

# **South-Western City School District**

---

**Federal Awards  
Supplemental Information  
June 30, 2003**





**Auditor of State  
Betty Montgomery**

Board of Education  
South-Western City School District  
Grove City, Ohio

We have reviewed the Independent Auditor's Report of the South-Western City School District, Franklin County, prepared by Plante & Moran, PLLC, for the audit period July 1, 2002 through June 30, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The South-Western City School District is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

December 18, 2003

**This Page is Intentionally Left Blank.**

# South-Western City School District

---

## Contents

|  |       |
|--|-------|
| Independent Auditor's Report   | 1     |
| Report Letter on Compliance with Laws and Regulations and Internal Control -<br>Basic Financial Statements | 2-3   |
| Report Letter on Compliance with Laws and Regulations and Internal Control -<br>Major Federal Awards       | 4-5   |
| Schedule of Receipts and Expenditures of Federal Awards  | 6-8   |
| Notes to Schedule of Expenditures of Federal Awards  | 9     |
| Schedule of Findings and Questioned Costs  | 10-14 |

**This Page is Intentionally Left Blank.**

**This Page is Intentionally Left Blank.**

## Independent Auditor's Report

Board of Education  
South-Western City School District

We have audited the basic financial statements of the South-Western City School District for the year ended June 30, 2003 and have issued our report thereon dated October 21, 2003. Those basic financial statements are the responsibility of the management of the South-Western City School District. Our responsibility is to express an opinion on those basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the South-Western City School District taken as a whole. The accompanying schedule of receipts and expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in this schedule 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.

*Plante & Moran, PLLC*

October 21, 2003



Report Letter on Compliance with Laws and Regulations  
and Internal Control - Basic Financial Statements

Board of Education  
South-Western City School District

We have audited the financial statements of the South-Western City School District as of and for the year ended June 30, 2003 and have issued our report thereon dated October 21, 2003. 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 South-Western City School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings and questioned costs as items 03-1.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the South-Western City School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

We noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the South-Western City School District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 03-1.

Board of Education  
South-Western City School District

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

This report is intended solely for the information and use of the Board of Education, management, 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.

*Plante & Moran, PLLC*

October 21, 2003

Report Letter on Compliance with Laws and Regulations  
and Internal Control - Major Federal Awards

Board of Education  
South-Western City School District

**Compliance**

We have audited the compliance of the South-Western City School 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, 2003. The major federal programs of the South-Western City School District are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the South-Western City School District's management. Our responsibility is to express an opinion on the South-Western City School 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 with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the South-Western City School 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 South-Western City School District's compliance with those requirements.

In our opinion, the South-Western City School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 03-2.

Board of Education  
South-Western City School District

### **Internal Control Over Compliance**

The management of the South-Western City School 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 South-Western City School 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.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the South-Western City School District's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 03-2.

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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended solely for the information and use of the Board of Education, management, 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.

*Plante & Moran, PLLC*

October 21, 2003

# South-Western City School District

## Schedule of Receipts and Expenditures of Federal Awards June 30, 2003

| Federal Grantor/Pass through Grantor/ Program Title (Fund #)   | Grantor<br>Number | CFDA<br>Number | Receipts       | Non-Cash<br>Receipts | Disbursements  | Non-Cash<br>Disbursements |
|--|-------------------|----------------|----------------|----------------------|----------------|---------------------------|
| <b>U.S. Department of Agriculture</b>                          |                   |                |                |                      |                |                           |
| <i>Passed Through Ohio Department of Education</i>             |                   |                |                |                      |                |                           |
| Child Nutrition Cluster:                                       |                   |                |                |                      |                |                           |
| Food Distribution, Commodities (006)                           |                   | 10.550         | \$ -           | \$ 347,934.00        | \$ -           | \$ 347,934.00             |
| National School Breakfast Program (006)                        | 05-PU             | 10.553         | 356,483        | -                    | 356,483        | -                         |
| National School Lunch Program (006)                            | 03/04-PU          | 10.555         | 2,159,515      | -                    | 2,159,515      | -                         |
| Summer Food Service Program (006)                              | 23-ML             | 10.559         | <u>54,703</u>  | <u>-</u>             | <u>54,703</u>  | <u>-</u>                  |
| Total U.S. Department of Agriculture - Child Nutrition Cluster |                   |                | 2,570,701      | 347,934              | 2,570,701      | 347,934                   |
| Headstart Snack Program (006)                                  | 21-ML             | 10.558         | <u>160,158</u> | <u>-</u>             | <u>142,311</u> | <u>-</u>                  |
| Total U.S. Department of Agriculture                           |                   |                | 2,730,859      | 347,934              | 2,713,012      | 347,934                   |

# South-Western City School District

## Schedule of Receipts and Expenditures of Federal Awards June 30, 2003

| Federal Grantor/Pass through Grantor/ Program Title (Fund #) | Grantor Number | CFDA Number | Receipts  | Non-Cash Receipts | Disbursements | Non-Cash Disbursements |
|--|----------------|-------------|-----------|-------------------|---------------|------------------------|
| <b>U.S. Department of Education</b>                          |                |             |           |                   |               |                        |
| <i>Passed Through Ohio Department of Education</i>           |                |             |           |                   |               |                        |
| Special Education Cluster:                                   |                |             |           |                   |               |                        |
| Handicapped Title VI-B (516)                                 | 6B-SF          | 84.027      | 1,856,215 | -                 | 2,037,124     | -                      |
| Handicapped Preschool (587)                                  | PG-S1          | 84.173      | 43,883    | -                 | 48,229        | -                      |
| Total Special Education Cluster                              |                |             | 1,900,098 | -                 | 2,085,353     | -                      |
| Adult Education Program (501)                                | AB-S1          | 84.002      | 175,920   | -                 | 271,503       | -                      |
| Title I, Part A, IASA  | CI-S1          | 84.010      | 1,843,853 | -                 | 2,031,251     | -                      |
| Migrant Education (505)                                      | MG-S1          | 84.011      | 51,143    | -                 | 64,234        | -                      |
| Vocational Education (524)                                   | 20-C1          | 84.048      | 171,400   | -                 | 437,055       | -                      |
| Emergency Immigrant Asst. (577)                              | E1-S1          | 84.162      | -         | -                 | 12,465        | -                      |
| Safe and Drug Free Community (584)                           | DR-S1          | 84.184C     | 7,931     | -                 | 9,056         | -                      |
| Drug Free Schools, IASA Title IV (584)                       | DR-S1          | 84.186      | 87,162    | -                 | 110,737       | -                      |
| Evenstart Preschool (572)                                    | EV-S2,S4       | 84.213      | 215,540   | -                 | 191,103       | -                      |
| Goals 2000 (599)   | G2-SI,S4,S6,SP | 84.276      | -         | -                 | 48,505        | -                      |
| Math and Science (514)                                       | MS-S1,S4       | 84.281      | 32,769    | -                 | 87,982        | -                      |
| Title VI (573)   | C2-S1          | 84.298      | 100,719   | -                 | 167,245       | -                      |
| Technology Literacy (599)                                    | TF-24,25       | 84.318      | 47,003    | -                 | 45,447        | -                      |
| Technology (599)   |                | 84.352A     | 87,657    | -                 | 69,772        | -                      |
| Advanced Placement   |                | 84.330      | 200       | -                 | -             | -                      |
| Comprehensive School Reform (599)                            | RF-S1          | 84.332      | 39,418    | -                 | 89,696        | -                      |
| Teacher Quality Enhancement (599)                            | QE-A1          | 84.336      | 102,451   | -                 | 121,834       | -                      |
| Reading Excellence (599)                                     | RN-S1          | 84.338      | 74,792    | -                 | 226,664       | -                      |
| Class Size Reduction, Title VI-R (599)                       | CR-S1          | 84.340      | 75,362    | -                 | 75,362        | -                      |
| Title III - Limited English Proficiency (551)                | T3-S1          | 84.365      | 94,371    | -                 | 122,387       | -                      |
| Improving Teacher Quality, Title IIA (590)                   | TR-S1          | 84.367      | 710,007   | -                 | 684,688       | -                      |
| Total U.S. Department of Education                           |                |             | 5,817,796 | -                 | 6,952,339     | -                      |

# South-Western City School District

## Schedule of Receipts and Expenditures of Federal Awards Year Ended June 30, 2003

| Federal Grantor/Pass through Grantor/ Program Title (Fund #)                                   | Grantor<br>Number | CFDA<br>Number | Receipts                    | Non-Cash<br>Receipts     | Disbursements               | Non-Cash<br>Disbursements |
|--|-------------------|----------------|-----------------------------|--------------------------|-----------------------------|---------------------------|
| <b><u>U.S. Department of Health and Human Services</u></b>                                     |                   |                |                             |                          |                             |                           |
| <i>Passed Through Columbus Metropolitan Area<br/>Community Action Organization(CMACAO)</i>     |                   |                |                             |                          |                             |                           |
| Admin. For Children Head Start (525)   |                   | 93.600         | 2,405,853                   | -                        | 2,502,052                   | -                         |
| <i>Passed Through Ohio Department of Mental Retardation and<br/>Developmental Disabilities</i> |                   |                |                             |                          |                             |                           |
| Medical Assistance Program/CAFS  |                   | 93.778         | 320,729                     | -                        | 320,729                     | -                         |
| <i>Passed Through Ohio Department of Education</i>   |                   |                |                             |                          |                             |                           |
| Refugee School Impact  | R1-S1             | 93.576         | 35,150                      | -                        | 28,470                      | -                         |
| Total U.S. Department of Health and Human Services   |                   |                | 2,761,732                   | -                        | 2,851,251                   | -                         |
| <b>Total Federal Assistance</b>  |                   |                | <b><u>\$ 11,310,387</u></b> | <b><u>\$ 347,934</u></b> | <b><u>\$ 12,516,602</u></b> | <b><u>\$ 347,934</u></b>  |

# South-Western City School District

---

## Notes to Schedule of Receipts and Expenditures Federal Awards Year Ended June 30, 2003

### **Note 1 – Significant Accounting Policies**

The accompanying schedule of receipts and expenditures of federal awards includes the federal grant activity of the South-Western City School District and is presented on the same basis of accounting as the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### **Note 2 – Non-cash Assistance**

The value of the non-cash assistance received was determined in accordance with the provisions of OMB Circular A-133.

Non-cash assistance was received in the form of food commodities. The commodities are reported on the schedule of receipts and expenditures of federal awards at the fair market value of the commodities received and disbursed. Monies for commodities are commingled with the State of Ohio grants. It is assumed federal monies are expended first. At June 30, 2003, the District had no significant food commodities in inventory.



# South-Western City School District

## Schedule of Findings and Questioned Costs Year Ended June 30, 2003

### Section I – Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

#### Federal Awards

Internal control over major program(s):

- Material weakness(es) identified?  Yes  No
- Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None reported

Type of auditor's report issued on compliance for major program(s): Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?  Yes  No

# South-Western City School District

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2003

### Section I - Summary of Auditor's Results (Continued)

Identification of major program(s):

| CFDA Number(s)                 | Name of Federal Program or Cluster    |
|--------------------------------|---------------------------------------|
| 10.550, 10.553, 10.555, 10.559 | Child Nutrition Cluster               |
| 84.048                         | Vocational Education                  |
| 84.367                         | Improving Teacher Quality (Title IIA) |
| 93.600                         | Head Start                            |
| 93.778                         | Medical Assistance Program/CAFS       |

Dollar threshold used to distinguish between type A and type B programs: \$375,498

Auditee qualified as low risk auditee?        X   Yes           No

# South-Western City School District

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2003

### Section II - Financial Statement Audit Findings

| Reference Number | Findings  |
|------------------|---|
| 03-1             | <p><b>Finding Type</b> - Reportable condition and noncompliance condition</p> <p><b>Criteria</b> - According to ORC Section 5705.39 – The total appropriation from each fund should not exceed the total estimated revenue where it results in a negative fund balance on the <i>Schedule of Revenues, Expenditures and Changes in Fund Balance (Non-GAAP) and Actual</i>.</p> <p><b>Condition</b> - The total appropriation of the following funds exceeded the total estimated revenue, which resulted in a negative fund balance:</p> <p>Other Grant Fund, All State Grant Funds, All Federal Grants Fund, and School Net Fund.</p> <p><b>Context</b> – A local government participating in a grant program whereby proceeds will be received after the expenditures are incurred, it is possible that if properly budgeted, appropriations for one fiscal year will exceed the available amount on the certificate of estimated resources.</p> <p><b>Recommendation</b> – South-Western City School District should consider using an advance to prevent a negative fund balance.</p> |

# South-Western City School District

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2003

### Section III - Federal Program Audit Findings

| Reference Number | Findings |
|------------------|----------|
|------------------|----------|

03-2      **Programs** – Title IIA – 84.367, CAFS – 93.778, Headstart – 93.600

**Finding Type** – Reportable condition and noncompliance condition

**Criteria** – In accordance with OMB Circular A-87, Attachment B, if an employee is charged solely to one federal program, South-Western City School District is required to obtain certification twice a year, signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee

**Condition** – South-Western City School District did not obtain certifications semi-annually signed by the employee or supervisory official for employees charged solely to one federal program for a total of 23 employees broken down as follows:

| Federal Grantor                              | CFDA # | Federal Program | Instances of noncompliance |
|--|--------|-----------------|----------------------------|
| U.S. Department of Education                 | 84.367 | Title II- A     | 4                          |
| U.S. Department of Health and Human Services | 93.778 | CAFS            | 8                          |
| U.S. Department of Health and Human Services | 93.600 | Head Start      | 11                         |
| Total  |        |                 | 23                         |

**Context** – South-Western City School District had other evidence/documentation supporting the service was provided by the employees.

