



**Auditor of State  
Betty Montgomery**



**GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

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**GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Donation		10.550	\$ -	\$ 93,712	\$ -	\$ 93,712
School Breakfast Program	05PU	10.553	16,930		16,930	
National School Lunch Program	LLP4	10.555	252,043		252,043	
Special Milk Program for Children	02PU	10.556	5,079		5,079	
Total - Nutrition Cluster			<u>274,052</u>	<u>93,712</u>	<u>274,052</u>	<u>93,712</u>
Total U.S. Department of Agriculture			<u>274,052</u>	<u>93,712</u>	<u>274,052</u>	<u>93,712</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies	C1S1	84.010	289,883		281,317	
Special Education_Grants to States	6BSF	84.027	873,455		999,382	
Safe and Drug-Free Schools and Communities National Programs	T4S1	84.184C	18,810		14,184	
Safe and Drug-Free Schools and Communities State Grants	DRS1	84.186	23,027		23,997	
Eisenhower Professional Development State Grants	MSS1	84.281	1,618		-	
State Grants for Innovative Programs	C2S1	84.298	42,427		50,611	
Education Technology State Grants	TJS1	84.318	6,933		6,751	
Advanced Placement Program	AVS1	84.330	50		50	
School Renovation Grants	ATS3/ATS4	84.352A	13,881		13,881	
Improving Teacher Quality State Grants	TRS1	84.367	179,419		193,288	
Total U.S. Department of Education			<u>1,449,503</u>	<u>-</u>	<u>1,583,461</u>	<u>-</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>						
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>						
Medical Assistance Program		93.778	<u>43,252</u>		<u>43,252</u>	
<b>Totals</b>			<u><u>\$1,766,807</u></u>	<u><u>\$93,712</u></u>	<u><u>\$1,900,765</u></u>	<u><u>\$93,712</u></u>

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

**GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2004**

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B--FOOD DISTRIBUTION**

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

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



## **Auditor of State Betty Montgomery**

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

Gahanna-Jefferson City School District  
Franklin County  
160 South Hamilton Road  
Gahanna, Ohio 43230

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Gahanna-Jefferson City School District, Franklin County, Ohio, (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### **Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance we must report under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the District's management in a separate letter dated December 22, 2004.

#### **Internal Control Over Financial Reporting**

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

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

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

**Betty Montgomery**  
**Auditor of State**

December 22, 2004



## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES

Gahanna-Jefferson City School District  
Franklin County  
160 South Hamilton Road  
Gahanna, Ohio 43230

To the Board of Education:

#### Compliance

We have audited the compliance of Gahanna-Jefferson City School District, Franklin County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2004. We noted an instance of noncompliance that does not require inclusion in this report that we have reported to the management of the District in a separate letter dated December 22, 2004.

35 N. Fourth St. / Second Floor / Columbus, OH 43215  
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted a matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 22, 2004.

### **Schedule of Federal Awards Receipts and Expenditures**

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Gahanna-Jefferson City School District, Franklin County, Ohio, (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 22, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Betty Montgomery**  
**Auditor of State**

December 22, 2004

**GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

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

**JUNE 30, 2004**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Title II-A – CFDA #84.367 Title VI-B – CFDA #84.027
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

None

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

None



**Comprehensive  
Annual Financial Report**

of the

**Gahanna-Jefferson City School District  
Gahanna, Ohio**

**For Fiscal Year Ended June 30, 2004**

Issued by:

**Office of the Treasurer**

**Julio C. Valladares, MBA**

Treasurer/CFO

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2004

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# GAHANNA-JEFFERSON CITY SCHOOL DISTRICT

Gahanna-Jefferson City School District  
Elected Officials and Administrative Staff  
as of June 30, 2004

## BOARD OF EDUCATION MEMBERS

President	Mrs. Claire Yoder
Vice President	Mrs. Windy McKenna
Member	Mrs. Marlene Eader
Member	Mr. Ryan Jolley
Member	Mr. Ted Carr

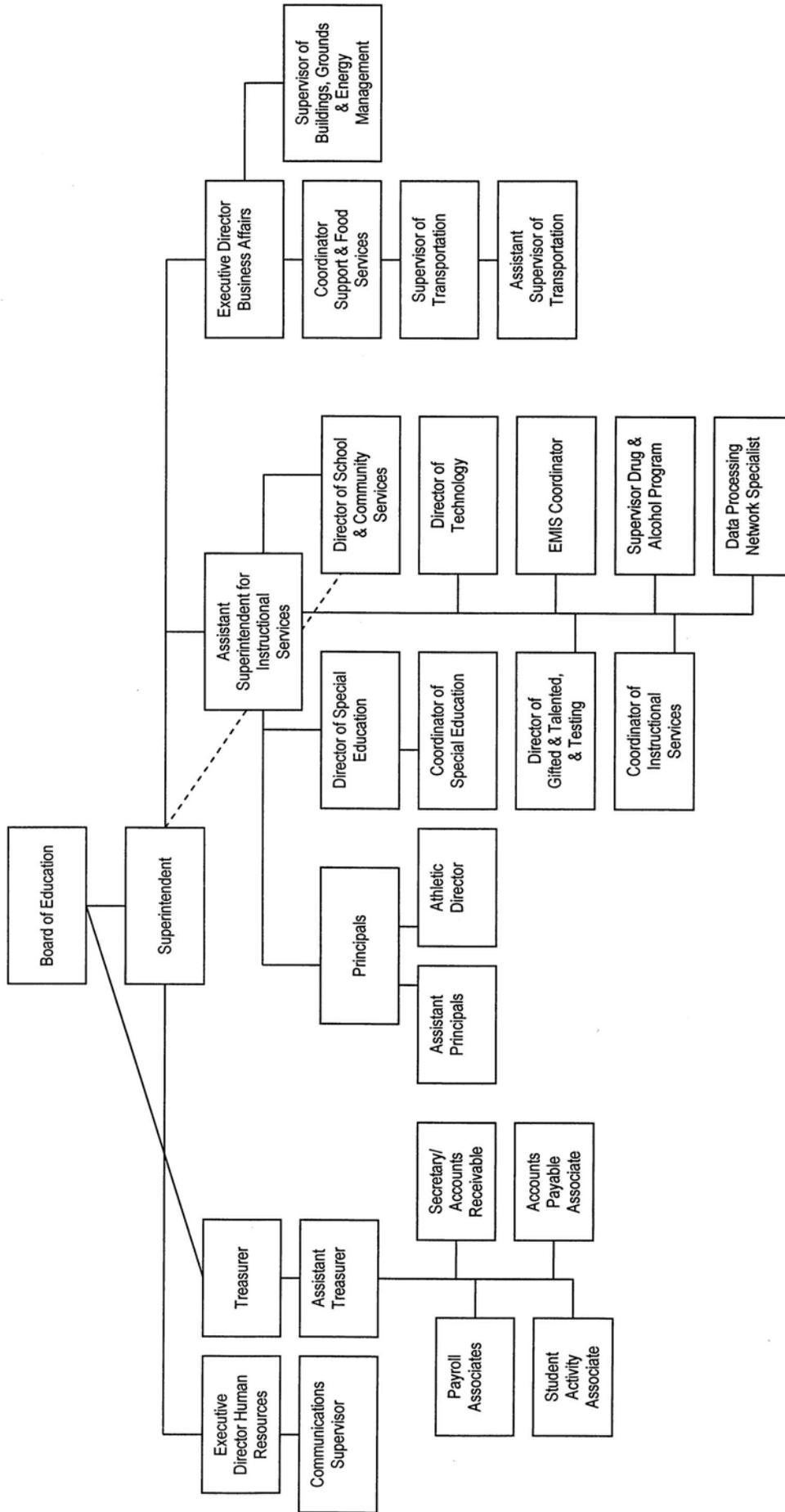
## APPOINTED OFFICIALS

Superintendent	Mr. Gregg E. Morris
Treasurer	Mr. Julio C. Valladares

## ADMINISTRATIVE STAFF

Asst. Superintendent - Instructional Services	Dr. Shirley Hamilton
Executive Director - Human Resources	Mrs. Cheri Dunlap
Executive Director of Business Affairs	Mr. Daniel Rotella
Director of Special Education Services	Mr. Mark Semer
Gifted and Talented Coordinator	Mrs. Louise Baehr
Principal, Lincoln High School	Mr. Mark White
Principal, Middle School West	Mr. James Bailey
Principal, Middle School East	Mr. Hank Langhals
Principal, Middle School South	Ms. Angie Adrean
Principal, Blacklick Elementary School	Mrs. Robin Schmidt
Principal, Chapelfield Elementary School	Mrs. Barbara Murdock
Principal, Goshen Elementary School	Mr. Chad Reynolds
Principal, High Point Elementary School	Mr. Anthony Pichowicz
Principal, Jefferson Elementary School	Mr. Steve Montgomery
Principal, Lincoln Elementary School	Mrs. Kristen Groves
Principal, Royal Manor Elementary School	Mr. Rick Oxley

# Gahanna-Jefferson Public Schools Organization Chart



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# Gahanna - Jefferson Public Schools

160 South Hamilton Road • Gahanna, OH 43230  
(614) 471-7065 • Fax (614) 478-5568

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December 22, 2004

TO THE BOARD OF EDUCATION AND CITIZENS OF THE GAHANNA-JEFFERSON CITY SCHOOL DISTRICT:

As Treasurer and Superintendent of the Gahanna-Jefferson City School District (the District), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) issued by the District. This CAFR for the year ended June 30, 2004 is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

This CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes management's discussion and analysis, the basic financial statements, and supplemental data, as well as the independent accountants' report on the financial statements and schedules. The statistical section provides pertinent financial, economic and demographic information, generally presented on a multi-year basis.

GAAP also requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent accountants' report.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

The Office of the Treasurer is responsible for the accuracy of the data presented and the completeness and fairness of this presentation. We believe the data presented are necessary to enable the reader to acquire the maximum understanding of the District's financial activity.

## GAHANNA-JEFFERSON CITY SCHOOL DISTRICT

The District is a public school system and is a fiscally independent political subdivision of the State of Ohio. The District operates one high school, three middle schools and seven elementary schools. The District is located east of Columbus, Ohio in Franklin County and encompasses all of the City of Gahanna, a major portion of Jefferson Township, and smaller portions of the City of Columbus and Mifflin Township. The District and municipal boundaries are not coterminous.

This report includes all funds of the District. The District provides a full range of traditional and nontraditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; a broad range of co-curricular and extracurricular activities; adult and community education offerings; and special education programs and facilities.

In addition to providing these general activities, the District has administrative responsibility for state funds distributed to private schools located within the District boundaries; therefore, in accordance with GASB Statement 24, this responsibility is included in the reporting entity in a special revenue fund. The private schools served are Evangel Christian Academy, Columbus Academy, St. Matthew School and Shepherd Christian School. While these organizations share operational and services similar with the District, all are separate and distinct entities. Because of their independent nature, none of these organization's financial statements are included in this report.

### **Economic Condition and Outlook**

Approximately 85% of the District's enrolled students reside in the City of Gahanna. Gahanna is a suburban community that has experienced little residential and commercial growth during the past few years. Approximately 95% of the City is developed. Jefferson Township, which until recently had been primarily rural, is now experiencing residential developments. Tax valuation has increased 33% in the last five years as a result of commercial and residential growth, with student population increasing at an average of 1%.

The District, along with many other public school systems in the state, still faces some difficult situations in the future since the primary funding source is property tax revenues. Ohio law, specifically House Bill 920, limits growth in real estate tax revenues by reducing millage as assessed values increase. This law keeps revenues from each levy relatively constant. Additionally, House Bill 95 which includes tax reductions for school districts will ultimately lead to a pronounced shifting of tax burden to residential and agricultural property tax payers.

Historically, the community has been supportive of education. This has been demonstrated by the passage of an \$8,250,000 bond issue in May 1994, and a 6.5 mill permanent operating levy in November 1995. Most recently the community authorized a combined 6.3 mill permanent operating levy and a \$28.5 million bond issue in November 1998. The District issued those bonds during fiscal year 1999. Management believes that by maintaining continued sound financial management practices, continued quality of program offerings, and the solid working relationship with the community, it is likely that community support will remain strong in the future.

### **The District and Its Facilities**

The District serves an area of 12 square miles in and around the City of Gahanna. It is located in Franklin County, approximately 10 miles east of downtown Columbus, the state capital. The Gahanna-Jefferson City School District is a suburban district experiencing little or no growth in the last 10 years. Gahanna's population in 1993 was approximately 35,000 residents. By 2004, according to the City of Gahanna, population has decreased to 33,000.

Because of the almost stagnant growth, the District's enrollment has been increasing at an average of 1%. The District's enrollment in 1993 was 6,646 compared to 6,836 students for the fiscal year that ended June 30, 2004.

The District's facilities include 7 elementary schools (Grades K-5), 3 middle schools (Grades 6 to 8), one high school (Grades 9-12), maintenance building, bus garage, alternative school, the central office and several athletic fields.

### **Major Initiatives**

#### **Comprehensive Improvement Planning**

Comprehensive Improvement Plans at both the District and building levels hold the Gahanna-Jefferson school system accountable and provide a guide to accomplishing measurable improvements in the schools and District's performance. These improvement plans build on our accomplishments and ease us into the current, data-driven Improvement Plans, which serve as viable school improvement documents for our future.

The District Comprehensive Improvement Plan models the kinds of data collection, analysis, and intervention strategies expected in the individual buildings Comprehensive Improvement Plans. The District sets the goal umbrella from which the buildings select the goals that best match their unique needs. Building goals address proficiency scores, standardized test scores, reading, math, technology standards, professional development, and parent, business, and community involvement.

Integral to the whole process of school improvement is the use of quality tools and concepts. This approach uses data to help students, teachers and parents be proactive in meeting individual student needs as well as involving all stakeholders and evaluating results. This systematic data-driven process includes examining student test scores to determine intervention strategies that will help students increase academic achievements.

We are enthusiastic that the District and buildings Comprehensive Improvement Plans through sustained effort will provide positive results in meeting individual student needs and improved academic performance.

## GAHANNA-JEFFERSON CITY SCHOOL DISTRICT

### Business Advisory Council

The mission of the District's School Business Advisory Council (SBAC) is to facilitate the creation of partnerships and establish lines of communication between businesses and professionals with staff and students across the District. Included in ongoing and interactive programs and projects are mock interviews, shadowing experiences, career awareness and exploration activities, advisory boards, and numerous incentive support programs promoting both academic excellence and service learning. The SBAC was also instrumental in the creation of the Gahanna-Jefferson Education Foundation. Many of the collaborative activities with our business partners are detailed in the annual SBAC newsletter, which is distributed to over 16,000 homes each fall thanks to the support of our business partners. Without question, the SBAC is a highly valued partner with the District.

### Intergovernmental Planning

In 1993, dialogue began between the City of Gahanna (the City) and the District regarding a joint fueling and vehicle maintenance complex. It was the desire of the District and City to save the community tax dollars and run a more efficient operation. That dialogue became a reality in 1998, when the transportation complex was completed. On approximately ten acres of land, a joint fueling station fuels the District and City vehicles. Volume buying of fuel enables the District to save tax dollars. Also on the site is a bus driver/coordinator building which houses the District's transportation department. In addition, this site houses a joint vehicle maintenance building where the District and City have combined equipment, expertise and manpower to service the vehicles.

In August 1999, the City and the District adopted a tax abatement compensation agreement, which resulted in the City providing compensation to the District as payments in lieu of taxes for those properties affected by a Tax Increment Financing (TIF) ordinance.

### **Departmental Focus**

#### Technology

The District has been a leader in the commitment to educational technology for many years. The following is evidence of that commitment:

On October 14, 2004, the District unveiled a new state-of-the-art District website. This robust website contains over 1300 pages of information and features designed to allow all District staff to better communicate with parents, students, and community members. The website is maintained through a dynamic content management system that allows pages to be updated in real time. The District's presence on the World Wide Web is located at: <http://www.gahannaschools.org>

In accordance with our SchoolNet-approved long range technology plan, the District has redesigned and implemented a more efficient network infrastructure. Through this redesign, we

## GAHANNA-JEFFERSON CITY SCHOOL DISTRICT

have increased both internal network speed and external bandwidth, as well as, implemented a more efficient path for dataflow. This was done through the addition of a T3 line to our ISP and the rerouting of T1 lines from individual schools to the ISP back to our central location. The lines are now routed directly back to the T3 line at our central location. This provides greater internal speed of data flow. All schools can then take advantage of the greater bandwidth out to the ISP and the Internet.

To support the infrastructure upgrades, the District has also performed upgrades to electrical systems in the "LanCentral" area to provide adequate electrical capacity for the new infrastructure.

In efforts to meet the requirements of No Child Left Behind (NCLB), the District is participating in the Battelle for Kids data reporting and management project.

The District continues to utilize the services of an engineering firm to help maintain the District's sophisticated networks.

Lincoln High School participates in and delivers instruction to other schools via Interactive Video Distance Learning.

The District in conjunction with Instructional Technologies of Central Ohio, offers a series of technology related workshops to all staff members. Staff members are all eligible for college credit upon successful completion of the series.

Computers in all District media centers were upgraded in June of 2004.

Classroom computers in middle school grades will be upgraded during the 2004-2005 school year.

Computer systems in Special Education departments and classrooms were upgraded in the 2003-04 school year. Additional upgrades are planned for the 2004-05 school year.

Additional carts of wireless laptops will be provided for each middle school during the 2004-2005 school year.

The District continues to utilize the Gahanna "TechCenter", a technology training center for staff, students, and community.

These items represent only a handful of the District's technology initiatives. Future visions include student access to educational materials from home, and collaborative projects with parents and business leaders to strengthen, enhance, and empower our entire learning community.

**Financial Information**

The District's accounting system is organized on a "fund" basis. Each fund is a separate self-balancing accounting entity. Records for all District funds, except Proprietary Funds and Fiduciary are maintained on the modified accrual basis of accounting, whereby revenues are recognized when measurable and available, and expenditures are recognized when the related liability is incurred, except for principal and interest on long-term debt which is recorded when due. Proprietary and Fiduciary funds are accounted for on the full accrual basis of accounting. Both bases of accounting are in accordance with GAAP as applied to governmental units and consistent with GASB Code. Sec. 1600; "Basis of Accounting".

*Internal Controls*

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

*Budgetary Controls*

The District maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control, the level at which expenditures cannot legally exceed the appropriated amount is established at the fund level of expenditure. Additionally, the District maintains an encumbrance system as a useful technique of accomplishing budgetary control. Under encumbrance accounting, purchase orders, contracts, and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation. In June 2004, the Board approved the fiscal year 2004 final amended appropriation measure for the District.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. All amounts in the financial section are expressed in rounded dollar amounts.

**Risk Management**

The District is part of a statewide plan for workers compensation insurance coverage. Additionally, the District carries all-risk property insurance, liability and excess insurance. All employees are bonded and medical coverage for employees is provided through a self-insured medical program offered by the District.

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT

**Independent Auditors**

The basic financial statements of the District for the year ending June 30, 2004, were audited by the Auditor of State Betty Montgomery's Office, whose opinion thereon is included at the beginning of the Financial Section of this report.

**Certificate of Achievement Program**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board of Education of the Gahanna-Jefferson City School District, Ohio for its comprehensive annual financial report (CAFR) for the fiscal year ending June 30, 2003. The Certificate of Achievement is a prestigious award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

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

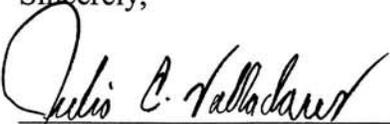
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements and we are submitting it to the GFOA.

