
<b>Total expenditures</b>	<b>50,254,572</b>	<b>50,612,279</b>	<b>48,427,725</b>	<b>2,184,554</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(3,007,572)</b>	<b>513,805</b>	<b>3,678,044</b>	<b>3,164,239</b>
<b>Other financing sources (uses)</b>				
Transfers-in	25,000	25,000	25,000	-
Advances-in	731,337	731,337	731,337	-
Refund prior year expenditure	-	-	21,570	21,570
Advances-out	(570,000)	(1,261,391)	(1,261,391)	-
Transfers-out	(461,000)	(461,000)	(461,000)	-
<b>Total other financing sources (uses)</b>	<b>(274,663)</b>	<b>(966,054)</b>	<b>(944,484)</b>	<b>21,570</b>
<b>Net change in fund balances</b>	<b>(3,282,235)</b>	<b>(452,249)</b>	<b>2,733,560</b>	<b>3,185,809</b>
Fund balances, beginning of year	8,981,356	8,981,356	8,981,356	-
Prior year encumbrances appropriated	396,574	396,574	396,574	-
<b>Fund balances, end of year</b>	<b>\$ 6,095,695</b>	<b>\$ 8,925,681</b>	<b>\$ 12,111,490</b>	<b>\$ 3,185,809</b>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF FUND NET ASSETS -  
INTERNAL SERVICE FUND

JUNE 30, 2011

	<u>Self Insurance</u>
Current assets	
Equity in pooled cash	<u>\$ 2,076,505</u>
Total assets	<u>2,076,505</u>
Current liabilities	
Claims payable	<u>572,000</u>
Total liabilities	<u>572,000</u>
Net assets	
Unrestricted	<u>\$ 1,504,505</u>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -  
INTERNAL SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	Self Insurance
Operating revenues	
Charges for services	\$ 6,026,324
Operating expenses	
Purchased services	772,606
Claims	5,136,657
Total operating expenses	5,909,263
Operating income	117,061
Transfers-in	100,000
Change in net assets	217,061
Net assets, beginning of year	1,287,444
Net assets, end of year	\$ 1,504,505

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 STATEMENT OF CASH FLOWS -  
 INTERNAL SERVICE FUND  
 FOR THE YEAR ENDED JUNE 30, 2011

	Self Insurance
Cash flows from operating activities	
Cash received from interfund services	\$ 6,026,324
Cash payments for goods and services	(772,606)
Cash payments for claims	(5,187,657)
Net cash provided by operating activities	66,061
Cash flows from noncapital financing activities	
Transfer from other funds	100,000
Net cash provided by noncapital financing activities	100,000
Net increase in cash and cash equivalents	166,061
Cash and cash equivalents, beginning of year	1,910,444
Cash and cash equivalents, end of year	\$ 2,076,505
Reconciliation of operating income to net cash used for operating activities	
Operating income	\$ 117,061
Adjustments	
Decrease in claims payable	(51,000)
	(51,000)
Net cash provided by operating activities	\$ 66,061

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -  
AGENCY FUND  
JUNE 30, 2011

	Student Activities
Assets	
Equity in pooled cash	\$ 137,459
Total assets	137,459
Liabilities	
Accounts payable	15
Due to students	128,744
Interfund payable	8,700
Total liabilities	\$ 137,459

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The North Olmsted City School District (the District) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city school district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the District. Average daily membership on, or as of, October 1, 2010 was 4,314. The District employs 329 certificated and 278 non-certificated employees.

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

Within the District boundaries, there are various nonpublic schools. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed by the District on behalf of the nonpublic schools by the Treasurer of the School District, as directed by the nonpublic schools. These transactions are reported as a governmental activity of the District.

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

The District is associated with the Lake Erie Educational Computer Association, the Polaris Career Center, the North Olmsted City Schools Education Foundation, and the Ohio Schools Council, which are considered to be jointly governed organizations. The District also participates in a public risk pool managed by the Ohio School Boards Association Workers' Compensation Group Rating Program. These organizations and their relationships with the District are described in more detail in Notes 10 and 15 of these financial statements.

B. BASIS OF PRESENTATION

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION (continued)

The 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 District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. However, internal fund services provided and used are not eliminated in the process of consolidation.

The statement of net assets presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the 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 for the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

During the year, the District segregates transactions related to certain 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 District at this more detailed level. The focus of governmental financial statements is on major funds rather than reporting funds by type. The major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. 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 following is the District's major governmental fund:

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

Proprietary Fund

The proprietary fund focuses on the determination of the changes in net assets, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the District has no enterprise funds.

Internal Service Fund – The Internal Service Fund accounts for the financing of services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis. The District's only internal service fund accounts for revenue received from other funds and the settlement expenses for medical, surgical, prescription drug, and dental claims of District employees.

Fiduciary Funds

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



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Assets. The Statement of Activities presents increases (revenues) and decreases (expenses) in the 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

E. BASIS OF ACCOUNTING

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

Revenues - Exchange and Non-exchange Transactions

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BASIS OF ACCOUNTING (continued)

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). 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 year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange 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, grants, investment earnings, tuition, and student fees.

Unearned/Deferred Revenue

Unearned 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, 2011, but which were levied to finance fiscal year 2012 operations, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

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

Expenditures/Expenses

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. BUDGETARY PROCESS

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate that were in effect at the time the final appropriations were passed by the Board of Education.

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

G. CASH AND INVESTMENTS

Cash received by the District is deposited in one central bank account with individual fund balance integrity maintained through District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAR Ohio) or other short term investments. Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2011 amounted to \$ 22,863 which included \$ 5,874 assigned from other District funds.

Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value, which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

The District has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during the year. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2011.

Investments with an original maturity of three months or less at the time of purchase are considered to be cash equivalents.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. INVENTORY

Inventories are presented on a first-in, first-out basis and are expensed/expensed when used. Inventories of supplies are reported at cost, whereas inventories held for resale are reported at the lower of cost or market.

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 either imposed by creditors, contributors, grantors, or laws of other government or imposed by enabling legislation. Restricted assets include the amount required by State statute to be set aside to create a reserve for budget stabilization.

J. CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$ 2,500. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. The majority of capital outlay is made from the Permanent Improvements Fund. Actual amounts capitalized for reporting purposes may differ due to the capitalization policy.

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

<u>Asset</u>	<u>Estimated useful life</u>
Land improvements	25 - 30 years
Buildings	60 - 80 years
Building improvements	25 years
Furniture and equipment	8 - 35 years
Vehicles	15 years

K. INTERFUND BALANCES

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental column of the statement of net assets.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability in the government wide financial statements as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued in the government wide financial statements as a liability using the vesting method. The liability is based on an estimate of the amount of accumulated sick leave that will be paid as a termination benefit. The liability includes employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy.

A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements and all payables and accrued liabilities from proprietary funds are reported on the proprietary fund 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. Long-term notes and capital leases are recognized as a liability on the governmental fund financial statements when due.

N. NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include money for scholarships and data communications support. The government-wide statement of net assets reports \$ 2,982,814 of restricted net assets, none of which are restricted by enabling legislation.

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. FUND BALANCE

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education. Those committed amounts cannot be used for any other purpose unless the School District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the School District Board of Education.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The School District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are charges for services for the self-insurance program. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of this fund. Revenues and expenses not meeting those definitions are reported as non-operating.

Q. INTERFUND TRANSACTIONS

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

R. 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 on the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2011, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and GASB Statement No. 59, "Financial Instruments Omnibus".

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the reclassification of certain funds and restatement of the School District's financial statements.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the School District

The implementation of GASB Statement No. 54 had the following effect on fund balances of the major and nonmajor funds as they were previously reported.

	General	Other Governmental Funds	Total
Fund balance, as previously reported	\$ 6,622,308	\$ 2,949,816	\$ 9,572,124
Change in fund structure	1,109,701	(1,109,701)	-
Restated fund balance, June 30, 2010	<u>\$ 7,732,009</u>	<u>\$ 1,840,115</u>	<u>\$ 9,572,124</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING**

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
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 (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	General Fund
Budget basis	\$ 2,733,560
Adjustments, increase (decrease)	
Revenue accruals	851,295
Expenditure accruals	1,518,538
Funds budgeted elsewhere **	172,343
Encumbrances	243,820
GAAP basis, as reported	\$ 5,519,556

\*\* As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds are considered part of the General Fund on a GAAP basis. This includes the Miscellaneous Local Projects Fund, Rotary Fund, Public Support Services Fund, and the Other Grants Fund.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 4 – FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on a fund for the major governmental funds and all other governmental funds are presented below:

<u>Fund balances</u>	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable			
Inventory	\$ -	\$ 46,105	\$ 46,105
Restricted for:			
Food service operations	-	90,315	90,315
Athletics	-	142,917	142,917
Non-public schools	-	838	838
Data communications	-	37,784	37,784
Other purposes	-	1,811	1,811
Debt service	-	63,277	63,277
Capital improvements	-	2,342,412	2,342,412
Total restricted	<u>-</u>	<u>2,679,354</u>	<u>2,679,354</u>
Committed			
27th pay reserve	1,700,000	-	1,700,000
Other purposes	<u>223,073</u>	<u>-</u>	<u>223,073</u>
Total committed	<u>1,923,073</u>	<u>-</u>	<u>1,923,073</u>
Assigned to			
Encumbrances	150,249	-	150,249
Other purposes	<u>1,282,044</u>	<u>-</u>	<u>1,282,044</u>
Total assigned	<u>1,432,293</u>	<u>-</u>	<u>1,432,293</u>
Unassigned (deficit)	<u>9,896,199</u>	<u>(620,492)</u>	<u>9,275,707</u>
Total fund balances	<u>\$ 13,251,565</u>	<u>\$ 2,104,967</u>	<u>\$ 15,356,532</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 5 - DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

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

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

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

Protection of the 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.

Interim monies may be invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) 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. Commercial paper and bankers' acceptances (if authorized by the Board of Education), 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.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

A. LEGAL REQUIREMENTS (continued)

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

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

B. DEPOSITS

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District does not have a deposit policy for custodial credit risk. At fiscal year end, the carrying amount of the District's deposits was \$ 14,943,531 and the bank balance was \$ 15,239,531. Of the bank balance, \$ 250,000 was covered by federal depository insurance and \$ 14,989,531 was uninsured. Of the remaining balance, \$ 14,989,531 was collateralized with securities held by the pledging institution's trust department not in the District's name.

At fiscal year end, the District had \$ 2,041 in cash on hand which is included on the balance sheet of the District as part of "Equity in pooled cash".

C. INVESTMENTS

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2011, the District had the following investments:

	Investment Maturities	Fair Value
Investment in State Treasurer's Investment Pool	Less than six months	\$ 4,847,918

D. INTEREST RATE RISK

The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date.

E. CREDIT RISK

The District follows the Ohio Revised Code that limits its investment choices as discussed in Note 4 - A above. STAR Ohio carries a rating of AAAm by Standard and Poor's and is an authorized investment under the Ohio Revised Code.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

F. CONCENTRATION OF CREDIT RISK

The District places no limit on the amount that may be invested in any one issuer. The District's total investments (100 percent) are in STAR Ohio.

G. CUSTODIAL CREDIT RISK

For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2011 represents collections of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed value listed as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2011 represents collections of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien December 31, 2009, were levied after April 1, 2010 and are collected in 2010 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2011 (other than public utility property tax) represents the collection of 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2011 were levied after October 1, 2010, on the value as of December 31, 2010. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30; however this year the settlement was late.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 6 - PROPERTY TAXES (continued)

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2011 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the late settlement of tangible personal property taxes and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2011, was \$ 6,164,650 in the General Fund and \$ 160,891 in the Permanent Improvements Fund. The amount available as an advance at June 30, 2010, was \$ 4,079,802 in the General Fund.

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

The assessed values upon which the fiscal year 2011 taxes were collected are:

	2010 Second Half Collections		2011 First Half Collections	
	Amount	%	Amount	%
Agricultural Residential				
Real Estate	\$ 554,164,989	66.77 %	\$ 557,043,934	67.14 %
Other Commercial	264,317,960	31.85	260,887,429	31.44
Public Utility Tangible	11,432,430	1.38	11,747,340	1.42
	<u>\$ 829,915,379</u>	<u>100.00 %</u>	<u>\$ 829,678,703</u>	<u>100.00 %</u>
 Tax Rate per \$ 1,000 of Assessed Valuation:	 83.5		 91.4	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2011, consisted of property taxes, accounts, interfund and due from other governments. All receivables are considered substantially 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. All receivables are expected to be collected within one year.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	Balance June 30, 2010	Additions	Disposals	Balance June 30, 2011
Governmental Activities				
Nondepreciable capital assets				
Land	\$ 1,172,491	\$ -	\$ -	\$ 1,172,491
Construction in progress	-	26,401	-	26,401
Total nondepreciable capital assets	<u>1,172,491</u>	<u>26,401</u>	<u>-</u>	<u>1,198,892</u>
Depreciable capital assets				
Land improvements	835,881	33,437	-	869,318
Buildings and improvements	20,027,650	27,828	-	20,055,478
Furniture and equipment	2,894,313	56,166	13,906	2,936,573
Vehicles	2,976,568	23,192	19,056	2,980,704
Total capital assets being depreciated	<u>26,734,412</u>	<u>140,623</u>	<u>32,962</u>	<u>26,842,073</u>
Less accumulated depreciation				
Land improvements	539,839	36,386	-	576,225
Buildings and improvements	11,582,515	510,025	-	12,092,540
Furniture and equipment	1,981,997	130,192	13,906	2,098,283
Vehicles	1,463,818	197,757	13,813	1,647,762
Total accumulated depreciation	<u>15,568,169</u>	<u>874,360</u>	<u>27,719</u>	<u>16,414,810</u>
Depreciable capital assets, net of accumulated depreciation	<u>11,166,243</u>	<u>(733,737)</u>	<u>5,243</u>	<u>10,427,263</u>
Governmental activities capital assets, net	<u>\$ 12,338,734</u>	<u>\$ (707,336)</u>	<u>\$ 5,243</u>	<u>\$ 11,626,155</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$ 339,738
Special	53,531
Vocational	21,417
Supporting services	
Pupil	2,520
Instructional staff	29,678
Administration	47,046
Fiscal	4,281
Business	824
Operation and maintenance of plant	132,792
Pupil transportation	201,380
Central services	888
Operation of non-instructional services	
Food service	21,014
Auxiliary services	3,512
Extracurricular activities	15,739
Total depreciation expense	<u>\$ 874,360</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

**NOTE 9 - INTERFUND ASSETS/LIABILITIES**

On the fund financial statements at June 30, 2011, interfund balances consisted of the following:

	Receivable	Payable
General Fund	\$ 1,241,391	\$ -
Nonmajor governmental funds	-	1,232,691
Agency fund	-	8,700
	\$ 1,241,391	\$ 1,232,691

These amounts are represented as "Interfund Receivable/Payable" on the balance sheet. The loans were made to support programs and projects in the Special Revenue Funds and Agency Funds until permanent funding is received.

**NOTE 10 - RISK MANAGEMENT**

**A. PROPERTY AND LIABILITY**

The District is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2011, the District contracted with Indiana Insurance Company for property insurance. General liability is protected by Indiana Insurance Company with a \$ 1 million per occurrence, \$ 2 million aggregate with a \$ 5 million supplemental umbrella policy. Vehicles are covered by Indiana Insurance Company. Automobile liability coverage is \$ 1 million for each occurrence with a \$ 5 million supplemental umbrella policy. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from prior years. Position bonds of \$ 30,000 are maintained for the Superintendent and Board President and \$ 100,000 for the Treasurer from Ohio Casualty. The District provides life insurance, disability and accidental death and dismemberment insurance to its employees, through Minnesota Life Insurance Company.

**B. WORKERS' COMPENSATION**

The District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The firm of Sheakley UniService, Inc. provides administrative, cost control and actuarial services to the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 10 - RISK MANAGEMENT (continued)

C. EMPLOYEE MEDICAL BENEFITS

The District provides employee medical, surgical, prescription drug and dental benefits through a self-insurance program administered by Medical Mutual of Ohio. The District limits its liability for medical and surgical claims by maintaining a specific stop-loss threshold of \$ 100,000.

The claim liability of \$ 572,000 reported at June 30, 2011 was estimated by Medical Mutual of Ohio and is based on the requirements of Governmental Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs related to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balance of claims liability during the year ended June 30, 2011 and 2010 are summarized below. Incurred claims and claims payments are not segregated between current and prior years claims due to the impracticability of obtaining such information.