**Questioned costs** – None

**Cause/Effect** – Signed certifications are required as part of the documentation of the services provided by employees charged solely to one federal program.

# South-Western City School District

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2003

### Section III - Federal Program Audit Findings (Continued)

| Reference<br>Number | Findings  |
|---------------------|---|
| 03-2<br>(Continued) | <p><b>Recommendation</b> – In addition to the documentation already maintained by South-Western City School District, procedures should be implemented to identify those employees charged solely to one federal program and obtain semi-annual certifications signed by the appropriate individual</p> <p><b>Response</b> – South-Western City Schools has implemented a procedure requiring all employees who are charged solely to one federal program to sign a certification at least semi-annually each year.</p> |



***SOUTH-WESTERN CITY SCHOOL DISTRICT***

*Grove City, Ohio*

***COMPREHENSIVE ANNUAL FINANCIAL  
REPORT***

***FOR THE FISCAL YEAR ENDED JUNE 30, 2003***

Issued by the Treasurer's Office

Hugh W. Garside, Jr., Treasurer  
Karen K. New, Assistant Treasurer





South-Western City School District  
 Comprehensive Annual Financial Report  
 For the Year Ended June 30, 2003

INTRODUCTORY SECTION

|                                       |    |
|---------------------------------------|----|
| Title Page .....                      | 1  |
| Table of Contents.....                | 2  |
| Letter of Transmittal.....            | 5  |
| List of Principal Officials .....     | 11 |
| Treasurer’s Department Staff.....     | 12 |
| Organization Chart.....               | 13 |
| GFOA Certificate of Achievement ..... | 14 |

FINANCIAL SECTION

|  |    |
|--|----|
| Report of Independent Auditors .....   | 15 |
| Management’s Discussion and Analysis .....   | 17 |
| Basic Financial Statements:  |    |
| Government-wide Financial Statements   |    |
| Statement of Net Assets .....  | 26 |
| Statement of Activities .....  | 27 |
| Fund Financial Statements  |    |
| Balance Sheet – Governmental Funds.....  | 28 |
| Statement of Revenues, Expenditures, and Changes in Fund<br>Balances – Governmental Funds .....  | 30 |
| Statement of Net Assets – Internal Service Fund .....  | 32 |
| Statement of Revenues, Expenses, and Changes in Fund<br>Net Assets – Internal Service Fund ..... | 33 |
| Statement of Cash Flows – Internal Service Fund.....   | 34 |
| Statement of Fiduciary Assets and Liabilities .....  | 35 |
| Notes to the Basic Financial Statements .....  | 36 |

|   |    |
|---|----|
| Required Supplementary Information  |    |
| General Fund  |    |
| Budgetary Basis of Accounting.....  | 57 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget<br>and Actual (Non-GAAP Basis) .....              | 58 |
| Other Supplementary Information   |    |
| Debt Service Fund   |    |
| Fund Description.....   | 62 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget<br>and Actual (Non-GAAP Basis) .....              | 63 |
| Capital Improvements Fund   |    |
| Fund Description.....   | 64 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget<br>and Actual (Non-GAAP Basis) .....              | 65 |
| Combining Statements – Nonmajor Funds   |    |
| Fund Description.....   | 67 |
| Combining Balance Sheet – Nonmajor Funds.....   | 68 |
| Combining Statement of Revenues, Expenditures and Changes in Fund<br>Balance – Nonmajor Funds .....                       | 70 |
| Individual Fund Schedules of Revenues, Expenditures and Changes in Fund<br>Balances – Budget and Actual (Non-GAAP Basis): |    |
| Public School Support.....  | 72 |
| Other Grants .....  | 75 |
| Athletic/Music .....  | 78 |
| All State Grants .....  | 80 |
| All Federal Grants .....  | 83 |
| Food Service.....   | 86 |
| Insurance Reserve.....  | 87 |
| Vocational Rotary.....  | 89 |
| SchoolNet Plus .....  | 90 |
| Proprietary Funds   |    |
| Internal Service Funds  |    |
| Fund Description.....   | 91 |
| Schedule of Revenues, Expense and Changes in Retained<br>Earnings – Budget and Actual (Non-GAAP Basis).....               | 92 |
| Fiduciary Funds   |    |
| Fund Description.....   | 93 |
| Combining Balance Sheet .....   | 94 |
| Combining Statement of Changes in Assets and Liabilities – Agency Funds .....   | 95 |

SATISTICAL SECTION

Statistical Section Description ..... 97  
General Fund Expenditures By Function and Other Financing Uses - Last Ten Years ..... 98  
General Fund Revenues By Source and Other Financing Sources - Last Ten Years ..... 99  
Property Tax Levies and Collections - Last Ten Years ..... 100  
Assessed and Estimated Actual Value of Taxable Property - Last Ten Years ..... 101  
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years ..... 102  
Percent of Net General Obligation Bonded Debt to Assessed Value and Net General  
Obligation Bonded Debt Per Capita - Last Ten Years ..... 103  
Computation of Legal Debt Margin - June 30, 2003 ..... 104  
Computation of Direct and Overlapping General Obligation Bond Debt  
- June 30, 2003 ..... 105  
Ratio of Annual Debt Service Expenditures for Voted General Obligation Bonded Debt to  
Total General Fund Expenditures - Last Ten Years ..... 106  
New Construction, Property Value and Bank Deposits - Last Ten Years ..... 107  
Principal Taxpayers – December 31, 2002 ..... 108  
Ten Year Attendance Data ..... 109  
Certified Staff by Training ..... 110  
Schedule of Property and Casualty Insurance in Force ..... 111  
State Basic Aid Versus South-Western Per Pupil Cost ..... 112  
General Fund – Operating Expenditures Necessary to Educate a District  
Student for Graduation ..... 113  
Facility Inventory ..... 114  
Educational Statistics ..... 116  
Federal Awards Supplemental Information ..... issued under separate cover

**This Page is Intentionally Left Blank.**



## District Service Center

---

---

3805 Marlane Drive  
Grove City, Ohio 43123-3304  
(614) 801-3000  
Fax: (614) 871-2781

October 21, 2003

### **CITIZENS AND BOARD OF EDUCATION OF THE SOUTH-WESTERN CITY SCHOOL DISTRICT:**

The fourteenth Comprehensive Annual Financial Report (CAFR) of the South-Western City School District (the "District") for fiscal year ended June 30, 2003, is hereby submitted. This report was prepared by the Treasurer's Office and contains financial statements, supplemental statements, and statistical information to provide complete and full disclosure of all material aspects of the District for the 2002-03 fiscal year. Responsibility for the accuracy, completeness, and fairness of the report rests with the District. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB).

This report has been divided into three sections:

The Introductory Section includes this transmittal letter, a list of principal officials, the District organizational chart, and a reproduction of the Certificate of Achievement in Financial Reporting (GFOA).

The Financial Section includes the basic financial statements and the combining and individual fund financial statements and schedules, as well as the auditor's report on the financial statements and schedules.

The Statistical Section includes selective financial, economic and demographic information, generally presented on a multi-year basis for comparison purposes.

GAAP also require 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 MD & A and should be read in conjunction with it. The District's MD & A can be found immediately following the report of the independent auditors.

Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Chamber of Commerce, major taxpayers, the Southwest Public Library, Moody's and Standard and Poor's Financial Rating Services, banks, and any other interested parties.

### **SCHOOL DISTRICT ORGANIZATION**

The District was established in 1959 through the consolidation of existing land areas and several smaller local school districts and is organized under Sections 2 and 3, Article VI of the constitution of the State of Ohio. Under Ohio law, there is no authority for a District to have a charter or adopt local laws. The legislative power of the District is vested in the board of education, consisting of five members elected at large for staggered four year terms.

The Superintendent is the chief administrative officer of the District, responsible for both education and support operations. The Treasurer is the chief fiscal officer of the District, responsible for maintaining records of all financial matters, issuing warrants in payment of liabilities incurred by the District, and investing idle funds as specified by Ohio law.

### **THE REPORTING ENTITY AND SERVICES PROVIDED**

The District serves an area of approximately one hundred twenty-seven square miles. It encompasses most of the southwestern quadrant of Franklin County, including a substantial portion of the southwestern quadrant of the City of Columbus and five other cities and villages. In addition, a very small portion of Pickaway County is included within the District boundaries.

The District operates 36 instruction/support facilities staffed by approximately 1,016 non-certificated employees, 1,413 certificated full-time teaching personnel and 112 administrative employees to provide services to 20,152 students.

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

In addition to these general activities, the District acts as fiscal agent for the Regional Teacher Training Center of Central Ohio which is accounted for in an agency fund. However, the City of Grove City; Townships of Franklin, Jackson, Pleasant and Prairie; and the Southwest Public Library have not met the established criteria for inclusion in the reporting entity, and accordingly are excluded from this report.

### **ECONOMIC CONDITION AND OUTLOOK**

The District is an independent political subdivision characterized as a "city school district" under Ohio Law, and provides educational services as mandated by state and/or federal agencies. The District is located primarily in Franklin County, Ohio southwest of, and included in parts of the City of Columbus, the State capital. The economic condition and outlook of the District has improved in recent years. The District has experienced considerable growth in both residential and commercial tax bases since 1985. Generally, the Columbus area is noted for its attractive service-based economy, cultural and educational elements. The District shares these demographic components with the resultant quality of life. Unemployment in the Franklin County Area, as listed by the Ohio Department of Job and Family Services, was 4.7 percent for the period ending September 2003. This rate of unemployment falls well below the Ohio rate of unemployment of 5.5 percent and the national unemployment rate of 5.8 percent for the same period. New residential construction continues to increase each year with many housing developments in progress throughout the District. Based on the economic condition of the area and the amount of undeveloped land within the District boundaries, this growth is expected to continue for the next 10 to 15 years. Commercial growth has increased with the continued growth in corporations locating warehouse/light manufacturing space in the District.

Although this growth has had a positive effect on employment and the District's tax base, realization of the full tax revenue impact has not been realized due to House Bill 920. This state law, enacted in 1976 provides that the assessed value of property will not be changed more than once every three years, and the property tax bill of the average homeowner for voted mileage will not be increased as a result of reappraisal or readjustment. Enacted as a result of protests from citizens who were being served markedly higher tax bills following reappraisals, this legislation has had the effect of seriously eroding the growth in revenue from local property tax and does not allow for revenue increases caused by inflationary growth of real estate property values. In other words, the 8.9 mill permanent levy that was voted on in August 1994 and projected to generate \$12,000,000 each year will never generate more than that amount. As assessed value increases due to new homes and businesses; the 8.9 mills will decrease for each property owner until the amount generated from this voted levy equals \$12,000,000. Although the economic condition of the area continues to be great, we must constantly recognize this built-in revenue limitation.

In conjunction with the growth in jobs and construction, there is a continual increase in the number of students. Additional students provide additional state funding, however, this funding does not cover all the expenses to educate these students. The remainder is expected to be received through the increase in property taxes the new properties and businesses generate. House Bill 920 will limit the same revenue after a subsequent reappraisal or update year. This provides a continued challenge to District officials to manage resources and provide services to the students and community.

### **MAJOR INITIATIVE**

With all projects associated with the November 3, 1998 bond issue that provided seven new schools consisting of one high school, one technical high school, one middle school, and four intermediate schools, complete, the District has refocused its sights on student achievement. The ability to provide appropriate space and facilities is a major step towards this goal.

Continuous Improvement Plans (CIP) have been implemented in each building in support of the District's CIP. Each plan works as a blueprint in setting the direction on how individual buildings will grow academically even though their populations differ. An off year proficiency testing program, know as the TerraNova Test, was implemented during the 2002-03 school year. The results of these off year tests will provide administration and staff with the information necessary to target the population in most need of assistance and will also assist in tailoring instruction to meet the needs of each individual student.