**Acknowledgments**

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the conscientious efforts of the treasurer's office staff and assistance of other central office administrators and staff. The assistance of the Franklin County Auditor's office in providing information is appreciated.

Without the leadership and support of the Board of Education of the District, preparation of this report would not have been possible. Most importantly, we would like to thank the Citizens of the District for the opportunity to continue to improve the professionalism in financial reporting that they expect and deserve.

Sincerely,

  
\_\_\_\_\_  
Julio C. Valladares, Treasurer

  
\_\_\_\_\_  
Gregg E. Morris, Superintendent

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Gahanna-Jefferson  
Public School District, Ohio

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

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



*Nancy L. Ziehl*

President

*Jeffrey R. Emery*

Executive Director





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Gahanna-Jefferson City School District  
Franklin County  
160 South Hamilton Road  
Gahanna, Ohio 43230

To the Board of Education:

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2004, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

35 N. Fourth St. / Second Floor / Columbus, OH 43215  
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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



**Betty Montgomery**  
Auditor of State

December 22, 2004

Gahanna–Jefferson City School District  
Management’s Discussion & Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

Our discussion and analysis of the District’s financial performance provides an overview of the District’s financial activities for the fiscal year ended June 30, 2004.

**Financial Highlights**

The District’s net assets increased by over \$3.2 million or 7.7%. Program revenues accounted for \$6.6 million or 9.7% of total revenues, and general revenues accounted for \$61.7 million or 90.3%.

The general fund reported a positive fund balance in excess of \$36 million.

**Using this Comprehensive Annual Financial Report**

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

**Reporting the District as a Whole**

*The Statement of Net Assets and Statement of Activities*

One of the most important questions asked about the District’s finances is, “Is the District better or worse off as a result of the year’s activities?” The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year’s revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District’s net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the District’s financial health is improving or deteriorating. The reader will need to consider other nonfinancial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

Gahanna–Jefferson City School District  
Management’s Discussion & Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

**Reporting the District’s Most Significant Funds**

*Fund Financial Statements*

Our analysis of the District’s major funds begins on page 10. The fund financial statements begin on page 16 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District’s three types of funds, governmental, proprietary and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

*Governmental Funds*

Most of the District’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the District’s 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 basic financial statements.

*Proprietary Funds*

Proprietary funds use the accrual basis of accounting; the same as on the entity-wide statements, therefore the statements will essentially match the business-type activities portion of the entity-wide statements.

*Fiduciary Funds*

The District is the trustee, or fiduciary, for its scholarship program and other items listed as private purpose trust. It is also responsible for other assets that, due to a trust arrangement, can only be used for the trust beneficiaries. All of the District’s fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on page 24. We exclude these activities from the District’s other financial statements because the assets cannot be utilized by the District to finance its operations.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the District, assets exceeded liabilities by \$44.9 million at the close of the most recent fiscal year.

Gahanna-Jefferson City School District  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the District's net assets (4.2%) reflects its investment in capital assets less any related debt used to acquire those assets that are still outstanding.

An additional portion of the District's net assets (11.4%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities.

The District is able to report a positive balance in the areas of net assets for both the government as a whole, as well as for its separate governmental activities.

Net Assets  
(Amounts expressed in thousands)

	Governmental Activities		Business Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Current Assets	\$ 114,669	\$ 111,329	\$ 354	\$ 325	\$ 115,023	\$ 111,654
Capital Assets	<u>33,223</u>	<u>34,703</u>	<u>222</u>	<u>213</u>	<u>33,445</u>	<u>34,916</u>
Total Assets	147,892	146,032	576	538	148,468	146,570
Current Liabilities	67,700	65,203	251	244	67,951	65,447
Long Term Liabilities	<u>35,529</u>	<u>39,312</u>	<u>83</u>	<u>133</u>	<u>35,612</u>	<u>39,445</u>
Total Liabilities	103,229	104,515	334	377	103,563	104,892
Net Assets:						
Invested in Capital						
Assets, net of debt	1,668	(601)	222	213	1,890	(388)
Restricted	5,129	6,131	0	0	5,129	6,131
Unrestricted	<u>37,866</u>	<u>35,987</u>	<u>20</u>	<u>(52)</u>	<u>37,886</u>	<u>35,935</u>
Total Net Assets	<u>\$ 44,663</u>	<u>\$ 41,517</u>	<u>\$ 242</u>	<u>\$ 161</u>	<u>\$ 44,905</u>	<u>\$ 41,678</u>

Current assets increased \$3.4 million as a result of an increase of taxes receivables in the amount of \$6.6 million due to the timing in advances and a decrease in cash and cash equivalents in the amount of \$3.2 million. Capital assets went down \$1.5 million as a result of depreciation. Current liabilities went up \$2.5 million as a result of an increase in deferred revenue related to taxes receivable. Long term liability decrease \$3.8 million as a result of principal payments.

Gahanna–Jefferson City School District  
Management’s Discussion & Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

	Changes in Net Assets (Amounts expressed in thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	\$1,415	\$1,080	\$1,572	\$1,477	\$2,987	\$2,557
Operating Grants	<u>3,276</u>	<u>3,059</u>	<u>381</u>	<u>320</u>	<u>3,657</u>	<u>3,379</u>
<b>Total Program Revenues</b>	<u>4,691</u>	<u>4,139</u>	<u>1,953</u>	<u>1,797</u>	<u>6,644</u>	<u>5,936</u>
<b>General Revenues</b>						
Property Taxes	44,495	47,250			44,495	47,250
Grants and Entitlements	15,320	12,440			15,320	12,440
Payment in Lieu of taxes	1,424	1,726			1,424	1,726
Investment Earnings	431	718	1	2	432	720
Miscellaneous	<u>52</u>	<u>164</u>			52	164
<b>Total General Revenues</b>	<u>61,722</u>	<u>62,298</u>	<u>1</u>	<u>2</u>	<u>61,723</u>	<u>62,300</u>
<b>Total Revenues</b>	<u>66,413</u>	<u>66,437</u>	<u>1,954</u>	<u>1,799</u>	<u>68,367</u>	<u>68,236</u>
<b>Expenses</b>						
<b>Program Expenses</b>						
<b>Instruction</b>						
Regular	31,458	29,451			31,458	29,451
Special	6,851	5,778			6,851	5,778
Vocational	811	775			811	775
<b>Support Services</b>						
Pupil	2,651	2,397			2,651	2,397
Instructional Staff	2,863	2,753			2,863	2,753
General Administration	638	408			638	408
School Administration	5,352	4,786			5,352	4,786
Fiscal	995	1,215			995	1,215
Business	30				30	0
Maintenance	5,093	4,477			5,093	4,477
Pupil Transportation	1,998	1,820			1,998	1,820
Central	356	409			356	409
Community Services	1,189	1,066			1,189	1,066
Extracurricular Activities	1,113	1,154			1,113	1,154
Construction Services		37			0	37
Interest and Fiscal Charges	1,750	1,737			1,750	1,737
Miscellaneous	118	331			118	331
Food Service			1,713	1,834	1,713	1,834
Special Rotary			87	158	87	158
Community Recreation			<u>73</u>	<u>75</u>	<u>73</u>	<u>75</u>
<b>Total Expenses</b>	<u>63,266</u>	<u>58,594</u>	<u>1,873</u>	<u>2,067</u>	<u>65,139</u>	<u>60,661</u>
Excess Before Transfers	3,147	7,843	81	(268)	3,228	7,575
Transfers	<u>(1)</u>		<u>1</u>		0	0
<b>Change in Net Assets</b>	<u>\$ 3,146</u>	<u>\$ 7,843</u>	<u>\$ 82</u>	<u>\$ (268)</u>	<u>\$ 3,228</u>	<u>\$ 7,575</u>

Gahanna–Jefferson City School District  
Management's Discussion & Analysis  
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Unaudited

**Governmental Activities**

Net assets of the District's governmental activities increased by \$3.1 million and unrestricted net assets reflect a healthy positive balance of \$38 million. The increase in net assets is primarily the result of an increase in grants and entitlements. Expenses increased by \$4.5 million due to increases in instructional and administration costs.

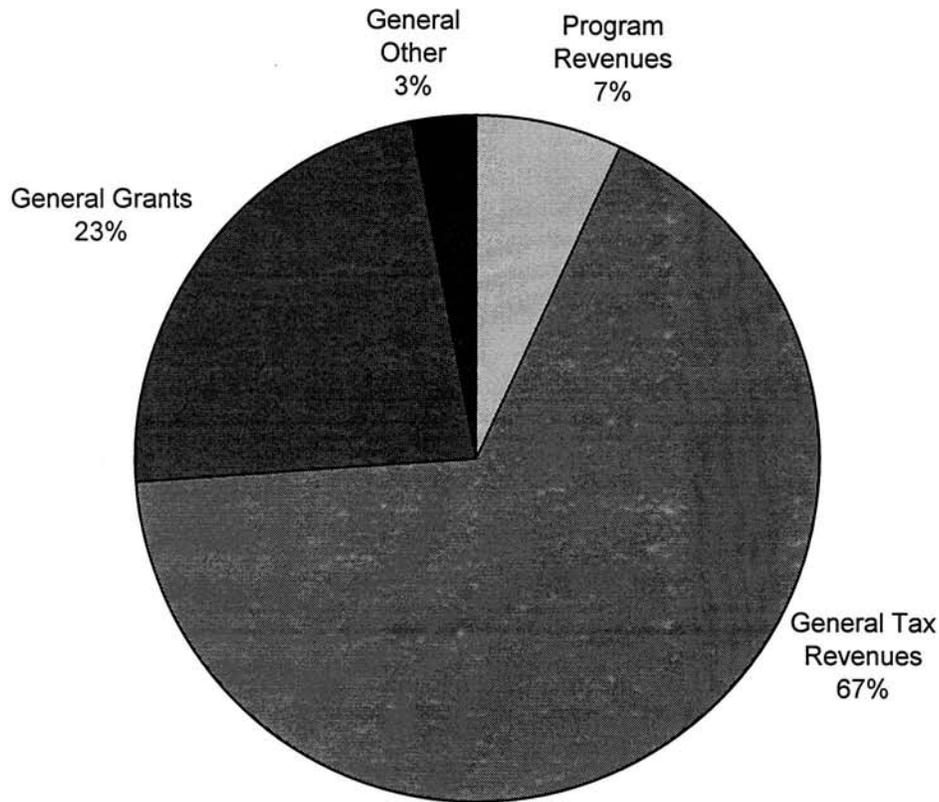
The property tax laws in Ohio create the need to periodically seek voter approval for additional operating funds. Tax revenues generated from a levy do not increase as a result of inflation. An operating levy is approved for a fixed millage rate, but the rate is reduced for inflation with the affect of providing the District the same amount of tax dollars as originally approved. Therefore school districts such as ours that are dependent upon property taxes as a primary source of revenue must periodically return to the ballot and ask voters for additional resources to maintain current programs. Since the District must rely heavily on voter approval of operating tax issues management of the resources is of paramount concern to District administration and the voting public. The District utilizes a five-year cash financial forecast to estimate revenues and control expenditures to assure tax levy revenues can maintain operations for a significant period of time. The current forecast does not reflect a need for additional operating resources until fiscal year 2007.

Gahanna–Jefferson City School District  
Management’s Discussion & Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities (amounts expressed in thousands). General revenues including tax revenue, investment earnings and unrestricted State entitlements must support the net cost of program services.

	<u>Total Cost of Services 2004</u>	<u>Net Cost of Services 2004</u>	<u>Total Cost of Services 2003</u>	<u>Net Cost of Services 2003</u>
Program Expenses				
Instruction				
Regular	\$31,458	\$30,910	\$29,451	\$28,859
Special	6,851	5,972	5,778	5,165
Vocational	811	773	775	702
Support Services				
Pupil	2,651	2,385	2,397	2,252
Instructional Staff	2,863	2,177	2,753	2,134
General Administration	638	553	408	408
School Administration	5,352	5,190	4,786	4,569
Fiscal	995	989	1,215	1,215
Business	30	30	0	0
Maintenance	5,093	4,844	4,477	4,362
Pupil Transportation	1,998	1,965	1,820	1,759
Central	356	299	409	345
Community Services	1,189	(97)	1,066	(143)
Extracurricular Activities	1,113	717	1,154	724
Construction Services	0	0	37	37
Interest and Fiscal Charges	1,750	1,750	1,737	1,737
Miscellaneous	<u>118</u>	<u>118</u>	<u>331</u>	<u>331</u>
Total Expenses	\$63,266	\$58,575	\$58,594	\$54,456

Gahanna–Jefferson City School District  
Management’s Discussion & Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited



The District’s reliance upon tax revenues is demonstrated by the graph above that indicates 67% of total revenues for governmental activities come from local taxes. The reliance on general revenues to support governmental activities is indicated by the net services column reflecting the need for \$58.6 million dollars of support as well as the graph indicating general revenues comprise 93% of total revenues.

*Business-Type Activities*

Business-type activities include Food Service, Special Rotary and Community Recreation. These programs had an increase in net assets of \$81,809 for the fiscal year. The increase was due to increases in sales and contributions from the food service and special rotary.

Gahanna–Jefferson City School District  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

***The District's Funds***

The District's governmental funds (as presented on the balance sheet on page 16) reported a combined fund balance of \$42.8 million, which is above last year's total of \$40.2 million. The schedule below indicates the fund balance and the total change in fund balance by fund as of June 30 for year 2004 and 2003.

	<u>Fund Balance</u> <u>June 30,2004</u>	<u>Fund Balance</u> <u>June 30,2003</u>	<u>Increase</u> <u>(Decrease)</u>
General	\$ 36,396,499	\$ 34,441,909	\$ 1,954,590
Debt Service	5,587,121	4,633,806	953,315
Other Governmental	<u>774,777</u>	<u>1,117,660</u>	<u>(342,883)</u>
Total	<u>\$ 42,758,397</u>	<u>\$ 40,193,375</u>	<u>\$ 2,565,022</u>

***General Fund***

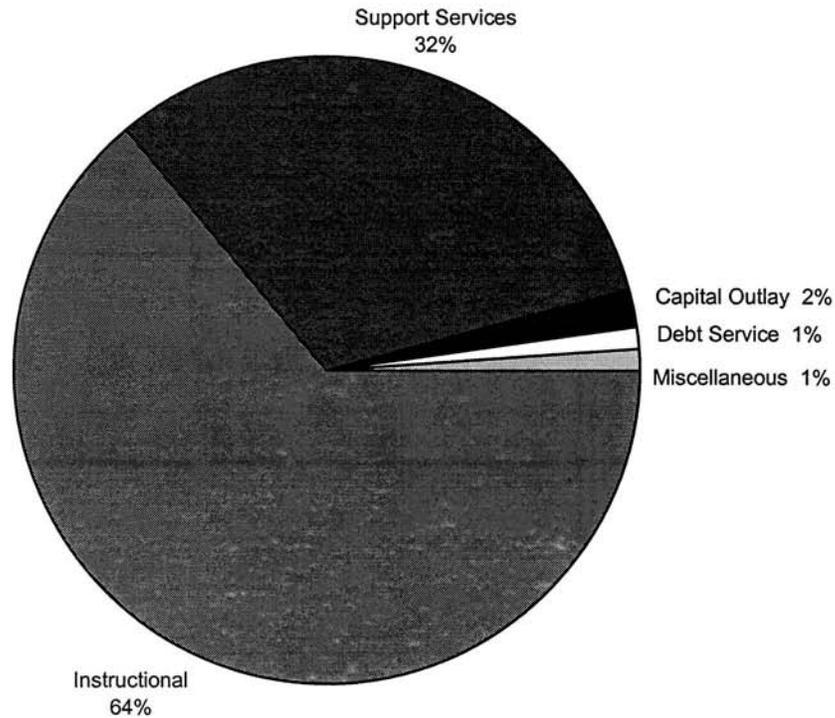
The District's general fund fund balance increase is due to many factors. The tables and graphs that follow assist in illustrating the financial activities and balance of the general fund.

	<u>2004</u> <u>Amount</u>	<u>2003</u> <u>Amount</u>	<u>Percent</u> <u>Change</u>
Revenues			
Taxes	\$ 41,725,756	\$ 40,079,580	4.11%
Interest Earnings	398,105	710,396	(43.96%)
Intergovernmental	14,941,683	12,217,224	22.30%
Other Revenue	<u>2,330,211</u>	<u>2,388,836</u>	<u>( 2.45%)</u>
Total	<u>\$ 59,395,755</u>	<u>\$ 55,396,036</u>	

The property tax revenue is up slightly due to increased delinquent collection. Interest earnings are down \$312,291 due to the decline in interest rates. Intergovernmental revenue is up \$2.7 million for the fiscal year because legislative changes in the state aid formula. The latest State budget may result in an over one million dollar increase in funding for the District in fiscal year 2005.

Gahanna–Jefferson City School District  
 Management’s Discussion & Analysis  
 For the Fiscal Year Ended June 30, 2004  
 Unaudited

As the graph below illustrates, the largest portions of general fund expenditures are related to instructional and support services. The District is a service entity and as such is labor intensive.



Expenditures by Function	2004 Amount	2003 Amount	Percent Change
Instructional	\$ 36,667,659	\$ 33,189,528	10.48%
Support Services	18,450,700	17,117,389	7.79%
Capital Outlay	1,127,844	954,123	18.21%
Debt Service	577,201	576,338	0.15%
Miscellaneous	619,614	762,547	(18.74%)
Total	<u>\$ 57,443,018</u>	<u>\$ 52,599,925</u>	

Expenditures are up \$4.8 million or 9.2% over the prior year mostly due to increases associated with staffing and capital outlay associated with the final phase of building improvements. Revenues exceeded expenditures during the fiscal year resulting in an increase to fund balance and contributing to the improving financial health of the District.

Gahanna–Jefferson City School District  
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For the Fiscal Year Ended June 30, 2004  
Unaudited

*Debt Service Fund*

The District's debt service fund balance increased by \$953,315 due to increased property tax revenues. The revenues of the fund are property taxes, calculated by the county auditor, and state homestead and rollback money computed as a percentage of the tax due to the fund. The expenses of the fund include debt principal and interest payments as well as county auditor and treasurer fees. The increased fund balance will be used to make upcoming debt payments.

*Other Funds*

Other governmental funds consist of special revenue funds and a capital projects fund. The decrease in fund balance is primarily due to the decrease in local resources available.

**General Fund Budget Information**

The District's budget is prepared in accordance with Ohio law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

The District amended its revenue estimates to reflect the loss of anticipated revenues from taxes, and interest. The final budget for expenditures increased \$143,146 over the original budget primarily due to increased fringe benefits and purchase services. Other appropriations required changes in functional categories due to spending patterns.

The District utilizes the five-year forecast as the original document from which to form the operating budget. After updating of the forecast for changes in revenue and expenditure assumptions, the operating budget begins at the school level. Each school in the District receives a per pupil allocation augmented with resources for special education students in the specific buildings. The departments then receive the remainder of funds to bring the budget into balance with the five-year forecast. The site and department budgets are reviewed periodically to ensure management becomes aware of any significant variations during the year.

**Capital Assets**

The District has \$33.4 million in capital assets net of depreciation, with \$33.2 million attributed to governmental activities. Acquisitions for governmental activities totaled \$1 million and depreciation was \$2.5 million. The majority of the acquisitions were for furniture, buses, educational media, and computer equipment replacement throughout the District. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 7).