	June 30, 2011	June 30, 2010
Unpaid claims, beginning of year	\$ 623,000	\$ 495,000
Incurred claims	5,136,657	5,867,898
Claims payments	(5,187,657)	(5,739,898)
Unpaid claims, end of year	\$ 572,000	\$ 623,000

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM

Plan Description - The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement, disability, survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 100 East Broad Street, Suite 100, Columbus, Ohio 43215-3746, or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employee/Audit Resources.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For the fiscal year ending June 30, 2011, the allocation to pension and death benefits is 11.81 percent. The remaining 2.19 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2011, 2010, and 2009 were \$ 931,964, \$ 1,008,253, and \$ 726,876 respectively; 37.5 percent has been contributed for 2011 and 100 percent has been contributed for fiscal years 2010 and 2009.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

**B. STATE TEACHERS RETIREMENT SYSTEM**

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

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

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

B. STATE TEACHERS RETIREMENT SYSTEM (continued)

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

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

Benefits are increased annually by 3% of the original base amount for DB plan participants.

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. A death benefit of \$ 1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$ 2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% of member and 14% for employers. Contribution requirements and contributions actually made for the fiscal year ended June 30, 2011, were 10% of covered payroll for members and 14% for employers. The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010, and 2009 were \$ 3,235,398, \$ 3,323,424, and \$ 3,155,308, respectively 83.7 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

C. SOCIAL SECURITY SYSTEM

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2011, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. SCHOOL EMPLOYEE RETIREMENT SYSTEM

In addition to a cost-sharing multiple-employer defined benefit pension plan the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

Medicare Part B Plan - The Medicare Part B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2011 was \$96.40 for most participants, but could be as high as \$369.10 per month depending on their income. SERS' reimbursement to retirees was \$45.50. The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2011, the actuarially required allocation is .76%. The School District's contributions for the years ended June 30, 2011, 2010 and 2009 were \$ 55,422, \$ 59,959 and \$ 59,973 respectively; 37.5 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

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

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

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code § 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. For the year ended June 30, 2011, the health care allocation is 1.43%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. State law provides that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2011, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contributions assigned to health care for the years ended June 30, 2011, 2010, and 2009 were \$ 88,867, \$ 96,250 and \$ 392,625 respectively; 37.5 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

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

The financial reports of SERS' Health Care and Medicare B plans are included in its Comprehensive Annual Financial Report. The report can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

B. STATE TEACHERS RETIREMENT SYSTEM

Plan Description – The School District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians’ fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2011, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District’s contributions for health care for the fiscal years ended June 30, 2011, 2010, and 2009, were \$ 248,876, \$ 255,648, and \$ 242,716, respectively; 83.7 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

NOTE 13 - LONG-TERM OBLIGATIONS

Changes in the District’s long-term obligations during fiscal year 2011 were as follows:

	Balance June 30, 2010	Increase	Decrease	Balance June 30, 2011	Amounts Due In One Year
Bonds payable - 2004, 4.15%					
Building improvements	\$ 425,000	\$ -	\$ 85,000	\$ 340,000	\$ 85,000
Compensated absences	3,502,899	1,204,138	1,015,471	3,691,566	981,174
	<u>\$ 3,927,899</u>	<u>\$ 1,204,138</u>	<u>\$ 1,100,471</u>	<u>\$ 4,031,566</u>	<u>\$ 1,066,174</u>

The original issue amount of bonds payable was \$ 855,000. Principal and interest requirements to retire the building improvement bonds outstanding at June 30, 2011, are as follows:

Fiscal Year Ending	Principal	Interest	Total
2012	\$ 85,000	\$ 12,346	\$ 97,346
2013	85,000	8,819	93,819
2014	85,000	5,291	90,291
2015	85,000	1,764	86,764
Totals	<u>\$ 340,000</u>	<u>\$ 28,220</u>	<u>\$ 368,220</u>

The School District's overall legal debt margin was \$ 74,671,083 with an unvoted debt margin of \$ 489,679.

Bonds payable were repaid from the Debt Service Fund. Compensated absences will be repaid from the funds from which employees’ salaries are paid, primarily the General Fund.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 14 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2011 consisted of the following:

	Transfer from:		
	General Fund	Nonmajor Governmental Funds	Total Transfers-in
Transfer to:			
General Fund	\$ -	\$ 25,000	\$ 25,000
Nonmajor governmental funds	100,000	108,000	208,000
Internal Service Fund	100,000	-	100,000
Total transfers-out	<u>\$ 200,000</u>	<u>\$ 133,000</u>	<u>\$ 333,000</u>

Transfers from the General Fund were to provide for payment of expenditures. Transfers from nonmajor governmental funds included \$ 108,000 to the Debt Service Fund for payment of principal and interest and the Food Service Fund returned \$ 25,000 of excess transfers back to the General Fund.

NOTE 15 - JOINTLY GOVERNED ORGANIZATION

A. LAKE ERIE EDUCATION COMPUTER ASSOCIATION

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

LEECA is governed by a board of directors chosen from the general membership of the LEECA assembly. The board of directors consists of a representative from the fiscal agent, the chairman of each operating committee, and at least one assembly member from each county from which participating districts are located. Financial information can be obtained by contacting the Treasurer at the Educational Service Center of Lorain County, which serves as fiscal agent, located at 1885 Lake Avenue, Elyria, Ohio 44035. During the year ended June 30, 2011, the District paid \$ 108,189 to LEECA.

B. POLARIS CAREER CENTER

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 15 - JOINTLY GOVERNED ORGANIZATION (continued)

C. NORTH OLMSTED CITY SCHOOLS EDUCATION FOUNDATION

The North Olmsted City Schools Education Foundation (Foundation) is a jointly governed organization established by the Ohio Revised Code to support and enhance educational opportunities for the youth of the North Olmsted Community. The trustees of the Foundation consist of five ex officio trustees and up to fifteen members selected by a nominating committee appointed by the ex officio trustees.

The ex officio trustees are composed of the following individuals: the Superintendent of the North Olmsted City School District, a member of the North Olmsted Board of Education, a member of the North Olmsted PTA Council, a member of the North Olmsted City Schools' Financial Advisory Board, and a member of the Community Education Advisory Board. All trustees are voting members. The Foundation is responsible for approving its own budgets, appointing personnel, creation of committees, and accounting and financial related activities. Financial information can be obtained by contacting Carrie Copfer, c/o The North Olmsted Board of Education, 27425 Butternut Ridge Road, North Olmsted, Ohio 44070.

D. OHIO SCHOOLS COUNCIL

The Ohio Schools' Council Association (Council) is a jointly governed organization among 126 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Associations. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2011 the School District paid \$ 2,055 to the Council. Financial information can be obtained by contacting David Cottrell, the Executive Director of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Energy USA served as the natural gas supplier and program manager from October 1, 2008 to September 30, 2010. Compass Energy has been selected as the new supplier and program manager for the period from October 1, 2010 through March 31, 2013. There are currently 143 participants in the program including the North Olmsted City School District. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2011

NOTE 16 - CONTINGENCIES

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies.

Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2011.

NOTE 17 - SET-ASIDES

The District is required by State statute to annually set aside, in the General Fund, an amount based on a statutory formula for the purchase of textbooks and other instructional materials, and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end. These amounts must be carried forward and used for the same purposes in future years. In addition, the District has set aside money for budget stabilization. The following cash basis information identifies the changes in the fund balance reserves for textbooks, capital improvements, and budget stabilization during fiscal year 2011.

	<u>Textbook</u>	<u>Capital Maintenance</u>	<u>Budget Stabilization</u>
Set-aside reserve balances as of June 30, 2010	\$ -	\$ -	\$ 223,073
Set-aside balance carried forward	(4,636,422)	-	-
Current year set-aside requirement	623,892	623,892	-
Qualifying offsets and disbursements	(627,762)	(1,172,543)	-
Total	<u>\$ (4,640,292)</u>	<u>\$ (548,651)</u>	<u>\$ 223,073</u>
Set-aside balance carried forward to future fiscal years	<u>\$ (4,640,292)</u>	<u>\$ -</u>	<u>\$ -</u>
Set-aside reserve balance as of June 30, 2011	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 223,073</u>

The District had qualifying disbursements during the fiscal year that reduced the textbook set-aside below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. Although the District had qualifying disbursements and offsets during the fiscal year that reduced the set-aside amount below zero for capital maintenance set-aside, this amount may not be used to reduce the set-aside requirement for future years.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011

NOTE 18 – COMPLIANCE AND ACCOUNTABILITY

A. DEFICIT FUND BALANCE

At June 30, 2011, the following funds had deficit fund balances.

Special Revenue Funds:	
Fiscal Stabilization	\$ 31,982
Limited English	\$ 10,089
Alternative Education	\$ 27,090
Miscellaneous State Grants	\$ 905
Education Jobs	\$ 47,619
Title VIB	\$ 228,827
Title I	\$ 265,843
Drug Free Schools	\$ 899
Preschool	\$ 3,584
Title II-A	\$ 3,448
Miscellaneous Federal Grants	\$ 206

These deficits resulted from adjustments for accrued liabilities. The General Fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur.

NOTE 19 – OPERATING LEASE

The School District is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations. During 2011, expenditures for operating leases totaled \$ 64,223.

The following is a schedule of future minimum lease payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2011.

	Year ending June 30,	Amount
	2012	\$ 64,223
	2013	64,223
	2014	10,704
Total future minimum lease payments		<u>\$ 139,150</u>



**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

## **NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**

### **SPECIAL REVENUE FUNDS**

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

Food Service - This fund accounts for all transactions related to the operations of the School District's food service program which provides lunches to students and the staff.

Athletic – This fund accounts for gate receipts and fund raising activities and all operating costs (except supplemental coaching contracts) of the District's Athletic Program.

Auxiliary Services – This fund accounts for State funds received for non-public schools located within the school district as provided by state law. Funds are used primarily for educational supplies, materials, and testing.

Education M.I.S. – This fund accounts for revenues provided by the State of Ohio to support expenditures for development of a statewide management information system required by Senate Bill 140.

Fiscal Stabilization - This fund accounts for restricted Federal grant monies from the American Recovery and Reinvestment Act in State Fiscal Stabilization Funds (SFSF) to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services.

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

Schoolnet – This fund accounts for workstations and training of personnel and for wiring upgrades at the individual schools.

Limited English Proficiency – This fund provides support for programs designed to help immigrant children develop academic literacy in the English language.

Alternative Education – This fund is used to account for alternative educational programs for existing and new at-risk and delinquent youth.

Miscellaneous State Grants – This fund is used for various monies received from the State of Ohio to develop and support a parent mentoring program, a safe-school hotline, and school improvement incentive programs.

(continued)

## **NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS (continued)**

### **SPECIAL REVENUE FUNDS**

Education Jobs – To account for a Federal program established by the U.S. Department of Education designed to pass through states to local entities to save or create education jobs.

Title II D Technology – This fund is used to account for various monies received from the Federal government through state agencies or directly from the Federal government which are not accounted for elsewhere.

Title VIB – This fund accounts for Federal revenues in support of program expenditures related to Special Education.

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

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

Drug Free Schools – This fund accounts for Federal revenues used to implement programs to educate and encourage students to live lives free of drug dependency.

Preschool – This fund accounts for Federal monies supporting programs for handicapped services for children ages 2 through 5 to ready them for the school environment.

Title II-A – This fund accounts for Federal revenue used to hire additional teachers in grade 1 through 3 and provide professional development support.

Miscellaneous Federal Grants – This fund is used to account for various Federally funded programs under the Serve and Learn American Grant Program.

## **NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS (concluded)**

### **DEBT SERVICE FUND**

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

### **CAPITAL PROJECTS FUND**

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

Permanent Improvements – This fund accounts for monies raised through a tax levy and restricted in use for the acquisition, construction, or improvement of capital facilities and equipment.

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in pooled cash	\$ 1,635,751	\$ 63,277	\$ 2,242,786	\$ 3,941,814
Receivables, net of allowance				
Taxes, current	-	-	963,845	963,845
Taxes, delinquent	-	-	36,100	36,100
Due from other governments	22,297	-	-	22,297
Inventories and supplies	46,105	-	-	46,105
<b>Total assets</b>	<b>\$ 1,704,153</b>	<b>\$ 63,277</b>	<b>\$ 3,242,731</b>	<b>\$ 5,010,161</b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ 247,083	\$ -	\$ 61,265	\$ 308,348
Accrued salaries, wages and benefits	235,099	-	-	235,099
Due to other governments	208,197	-	-	208,197
Interfund payable	1,232,691	-	-	1,232,691
Unearned revenue				
Taxes	-	-	839,054	839,054
Compensated absences	81,805	-	-	81,805
<b>Total liabilities</b>	<b>2,004,875</b>	<b>-</b>	<b>900,319</b>	<b>2,905,194</b>
<b>Fund balances</b>				
Nonspendable	46,105	-	-	46,105
Restricted	273,665	63,277	2,342,412	2,679,354
Unassigned	(620,492)	-	-	(620,492)
<b>Total fund balances</b>	<b>(300,722)</b>	<b>63,277</b>	<b>2,342,412</b>	<b>2,104,967</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,704,153</b>	<b>\$ 63,277</b>	<b>\$ 3,242,731</b>	<b>\$ 5,010,161</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 1,117,383	\$ 1,117,383
Interest	387	-	1,808	2,195
Intergovernmental	4,161,243	-	214,243	4,375,486
Charges for services	625,726	-	-	625,726
Extracurricular	265,474	-	-	265,474
Other	65,257	-	-	65,257
<b>Total revenues</b>	<b>5,118,087</b>	<b>-</b>	<b>1,333,434</b>	<b>6,451,521</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Instruction</b>				
Regular	1,408,917	-	115,160	1,524,077
<b>Supporting services</b>				
Pupil	1,304,291	-	-	1,304,291
Instructional staff	311,208	-	-	311,208
Administration	23	-	11,882	11,905
Fiscal services	-	-	4,369	4,369
Operation and maintenance	-	-	515,527	515,527
Pupil transportation	152,356	-	-	152,356
Central services	251,848	-	-	251,848
<b>Operation of non-instructional services</b>				
Food service operations	1,502,593	-	-	1,502,593
Community service	361,637	-	-	361,637
Extracurricular activities	220,963	-	-	220,963
<b>Debt service</b>				
Principal	-	85,000	-	85,000
Interest	-	15,895	-	15,895
<b>Total expenditures</b>	<b>5,513,836</b>	<b>100,895</b>	<b>646,938</b>	<b>6,261,669</b>
<b>Excess revenues over expenditures</b>	<b>(395,749)</b>	<b>(100,895)</b>	<b>686,496</b>	<b>189,852</b>
<b>Other financing sources (uses)</b>				
Transfers-in	100,000	108,000	-	208,000
Transfers-out	(25,000)	-	(108,000)	(133,000)
<b>Total other financing sources (uses)</b>	<b>75,000</b>	<b>108,000</b>	<b>(108,000)</b>	<b>75,000</b>
<b>Net change in fund balances</b>	<b>(320,749)</b>	<b>7,105</b>	<b>578,496</b>	<b>264,852</b>
<b>Fund balances, beginning of year</b>	<b>20,027</b>	<b>56,172</b>	<b>1,763,916</b>	<b>1,840,115</b>
<b>Fund balances, end of year</b>	<b>\$ (300,722)</b>	<b>\$ 63,277</b>	<b>\$ 2,342,412</b>	<b>\$ 2,104,967</b>

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NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2011

	Food Service	Athletic	Auxiliary Services	Education M.I.S.
<b>Assets</b>				
Equity in pooled cash	\$ 283,294	\$ 149,539	\$ 15,232	\$ -
Due from other governments	22,297	-	-	-
Inventories and supplies	46,105	-	-	-
<b>Total assets</b>	<b>\$ 351,696</b>	<b>\$ 149,539</b>	<b>\$ 15,232</b>	<b>\$ -</b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ 45,944	\$ 6,622	\$ 92	\$ -
Accrued salaries, wages and benefits	63,543	-	8,257	-
Due to other governments	101,022	-	6,045	-
Interfund payable	-	-	-	-
Compensated absences	4,767	-	-	-
<b>Total liabilities</b>	<b>215,276</b>	<b>6,622</b>	<b>14,394</b>	<b>-</b>
<b>Fund balances</b>				
Nonspendable	46,105	-	-	-
Restricted	90,315	142,917	838	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>136,420</b>	<b>142,917</b>	<b>838</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 351,696</b>	<b>\$ 149,539</b>	<b>\$ 15,232</b>	<b>\$ -</b>