Additionally, the District continues to grow and focus on Graduation Attendance, and Proficiency (GAP), which has been an ongoing target. To meet the initiatives of GAP, the District implemented a pilot program involving four elementary schools which targeted State mandated proficiency outcomes which is in its second year of existence. The program is data driven. Participating schools studied data from the actual proficiency tests and correlated the information to the current courses of study. Adjustments were made to the courses of study to insure that the proficiency outcomes would be met.

Financially, the District has not been on the ballot for operating dollars since 1994. In 1994, the District passed an 8.9 mill operating levy. Since that time, do to challenges resulting from House Bill 920 mentioned above, the District has seen it's effective millage rate drop by 9.13 mills. The 9.13 mills lost would generate over twenty-one million dollars annually. Due to this loss of millage rate, the District plans to be on the ballot in the fall of 2004 for an operating levy. Currently, the District is in the early stages of planning for the levy. Community groups will be formed to discuss the need and amounts of the operating levy in the early 2004 calendar year.

### **FINANCIAL INFORMATION**

***Internal and Budgetary Controls*** - In developing the District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted once the County Auditor has completed the tax duplicate for the upcoming calendar year.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board of Education. Budgets are controlled at the object level within a function and fund. All requisition requests must be approved by the individual program managers and be certified by the Business Manager and the Treasurer; necessary funds are then encumbered and purchase orders are created and released to vendors.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each program manager is furnished weekly/monthly reports showing the status of the budget account for which he or she is responsible. Each program manager may request additional financial reports during the month when necessary.

As an additional safeguard, a blanket bond covers all employees involved with receiving and depositing funds, and a separate higher bond covers certain individuals in policy making roles. The basis of accounting and the various funds and account groups utilized by South-Western City Schools are fully described in the notes to the basic financial statements. Additional information on the District's budgetary accounts can also be found in the notes to the general purpose financial statements.

**Cash Management** - The District operates a cash management program designed to provide safety, liquidity and yield in that order which is in compliance with Senate Bill 81. Funds are invested in the State of Ohio Treasurer's Investment Pool (STAROHIO), in United States government bills, notes or agencies, in high-grade commercial paper, in high-grade banker's acceptances or, certificates of deposit.

The Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets provides protection of the District's cash and investments. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least one hundred and ten percent of public funds deposited. The designated third party trustees of the financial institutions hold collateral.

**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 2003, the District contracted with Ohio School Plan for general liability. General liability had a \$1,000,000 single occurrence limit and a \$3,000,000 aggregate limit with no deductible. Property and fleet insurance is with Indiana Insurance. Fleet insurance requires \$1,000 deductibles for both comprehensive and collision. Property insurance deductibles range from \$25 to \$50,000 depending upon the type of property and loss.

The District participates in the State Workers' Compensation System, which is a premium-based program. The premium rate is calculated through an actuarial analysis based on account history and administrative cost.

The District has elected to provide employee medical, dental, vision and life insurance benefits. United Health Care is the District's medical insurance provider. This is a fully insured plan that permits the District to pay a negotiated premium each month for each employee. The District negotiated a one-year plan with United Health Care that covers the period from January 1, 2003 through January 1, 2004. Premiums increased effective January 2003 by forty percent. The Insurance Committee voted to buy down the increase with residual reserves held in the Health Insurance Trust Fund. The buy down negotiated was effective through September 2003. During fiscal year 2003, the District negotiated a one-year renewal plan with United Health Care with a twenty-seven percent increase effective January 1, 2004. The substantial increase was due to increased trend and claims payment history. The Board pays one hundred percent of the premium for single coverage and sixty-five percent of the premium for family coverage. The District Insurance Committee determined board and employee premium contributions. This committee consists of representatives of all three associations (unions) and the Board of Education. By negotiated agreement, this committee has the authority to modify district insurance programs.



The premiums associated with the dental, vision and life insurance are paid 100 percent by the Board. The dental plan contains a \$25 deductible with various co-payments required for restorative work; preventative work is covered at 100 percent. The benefit is limited to \$1,500 per person each calendar year. The vision plan allows for a vision exam every two years with an allowance for glasses/contacts. Life insurance is provided for all full time employees at various levels depending upon the negotiated agreement.

***Employee Relations*** - There are three organizations representing District employees. The South-Western Educational Association (SWEA), which is affiliated with the Ohio Education Association and the National Education Association, represent the teaching or certified staff. The Board has bargained with SWEA since 1968. During fiscal year 2002, a new three-year contract was negotiated between the Board and SWEA effective July 1, 2002 through June 30, 2005. The contract provides for a four and one-half percent raise in the first year, followed by two four percent raises in the final two years effective July 1<sup>st</sup> of each year.

The Ohio Association of Public School Employees (OAPSE) Chapter 211, a group affiliated with AFSCME and the AFL-CIO, represent classified employees. A three-year contract was signed in July 2003 with an effective date of June 30, 2003. This contract provides for a 5 percent raise effective July 1, 2003 and an additional 4.5 percent and 3 percent raise effective July 1, 2004 and July 1, 2005, respectively.

The South-Western Administrators' Association (SWAA) represents administrative employees. While not associated or affiliated with any union, this association retains contractual rights to bargain with the Board of Education for ensuing contracts. In the fall of 2000, the District negotiated a three year contract with the association. This contract commenced March 1, 2001, and expires February 29, 2004 includes pick up of the employees retirement costs of 5.3%, 7.3% and 9.3% effective August 1<sup>st</sup> of each year of the contract. Members of this organization received raises of 1.2%, 1.5%, and 1.5% effective August 1<sup>st</sup> of each year of the contract.

**OTHER INFORMATION**

**Independent Audit** - Provisions of State statute require that an independent auditor subject the district's financial statements to an annual examination. Those provisions have been satisfied, and the opinion of Plante & Moran, PLLC, is included herein.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and has been in conformance with that system for many years.

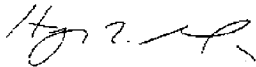
**Award** - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to South-Western City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2002.

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 content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

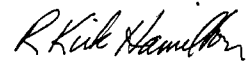
A Certificate of Achievement is valid for a period of one year only. This was the twelfth consecutive year that the District has received this prestigious award. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for review.

**Acknowledgments** - Karen New, Assistant Treasurer, with the cooperative efforts of many other people in the treasurer's office and around the District, made the publication of the Comprehensive Annual Financial Report on a timely basis possible. The Franklin County Auditor's office assists us with statistical information, which we greatly appreciate. In addition, without the support, commitment and leadership of the Board of Education, the preparation of this report would not be possible.

Respectfully submitted,



Hugh W. Garside, Jr.  
Treasurer



R. Kirk Hamilton, Ph.D.  
Superintendent

## PRINCIPAL OFFICIALS

### Board of Education

|                      |                |
|----------------------|----------------|
| James E. Lester      | President      |
| Krista A. Stastyshyn | Vice President |
| Cathy Johnson        | Member         |
| Gary L. Leasure      | Member         |
| William G. McCarty   | Member         |

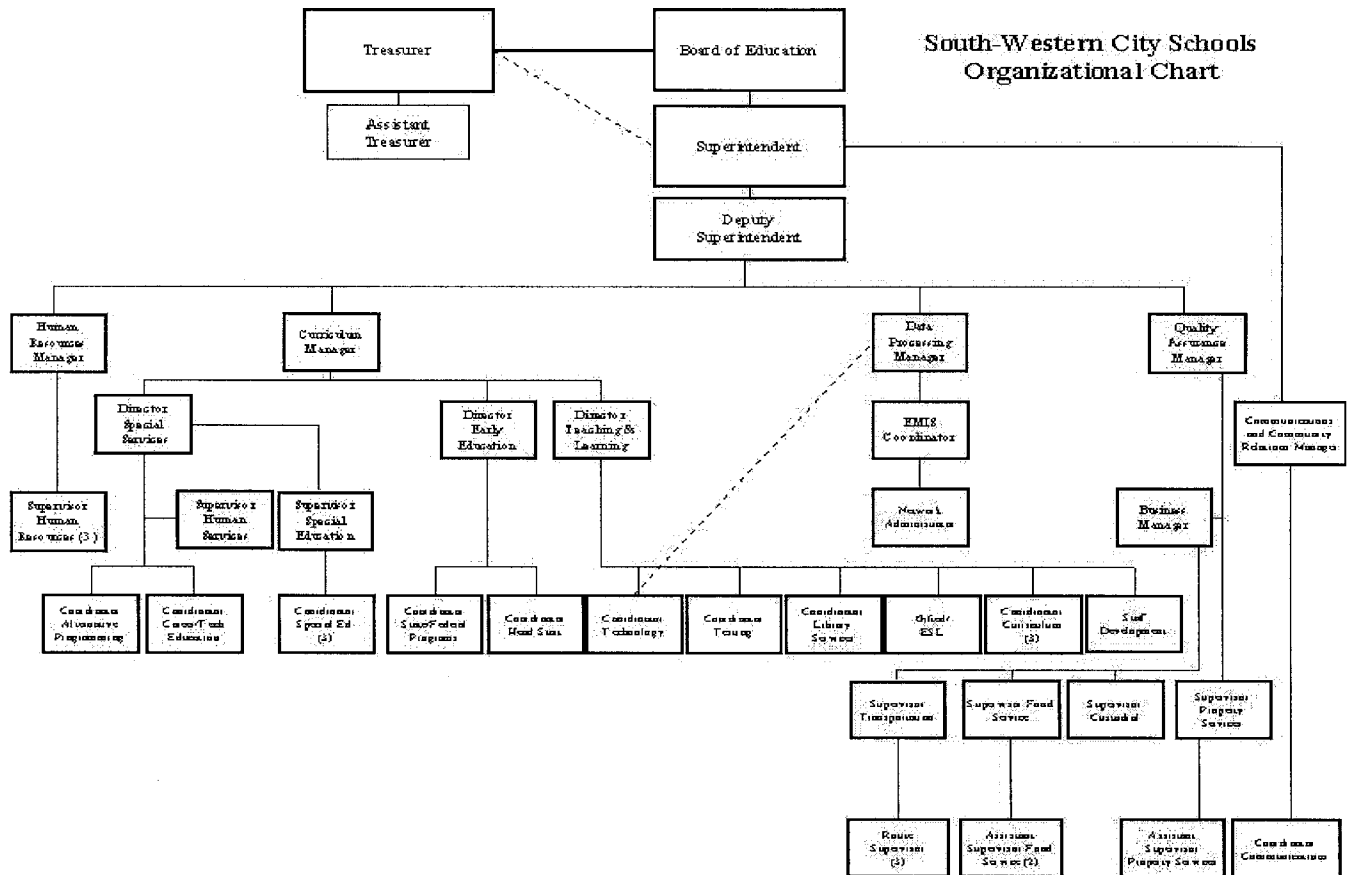
### Central Office Administrative Staff

|                         |  |
|-------------------------|--|
| R. Kirk Hamilton, Ph.D. | Superintendent                                 |
| James H. Nelson         | Deputy Superintendent                          |
| Hugh W. Garside Jr.     | Treasurer                                      |
| Karen K. New            | Assistant Treasurer                            |
| Michael L. Bobby        | Quality Assurance Manager                      |
| Bryan Mulvany           | Data and Information Services Manager          |
| Jeff B. Warner          | Communications and Community Relations Manager |
| Gary D. Smetzer         | Personnel Manager                              |
| William Wise            | Curriculum Manager                             |
| Pamela J. Early         | Director of Early Education                    |
| Harvey Nesser           | Director of Special Services                   |
| Roby Schottke           | Director of Teaching and Learning              |
| Janice A. Collette      | Supervisor – Personnel                         |
| Lucy L. Ozvat           | Supervisor - Personnel                         |
| James Staten            | Supervisor - Personnel                         |
| Scott D. Deubner        | Business Manager                               |
| Sherry P. Minton        | Career – Technical Coordinator                 |

## **TREASURER'S OFFICE STAFF**

|                      |                          |
|----------------------|--------------------------|
| Hugh W. Garside, Jr. | Treasurer                |
| Karen K. New         | Assistant Treasurer      |
| Carolyn A. Young     | Administrative Assistant |
| Carolyn S. Logan     | Payroll Supervisor       |
| Janet B. Hager       | Payroll                  |
| Debra L. Makarius    | Payroll                  |
| Linda L. Fisher      | Accounts Receivable      |
| Terese M. Litteral   | Accounts Payable         |
| L. Mechelle Kern     | Accounts Payable         |
| LaDonna K. Wells     | Account Payable          |
| Marilyn W. Smith     | Fixed Assets             |
| Sarah A. Johnson     | Employee Benefits        |
| Nancie A. Conley     | Accountant               |
| Anita M. McCreary    | Accountant               |

# ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

South-Western City  
School District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2002

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.