Gahanna-Jefferson City School District  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

**Debt**

As of June 30, 2004, the District had \$31.3 million in outstanding bonds and notes payable. The District paid \$3,859,000 in principal on bonds outstanding and \$250,000 in notes payable during the fiscal year.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total value of real and personal property. As of June 30, 2004, the District's general obligation debt was below the legal limit.

**Restrictions and Other Limitations**

With the passage of the November 1998 operating levy the District is in the best financial position in its history. The operating levy combined with the bond issue provides the necessary funds for the District to manage current growth patterns while maintaining the educational program and the facilities. However, the future financial stability of the District is not without challenges.

The first challenge is for management to ensure resources can be preserved as long as possible. The five-year forecast of the general fund and the five-year capital plan are utilized by management as a tool to manage resources effectively.

The second challenge facing the District is based on the local economy. The District has experienced little or no growth over the last 10 years. If the growth patterns in student population change and more students enter the District than currently anticipated, adjustments will have to be made to the financial models upon which assumptions have been made. Also, an economic slowdown could result in revenue forecasts having to be revised downward. Either of these scenarios could cause the District to scale down the educational program offerings or seek additional resources.

The last challenge facing the District is the future of State funding. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current funding plan is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..." The District is unable to determine what effect, if any, this decision will have on future funding from the State.

Gahanna-Jefferson City School District, Ohio  
Statement of Net Assets  
as of June 30, 2004

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$43,290,667	\$286,323	\$43,576,990
Receivables			
Taxes - Current	66,809,844	-	66,809,844
Taxes - Delinquent	3,078,700	-	3,078,700
Accounts	903,886	3,059	906,945
Accrued Interest	150,577	150	150,727
Intergovernmental - State	62,048	-	62,048
Intergovernmental - Federal	318,167	39,738	357,905
Internal Balances	3,067	(3,067)	-
Interfund loans - External Parties	4,200		4,200
Materials & Supplies Inventory	-	27,764	27,764
Prepaid Assets	47,943	-	47,943
Capital Assets, Net	33,222,683	221,974	33,444,657
<b>Total Assets</b>	<b>147,891,782</b>	<b>575,941</b>	<b>148,467,723</b>
<b>Liabilities</b>			
Accounts Payable	559,605	8,407	568,012
Claims Payable	563,935	-	563,935
Accrued Wages and Benefits	5,367,079	110,609	5,477,688
Due to Other Governments	1,610,528	103,455	1,713,983
Interest Payable	120,506	-	120,506
Deferred Revenue	59,479,053	27,272	59,506,325
Long-Term Liabilities			
Due within One Year	4,491,697	-	4,491,697
Due in More Than One Year	31,036,505	83,847	31,120,352
<b>Total Liabilities</b>	<b>103,228,908</b>	<b>333,590</b>	<b>103,562,498</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	1,668,221	221,974	1,890,195
Restricted for:			
Debt Service	5,077,370	-	5,077,370
Other	51,932	-	51,932
Unrestricted	37,865,351	20,377	37,885,728
<b>Total Net Assets</b>	<b>\$44,662,874</b>	<b>\$242,351</b>	<b>\$44,905,225</b>

**The notes to the financial statements are an integral part of this statement.**

Gahanna-Jefferson City School District, Ohio  
Statement of Activities  
For the Fiscal Year Ended June 30, 2004

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>						
Instruction						
Regular	\$31,457,676	\$195,399	\$352,393	(\$30,909,884)	\$ -	(\$30,909,884)
Special	6,850,693	423,739	454,890	(5,972,064)	-	(5,972,064)
Vocational	811,482	-	38,130	(773,352)	-	(773,352)
Support Services						
Pupils	2,650,532	-	265,998	(2,384,534)	-	(2,384,534)
Instructional Staff	2,863,314	-	686,681	(2,176,633)	-	(2,176,633)
General Administration	638,050	-	84,955	(553,095)	-	(553,095)
School Administration	5,351,523	158,342	3,178	(5,190,003)	-	(5,190,003)
Fiscal Services	994,712	-	5,387	(989,325)	-	(989,325)
Business	30,224	-	-	(30,224)	-	(30,224)
Maintenance	5,092,560	241,248	6,939	(4,844,373)	-	(4,844,373)
Pupil Transportation	1,998,152	-	33,518	(1,964,634)	-	(1,964,634)
Central	356,418	-	57,829	(298,589)	-	(298,589)
Community Services	1,189,183	-	1,285,946	96,763	-	96,763
Extra Curricular Activities	1,112,651	395,777	-	(716,874)	-	(716,874)
Interest and Fiscal Charges	1,750,191	-	-	(1,750,191)	-	(1,750,191)
Miscellaneous	118,397	-	-	(118,397)	-	(118,397)
<b>Total Governmental Activities</b>	<b>63,265,758</b>	<b>1,414,505</b>	<b>3,275,844</b>	<b>(58,575,409)</b>	<b>-</b>	<b>(58,575,409)</b>
<b>Business-Type Activities</b>						
Food Service	1,712,604	1,333,088	380,144	-	628	628
Special Rotary	86,878	156,001	400	-	69,523	69,523
Community Recreation	72,787	82,884	-	-	10,097	10,097
<b>Total Business-Type Activities</b>	<b>1,872,269</b>	<b>1,571,973</b>	<b>380,544</b>	<b>-</b>	<b>80,248</b>	<b>80,248</b>
<b>Totals</b>	<b>\$65,138,027</b>	<b>\$2,986,478</b>	<b>\$3,656,388</b>	<b>(58,575,409)</b>	<b>80,248</b>	<b>(58,495,161)</b>
<b>General Revenues</b>						
Property Taxes Levied for:						
General Purposes				39,438,280	-	39,438,280
Debt Service				5,056,201	-	5,056,201
Grants & Entitlements not Restricted to Specific Programs				15,319,625	-	15,319,625
Payment in Lieu of Taxes				1,424,148	-	1,424,148
Investment Earnings				431,410	1,061	432,471
Miscellaneous				52,151	-	52,151
<b>Total General Revenues</b>				<b>61,721,815</b>	<b>1,061</b>	<b>61,722,876</b>
Transfers				(500)	500	-
Change in Net Assets				3,145,906	81,809	3,227,715
Net Assets Beginning of Year				41,516,968	160,542	41,677,510
Net Assets End of Year				<b>\$44,662,874</b>	<b>\$242,351</b>	<b>\$44,905,225</b>

The notes to the financial statements are an integral part of this statement.

Gahanna-Jefferson City School District, Ohio  
 Balance Sheet  
 Governmental Funds  
 as of June 30, 2004

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 35,804,842	\$ 4,593,283	\$ 1,285,047	\$ 41,683,172
Receivables (net of allowances for uncollectibles)				
Taxes - Current	57,887,047	8,922,797	-	66,809,844
Taxes - Delinquent	2,667,524	411,176	-	3,078,700
Accounts	903,292	-	594	903,886
Accrued Interest	150,577	-	-	150,577
Intergovernmental - State	-	-	62,048	62,048
Intergovernmental - Federal	-	-	318,167	318,167
Interfund loans receivable	497,503	-	-	497,503
Prepaid Assets	47,823	-	120	47,943
<b>Total assets</b>	<b>97,958,608</b>	<b>13,927,256</b>	<b>1,665,976</b>	<b>113,551,840</b>
<b>Liabilities:</b>				
Accounts Payable	414,791	-	144,814	559,605
Interest payable	-	8,100	-	8,100
Accrued Wages and Benefits	5,168,377	-	198,702	5,367,079
Interfund loans payable	-	-	490,236	490,236
Due to Other Governments	1,553,081	-	57,447	1,610,528
Compensated Absences Payable	128,744	-	-	128,744
Deferred Revenue	54,297,116	8,332,035	-	62,629,151
<b>Total Liabilities</b>	<b>61,562,109</b>	<b>8,340,135</b>	<b>891,199</b>	<b>70,793,443</b>
<b>Fund Balances</b>				
Reserved				
Encumbrances	1,899,635	-	158,480	2,058,115
Prepaid Assets	47,823	-	120	47,943
For future years appropriations	6,328,853	1,001,938	-	7,330,791
Unreserved, Reported in:				
General fund	28,120,188	-	-	28,120,188
Special Revenue funds	-	-	564,245	564,245
Debt Service fund	-	4,585,183	-	4,585,183
Capital Projects fund	-	-	51,932	51,932
<b>Total fund balances</b>	<b>36,396,499</b>	<b>5,587,121</b>	<b>774,777</b>	<b>42,758,397</b>
<b>Total liabilities and fund balances</b>	<b>\$ 97,958,608</b>	<b>\$ 13,927,256</b>	<b>\$ 1,665,976</b>	<b>\$ 113,551,840</b>

**The notes to the financial statements are an integral part of this statement.**

Gahanna-Jefferson City School District, Ohio  
 Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2004

<b>Total Governmental Fund Balances</b>	<b>\$42,758,397</b>
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	33,222,683
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	3,150,098
An internal service fund is used by management to charge the cost 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.	1,043,560
Long-Term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Interest Payable	(112,406)
Compensated Absences	(3,844,996)
General Obligation Debt	(31,554,462)
	<b>(35,511,864)</b>
Net Assets of Governmental Activities	<b>\$44,662,874</b>

**The notes to the financial statements are an integral part of this statement.**

Gahanna-Jefferson City School District, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2004

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
From local sources				
Taxes	\$ 41,725,756	\$ 5,259,800	\$ -	\$ 46,985,556
Tuition	423,739	-	-	423,739
Other local	1,862,607	-	559,157	2,421,764
Intergovernmental - State	14,898,431	527,469	1,612,148	17,038,048
Intergovernmental - Federal	43,252	-	1,514,169	1,557,421
Investment Income	398,105	-	5,959	404,064
Other revenue	43,865	-	436	44,301
<b>Total Revenues</b>	<u>59,395,755</u>	<u>5,787,269</u>	<u>3,691,869</u>	<u>68,874,893</u>
<b>Expenditures:</b>				
Current:				
Instruction				
Regular	29,363,094	-	372,206	29,735,300
Special	6,441,226	-	388,136	6,829,362
Vocational	863,339	-	-	863,339
Support Services				
Pupils	2,551,004	-	245,428	2,796,432
Instructional Staff	2,164,409	-	682,994	2,847,403
General Administration	584,050	-	-	584,050
School Administration	5,189,588	-	234,523	5,424,111
Fiscal Services	968,561	21,516	5,387	995,464
Business	-	-	8,754	8,754
Maintenance	4,932,387	-	55,964	4,988,351
Pupil Transportation	1,835,112	-	165	1,835,277
Central	225,589	-	29,629	255,218
Community Services	166	-	1,184,863	1,185,029
Extra Curricular Activities	619,408	-	391,993	1,011,401
Construction Services	-	-	4,500	4,500
Miscellaneous	40	-	118,357	118,397
Capital Outlay	1,127,844	-	308,907	1,436,751
Debt Service:				
Principal Retirement	487,705	3,835,000	-	4,322,705
Interest and Fiscal Charges	89,496	977,438	-	1,066,934
<b>Total Expenditures</b>	<u>57,443,018</u>	<u>4,833,954</u>	<u>4,031,806</u>	<u>66,308,778</u>
Excess (deficiency) of revenue over (under) expenditures	1,952,737	953,315	(339,937)	2,566,115
Other Financing (Sources) Uses				
Operating transfers in	3,946	-	-	3,946
Operating transfers (out)	(500)	-	(2,946)	(3,446)
<b>Total other financing sources (uses)</b>	<u>3,446</u>	<u>-</u>	<u>(2,946)</u>	<u>500</u>
<b>Net Change in Fund balances</b>	1,956,183	953,315	(342,883)	2,566,615
Fund balances, July 1	34,441,909	4,633,806	1,117,660	40,193,375
Increase (decrease) in Reserve for Prepaids	(1,593)	-	-	(1,593)
<b>Fund balances, June 30</b>	<u>\$ 36,396,499</u>	<u>\$ 5,587,121</u>	<u>\$ 774,777</u>	<u>\$ 42,758,397</u>

The notes to the financial statements are an integral part of this statement.

Gahanna-Jefferson City School District, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balances of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2004

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$2,566,615</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(1,514,677)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Taxes	(2,491,075)
Interest	16,738
Repayment of long term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and does not result in an expense in the statement of activities.	4,322,705
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(683,257)
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.	
Compensated Absences	110,070
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.	<u>818,787</u>
Change in Net Assets of Governmental Activities	<u><u>\$3,145,906</u></u>

**The notes to the financial statements are an integral part of this statement.**

Gahanna-Jefferson City School District, Ohio  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>General Fund</b>				
Revenues:				
Taxes	\$41,322,926	\$35,628,395	\$35,396,903	(\$231,492)
Intergovernmental - State	11,304,656	10,834,225	14,941,683	4,107,458
Interest on Investments	900,000	671,319	576,508	(94,811)
Tuition and Fees	617,400	617,400	614,376	(3,024)
Other Local Sources	2,010,443	2,017,823	1,985,729	(32,094)
Miscellaneous	157,436	163,586	30,556	(133,030)
<b>Total Revenues</b>	<b>56,312,861</b>	<b>49,932,748</b>	<b>53,545,755</b>	<b>3,613,007</b>
Expenditures:				
Current:				
Salaries and Wages	38,662,078	37,862,334	37,379,700	482,634
Fringe Benefits	10,197,969	10,399,490	10,224,520	174,970
Purchased Services	5,197,674	5,595,983	5,923,007	(327,024)
Supplies	1,828,751	1,931,591	1,855,862	75,729
Miscellaneous Expenses	1,696,386	2,021,961	1,576,972	444,989
<b>Total</b>	<b>57,582,858</b>	<b>57,811,359</b>	<b>56,960,061</b>	<b>851,298</b>
Capital Equipment	1,339,327	1,253,940	1,253,367	573
Miscellaneous	0	32	32	0
<b>Total Expenditures</b>	<b>58,922,185</b>	<b>59,065,331</b>	<b>58,213,460</b>	<b>851,871</b>
<b>Excess of Revenues over Expenditures</b>	<b>(2,609,324)</b>	<b>(9,132,583)</b>	<b>(4,667,705)</b>	<b>4,464,878</b>
Other Financing Sources (Uses)				
Transfers in	10,350	10,516	4,112	(6,404)
Transfers (out)	(398,153)	(436,182)	(436,166)	16
Advances in	0	188,000	184,913	(3,087)
Advances (out)	(199,515)	(489,843)	(489,843)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(587,318)</b>	<b>(727,509)</b>	<b>(736,984)</b>	<b>(9,475)</b>
<b>Net Change in Fund Balance</b>	<b>(3,196,642)</b>	<b>(9,860,092)</b>	<b>(5,404,689)</b>	<b>4,455,403</b>
Fund Balance, July 1	28,847,257	37,757,157	37,757,157	\$0
Prior Year Encumbrances Appropriated	1,704,295	1,704,295	1,704,295	0
<b>Fund Balance, June 30</b>	<b>\$27,354,910</b>	<b>\$29,601,360</b>	<b>\$34,056,763</b>	<b>\$4,455,403</b>

**The notes to the financial statements are an integral part of this statement**

Gahanna-Jefferson City School District, Ohio  
Statement of Net Assets  
Proprietary Funds  
as of June 30, 2004

	Business - Type Activities NonMajor <u>Enterprise Funds</u>	Governmental Activities - Internal Service <u>Fund</u>
Assets:		
Cash and Cash Equivalents	\$ 286,323	\$ 1,607,495
Receivables (net of allowances for uncollectibles)		
Accounts	3,059	-
Interest	150	-
Intergovernmental - Federal	39,738	-
Materials and Supplies Inventory	27,764	-
Total Current Assets	357,034	1,607,495
Capital Assets, Net	221,974	-
Total Assets	579,008	1,607,495
Liabilities:		
Accounts Payable	8,407	-
Claims Payable	-	563,935
Accrued Wages and Benefits	110,609	-
Interfund Payable	3,067	-
Due to Other Governments	103,455	-
Deferred Revenue	27,272	-
Total Current Liabilities	252,810	563,935
Long-Term Liabilities		
Compensated Absences Payable	83,847	-
Total Liabilities	336,657	563,935
Net Assets		
Invested in Capital Assets	221,974	-
Unrestricted	20,377	1,043,560
Total Net Assets	\$ 242,351	\$ 1,043,560

The notes to the financial statements are an integral part of this statement.

Gahanna-Jefferson City School District, Ohio  
Statement of Revenues, Expenses and  
Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2004

	Business - Type Activities NonMajor <u>Enterprise Funds</u>	Governmental Activities - Internal Service <u>Fund</u>
Operating Revenues		
Tuition and Fees	\$ 196,589	\$ -
Sales	1,356,407	-
Charges for Services	-	5,261,197
Other Operating Revenue	18,977	-
Total Operating Revenues	<u>1,571,973</u>	<u>5,261,197</u>
Operating Expenses		
Salaries & Wages	903,570	-
Fringe Benefits	143,042	-
Purchased Services	61,605	4,453,018
Material & Supplies	711,023	-
Depreciation	39,180	-
Other Operating Expenses	13,849	-
Total Operating Expenses	<u>1,872,269</u>	<u>4,453,018</u>
Operating Income (Loss)	(300,296)	808,179
Non-Operating Revenues (Expenses)		
Operating grants	380,544	-
Interest	1,061	10,608
Total Non-Operating Revenues (Expenses)	<u>381,605</u>	<u>10,608</u>
Income (loss) before Transfers	81,309	818,787
Transfers in	500	-
Change in Net Assets	81,809	818,787
Net Assets Beginning of Year	160,542	224,773
<b>Net Assets End of Year</b>	<u><u>\$ 242,351</u></u>	<u><u>\$ 1,043,560</u></u>

**The notes to the financial statements are an integral part of this statement.**

Gahanna-Jefferson City School District, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2004

	Business - Type Activities NonMajor <u>Enterprise Funds</u>	Governmental Activities - Internal Service <u>Fund</u>
Cash flows from operating activities :		
Cash received from tuition and fees	\$ 186,836	\$ -
Cash received from sales	1,354,763	-
Cash received from charges for services	-	5,261,197
Other cash receipts	18,977	-
Cash payments for personal services	(1,079,075)	-
Cash payments for contract services	(61,734)	(4,565,719)
Cash payments for supplies and materials	(646,782)	-
Cash payments for other expenses	17,507	-
Net cash provided (used) by operating activities	<u>(209,508)</u>	<u>695,478</u>
Cash flows from noncapital financing activities :		
Advances in (out)	1,518	-
Transfers in	500	-
Cash from operating grants	282,845	-
Net cash from noncapital financing activities	<u>284,863</u>	<u>-</u>
Cash flows from capital financing activities :		
Purchases of capital assets	(48,087)	-
Net cash from capital financing activities	<u>(48,087)</u>	<u>-</u>
Cash flows from investing activities:		
Interest on Investments	911	10,608
Net cash from investing activities	<u>911</u>	<u>10,608</u>
Net increase (decrease) in cash and cash equivalents :	28,179	706,086
Cash and cash equivalents at beginning of year	258,144	901,409
Cash and cash equivalents at end of year	<u>286,323</u>	<u>1,607,495</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income (loss)	(300,296)	808,179
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	39,180	-
Commodities expense related to noncash grant	93,712	-
Changes in assets and liabilities:		
Accounts receivable	(792)	-
Supplies inventory	2,225	-
Claims payable	-	(112,701)
Accounts payable	(469)	-
Accrued wages and benefits	25,476	-
Due to other governments	(8,575)	-
Compensated absences	(49,364)	-
Deferred revenue	(10,605)	-
Net cash provided (used) by operating activities	<u>\$ (209,508)</u>	<u>\$ 695,478</u>

Schedule of Noncash Financing Activities

The Food Service Fund received \$ 93,712 of donated commodities.