Fiscal Stabilization	Data Communication	Schoolnet	Limited English Proficiency	Alternative Education	Miscellaneous State Grants
\$ 52,976	\$ 37,784	\$ 206	\$ 40,054	\$ 4,484	\$ 16,612
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 52,976</u>	<u>\$ 37,784</u>	<u>\$ 206</u>	<u>\$ 40,054</u>	<u>\$ 4,484</u>	<u>\$ 16,612</u>
\$ -	\$ -	\$ -	\$ 349	\$ 4,484	\$ -
4,402	-	-	7,734	-	-
3,518	-	-	1,932	-	226
-	-	-	40,128	27,090	17,291
77,038	-	-	-	-	-
<u>84,958</u>	<u>-</u>	<u>-</u>	<u>50,143</u>	<u>31,574</u>	<u>17,517</u>
-	-	-	-	-	-
-	37,784	206	-	-	-
(31,982)	-	-	(10,089)	(27,090)	(905)
<u>(31,982)</u>	<u>37,784</u>	<u>206</u>	<u>(10,089)</u>	<u>(27,090)</u>	<u>(905)</u>
<u>\$ 52,976</u>	<u>\$ 37,784</u>	<u>\$ 206</u>	<u>\$ 40,054</u>	<u>\$ 4,484</u>	<u>\$ 16,612</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2011

(CONCLUDED)

	Education Jobs	Title II D Technology	Title VIB	Title I
<b>Assets</b>				
Equity in pooled cash	\$ 253,429	\$ 2,536	\$ 236,447	\$ 398,895
Due from other governments	-	-	-	-
Inventories and supplies	-	-	-	-
<b>Total assets</b>	<b>\$ 253,429</b>	<b>\$ 2,536</b>	<b>\$ 236,447</b>	<b>\$ 398,895</b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ -	\$ -	\$ 53,054	\$ 131,975
Accrued salaries, wages and benefits	21,903	-	40,933	84,984
Due to other governments	30,585	-	43,948	15,842
Interfund payable	248,560	2,271	327,339	431,937
Compensated absences	-	-	-	-
<b>Total liabilities</b>	<b>301,048</b>	<b>2,271</b>	<b>465,274</b>	<b>664,738</b>
<b>Fund balances</b>				
Nonspendable	-	-	-	-
Restricted	-	265	-	-
Unassigned	(47,619)	-	(228,827)	(265,843)
<b>Total fund balances</b>	<b>(47,619)</b>	<b>265</b>	<b>(228,827)</b>	<b>(265,843)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 253,429</b>	<b>\$ 2,536</b>	<b>\$ 236,447</b>	<b>\$ 398,895</b>

<u>Title V</u>	<u>Drug Free Schools</u>	<u>Preschool</u>	<u>Title II-A</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 1,340	\$ 913	\$ 4,838	\$ 135,113	\$ 2,059	\$ 1,635,751
-	-	-	-	-	22,297
-	-	-	-	-	46,105
<u>\$ 1,340</u>	<u>\$ 913</u>	<u>\$ 4,838</u>	<u>\$ 135,113</u>	<u>\$ 2,059</u>	<u>\$ 1,704,153</u>
\$ -	\$ -	\$ -	\$ 4,563	\$ -	\$ 247,083
-	-	3,343	-	-	235,099
-	-	5,079	-	-	208,197
-	1,812	-	133,998	2,265	1,232,691
-	-	-	-	-	81,805
<u>-</u>	<u>1,812</u>	<u>8,422</u>	<u>138,561</u>	<u>2,265</u>	<u>2,004,875</u>
-	-	-	-	-	46,105
1,340	-	-	-	-	273,665
-	(899)	(3,584)	(3,448)	(206)	(620,492)
<u>1,340</u>	<u>(899)</u>	<u>(3,584)</u>	<u>(3,448)</u>	<u>(206)</u>	<u>(300,722)</u>
<u>\$ 1,340</u>	<u>\$ 913</u>	<u>\$ 4,838</u>	<u>\$ 135,113</u>	<u>\$ 2,059</u>	<u>\$ 1,704,153</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—  
 NONMAJOR SPECIAL REVENUES FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2011

	Food Service	Athletic	Auxiliary Services	Education M.I.S.
<b>Revenues</b>				
Interest	\$ 296	\$ -	\$ 91	\$ -
Intergovernmental	739,059	-	309,233	5,000
Charges for services	625,726	-	-	-
Extracurricular	-	265,474	-	-
Other	8,030	570	-	-
<b>Total revenues</b>	<b>1,373,111</b>	<b>266,044</b>	<b>309,324</b>	<b>5,000</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Instruction</b>				
Regular	-	-	-	-
<b>Supporting services</b>				
Pupil	-	-	-	-
Instructional staff	-	-	-	-
Administration	-	-	-	-
Pupil transportation	-	-	-	-
Central services	-	-	-	5,000
<b>Operation of non-instructional services</b>				
Food service operations	1,502,593	-	-	-
Community service	-	-	328,200	-
Extracurricular activities	-	220,963	-	-
<b>Total expenditures</b>	<b>1,502,593</b>	<b>220,963</b>	<b>328,200</b>	<b>5,000</b>
<b>Excess revenues over expenditures</b>	<b>(129,482)</b>	<b>45,081</b>	<b>(18,876)</b>	<b>-</b>
<b>Other financing sources (uses)</b>				
Transfers-in	100,000	-	-	-
Transfers-out	(25,000)	-	-	-
<b>Total other financing sources (uses)</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(54,482)</b>	<b>45,081</b>	<b>(18,876)</b>	<b>-</b>
<b>Fund balances, beginning of year</b>	<b>190,902</b>	<b>97,836</b>	<b>19,714</b>	<b>-</b>
<b>Fund balances, end of year</b>	<b>\$ 136,420</b>	<b>\$ 142,917</b>	<b>\$ 838</b>	<b>\$ -</b>

Fiscal Stabilization	Data Communication	Schoolnet	Limited English Proficiency	Alternative Education	Miscellaneous State Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
526,435	20,475	-	63,425	46,210	19,851
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	56,657
<u>526,435</u>	<u>20,475</u>	<u>-</u>	<u>63,425</u>	<u>46,210</u>	<u>76,508</u>
44,139	-	-	6,573	54,526	-
-	-	-	62,835	19,169	-
254,444	-	-	1,145	-	9,135
-	-	-	-	-	-
-	-	-	-	-	-
246,848	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>545,431</u>	<u>-</u>	<u>-</u>	<u>70,553</u>	<u>73,695</u>	<u>9,135</u>
(18,996)	20,475	-	(7,128)	(27,485)	67,373
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(18,996)	20,475	-	(7,128)	(27,485)	67,373
(12,986)	17,309	206	(2,961)	395	(68,278)
<u>\$ (31,982)</u>	<u>\$ 37,784</u>	<u>\$ 206</u>	<u>\$ (10,089)</u>	<u>\$ (27,090)</u>	<u>\$ (905)</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—  
 NONMAJOR SPECIAL REVENUES FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2011

(CONCLUDED)

	Education Jobs	Title II D Technology	Title VIB	Title I
Revenues				
Interest	\$ -	\$ -	\$ -	\$ -
Intergovernmental	81,250	265	1,230,898	917,534
Charges for services	-	-	-	-
Extracurricular	-	-	-	-
Other	-	-	-	-
Total revenues	<u>81,250</u>	<u>265</u>	<u>1,230,898</u>	<u>917,534</u>
Expenditures				
Current				
Instruction				
Regular	-	-	31,106	1,139,740
Supporting services				
Pupil	-	-	1,157,406	11,571
Instructional staff	-	-	44,454	2,030
Administration	-	-	-	23
Pupil transportation	128,869	-	21,971	-
Central services	-	-	-	-
Operation of non-instructional services				
Food service operations	-	-	-	-
Community service	-	-	23,248	2,725
Extracurricular activities	-	-	-	-
Total expenditures	<u>128,869</u>	<u>-</u>	<u>1,278,185</u>	<u>1,156,089</u>
Excess revenues over expenditures	<u>(47,619)</u>	<u>265</u>	<u>(47,287)</u>	<u>(238,555)</u>
Other financing sources (uses)				
Transfers-in	-	-	-	-
Transfers-out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(47,619)	265	(47,287)	(238,555)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>(181,540)</u>	<u>(27,288)</u>
Fund balances, end of year	<u>\$ (47,619)</u>	<u>\$ 265</u>	<u>\$ (228,827)</u>	<u>\$ (265,843)</u>

Title V	Drug Free Schools	Preschool	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 387
-	2,104	49,065	106,488	43,951	4,161,243
-	-	-	-	-	625,726
-	-	-	-	-	265,474
-	-	-	-	-	65,257
-	2,104	49,065	106,488	43,951	5,118,087
-	-	598	101,962	30,273	1,408,917
-	3,861	45,394	-	4,055	1,304,291
-	-	-	-	-	311,208
-	-	-	-	-	23
-	-	-	-	1,516	152,356
-	-	-	-	-	251,848
-	-	-	-	-	1,502,593
-	-	7,464	-	-	361,637
-	-	-	-	-	220,963
-	3,861	53,456	101,962	35,844	5,513,836
-	(1,757)	(4,391)	4,526	8,107	(395,749)
-	-	-	-	-	100,000
-	-	-	-	-	(25,000)
-	-	-	-	-	75,000
-	(1,757)	(4,391)	4,526	8,107	(320,749)
1,340	858	807	(7,974)	(8,313)	20,027
\$ 1,340	\$ (899)	\$ (3,584)	\$ (3,448)	\$ (206)	\$ (300,722)

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE YEAR ENDED JUNE 30, 2011

	Beginning Balance, June 30, 2010	Additions	Deductions	Ending Balance, June 30, 2011
<b>Assets</b>				
Equity in pooled cash	\$ 110,867	\$ 137,459	\$ 110,867	\$ 137,459
<b>Total assets</b>	<u>110,867</u>	<u>137,459</u>	<u>110,867</u>	<u>137,459</u>
<b>Liabilities</b>				
Accounts payable	264	15	264	15
Due to students	110,603	128,744	110,603	128,744
Interfund payable	-	8,700	-	8,700
<b>Total liabilities</b>	<u>\$ 110,867</u>	<u>\$ 137,459</u>	<u>\$ 110,867</u>	<u>\$ 137,459</u>