A handwritten signature in black ink, appearing to read "Edward Haney".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Enner".

Executive Director

## Independent Auditor's Report

To the Board of Education  
South-Western City School District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South-Western City School District as of and for the year ended June 30, 2003, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the South-Western City School Districts' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the South-Western City School District as of June 30, 2003 and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis (identified in the table of contents) is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

To the Board of Education  
South-Western City School District

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the South-Western City School Districts' basic financial statements. The accompanying required supplemental information and other supplemental information, as identified in the table of contents, are not a required part of the basic financial statements. The required supplemental information is information required by the Governmental Accounting Standards Board; the other supplemental information is presented for the purpose of additional analysis. The required supplemental information and the other supplemental information have 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. The accompanying introductory section and statistical tables, as identified in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued a report under separate cover dated October 21, 2003 on our consideration of the School District's internal control over financial reporting and our tests of 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.

*Plante & Moran, PLLC*

October 21, 2003



South-Western City District  
Management Discussion and Analysis

This section of the South-Western City District's (the District) annual financial report presents the discussion and analysis of the District's financial performance during the year ended June 30, 2003. Please read it in conjunction with the District's financial statements, which immediately follow this section.

**Using this Annual Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District financially as a whole. The district-wide financial statements provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements look at the District's operations in more detail than the government-wide financial statements by providing information about the District's most significant funds - the General, Debt Service, and Capital Improvement Fund with all other funds presented in one column as non-major funds. The remaining statement, the statement of fiduciary net assets, presents financial information about activities for which the District acts solely as an agent for the benefit of students and parents.

***Reporting the District as a Whole - District-wide Financial Statements***

One of the most important questions asked about the District is, "As a whole, what is the District's financial condition as a result of the year's activities?" The statement of net assets and the statement of activities, which appear first in the District's financial statements, report information on the District as a whole and its activities in a way that helps you answer this question. The statements were prepared to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net assets - the difference between assets and liabilities, as reported in the statement of net assets - as one way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net assets - as reported in the statement of activities - are indicators of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the District's operating results. However, the District's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the District.

The statement of net assets and the statement of activities report the governmental activities for the District, which encompass all of the District's services, including instruction, support services, food services, community services, extracurricular activities, and interest and fiscal charges. Property taxes, grants and entitlements finance most of these activities.

***Reporting the District's Most Significant Funds - Fund Financial Statements***

The District's fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District establishes many other funds to help it control and manage money for particular purposes (the Food Service and Athletics Funds are examples) or to show that it's meeting legal responsibilities for using certain taxes, grants, and other money (like bond-funded construction funds used for voter-approved capital projects). The governmental funds of the District use the following accounting approach:

Governmental funds - All of the District's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the District and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance 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 described in a reconciliation.

***The District as Trustee - Reporting the District's Fiduciary Responsibilities***

The District is the trustee, or fiduciary, for its student activity funds, various payroll deductions, and for the Central Ohio Regional Professional Development Council. All of the District's fiduciary activities are reported in separate statements of fiduciary net assets. These activities are excluded from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

South-Western City District  
Management Discussion and Analysis

**The District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the District as a whole. Table 1 provides a summary of the District's net assets as of June 30, 2003 and as of June 30, 2002 for comparison purposes:

| <i>Table 1</i>                                   |   |                  |
|--|---|------------------|
|  | Governmental Activities<br>(in thousands) |                  |
|  | 2003                                      | 2002             |
| <b>Assets</b>                                    |   |                  |
| Current and other assets                         | \$ 134,618                                | \$ 158,434       |
| Capital Assets                                   | <u>177,769</u>                            | <u>168,369</u>   |
| Total Assets                                     | <u>312,387</u>                            | <u>326,803</u>   |
| <b>Liabilities</b>                               |   |                  |
| Current liabilities                              | 93,009                                    | 90,809           |
| Long-term liabilities                            | <u>159,609</u>                            | <u>164,602</u>   |
| Total Liabilities                                | <u>252,618</u>                            | <u>255,411</u>   |
| <b>Net Assets</b>                                |   |                  |
| Invested in capital assets - Net of related debt | 31,576                                    | 24,303           |
| Restricted                                       | 7,610                                     | 12,880           |
| Unrestricted                                     | <u>20,583</u>                             | <u>34,209</u>    |
| Total Net Assets                                 | <u>\$ 59,769</u>                          | <u>\$ 71,392</u> |

The above analysis focuses on the net assets (see Table 1). The change in net assets (see Table 2) of the District's governmental activities is discussed below. The District's net assets were \$59,769 thousand at June 30, 2003. Capital assets, net of related debt totaling \$31,576 thousand, compares the original cost, less depreciation of the District's capital assets to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the District's ability to use those net assets for day-to-day operations. The remaining amount of net assets \$20,583 thousand was unrestricted.

The \$20,583 thousand in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. It means that if the District had to pay off all of the bills today, including all of the non-capital liabilities (compensated absences, for example),

South-Western City District  
Management Discussion and Analysis

the District would have \$20,583 thousand remaining. The operating results of the General Fund will have a significant impact on the change in unrestricted net assets from year to year.

The results of this year's operations for the District as a whole are reported in the statement of activities (Table 2), which shows the changes in net assets as of June 30, 2003 and as of June 30, 2002, for comparison purposes.

| <i>Table 2</i>   |   |                |
|--|---|----------------|
|  | Governmental Activities<br>(in thousands) |                |
|  | 2003                                      | 2002           |
| <b>Revenue</b>   |   |                |
| Program revenue:   |   |                |
| Charges for Services   | \$ 4,475                                  | \$ 4,629       |
| Operating Grants   | 19,188                                    | 14,876         |
| General Revenue:   |   |                |
| Property Taxes   | 76,004                                    | 72,583         |
| Grants and Entitlements  | 71,897                                    | 69,159         |
| Interest   | 1,326                                     | 3,013          |
| Gain (Loss) on Disposal of Capital Assets                          | (250)                                     | 32             |
| Other Local Revenue  | <u>3,807</u>                              | <u>3,764</u>   |
| Total Revenue  | <u>176,447</u>                            | <u>168,056</u> |
| <b>Functions/Program Expenses</b>                                  |   |                |
| Instruction  | 98,180                                    | 87,127         |
| Support Services   | 68,634                                    | 61,485         |
| Food Services  | 6,912                                     | 6,085          |
| Community Services   | 1,603                                     | 1,574          |
| Extracurricular Activities   | 3,534                                     | 3,336          |
| Interest and Fiscal Charges  | <u>9,208</u>                              | <u>7,481</u>   |
| Total Expenses   | <u>188,071</u>                            | <u>167,088</u> |
| <b>Increase/(Decrease) in Net Assets before Extraordinary Item</b> | (11,624)                                  | 968            |
| Extraordinary Item   | <u>-</u>                                  | <u>(911)</u>   |
| <b>Increase/(Decrease) in Net Assets</b>                           | <u>\$ (11,624)</u>                        | <u>\$ 57</u>   |

South-Western City District  
Management Discussion and Analysis

As reported in the statement of activities, the cost of all of the governmental activities this year was \$188,071 thousand. Certain activities were partially funded from those who benefited from the programs in the amount of \$4,475 thousand or by other governments and organizations that subsidized certain programs with grants and contributions in the amount of \$19,188 thousand. The remaining "public benefit" portion of the governmental activities was paid for with \$76,004 thousand in taxes, \$71,897 thousand in grants and entitlements, and with other revenues.

The District experienced a decrease in net assets of \$11,624 thousand. The overall decrease, due to increased operating costs associated with the opening of a traditional and career technical high school. Other major factors causing the decrease in net assets were increased salaries due to contract negotiations and increased payments made to community schools and increased health insurance premiums in the amount of \$2,000 thousand and \$3,000 thousand, respectively.

As discussed above, the net cost shows the financial burden that was placed on the state and the District's taxpayers by each of these functions. Since property taxes for operations and grants and entitlements constitute the vast majority of district operating revenue sources, the Board of Education and Administration must annually evaluate the needs of the District and balance those needs with available unrestricted resources.

**The District's Funds**

As noted earlier, the District uses funds to help it control and manage money for particular purposes. Looking at funds helps the reader consider whether the District is being accountable for the resources taxpayers and others provide to it and may provide more insight into the District's overall financial health.

As the District completed this year, the governmental funds reported a combined fund balance of \$33,148 thousand, which is a decrease of \$25,183 thousand from last year. The primary reason for the decrease is due to the capital expenses relating to the construction projects.

In the General Fund, the principal operating fund, the fund balance decreased \$9,945 thousand to \$22,218 thousand. The change is due mainly to increasing expenditures in connection with the opening of two new facilities as stated above, and stagnant tax revenues as a result of House Bill 920, which was passed in the 1976. House Bill 920 reduces the millage rate as property valuation increases, therefore, as property value increases, the actual tax collection remains virtually the same. General Fund fund balance is available to fund costs related to allowable school operating purposes.

The Debt Service Fund showed a fund balance increase of \$291 thousand due to tax collections being higher than debt service requirements for last fiscal year. The Debt Service Fund balance is reserved since it can only be used to pay debt service obligations and are not intended to grow each year.

The combined Capital Improvement Fund fund balance decreased \$13,456 thousand as the District continued construction related to the 1998 bond issue. As of June 30, 2003, all projects relating to the 1998 bond issue, with the exception of the completion of the Hayes Intermediate renovation, which was completed in July 2003, were completed. The \$1,728 thousand remaining in the Capital Improvement Fund will be used for smaller projects within the District.

South-Western City District  
Management Discussion and Analysis

Other Governmental Funds consist of special revenue funds. The decrease of \$2,072 thousand is due to state budget cuts, which are focused on supplemental programming.

**General Fund Budgetary Highlights**

Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was actually adopted just before year-end.

There were significant revisions made to the 2002-2003 General Fund original budget. Budgeted revenues were increased \$201 thousand due to conservative original estimates in personal tangible tax receipts and state foundation payments. Revenues are conservatively budgeted each year to insure that the programming planned for the ensuing fiscal year will be implemented.

Budgeted expenditures were also increased \$9,780 thousand primarily to account for the increase in payments to community schools and health insurance as noted earlier. The amount of transfers to other funds established in the amended budget was \$1,328 thousand and represents support provided by the General Fund to other functions.

**Capital Assets and Debt Administration**

***Capital Assets***

At June 30, 2003, the District had \$177,769 thousand invested in a broad range of capital assets, including land, improvements to land, buildings, furniture and equipment, vehicles, and buses. This amount represents a net increase (including additions, deductions, and depreciation) of \$9,400 thousand, or 5.6 percent, from last year.

| <u>Description of Capital Asset</u> | <u>2003</u>       | <u>2002</u>       |
|-------------------------------------|-------------------|-------------------|
| Land                                | \$ 6,768          | \$ 6,768          |
| Improvements to Land                | 2,040             | 1,768             |
| Buildings                           | 157,041           | 148,532           |
| Furniture and Equipment             | 7,816             | 7,351             |
| Vehicles                            | 290               | 272               |
| Buses                               | <u>3,814</u>      | <u>3,678</u>      |
| Total Capital Assets                | <u>\$ 177,769</u> | <u>\$ 168,369</u> |

This year's additions of \$72,374 thousand included two new buildings, buses, vehicles, and technology. No new debt was issued for these additions in fiscal year 2003.

The District doesn't anticipate any major capital projects for 2003-04 fiscal year. The District anticipates capital additions will be approximately \$70,000 thousand less than the 2002-2003 fiscal year. A more detailed explanation of the capital assets is presented in the notes to the financial statements.

South-Western City District  
Management Discussion and Analysis

***Debt***

At the end of this year, the District had \$145,413 thousand in bonds and note outstanding versus \$151,413 thousand in the previous year, which is a decrease of 4.0 percent. Those bonds and note consisted of the following: (in thousands)

| <u>Description of General Obligation Debt</u> | <u>2003</u>       | <u>2002</u>       |
|---|-------------------|-------------------|
| <u>Bonds</u>                                  |                   |                   |
| 1994 Refunding School Facilities              | \$ 4,600          | \$ 5,490          |
| 1994 School Facilities                        | 26,070            | 26,953            |
| 1996 Bus                                      | 1,025             | 1,255             |
| 1999 School Facilities                        | 103,400           | 106,665           |
| 2002 School Facilities                        | 4,480             | 4,690             |
| 1994 Energy Conservation                      | 300               | 585               |
| 2002 Energy Conservation                      | 4,605             | 4,775             |
| <u>Note</u>                                   |                   |                   |
| 2000 Vocational Construction                  | <u>933</u>        | <u>1,000</u>      |
| Total General Obligation Debt                 | <u>\$ 145,413</u> | <u>\$ 151,413</u> |

The District's general obligation bond rating was upgraded by two independent rating firms in fiscal year 2002. Moody's credit rating increased from an A to an A1 and the Standard and Poor's credit rating increased from an A to an A+. The District maintained these two ratings during a recent credit update performed in October of 2003. The state limits the amount of general obligation debt that schools can issue to ten percent of the assessed value of all taxable property within the District's boundaries. The District's outstanding general obligation debt of \$145,413 thousand is significantly below this \$235,259 thousand statutorily imposed limit.