**The notes to the financial statements are an integral part of this statement.**

Gahanna-Jefferson City School District, Ohio  
Statement of Fiduciary Net Assets  
as of June 30, 2004

	Private-Purpose <u>Trust</u>	<u>Agency</u>
Assets:		
Cash and Cash Equivalents	\$ 129,495	\$ 168,739
Receivables (net of allowances for uncollectibles)		
Accounts	405	63
Interest	10	-
Materials and Supplies Inventory	-	22,283
Total assets	<u>129,910</u>	<u>191,085</u>
Liabilities:		
Accounts Payable	7,234	2,861
Interfund Loan Payable	4,200	-
Due to Other Governments	9	4
Due to Students	-	188,220
Total Liabilities	<u>11,443</u>	<u>\$ 191,085</u>
Net Assets	<u>\$ 118,467</u>	

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Gahanna-Jefferson City School District, Ohio  
Statement of Changes in Fiduciary Net Assets  
For the Fiscal Year Ended June 30, 2004

Additions	
Gifts and Contributions	\$ 60,556
Deductions	
Scholarships Awarded	0
Other Deductions	55,557
Change in Net Assets	<u>4,999</u>
Net Assets Beginning of Year	113,468
Net Assets End of Year	<u>\$ 118,467</u>

**The notes to the financial statements are an integral part of this statement.**

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

(1) **Description of the District and Reporting Entity**

The District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five member board and is responsible for the provision of public education to residents of the District. The Board controls the District's thirteen instructional/support facilities staffed by 241 non-certificated employees, 539 certificated full time-teaching personnel and 36 administrative employees to provide services to approximately 6,836 students and other community members.

*Reporting Entity*

The District's Comprehensive Annual Financial Report (CAFR) includes all funds, agencies and boards for which the District is financially accountable. Government Accounting Standards Board (GASB) Statement No. 14 states the primary basis of determining whether outside agencies and organizations should be considered component units of the District and included in the District's financial statements is financial accountability. Financial accountability has been defined as follows: A primary government has substantive authority to appoint a voting majority of the component unit's board; the primary government is either able to impose its will on a component unit or there is a potential for the component unit to provide specific financial burdens on the primary government; and the component unit is fiscally dependent on the primary government. The District has no component units.

(2) **Summary of Significant Accounting Policies**

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) as applied to governmental units prescribed in the statements issued by the (GASB) and other recognized authoritative sources. The District has elected, under GASB Statement No. 20, to apply Financial Accounting Standards Board Statements and Interpretations issued on or before November 30, 1989, except those that conflict with a GASB pronouncement to its proprietary funds, governmental activities and business-type activities.

**A. Fund Accounting**

The District's accounts are maintained on the basis of funds, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific District functions or activities. The operation of each fund is accounted for within a separate set of self-balancing accounts.

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*Major Governmental Funds:*

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

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

*Other Governmental Funds:*

Special Revenue Funds - The Special Revenue funds are used to account for the proceeds of specific revenue sources, other than major capital projects, that are legally restricted to expenditures for specified purposes.

Capital Project Fund - The Capital Project fund is used to account for financial resources to be used for the acquisition and/or construction of major capital facilities (other than those financed by enterprise funds)

*NonMajor Enterprise Funds:*

Food Service Fund - The Food Service Fund is used to account for all financial transactions related to the food service operation.

Special Rotary Fund - The Special Rotary Fund is used to account for the transactions made in connection with supplemental education classes and the job-training program.

Community Recreation - The Community Recreation fund is used to account for the financial transactions regarding community summer camp activities.

*Other Fund Types:*

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

Fiduciary Funds - Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include private-purpose trust and agency funds. Private-purpose trust funds account for resources, including both principal and earnings, which must be expended according to the provision of a trust

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agreement, and are accounted for in essentially the same manner as proprietary funds. Agency funds are purely custodial and thus do not involve measurement of results of operations.

**B. Basis of Presentation**

*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. Internal Service fund operating activity is eliminated to avoid overstatement of revenues and expenses. The statements distinguish between governmental and business-type activities of the District.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities, and for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of 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 not classified as program revenues are presented as general revenues of the District.

*Fund Financial Statements*

Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one 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.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. 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. Operating statements of these funds present increases (i.e., revenues and other financing sources)

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and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and private-purpose trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into amounts invested in capital assets and unrestricted components. Proprietary fund's operating statements present increases (e.g., revenues) and decreases (expenses) in net total assets.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Food Service, the Special Rotary and the Community Recreation enterprise funds, and of the District's internal service funds are charges for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### **C. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The Fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for proprietary and fiduciary funds.

#### *Revenues, Exchange and Non-exchange Transactions*

Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after year end.

Non-exchange 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 5). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been met. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, investment earnings, tuition, grants and student fees.

*Deferred Revenue*

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

Property taxes for which there is an enforceable legal claim as of June 30, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue.

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

*Expenditures/Expenses*

On the accrual basis of accounting, expenses are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities to the extent they are due for payment in the current year.

**D. Cash and Investments**

The District maintains a cash and investment pool used by funds. The cash and investment pool has the same characteristics as demand deposits. Each fund type's portion of this pool is displayed in the financial statements as cash and cash equivalents. The monies are either maintained in a central bank account or used to purchase legal investments. The District has a segregated bank account for the self insurance internal service fund held separate from the District's central bank account.

It is the policy of the District to value investment contracts and money market investments with a maturity of one year or less at the time of purchase at cost or amortized cost. Investment contracts and money market investments that had a remaining maturity of greater than one year at the time of purchase are reported at fair value.

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

The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes and other obligations; bank certificates of deposit; banker's acceptances; commercial paper notes rated prime and issued by United States corporations; and STAROhio. It is management's policy to invest in all of the above types of investments. Under existing Ohio statutes, all investment earnings accrue to the general and food service funds except certain trust funds and those funds individually authorized by Board resolution. Interest earnings are allocated to these funds based on average monthly cash balances. Investment income credited to the general fund during the fiscal year amounted to \$398,105, which includes \$164,893 assigned from other District funds. The auxiliary services fund, building fund, food service fund and the self-funded insurance fund also received interest revenue of \$4,173, \$1,786, \$1,061, and \$10,608 respectively.

**E. Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market using the first in, first out (FIFO) method and are expensed when used.

For all funds, cost is determined using the FIFO method, and are determined by physical count. Inventories of proprietary funds consist of donated and purchased food.

**F. Capital Assets and Depreciation**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by proprietary funds are reported on both statement types.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$1,000 and a useful life of less than 1 year. The District does not possess any infrastructure.

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All reported capital assets, with the exception of land, 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>Description</u>	<u>Useful Life</u>
Land Improvements	20
Buildings & Improvements	20 - 50
Furniture and Equipment	5 - 15
Vehicles	8

**G. Interfund Activity**

Transfers between governmental and business-type activities on the entity-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds.

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

**H. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and state laws.

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The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the amount of accumulated vacation and sick leave of employees has been recorded as a current liability to the extent that they are due for payment in the current year. The balance of the liability is not recorded. For proprietary funds, the entire amount of compensated absences is recorded as an expense and liability of the fund.

**I. Accrued Liabilities and Long-term Debt**

All accrued liabilities and long-term debt are reported in the government-wide financial statements as well as the proprietary fund financial statements.

For governmental fund financial statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds (typically the General fund) are reported as a liability in the fund financial statements to the extent that they are due for payment in the current year. Long-term debts paid from governmental funds are not recognized as a liability in the fund financial statements until due.

**J. Fund Balance Reserves**

The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available spendable resources and therefore not available for appropriation. Unreserved fund balance indicates the portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances and prepaids.

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

(3) **Cash & Cash Equivalents**

State statutes require the classification of monies held by the District into three categories.

Active Monies - Those monies required to be kept in a "cash" or "near-cash" status for immediate use by the District. Such monies must be maintained either as cash in the District Treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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Inactive Monies - Those monies not required for use within the current five year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

Interim Monies - 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. Ohio law permits interim monies to be invested in legal securities (see Note 2D).

Protection of District cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets.

*Deposits*

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of District cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105% of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end, the carrying amount of the District's deposits was \$7,195,719 and the bank balance was \$7,592,399. Of the bank balance, \$100,000 was covered by federal depository insurance and \$7,492,399 was uninsured. The entire bank balance was collateralized.

*Investments*

The District's investments are categorized below to give an indication of the level of risk assumed by the District at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments which are held by the counter-party's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter-party, or by its trust department or agent but not in the District's name. The investment with STAR Ohio is not required to be categorized due to its nature. Investments are reported at fair value.

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	1	Category 2	3	Fair Value
FHLB		\$ 8,928,062		\$ 8,928,062
FNMA		9,912,395		9,912,395
FFCB		1,963,076		1,963,076
FHLMC		7,946,721		7,946,721
STAR Ohio				7,929,251
Cash Deposits				<u>7,195,719</u>
Total Cash and Investments				<u>\$ 43,875,224</u>

(4) **Interfund Transactions**

Interfund balances on the fund statements as of June 30, 2004 consist of the following receivables and payables:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	\$ 497,503	
Other Governmental Funds		\$ 490,236
Enterprise Fund – Special Rotary		3,067
Private-Purpose Trust Fund		<u>4,200</u>
Total	<u>\$ 497,503</u>	<u>\$ 497,503</u>

Advances were done to eliminate deficits in various funds at the end of fiscal year 2004 .

(5) **Property Taxes**

Property taxes are levied and assessed on a calendar year basis. Distributions from the second half occur in a new fiscal year and are intended to finance the operations of that year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the District. Taxpayers remit payment to Franklin County, which then distributes funds to the District on settlement dates that vary each year. The District, through board resolution, may request that the county advance 90% of amounts collected on a weekly basis through the collection period.

Real property taxes and public utility taxes are levied in April on the assessed value listed as of the prior January 1, the lien date. Assessed values for real property taxes are established by State law at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. Settlement

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dates for real property taxes generally occur during the months of February and August but on occasion run into the following month. Amounts certified by the county auditor prior to June 30 are available to the District as an advance and should therefore be recognized as revenue in the current fiscal year.

Public utility property taxes are assessed on tangible personal property at 25% of true value (with certain exceptions) and on real property at 35% of true value. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Tangible personal property taxes are levied in April on the value listed as of December 31 of the current year. Tangible personal property settlements are 25% of true value. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Settlement dates for tangible personal property taxes generally occur during the months of October and June.

The assessed values upon which fiscal year 2004 taxes were collected are:

	<u>2003 Second Half Collections</u>	<u>2004 First Half Collections</u>
Real Estate		
Residential/ Agricultural	\$ 828,525,120	\$ 856,261,990
Commercial	229,075,980	235,299,330
General	195,431,483	112,361,057
Public Utility	<u>30,503,970</u>	<u>33,788,250</u>
Total	<u>\$ 1,283,536,553</u>	<u>\$ 1,237,710,627</u>

Accrued delinquent property taxes receivable represent taxes outstanding for real property, personal property and public utility taxes, and are offset by a credit to deferred revenue. Amounts from the August settlement are not intended to finance current fiscal year operations and, therefore have been recorded as a receivable offset by deferred revenue to the extent these amounts were not available as advances at June 30, 2004.

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(6) **Receivables**

Receivables as of June 30, 2004 consisted of taxes, accounts (rent and student fees), interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items of receivables follows:

	<u>Amount</u>
Governmental Activities	
Taxes - Current & Delinquent	\$ 77,219,335
Accounts	903,886
Accrued Interest	150,577
Intergovernmental - State	62,048
Intergovernmental - Federal	318,167
Business-Type Activities	
Accounts	3,059
Accrued Interest	150
Intergovernmental - Federal	<u>39,738</u>
Total Receivables	<u>\$ 78,696,960</u>

Of the governmental activities taxes receivables total, \$24,805,819 is not expected to be collected in fiscal year 2005.

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(7) **Capital Assets**

A summary of capital asset activity during the fiscal year follows:

	<u>Balance</u> <u>06/30/03</u>		<u>Additions</u>		<u>Disposals</u>		<u>Balance</u> <u>06/30/04</u>
Capital Assets used in:							
<i>Governmental Activities</i>							
Nondepreciable Capital Assets							
Land	\$ 2,166,158	\$	0	\$	0	\$	2,166,158
Total Nondepreciable Capital Assets	<u>2,166,158</u>		<u>0</u>		<u>0</u>		<u>2,166,158</u>
 Depreciable Capital Assets:							
Land improvements	\$ 5,800,361	\$	0	\$	0	\$	5,800,361
Building and Improvements	55,523,760		0		0		55,523,760
Equipment & Fixtures	6,581,431		673,534		828,029		6,426,936
Buses and Vehicles	2,456,906		119,690		159,591		2,417,005
Books-Educational Media	2,083,344		291,277		50,640		2,323,981
Total Depreciable Capital Assets	<u>\$ 72,445,803</u>	\$	<u>1,084,501</u>	\$	<u>1,038,260</u>	\$	<u>72,492,044</u>
 Less Accumulated Depreciation:							
Land improvements	\$ 3,309,770	\$	239,193	\$	0	\$	3,548,963
Building and Improvements	28,179,580		1,467,678		0		29,647,258
Equipment & Fixtures	4,553,363		633,706		807,457		4,379,612
Buses and Vehicles	1,943,112		150,505		159,591		1,934,026
Books-Educational Media	1,922,845		53,455		50,640		1,925,660
Total Accumulated Depreciation	<u>\$ 39,908,670</u>	\$	<u>2,544,538</u>	\$	<u>1,017,688</u>	\$	<u>41,435,519</u>
 Depreciable Capital Assets, Net	<u>\$ 32,537,133</u>	\$	<u>(1,460,037)</u>	\$	<u>20,572</u>	\$	<u>31,056,525</u>
Total Capital Assets	<u>\$ 34,703,291</u>	\$	<u>(1,460,037)</u>	\$	<u>20,572</u>	\$	<u>33,222,683</u>
 <i>Business Type-Activities</i>							
Equipment & Fixtures	\$ 556,215	\$	48,087	\$	27,074	\$	577,228
Less: Accumulated Depreciation	<u>343,148</u>		<u>30,891</u>		<u>18,785</u>		<u>355,254</u>
Capital Assets, Net	<u>\$ 213,067</u>	\$	<u>17,196</u>	\$	<u>8,289</u>	\$	<u>221,974</u>

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\* Depreciation Expense was charged to governmental functions as follows:

Instruction:	
Regular	\$2,108,161
Special	861
Support Services:	
Pupil	7,073
Instructional Staff	63,800
General Administration	271
School Administration	22,446
Fiscal Services	4,162
Operations & Maintenance	59,114
Pupil Transportation	145,467
Central	8,316
Community Services	36,096
Extracurricular Activities	<u>88,771</u>
 Total Depreciation Expense	 <u>\$2,544,538</u>

(8) **Long-Term Debt**

**A. General Obligation Bonds**

The following is a description of the District's bonds outstanding as of June 30, 2004:

<u>Issue</u>	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Accretion In 2004</u>	<u>Retired 6/30/04</u>	<u>Bonds Outstanding</u>
1	5.89%	01/15/93	12/01/03	\$ 7,700,000	\$	\$ 300,000	\$
2	6.40%	03/15/93	12/01/13	13,790,160	380,242	1,095,000	6,828,709
3	5.88%	08/01/94	12/01/04	8,250,000		350,000	300,000
4	5.00%	03/10/99	12/01/21	28,547,797	139,725	2,090,000	23,003,621
5	5.38%	06/25/97	04/15/07	222,000		<u>24,000</u>	<u>78,000</u>
					<u>\$519,967</u>	<u>\$3,859,000</u>	<u>\$30,210,330</u>

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The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 3,969,037	\$ 1,350,761	\$ 5,319,798
2006	2,856,711	1,215,877	4,072,588
2007	1,913,952	1,120,145	3,034,097
2008	1,827,257	1,038,170	2,865,427
2009	1,769,726	954,771	2,724,497
2010-2014	7,968,647	3,462,646	11,431,293
2015-2019	6,195,000	1,628,651	7,823,651
2020	3,710,000	269,800	3,979,800
Total	<u>\$ 30,210,330</u>	<u>\$ 11,040,820</u>	<u>\$ 41,251,150</u>

**B. Long-Term Liabilities**

The following changes occurred in long-term liabilities during the year.

	<u>Balance</u>			<u>Balance</u>	<u>Amounts Due</u>
	<u>July 1, 2003</u>	<u>Increase</u>	<u>Decrease</u>	<u>June 30, 2004</u>	<u>In One Year</u>
<b>Governmental Activities</b>					
General Obligation Debt	\$ 33,549,363	\$ 519,967	\$ 3,859,000	\$ 30,210,330	\$ 3,969,037
Installment Loan – Buses	131,765		23,846	107,919	25,038
Capital Leases	321,072		189,859	131,213	83,093
HB 264 Notes Payable	1,355,000		250,000	1,105,000	260,000
Compensated Absences	<u>3,955,066</u>	<u>18,674</u>	<u>0</u>	<u>3,973,740</u>	<u>154,529</u>
Total Governmental Activities	<u>\$ 39,312,266</u>	<u>\$ 538,641</u>	<u>\$ 4,322,705</u>	<u>\$ 35,528,202</u>	<u>\$ 4,491,697</u>
<b>Business-Type Activities</b>					
Compensated Absences	<u>\$ 133,211</u>	<u>\$ 0</u>	<u>\$ 49,364</u>	<u>\$ 83,847</u>	<u>\$ 0</u>

Additions and deletions of accrued vacation and sick leave are shown net, since it is impracticable for the District to determine these amounts separately.

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**C. Legal Debt Margin**

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District.

The effects of these debt limitations as of June 30, 2004 are a voted debt margin of \$80,078,626 and an unvoted debt margin of \$1,237,711.

(9) **Capital Leases**

During fiscal years ending 2002 and 2001, the District entered into capitalized leases for office equipment. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The capital leases have been recorded at the present value of future minimum lease payments as of the inception dates. The following is a schedule of the future minimum lease payments required under the capital leases and present value of the minimum lease payments as of June 30, 2004.

Fiscal Year Ending June 30,		
2005		\$ 89,441
2006		<u>50,223</u>
Total minimum lease payments		139,664
Less: interest		<u>8,451</u>
Present Value of minimum lease payments		<u>\$ 131,213</u>

(10) **Notes Payable & Installment Loan**

The District issued notes for a House Bill 264 energy conservation project on June 25, 1998 with an interest rate of 4.25%. The notes outstanding as of June 30, 2004, are \$1,105,000 and have a final maturity of June 1, 2008.

The District entered into an installment loan to purchase school buses on May 26, 1998 with an interest rate of 4.94%. The balance on the loan at June 30, 2004 is \$107,919 with periodic payments until final maturity on May 27, 2008.

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

A summary of the debt schedules for these debt instruments follows:

<u>Year ending June 30</u>	<u>HB 264 Note</u>		<u>Installment Loan</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2005	\$ 260,000	\$ 47,820	\$ 25,038	\$ 5,026
2006	270,000	36,770	26,290	3,774
2007	280,000	25,160	27,605	2,459
2008	<u>295,000</u>	<u>12,980</u>	<u>28,986</u>	<u>1,078</u>
Total	<u>\$1,055,000</u>	<u>\$122,730</u>	<u>\$107,919</u>	<u>\$13,337</u>

(11) **Risk Management**

The District is exposed to various risks of loss related to torts, theft, or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2004, the District contracted with Indiana Insurance Co. for general liability insurance with a \$4,000,000 single occurrence limit and a \$6,000,000 aggregate. Vehicles are also covered by Indiana Insurance Co. and have a \$500 deductible for comprehensive and \$500 for collision. Automobile liability has a \$4,000,000 combined single limit of liability. Property is protected with a \$5,000 deductible which is an increase of \$4,000 during the fiscal year. Settled claims have not exceeded this coverage in any of the past three years.