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 31,844,000	\$ 35,257,000	\$ 36,023,139	\$ 766,139
Tuition and fees	1,045,000	912,084	876,716	(35,368)
Interest	35,000	24,000	22,863	(1,137)
Intergovernmental	13,959,000	14,169,000	14,371,741	202,741
Other	364,000	764,000	811,310	47,310
<b>Total revenues</b>	<b>47,247,000</b>	<b>51,126,084</b>	<b>52,105,769</b>	<b>979,685</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Instruction</b>				
<b>Regular</b>				
Salaries	15,902,700	15,718,900	15,625,931	92,969
Benefits	6,289,092	6,122,500	5,582,501	539,999
Purchased services	848,647	892,670	860,549	32,121
Materials and supplies	298,634	291,623	271,884	19,739
Capital outlay	17,171	25,332	16,245	9,087
Other	29,300	29,300	27,750	1,550
<b>Total regular</b>	<b>23,385,544</b>	<b>23,080,325</b>	<b>22,384,860</b>	<b>695,465</b>
<b>Special</b>				
Salaries	5,244,200	5,303,400	5,276,743	26,657
Benefits	2,073,941	2,097,700	1,914,833	182,867
Purchased services	584,556	472,556	440,090	32,466
Materials and supplies	29,150	26,000	5,307	20,693
<b>Total special</b>	<b>7,931,847</b>	<b>7,899,656</b>	<b>7,636,973</b>	<b>262,683</b>
<b>Vocational</b>				
Salaries	310,600	310,600	310,510	90
Benefits	122,834	121,600	110,932	10,668
Materials and supplies	21,065	21,200	20,940	260
<b>Total vocational</b>	<b>454,499</b>	<b>453,400</b>	<b>442,382</b>	<b>11,018</b>
<b>Other instruction</b>				
Salaries	50,000	36,400	10,957	25,443
Benefits	19,774	4,400	3,914	486
Purchased services	280,000	290,000	278,181	11,819
<b>Total other instruction</b>	<b>349,774</b>	<b>330,800</b>	<b>293,052</b>	<b>37,748</b>
<b>Total instruction</b>	<b>32,121,664</b>	<b>31,764,181</b>	<b>30,757,267</b>	<b>1,006,914</b>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	GENERAL FUND (continued)			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Supporting services				
Pupil				
Salaries	2,548,700	2,554,300	2,537,759	16,541
Benefits	1,007,943	1,145,700	922,630	223,070
Purchased services	462,000	470,500	382,568	87,932
Materials and supplies	33,440	29,628	13,502	16,126
Capital outlay	-	712	712	-
Total pupil	<u>4,052,083</u>	<u>4,200,840</u>	<u>3,857,171</u>	<u>343,669</u>
Instructional staff				
Salaries	570,200	565,400	534,018	31,382
Benefits	225,499	224,100	205,429	18,671
Purchased services	60,906	63,926	49,547	14,379
Materials and supplies	64,323	67,454	53,916	13,538
Capital outlay	11,151	7,797	7,749	48
Other	5,000	5,000	498	4,502
Total instructional staff	<u>937,079</u>	<u>933,677</u>	<u>851,157</u>	<u>82,520</u>
Board of education				
Salaries	20,000	20,000	17,060	2,940
Benefits	7,909	3,100	3,081	19
Purchased services	252,250	249,250	200,616	48,634
Total board of education	<u>280,159</u>	<u>272,350</u>	<u>220,757</u>	<u>51,593</u>
Administration				
Salaries	2,116,700	2,117,500	2,106,705	10,795
Benefits	837,098	855,400	781,971	73,429
Purchased services	19,750	19,086	17,851	1,235
Materials and supplies	24,569	31,548	25,707	5,841
Other	10,000	11,025	10,769	256
Total administration	<u>3,008,117</u>	<u>3,034,559</u>	<u>2,943,003</u>	<u>91,556</u>
Fiscal services				
Salaries	371,300	383,300	382,275	1,025
Benefits	164,248	213,209	184,332	28,877
Purchased services	5,465	7,065	6,369	696
Materials and supplies	7,000	7,000	4,660	2,340
Capital outlay	24,677	20,242	-	20,242
Other	690,540	690,540	676,002	14,538
Total fiscal services	<u>1,263,230</u>	<u>1,321,356</u>	<u>1,253,638</u>	<u>67,718</u>
Business				
Salaries	29,800	29,900	29,767	133
Benefits	11,785	12,700	11,659	1,041
Purchased services	108,671	106,488	95,220	11,268
Total business	<u>150,256</u>	<u>149,088</u>	<u>136,646</u>	<u>12,442</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	GENERAL FUND (continued)			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Operation and maintenance				
Salaries	1,993,600	1,980,100	1,963,012	17,088
Benefits	788,415	839,500	778,953	60,547
Purchased services	1,307,701	1,325,947	1,207,988	117,959
Materials and supplies	176,377	204,364	182,130	22,234
Capital outlay	2,000	946	946	-
Other	26,200	3,225	-	3,225
Total operation and maintenance	<u>4,294,293</u>	<u>4,354,082</u>	<u>4,133,029</u>	<u>221,053</u>
Pupil transportation				
Salaries	883,200	917,100	911,603	5,497
Benefits	349,282	397,000	364,722	32,278
Purchased services	289,417	349,533	311,402	38,131
Materials and supplies	246,440	266,440	243,654	22,786
Total pupil transportation	<u>1,768,339</u>	<u>1,930,073</u>	<u>1,831,381</u>	<u>98,692</u>
Central services				
Salaries	384,800	394,100	359,240	34,860
Benefits	152,178	184,800	172,272	12,528
Purchased services	321,742	297,242	256,321	40,921
Materials and supplies	89,879	109,520	83,418	26,102
Capital outlay	-	2,094	2,094	-
Total central services	<u>948,599</u>	<u>987,756</u>	<u>873,345</u>	<u>114,411</u>
Total supporting services	<u>16,702,155</u>	<u>17,183,781</u>	<u>16,100,127</u>	<u>1,083,654</u>
Operation of non-instructional				
Food service operation				
Salaries	113,800	60,500	59,040	1,460
Benefits	45,005	25,200	23,125	2,075
Capital outlay	3,842	3,842	-	3,842
Total food service operation	<u>162,647</u>	<u>89,542</u>	<u>82,165</u>	<u>7,377</u>
Community services				
Purchased services	26,800	27,000	24,809	2,191
Total community services	<u>26,800</u>	<u>27,000</u>	<u>24,809</u>	<u>2,191</u>
Total operation of non-instructional	<u>189,447</u>	<u>116,542</u>	<u>106,974</u>	<u>9,568</u>
Extracurricular activities				
Academic and subject oriented				
Salaries	226,300	202,600	176,169	26,431
Benefits	89,496	71,600	65,349	6,251
Other	-	58,345	58,345	-
Total academic and subject oriented	<u>315,796</u>	<u>332,545</u>	<u>299,863</u>	<u>32,682</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	GENERAL FUND (concluded)			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Sports oriented				
Salaries	647,100	666,700	643,605	23,095
Benefits	255,910	261,800	239,359	22,441
Purchased services	22,500	17,500	11,300	6,200
Other	-	183,540	183,540	-
Total sports oriented	<u>925,510</u>	<u>1,129,540</u>	<u>1,077,804</u>	<u>51,736</u>
Total extracurricular activities	<u>1,241,306</u>	<u>1,462,085</u>	<u>1,377,667</u>	<u>84,418</u>
Debt service				
Principal	-	85,690	85,690	-
Total debt service	<u>-</u>	<u>85,690</u>	<u>85,690</u>	<u>-</u>
Total expenditures	<u>50,254,572</u>	<u>50,612,279</u>	<u>48,427,725</u>	<u>2,184,554</u>
Excess (deficiency) of revenues over expenditures	<u>(3,007,572)</u>	<u>513,805</u>	<u>3,678,044</u>	<u>3,164,239</u>
Other financing sources (uses)				
Transfers-in	25,000	25,000	25,000	-
Advances-in	731,337	731,337	731,337	-
Refund prior year expenditure	-	-	21,570	21,570
Advances-out	(570,000)	(1,261,391)	(1,261,391)	-
Transfers-out	<u>(461,000)</u>	<u>(461,000)</u>	<u>(461,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(274,663)</u>	<u>(966,054)</u>	<u>(944,484)</u>	<u>21,570</u>
Net change in fund balance	(3,282,235)	(452,249)	2,733,560	3,185,809
Fund balance, beginning of year	8,981,356	8,981,356	8,981,356	-
Prior year encumbrances appropriated	<u>396,574</u>	<u>396,574</u>	<u>396,574</u>	<u>-</u>
Fund balance, end of year	<u>\$ 6,095,695</u>	<u>\$ 8,925,681</u>	<u>\$ 12,111,490</u>	<u>\$ 3,185,809</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	FOOD SERVICE FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$ 300	\$ 300	\$ 296	\$ (4)
Charges for services	678,768	594,236	628,228	33,992
Intergovernmental	715,107	676,221	693,089	16,868
Other	2,000	2,000	8,030	6,030
Total revenues	<u>1,396,175</u>	<u>1,272,757</u>	<u>1,329,643</u>	<u>56,886</u>
Expenditures				
Current				
Operation of non-instructional				
Food service operation				
Salaries	462,423	475,262	465,193	10,069
Benefits	242,034	234,146	226,463	7,683
Purchased services	745,514	752,474	748,655	3,819
Materials and supplies	4,000	4,000	3,695	305
Total food service operation	<u>1,453,971</u>	<u>1,465,882</u>	<u>1,444,006</u>	<u>21,876</u>
Total operation of non-instructional	<u>1,453,971</u>	<u>1,465,882</u>	<u>1,444,006</u>	<u>21,876</u>
Total expenditures	<u>1,453,971</u>	<u>1,465,882</u>	<u>1,444,006</u>	<u>21,876</u>
Excess (deficiency) of revenues over expenditures	<u>(57,796)</u>	<u>(193,125)</u>	<u>(114,363)</u>	<u>78,762</u>
Other financing sources (uses)				
Transfers-in	100,000	100,000	100,000	-
Transfers-out	(25,000)	(25,000)	(25,000)	-
Total other financing sources (uses)	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net change in fund balance	17,204	(118,125)	(39,363)	78,762
Fund balance, beginning of year	293,039	293,039	293,039	-
Prior year encumbrances appropriated	<u>8,714</u>	<u>8,714</u>	<u>8,714</u>	<u>-</u>
Fund balance, end of year	<u>\$ 318,957</u>	<u>\$ 183,628</u>	<u>\$ 262,390</u>	<u>\$ 78,762</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	ATHLETIC FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Extracurricular	\$ 334,500	\$ 256,636	\$ 265,474	\$ 8,838
Other	2,000	570	570	-
Total revenues	<u>336,500</u>	<u>257,206</u>	<u>266,044</u>	<u>8,838</u>
Expenditures				
Current				
Extracurricular activities				
Sports oriented				
Purchased services	44,000	36,945	34,493	2,452
Materials and supplies	9,623	9,223	8,706	517
Other	239,958	230,540	173,285	57,255
Total sports oriented	<u>293,581</u>	<u>276,708</u>	<u>216,484</u>	<u>60,224</u>
Total extracurricular activities	<u>293,581</u>	<u>276,708</u>	<u>216,484</u>	<u>60,224</u>
Capital outlay	43,182	35,668	30,408	5,260
Total expenditures	<u>336,763</u>	<u>312,376</u>	<u>246,892</u>	<u>65,484</u>
Excess (deficiency) of revenues over expenditures	<u>(263)</u>	<u>(55,170)</u>	<u>19,152</u>	<u>74,322</u>
Other financing sources (uses)				
Advances-in	-	20,000	20,000	-
Advances-out	-	(20,000)	(20,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(263)	(55,170)	19,152	74,322
Fund balance, beginning of year	93,434	93,434	93,434	-
Prior year encumbrances appropriated	<u>7,264</u>	<u>7,264</u>	<u>7,264</u>	<u>-</u>
Fund balance, end of year	<u>\$ 100,435</u>	<u>\$ 45,528</u>	<u>\$ 119,850</u>	<u>\$ 74,322</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>AUXILIARY SERVICES FUND</b>				
Revenues				
Interest	\$ -	\$ 91	\$ 91	\$ -
Intergovernmental	326,912	309,233	309,233	-
Total revenues	<u>326,912</u>	<u>309,324</u>	<u>309,324</u>	<u>-</u>
Expenditures				
Current				
Operation of non-instructional				
Community services				
Salaries	64,489	64,627	56,369	8,258
Benefits	14,478	14,228	12,796	1,432
Purchased services	103,658	87,267	87,267	-
Materials and supplies	107,149	116,170	116,170	-
Other	12,329	12,373	12,373	-
Total community services	<u>302,103</u>	<u>294,665</u>	<u>284,975</u>	<u>9,690</u>
Total operation of non-instructional	<u>302,103</u>	<u>294,665</u>	<u>284,975</u>	<u>9,690</u>
Capital outlay	51,861	50,832	50,832	-
Total expenditures	<u>353,964</u>	<u>345,497</u>	<u>335,807</u>	<u>9,690</u>
Fund balance, beginning of year	35,849	35,849	35,849	-
Prior year encumbrances appropriated	<u>324</u>	<u>324</u>	<u>324</u>	<u>-</u>
Fund balance, end of year	<u>\$ 9,121</u>	<u>\$ -</u>	<u>\$ 9,690</u>	<u>\$ 9,690</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	EDUCATION M.I.S. FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 12,000	\$ 5,000	\$ 5,000	\$ -
Total revenues	<u>12,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Central services				
Purchased services	-	5,000	5,000	-
Total central services	-	<u>5,000</u>	<u>5,000</u>	-
Total supporting services	-	<u>5,000</u>	<u>5,000</u>	-
Total expenditures	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balance	12,000	-	-	-
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 12,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	FISCAL STABILIZATION FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 433,969	\$ 526,435	\$ 526,435	\$ -
Total revenues	<u>433,969</u>	<u>526,435</u>	<u>526,435</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	31,532	44,139	44,139	-
Total regular	<u>31,532</u>	<u>44,139</u>	<u>44,139</u>	<u>-</u>
Total instruction	<u>31,532</u>	<u>44,139</u>	<u>44,139</u>	<u>-</u>
Supporting services				
Instructional staff				
Salaries	190,236	187,171	183,248	3,923
Benefits	68,400	68,400	64,028	4,372
Purchased services	9,062	4,265	4,265	-
Total instructional staff	<u>267,698</u>	<u>259,836</u>	<u>251,541</u>	<u>8,295</u>
Central services				
Salaries	156,422	224,982	186,254	38,728
Benefits	-	11,901	5,948	5,953
Purchased services	4,728	11,988	11,988	-
Total central services	<u>161,150</u>	<u>248,871</u>	<u>204,190</u>	<u>44,681</u>
Total supporting services	<u>428,848</u>	<u>508,707</u>	<u>455,731</u>	<u>52,976</u>
Total expenditures	<u>460,380</u>	<u>552,846</u>	<u>499,870</u>	<u>52,976</u>
Excess (deficiency) of revenues over expenditures	<u>(26,411)</u>	<u>(26,411)</u>	<u>26,565</u>	<u>52,976</u>
Other financing sources (uses)				
Advances-out	(604)	(604)	(604)	-
Total other financing sources (uses)	<u>(604)</u>	<u>(604)</u>	<u>(604)</u>	<u>-</u>
Net change in fund balance	(27,015)	(27,015)	25,961	52,976
Fund balance, beginning of year	27,015	27,015	27,015	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,976</u>	<u>\$ 52,976</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
DATA COMMUNICATION FUND				
Revenues				
Intergovernmental	\$ -	\$ 20,475	\$ 20,475	\$ -
Total revenues	<u>-</u>	<u>20,475</u>	<u>20,475</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Business				
Purchased services	1,600	1,600	-	1,600
Total business	<u>1,600</u>	<u>1,600</u>	<u>-</u>	<u>1,600</u>
Central services				
Purchased services	3,395	23,870	3,373	20,497
Total central services	<u>3,395</u>	<u>23,870</u>	<u>3,373</u>	<u>20,497</u>
Total supporting services	<u>4,995</u>	<u>25,470</u>	<u>3,373</u>	<u>22,097</u>
Capital outlay	15,270	15,270	-	15,270
Total expenditures	<u>20,265</u>	<u>40,740</u>	<u>3,373</u>	<u>37,367</u>
Excess (deficiency) of revenues over expenditures	<u>(20,265)</u>	<u>(20,265)</u>	<u>17,102</u>	<u>37,367</u>
Other financing sources (uses)				
Refund of prior year receipts	(417)	(417)	-	417
Total other financing sources (uses)	<u>(417)</u>	<u>(417)</u>	<u>-</u>	<u>417</u>
Net change in fund balance	(20,682)	(20,682)	17,102	37,784
Fund balance, beginning of year	17,309	17,309	17,309	-
Prior year encumbrances appropriated	<u>3,373</u>	<u>3,373</u>	<u>3,373</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,784</u>	<u>\$ 37,784</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	SCHOOLNET FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Other financing sources (uses)				
Refund of prior year receipts	\$ (206)	\$ -	\$ -	\$ -
Total other financing sources (uses)	(206)	-	-	-
Net change in fund balance	(206)	-	-	-
Fund balance, beginning of year	206	206	206	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ 206</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

LIMITED ENGLISH PROFICIENCY FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 82,320	\$ 103,552	\$ 63,425	\$ (40,127)
Total revenues	<u>82,320</u>	<u>103,552</u>	<u>63,425</u>	<u>(40,127)</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	2,919	2,200	2,099	101
Benefits	505	360	376	(16)
Materials and supplies	11,743	6,092	1,506	4,586
Capital outlay	6,000	3,000	2,592	408
Total regular	<u>21,167</u>	<u>11,652</u>	<u>6,573</u>	<u>5,079</u>
Total instruction	<u>21,167</u>	<u>11,652</u>	<u>6,573</u>	<u>5,079</u>
Supporting services				
Pupil				
Salaries	17,000	58,990	43,431	15,559
Benefits	3,099	11,580	7,182	4,398
Purchased services	17,106	10,000	2,560	7,440
Materials and supplies	1,500	1,000	-	1,000
Capital outlay	1,000	1,000	-	1,000
Total pupil	<u>39,705</u>	<u>82,570</u>	<u>53,173</u>	<u>29,397</u>
Instructional staff				
Salaries	3,182	2,493	855	1,638
Benefits	390	380	80	300
Purchased services	13,919	1,000	210	790
Materials and supplies	1,000	2,500	-	2,500
Total instructional staff	<u>18,491</u>	<u>6,373</u>	<u>1,145</u>	<u>5,228</u>
Total supporting services	<u>58,196</u>	<u>88,943</u>	<u>54,318</u>	<u>34,625</u>
Total expenditures	<u>79,363</u>	<u>100,595</u>	<u>60,891</u>	<u>39,704</u>
Excess (deficiency) of revenues over expenditures	<u>2,957</u>	<u>2,957</u>	<u>2,534</u>	<u>(423)</u>
Other financing sources (uses)				
Advances-in	-	-	40,128	40,128
Advances-out	(37,981)	(37,981)	(37,981)	-
Total other financing sources (uses)	<u>(37,981)</u>	<u>(37,981)</u>	<u>2,147</u>	<u>40,128</u>
Net change in fund balance	(35,024)	(35,024)	4,681	39,705
Fund balance, beginning of year	35,024	35,024	35,024	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,705</u>	<u>\$ 39,705</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

ALTERNATIVE EDUCATION FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 72,362	\$ 73,300	\$ 46,210	\$ (27,090)
Total revenues	<u>72,362</u>	<u>73,300</u>	<u>46,210</u>	<u>(27,090)</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	55,718	54,131	54,131	-
Total regular	<u>55,718</u>	<u>54,131</u>	<u>54,131</u>	<u>-</u>
Total instruction	<u>55,718</u>	<u>54,131</u>	<u>54,131</u>	<u>-</u>
Supporting services				
Pupil				
Purchased services	17,039	19,169	19,169	-
Total pupil	<u>17,039</u>	<u>19,169</u>	<u>19,169</u>	<u>-</u>
Total supporting services	<u>17,039</u>	<u>19,169</u>	<u>19,169</u>	<u>-</u>
Total expenditures	<u>72,757</u>	<u>73,300</u>	<u>73,300</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(395)</u>	<u>-</u>	<u>(27,090)</u>	<u>(27,090)</u>
Other financing sources (uses)				
Advances-in	-	-	27,090	27,090
Refund of prior year receipts	-	(395)	(395)	-
Total other financing sources (uses)	<u>-</u>	<u>(395)</u>	<u>26,695</u>	<u>27,090</u>
Net change in fund balance	(395)	(395)	(395)	-
Fund balance, beginning of year	395	395	395	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

MISCELLANEOUS STATE GRANTS FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 37,629	\$ 37,142	\$ 19,851	\$ (17,291)
Total revenues	<u>37,629</u>	<u>37,142</u>	<u>19,851</u>	<u>(17,291)</u>
Expenditures				
Current				
Supporting services				
Instructional staff				
Salaries	25,525	24,821	10,671	14,150
Benefits	3,733	3,950	1,523	2,427
Total instructional staff	<u>29,258</u>	<u>28,771</u>	<u>12,194</u>	<u>16,577</u>
Total supporting services	<u>29,258</u>	<u>28,771</u>	<u>12,194</u>	<u>16,577</u>
Capital outlay	35	35	-	35
Total expenditures	<u>29,293</u>	<u>28,806</u>	<u>12,194</u>	<u>16,612</u>
Excess (deficiency) of revenues over expenditures	<u>8,336</u>	<u>8,336</u>	<u>7,657</u>	<u>(679)</u>
Other financing sources (uses)				
Advances-in	-	-	17,291	17,291
Advances-out	<u>(12,629)</u>	<u>(12,629)</u>	<u>(12,629)</u>	<u>-</u>
Total other financing sources (uses)	<u>(12,629)</u>	<u>(12,629)</u>	<u>4,662</u>	<u>17,291</u>
Net change in fund balance	(4,293)	(4,293)	12,319	16,612
Fund balance, beginning of year	4,293	4,293	4,293	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,612</u>	<u>\$ 16,612</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EDUCATION JOBS FUND				
Revenues				
Intergovernmental	\$ -	\$ 329,810	\$ 81,250	\$ (248,560)
Total revenues	-	329,810	81,250	(248,560)
Expenditures				
Current				
Pupil transportation				
Salaries	-	283,220	65,591	217,629
Benefits	-	46,590	10,790	35,800
Total pupil transportation	-	329,810	76,381	253,429
Total supporting services	-	329,810	76,381	253,429
Total expenditures	-	329,810	76,381	253,429
Excess (deficiency) of revenues over expenditures	-	-	4,869	4,869
Other financing sources (uses)				
Advances-in	-	-	248,560	248,560
Total other financing sources (uses)	-	-	248,560	248,560
Net change in fund balance	-	-	253,429	253,429
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 253,429	\$ 253,429