Other obligations include accrued vacation pay, sick leave, and capital leases. A more detailed explanation of the long-term liabilities is presented in the notes to the financial statements.

**Economic Factors and Next Year's Budgets**

The elected officials and administration considered many factors when setting the District's fiscal year 2004 budget. One of the most important factors affecting the budget is the student count. The state foundation revenue is determined by multiplying a weighted student count taken the first full week of October by the foundation allowance per pupil. The fiscal year 2004 budget was adopted in June 2003, based on an estimate of students that will be enrolled in September 2003. Approximately forty percent of total General Fund revenue is from the foundation allowance. As stated earlier, due to House Bill 920, real estate property tax revenues are not allowed to increase when valuation increases. As a result, any increase in total district funding is heavily dependent on the state's ability to fund local school operations. Based on

South-Western City District  
Management Discussion and Analysis

early enrollment data at the start of the 2004 school year, the District anticipates that the fall student count will be close to the estimates used in creating the fiscal year 2004 budget. Once the final student count and related per pupil funding is validated, state law requires the District to amend the budget if actual district resources are not sufficient to fund original appropriations.

Since the District's revenue is heavily dependent on state funding and the health of the State's budget, the actual revenue received depends on the State's ability to collect revenues to fund its appropriation to Districts. Due to this fact, during fiscal year 2003, the State cut the District's budget by roughly one million dollars. Although no budget cuts are anticipated in fiscal year 2004, it is not without possibility that they occur.

These factors, along with increasing insurance costs and payments to community schools have placed the District in a position where it must seek additional funds through an operating levy to maintain current programming. Without the additional funds, the District will have to make appropriate cuts to balance the budget.



This page intentionally left blank.

South-Western City School District  
Statement of Net Assets  
June 30, 2003

|   | Governmental<br>Activities |
|---|----------------------------|
| <u>Assets</u>                                   |                            |
| Equity in Pooled Cash and Cash                  |                            |
| Equivalents                                     | \$ 41,040,222              |
| Restricted Cash and Cash Equivalents            | 1,134,484                  |
| Receivable:                                     |                            |
| Taxes - Current                                 | 81,181,197                 |
| Taxes - Delinquent                              | 7,153,656                  |
| Accounts  | 502,734                    |
| Interest  | 91,572                     |
| Intergovernmental - Federal                     | 2,329,349                  |
| Loan Receivable - Fiduciary                     | 61,219                     |
| Prepaid Items                                   | 759,311                    |
| Materials and Supplies Inventory                | 364,111                    |
| Capital Assets, Net of Accumulated Depreciation | <u>177,769,178</u>         |
| Total Assets                                    | <u>\$ 312,387,033</u>      |
| <br>  |                            |
| <u>Liabilities</u>                              |                            |
| Accounts Payable                                | \$ 2,521,090               |
| Contracts Payable                               | 679,623                    |
| Payable from Restricted Assets:                 |                            |
| Contracts Payable - Retainage                   | 576,586                    |
| Claims Payable                                  | 118,487                    |
| Accrued Wages and Benefits                      | 15,205,688                 |
| Accrued Interest Payable                        | 856,488                    |
| Deferred Revenue                                | 73,051,459                 |
| Long-Term Liabilities:                          |                            |
| Due within One Year                             | 9,664,853                  |
| Due in More than One Year                       | <u>149,944,345</u>         |
| Total Liabilities                               | <u>\$ 252,618,619</u>      |
| <br>  |                            |
| <u>Net Assets</u>                               |                            |
| Invested in Capital Assets, Net of Related Debt | 31,575,953                 |
| Restricted for:                                 |                            |
| Debt Service                                    | 6,510,169                  |
| Capital Projects                                | 1,099,792                  |
| Unrestricted                                    | <u>20,582,500</u>          |
| Total Net Assets                                | <u>\$ 59,768,414</u>       |

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

South-Western City School District  
Statement of Activities  
For the Fiscal Year Ended June 30, 2003

|  | Program Revenue |                                   |  | Net (Expense) Revenue and<br>Changes in Net Assets |
|--|-----------------|-----------------------------------|--|--|
|  | Expenses        | Charges for<br>Services and Sales | Operating Grants,<br>Contributions<br>and Interest | Governmental<br>Activities                         |
| Governmental Activities:                                   |                 |                                   |  |  |
| Instruction:   |                 |                                   |  |  |
| Regular  | \$ 74,732,291   | \$ 90,991                         | \$ 2,915,638                                       | \$ (71,725,662)                                    |
| Special  | 17,426,432      | -                                 | 6,745,915  | (10,680,517)                                       |
| Vocational   | 5,621,047       | 104,890                           | 1,189,278  | (4,326,879)  |
| Other  | 400,389         | -                                 | 194,489  | (205,900)  |
| Support Services:  |                 |                                   |  |  |
| Pupil  | 7,336,804       | -                                 | 1,297,813  | (6,038,991)  |
| Instructional Staff  | 15,114,537      | 1,645                             | 1,512,385  | (13,600,507)                                       |
| Board of Education   | 479,880         | -                                 | -  | (479,880)  |
| Administration   | 13,370,445      | -                                 | 701,671  | (12,668,774)                                       |
| Fiscal   | 2,605,574       | -                                 | 27,165   | (2,578,409)  |
| Business   | 983,121         | -                                 | -  | (983,121)  |
| Operations and Maintenance                                 | 14,399,188      | -                                 | 253,040  | (14,146,148)                                       |
| Pupil Transportation                                       | 9,493,708       | 86,725                            | 388,990  | (9,017,993)  |
| Central  | 4,850,405       | -                                 | -  | (4,850,405)  |
| Food Service   | 6,911,601       | 3,660,907                         | 2,807,553  | (443,141)  |
| Community Services   | 1,602,684       | 12,908                            | 1,096,351  | (493,425)  |
| Extracurricular Activities                                 | 3,534,018       | 516,805                           | 57,500   | (2,959,713)  |
| Interest and Fiscal Charges                                | 9,208,077       | -                                 | -  | (9,208,077)  |
| Total Governmental Activities                              | 188,070,201     | 4,474,871                         | 19,187,788   | (164,407,542)                                      |
| General Revenue:   |                 |                                   |  |  |
| Property Taxes Levied for:                                 |                 |                                   |  |  |
| General Purposes   |                 |                                   |  | 63,347,264   |
| Debt Service   |                 |                                   |  | 12,656,333   |
| Grants and Entitlements not Restricted to Specific Program |                 |                                   |  | 71,897,461   |
| Interest   |                 |                                   |  | 1,325,709  |
| Loss on Disposal of Capital Assets                         |                 |                                   |  | (249,682)  |
| Other Local Revenue  |                 |                                   |  | 3,806,825  |
| Total General Revenues and Extraordinary Item              |                 |                                   |  | 152,783,910  |
| Changes in Net Assets                                      |                 |                                   |  | (11,623,632)                                       |
| Net Assets Beginning of Year                               |                 |                                   |  | 71,392,046   |
| Net Assets End of Year                                     |                 |                                   |  | \$ 59,768,414                                      |

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

South-Western City School District  
 Balance Sheet  
 Governmental Funds  
 June 30, 2003

|                                      | <u>General</u>        | <u>Debt<br/>Service</u> | <u>Capital<br/>Improvements</u> | <u>Other<br/>Governmental<br/>Funds</u> |
|--------------------------------------|-----------------------|-------------------------|---------------------------------|---|
| <u>Assets</u>                        |                       |                         |                                 |   |
| Equity in Pooled Cash and Cash       |                       |                         |                                 |   |
| Equivalents                          | \$ 29,113,182         | \$ 3,901,456            | \$ 2,410,409                    | \$ 5,212,205                            |
| Restricted Cash and Cash Equivalents | 557,898               | -                       | 576,586                         | -                                       |
| Receivable:                          |                       |                         |                                 |   |
| Taxes - Current                      | 67,608,615            | 13,572,582              | -                               | -                                       |
| Taxes - Delinquent                   | 6,065,625             | 1,088,031               | -                               | -                                       |
| Accounts                             | 486,152               | -                       | -                               | 16,582                                  |
| Interest                             | 91,572                | -                       | -                               | -                                       |
| Intergovernmental                    | 282,871               | -                       | -                               | 2,046,478                               |
| Interfund Loan Receivable            | 1,642,525             | -                       | -                               | -                                       |
| Prepaid Items                        | 542,457               | -                       | -                               | 216,854                                 |
| Materials and Supplies Inventory     | 282,334               | -                       | -                               | 81,777                                  |
| Total Assets                         | <u>\$ 106,673,231</u> | <u>\$ 18,562,069</u>    | <u>\$ 2,986,995</u>             | <u>\$ 7,573,896</u>                     |
| <u>Liabilities and Fund Balances</u> |                       |                         |                                 |   |
| Liabilities:                         |                       |                         |                                 |   |
| Accounts Payable                     | \$ 1,752,168          | \$ -                    | \$ -                            | \$ 768,922                              |
| Contracts Payable                    | -                     | -                       | 679,623                         | -                                       |
| Payable from Restricted Assets:      |                       |                         |                                 |   |
| Contracts Payable - Retainage        | -                     | -                       | 576,586                         | -                                       |
| Accrued Wages and Benefits           | 14,159,558            | -                       | -                               | 1,046,130                               |
| Compensated Absences Payable         | 1,110,494             | -                       | -                               | -                                       |
| Interfund Loans Payable              | -                     | -                       | 3,024                           | 1,578,282                               |
| Deferred Revenue                     | 67,432,624            | 13,139,931              | -                               | 400,875                                 |
| Total Liabilities                    | <u>84,454,844</u>     | <u>13,139,931</u>       | <u>1,259,233</u>                | <u>3,794,209</u>                        |
| Fund Balance:                        |                       |                         |                                 |   |
| Reserved for Encumbrances            | 3,643,599             | -                       | 1,541,648                       | 646,950                                 |
| Reserved for House Bill 412          | 557,898               | -                       | -                               | -                                       |
| Reserved for Future Appropriation    | 6,758,267             | 1,520,682               | -                               | -                                       |
| Unreserved                           |                       |                         |                                 |   |
| Designated for Capital Projects      | -                     | -                       | 186,114                         | 48,443                                  |
| Designated for Debt Service          | -                     | 3,901,456               | -                               | -                                       |
| Undesignated, reported in            |                       |                         |                                 |   |
| General Fund                         | 11,258,623            | -                       | -                               | -                                       |
| Special Revenue Funds                | -                     | -                       | -                               | 3,084,294                               |
| Total Fund Balances                  | <u>22,218,387</u>     | <u>5,422,138</u>        | <u>1,727,762</u>                | <u>3,779,687</u>                        |
| Total Liabilities and Fund Balances  | <u>\$ 106,673,231</u> | <u>\$ 18,562,069</u>    | <u>\$ 2,986,995</u>             | <u>\$ 7,573,896</u>                     |

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

South-Western City School District  
 Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2003

|   |   |                      |
|---|---|----------------------|
| <u>Total<br/>Governmental<br/>Funds</u> |   |                      |
|   | Total Governmental Fund Balances  | \$ 33,147,974        |
| \$ 40,637,252                           | Amounts reported for governmental activities in the                           |                      |
| 1,134,484                               | statement of net assets are different because:                                |                      |
| 81,181,197                              | Capital assets used in governmental activities are not financial              |                      |
| 7,153,656                               | resources and therefore are not reported in the funds.                        | 177,769,178          |
| 502,734                                 |   |                      |
| 91,572                                  | Other long-term assets are not available to pay for current period            |                      |
| 2,329,349                               | expenditures and therefore are deferred in the funds.                         | 8,043,182            |
| 1,642,525                               |   |                      |
| 759,311                                 | An internal service fund is used by management to charge the cost             |                      |
| 364,111                                 | of dental insurance to individual funds. The assets and liabilities of        |                      |
| <u>\$ 135,796,191</u>                   | the internal service fund are included in governmental                        |                      |
|   | activities in the statement of net assets                                     | 163,272              |
|   | Long-term liabilities, including bonds payable, are not due and               |                      |
| \$ 2,521,090                            | payable in the current period and therefore are not reported                  |                      |
| 679,623                                 | in the funds:   |                      |
|   | Interest Payable  | (856,488)            |
| 576,586                                 | Compensated Absences Payable  | (12,533,997)         |
| 15,205,688                              | Capital Leases Payable  | (551,198)            |
| 1,110,494                               | General Obligation Debt   | (139,575,176)        |
| 1,581,306                               | Energy Conservation Debt  | (4,905,000)          |
| 80,973,430                              | Vocational Construction Loan  | (933,333)            |
| <u>102,648,217</u>                      | Net Assets of Governmental Activities   | <u>\$ 59,768,414</u> |
| 5,832,197                               | The notes to the financial statements are an integral part of this statement. |                      |
| 557,898                                 |   |                      |
| 8,278,949                               |   |                      |
| 234,557                                 |   |                      |
| 3,901,456                               |   |                      |
| 11,258,623                              |   |                      |
| <u>3,084,294</u>                        |   |                      |
| <u>33,147,974</u>                       |   |                      |
| <u>\$ 135,796,191</u>                   |   |                      |