The District maintains an internal service “self-insurance” Health Insurance fund in connection with formalized risk management programs in an effort to minimize risk exposure and control claims and premium costs. The District, effective July 1, 2000, contracted with United HealthCare to be the third party administrator for the District’s health insurance program. The District pays 80% of the monthly premiums for a family plan and 90% for a single plan. The District provides dental insurance to employees through Delta Dental. The Board pays 100% of the monthly premium for dental insurance.

A claims liability of approximately \$469,029 as of June 30, 2004 in the Self Insurance Internal Service Fund reflects an estimate of incurred but unpaid claims liability. This liability was estimated by a third party based on claims experience. The District has purchased stop loss coverage for individual employee claim amounts exceeding \$100,000. Unpaid claims at year-end are recorded as claims payable. A summary of the changes in the self-insurance claims liability for the years ended June 30 as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Claims liability at July 1	\$ 489,344	\$ 736,244	\$ 455,070
Incurred claims	4,453,018	3,697,139	3,017,864
Claims paid	<u>(4,378,427)</u>	<u>(3,944,139)</u>	<u>(2,736,690)</u>
Claims liability at June 30	\$ 563,935	\$ 489,344	\$ 736,244

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

Post employment health care is provided to plan participants or their beneficiaries through their respective retirement systems discussed in Note 13. As such, no funding provisions are required by the District.

(12) **Defined Benefit Pension Plans**

**A. School Employees Retirement System**

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by 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, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Plan members are required to contribute nine percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2004, 9.09% of annual covered salary was the portion used to fund pension obligations. For fiscal year 2003, 8.17% of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by SERS' Retirement Board. The District's contributions to SERS for the years ending June 30, 2004, 2003, and 2002 were \$866,184, \$849,888, and \$780,429 respectively, equal to the required contributions for each year.

**B. State Teachers Retirement System**

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. 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 includes financial statements and required supplementary information. That report may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (614) 227-4090, or by visiting the STRS of Ohio web site at [www.strsoho.org](http://www.strsoho.org).

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by members. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who 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.

For the fiscal year ended June 30, 2004, members were required to contribute 9.3% of their annual covered salary and the District was required to contribute 14%; Thirteen percent was the portion used to fund pension obligations. For fiscal year 2003, the portion used to fund pension obligations was also 13%. Contribution rates are established by STRS Ohio upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2004, 2003, and 2002 were \$4,740,696, \$4,287,144, and \$4,230,000 respectively, equal to the required contributions for each year.

(13) **Post-Employment Benefits**

The District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS Ohio), and to retired non-certificated employees and their dependents through the School

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

Employees Retirement System (SERS). Benefits include hospitalization, physician's fees, prescription drugs, and partial reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are on a pay as you go basis.

All STRS Ohio benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Most benefits recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14% of covered payroll. For the fiscal year ended June 30, 2004, the STRS Ohio Board allocated employer contributions equal to 1% of covered payroll to the Health Care Reserve Fund from which payments for health care benefits are paid. For the District, this amount equaled \$338,621 during fiscal year 2004. For the year ended June 30, 2003, the most recent year available the balance in the fund was \$2.8 billion, net health care costs paid by STRS Ohio were \$352,301,000 and eligible benefit recipients totaled 108,294.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service credit up to a maximum of 75% of the premium. For this fiscal year, employer contributions to fund health care benefits were 4.91% of covered payroll. For the District, this amount equaled \$303,783 during fiscal year 2004. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay, pro-rated for partial service credit, and the member's actual pay. For fiscal year 2004, the minimum pay has been established at \$24,500. For the District, the amount contributed to fund health care benefits during the 2004 fiscal year equaled \$263,942. For the year ended June 30, 2003, the most recent year available, net health care costs paid by SERS were \$204,930,737 and the target level was \$307.4 million. At June 30, 2003, SERS had net assets available for payment of health care benefits of \$303.6 million, and eligible benefit recipients totaled approximately 50,000 participants.

(14) **Budgetary Basis of Accounting**

While the District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law 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 Basis)

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

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 adjustments necessary to reconcile between the budget basis and GAAP basis are as follows:

**Net Change in Fund Balance  
General Fund**

Budget Basis	\$ (5,404,689)
Adjustments (net):	
Revenue Accruals	5,850,000
Expenditure Accruals	(1,129,192)
Encumbrances	1,899,634
Interfund Transactions	<u>740,430</u>
 GAAP Basis	 \$ <u>\$1,956,183</u>

(15) **Individual Fund Deficits**

As of June 30, 2004, the following funds had a deficit fund balance:

Entry Year	(\$ 117)
DPIA	( 280)
Interactive Video	( 5)
Ohio Reads	( 78)
IDEA B	( 6,323)
Title III	( 6,110)
Title I	( 24,754)

The deficit balances are the result of the application of GAAP. The general fund provides transfers/advances to cover individual fund deficit balances; however this is done when cash is needed rather than when accruals occur.

(16) **Set-asides and Fund Reserves**

Senate Bill 345 established set aside requirements for textbooks and capital acquisition. The base used for calculation consists of the State Foundation per pupil formula amount multiplied by the District's student population. The textbooks and capital acquisition set aside requirements for fiscal year 2004 were set at 3%. The District is required, for the textbook and capital set asides, to spend an amount greater than or equal to the required amount or reserve fund balance for any unspent amount. The amount for textbook and capital set asides for fiscal year 2004 was calculated to be \$963,198. The District had qualifying expenditures in excess of the requirements for capital acquisition and for textbook and materials; therefore a fund balance reservation was not required.

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

(17) **Contingencies**

**A. Grants**

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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits should 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 effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District as of June 30, 2004.

**B. State Foundation**

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

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..." The District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations.

**C. Litigation**

There are currently a few matters in litigation with the District as defendant. It is the opinion of management that the potential claims against the District not covered by insurance would not materially affect the financial statements.

(18) **Jointly Governed Organizations and Joint Operation**

**A. Jointly Governed Organizations**

Metropolitan Educational Council (MEC) – The District is a participant in the MEC. MEC is an association of public school districts within the boundaries of Franklin, Delaware, Union, Pickaway, Madison and Fairfield counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The governing board of MEC consists of one representative from each of the member school districts. Financial information can be obtained from Denise Canfield, who serves as fiscal officer, at 2100 Citygate Drive, Columbus, Ohio 43219. Payments during the 2004 fiscal year amounted to \$271,058.

The Eastland Joint Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating district's elected boards, which possesses its own budgeting and taxing authority. The District is a member of this organization. Financial

Gahanna-Jefferson City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

information can be obtained from Dawn Lemley, who serves as Treasurer, at 4300 Amalgemated Place, Groveport, Ohio 43125. Payments during the 2004 fiscal year amounted to \$27,803.

**B. Joint Operation**

On February 21, 1996, a contract was entered into between the District's Board of Education (District) and the City of Gahanna (City), a separate legal entity, to construct and operate a vehicle maintenance facility and fueling station. Based on the terms of the agreement, the entities equally bore the cost related to the construction of the maintenance facility. In addition, the City received a credit, in 2000, of \$187,960 on the construction of this facility, representing the fair value of the 4.699 acres of land that the City deeded to the District for this Capital Project. The District's total cost for construction in 2000 was \$1,234,694, which is included in the District's governmental activities as Building. In addition, the land deeded to the District was also recorded in governmental activities. Payments during the 2004 fiscal year amounted to \$6,929.

(19) **Insurance Purchasing Pool**

For fiscal year 2004, the District participated in the Ohio Association of School Business Officials Workers' Compensation Program (Program). The intent of the Program is to achieve the benefit of a reduced premium for the District by virtue of its grouping with other participants in the Program. The workers' compensation experience of the District is still used to calculate an individual premium rate, but a discount is given to the District for being part of the group. The firm of Sheakley Group provides administrative services to the Program.

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# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



Gahanna-Jefferson City School District  
Combining Statements and Individual Fund Schedules

**General Fund**

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

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>General Fund</b>				
Total Revenues and Other Sources	\$56,323,211	\$50,131,264	\$53,734,780	\$3,603,516
Total Expenditures and Other Uses	<u>61,224,148</u>	<u>61,695,651</u>	<u>59,139,469</u>	<u>2,556,182</u>
Net Change in Fund Balance	(4,900,937)	(11,564,387)	(5,404,689)	6,159,698
Fund Balance, July 1	37,757,157	37,757,157	37,757,157	0
Prior Year Encumbrances Appropriated	1,704,295	1,704,295	1,704,295	0
Fund Balance, June 30	<u><u>\$34,560,515</u></u>	<u><u>\$27,897,065</u></u>	<u><u>\$34,056,763</u></u>	<u><u>\$6,159,698</u></u>

Gahanna-Jefferson City School District  
Combining Statements and Individual Fund Schedules

**Debt Service**

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

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Debt Service Fund</b>				
Total Revenues and Other Sources	\$5,015,723	\$4,890,202	\$5,123,182	\$232,980
Total Expenditures and Other Uses	<u>5,180,282</u>	<u>5,180,282</u>	<u>5,163,705</u>	<u>16,577</u>
Net Change in Fund Balance	(164,559)	(290,080)	(40,523)	249,557
Fund Balance, July 1	4,633,806	4,633,806	4,633,806	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$4,469,247</u></u>	<u><u>\$4,343,726</u></u>	<u><u>\$4,593,283</u></u>	<u><u>\$249,557</u></u>

Gahanna-Jefferson City School District  
Combining Statements and Individual Fund Schedules

The District's non-major funds consist of special revenue funds and a capital project fund, therefore the combining statements for non-major funds are titled "Non-major Governmental Funds". A brief description of each fund is below.

**Non-major Governmental Funds**

Non-major Governmental Funds are established to account for revenues from specific sources, which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's Non-major Governmental Funds follows:

**Public School Support** – A fund provided to account for specific local revenue sources, other than taxes or expendable trusts (i.e., profits from vending machines) that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

**Other Local Grants** – A fund held by the District in a trustee capacity to be used as requested by the donating individual/agency.

**Library Automation** – A computer network fund for the purpose of automating the library.

**District Managed Activities** – A fund provided to account for those student activity programs, which have student participation in the activity, but do not have student management of the programs. This fund includes the athletic programs, the drama program, etc.

**Auxiliary Services** – A special revenue fund used to account for monies, which provide services and materials to pupils attending non-public schools within the District.

**Management Information Systems** – A fund provided to account for research and demonstration projects and other projects as established by the State of Ohio, Department of Education.

**Entry Year Program** – A fund used for beginning teachers via mentors to achieve higher standards, and intensify professional development.

**Disadvantaged Pupil Impact Aid** – A fund used to account for revenues and expenditures related to monies provided by the State of Ohio, Department of Education for disadvantaged pupil impact aid.

**SchoolNet Plus** – A fund provided to account for a limited number of professional development subsidy grants. This fund was budgeted as a capital projects fund.

**Data Communication** – A fund used to account for monies received in order for the School District to obtain access to the Ohio Educational Computer Network.

**SchoolNet Professional Development** – A fund provided to account for a limited number of professional development subsidy grants. This fund was budgeted as a capital projects fund.

**Textbook Subsidy** – A fund provided to account for moneys received from the state for textbooks, instructional software, instructional materials, and any other materials the District deems to be helpful in providing appropriate instruction to students in the following subject areas: reading, writing, mathematics, science and citizenship.

**Interactive Video** – A fund used to account for State money used to finance the interactive video distance-learning project.

**Ohio Reads** – A fund intended to 1) improve reading outcomes, especially on the fourth grade reading proficiency test and 2) for volunteer coordinators in public school buildings, for educational service centers for costs associated with volunteer coordination and for operating expenses associated with administering the program.

**Summer Intervention** – A fund used to account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Revised Code.

**Alternative Schools** – A fund used to account for alternative educational programs existing and new at-risk and delinquent youth.

**Other State Grants** – A fund used to account for the revenues and expenditures related to grants received from miscellaneous state organizations.

**Title II** – The Education for Economic Security Act (EESA) and National Defense Education Act (NDEA) provides this fund for strengthening instruction in science, mathematics, foreign languages, English, the arts, and computer learning.

**IDEA-B** – A fund which accounts for Federal funds used in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**Title III** – A fund which accounts for limited English proficiency.

**Title I** – A fund which accounts for Federal funds used to meet the special needs of educationally deprived children.

**Title V** – A fund which accounts for innovative programs as part of the Elementary and Secondary Education Act (ESEA) reauthorization.

**Drug Free Schools** – A fund which accounts for Federal funds used to establish, operate, and improve local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in the District.

**FCC E-Rate** – A fund used to account for a federal grant, which is paid directly to the telecommunication service provider.

**Title II-A** – A fund using state grants for improving teacher quality (formerly known as Eisenhower Math Science and Class Size Reduction).

**Other Federal Grants** – A fund used to account for various monies received through state agencies from the federal government or directly from the federal government, which are, not classified elsewhere.

**Building** – A Capital Project Fund used to account for the revenues and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs for acquiring capital facilities, including real property.

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Gahanna-Jefferson City School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2004

	Public School <u>Support</u>	Other Local <u>Grants</u>	Library <u>Automation</u>	District Managed <u>Activities</u>	Auxiliary <u>Services</u>
<b>Assets:</b>					
Cash and investments	\$ 105,081	\$ 120	\$ 13,252	\$ 208,516	\$ 413,130
Receivables (net of allowances for uncollectibles)					
Accounts	594	-	-	-	-
Intergovernmental - State	-	-	-	-	413
Intergovernmental - Federal	-	-	-	-	-
Prepaid Assets	-	-	-	-	120
<b>Total assets</b>	<u>105,675</u>	<u>120</u>	<u>13,252</u>	<u>208,516</u>	<u>413,663</u>
<b>Liabilities:</b>					
Accounts Payable	3,618	-	-	12,315	26,225
Accrued wages and benefits	-	-	-	-	76,078
Interfund Loans	-	-	-	-	-
Due to other governments	31	-	-	106	24,019
Compensated absences payable	-	-	-	-	-
<b>Total Liabilities</b>	<u>3,649</u>	<u>-</u>	<u>-</u>	<u>12,421</u>	<u>126,322</u>
<b>Fund Balances:</b>					
Reserved for encumbrances	2,688	-	-	24,171	56,501
Reserved for prepaid assets	-	-	-	-	120
Unreserved, Undesignated	99,338	120	13,252	171,924	230,720
<b>Total fund balances</b>	<u>102,026</u>	<u>120</u>	<u>13,252</u>	<u>196,095</u>	<u>287,341</u>
<b>Total liabilities and fund balances</b>	<u>\$ 105,675</u>	<u>\$ 120</u>	<u>\$ 13,252</u>	<u>\$ 208,516</u>	<u>\$ 413,663</u>

<u>Management Information Systems</u>	<u>Entry Year Program</u>	<u>Disadv. Pupil Impact Aid</u>	<u>SchoolNet Plus</u>	<u>Data Communication</u>	<u>SchoolNet Professional Development</u>
\$ 23,643	\$ -	\$ -	\$ -	\$ -	\$ 3,855
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,643</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,855</u>
-	-	-	-	-	300
-	-	-	-	-	-
-	-	-	-	-	-
-	117	280	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>117</u>	<u>280</u>	<u>-</u>	<u>-</u>	<u>300</u>
-	-	-	-	-	-
-	-	-	-	-	-
23,643	(117)	(280)	-	-	3,555
<u>23,643</u>	<u>(117)</u>	<u>(280)</u>	<u>-</u>	<u>-</u>	<u>3,555</u>
<u>\$ 23,643</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,855</u>

continued

Gahanna-Jefferson City School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
June 30, 2004

	<u>Textbook Subsidy</u>	<u>Interactive Video</u>	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Alternative Schools</u>
<b>Assets:</b>					
Cash and investments	\$ 42,792	\$ -	\$ -	\$ 60,485	\$ 8,996
Receivables (net of allowances for uncollectibles)					
Accounts	-	-	-	-	-
Intergovernmental - State	-	-	-	61,598	-
Intergovernmental - Federal	-	-	-	-	-
Prepaid Assets	-	-	-	-	-
<b>Total assets</b>	<u>42,792</u>	<u>-</u>	<u>-</u>	<u>122,083</u>	<u>8,996</u>
<b>Liabilities:</b>					
Accounts Payable	-	-	-	37,584	8,704
Accrued wages and benefits	-	-	-	-	-
Interfund Loans	-	-	-	73,436	-
Due to other governments	-	5	78	93	260
Compensated absences payable	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>5</u>	<u>78</u>	<u>111,113</u>	<u>8,964</u>
<b>Fund Balances:</b>					
Reserved for encumbrances	-	-	-	21,446	1,593
Reserved for prepaid assets	-	-	-	-	-
Unreserved, Undesignated	42,792	(5)	(78)	(10,476)	(1,561)
<b>Total fund balances</b>	<u>42,792</u>	<u>(5)</u>	<u>(78)</u>	<u>10,970</u>	<u>32</u>
<b>Total liabilities and fund balances</b>	<u>\$ 42,792</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,083</u>	<u>\$ 8,996</u>

<u>Other State</u>	<u>Title II</u>	<u>IDEA - B</u>	<u>Title III</u>	<u>Title I</u>	<u>Title V</u>
\$ 10,744	\$ -	\$ 127,015	\$ -	\$ 72,506	\$ 19,375
-	-	-	-	-	-
-	-	-	-	-	-
-	-	238,107	-	-	27,545
-	-	-	-	-	-
<u>10,744</u>	<u>-</u>	<u>365,122</u>	<u>-</u>	<u>72,506</u>	<u>46,920</u>
-	-	27,523	-	611	2,314
2,952	-	79,215	-	35,069	-
-	-	244,255	6,110	59,683	33,959
3,598	-	20,452	-	1,897	5,278
-	-	-	-	-	-
<u>6,550</u>	<u>-</u>	<u>371,445</u>	<u>6,110</u>	<u>97,260</u>	<u>41,551</u>
274	-	3,291	-	107	14,856
-	-	-	-	-	-
3,920	-	(9,614)	(6,110)	(24,861)	(9,487)
<u>4,194</u>	<u>-</u>	<u>(6,323)</u>	<u>(6,110)</u>	<u>(24,754)</u>	<u>5,369</u>
<u>\$ 10,744</u>	<u>\$ -</u>	<u>\$ 365,122</u>	<u>\$ -</u>	<u>\$ 72,506</u>	<u>\$ 46,920</u>

continued

Gahanna-Jefferson City School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
June 30, 2004