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

TITLE II D - TECHNOLOGY FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,643	\$ 2,536	\$ 265	\$ (2,271)
Total revenues	<u>2,643</u>	<u>2,536</u>	<u>265</u>	<u>(2,271)</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	2,395	2,288	-	2,288
Total regular	<u>2,395</u>	<u>2,288</u>	<u>-</u>	<u>2,288</u>
Total instruction	<u>2,395</u>	<u>2,288</u>	<u>-</u>	<u>2,288</u>
Operation of non-instructional				
Community services				
Purchased services	248	248	-	248
Total community services	<u>248</u>	<u>248</u>	<u>-</u>	<u>248</u>
Total operation of non-instructional	<u>248</u>	<u>248</u>	<u>-</u>	<u>248</u>
Total expenditures	<u>2,643</u>	<u>2,536</u>	<u>-</u>	<u>2,536</u>
Excess (deficiency) of revenues over expenditures	-	-	265	265
Other financing sources (uses)				
Advances-in	-	-	2,271	2,271
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,271</u>	<u>2,271</u>
Net change in fund balance	-	-	2,536	2,536
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,536</u>	<u>\$ 2,536</u>



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	TITLE VIB FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 2,105,304	\$ 1,558,236	\$ 1,230,898	\$ (327,338)
Total revenues	<u>2,105,304</u>	<u>1,558,236</u>	<u>1,230,898</u>	<u>(327,338)</u>
Expenditures				
Current				
Instruction				
Regular				
Materials and supplies	132,104	80,220	46,361	33,859
Capital outlay	30,612	30,916	13,456	17,460
Total regular	<u>162,716</u>	<u>111,136</u>	<u>59,817</u>	<u>51,319</u>
Total instruction	<u>162,716</u>	<u>111,136</u>	<u>59,817</u>	<u>51,319</u>
Supporting services				
Pupil				
Salaries	382,364	315,081	276,002	39,079
Benefits	222,078	209,218	148,778	60,440
Purchased services	1,184,700	764,958	772,482	(7,524)
Materials and supplies	349	-	-	-
Total pupil	<u>1,789,491</u>	<u>1,289,257</u>	<u>1,197,262</u>	<u>91,995</u>
Instructional staff				
Salaries	349	-	-	-
Benefits	4,065	-	-	-
Purchased services	1,016	-	-	-
Materials and supplies	1,850	500	300	200
Total instructional staff	<u>7,280</u>	<u>500</u>	<u>300</u>	<u>200</u>
Pupil transportation				
Purchased services	24,780	38,536	25,631	12,905
Total pupil transportation	<u>24,780</u>	<u>38,536</u>	<u>25,631</u>	<u>12,905</u>
Total supporting services	<u>1,821,551</u>	<u>1,328,293</u>	<u>1,223,193</u>	<u>105,100</u>
Operation of non-instructional				
Community services				
Salaries	6,221	4,011	4,214	(203)
Benefits	608	608	644	(36)
Purchased services	20,250	20,230	19,991	239
Total community services	<u>27,079</u>	<u>24,849</u>	<u>24,849</u>	<u>-</u>
Total operation of non-instructional	<u>27,079</u>	<u>24,849</u>	<u>24,849</u>	<u>-</u>
Total expenditures	<u>2,011,346</u>	<u>1,464,278</u>	<u>1,307,859</u>	<u>156,419</u>
Excess (deficiency) of revenues over expenditures	<u>93,958</u>	<u>93,958</u>	<u>(76,961)</u>	<u>(170,919)</u>
Other financing sources (uses)				
Advances-in	-	-	327,339	327,339
Advances-out	(274,696)	(274,696)	(274,696)	-
Total other financing sources (uses)	<u>(274,696)</u>	<u>(274,696)</u>	<u>52,643</u>	<u>327,339</u>
Net change in fund balance	<u>(180,738)</u>	<u>(180,738)</u>	<u>(24,318)</u>	<u>156,420</u>
Fund balance, beginning of year	98,588	98,588	98,588	-
Prior year encumbrances appropriated	82,150	82,150	82,150	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,420</u>	<u>\$ 156,420</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	TITLE I FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 1,779,471	\$ 1,349,472	\$ 917,534	\$ (431,938)
Total revenues	<u>1,779,471</u>	<u>1,349,472</u>	<u>917,534</u>	<u>(431,938)</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	790,735	688,485	563,638	124,847
Benefits	196,401	213,052	172,411	40,641
Purchased services	166,065	65,201	58,750	6,451
Materials and supplies	40,378	54,991	27,115	27,876
Capital outlay	374,940	318,620	288,642	29,978
Total regular	<u>1,568,519</u>	<u>1,340,349</u>	<u>1,110,556</u>	<u>229,793</u>
Total instruction	<u>1,568,519</u>	<u>1,340,349</u>	<u>1,110,556</u>	<u>229,793</u>
Supporting services				
Pupil				
Purchased services	104,577	16,000	11,571	4,429
Total pupil	<u>104,577</u>	<u>16,000</u>	<u>11,571</u>	<u>4,429</u>
Instructional staff				
Purchased services	113,794	6,867	522	6,345
Materials and supplies	8,090	3,434	1,727	1,707
Total instructional staff	<u>121,884</u>	<u>10,301</u>	<u>2,249</u>	<u>8,052</u>
Administrative				
Salaries	12,315	12,315	20	12,295
Benefits	2,685	2,685	3	2,682
Total administrative	<u>15,000</u>	<u>15,000</u>	<u>23</u>	<u>14,977</u>
Total supporting services	<u>241,461</u>	<u>41,301</u>	<u>13,843</u>	<u>27,458</u>
Operation of non-instructional				
Community services				
Salaries	9,315	9,315	7,747	1,568
Benefits	1,294	1,294	1,087	207
Purchased services	3,576	3,065	1,480	1,585
Materials and supplies	3,428	2,270	2,131	139
Total community services	<u>17,613</u>	<u>15,944</u>	<u>12,445</u>	<u>3,499</u>
Total operation of non-instructional	<u>17,613</u>	<u>15,944</u>	<u>12,445</u>	<u>3,499</u>
Total expenditures	<u>1,827,593</u>	<u>1,397,594</u>	<u>1,136,844</u>	<u>260,750</u>
Excess (deficiency) of revenues over expenditures	<u>(48,122)</u>	<u>(48,122)</u>	<u>(219,310)</u>	<u>(171,188)</u>
Other financing sources (uses)				
Advances-in	-	-	431,937	431,937
Advances-out	(245,469)	(245,469)	(245,469)	-
Total other financing sources (uses)	<u>(245,469)</u>	<u>(245,469)</u>	<u>186,468</u>	<u>431,937</u>
Net change in fund balance	(293,591)	(293,591)	(32,842)	260,749
Fund balance, beginning of year	289,046	289,046	289,046	-
Prior year encumbrances appropriated	4,545	4,545	4,545	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260,749</u>	<u>\$ 260,749</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	TITLE V FUND			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Expenditures				
Capital outlay	\$ 1,340	\$ 1,340	\$ -	\$ 1,340
Total expenditures	1,340	1,340	-	1,340
Net change in fund balance	(1,340)	(1,340)	-	1,340
Fund balance, beginning of year	1,340	1,340	1,340	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,340</u>	<u>\$ 1,340</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,917	\$ 3,917	\$ 2,104	\$ (1,813)
Total revenues	<u>3,917</u>	<u>3,917</u>	<u>2,104</u>	<u>(1,813)</u>
Expenditures				
Current				
Supporting services				
Pupil				
Purchased services	3,867	3,867	3,861	6
Total pupil	<u>3,867</u>	<u>3,867</u>	<u>3,861</u>	<u>6</u>
Total supporting services	<u>3,867</u>	<u>3,867</u>	<u>3,861</u>	<u>6</u>
Total expenditures	<u>3,867</u>	<u>3,867</u>	<u>3,861</u>	<u>6</u>
Excess (deficiency) of revenues over expenditures	<u>50</u>	<u>50</u>	<u>(1,757)</u>	<u>(1,807)</u>
Other financing sources (uses)				
Advances-in	-	-	1,812	1,812
Advances-out	(3,917)	(3,917)	(3,917)	-
Refund of prior year receipts	<u>(908)</u>	<u>(908)</u>	<u>-</u>	<u>908</u>
Total other financing sources (uses)	<u>(4,825)</u>	<u>(4,825)</u>	<u>(2,105)</u>	<u>2,720</u>
Net change in fund balance	(4,775)	(4,775)	(3,862)	913
Fund balance, beginning of year	4,775	4,775	4,775	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 913</u>	<u>\$ 913</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	PRESCHOOL FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 80,439	\$ 49,065	\$ 49,065	\$ -
Total revenues	<u>80,439</u>	<u>49,065</u>	<u>49,065</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	4,691	-	-	-
Benefits	1,894	-	-	-
Purchased services	1,050	1,050	-	1,050
Materials and supplies	15,722	647	598	49
Total regular	<u>23,357</u>	<u>1,697</u>	<u>598</u>	<u>1,099</u>
Total instruction	<u>23,357</u>	<u>1,697</u>	<u>598</u>	<u>1,099</u>
Supporting services				
Pupil				
Salaries	40,378	40,377	38,200	2,177
Benefits	7,798	7,798	6,236	1,562
Purchased services	4,713	-	-	-
Total pupil	<u>52,889</u>	<u>48,175</u>	<u>44,436</u>	<u>3,739</u>
Total supporting services	<u>52,889</u>	<u>48,175</u>	<u>44,436</u>	<u>3,739</u>
Capital outlay	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>81,246</u>	<u>49,872</u>	<u>45,034</u>	<u>4,838</u>
Excess (deficiency) of revenues over expenditures	<u>(807)</u>	<u>(807)</u>	<u>4,031</u>	<u>4,838</u>
Other financing sources (uses)				
Advances-out	<u>(26,214)</u>	<u>(26,214)</u>	<u>(26,214)</u>	<u>-</u>
Total other financing sources (uses)	<u>(26,214)</u>	<u>(26,214)</u>	<u>(26,214)</u>	<u>-</u>
Net change in fund balance	(27,021)	(27,021)	(22,183)	4,838
Fund balance, beginning of year	27,021	27,021	27,021	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,838</u>	<u>\$ 4,838</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	TITLE II-A FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 240,995	\$ 240,487	\$ 106,488	\$ (133,999)
Total revenues	<u>240,995</u>	<u>240,487</u>	<u>106,488</u>	<u>(133,999)</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	114,730	93,873	48,352	45,521
Benefits	36,764	18,629	6,927	11,702
Purchased services	71,412	105,544	44,552	60,992
Materials and supplies	14,581	18,933	8,229	10,704
Total regular	<u>237,487</u>	<u>236,979</u>	<u>108,060</u>	<u>128,919</u>
Total instruction	<u>237,487</u>	<u>236,979</u>	<u>108,060</u>	<u>128,919</u>
Total expenditures	<u>237,487</u>	<u>236,979</u>	<u>108,060</u>	<u>128,919</u>
Excess (deficiency) of revenues over expenditures	<u>3,508</u>	<u>3,508</u>	<u>(1,572)</u>	<u>(5,080)</u>
Other financing sources (uses)				
Advances-in	-	-	133,998	133,998
Advances-out	<u>(92,693)</u>	<u>(92,693)</u>	<u>(92,693)</u>	<u>-</u>
Total other financing sources (uses)	<u>(92,693)</u>	<u>(92,693)</u>	<u>41,305</u>	<u>133,998</u>
Net change in fund balance	(89,185)	(89,185)	39,733	128,918
Fund balance, beginning of year	89,114	89,114	89,114	-
Prior year encumbrances appropriated	<u>71</u>	<u>71</u>	<u>71</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,918</u>	<u>\$ 128,918</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

MISCELLANEOUS FEDERAL GRANTS FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 47,134	\$ 46,216	\$ 43,951	\$ (2,265)
Total revenues	<u>47,134</u>	<u>46,216</u>	<u>43,951</u>	<u>(2,265)</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	14,839	14,710	14,710	-
Benefits	2,900	2,386	2,386	-
Purchased services	12,321	8,512	8,512	-
Materials and supplies	5,564	7,038	7,038	-
Total regular	<u>35,624</u>	<u>33,335</u>	<u>33,335</u>	<u>-</u>
Total instruction	<u>35,624</u>	<u>33,335</u>	<u>33,335</u>	<u>-</u>
Supporting services				
Pupil				
Purchased services	2,200	4,055	4,055	-
Total pupil	<u>2,200</u>	<u>4,055</u>	<u>4,055</u>	<u>-</u>
Pupil transportation				
Purchased services	2,000	1,516	1,516	-
Total pupil transportation	<u>2,000</u>	<u>1,516</u>	<u>1,516</u>	<u>-</u>
Total supporting services	<u>4,200</u>	<u>5,571</u>	<u>5,571</u>	<u>-</u>
Total expenditures	<u>39,824</u>	<u>38,906</u>	<u>38,906</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>7,310</u>	<u>7,310</u>	<u>5,045</u>	<u>(2,265)</u>
Other financing sources (uses)				
Advances-in	-	-	2,265	2,265
Advances-out	(17,134)	(17,134)	(17,134)	-
Total other financing sources (uses)	<u>(17,134)</u>	<u>(17,134)</u>	<u>(14,869)</u>	<u>2,265</u>
Net change in fund balance	(9,824)	(9,824)	(9,824)	-
Fund balance, beginning of year	9,070	9,070	9,070	-
Prior year encumbrances appropriated	<u>754</u>	<u>754</u>	<u>754</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	MISCELLANEOUS LOCAL PROJECTS FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Fund balance, beginning of year	\$ 750	\$ 750	\$ 750	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ 750	\$ 750	\$ 750	\$ -