South-Western City School District  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2003

|   | <u>General</u>       | <u>Debt<br/>Service</u> | <u>Capital<br/>Improvements</u> | <u>Other<br/>Governmental<br/>Funds</u> |
|---|----------------------|-------------------------|---------------------------------|---|
| Revenues:   |                      |                         |                                 |   |
| Local:  |                      |                         |                                 |   |
| Taxes   | \$ 64,314,881        | \$ 12,840,284           | \$ -                            | \$ -                                    |
| Tuition   | 263,531              | -                       | -                               | 183,821                                 |
| Interest  | 1,061,385            | -                       | 123,503                         | 50,969                                  |
| Other Local Revenue                                       | 1,501,510            | 1,568                   | 21,853                          | 6,544,637                               |
| Intergovernmental - State                                 | 73,895,778           | 1,463,160               | -                               | 4,076,974                               |
| Intergovernmental - Federal                               | <u>616,432</u>       | <u>-</u>                | <u>-</u>                        | <u>11,143,863</u>                       |
| Total Revenues  | <u>141,653,517</u>   | <u>14,305,012</u>       | <u>145,356</u>                  | <u>22,000,264</u>                       |
| Expenditures:   |                      |                         |                                 |   |
| Current:  |                      |                         |                                 |   |
| Instruction:  |                      |                         |                                 |   |
| Regular   | 66,732,252           | -                       | 81,946                          | 3,532,847                               |
| Special   | 14,311,498           | -                       | -                               | 2,966,996                               |
| Vocational  | 4,678,304            | -                       | 2,770                           | 375,848                                 |
| Other   | 164,925              | -                       | -                               | 235,191                                 |
| Support Services:   |                      |                         |                                 |   |
| Pupil   | 6,419,711            | -                       | -                               | 878,977                                 |
| Instructional Staff                                       | 12,108,275           | -                       | -                               | 2,543,157                               |
| Board of Education  | 479,880              | -                       | -                               | -                                       |
| Administration  | 11,740,003           | -                       | 26,510                          | 1,313,480                               |
| Fiscal  | 2,404,228            | 152,695                 | -                               | 28,859                                  |
| Business  | 974,415              | -                       | -                               | -                                       |
| Operations and Maintenance                                | 13,926,549           | -                       | 1,464                           | 153,187                                 |
| Pupil Transportation                                      | 8,035,413            | -                       | -                               | 400,983                                 |
| Central   | 2,499,380            | -                       | -                               | 1,289,530                               |
| Food Service  | -                    | -                       | -                               | 6,468,178                               |
| Community Services  | 258,400              | -                       | 1,206                           | 1,020,424                               |
| Extracurricular Activities                                | 2,130,030            | -                       | 454                             | 1,158,096                               |
| Capital Outlay  | 3,580,906            | -                       | 13,487,338                      | 1,734,466                               |
| Pass Through Grants                                       | 325,000              | -                       | -                               | -                                       |
| Debt Services:  |                      |                         |                                 |   |
| Principal Retirement                                      | 267,572              | 5,932,130               | -                               | -                                       |
| Interest and Fiscal Charges                               | <u>16,150</u>        | <u>8,855,733</u>        | <u>-</u>                        | <u>-</u>                                |
| Total Expenditures  | <u>151,052,891</u>   | <u>14,940,558</u>       | <u>13,601,688</u>               | <u>24,100,219</u>                       |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (9,399,374)          | (635,546)               | (13,456,332)                    | (2,099,955)                             |
| Other Financing Sources (Uses):                           |                      |                         |                                 |   |
| Transfers - In  | -                    | 926,328                 | -                               | 27,950                                  |
| Transfers - Out   | (954,182)            | -                       | -                               | (96)                                    |
| Proceeds from Inception of Capital Lease                  | <u>408,687</u>       | <u>-</u>                | <u>-</u>                        | <u>-</u>                                |
| Total Other Financing Sources (Uses)                      | <u>(545,495)</u>     | <u>926,328</u>          | <u>-</u>                        | <u>27,854</u>                           |
| Net Change in Fund Balance                                | (9,944,869)          | 290,782                 | (13,456,332)                    | (2,072,101)                             |
| Fund Balances at Beginning of Year                        | <u>32,163,256</u>    | <u>5,131,356</u>        | <u>15,184,094</u>               | <u>5,851,788</u>                        |
| Fund Balances at End of Year                              | <u>\$ 22,218,387</u> | <u>\$ 5,422,138</u>     | <u>\$ 1,727,762</u>             | <u>\$ 3,779,687</u>                     |

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

South-Western City School District  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
 Fund Balances of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2003

|                      |   |                        |
|----------------------|---|------------------------|
| <u>Total</u>         |   |                        |
| Governmental         | Net Change in Fund Balances - Total Governmental Funds                              | \$ (25,182,520)        |
| <u>Funds</u>         |   |                        |
|                      | Amounts reported for governmental activities in the statement of                    |                        |
|                      | activities are different because:   |                        |
| \$ 77,155,165        |   |                        |
| 447,352              | Governmental funds report capital outlays as expenditures. However,                 |                        |
| 1,235,857            | in the statements of activities the cost of those assets is allocated               |                        |
| 8,069,568            | over their estimated useful lives and reported as depreciation expense.             |                        |
| 79,435,912           | This is the amount by which capital outlays, which met the capitalization           |                        |
| <u>11,760,295</u>    | criteria, (\$18,098,164) exceeded depreciation (\$8,448,050) in the current period. | 9,650,114              |
| <u>178,104,149</u>   |   |                        |
|                      | In the statement of activities, only the gain and loss on the disposal of fixed     |                        |
|                      | assets is reported, whereas in the governmental funds, the entire proceeds from     |                        |
|                      | the sale increase financial resources. Thus, the change in net assets differs       |                        |
|                      | from the change in fund balances by the cost of the assets disposed.                | (249,682)              |
| 70,347,045           |   |                        |
| 17,278,494           | Revenues in the statement of activities that do not provide current financial       |                        |
| 5,056,922            | resources are not reported as revenues in the funds.                                | (1,597,210)            |
| 400,116              |   |                        |
|                      | Long-term debt proceeds provide current financial resource to governmental          |                        |
|                      | funds, but issuing debt increases long-term liabilities in the statement of net     |                        |
|                      | assets. Repayment of long-term debt principal is an expenditure in the              |                        |
|                      | governmental funds, but the repayment reduces long-term liabilities in the          |                        |
|                      | statement of net assets.  | 5,998,796              |
| 7,298,688            |   |                        |
| 14,651,432           | Some expenses reported in the statement of activities do not require the use of     |                        |
| 479,880              | current financial resources and therefore are not reported as expenditures in       |                        |
| 13,079,993           | governmental funds.   | (290,895)              |
| 2,585,782            |   |                        |
| 974,415              | Internal service funds are used by management to charge the costs of                |                        |
| 14,081,200           | certain activities, such as insurance to individual funds. The net revenue          |                        |
| 8,436,396            | (expense) of internal services funds is reported with governmental activities.      | 47,765                 |
| 3,788,910            | Net Assets of Governmental Activities   | <u>\$ (11,623,632)</u> |
| 6,468,178            |   |                        |
| 1,280,030            |   |                        |
| 3,288,580            |   |                        |
| 18,802,710           |   |                        |
| 325,000              |   |                        |
|                      | The notes to the financial statements are an integral part of this statement.       |                        |
| 6,199,702            |   |                        |
| <u>8,871,883</u>     |   |                        |
| <u>203,695,356</u>   |   |                        |
| (25,591,207)         |   |                        |
|                      |   |                        |
| 954,278              |   |                        |
| (954,278)            |   |                        |
| <u>408,687</u>       |   |                        |
| <u>408,687</u>       |   |                        |
| (25,182,520)         |   |                        |
|                      |   |                        |
| 58,330,494           |   |                        |
| <u>\$ 33,147,974</u> |   |                        |

South-Western City School District  
Statement of Net Assets  
Internal Service Fund  
June 30, 2003

Current Assets:

|   |                   |
|---|-------------------|
| Equity in Pooled Cash and Cash<br>Equivalents | <u>\$ 402,970</u> |
| Total Current Assets                          | <u>\$ 402,970</u> |

Current Liabilities:

|                           |                   |
|---------------------------|-------------------|
| Claims Payable            | \$ 118,487        |
| Deferred Revenue          | <u>121,211</u>    |
| Total Current Liabilities | <u>\$ 239,698</u> |

Net Assets

|                  |                   |
|------------------|-------------------|
| Unrestricted     | <u>163,272</u>    |
| Total Net Assets | <u>\$ 163,272</u> |

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



South-Western City School District  
Statement of Revenues, Expenses and  
Changes in Fund Net Assets  
Internal Service Fund  
For the Fiscal Year Ended June 30, 2003

|                              |                   |
|------------------------------|-------------------|
| Operating Revenues:          |                   |
| Charges for Services         | \$ 1,722,723      |
| Charges to Employees         | <u>13,246</u>     |
| Total Operating Revenues     | <u>1,735,969</u>  |
| Operating Expenses:          |                   |
| Claims                       | 1,616,253         |
| Purchased Services           | <u>76,416</u>     |
| Total Operating Expenses     | <u>1,692,669</u>  |
| Operating Income             | 43,300            |
| Non-Operating Revenues:      |                   |
| Interest                     | <u>4,465</u>      |
| Total Non-Operating Revenues | <u>4,465</u>      |
| Change in Net Assets         | 47,765            |
| Net Assets Beginning of Year | <u>115,507</u>    |
| Net Assets End of Year       | <u>\$ 163,272</u> |

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

South-Western City School District  
Statement of Cash Flows  
Internal Service Fund  
For the Fiscal Year Ended June 30, 2003

|   |                   |
|---|-------------------|
| <u>Increase in Cash and Cash Equivalents</u>      |                   |
| Cash Flows from Operating Activities:             |                   |
| Cash Received from Customers                      | \$ 1,750,915      |
| Cash Received from Employees                      | 13,246            |
| Cash Payments for Claims                          | (1,586,984)       |
| Cash Payments to Suppliers for Goods and Services | <u>(77,669)</u>   |
| Net Cash Provided by Operating Activities         | <u>99,508</u>     |
|   |                   |
| Cash Flows from Investing Activities:             |                   |
| Interest  | <u>4,465</u>      |
| Net Cash Provided by Investing Activities         | <u>4,465</u>      |
|   |                   |
| Net Increase in Cash and Cash Equivalents         | 103,973           |
| Cash and Cash Equivalents Beginning of Year       | <u>298,997</u>    |
| Cash and Cash Equivalents End of Year             | <u>\$ 402,970</u> |

|   |                  |
|---|------------------|
| <u>Reconciliation of Operating Income to Net Cash</u> |                  |
| <u>Provided by Operating Activities:</u>              |                  |
| Operating Income                                      | \$ 43,300        |
|   |                  |
| Adjustments to Reconcile Operating Income to Net      |                  |
| Cash Provided by Operating Activities:                |                  |
| Changes in Assets and Liabilities:                    |                  |
| Increase in Claims Payable                            | 31,885           |
| Increase in Deferred Revenue                          | <u>24,323</u>    |
| Net Cash Provided by Operating Activities             | <u>\$ 99,508</u> |

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

South-Western City School District  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2003

Assets:

|  |    |                         |
|--|----|-------------------------|
| Equity in Pooled Cash and Cash Equivalents | \$ | 4,662,056               |
| Accounts Receivable                        |    | <u>145,434</u>          |
| Total Assets                               | \$ | <u><u>4,807,490</u></u> |

Liabilities:

|                            |    |                         |
|----------------------------|----|-------------------------|
| Accounts Payable           | \$ | 986,962                 |
| Accrued Wages and Benefits |    | 1,456                   |
| Interfund Loans Payable    |    | 61,219                  |
| Undistributed Money        |    | <u>3,757,853</u>        |
| Total Liabilities          | \$ | <u><u>4,807,490</u></u> |

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

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 1 - DESCRIPTION OF THE DISTRICT**

The South-Western City School District (the "District") operates under a locally elected five-member board and provides educational services as authorized by its charter or further mandated by state/or federal agencies. The Board controls the District's thirty-six instructional/support facilities and one leased facility staffed by 1,016 non-certificated employees, 1,413 certificated full time teaching personnel and 112 administrative employees to provide services to approximately 20,251 students and other community members.