	<u>Drug Free Schools</u>	<u>FCC E-Rate</u>	<u>Title II-A</u>	<u>Other Federal</u>	<u>Building</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets:</b>						
Cash and investments	\$ 7,853	\$ 44,047	\$ 44,900	\$ 18,787	\$ 59,950	\$ 1,285,047
Receivables (net of allowances for uncollectibles)						
Accounts	-	-	-	-	-	594
Intergovernmental - State	-	-	-	-	37	62,048
Intergovernmental - Federal	-	-	42,295	10,220	-	318,167
Prepaid Assets	-	-	-	-	-	120
<b>Total assets</b>	<u>7,853</u>	<u>44,047</u>	<u>87,195</u>	<u>29,007</u>	<u>59,987</u>	<u>1,665,976</u>
<b>Liabilities:</b>						
Accounts Payable	-	-	14,300	11,320	-	144,814
Accrued wages and benefits	-	-	5,388	-	-	198,702
Interfund Loans	4,843	-	54,844	13,106	-	490,236
Due to other governments	-	-	1,215	18	-	57,447
Compensated absences payable	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>4,843</u>	<u>-</u>	<u>75,747</u>	<u>24,444</u>	<u>-</u>	<u>891,199</u>
<b>Fund Balances:</b>						
Reserved for encumbrances	3,082	-	18,597	3,824	8,050	158,480
Reserved for prepaid assets						120
Unreserved, Undesignated	(72)	44,047	(7,149)	739	51,937	616,177
<b>Total fund balances</b>	<u>3,010</u>	<u>44,047</u>	<u>11,448</u>	<u>4,563</u>	<u>59,987</u>	<u>774,777</u>
<b>Total liabilities and fund balances</b>	<u>\$ 7,853</u>	<u>\$ 44,047</u>	<u>\$ 87,195</u>	<u>\$ 29,007</u>	<u>\$ 59,987</u>	<u>\$ 1,665,976</u>

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

	Public School <u>Support</u>	Other Local <u>Grants</u>	Library <u>Automation</u>	District Managed <u>Activities</u>	Auxiliary <u>Services</u>
<b>Revenues:</b>					
From local sources					
Other local	\$ 158,342	5,038	\$ -	\$ 395,777	\$ -
Intergovernmental - State	-	-	-	-	1,141,436
Intergovernmental - Federal	-	-	-	-	-
Investment Income	-	-	-	-	4,173
Other revenue	436	-	-	-	-
<b>Total Revenues</b>	<u>158,778</u>	<u>5,038</u>	<u>-</u>	<u>395,777</u>	<u>1,145,609</u>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction</b>					
Regular	-	888	-	-	-
Special	-	-	-	-	-
<b>Support Services</b>					
Pupils	181	2,502	-	-	-
Instructional Staff	-	738	-	-	-
School Administration	147,322	-	-	-	-
Fiscal Services	-	-	-	-	-
Business	-	-	-	8,804	-
Maintenance	-	-	-	-	-
Pupil Transportation	-	-	-	-	-
Central	-	-	-	-	-
Community Services	-	-	-	-	1,054,396
Extra Curricular Activities	-	-	-	360,768	26,225
Construction services	-	-	-	-	-
Miscellaneous	-	139	-	175	788
Capital Outlay	33,253	1,850	-	15,547	110,941
<b>Total Expenditures</b>	<u>180,756</u>	<u>6,117</u>	<u>-</u>	<u>385,294</u>	<u>1,192,350</u>
Excess (deficiency) of revenue over (under) expenditures	(21,978)	(1,079)	-	10,483	(46,741)
<b>Other Financing Sources (Uses)</b>					
Operating transfers in	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(21,978)	(1,079)	-	10,483	(46,741)
Fund balance, July 1	124,004	1,199	13,252	185,612	334,082
Increase (decrease) in Reserve for Prepaids	-	-	-	-	-
<b>Fund balance, June 30</b>	<u>\$ 102,026</u>	<u>\$ 120</u>	<u>\$ 13,252</u>	<u>\$ 196,095</u>	<u>\$ 287,341</u>

<u>Management Information Systems</u>	<u>Entry Year Program</u>	<u>Disadv. Pupil Impact Aid</u>	<u>SchoolNet Plus</u>	<u>Data Communication</u>	<u>SchoolNet Professional Development</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24,829	24,200	50,115	-	33,000	4,140
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>24,829</u>	<u>24,200</u>	<u>50,115</u>	<u>-</u>	<u>33,000</u>	<u>4,140</u>
-	-	-	-	-	3,189
-	-	49,836	-	-	-
-	-	-	-	-	-
-	24,317	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
29,629	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(1,258)	-	-	10,519	33,000	-
<u>28,371</u>	<u>24,317</u>	<u>49,836</u>	<u>10,519</u>	<u>33,000</u>	<u>3,189</u>
(3,542)	(117)	279	(10,519)	-	951
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(3,542)	(117)	279	(10,519)	-	951
27,185	-	(559)	10,519	-	2,604
-	-	-	-	-	-
<u>\$ 23,643</u>	<u>\$ (117)</u>	<u>\$ (280)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,555</u>

continued

Gahanna-Jefferson City School District, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds (continued)  
For the Fiscal Year Ended June 30, 2004

	<u>Textbook Subsidy</u>	<u>Interactive Video</u>	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Alternative Schools</u>
Revenues:					
From local sources					
Other local	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - State	-	-	14,000	108,934	144,576
Intergovernmental - Federal	-	-	-	-	-
Investment Income	-	-	-	-	-
Other revenue	-	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>108,934</u>	<u>144,576</u>
Expenditures:					
Current:					
Instruction					
Regular	27,871	2,066	-	94,321	107,303
Special	-	-	-	-	-
Support Services					
Pupils	-	-	-	13,524	24,684
Instructional Staff	-	-	10,244	3,570	247
School Administration	-	-	-	-	3,178
Fiscal Services	-	-	-	-	5,387
Business	-	-	-	-	-
Maintenance	-	-	-	-	-
Pupil Transportation	-	-	-	-	-
Central	-	-	-	-	-
Community Services	-	-	-	-	-
Extra Curricular Activities	-	-	-	-	5,000
Construction services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital Outlay	-	295	-	15	-
<b>Total Expenditures</b>	<u>27,871</u>	<u>2,361</u>	<u>10,244</u>	<u>111,430</u>	<u>145,799</u>
Excess (deficiency) of revenue over (under) expenditures	(27,871)	(2,361)	3,756	(2,496)	(1,223)
Other Financing (Sources) Uses					
Operating transfers in	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(27,871)	(2,361)	3,756	(2,496)	(1,223)
Fund balance, July 1	70,663	2,356	(3,834)	13,466	1,255
Increase (decrease) in Reserve for Prepaids	-	-	-	-	-
<b>Fund balance, June 30</b>	<u>\$ 42,792</u>	<u>\$ (5)</u>	<u>\$ (78)</u>	<u>\$ 10,970</u>	<u>\$ 32</u>

<u>Other State</u>	<u>Title II</u>	<u>IDEA-B</u>	<u>Title III</u>	<u>Title I</u>	<u>Title V</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
66,918	-	-	-	-	-
-	1,618	991,849	-	273,192	41,685
-	-	-	-	-	-
<u>66,918</u>	<u>1,618</u>	<u>991,849</u>	<u>-</u>	<u>273,192</u>	<u>41,685</u>
30,559	-	-	-	-	26,302
-	-	48,727	-	289,573	-
-	-	201,595	(327)	-	-
24,707	-	513,034	-	-	-
-	-	84,023	-	-	-
-	-	-	-	-	-
(50)	-	-	-	-	-
6,989	-	-	-	-	-
-	-	-	-	-	-
-	-	113,888	-	-	3,515
-	-	-	-	-	-
-	-	-	-	-	-
-	-	44,154	-	-	7,565
<u>62,205</u>	<u>-</u>	<u>1,005,421</u>	<u>(327)</u>	<u>289,573</u>	<u>37,382</u>
4,713	1,618	(13,572)	327	(16,381)	4,303
-	-	-	-	-	-
-	-	-	(2,946)	-	-
-	-	-	(2,946)	-	-
4,713	1,618	(13,572)	(2,619)	(16,381)	4,303
(519)	(1,618)	7,249	(3,491)	(8,373)	1,066
-	-	-	-	-	-
<u>\$ 4,194</u>	<u>\$ -</u>	<u>\$ (6,323)</u>	<u>\$ (6,110)</u>	<u>\$ (24,754)</u>	<u>\$ 5,369</u>

continued

Gahanna-Jefferson City School District, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds (continued)  
For the Fiscal Year Ended June 30, 2004

	Drug Free Schools	FCC E-Rate	Title II-A	Other Federal	Building	Total Nonmajor Governmental Funds
Revenues:						
From local sources						
Other local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 559,157
Intergovernmental - State	-	-	-	-	-	1,612,148
Intergovernmental - Federal	23,027	-	133,716	49,082	-	1,514,169
Investment Income	-	-	-	-	1,786	5,959
Other revenue	-	-	-	0	-	436
<b>Total Revenues</b>	<u>23,027</u>	<u>-</u>	<u>133,716</u>	<u>49,082</u>	<u>1,786</u>	<u>3,691,869</u>
Expenditures:						
Current:						
Instruction						
Regular	-	-	60,190	19,517	-	372,206
Special	-	-	-	-	-	388,136
Support Services						
Pupils	-	-	-	3,269	-	245,428
Instructional Staff	19,210	-	79,338	7,589	-	682,994
School Administration	-	-	-	-	-	234,523
Fiscal Services	-	-	-	-	-	5,387
Business	-	-	-	-	-	8,754
Maintenance	-	48,975	-	-	-	55,964
Pupil Transportation	-	-	-	165	-	165
Central	-	-	-	-	-	29,629
Community Services	4,623	-	5,987	2,454	-	1,184,863
Extra Curricular Activities	-	-	-	-	-	391,993
Construction services	-	-	-	-	4,500	4,500
Miscellaneous	-	-	-	-	117,255	118,357
Capital Outlay	-	-	-	12,450	40,576	308,907
<b>Total Expenditures</b>	<u>23,833</u>	<u>48,975</u>	<u>145,515</u>	<u>45,444</u>	<u>162,331</u>	<u>4,031,806</u>
Excess (deficiency) of revenue over (under) expenditures	(806)	(48,975)	(11,799)	3,638	(160,545)	(339,937)
Other Financing (Sources) Uses						
Operating transfers in	-	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-	(2,946)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,946)</u>
<b>Net Change in Fund Balance</b>	(806)	(48,975)	(11,799)	3,638	(160,545)	(342,883)
Fund balance, July 1	3,816	93,022	23,247	925	220,532	1,117,660
Increase (decrease) in Reserve for Prepaids	-	-	-	-	-	-
<b>Fund balance, June 30</b>	<u>\$ 3,010</u>	<u>\$ 44,047</u>	<u>\$ 11,448</u>	<u>\$ 4,563</u>	<u>\$ 59,987</u>	<u>\$ 774,777</u>

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Public School Support</b>				
Total Revenues and Other Sources	\$142,819	\$161,096	\$159,118	(\$1,978)
Total Expenditures and Other Uses	<u>176,916</u>	<u>218,893</u>	<u>185,829</u>	<u>33,064</u>
Net Change in Fund Balance	(34,097)	(57,797)	(26,711)	31,086
Fund Balance, July 1	111,775	111,775	111,775	0
Prior Year Encumbrances Appropriated	<u>13,971</u>	<u>13,971</u>	<u>13,971</u>	<u>0</u>
Fund Balance, June 30	<u>\$91,649</u>	<u>\$67,949</u>	<u>\$99,035</u>	<u>\$31,086</u>
<b>Other Local Grants</b>				
Total Revenues and Other Sources	\$14,699	\$5,038	\$5,038	\$0
Total Expenditures and Other Uses	<u>3,412</u>	<u>8,450</u>	<u>8,330</u>	<u>120</u>
Net Change in Fund Balance	11,287	(3,412)	(3,292)	120
Fund Balance, July 1	1,213	1,213	1,213	0
Prior Year Encumbrances Appropriated	<u>2,199</u>	<u>2,199</u>	<u>2,199</u>	<u>0</u>
Fund Balance, June 30	<u>\$14,699</u>	<u>\$0</u>	<u>\$120</u>	<u>\$120</u>
<b>Library Automation</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance, July 1	13,251	13,251	13,251	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u>\$13,251</u>	<u>\$13,251</u>	<u>\$13,251</u>	<u>\$0</u>

Gahanna-Jefferson City School District, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>District Managed Activities</b>				
Total Revenues and Other Sources	\$429,558	\$391,448	\$395,777	\$4,329
Total Expenditures and Other Uses	515,592	511,030	419,014	92,016
Net Change in Fund Balance	(86,034)	(119,582)	(23,237)	96,345
Fund Balance, July 1	155,164	155,164	155,164	0
Prior Year Encumbrances Appropriated	40,381	40,381	40,381	0
Fund Balance, June 30	<u>\$109,511</u>	<u>\$75,963</u>	<u>\$172,308</u>	<u>\$96,345</u>
<b>Auxiliary Services</b>				
Total Revenues and Other Sources	\$1,148,588	\$1,145,196	\$1,145,196	\$0
Total Expenditures and Other Uses	1,535,964	1,594,326	1,263,844	330,482
Net Change in Fund Balance	(387,376)	(449,130)	(118,648)	330,482
Fund Balance, July 1	112,396	112,396	112,396	0
Prior Year Encumbrances Appropriated	336,734	336,734	336,734	0
Fund Balance, June 30	<u>\$61,754</u>	<u>\$0</u>	<u>\$330,482</u>	<u>\$330,482</u>
<b>Management Information Systems</b>				
Total Revenues and Other Sources	\$25,147	\$24,829	\$24,829	\$0
Total Expenditures and Other Uses	63,384	88,209	64,563	23,646
Net Change in Fund Balance	(38,237)	(63,380)	(39,734)	23,646
Fund Balance, July 1	22,188	22,188	22,188	0
Prior Year Encumbrances Appropriated	41,192	41,192	41,192	0
Fund Balance, June 30	<u>\$25,143</u>	<u>\$0</u>	<u>\$23,646</u>	<u>\$23,646</u>

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Entry Year Programs</b>				
Total Revenues and Other Sources	\$0	\$24,200	\$24,200	\$0
Total Expenditures and Other Uses	0	24,200	24,200	0
Net Change in Fund Balance	0	0	0	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance, June 30	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Disadvantaged Pupil Impact Aid</b>				
Total Revenues and Other Sources	\$50,115	\$50,115	\$50,115	\$0
Total Expenditures and Other Uses	50,115	50,115	50,115	0
Net Change in Fund Balance	0	0	0	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance, June 30	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>SchoolNet Plus</b>				
Total Revenues and Other Sources	\$107,709	\$0	\$0	\$0
Total Expenditures and Other Uses	10,519	10,519	10,519	0
Net Change in Fund Balance	97,190	(10,519)	(10,519)	0
Fund Balance, July 1	10,519	10,519	10,519	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance, June 30	<u>\$107,709</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Gahanna-Jefferson City School District, Ohio  
 Statements of Revenues, Expenditures and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Data Communications</b>				
Total Revenues and Other Sources	\$40,750	\$33,000	\$33,000	\$0
Total Expenditures and Other Uses	0	33,000	33,000	0
Net Change in Fund Balance	40,750	0	0	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance, June 30	<u>\$40,750</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<b>SchoolNet Professional Development</b>				
Total Revenues and Other Sources	\$4,600	\$4,140	\$4,140	\$0
Total Expenditures and Other Uses	2,704	6,844	3,289	3,555
Net Change in Fund Balance	1,896	(2,704)	851	3,555
Fund Balance, July 1	2,304	2,304	2,304	0
Prior Year Encumbrances Appropriated	400	400	400	0
Fund Balance, June 30	<u>\$4,600</u>	<u>\$0</u>	<u>\$3,555</u>	<u>\$3,555</u>

<b>Textbook Subsidy</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	70,663	70,663	27,871	42,792
Net Change in Fund Balance	(70,663)	(70,663)	(27,871)	42,792
Fund Balance, July 1	47,102	47,102	47,102	0
Prior Year Encumbrances Appropriated	23,562	23,562	23,562	0
Fund Balance, June 30	<u>\$1</u>	<u>\$1</u>	<u>\$42,793</u>	<u>\$42,792</u>

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Interactive Video Distance Learning</b>				
Total Revenues and Other Sources	\$958	\$ -	\$0	\$0
Total Expenditures and Other Uses	<u>2,736</u>	<u>2,736</u>	<u>2,736</u>	<u>0</u>
Net Change in Fund Balance	(1,778)	(2,736)	(2,736)	0
Fund Balance, July 1	861	861	861	0
Prior Year Encumbrances Appropriated	<u>1,875</u>	<u>1,875</u>	<u>1,875</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$958</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<b>Ohio Reads</b>				
Total Revenues and Other Sources	\$17,000	\$14,000	\$14,000	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>14,000</u>	<u>14,000</u>	<u>0</u>
Net Change in Fund Balance	17,000	0	0	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$17,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<b>Summer Intervention</b>				
Total Revenues and Other Sources	\$0	\$ 120,772	\$120,772	\$0
Total Expenditures and Other Uses	<u>15,168</u>	<u>135,940</u>	<u>134,485</u>	<u>1,455</u>
Net Change in Fund Balance	(15,168)	(15,168)	(13,713)	1,455
Fund Balance, July 1	11,920	11,920	11,920	0
Prior Year Encumbrances Appropriated	<u>3,248</u>	<u>3,248</u>	<u>3,248</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$1,455</u></u>	<u><u>\$1,455</u></u>

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Alternative Schools</b>				
Total Revenues and Other Sources	\$81,495	\$144,576	\$144,576	\$0
Total Expenditures and Other Uses	<u>179,075</u>	<u>177,758</u>	<u>177,758</u>	<u>0</u>
Net Change in Fund Balance	(97,580)	(33,182)	(33,182)	0
Fund Balance, July 1	29,070	29,070	29,070	0
Prior Year Encumbrances Appropriated	<u>4,112</u>	<u>4,112</u>	<u>4,112</u>	<u>0</u>
Fund Balance, June 30	<u>(\$64,398)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Other State Grants</b>				
Total Revenues and Other Sources	\$186,206	\$66,918	\$66,918	\$0
Total Expenditures and Other Uses	<u>42,872</u>	<u>85,414</u>	<u>74,942</u>	<u>10,472</u>
Net Change in Fund Balance	143,334	(18,496)	(8,024)	10,472
Fund Balance, July 1	18,496	18,496	18,496	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u>\$161,830</u>	<u>\$0</u>	<u>\$10,472</u>	<u>\$10,472</u>
<b>Title II</b>				
Total Revenues and Other Sources	\$5,023	\$1,618	\$1,618	\$0
Total Expenditures and Other Uses	<u>1,618</u>	<u>1,618</u>	<u>1,618</u>	<u>0</u>
Net Change in Fund Balance	3,405	0	0	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u>\$3,405</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>IDEA B</b>				
Total Revenues and Other Sources	\$796,552	\$1,117,710	\$1,117,711	\$1
Total Expenditures and Other Uses	<u>1,175,551</u>	<u>1,175,550</u>	<u>1,078,302</u>	<u>97,248</u>
Net Change in Fund Balance	(378,999)	(57,840)	39,409	97,249
Fund Balance, July 1	6,760	6,760	6,760	0
Prior Year Encumbrances Appropriated	<u>51,080</u>	<u>51,080</u>	<u>51,080</u>	<u>0</u>
Fund Balance, June 30	<u>(\$321,159)</u>	<u>\$0</u>	<u>\$97,249</u>	<u>\$97,249</u>
<b>Title III</b>				
Total Revenues and Other Sources	\$6,110	\$0	\$0	\$0
Total Expenditures and Other Uses	<u>9,277</u>	<u>2,947</u>	<u>2,947</u>	<u>0</u>
Net Change in Fund Balance	(3,167)	(2,947)	(2,947)	0
Fund Balance, July 1	41	41	41	0
Prior Year Encumbrances Appropriated	<u>2,906</u>	<u>2,906</u>	<u>2,906</u>	<u>0</u>
Fund Balance, June 30	<u>(\$220)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Title I</b>				
Total Revenues and Other Sources	\$217,615	\$349,566	\$349,566	\$0
Total Expenditures and Other Uses	<u>353,821</u>	<u>353,821</u>	<u>282,035</u>	<u>71,786</u>
Net Change in Fund Balance	(136,206)	(4,255)	67,531	71,786
Fund Balance, July 1	3,655	3,655	3,655	0
Prior Year Encumbrances Appropriated	<u>601</u>	<u>601</u>	<u>601</u>	<u>0</u>
Fund Balance, June 30	<u>(\$131,950)</u>	<u>\$1</u>	<u>\$71,787</u>	<u>\$71,786</u>