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	ROTARY FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$ 55,000	\$ 29,000	\$ 29,667	\$ 667
Other	-	3,000	4,197	1,197
Total revenues	<u>55,000</u>	<u>32,000</u>	<u>33,864</u>	<u>1,864</u>
Expenditures				
Current				
Supporting services				
Pupil transportation				
Purchased services	60,000	60,000	42,182	17,818
Total pupil transportation	<u>60,000</u>	<u>60,000</u>	<u>42,182</u>	<u>17,818</u>
Total supporting services	<u>60,000</u>	<u>60,000</u>	<u>42,182</u>	<u>17,818</u>
Operation of non-instructional				
Community services				
Other	2,109	2,109	-	2,109
Total community services	<u>2,109</u>	<u>2,109</u>	<u>-</u>	<u>2,109</u>
Total operation of non-instructional	<u>2,109</u>	<u>2,109</u>	<u>-</u>	<u>2,109</u>
Total expenditures	<u>62,109</u>	<u>62,109</u>	<u>42,182</u>	<u>19,927</u>
Excess (deficiency) of revenues over expenditures	<u>(7,109)</u>	<u>(30,109)</u>	<u>(8,318)</u>	<u>21,791</u>
Other financing sources (uses)				
Transfers-in	20,000	20,000	20,000	-
Total other financing sources (uses)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in fund balance	12,891	(10,109)	11,682	21,791
Fund balance, beginning of year	168,578	168,578	168,578	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 181,469</u>	<u>\$ 158,469</u>	<u>\$ 180,260</u>	<u>\$ 21,791</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	PUBLIC SUPPORT SERVICES FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Extracurricular	\$ 201,610	\$ 129,369	\$ 134,359	\$ 4,990
Other	295,950	143,725	150,826	7,101
Total revenues	<u>497,560</u>	<u>273,094</u>	<u>285,185</u>	<u>12,091</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	-	1,135	1,135	-
Purchased services	46,478	23,628	11,719	11,909
Materials and supplies	176,050	163,207	141,309	21,898
Capital outlay	19,770	19,870	8,602	11,268
Other	271,055	160,655	126,348	34,307
Total regular	<u>513,353</u>	<u>368,495</u>	<u>289,113</u>	<u>79,382</u>
Total instruction	<u>513,353</u>	<u>368,495</u>	<u>289,113</u>	<u>79,382</u>
Supporting services				
Administration				
Materials and supplies	1,568	1,568	968	600
Total administration	<u>1,568</u>	<u>1,568</u>	<u>968</u>	<u>600</u>
Total supporting services	<u>1,568</u>	<u>1,568</u>	<u>968</u>	<u>600</u>
Extracurricular activities				
Sports oriented				
Other	14,000	-	-	-
Total sports oriented	<u>14,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total extracurricular activities	<u>14,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>528,921</u>	<u>370,063</u>	<u>290,081</u>	<u>79,982</u>
Excess (deficiency) of revenues over expenditures	<u>(31,361)</u>	<u>(96,969)</u>	<u>(4,896)</u>	<u>92,073</u>
Other financing sources (uses)				
Transfers-in	216,000	241,000	241,000	-
Total other financing sources (uses)	<u>216,000</u>	<u>241,000</u>	<u>241,000</u>	<u>-</u>
Net change in fund balance	184,639	144,031	236,104	92,073
Fund balance, beginning of year	746,026	746,026	746,026	-
Prior year encumbrances appropriated	3,416	3,416	3,416	-
Fund balance, end of year	<u>\$ 934,081</u>	<u>\$ 893,473</u>	<u>\$ 985,546</u>	<u>\$ 92,073</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	OTHER GRANTS FUND			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 14,350	\$ 12,890	\$ 12,890	\$ -
Other	1,000	15,896	15,896	-
Total revenues	<u>15,350</u>	<u>28,786</u>	<u>28,786</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	4,325	4,325	718	3,607
Materials and supplies	7,648	7,648	847	6,801
Capital outlay	931	931	931	-
Other	16,959	16,959	12,387	4,572
Total regular	<u>29,863</u>	<u>29,863</u>	<u>14,883</u>	<u>14,980</u>
Total instruction	<u>29,863</u>	<u>29,863</u>	<u>14,883</u>	<u>14,980</u>
Supporting services				
Pupil				
Purchased services	115	115	109	6
Total pupil	<u>115</u>	<u>115</u>	<u>109</u>	<u>6</u>
Instructional staff				
Materials and supplies	-	5,000	5,000	-
Other	23	23	-	23
Total instructional staff	<u>23</u>	<u>5,023</u>	<u>5,000</u>	<u>23</u>
Fiscal services				
Other	87,346	87,346	87,346	-
Total fiscal services	<u>87,346</u>	<u>87,346</u>	<u>87,346</u>	<u>-</u>
Central services				
Purchased services	-	1,000	-	1,000
Total central services	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total supporting services	<u>87,484</u>	<u>93,484</u>	<u>92,455</u>	<u>1,029</u>
Extracurricular activities				
Academic and subject oriented				
Other	-	2,000	-	2,000
Total academic and subject oriented	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total expenditures	<u>117,347</u>	<u>125,347</u>	<u>107,338</u>	<u>18,009</u>
Net change in fund balance	(101,997)	(96,561)	(78,552)	18,009
Fund balance, beginning of year	194,133	194,133	194,133	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 92,136</u>	<u>\$ 97,572</u>	<u>\$ 115,581</u>	<u>\$ 18,009</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	DEBT SERVICE FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Expenditures				
Debt service				
Principal	\$ 85,000	\$ 85,000	\$ 85,000	\$ -
Interest and fiscal charges	15,900	15,900	15,895	5
Total debt service	<u>100,900</u>	<u>100,900</u>	<u>100,895</u>	<u>5</u>
Total expenditures	<u>100,900</u>	<u>100,900</u>	<u>100,895</u>	<u>5</u>
Excess (deficiency) of revenues over expenditures	<u>(100,900)</u>	<u>(100,900)</u>	<u>(100,895)</u>	<u>5</u>
Other financing sources (uses)				
Transfers-in	108,000	108,000	108,000	-
Total other financing sources (uses)	<u>108,000</u>	<u>108,000</u>	<u>108,000</u>	<u>-</u>
Net change in fund balance	7,100	7,100	7,105	5
Fund balance, beginning of year	56,172	56,172	56,172	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 63,272</u></u>	<u><u>\$ 63,272</u></u>	<u><u>\$ 63,277</u></u>	<u><u>\$ 5</u></u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

PERMANENT IMPROVEMENTS FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 926,799	\$ 932,000	\$ 956,492	\$ 24,492
Interest	2,000	2,000	1,808	(192)
Intergovernmental	211,339	220,339	214,243	(6,096)
Total revenues	<u>1,140,138</u>	<u>1,154,339</u>	<u>1,172,543</u>	<u>18,204</u>
Expenditures				
Capital outlay	<u>1,476,727</u>	<u>1,526,727</u>	<u>1,405,227</u>	<u>121,500</u>
Total expenditures	<u>1,476,727</u>	<u>1,526,727</u>	<u>1,405,227</u>	<u>121,500</u>
Excess (deficiency) of revenues over expenditures	<u>(336,589)</u>	<u>(372,388)</u>	<u>(232,684)</u>	<u>139,704</u>
Other financing sources (uses)				
Transfers-out	<u>(108,000)</u>	<u>(108,000)</u>	<u>(108,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(108,000)</u>	<u>(108,000)</u>	<u>(108,000)</u>	<u>-</u>
Net change in fund balance	(444,589)	(480,388)	(340,684)	139,704
Fund balance, beginning of year	1,397,793	1,397,793	1,397,793	-
Prior year encumbrances appropriated	<u>376,727</u>	<u>376,727</u>	<u>376,727</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,329,931</u>	<u>\$ 1,294,132</u>	<u>\$ 1,433,836</u>	<u>\$ 139,704</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	SELF INSURANCE FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Other	\$ 6,700,000	\$ 5,900,000	\$ 6,026,324	\$ 126,324
Total revenues	<u>6,700,000</u>	<u>5,900,000</u>	<u>6,026,324</u>	<u>126,324</u>
Operating expenses				
Claims	6,670,000	6,250,000	5,960,263	289,737
Total expenditures	<u>6,670,000</u>	<u>6,250,000</u>	<u>5,960,263</u>	<u>289,737</u>
Excess (deficiency) of revenues over expenditures	<u>30,000</u>	<u>(350,000)</u>	<u>66,061</u>	<u>416,061</u>
Other financing sources (uses)				
Transfers-in	100,000	100,000	100,000	-
Total other financing sources (uses)	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance	130,000	(250,000)	166,061	416,061
Fund balance, beginning of year	1,910,444	1,910,444	1,910,444	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,040,444</u>	<u>\$ 1,660,444</u>	<u>\$ 2,076,505</u>	<u>\$ 416,061</u>

## STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>S 1</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	<b>S 11</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	<b>S 25</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>S 30</b>
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	<b>S 33</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement No. 34 for the year ended June 30, 2002; schedules presenting government-wide information include information beginning in that year.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NET ASSETS BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 11,286,155	\$ 11,913,734	\$ 12,232,584	\$ 12,667,307
Restricted	2,982,814	3,494,251	2,436,491	2,325,296
Unrestricted	<u>12,665,878</u>	<u>6,494,989</u>	<u>8,538,683</u>	<u>10,530,781</u>
Total primary government net assets	<u>\$ 26,934,847</u>	<u>\$ 21,902,974</u>	<u>\$ 23,207,758</u>	<u>\$ 25,523,384</u>

Source: School District financial records.

**Note:** The District began to report accrual information when it implemented GASB Statement 34 in 2002.



<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 13,015,895	\$ 11,614,498	\$ 11,759,329	\$ 12,761,807	\$ 12,218,897	\$ 12,533,580
2,171,192	2,027,283	1,886,981	1,027,008	899,960	1,567,229
<u>8,069,553</u>	<u>8,812,315</u>	<u>11,465,127</u>	<u>11,644,330</u>	<u>7,047,914</u>	<u>8,198,653</u>
<u>\$ 23,256,640</u>	<u>\$ 22,454,096</u>	<u>\$ 25,111,437</u>	<u>\$ 25,433,145</u>	<u>\$ 20,166,771</u>	<u>\$ 22,299,462</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE) REVENUE  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenses				
Governmental activities:				
Instruction				
Regular	\$ 24,042,334	\$ 24,376,479	\$ 23,652,717	\$ 23,461,756
Special	7,489,653	7,480,054	7,123,538	6,769,100
Vocational	438,325	494,788	417,734	362,396
Adult/continuing	-	22,162	8,101	-
Other instruction	293,115	345,290	334,122	335,822
Supporting services				
Pupil	5,151,519	5,004,703	4,411,393	4,313,535
Instructional staff	1,105,115	1,490,183	1,332,384	1,173,503
Board of education	185,639	300,183	248,137	194,264
Administration	3,572,252	3,819,462	4,075,728	3,764,269
Fiscal services	1,308,372	1,167,420	1,082,243	1,206,941
Business	138,213	141,522	141,211	107,225
Operation and maintenance	4,703,686	4,610,770	4,906,171	4,600,580
Pupil transportation	2,105,930	2,384,724	2,451,920	2,243,881
Central services	1,238,121	852,905	1,243,114	1,136,870
Operation of non-instructional				
Food service operation	1,602,903	1,544,266	1,520,884	1,349,775
Community services	390,432	442,191	449,194	423,544
Extracurricular activities	1,575,353	1,482,207	1,663,067	1,529,681
Interest	15,575	19,565	22,413	26,595
Total primary government expenses	<u>55,356,537</u>	<u>55,978,874</u>	<u>55,084,071</u>	<u>52,999,737</u>
Program revenues				
Governmental activities:				
Charges for services and sales				
Instruction	689,547	1,125,655	1,075,433	1,270,572
Supporting services	32,155	147,889	138,297	111,671
Food service	633,756	677,881	713,708	694,341
Extracurricular activities	509,154	221,410	269,712	285,070
Operating grants, interest and contributions	3,896,102	3,546,598	2,796,237	2,453,717
Capital grants and contributions	-	-	50,207	83,815
Total primary government program revenues	<u>5,760,714</u>	<u>5,719,433</u>	<u>5,043,594</u>	<u>4,899,186</u>
Net (expense) revenue				
Total primary government net expense	<u>\$ (49,595,823)</u>	<u>\$ (50,259,441)</u>	<u>\$ (50,040,477)</u>	<u>\$ (48,100,551)</u>

Source: School District financial records.

**Note:** The District began to report accrual information when it implemented GASB Statement 34 in 2002.

2007	2006	2005	2004	2003	2002
\$ 22,397,614	\$ 22,750,693	\$ 22,178,609	\$ 20,649,582	\$ 20,216,074	\$ 19,996,444
6,171,430	5,977,408	5,526,298	4,639,555	5,011,288	4,279,749
625,254	697,855	488,448	756,455	726,168	682,107
-	-	-	72,566	120,007	148,210
146,458	114,260	122,900	296,051	100,779	537,666
3,896,669	3,621,533	3,475,042	3,445,989	3,061,499	3,012,740
1,591,941	1,545,736	1,604,238	1,200,750	1,326,206	1,539,103
181,592	200,594	242,616	204,220	224,903	121,763
4,135,156	3,667,390	3,102,516	3,176,333	3,275,887	3,089,415
1,035,686	1,026,671	1,011,324	955,088	861,122	855,813
99,760	101,859	108,317	150,934	138,036	306,056
4,477,751	4,341,689	4,335,829	4,057,511	3,950,519	3,878,826
2,130,173	2,242,536	1,997,265	1,840,301	1,892,034	1,696,739
963,951	972,098	833,133	786,758	917,579	683,277
1,280,058	1,379,737	1,502,864	1,355,537	1,346,509	1,446,434
539,954	428,796	435,305	477,934	514,523	508,363
1,318,465	1,407,527	1,305,977	1,198,455	1,087,237	956,213
31,685	38,659	40,903	11,474	65,557	99,571
<u>51,023,597</u>	<u>50,515,041</u>	<u>48,311,584</u>	<u>45,275,493</u>	<u>44,835,927</u>	<u>43,838,489</u>
1,343,392	1,046,970	771,779	1,029,675	725,191	356,338
158,984	111,450	87,414	98,843	76,670	52,881
719,773	853,104	901,660	863,642	887,630	1,304,817
293,107	226,217	254,780	167,712	153,540	96,146
2,146,233	2,136,649	2,064,576	2,093,133	2,220,495	1,725,183
67,713	56,601	45,593	46,092	36,718	41,767
<u>4,729,202</u>	<u>4,430,991</u>	<u>4,125,802</u>	<u>4,299,097</u>	<u>4,100,244</u>	<u>3,577,132</u>
<u>\$ (46,294,395)</u>	<u>\$ (46,084,050)</u>	<u>\$ (44,185,782)</u>	<u>\$ (40,976,396)</u>	<u>\$ (40,735,683)</u>	<u>\$ (40,261,357)</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net (expense) revenue				
Total primary government net expense	\$ (49,595,823)	\$ (50,259,441)	\$ (50,040,477)	\$ (48,100,551)
General revenues and other changes in net assets				
Governmental activities:				
Property taxes levied for:				
General purposes	37,907,103	33,277,659	34,242,328	34,800,124
Capital improvements	1,106,283	848,655	979,869	1,049,604
Grants and entitlements not restricted to specific purposes	14,919,942	14,466,220	11,918,198	13,223,960
Investment earnings	25,058	52,289	308,210	733,560
Miscellaneous	669,310	309,834	276,246	560,047
Total primary government	<u>54,627,696</u>	<u>48,954,657</u>	<u>47,724,851</u>	<u>50,367,295</u>
Change in net assets				
Total primary government	<u>\$ 5,031,873</u>	<u>\$ (1,304,784)</u>	<u>\$ (2,315,626)</u>	<u>\$ 2,266,744</u>

Source: School District financial records.

**Note:** The District began to report accrual information when it implemented GASB Statement 34 in 2002.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>\$ (46,294,395)</u>	<u>\$ (46,084,050)</u>	<u>\$ (44,185,782)</u>	<u>\$ (40,976,396)</u>	<u>\$ (40,735,683)</u>	<u>\$ (40,261,357)</u>
33,293,525	30,330,456	30,740,398	33,372,329	25,577,053	29,109,564
1,092,069	992,785	1,026,923	1,102,567	930,097	1,148,089
11,535,169	11,137,742	11,824,292	11,446,852	11,377,257	10,659,176
1,043,975	885,550	318,626	238,534	439,975	660,300
132,201	80,176	(46,165)	82,488	278,610	334,286
<u>47,096,939</u>	<u>43,426,709</u>	<u>43,864,074</u>	<u>46,242,770</u>	<u>38,602,992</u>	<u>41,911,415</u>
<u>\$ 802,544</u>	<u>\$ (2,657,341)</u>	<u>\$ (321,708)</u>	<u>\$ 5,266,374</u>	<u>\$ (2,132,691)</u>	<u>\$ 1,650,058</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 FUND BALANCES – GOVERNMENTAL FUNDS  
 LAST TWO FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2011	2010
General Fund		
Committed	\$ 1,923,073	\$ 1,462,073
Assigned	1,432,293	1,109,701
Unassigned	9,896,199	5,160,235
Total General Fund	\$ 13,251,565	\$ 7,732,009
Other governmental funds		
Nonspendable	\$ 46,105	\$ 31,353
Restricted	2,679,354	2,118,102
Unassigned	(620,492)	(309,340)
Total other governmental funds	\$ 2,104,967	\$ 1,840,115

Source: School District financial records.

The District implemented GASB Statement No. 54 in 2011

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NORTH OLMSTED CITY SCHOOL DISTRICT  
 FUND BALANCES – GOVERNMENTAL FUNDS  
 LAST EIGHT FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund				
Reserved	\$ 5,108,651	\$ 5,862,727	\$ 4,582,867	\$ 4,970,651
Unreserved	<u>3,937,797</u>	<u>4,158,609</u>	<u>3,692,633</u>	<u>4,039,705</u>
Total General Fund	<u>\$ 9,046,448</u>	<u>\$ 10,021,336</u>	<u>\$ 8,275,500</u>	<u>\$ 9,010,356</u>
Other governmental funds				
Reserved	\$ 299,079	\$ 752,350	\$ 539,278	\$ 681,197
Unreserved, reported in				
Special Revenue Funds (1)	458,148	369,786	497,204	346,894
Debt Service Fund	52,637	52,650	56,192	63,060
Capital Projects Fund	<u>1,375,561</u>	<u>752,728</u>	<u>783,077</u>	<u>610,870</u>
Total other governmental funds	<u>\$ 2,185,425</u>	<u>\$ 1,927,514</u>	<u>\$ 1,875,751</u>	<u>\$ 1,702,021</u>

Source: School District financial records.

(1) Prior to the implementation of GASB Statement No. 34 in 2002, certain funds were previously accounted for as Enterprise Funds.