The District was established in 1959 through the consolidation of existing land areas and school districts and is organized under Sections 2 and 3, Article VI of the constitution of the State of Ohio. Under the law, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

The District serves an area of approximately one hundred twenty seven (127) square miles. It encompasses most of the southwestern quadrant of Franklin County, including a substantial portion of the southwestern quadrant of the City of Columbus, Ohio, the state capital, and five other cities and townships. In addition, a very small portion of Pickaway County is included within the District boundaries.

The District is the seventh largest in the state of Ohio (among 612 school districts) in terms of enrollment and the second largest (behind the Columbus City School District) in Franklin County. During fiscal year 2003 the District operated 17 elementary schools, four intermediate schools, five middle schools, four comprehensive high schools and one career academy high school.

**Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For South-Western City School District, this includes general operations, food service, head start, student guidance, extracurricular activities and care and upkeep of grounds and buildings of the District.

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

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

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

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

A. 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. The activity of the internal service fund is eliminated to avoid overstatement of revenues and expenses.

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

Fund Financial Statements

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

B. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Governmental Funds

Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. Below is a description of the funds presented in the financial statements:

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.

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

B. Fund Accounting (continued)

Capital Improvements Fund - The Capital Improvements Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

The other governmental funds of the District account for grants and other resources.

Proprietary Fund

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

Internal Service Funds - Internal Service funds are 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, or other governmental units and/or other funds. This includes agency funds. Agency funds are purely custodial and thus do not involve measurement of results of operation.

Agency Funds - Agency Funds are used to account for student activities, Central Ohio Regional Professional Development Center activities and internal processing of employee health insurances and retirement.

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statement is prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Assets.

Fund Financial Statements

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

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

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The Fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for proprietary and agency funds. Differences in the accrual and modified accrual bases of accounting arise in the recognition of revenue, the recording of deferred revenue and the presentation of expenses versus expenditures.

Revenue – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. “Measurable” means the amount of the transaction can be determined, and “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 fiscal year end.

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

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

Deferred Revenue

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

Property taxes (should not include delinquent) for which there is an enforceable legal claim as of June 30, 2003, but which were levied to finance fiscal year 2004 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.

Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds’ principal ongoing operations. The principal operating revenues of the Health Self Insurance Fund are charges to the District and employees for insurance premiums. Operating expenses for the Internal Service Fund include payments of claims and administrative costs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expense.

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Expenditures/Expenses

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

E. Cash and Cash Equivalents

The District maintains a cash and investment pool used by all funds, except a portion of the Capital Improvements Fund, representing bond and note proceeds. The cash and investment pool has the same characteristics as demand deposits. Each fund's interest in the pooled bank account is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During fiscal year 2003, the District invested in a variety of instruments as allowed in the Ohio Revised Code. Except for investment contracts and money market investments that had a remaining maturity of two years or less at the time of purchase, investments are reported at fair value which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

The District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2003. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2003.

Under existing Ohio statutes, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during fiscal year 2003 amounted to \$1,061,385, which includes \$191,898 assigned from other District Funds.

The District utilizes a financial institution to service bonded debt as principal and interest payments come due.

For presentation on the financial statements, investments of the cash management pool and investments with maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. During the fiscal year, all investments in the cash management pool had a maturity of twenty-four months or less. The investments held separately from the cash management pool had a maturity of thirty-six months or less which matched the cash flows schedule for the construction projects and is in compliance with the District's investment policy.

F. Inventory

Inventories of governmental funds are stated at cost. The cost is determined on a first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental funds when used.



*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2003, are recorded as prepaid items by using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditures/expense is reported in the year which services are consumed.

H. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments or imposed by enabling legislation. Restricted assets include the amount required by State statute to be set aside to create a reserve for budget stabilization.

I. Capital Assets and Depreciation

Capital assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$1,000 and a useful life of at least 5 years. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets, with the exception of land, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

|                         |                |
|-------------------------|----------------|
| Land Improvements       | 10 to 20 years |
| Buildings               | 5 to 45 years  |
| Furniture and Equipment | 5 to 20 years  |
| Vehicles                | 5 years        |
| Buses                   | 9 years        |

J. Compensated Absences

Vacation and personal leave benefits are accrued as a liability as the benefits are earned if the employee's right 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. An accrual for earned sick leave is made to the extent it is probable that the benefits will result in termination payments. The District records a liability for accumulated unused sick leave for all employees after fifteen years of service. A bonus payment is available to employees who retire at their first retirement eligibility date, which is based on the number of years experience they have earned. A liability is recorded for those employees that have declared their retirement date as of June 30, 2003.

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the general fund which is the fund that will make the payments. The noncurrent portion of the liability is not reported.

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

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

**L. Interfund Transactions**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds.

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 fiduciary funds.

**M. 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 are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, capital and maintenance and budget stabilization reserve (House Bill 412 and 770) and property tax advances.

**NOTE 3 -REQUIRED INDIVIDUAL FUND DISCLOSURES**

The Food Service Special Revenue fund has a deficit fund balance of \$281,235 at June 30, 2003. The opening of four intermediate schools and one high school has created the deficit. Although some of the staff was shifted from existing buildings, seventeen new staff members were added to run the new buildings resulting in increased salary and benefit costs. An increase in participation helped off set the deficit that existed from fiscal year 2002 in the amount of \$297,756. Additionally, five calamity days occurred during fiscal year 2003 that resulted in a loss of revenues over \$175,000.

**NOTE 4 - CASH AND CASH EQUIVALENTS**

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

Category 1 consists of "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.

*South-Western City School District, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2003*

**NOTE 4 - CASH AND CASH EQUIVALENTS (continued)**

Category 2 consists of “inactive” monies, those monies not required for use within the current two 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.

Category 3 consists of “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. Interim monies must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings accounts, including passbook accounts.

Protection of District cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public money deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
2. Bonds, notes, debentures or other obligations or securities issued by any federal government agency, or the Export Import Bank of Washington.
3. Repurchase agreements in the securities enumerated above.
4. Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including, but not limited to, passbook accounts.
5. Bonds and other obligations of the State of Ohio.
6. The State Treasurer’s investment pool (STAR Ohio)

The following information categorizes deposits and investments as defined in GASB Statement 3 “ Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements”.

Deposits

At year end, the carrying amount of the District’s deposits were \$7,664,749 and the bank balance was \$7,798,160. Of the bank balance, \$600,000 was covered by federal depository insurance. The remaining amounts were uninsured and uncollateralized as defined by the GASB because the collateral pledged by the financial institution or their trust department or agents is not in the District’s name. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 4 - CASH AND CASH EQUIVALENTS (continued)**

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 counterparty'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 counterparty, or by its trust department or agent but not in the District's name. STAROhio is an unclassified investment since they are not evidenced by securities that exist in physical or book entry form.

|                       | Category<br><u>2</u>        | Category<br><u>3</u>       | Carrying<br>Value           | Fair<br>Value               |
|-----------------------|-----------------------------|----------------------------|-----------------------------|-----------------------------|
| Government Securities | \$ 15,692,857               | \$ -                       | \$ 15,692,857               | \$ 15,764,813               |
| STAR Ohio             | -                           | -                          | 22,470,156                  | 22,470,156                  |
| Repurchase Agreements | -                           | 1,009,000                  | 1,009,000                   | 1,009,000                   |
| <b>Total</b>          | <b><u>\$ 15,692,857</u></b> | <b><u>\$ 1,009,000</u></b> | <b><u>\$ 39,172,013</u></b> | <b><u>\$ 39,243,969</u></b> |

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Cash and cash equivalents are defined to include investments with maturities of three months or less at the time of their purchase by the District and investments included in the cash management pool.

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

|                         | Cash and Cash<br>Equivalents/<br><u>Deposits</u> | <u>Investments</u>          |
|-------------------------|--|-----------------------------|
| GASB Statement 9        | \$ 46,836,762                                    | \$ -                        |
| Investments:            |  |                             |
| Governmental Securities | (15,692,857)                                     | 15,692,857                  |
| Repurchase Agreements   | (1,009,000)                                      | 1,009,000                   |
| STAR OHIO               | (22,470,156)                                     | 22,470,156                  |
| <b>GASB Statement 3</b> | <b><u>\$ 7,664,749</u></b>                       | <b><u>\$ 39,172,013</u></b> |

**NOTE 5 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 25 percent of true value (with certain exceptions) and on real property at 35 percent of true value. The State of Ohio has agreed to hold school district's harmless through direct and indirect payments starting in fiscal year 2002. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 5 - PROPERTY TAXES (continued)**

value. Beginning in fiscal year 2003, the assessed value of the inventory portion of tangible personal property will be reduced annually by one percent until it eventually reaches zero. This change is due to House Bill 283 passed by the 123<sup>rd</sup> General Assembly.

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. Under certain circumstances, state statute permits earlier or later payment dates to be established.

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

The District receives property taxes from Franklin County. The county auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the county by June 30, 2003 are available to finance fiscal year 2003 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes, which become measurable as of June 30, 2003. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue of the portion not intended to finance current year operations. The amount available as an advance at June 30 was \$6,758,267 in the General Fund and \$1,520,682 in the Bond Retirement Fund, which is recognized as revenue.

The assessed values upon which the fiscal year 2003 taxes were collected are:

|   | <u>2002 Second<br/>Half Collection</u> |                    | <u>2003 First<br/>Half Collection</u> |                    |
|---|--|--------------------|---------------------------------------|--------------------|
|   | <u>Amount</u>                          | <u>Percent</u>     | <u>Amount</u>                         | <u>Percent</u>     |
| Agricultural/Residential and<br>Other Real Estate | \$ 1,740,762,710                       | 81.71%             | \$ 1,944,307,560                      | 82.64%             |
| Public Utility Real and Personal                  | 77,233,400                             | 3.63%              | 80,866,810                            | 3.44%              |
| Tangible Personal Property                        | <u>312,181,478</u>                     | <u>14.66%</u>      | <u>327,412,336</u>                    | <u>13.92%</u>      |
| Total Assessed Value                              | <u><u>2,130,177,588</u></u>            | <u><u>100%</u></u> | <u><u>2,352,586,706</u></u>           | <u><u>100%</u></u> |
| Tax rate per \$1,000 of<br>Assessed Valuation     | \$ 56.61                               |                    | \$ 56.44                              |                    |

**NOTE 6 - RECEIVABLES**

Receivables at June 30, 2003 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. Therefore, there is no allowance for doubtful accounts in these financial statements. A summary of the principal items of intergovernmental receivables follows:

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 6 – RECEIVABLES (continued)**

|                                    |    |                  |
|------------------------------------|----|------------------|
| Governmental Activities:           |    |                  |
| General Fund                       |    |                  |
| Federal ROTC Reimbursement         | \$ | 38,653           |
| Medicare                           |    | 244,218          |
| NonMajor Governmental Fund         |    |                  |
| Food Service Federal Reimbursement |    | 365,326          |
| Career Grant                       |    | 6,649            |
| State Head Start Grant             |    | 204,353          |
| Alternative Education Grant        |    | 5,345            |
| STARS Grant                        |    | 126              |
| High Schools that Work Grant       |    | 6,825            |
| Migrant Children Grant             |    | 388              |
| IDEA - B Grant                     |    | 374,794          |
| Perkins Grant                      |    | 271,462          |
| Federal Head Start Grant           |    | 250,447          |
| Title III                          |    | 60,131           |
| Title I Grant                      |    | 337,825          |
| EvenStart Grant                    |    | 14,898           |
| CSR Grant                          |    | 36,834           |
| Title V Grant                      |    | 27,612           |
| Safe and Drug Free Grant           |    | 18,856           |
| IDEA Grant                         |    | 1,667            |
| Title II-A                         |    | 22,829           |
| Teacher Quality Enhancement Grant  |    | 19,486           |
| SMART Grant                        |    | 14,900           |
| Title II – D Grant                 |    | 3,914            |
| USDA Fruit and Vegetable Grant     |    | 1,811            |
| Total Intergovernmental Receivable | \$ | <u>2,329,349</u> |

Governmental funds report deferred revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

|   | <u>Unavailable</u>  | <u>Unearned</u>      |
|---|---------------------|----------------------|
| Delinquent Property Taxes   | \$ 7,153,656        | \$ 72,902,247        |
| Grant payments received prior to meeting all eligibility requirements | <u>768,315</u>      | <u>149,212</u>       |
|   | <u>\$ 7,921,971</u> | <u>\$ 73,051,459</u> |