Gahanna-Jefferson City School District, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Title V</b>				
Total Revenues and Other Sources	\$84,700	\$76,386	\$76,386	\$0
Total Expenditures and Other Uses	<u>97,635</u>	<u>97,635</u>	<u>95,428</u>	<u>2,207</u>
Net Change in Fund Balance	(12,935)	(21,249)	(19,042)	2,207
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	<u>21,249</u>	<u>21,249</u>	<u>21,249</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$8,314</u></u>	<u><u>\$0</u></u>	<u><u>\$2,207</u></u>	<u><u>\$2,207</u></u>
<b>Drug Free Schools</b>				
Total Revenues and Other Sources	\$29,671	\$27,870	\$27,870	\$0
Total Expenditures and Other Uses	<u>31,848</u>	<u>31,848</u>	<u>27,081</u>	<u>4,767</u>
Net Change in Fund Balance	(2,177)	(3,978)	789	4,767
Fund Balance, July 1	2,380	2,380	2,380	0
Prior Year Encumbrances Appropriated	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$1,803</u></u>	<u><u>\$2</u></u>	<u><u>\$4,769</u></u>	<u><u>\$4,767</u></u>
<b>FCC E Rate</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	<u>93,022</u>	<u>93,022</u>	<u>48,975</u>	<u>44,047</u>
Net Change in Fund Balance	(93,022)	(93,022)	(48,975)	44,047
Fund Balance, July 1	93,022	93,022	93,022	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$44,047</u></u>	<u><u>\$44,047</u></u>

Gahanna-Jefferson City School District, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Title II-A</b>				
Total Revenues and Other Sources	\$178,440	\$234,263	\$234,263	\$0
Total Expenditures and Other Uses	<u>315,572</u>	<u>315,572</u>	<u>289,268</u>	<u>26,304</u>
Net Change in Fund Balance	(137,132)	(81,309)	(55,005)	26,304
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	<u>81,309</u>	<u>81,309</u>	<u>81,309</u>	<u>0</u>
Fund Balance, June 30	<u>(\$55,823)</u>	<u>\$0</u>	<u>\$26,304</u>	<u>\$26,304</u>
<b>Other Federal Grants</b>				
Total Revenues and Other Sources	\$91,291	\$52,731	\$52,731	\$0
Total Expenditures and Other Uses	<u>32,371</u>	<u>59,882</u>	<u>56,238</u>	<u>3,644</u>
Net Change in Fund Balance	58,920	(7,151)	(3,507)	3,644
Fund Balance, July 1	1,150	1,150	1,150	0
Prior Year Encumbrances Appropriated	<u>6,001</u>	<u>6,001</u>	<u>6,001</u>	<u>0</u>
Fund Balance, June 30	<u>\$66,071</u>	<u>\$0</u>	<u>\$3,644</u>	<u>\$3,644</u>
<b>Capital Projects - Building</b>				
Total Revenues and Other Sources	\$344,030	\$4,080	\$1,749	(\$2,331)
Total Expenditures and Other Uses	<u>231,108</u>	<u>232,691</u>	<u>180,958</u>	<u>51,733</u>
Net Change in Fund Balance	112,922	(228,611)	(179,209)	49,402
Fund Balance, July 1	18,070	18,070	18,070	0
Prior Year Encumbrances Appropriated	<u>213,040</u>	<u>213,040</u>	<u>213,040</u>	<u>0</u>
Fund Balance, June 30	<u>\$344,032</u>	<u>\$2,499</u>	<u>\$51,901</u>	<u>\$49,402</u>

Gahanna-Jefferson City School District  
Combining Statements and Individual Fund Schedules

**Enterprise Funds**

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

**Food Service Fund** – A fund used to record financial transactions related to the District's food service operation.

**Community Recreation** – A rotary fund to account for monies received and expended in connection with the community Parks and Recreation summer camp program, which is intended to be self-sustaining.

**Special Rotary Fund** – A rotary fund provided to account for the transactions made in connection with supplemental education classes and the job-training program. Receipts include, but are not limited to, tuition from patrons and students and income from outside clients for production work. Expenditures include supplies and salaries.

Gahanna-Jefferson City School District, Ohio  
Statement of Net Assets  
Enterprise Funds  
as of June 30, 2004

	<u>Food Service</u>	<u>Special Rotary</u>	<u>Community Recreation</u>	<u>Total</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 85,412	\$ 144,363	\$ 56,548	\$ 286,323
Receivables (net of allowances for uncollectibles)				
Accounts	1,644	1,415	-	3,059
Interest	150	-	-	150
Intergovernmental - Federal	39,738	-	-	39,738
Materials and Supplies Inventory	27,764	-	-	27,764
Total Current Assets	<u>154,708</u>	<u>145,778</u>	<u>56,548</u>	<u>357,034</u>
Capital Assets, Net	218,293	-	3,681	221,974
Total Assets	<u>373,001</u>	<u>145,778</u>	<u>60,229</u>	<u>579,008</u>
<b>Liabilities:</b>				
Accounts Payable	379	3,107	4,921	8,407
Claims Payable	-	-	-	-
Accrued Wages and Benefits	110,609	-	-	110,609
Interfund payable	-	3,067	-	3,067
Due to other governments	102,702	724	29	103,455
Deferred Revenue	-	27,272	-	27,272
Total Current Liabilities	<u>213,690</u>	<u>34,170</u>	<u>4,950</u>	<u>252,810</u>
Long-Term Liabilities				
Compensated Absences Payable	83,847	-	-	83,847
Total Liabilities	<u>297,537</u>	<u>34,170</u>	<u>4,950</u>	<u>336,657</u>
<b>Net Assets</b>				
Invested in Capital Assets	218,293	-	3,681	221,974
Unrestricted	(142,829)	111,608	51,598	20,377
Total Net Assets	<u>\$ 75,464</u>	<u>\$ 111,608</u>	<u>\$ 55,279</u>	<u>\$ 242,351</u>

Gahanna-Jefferson City School District, Ohio  
Statement of Revenues, Expenses and  
Changes in Fund Net Assets  
Enterprise Funds  
For the Fiscal Year Ended June 30, 2004

	<u>Food Service</u>	<u>Special Rotary</u>	<u>Community Recreation</u>	<u>Total</u>
Operating Revenues				
Tuition and Fees	\$ -	\$ 149,947	\$ 46,642	\$ 196,589
Sales	1,330,099	-	26,308	1,356,407
Charges for Services	-	-	-	-
Other Operating Revenue	2,989	6,054	9,934	18,977
Total Operating Revenues	<u>1,333,088</u>	<u>156,001</u>	<u>82,884</u>	<u>1,571,973</u>
Operating Expenses				
Salaries & Wages	817,400	81,021	5,149	903,570
Fringe Benefits	142,154	97	791	143,042
Purchased Services	36,106	684	24,815	61,605
Material & Supplies	678,412	3,671	28,940	711,023
Depreciation	38,532	-	648	39,180
Other Operating Expenses	-	1,405	12,444	13,849
Total Operating Expenses	<u>1,712,604</u>	<u>86,878</u>	<u>72,787</u>	<u>1,872,269</u>
Operating Income (Loss)	(379,516)	69,123	10,097	(300,296)
Non-Operating Revenues (Expenses)				
Operating grants	380,144	400	-	380,544
Interest	1,061	-	-	1,061
Total Non-Operating Revenues (Expenses)	<u>381,205</u>	<u>400</u>	<u>-</u>	<u>381,605</u>
Income (loss) before Transfers	1,689	69,523	10,097	81,309
Transfers in	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
Change in Net Assets	2,189	69,523	10,097	81,809
Net Assets Beginning of Year	73,275	42,085	45,182	160,542
Net Assets End of Year	<u>\$ 75,464</u>	<u>\$ 111,608</u>	<u>\$ 55,279</u>	<u>\$ 242,351</u>

Gahanna-Jefferson City School District, Ohio  
Statement of Cash Flows  
Enterprise Funds  
For the Fiscal Year Ended June 30, 2004

	<u>Food Service</u>	<u>Special Rotary</u>	<u>Community Recreation</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from tuition and fees	\$ -	\$ 140,194	\$ 46,642	\$ 186,836
Cash received from sales	1,328,455	-	26,308	1,354,763
Cash received from charges for services	-	-	-	-
Other cash receipts	2,989	6,054	9,934	18,977
Cash payments for personal services	(992,727)	(80,437)	(5,911)	(1,079,075)
Cash payments for contract services	(36,106)	(579)	(25,049)	(61,734)
Cash payments for supplies and materials	(613,525)	(2,145)	(31,112)	(646,782)
Cash payments for other expenses	30,876	(925)	(12,444)	17,507
Net cash provided (used) by operating activities	<u>(280,038)</u>	<u>62,162</u>	<u>8,368</u>	<u>(209,508)</u>
Cash flows from noncapital financing activities:				
Advances in (out)	-	1,518	-	1,518
Transfers in	500	-	-	500
Cash from operating grants	282,445	400	-	282,845
Net cash from noncapital financing activities	<u>282,945</u>	<u>1,918</u>	<u>-</u>	<u>284,863</u>
Cash flows from capital financing activities:				
Purchases of capital assets	(46,109)	-	(1,978)	(48,087)
Net cash from capital financing activities	<u>(46,109)</u>	<u>-</u>	<u>(1,978)</u>	<u>(48,087)</u>
Cash flows from investing activities:				
Interest on Investments	911	-	-	911
Net cash from investing activities	<u>911</u>	<u>-</u>	<u>-</u>	<u>911</u>
Net increase (decrease) in cash and cash equivalents:	(42,291)	64,080	6,390	28,179
Cash and cash equivalents at beginning of year	127,703	80,283	50,158	258,144
Cash and cash equivalents at end of year	<u>85,412</u>	<u>144,363</u>	<u>56,548</u>	<u>286,323</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating Income (loss)	(379,516)	69,123	10,097	(300,296)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	38,532	-	648	39,180
Commodities expense related to noncash grant	93,712	-	-	93,712
Changes in assets and liabilities:				
Accounts receivable	(1,644)	852	-	(792)
Supplies inventory	2,225	-	-	2,225
Accounts payable	(174)	2,111	(2,406)	(469)
Accrued wages and benefits	25,476	-	-	25,476
Due to other governments	(9,285)	681	29	(8,575)
Compensated absences	(49,364)	-	-	(49,364)
Deferred revenue	-	(10,605)	-	(10,605)
Net cash provided (used) by operating activities	<u>\$ (280,038)</u>	<u>\$ 62,162</u>	<u>\$ 8,368</u>	<u>\$ (209,508)</u>

Schedule of Noncash Financing Activities

The Food Service Fund received \$ 93,712 of donated commodities.

Gahanna-Jefferson City School District, Ohio  
Schedule of Revenues, Expenses, and  
Changes in Fund Net Assets - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Food Service</b>				
Total Revenues and Other Sources	\$1,550,127	\$1,802,381	\$1,615,300	(\$187,081)
Total Expenditures and Other Uses	<u>1,681,438</u>	<u>1,922,948</u>	<u>1,682,769</u>	<u>240,179</u>
Net Income (loss)	(131,311)	(120,567)	(67,469)	53,098
Net Assets, July 1	108,502	108,502	108,502	0
Prior Year Encumbrances Appropriated	<u>19,191</u>	<u>19,191</u>	<u>19,191</u>	<u>0</u>
Net Assets, June 30	<u><u>(\$3,618)</u></u>	<u><u>\$7,126</u></u>	<u><u>\$60,224</u></u>	<u><u>\$53,098</u></u>
 <b>Special Rotary</b>				
Total Revenues and Other Sources	\$125,364	\$127,299	\$148,166	\$20,867
Total Expenditures and Other Uses	<u>75,513</u>	<u>121,729</u>	<u>87,998</u>	<u>33,731</u>
Net Income (loss)	49,851	5,570	60,168	54,598
Net Assets, July 1	77,167	77,167	77,167	0
Prior Year Encumbrances Appropriated	<u>3,116</u>	<u>3,116</u>	<u>3,116</u>	<u>0</u>
Net Assets, June 30	<u><u>\$130,134</u></u>	<u><u>\$85,853</u></u>	<u><u>\$140,451</u></u>	<u><u>\$54,598</u></u>
 <b>Community Recreation</b>				
Total Revenues and Other Sources	\$75,396	\$79,002	\$82,884	\$3,882
Total Expenditures and Other Uses	<u>99,407</u>	<u>106,304</u>	<u>88,337</u>	<u>17,967</u>
Net Income (loss)	(24,011)	(27,302)	(5,453)	21,849
Net Assets, July 1	38,037	38,037	38,037	0
Prior Year Encumbrances Appropriated	<u>12,122</u>	<u>12,122</u>	<u>12,122</u>	<u>0</u>
Net Assets, June 30	<u><u>\$26,148</u></u>	<u><u>\$22,857</u></u>	<u><u>\$44,706</u></u>	<u><u>\$21,849</u></u>

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Gahanna-Jefferson City School District  
Combining Statements and Individual Fund Schedules

**Internal Service Fund**

Internal Service Funds are used to account for the financing of services provided by one department or agency to another department or agency on a cost reimbursement basis.

**Self-Insurance Fund** – A fund provided to account for money received from other funds as payment for providing medical, hospitalization, life and dental insurance. Payments are made to a third party administrator for claims payments, claims administration and stop-loss coverage.

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenses, and  
 Changes in Fund Net Assets - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Self-funded Insurance</b>				
Total Revenues and Other Sources	\$4,385,628	\$5,220,542	\$5,271,805	\$51,263
Total Expenditures and Other Uses	5,423,765	5,488,765	4,565,719	923,046
Net Income (loss)	(1,038,137)	(268,223)	706,086	974,309
Net Assets, July 1	901,409	901,409	901,409	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Assets, June 30	<u>(\$136,728)</u>	<u>\$633,186</u>	<u>\$1,607,495</u>	<u>\$974,309</u>

Gahanna-Jefferson City School District  
Combining Statements and Individual Fund Schedules

**Fiduciary Fund type**

**Private Purpose Trust and Agency Funds**

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

**Private Purpose Trust Fund** – A trust fund used to account for assets held by school system in a trustee capacity for individuals, private organizations, other governmental and/or other funds.

**Student Activity Fund** – An agency fund provided to account for those student activity programs, which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities, which consist of a student body, student president, student treasurer, and faculty advisor.

Gahanna-Jefferson City School District, Ohio  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget:</u>
	<u>Original</u>	<u>Final</u>		
<b>Private Purpose Trust</b>				
Total Revenues and Other Sources	\$35,053	\$68,113	\$64,444	(\$3,669)
Total Expenditures and Other Uses	<u>73,458</u>	<u>104,160</u>	<u>77,493</u>	<u>26,667</u>
Net Change in Fund Balance	(38,405)	(36,047)	(13,049)	22,998
Fund Balance, July 1	106,200	106,200	106,200	0
Prior Year Encumbrances Appropriated	<u>9,428</u>	<u>9,428</u>	<u>9,428</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$77,223</u></u>	<u><u>\$79,581</u></u>	<u><u>\$102,579</u></u>	<u><u>\$22,998</u></u>

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GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
 LAST TEN FISCAL YEARS

TABLE 1

FISCAL YEARS	INSTRUCTIONAL SERVICES	SUPPORT SERVICES	COMMUNITY SERVICES	EXTRA-CURRICULAR	CAPITAL OUTLAY	DEBT SERVICE	TOTAL
1995	\$ 23,805,739	\$ 12,063,085	\$ 599,318	\$ 752,509	\$ 5,959,444	\$ 3,452,750	\$ 46,632,845
1996	25,011,179	12,299,013	592,319	743,150	4,314,084	3,852,409	46,812,154
1997	24,415,025	13,239,802	717,537	799,720	2,182,146	3,751,708	45,105,938
1998	25,325,621	13,149,900	700,473	826,249	182,947	3,531,468	43,716,658
1999	25,727,447	13,367,314	802,651	834,049	3,116,281	10,974,758	54,822,500
2000	29,451,800	14,833,175	895,746	842,499	10,823,416	5,140,761	61,987,397
2001	31,039,899	16,295,840	1,261,539	983,164	9,339,022	5,002,788	63,922,252
2002	33,686,585	17,975,898	1,068,259	1,016,412	1,548,913	5,040,083	60,336,150
2003	33,879,633	18,093,029	1,110,985	1,069,679	1,504,941	5,156,843	60,815,110
2004	37,546,398	19,735,060	1,185,029	1,011,401	1,441,251	5,389,639	66,308,778

Notes:

(1) Includes General, Debt Service, and Other Governmental Funds.

Source: Office of the Treasurer, Gahanna-Jefferson City School District

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS

TABLE 2

FISCAL YEARS	PROPERTY TAXES	STATE SOURCES	FEDERAL SOURCES	INVESTMENT INCOME	TUITION	OTHER	TOTAL
1995	\$ 27,108,502	\$ 10,560,720	\$ 559,836	\$ 1,019,455	\$ 2,249	\$ 542,576	\$ 39,793,338
1996	27,660,916	11,347,331	608,112	706,557	28,245	760,743	41,111,904
1997	28,553,796	11,614,529	643,251	643,720	36,857	1,255,381	42,747,534
1998	32,200,976	13,134,022	632,853	639,770	49,687	1,967,922	48,625,230
1999	34,370,047	13,858,016	743,239	1,288,237	91,828	979,149	51,330,516
2000	35,455,260	16,096,599	797,743	2,653,249	444,767	1,064,287	56,511,905
2001	44,439,676	13,424,945	1,221,767	1,841,132	370,679	2,638,750	63,936,949
2002	42,260,286	18,300,508	1,267,186	1,253,277	383,963	3,091,244	66,556,464
2003	44,475,146	14,169,688	1,329,342	721,447	212,768	2,757,489	63,665,880
2004	46,985,556	17,038,048	1,557,421	404,064	423,739	2,466,065	68,874,893

Notes:

(1) Includes General, Debt Service, and Other Governmental Funds.