The District implemented GASB Statement No. 54 in 2011



<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 5,324,359	\$ 5,477,365	\$ 3,206,316	\$ 5,628,608
7,512,245	6,483,748	6,018,398	5,968,481
<u>\$ 12,836,604</u>	<u>\$ 11,961,113</u>	<u>\$ 9,224,714</u>	<u>\$ 11,597,089</u>

\$ 588,667	\$ 534,834	\$ 344,043	\$ 614,487
375,087	486,108	424,116	518,866
78,560	-	-	-
563,321	434,878	574,849	516,217
<u>\$ 1,605,635</u>	<u>\$ 1,455,820</u>	<u>\$ 1,343,008</u>	<u>\$ 1,649,570</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 GOVERNMENTAL FUNDS REVENUES  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Taxes	\$ 39,188,686	\$ 33,554,392	\$ 35,459,539	\$ 35,632,081
Tuition and fees	876,716	732,161	690,452	1,138,729
Interest	25,058	52,289	308,210	733,560
Intergovernmental	18,760,117	18,012,818	16,163,121	15,153,016
Charges for services	655,393	723,844	760,376	741,409
Extracurricular	399,833	380,845	414,674	430,416
Other	<u>601,980</u>	<u>693,981</u>	<u>621,315</u>	<u>549,564</u>
Total	<u>\$ 60,507,783</u>	<u>\$ 54,150,330</u>	<u>\$ 54,417,687</u>	<u>\$ 54,378,775</u>

Source: School District Financial Records, All Governmental Fund Types.

- (a) Beginning in fiscal year 2002, the first year the School District implemented the provisions of GASB Statement 34, the School District began accounting for the Food Service Fund, the Uniform School Supply Fund and the Summer School Fund in the Governmental Funds, as opposed to the Proprietary Funds.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002 (a)</u>
\$ 34,554,578	\$ 31,386,584	\$ 31,798,589	\$ 34,028,601	\$ 26,552,981	\$ 30,437,168
341,666	522,049	150,672	426,529	177,297	415,270
1,043,975	885,550	318,626	238,534	439,975	660,917
14,611,361	13,015,509	13,951,604	13,518,265	13,581,051	12,756,105
769,876	895,697	960,088	909,899	934,116	1,005,577
458,162	382,788	347,623	528,690	504,133	147,471
<u>498,573</u>	<u>517,383</u>	<u>511,083</u>	<u>387,554</u>	<u>517,248</u>	<u>368,299</u>
<u>\$ 52,278,191</u>	<u>\$ 47,605,560</u>	<u>\$ 48,038,285</u>	<u>\$ 50,038,072</u>	<u>\$ 42,706,801</u>	<u>\$ 45,790,807</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenditures				
Instruction	\$ 32,360,007	\$ 32,710,592	\$ 31,963,493	\$ 30,877,961
Pupil supporting services	5,261,245	5,025,884	4,457,730	4,394,429
Instructional support	1,101,512	1,469,968	1,300,195	1,142,972
Board of education and administration	2,918,878	3,608,866	3,788,962	3,336,701
Fiscal and business services	1,439,166	1,306,900	1,259,017	1,260,990
Operation and maintenance	4,745,581	4,706,956	4,851,480	4,582,460
Pupil transportation	1,908,824	2,352,362	2,438,239	2,338,646
Central and community services	1,639,852	1,434,101	1,597,441	1,546,650
Food service operation	1,587,422	1,560,668	1,505,358	1,313,315
Extracurricular activities	1,559,993	1,537,321	1,678,945	1,536,845
Capital outlay	-	-	83,643	-
Debt service				
Principal	85,000	85,000	85,000	114,774
Interest	15,895	19,465	23,013	26,895
Total expenditures	<u>\$ 54,623,375</u>	<u>\$ 55,818,083</u>	<u>\$ 55,032,516</u>	<u>\$ 52,472,638</u>
Debt service as a percentage of noncapital expenditures	<u>0.19%</u>	<u>0.19%</u>	<u>0.20%</u>	<u>0.27%</u>

Source: School District Financial Records, All Governmental Fund Types.

- (a) Beginning in fiscal year 2002, the first year the School District implemented the provisions of GASB Statement 34, the School District began accounting for the Food Service Fund, the Uniform School Supply Fund and the Summer School Fund in the Governmental Funds, as opposed to the Proprietary Funds.

2007	2006	2005	2004	2003	2002 (a)
\$ 30,979,631	\$ 30,018,287	\$ 27,614,812	\$ 26,697,402	\$ 26,297,334	\$ 25,135,002
4,045,439	3,683,346	3,506,155	3,451,757	2,984,687	2,902,456
1,614,974	1,544,594	1,498,106	1,199,000	1,267,770	1,483,948
3,732,367	3,406,801	3,305,319	3,883,907	3,060,685	2,934,415
1,129,260	1,124,693	1,108,844	1,116,134	1,036,062	1,094,055
4,614,421	4,454,507	4,649,755	4,351,709	4,199,068	3,367,661
2,245,072	2,430,591	1,827,419	1,877,274	1,872,299	1,571,695
1,499,545	1,420,598	1,382,052	1,238,629	1,642,701	1,255,767
1,299,575	1,400,894	1,466,486	1,384,730	1,372,001	1,424,210
1,319,452	1,420,605	1,297,225	1,198,900	1,074,833	912,161
-	-	-	-	-	906,601
134,632	169,904	75,234	72,625	45,831	199,570
32,085	38,959	38,103	11,474	65,557	100,274
<u>\$ 52,646,453</u>	<u>\$ 51,113,779</u>	<u>\$ 47,769,510</u>	<u>\$ 46,483,541</u>	<u>\$ 44,918,828</u>	<u>\$ 43,287,815</u>
<u>0.32%</u>	<u>0.41%</u>	<u>0.24%</u>	<u>0.18%</u>	<u>0.25%</u>	<u>0.71%</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Excess of revenues over (under) expenditures	<u>\$ 5,884,408</u>	<u>\$ (1,667,753)</u>	<u>\$ (614,829)</u>	<u>\$ 1,906,137</u>
Other financing sources (uses)				
Proceeds from bond issue	-	-	-	-
Transfers-in	233,000	948,000	260,000	257,628
Capital lease proceeds	-	-	-	-
Transfers-out	<u>(333,000)</u>	<u>(948,000)</u>	<u>(360,000)</u>	<u>(357,628)</u>
Total other financing sources (uses)	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Net change in fund balances	<u><u>\$ 5,784,408</u></u>	<u><u>\$ (1,667,753)</u></u>	<u><u>\$ (714,829)</u></u>	<u><u>\$ 1,806,137</u></u>

Source: School District Financial Records, All Governmental Fund Types.

- (a) Beginning in fiscal year 2002, the first year the School District implemented the provisions of GASB Statement 34, the School District began accounting for the Food Service Fund, the Uniform School Supply Fund and the Summer School Fund in the Governmental Funds, as opposed to the Proprietary Funds.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002 (a)</u>
<u>\$ (368,262)</u>	<u>\$ (3,508,219)</u>	<u>\$ 268,775</u>	<u>\$ 3,554,531</u>	<u>\$ (2,212,027)</u>	<u>\$ 2,502,992</u>
-	-	855,000	-	-	-
289,047	372,484	793,471	144,450	153,060	255,226
-	-	-	-	237,000	-
<u>(489,047)</u>	<u>(572,484)</u>	<u>(893,471)</u>	<u>(844,450)</u>	<u>(253,060)</u>	<u>(255,226)</u>
<u>(200,000)</u>	<u>(200,000)</u>	<u>755,000</u>	<u>(700,000)</u>	<u>137,000</u>	<u>-</u>
<u>\$ (568,262)</u>	<u>\$ (3,708,219)</u>	<u>\$ 1,023,775</u>	<u>\$ 2,854,531</u>	<u>\$ (2,075,027)</u>	<u>\$ 2,502,992</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS

Year	Real Property		Public Utility Property		Tangible Personal Property (3)	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value
2011	\$ 817,931,363	\$ 2,336,946,751	\$ 11,747,340	\$ 13,349,250	\$ -	\$ -
2010	818,482,949	2,338,522,711	11,432,430	12,991,398	-	-
2009	811,531,253	2,318,660,723	11,624,510	13,209,670	7,756,600	124,105,600
2008	872,453,590	2,492,724,543	10,087,260	11,462,795	14,900,383	119,203,064
2007	872,935,790	2,494,102,257	14,491,560	16,467,682	39,288,377	209,538,011
2006	799,704,250	2,284,869,286	14,629,810	16,624,784	49,263,743	214,190,187
2005	795,980,870	2,274,231,057	15,759,330	17,908,330	47,248,786	196,869,942
2004	795,784,110	2,273,668,886	16,245,870	18,461,216	43,142,745	179,761,438
2003	747,221,840	2,134,919,543	16,116,080	18,313,727	46,093,216	192,055,067
2002	745,908,230	2,131,166,371	17,160,110	19,500,125	50,663,682	211,098,675

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

- (1) This amount is calculated based upon an assessed value of 35 percent of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percent of actual value.
- (3) General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009 and 2010.



Assessed Value	Total Estimated Actual Value	Assessed Value Ratio	Total Direct Tax Rate
\$ 829,678,703	\$ 2,350,296,001	35.3%	83.5
829,915,379	2,351,514,109	35.3%	83.5
830,912,363	2,455,975,993	33.8%	83.5
897,441,233	2,623,390,402	34.2%	77.0
926,715,727	2,720,107,950	34.1%	77.0
863,597,803	2,515,684,257	34.3%	77.0
858,988,986	2,489,009,329	34.5%	77.0
855,172,725	2,471,891,540	34.6%	69.1
809,431,136	2,345,288,337	34.5%	69.1
813,732,022	2,361,765,171	34.5%	69.1

NORTH OLMSTED CITY SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$ 1,000 ASSESSED VALUATION)  
LAST TEN CALENDAR YEARS

Year	School District			County	Vocational School	City	Total Direct and Overlapping Governments
	General	Improvements	Total Direct Tax Rate				
2010	89.50	1.90	91.40	20.90	2.40	13.30	128.00
2009	81.60	1.90	83.50	20.60	2.40	13.30	119.80
2008	81.60	1.90	83.50	20.60	2.40	13.20	119.70
2007	81.60	1.90	83.50	20.20	2.40	13.20	119.30
2006	75.10	1.90	77.00	20.20	2.40	13.20	112.80
2005	75.10	1.90	77.00	20.30	2.40	13.30	113.00
2004	75.10	1.90	77.00	19.40	2.40	13.40	112.20
2003	75.10	1.90	77.00	19.40	2.40	13.40	112.20
2002	67.20	1.90	69.10	17.60	2.40	13.60	102.70
2001	67.20	1.90	69.10	17.60	2.40	13.70	102.80

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
 PRINCIPAL TAXPAYERS  
 REAL ESTATE TAX  
 AS OF DECEMBER 31, 2010 AND DECEMBER 31, 2001 (1)

December 31, 2010		
Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Great Northern Partnership	\$ 29,579,130	3.57%
DDR MDT Great Northern	22,867,285	2.76%
PWA Great Northern Corporation	8,465,205	1.20%
B & G Properties LTD Partnership	6,107,675	0.74%
JWM Butternut Apartments, LLC	5,985,000	0.73%
Moen, Inc.	5,654,670	0.68%
Higbee Company	3,850,000	0.46%
Wellington Place LLC	3,827,075	0.46%
Mays Stores 74 Corp	3,500,000	0.42%
Target Corporation	3,436,055	0.41%
	\$ 93,272,095	11.24%
Total Value in the District	\$ 829,678,703	

December 31, 2001		
Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Great Northern Partnership	\$ 20,435,910	2.51%
DDR MDT Great Northern	17,725,860	2.18%
Great Northern Properties	6,864,420	0.84%
Great Northern Limited Partnership	5,462,630	0.67%
B & G Properties LTD Partnership	4,911,180	0.60%
May Store 74 Corp	4,869,900	0.60%
Water Tower Square LTD	4,714,120	0.58%
Wal Mart	4,221,390	0.52%
Sears Roebuck & Company	4,090,450	0.50%
Country Club Hotel Association	3,694,360	0.45%
	\$ 76,990,220	9.46%
Total Value in the District	\$ 813,732,022	

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

(1) Assessed Values are for the 2009 and 2000 collection year, respectively.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 PRINCIPAL TAXPAYERS  
 PUBLIC UTILITY TAX  
 AS OF DECEMBER 31, 2010 AND DECEMBER 31, 2001 (1)

December 31, 2010		
Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Cleveland Electric Illuminating Co	\$ 10,033,830	1.21%
East Ohio Gas	978,019	0.12%
American Transmission System	717,882	0.09%
Columbia Gas Transmission Corp	13,069	0.00%
Columbia Gas of Ohio, Inc.	4,540	0.00%
	\$ 11,747,340	1.42%
 Total Value in the District	 \$ 829,678,703	

December 31, 2001		
Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Cleveland Electric Illuminating Co.	\$ 8,766,750	1.08%
Ohio Bell Telephone Company	5,518,740	0.68%
American Transmission System	980,810	0.12%
East Ohio Gas Company	763,130	0.09%
	\$ 16,029,430	1.88%
 Total Value in the District	 \$ 813,732,022	

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

(1) Assessed Values are for the 2009 and 2000 collection year, respectively.

(2) Due to legislative action, telecommunication property has been reclassified as tangible

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NORTH OLMSTED CITY SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN FISCAL YEARS

Collection Year (2)	Current Taxes Levy	Delinquent Taxes Levy	Total Taxes Levy	Current Tax Collections
2010	\$ 38,280,423	\$ 2,167,952	\$ 40,448,375	\$ 36,331,929
2009	38,728,763	1,337,831	40,066,594	36,993,242
2008	38,634,577	1,340,775	39,975,352	37,261,663
2007	33,007,248	1,367,042	34,374,290	31,837,070
2006	32,675,769	1,125,808	33,801,577	31,668,716
2005	32,635,396	1,256,788	33,892,184	31,534,646
2004	32,600,071	1,810,229	34,410,300	31,186,760
2003	31,865,015	1,281,930	33,146,945	30,317,124
2002	25,972,760	1,406,952	27,379,712	24,971,411
2001	25,974,633	1,583,758	27,558,391	25,119,931

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

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

(2) Represents collection year. June 30, 2010 information cannot be presented because all collections have not been made by June 30.

<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collection as a Percent of Current Levy</u>
94.9%	\$ 1,355,614	\$ 37,687,543	98.5%
95.5%	769,993	37,763,235	97.5%
96.4%	971,078	38,232,741	99.0%
96.5%	698,174	32,535,244	98.6%
96.9%	710,875	32,379,591	99.1%
96.6%	985,919	32,520,565	99.6%
95.7%	1,036,087	32,222,847	98.8%
95.1%	710,490	31,027,614	97.4%
96.1%	824,843	25,796,254	99.3%
96.7%	760,608	25,880,539	99.6%

NORTH OLMSTED CITY SCHOOL DISTRICT  
 OUTSTANDING DEBT BY TYPE  
 LAST TEN FISCAL YEARS

Year	General Obligation Bonded Debt (1)	Capital Leases	General Obligation Notes	Total Primary Government
2011	\$ 340,000	\$ -	\$ -	\$ 340,000
2010	425,000	-	-	425,000
2009	510,000	-	-	510,000
2008	595,000	-	-	595,000
2007	680,000	29,774	-	709,774
2006	765,000	79,406	-	844,406
2005	855,000	127,310	32,000	1,014,310
2004	-	173,544	61,000	234,544
2003	-	218,169	89,000	307,169
2002	-	-	116,000	116,000

Source:

- (1) School District Financial Records
- (2) See Schedule S-15 for estimated actual value of taxable property.
- (3) See Schedule S-26 for personal income, population, and ADM data.  
 These ratios are calculated using data for the prior calendar year.



<u>Percentage of Estimated Actual Value (2)</u>	<u>Percentage of Personal Income (3)</u>	<u>Per Capita (3)</u>	<u>Per ADM (3)</u>
0.01%	0.04%	\$ 10	\$ 81
0.02%	0.05%	14	99
0.02%	0.06%	16	114
0.02%	0.07%	19	130
0.03%	0.09%	22	154
0.03%	0.10%	26	184
0.04%	0.12%	30	222
0.01%	0.03%	7	50
0.01%	0.04%	9	64
0.00%	0.01%	3	24

NORTH OLMSTED CITY SCHOOL DISTRICT  
LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Assessed Valuation	<u>\$ 829,678,703</u>	<u>\$ 829,915,379</u>	<u>\$ 889,115,760</u>	<u>\$ 897,441,233</u>
Debt Limit - 9% of Assessed Value (1)	<u>74,671,083</u>	<u>74,692,384</u>	<u>80,020,418</u>	<u>80,769,711</u>
Debt Applicable to Debt Limit:				
General Obligation Bonds	340,000	425,000	510,000	595,000
Amount Available in Debt Service Fund	<u>(63,277)</u>	<u>(56,172)</u>	<u>(52,637)</u>	<u>(52,650)</u>
Total	<u>276,723</u>	<u>368,828</u>	<u>457,363</u>	<u>542,350</u>
Overall Debt Margin	<u>\$ 74,394,360</u>	<u>\$ 74,323,556</u>	<u>\$ 79,563,055</u>	<u>\$ 80,227,361</u>
Total debt applicable to debt limit as a percentage of debt limit	<u>0.46%</u>	<u>0.57%</u>	<u>0.64%</u>	<u>0.74%</u>
Overall Limit - .10% of Assessed Value (1)	\$ 829,679	\$ 829,915	\$ 889,116	\$ 897,441
Amount of Debt Applicable	<u>340,000</u>	<u>425,000</u>	<u>510,000</u>	<u>595,000</u>
Unvoted Debt Margin	<u>\$ 489,679</u>	<u>\$ 404,915</u>	<u>\$ 379,116</u>	<u>\$ 302,441</u>
Unvoted debt applicable to debt limit as a percentage of unvoted debt limit	<u>40.980%</u>	<u>51.210%</u>	<u>57.360%</u>	<u>66.300%</u>

Source: Cuyahoga County Auditor and School District Financial Records.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>\$ 926,715,727</u>	<u>\$ 863,597,803</u>	<u>\$ 858,988,986</u>	<u>\$ 855,172,725</u>	<u>\$ 809,431,136</u>	<u>\$ 813,732,022</u>
<u>83,404,415</u>	<u>77,723,802</u>	<u>77,309,009</u>	<u>76,965,545</u>	<u>72,848,802</u>	<u>73,235,882</u>
680,000	765,000	887,000	61,000	89,000	116,000
<u>(56,192)</u>	<u>(63,060)</u>	<u>(78,560)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>623,808</u>	<u>701,940</u>	<u>808,440</u>	<u>61,000</u>	<u>89,000</u>	<u>116,000</u>
<u>\$ 82,780,607</u>	<u>\$ 77,021,862</u>	<u>\$ 76,500,569</u>	<u>\$ 76,904,545</u>	<u>\$ 72,759,802</u>	<u>\$ 73,119,882</u>
<u>0.82%</u>	<u>0.98%</u>	<u>1.15%</u>	<u>0.08%</u>	<u>0.12%</u>	<u>0.16%</u>
\$ 926,716	\$ 863,598	\$ 858,989	\$ 855,173	\$ 809,431	\$ 813,732
<u>680,000</u>	<u>765,000</u>	<u>850,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 246,716</u>	<u>\$ 98,598</u>	<u>\$ 8,989</u>	<u>\$ 855,173</u>	<u>\$ 809,431</u>	<u>\$ 813,732</u>
<u>73.377%</u>	<u>88.583%</u>	<u>98.954%</u>	<u>0.000%</u>	<u>0.000%</u>	<u>0.000%</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT  
 AS OF DECEMBER 31, 2010

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
<b>Direct Debt:</b>			
North Olmsted City School District	<u>\$ 340,000</u>	100.00%	<u>\$ 340,000</u>
<b>Underlying Debt:</b>			
Cuyahoga County	319,446,948	2.78%	8,880,625
Regional Transit Authority	152,760,000	2.78%	4,246,728
North Olmsted City	<u>42,859,000</u>	100.00%	<u>42,859,000</u>
Subtotal	<u>515,065,948</u>		<u>55,986,353</u>
Total	<u>\$ 515,405,948</u>		<u>\$ 56,326,353</u>

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

Calendar Year	North Olmsted City Population (1)	Per Capita Income (2)	Personal Income	Average Daily Student Enrollment (3)	Cuyahoga County Unemployment Rate (4)
2011	32,718	\$ 26,757	\$ 817,917,282	4,193	9.4%
2010	31,053	28,411	852,795,765	4,314	9.0%
2009	31,319	28,411	852,795,765	4,366	10.2%
2008	31,641	26,686	805,411,545	4,484	8.1%
2007	32,126	25,070	805,398,820	4,587	6.1%
2006	32,653	25,173	821,973,969	4,613	5.9%
2005	33,105	24,829	821,964,045	4,587	6.2%
2004	33,786	24,329	821,979,594	4,573	6.8%
2003	33,786	24,564	829,919,304	4,665	6.7%
2002	34,113	24,329	829,935,177	4,794	4.6%

Source:

- (1) The City of North Olmsted.
- (2) Per Capita information from U.S. Census Bureau, 2000 and 1990 census, respectively.
- (3) The School District's Records.
- (4) Ohio Job and Family Service Department.

NORTH OLMSTED CITY SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS  
 AS OF DECEMBER 31, 2010 AND DECEMBER 31, 2001 (1)

December 31, 2010 (1)	
Name of Employer	Percent of Total City Income Taxes Paid
Moen Incorporated	8.03%
North Olmsted School District	5.63%
The City of North Olmsted	2.23%
Factory Mutual Insurance Company	1.28%
Advanstar Communications, Inc.	1.25%
AT & T Mobility	1.13%
Heartland Employment Services, Inc.	0.99%
Wal Mart Associates, Inc.	0.93%
Heartland Payment Systems, Inc.	0.92%
Sunnyside Automotive, Inc.	0.90%
	<u>23.29%</u>

December 31, 2001 (2)	
Name of Employer	Percent of Total City Income Taxes Paid
Factory Mutual Insurance Co.	N/A
GMAC-GM Payroll Services	N/A
Kaufmans	N/A
Merrill Lynch PF & Smith	N/A
Moen Incorporated	N/A
The City of North Olmsted	N/A
North Olmsted School District	N/A
Riser Foods Company	N/A
Sunnyside Cars, Inc.	N/A
Wal Mart Associates, Inc.	N/A
Total	<u>N/A</u>

Source of information - Regional Income Tax Agency based on payroll withholding.

- (1) The number of employees, per employer and in total is not available.
- (2) This information is not available for prior years.

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NORTH OLMSTED CITY SCHOOL DISTRICT  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION  
 LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Administration</b>	23	25	23	25
<b>Instructional:</b>				
Regular Teaching	206	219	225	223
Special Education	35	39	41	43
Vocational Education	4	6	6	6
Remedial Specialist	37	32	29	27
Tutors	3	3	3	5
Others	0	0	4	2
<b>Other Professional:</b>				
Counseling	11	11	12	13
Psychologist	5	5	5	5
Speech therapist	5	5	5	6
Others	4	4	2	1
<b>Support Staff:</b>				
Secretarial	38	41	41	44
Teacher Aides	52	58	58	54
Maintenance	8	9	8	8
Custodial	35	38	38	40
Transportation	29	35	34	32
Food Service	28	28	26	24
Monitors	15	15	15	17
Library Services	9	15	13	12
Computer Technicians	4	4	4	4
Other	4	4	4	4
<b>Total</b>	<u>555</u>	<u>596</u>	<u>596</u>	<u>595</u>

Source: School District financial records.



<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
26	26	26	26	26	28
231	230	226	236	236	243
43	42	42	45	52	47
8	8	8	9	9	10
25	19	19	12	3	2
5	6	15	16	16	13
1	5	5	4	2	3
13	12	12	12	12	13
5	5	4	6	7	5
5	6	5	6	6	5
2	2	2	2	2	2
42	42	42	42	44	43
52	51	51	41	42	41
8	8	8	8	10	10
39	39	36	37	38	39
32	31	33	34	34	30
24	26	28	28	31	29
16	15	14	14	14	21
14	14	15	15	16	16
4	4	3	3	3	3
4	3	1	2	2	5
<u>599</u>	<u>594</u>	<u>595</u>	<u>598</u>	<u>605</u>	<u>608</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Source of Revenue - North Olmsted:				
Local	68.8%	66.4%	69.1%	71.4%
State	25.5%	27.5%	26.5%	24.9%
Federal	5.7%	6.1%	4.3%	3.7%
Source of Revenue - Statewide:				
Local	44.7%	45.7%	46.4%	48.2%
State	45.5%	44.1%	45.4%	43.6%
Federal	9.9%	10.2%	8.2%	8.2%
Cost per Pupil:				
North Olmsted	\$ 13,018	\$ 12,662	\$ 12,226	\$ 11,531
Statewide	\$ 10,569	\$ 10,512	\$ 10,184	\$ 9,939
Student to teacher ratio:				
North Olmsted	18.7 [c]	18.7 [c]	18.7 [c]	18.7
Statewide	18.6 [c]	18.6 [c]	18.6 [c]	18.6
Transportation:				
Percent of students transported	47.0%	50.0%	51.0%	50.0%
Number of miles traveled	346,890	340,740	337,140	375,348
Food Service:				
Annual operating deficit	\$ (101,620)	\$ (80,843)	\$ (104,606)	\$ (118,804)
Number of meals served	486,728	504,189	341,724 [b]	274,979
Number of federally subsidized meals served	323,877	339,455	171,780 [b]	159,501
Number of students receiving federally subsidized meals	1,624	1,550	1,547	1,333
Median Income:				
North Olmsted	\$ 33,973	\$ 35,006	\$ 35,099	\$ 34,740
Statewide	\$ 30,850	\$ 31,520	\$ 31,341	\$ 31,321
New Construction Within the District:				
Residential	\$ 7,576,054	\$ 7,094,128	\$ 6,574,278	\$ 7,474,587
Commercial	\$ 30,033,394	\$ 3,982,820	\$ 9,533,967	\$ 9,789,366

Source: School District financial records.

[a] In fiscal year 2006, the School District stopped providing lunches to a neighboring school(s) which resulted in a 19% decline in the number of meals served.

[b] In fiscal year 2009, the School District started providing breakfasts at all school buildings.

[c] 2008 data is the most recent data available.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
72.6%	72.9%	71.0%	71.6%	70.1%	69.8%
23.9%	23.1%	25.3%	25.8%	26.9%	27.5%
3.5%	4.0%	3.8%	2.6%	2.9%	2.7%
49.1%	48.8%	47.4%	46.9%	47.6%	48.1%
42.9%	42.7%	44.2%	45.4%	45.7%	45.8%
8.0%	8.5%	8.4%	7.8%	6.7%	6.1%
\$ 10,908	\$ 10,919	\$ 10,220	\$ 9,793	\$ 9,365	\$ 9,076
\$ 9,586	\$ 9,359	\$ 9,051	\$ 8,761	\$ 8,439	\$ 8,079
19.0	18.3	18.3	19.3	16.3	17.6
19.6	18.6	18.5	18.5	16.5	16.9
58.0%	53.5%	54.9%	53.5%	48.6%	48.3%
413,976	410,403	432,796	366,766	382,610	403,987
\$ (90,392)	\$ (206,071)	\$ (60,714)	\$ (64,697)	\$ (68,988)	\$ (91,893)
281,141	295,060 (a)	365,582	347,725	368,979	411,087
148,514	128,103	122,507	126,749	120,958	118,275
1,072	1,025	860	766	756	691
\$ 34,391	\$ 34,604	\$ 34,456	\$ 34,162	\$ 34,358	\$ 36,890
\$ 30,362	\$ 30,505	\$ 29,677	\$ 29,464	\$ 29,187	\$ 30,090
\$ 9,094,649	\$ 8,804,637	\$ 6,712,977	\$ 7,180,459	\$ 10,178,440	\$ 5,783,836
\$ 13,301,899	\$ 14,709,091	\$ 19,197,115	\$ 20,052,718	\$ 27,061,724	\$ 9,675,166

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS

<u>School Building</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Birch Primary (1967)				
Square Feet	35,522	35,522	35,522	35,522
Capacity	464	464	464	464
Enrollment	428	414	425	409
Butternut Primary (1968)				
Square Feet	31,682	31,682	31,682	31,682
Capacity	408	408	408	408
Enrollment	253	250	233	274
Forest Primary (1971)				
Square Feet	31,508	31,508	31,508	31,508
Capacity	336	336	336	336
Enrollment	237	258	261	300
Spruce Primary (1967)				
Square Feet	24,764	24,764	24,764	24,764
Capacity	312	312	312	312
Enrollment	190	173	176	217
Chestnut Intermediate (1956)				
Square Feet	42,381	42,381	42,381	42,381
Capacity	480	480	480	480
Enrollment (b)	292	314	316	312
Maple Intermediate (1956)				
Square Feet	42,381	42,381	42,381	42,381
Capacity	504	504	504	504
Enrollment	296	291	294	283
Pine Intermediate (1965)				
Square Feet	53,308	53,308	53,308	53,308
Capacity	456	456	456	456
Enrollment	420	449	418	400
Middle School (1930)				
Square Feet	114,987	114,987	114,987	114,987
Capacity	949	949	949	949
Enrollment	619	657	696	669
High School (1962)				
Square Feet	208,304	208,304	208,304	208,304
Capacity	1,194	1,194	1,194	1,194
Enrollment	1,458	1,508	1,547	1,618

Source of information - School District financial records.

- (a) In 2002, the School District reconfigured its elementary and middle school buildings into a primary and intermediate grade alignment.
- (b) In 2002, the School District reactivated the Chestnut Intermediate school building that had been

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002(a)</u>
35,522	35,522	35,522	35,522	35,522	35,522
464	464	464	284	284	284
403	405	323	319	301	336
31,682	31,682	31,682	31,682	31,682	31,682
408	408	408	408	408	408
264	264	346	335	318	309
31,508	31,508	31,508	31,508	31,508	31,508
336	336	336	336	336	336
310	278	264	259	272	245
24,764	24,764	24,764	24,764	24,764	24,764
312	312	312	312	312	312
221	221	218	200	198	252
42,381	42,381	42,381	42,381	42,381	42,381
480	480	480	480	480	480
304	304	315	336	356	412 (b)
42,381	42,381	42,381	42,381	42,381	42,381
504	504	504	504	504	504
306	307	286	312	367	458
53,308	53,308	53,308	53,308	53,308	53,308
456	456	456	456	456	456
403	410	456	424	435	384
114,987	114,987	114,987	114,987	114,987	137,853
949	949	949	949	949	949
712	772	765	774	779	781
208,304	208,304	208,304	208,304	208,304	208,304
1,194	1,194	1,194	1,194	1,194	1,194
1,664	1,652	1,610	1,611	1,634	1,613

NORTH OLMSTED CITY SCHOOL DISTRICT  
 CAPITAL ASSET INFORMATION  
 LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Land	\$ 1,172,491	\$ 1,172,491	\$1,172,491	\$1,088,848
Construction in progress	26,401	-	69,021	-
Land improvements	869,318	835,881	835,881	835,881
Buildings and improvements	20,055,478	20,027,650	19,397,055	19,460,758
Furniture and equipment	2,936,573	2,894,313	3,166,187	3,203,159
Vehicles	2,980,704	2,976,568	2,994,178	2,956,695
Total	<u>28,040,965</u>	<u>27,906,903</u>	<u>27,634,813</u>	<u>27,545,341</u>
Less accumulated depreciation	<u>(16,414,810)</u>	<u>(15,568,169)</u>	<u>(14,892,229)</u>	<u>(14,283,034)</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 11,626,155</u>	<u>\$ 12,338,734</u>	<u>\$12,742,584</u>	<u>\$13,262,307</u>

Source: School District financial records.

**Note:** The District began to report accrual information when it implemented GASB Statement 34 in 2002.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$1,088,848	\$1,088,848	\$1,088,848	\$1,088,848	\$955,597	\$955,597
-	-	-	-	-	-
835,881	835,881	835,881	835,157	822,855	822,855
19,382,511	17,668,955	17,645,361	17,321,999	16,675,889	16,390,074
3,040,568	3,047,349	2,876,362	2,645,782	2,499,820	2,788,059
<u>2,982,463</u>	<u>2,932,969</u>	<u>2,796,398</u>	<u>2,794,973</u>	<u>2,633,549</u>	<u>2,472,240</u>
27,330,271	25,574,002	25,242,850	24,686,759	23,587,710	23,428,825
<u>(13,604,602)</u>	<u>(13,115,098)</u>	<u>(12,469,211)</u>	<u>(11,690,408)</u>	<u>(11,061,644)</u>	<u>(10,895,245)</u>
<u>\$13,725,669</u>	<u>\$12,458,904</u>	<u>\$12,773,639</u>	<u>\$12,996,351</u>	<u>\$12,526,066</u>	<u>\$12,533,580</u>

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