Source: Office of the Treasurer, Gahanna-Jefferson City School District

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN CALENDAR YEARS

TABLE 3

COLLECTION YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY	OUTSTANDING DELINQUENT TAXES	PERCENT OF DELINQUENT TAXES TO TAX LEVY
1994	\$ 24,768,788	\$ 26,297,334	106.2%	\$ 582,017	\$ 26,879,351	108.5%	\$ 511,690	2.1%
1995	27,376,912	27,063,014	98.9%	1,420,522	28,483,536	104.0%	1,154,539	4.2%
1996	32,396,672	32,006,356	98.8%	683,339	32,689,695	100.9%	1,159,218	3.6%
1997	33,636,587	33,237,765	98.8%	683,604	33,921,369	100.8%	1,877,909	5.6%
1998	33,459,116	32,983,344	98.6%	1,064,680	34,048,024	101.8%	1,786,368	5.3%
1999	42,779,058	42,004,646	98.2%	841,342	42,845,988	100.2%	2,271,930	5.3%
2000	46,166,623	44,351,171	96.1%	1,742,309	46,093,480	99.8%	1,956,032	4.2%
2001	45,636,107	44,706,135	98.0%	1,478,902	46,185,037	101.2%	2,794,570	6.1%
2002	48,048,726	45,588,643	94.9%	1,376,675	46,965,318	97.7%	5,569,776	11.6%
2003	45,271,640	43,916,722	97.0%	4,002,243	46,965,318	103.7%	3,078,699	6.8%

Source: Office of the County Auditor, Franklin County, Ohio

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN CALENDAR YEARS (1)

TABLE 4

YEAR	REAL PROPERTY		PERSONAL PROPERTY		PUBLIC UTILITIES		TOTAL		RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	
1994	\$ 562,684	\$ 1,607,669	\$ 145,757	\$ 538,028	\$ 29,526	\$ 84,360	\$ 737,967	\$ 2,230,057	33.09%
1995	592,545	1,692,986	164,094	656,376	29,418	84,051	786,057	2,433,413	32.30%
1996	657,267	1,877,906	155,002	620,008	29,934	85,526	842,203	2,563,440	32.60%
1997	688,454	1,967,011	162,673	650,692	30,600	87,429	881,727	2,705,132	32.59%
1998	735,763	2,102,180	144,013	576,052	31,185	89,100	910,961	2,767,332	32.92%
1999	859,011	2,454,317	160,182	640,728	31,641	90,403	1,050,834	3,185,448	32.99%
2000	898,531	2,567,231	181,223	724,892	29,848	86,280	1,109,602	3,378,403	32.84%
2001	929,286	2,655,103	169,184	676,736	25,183	71,949	1,123,653	3,403,788	33.01%
2002	1,057,601	3,021,717	195,431	814,296	30,504	87,154	1,283,536	3,923,167	32.72%
2003	1,091,561	3,118,746	112,361	488,526	33,788	96,537	1,237,710	3,703,809	33.42%

Note: (1) In thousands except ratios

Source: Office of the County Auditor, Franklin County, Ohio

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
 CITY OF GAHANNA  
 LAST TEN FISCAL YEARS  
 (PER \$1,000 OF ASSESSED VALUATION) (1)

FISCAL YEAR	TOTAL RATE	SCHOOL DISTRICT				GAHANNA CITY	FRANKLIN COUNTY	EASTLAND JVS	COLUMBUS LIBRARY	MIFFLIN TOWNSHIP
		GENERAL FUND	BOND RETIREMENT FUND	TOTAL SCHOOL						
1994 for 1995	80.51	44.20	5.24	49.44	2.40	14.57	1.20	2.20	10.70	
1995 for 1996	86.75	50.70	4.73	55.43	2.40	14.82	1.20	2.20	10.70	
1996 for 1997	86.47	50.70	4.15	54.85	2.40	15.12	1.20	2.20	10.70	
1997 for 1998	84.41	50.70	3.99	54.69	2.40	15.22	1.20	2.20	8.70	
1998 for 1999	94.93	57.00	5.09	62.09	2.40	17.54	2.00	2.20	8.70	
1999 for 2000	94.29	57.00	4.35	61.35	2.40	17.64	2.00	2.20	8.70	
2000 for 2001	95.15	57.00	4.21	61.21	2.40	17.64	2.00	2.20	9.70	
2001 for 2002	95.18	57.00	4.24	61.24	2.40	17.64	2.00	2.20	9.70	
2002 for 2003	94.84	57.00	3.90	60.90	2.40	17.64	2.00	2.20	9.70	
2003 for 2004	95.13	57.00	4.19	61.19	2.40	17.64	2.00	2.20	9.70	

(1) The Gahanna-Jefferson City School District consists of four taxing Districts:

- Table 5a - City of Gahanna - Gahanna-Jefferson City School District
- Table 5b - Jefferson Township - Gahanna-Jefferson City School District
- Table 5c - Mifflin Township - Gahanna-Jefferson City School District
- Table 5d - City of Columbus - Gahanna-Jefferson City School District

Source: Office of the County Auditor, Franklin County, Ohio

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
 JEFFERSON TOWNSHIP  
 LAST TEN FISCAL YEARS  
 (PER \$1,000 OF ASSESSED VALUATION) (1)

TABLE 5b

FISCAL YEAR	TOTAL RATE	SCHOOL DISTRICT						JEFFERSON TOWNSHIP
		GENERAL FUND	BOND RETIREMENT FUND	TOTAL SCHOOL	FRANKLIN COUNTY	EASTLAND JVS	COLUMBUS LIBRARY	
1994 for 1995	76.61	44.20	5.24	49.44	14.57	1.20	2.20	9.20
1995 for 1996	82.85	50.70	4.73	55.43	14.82	1.20	2.20	9.20
1996 for 1997	82.57	50.70	4.15	54.85	15.12	1.20	2.20	9.20
1997 for 1998	83.16	50.70	3.99	54.69	15.22	1.20	2.20	9.85
1998 for 1999	94.65	57.00	5.09	62.09	17.54	2.00	2.20	10.82
1999 for 2000	93.78	57.00	4.35	61.35	17.64	2.00	2.20	10.59
2000 for 2001	93.58	57.00	4.21	61.21	17.64	2.00	2.20	10.53
2001 for 2002	93.58	57.00	4.24	61.24	17.64	2.00	2.20	10.50
2002 for 2003	93.11	57.00	3.90	60.90	17.64	2.00	2.20	10.37
2003 for 2004	93.40	57.00	4.19	61.19	17.64	2.00	2.20	10.37

(1) The Gahanna-Jefferson City School District consists of four taxing Districts:

- Table 5a - City of Gahanna - Gahanna-Jefferson City School District
- Table 5b - Jefferson Township - Gahanna-Jefferson City School District
- Table 5c - Mifflin Township - Gahanna-Jefferson City School District
- Table 5d - City of Columbus - Gahanna-Jefferson City School District

Source: Office of the County Auditor, Franklin County, Ohio

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
MIFFLIN TOWNSHIP  
LAST TEN FISCAL YEARS  
(PER \$1,000 OF ASSESSED VALUATION) (1)

TABLE 5c

FISCAL YEAR	TOTAL RATE	-----SCHOOL DISTRICT-----					FRANKLIN COUNTY	EASTLAND JVS	COLUMBUS LIBRARY	MIFFLIN TOWNSHIP
		GENERAL FUND	BOND RETIREMENT FUND	TOTAL SCHOOL	FRANKLIN COUNTY	EASTLAND JVS				
1994 for 1995	88.24	44.20	5.24	49.44	14.57	1.23	2.20	20.80		
1995 for 1996	94.20	50.70	4.73	55.43	14.57	1.20	2.20	20.80		
1996 for 1997	93.87	50.70	4.15	54.85	14.82	1.20	2.20	20.80		
1997 for 1998	94.01	50.70	3.99	54.69	15.12	1.20	2.20	20.80		
1998 for 1999	101.51	57.00	5.09	62.09	15.22	1.20	2.20	20.80		
1999 for 2000	103.89	57.00	4.35	61.35	17.54	2.00	2.20	20.80		
2000 for 2001	103.85	57.00	4.21	61.21	17.64	2.00	2.20	20.80		
2001 for 2002	104.88	57.00	4.24	61.24	17.64	2.00	2.20	21.80		
2002 for 2003	104.54	57.00	3.90	60.90	17.64	2.00	2.20	21.80		
2003 for 2004	104.86	57.00	4.19	61.19	17.64	2.00	2.20	21.80		

Table 5a - City of Gahanna - Gahanna-Jefferson City School District  
Table 5b - Jefferson Township - Gahanna-Jefferson City School District  
Table 5c - Mifflin Township - Gahanna-Jefferson City School District  
Table 5d - City of Columbus - Gahanna-Jefferson City School District

Source: Office of the County Auditor, Franklin County, Ohio

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
 CITY OF COLUMBUS  
 LAST TEN FISCAL YEARS  
 (PER \$1,000 OF ASSESSED VALUATION) (1)

TABLE 5d

FISCAL YEAR	TOTAL RATE	-----SCHOOL DISTRICT-----				TOTAL SCHOOL	COLUMBUS CITY	FRANKLIN COUNTY	EASTLAND JVS	COLUMBUS LIBRARY
		GENERAL FUND	BOND RETIREMENT FUND	FRANKLIN COUNTY	COLUMBUS CITY					
1993 for 1994	69.37	44.20	4.03	48.23	3.14	14.57	1.23	2.20	2.20	
1994 for 1995	70.55	44.20	5.24	49.44	3.14	14.57	1.20	2.20	2.20	
1995 for 1996	76.79	50.70	4.73	55.43	3.14	14.82	1.20	2.20	2.20	
1996 for 1997	76.51	50.70	4.15	54.85	3.14	15.12	1.20	2.20	2.20	
1997 for 1998	76.45	50.70	3.99	54.69	3.14	15.22	1.20	2.20	2.20	
1998 for 1999	86.97	57.00	5.09	62.09	3.14	17.54	2.00	2.20	2.20	
1999 for 2000	86.33	57.00	4.35	61.35	3.14	17.64	2.00	2.20	2.20	
2000 for 2001	86.19	57.00	4.21	61.21	3.14	17.64	2.00	2.20	2.20	
2002 for 2003	85.88	57.00	3.90	60.90	3.14	17.64	2.00	2.20	2.20	
2003 for 2004	86.17	57.00	4.19	61.19	3.14	17.64	2.00	2.20	2.20	

(1) The Gahanna-Jefferson City School District consists of four taxing Districts:

- Table 5a - City of Gahanna - Gahanna-Jefferson City School District
- Table 5b - Jefferson Township - Gahanna-Jefferson City School District
- Table 5c - Mifflin Township - Gahanna-Jefferson City School District
- Table 5d - City of Columbus - Gahanna-Jefferson City School District

Source: Office of the County Auditor, Franklin County, Ohio

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
TOP PRINCIPAL PROPERTY TAXPAYERS  
DECEMBER 31, 2003

TABLE 6

<u>PUBLIC UTILITIES</u>	<u>ASSESSED VALUATION</u>	<u>% OF TOTAL ASSESSED VALUATION</u>
1. Columbus Southern Power Co.	\$20,438,430	1.65%
2. Ohio Bell Telephone Co.	\$6,268,120	0.51%
<u>REAL ESTATE</u>		
1. Distribution Land Corp	36,419,530	2.94%
2. Abbot Laboratories	12,706,510	1.03%
3. M/I Homes of Central Ohio	12,424,300	1.00%
4. Morse & Hamilton LP	9,167,610	0.74%
5. Vista at Rocky Fork LP	6,930,000	0.56%
6. AERC Christopher Wren, Inc.	4,410,000	0.36%
7. Casto Reynoldsburg New	3,969,000	0.32%
8. USPG Portfolio Two LLC	3,388,000	0.27%
9. Morrision Arbors LLC	3,383,210	0.27%
10. Huntington National Bank	3,319,400	0.27%
<u>TANGIBLE PERSONAL PROPERTY</u>		
1. Lucent Technologies Inc.	34,378,190	2.78%
2. McGraw Hill Inc	7,616,240	0.62%
3. Limited Technology Services Inc	7,289,380	0.59%
4. Abbott Laboratories	7,237,680	0.58%
5. I B M Credit Corporation	4,580,480	0.37%
6. Basell USA Inc.	3,238,280	0.26%
7. Siemens Airfield Solutions Inc.	2,062,820	0.17%
8. Tamarkin Company	2,002,250	0.16%
9. Kroger Company	1,574,300	0.13%
10. J. F. Walker Company Inc.	1,538,380	0.12%
ALL OTHERS	1,043,368,517	84.30%
TOTAL ASSESSED VALUATION	\$1,237,710,627	100.00%

SOURCE: Office of the County Auditor, Franklin County, Ohio

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
 COMPUTATION OF LEGAL DEBT MARGIN  
 June 30, 2004

TABLE 7

Total Assessed Valuation	\$1,237,710,627
Overall Debt Limitation:	
9% of assessed valuation	111,393,956
Gross Indebtedness	31,315,330
Less: Debt outside limitations	0
Net debt within limitations	31,315,330
Legal debt margin within 9% limitation	80,078,626
Unvoted Debt Limitation:	
.1% of assessed valuation	1,237,711
Gross Indebtedness	0.00
Less: Debt outside limitations	0.00
Net debt within limitations	0.00
Legal debt margin within .1% limitation	\$1,237,711

Note: (1) Assessed valuation from Table 6

Source: Office of the Treasurer, Gahanna-Jefferson City School District

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
 RATIO OF NET GENERAL BONDED DEBT  
 TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA (1)

TABLE 8

CALENDAR YEAR	ESTIMATED POPULATION (1)	ASSESSED VALUE REAL & PERSONAL PROPERTY (2)	GENERAL BONDED DEBT (3)	RATIO BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
1994	36,140	\$ 737,967,141	\$ 21,804,931	0.0295	\$ 603.35
1995	36,450	786,057,221	28,164,931	0.0358	772.70
1996	36,500	842,203,830	23,816,931	0.0283	652.52
1997	36,500	881,726,701	21,607,931	0.0245	592.00
1998	33,950	910,960,914	39,474,867	0.0433	1,162.74
1999	30,050	1,050,834,000	41,951,184	0.0399	1,396.05
2000	32,636	1,109,602,142	38,480,867	0.0347	1,179.09
2001	33,605	1,123,653,993	35,200,867	0.0313	1,047.49
2002	33,552	1,283,536,556	31,678,867	0.0247	944.17
2003	33,194	1,237,710,627	31,565,330	0.0255	950.93

- Notes:
- (1) City of Gahanna
  - (2) Assessed value from Table 4
  - (3) Office of the Treasurer, Gahanna-Jefferson City School District

Source: Office of the Treasurer, Gahanna-Jefferson City School District

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT  
RATIO OF  
ANNUAL GENERAL OBLIGATION BONDED DEBT SERVICE EXPENDITURES  
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS

TABLE 9

GENERAL OBLIGATION BOND DEBT SERVICE

FISCAL YEARS	PRINCIPAL	INTEREST	TOTAL	TOTAL GENERAL GOVERNMENTAL EXPENDITURES (1)	RATIO OF GENERAL OBLIGATION BOND DEBT SERVICE TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
1994	\$ 2,290,000	\$ 1,112,927	\$ 3,402,927	\$ 41,652,904	0.0817
1995	1,890,000	1,457,150	3,347,150	46,632,845	0.0718
1996	2,285,000	1,429,327	3,714,327	46,812,154	0.0793
1997	2,285,000	1,296,177	3,581,177	45,105,758	0.0794
1998	2,209,000	1,151,939	3,360,939	45,716,658	0.0735
(2) 1999	9,623,000	1,223,454	10,846,454	54,822,500	0.1978
2000	3,254,000	1,609,885	4,863,885	61,987,397	0.0785
2001	3,280,000	1,435,012	4,715,012	63,922,252	0.0738
2002	3,522,000	1,278,725	4,800,725	60,336,150	0.0796
2003	3,237,989	1,654,146	4,892,135	60,815,110	0.0804
2004	3,859,000	1,067,648	4,926,648	66,308,778	0.0743

Notes: (1) Includes General, Debt Service, and Other Governmental Funds.

(2) Includes \$7,285,000 of principal payments on bond anticipation notes.

Source: Office of the Treasurer, Gahanna-Jefferson City School District

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 2003

TABLE 10

	Assessed Valuation	General Bonded Debt	Percent Overlapping	Applicable To Gahanna-Jefferson City School District
<b>Direct:</b>				
Gahanna-Jefferson City School District	\$1,237,710,627	\$31,565,330	100.00%	\$31,565,330
<b>Overlapping:</b>				
Franklin County	24,771,631,080	143,154,117	5.00%	\$7,157,706
City of Columbus	14,199,724,479	283,748,348	1.32%	3,745,478
City of Gahanna	813,996,811	3,400,000	98.89%	3,362,260
Jefferson Township	291,034,429	1,799,090	79.22%	1,425,239
Mifflin Township	862,102,779	<u>346,500</u>	1.71%	<u>5,925</u>
Total overlapping		<u>432,448,055</u>		<u>15,696,608</u>
Total direct and overlapping debt		<u>\$464,013,385</u>		<u>\$47,261,938</u>

Source: Office of the County Auditor, Franklin County, Ohio

HISTORICAL ENROLLMENTS BY GRADE

TABLE 11

GRADE	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
K	523	536	497	470	502	442	457	388	368	410
1	538	554	593	541	501	523	484	506	432	429
2	497	537	546	566	537	505	523	498	533	455
3	558	525	536	554	584	521	504	516	493	519
4	567	559	538	537	546	573	552	508	532	521
5	560	563	556	545	537	539	566	536	528	556
6	523	561	579	559	555	561	564	588	557	565
7	546	523	562	582	547	541	570	566	618	559
8	551	544	539	573	576	563	566	556	583	640
9	588	612	558	549	593	632	627	592	572	607
10	474	514	535	453	492	494	530	562	547	530
11	353	417	430	439	375	395	432	449	469	474
12	344	423	421	394	450	406	436	438	471	464
CAREER CENTER	87	90	96	90	77	101	92	119	104	107
TOTALS	6,709	6,958	6,986	6,852	6,872	6,796	6,903	6,822	6,807	6,836

Source: Office of the Treasurer, Gahanna-Jefferson City School District (Final June Enrollment Count, Superintendent's Office)

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT

PROPERTY VALUE AND CONSTRUCTION  
LAST TEN YEARS

TABLE 12

CALENDAR YEAR	RESIDENTIAL		Commercial & Industrial		TOTAL # OF PERMITS	VALUE
	# OF PERMITS	VALUE	# OF PERMITS	VALUE		
1994	262	49,043,225	39	15,828,200	301	\$ 64,871,425
1995	186	34,019,978	71	20,472,920	392	54,492,898
1996	179	35,075,834	63	26,617,802	301	61,693,636
1997	180	32,198,743	77	26,790,790	257	58,989,533
1998	162	33,561,865	84	40,693,578	246	74,255,443
1999	122	26,417,684	69	22,154,503	191	48,572,187
2000	124	25,238,275	68	26,927,015	192	52,165,290
2001	90	15,438,697	56	9,737,630	146	25,176,327
2002	81	17,830,399	58	11,206,427	139	29,036,826
2003	287	15,371,775	55	27,647,819	342	43,019,594

Source: City of Gahanna.

GAHANNA-JEFFERSON CITY SCHOOL DISTRICT

DEMOGRAPHICS AND OTHER MISCELLANEOUS STATISTICS

TABLE 13

Enrollment - October, 2003				
				6,802
Staff - October, 2003				
Certificated				539
Classified				241
Total Staff				<u>780</u>
Buildings				
High School				one
Middle Schools				three
Elementary Schools				seven
Central Office				one
Transportation/Maintenance				one
Cost per pupil - Fiscal year (all funds) 2003-04				\$8,011
Valuation per pupil (2003)				\$168,913
Standardized Test Scores (2003-04):				
	Gahanna-Jefferson	Ohio	Nation	
American College Test (ACT)				
Reading.....	23.1	21.9	21.3	
English.....	22.3	20.7	20.4	
Mathematics.....	22.5	21.1	20.7	
Science.....	22.1	21.5	20.9	
Composite.....	22.6	21.4	20.9	
Scholastic Aptitude Test (SAT)				
Verbal.....	541.0	538.0	508.0	
Mathematics.....	560.0	542.0	518.0	

Source: Gahanna-Jefferson City School District & ODE Emis Website



**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**GAHANNA JEFFERSON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 20, 2005**