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 7 – CAPITAL ASSETS**

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

|  | <u>Balance</u><br><u>6/30/2002</u> | <u>Additions</u>     | <u>Deletions</u>     | <u>Balance</u><br><u>6/30/2003</u> |
|--|------------------------------------|----------------------|----------------------|------------------------------------|
| <b>Governmental Activities</b>             |                                    |                      |                      |                                    |
| Non-Depreciable:                           |                                    |                      |                      |                                    |
| Land                                       | \$ 6,768,233                       | \$ -                 | \$ -                 | \$ 6,768,233                       |
| Construction in Progress                   | <u>51,496,254</u>                  | <u>13,478,298</u>    | <u>54,275,563</u>    | <u>10,698,989</u>                  |
| Total Non-Depreciable                      | <u>58,264,487</u>                  | <u>13,478,298</u>    | <u>54,275,563</u>    | <u>17,467,222</u>                  |
| Depreciable:                               |                                    |                      |                      |                                    |
| Improvements to Land                       | 5,202,558                          | 575,931              | -                    | 5,778,489                          |
| Buildings                                  | 137,181,049                        | 53,864,034           | 260,147              | 190,784,936                        |
| Furniture and Equipment                    | 19,096,833                         | 3,308,796            | 987,156              | 21,418,473                         |
| Vehicles                                   | 1,372,433                          | 131,983              | 1,790                | 1,502,626                          |
| Buses                                      | <u>8,929,283</u>                   | <u>1,014,685</u>     | <u>-</u>             | <u>9,943,968</u>                   |
| Total Depreciable                          | <u>171,782,156</u>                 | <u>58,895,429</u>    | <u>1,249,093</u>     | <u>229,428,492</u>                 |
| Accumulated Depreciation:                  |                                    |                      |                      |                                    |
| Improvements to Land                       | 3,434,758                          | 302,761              | -                    | 3,737,519                          |
| Buildings                                  | 40,145,594                         | 4,526,621            | 228,760              | 44,443,455                         |
| Furniture and Equipment                    | 11,746,188                         | 2,624,658            | 768,861              | 13,601,985                         |
| Vehicles                                   | 1,100,552                          | 114,370              | 1,790                | 1,213,132                          |
| Buses                                      | <u>5,250,805</u>                   | <u>879,640</u>       | <u>-</u>             | <u>6,130,445</u>                   |
| Total Accumulated Depreciation             | <u>61,677,897</u>                  | <u>8,448,050</u>     | <u>999,411</u>       | <u>69,126,536</u>                  |
| Net Depreciable Capital Assets             | <u>110,104,259</u>                 | <u>50,447,379</u>    | <u>249,682</u>       | <u>160,301,956</u>                 |
| Net Governmental Activities Capital Assets | <u>\$ 168,368,746</u>              | <u>\$ 63,925,677</u> | <u>\$ 54,525,245</u> | <u>\$ 177,769,178</u>              |

Depreciation Expense was charged to governmental functions as follows:

|                            |                     |
|----------------------------|---------------------|
| Instruction:               |                     |
| Regular                    | \$ 3,996,896        |
| Special                    | 90,442              |
| Vocational                 | 570,388             |
| Support Services:          |                     |
| Pupil                      | 8,122               |
| Instructional Staff        | 191,648             |
| Administration             | 404,259             |
| Fiscal                     | 3,418               |
| Business                   | 504                 |
| Operations and Maintenance | 202,150             |
| Transportation             | 965,690             |
| Central                    | 1,073,526           |
| Food Service               | 466,267             |
| Community Services         | 267,279             |
| Extracurricular            | <u>207,461</u>      |
| Total Depreciation Expense | <u>\$ 8,448,050</u> |

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 8 - DEFINED BENEFIT PENSION PLANS**

**A. School Employees Retirement System**

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

Plan members are required to contribute 9 percent of their annual salary and the South-Western City School District is required to contribute 14 percent. The contribution rates are determined actuarially, but are established by SERS's Retirement Board within the rates allowed by State Statute. As of July 1, 2003 the plan members required contribution was increased to 10%. The District's contributions to SERS for the years ending June 30, 2003, 2002, and 2001 were \$5,889,527, \$5,315,358, and \$4,761,626, respectively, equal to the required contributions for each year.

**B. State Teachers Retirement System**

The South-Western City School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the South-Western City School District is required to contribute 14 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent of employees. As of July 1, 2003 the plan members required contribution was increased to 10%. The District's contributions to STRS for the years ending June 30, 2003, 2002, and 2001, were \$18,701,662, \$16,918,736, and \$15,745,115, respectively, equal to the required contributions for each year.

**NOTE 9 - POSTEMPLOYMENT BENEFITS**

The District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System, and to retired non-certificated employees and their dependents through the School Employees Retirement System. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute.



*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 9 - POSTEMPLOYMENT BENEFITS (continued)**

For the State Teachers Retirement System, no premiums are currently paid by retirees or primary benefit recipients, however monthly payments are required for covered spouses and other dependents. Benefits are funded on a pay-as-you-go basis through an allocation of employer contributions to the system equal to two percent of covered payroll, however for the fiscal year ended June 30, 2002, the board allocated employer contributions equal to 4.5% of covered payroll to the Health Care Reserve Fund. Effective July 1, 2002, 1% of covered payroll will be allocated to the fund. For South-Western City School District this amount equaled \$3,611,909 during the 2003 fiscal year. As of June 30, 2002, (the date of the most recent information available) the balance in the health care reserve fund was \$3,011,000,000. For the year ended June 30, 2003, the net health care costs paid by STRS were \$354,697,000 and there were 105,300 eligible benefit recipients for the System as a whole.

For the School Employees Retirement System, postretirement health care coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefits recipients. All retirees with a retirement date prior to July 1, 1986, are eligible to receive benefits. Members retiring on or after August 1, 1989 with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium. At June 30, 2002, employer contributions to fund health care benefits were 8.54 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, prorated for partial service credit. For fiscal year 2002, the minimum pay has been established as \$12,400. The surcharge rate, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

Health care benefits are financed on a pay-as-you-go basis. The target level of the health care reserve is 150 percent of annual health care expense. Expenses for health care at June 30, 2002 were \$182,946,777 and the target level was \$274,400,000. At June 30, 2002, the Retirement System's net assets available for payment of health care benefits was \$335,200,000. The number of participants currently receiving health care benefits is approximately 50,000. The District's actual contributions for the 2003 fiscal year were \$3,592,611.

**NOTE 10 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to property loss, torts, errors and omissions, workers' compensation as well as medical benefits provided to employees. The District has purchased commercial insurance for property loss, torts, errors and omissions, workers' compensation, health, life and vision insurance claims. The District is uninsured for dental claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The District estimates the liability for dental claims that have been incurred through the end of the fiscal year, including both those claims that have been reported as well as those that have not yet been reported. These estimates are recorded in the self-insurance internal service fund. Changes in the estimated liability of the past two fiscal years were as follows:

|                  | Balance at<br><u>July 1</u> | Current Year<br><u>Claims</u> | Claim<br><u>Payments</u> | Balance at<br><u>June 30</u> |
|------------------|-----------------------------|-------------------------------|--------------------------|------------------------------|
| Fiscal Year 2002 | \$ 143,674                  | \$ 1,380,047                  | \$ 1,437,119             | \$ 86,602                    |
| Fiscal Year 2003 | 86,602                      | 1,648,138                     | 1,616,253                | 118,487                      |

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 11 - CAPITALIZED LEASES**

During fiscal year 2003 the District entered into 3 new capital leases. Two were for fitness equipment at the high school level. Lease payments will be reimbursed by the National School Fitness Program upon completion of statistical information gathered from students using the equipment. The other lease was for vehicles. In the past the District entered into lease agreements to acquire computers, furniture, equipment and vehicles.

Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases" which defines a capital lease generally as one which transfers benefits and risk of ownership to the lease at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service in the financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis. Principal payments in the 2003 fiscal year totaled \$200,905. The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2003.

| <u>Fiscal year Ending June 30</u>  |                          |
|------------------------------------|--------------------------|
| 2004                               | \$ 218,795               |
| 2005                               | 193,553                  |
| 2006                               | <u>176,061</u>           |
| Total Minimum Lease Payments       | <u>588,409</u>           |
| Less: Amount Representing Interest | <u>(37,211)</u>          |
| Present Value of Minimum Payments  | <u><u>\$ 551,198</u></u> |

**NOTE 12 - COMPENSATED ABSENCES**

The criteria for determining vested vacation, personal and sick leave are derived from negotiated agreements and State laws. Twelve month classified employees and administrators earn ten to twenty days of vacation per year, depending upon length of service. Teachers do not earn vacation time. Accumulated, unused vacation time is paid upon termination of employment. All employees considered full-time earn three days of personal leave each year. Each employee is allowed to carry a maximum balance of five days. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave is paid at the rate of one-third the employees accumulated but unused sick leave balance up to various maximums depending upon the union contract. A bonus payment is available for employees who retire at their first eligibility date. This amount is calculated based on the actual individuals who have applied for retirement.

The entire compensated absence liability is reported on the entity-wide financial statements. For governmental fund financial statements, the amount of accumulated sick leave and bonus pay for those employees who have certified their retirement has been recorded as a current liability to extent the amounts are considered due.

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 13 - LONG-TERM DEBT**

The District issues bonds, notes and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the District. Notes and capital leases agreements are also general obligations of the District. Long-term obligations also include compensated absences.

The following is a description of the District's Bonds and Long-Term Note outstanding at June 30, 2003:

| <u>Issue</u>                                  | <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Original Amount</u>       | <u>Retired in 2003</u>     | <u>Debt Outstanding 6/30/2003</u> |
|---|----------------------|----------------------|------------------------------|----------------------------|-----------------------------------|
| 1994 Refunding School Facilities              | 4.75%                | 12/1/2006            | \$ 8,999,989                 | \$ 890,000                 | \$ 4,600,000                      |
| 1994 School Facilities                        | 6.00%                | 12/1/2013            | 35,000,000                   | 882,683                    | 26,070,001                        |
| 1996 Bus                                      | 4.08%                | 12/1/2006            | 2,260,000                    | 230,000                    | 1,025,000                         |
| 1999 School Facilities                        | 4.94%                | 12/1/2026            | 119,499,621                  | 3,264,446                  | 103,400,175                       |
| 2002 School Facilities                        | 3.86%                | 12/1/2012            | 4,690,000                    | 210,000                    | 4,480,000                         |
| 1994 Energy Conservation                      | 5.10%                | 6/1/2004             | 2,322,000                    | 285,000                    | 300,000                           |
| 2002 Energy Conservation                      | 3.86%                | 12/1/2014            | 4,775,000                    | 170,000                    | 4,605,000                         |
| 2000 Vocational Construction                  | 0%                   | 12/31/2016           | 1,000,000                    | 66,667                     | 933,333                           |
| <b>Total Long-Term Bonds and Note Payable</b> |                      |                      | <b><u>\$ 178,546,610</u></b> | <b><u>\$ 5,998,796</u></b> | <b><u>\$ 145,413,509</u></b>      |

Annual debt service requirements to maturity for the General Obligation Bonds, Energy Conservation Bonds and the Long-Term Note Payable are as follows:

| <u>Year Ending June 30</u> | <u>Principal</u>             | <u>Interest</u>             | <u>Total</u>                 |
|----------------------------|------------------------------|-----------------------------|------------------------------|
| 2004                       | \$ 7,348,229                 | \$ 8,427,147                | \$ 15,775,376                |
| 2005                       | 7,102,061                    | 8,591,741                   | 15,693,802                   |
| 2006                       | 5,799,885                    | 7,358,507                   | 13,158,392                   |
| 2007                       | 7,456,667                    | 5,635,191                   | 13,091,858                   |
| 2008                       | 6,111,666                    | 5,333,369                   | 11,445,035                   |
| 2009-2013                  | 34,838,333                   | 22,265,403                  | 57,103,736                   |
| 2014-2018                  | 24,406,668                   | 15,102,467                  | 39,509,135                   |
| 2019-2023                  | 26,375,000                   | 9,417,469                   | 35,792,469                   |
| 2024-2027                  | 25,975,000                   | 2,539,231                   | 28,514,231                   |
| <b>Total</b>               | <b><u>\$ 145,413,509</u></b> | <b><u>\$ 84,670,525</u></b> | <b><u>\$ 230,084,034</u></b> |

The District's voted legal debt margin was \$73,182,629 with an unvoted debt margin of \$2,352,587 at June 30, 2003.

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid. Lease obligations will be paid from the General Fund.

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 13 - LONG-TERM DEBT (continued)**

In 1994, the District defeased a General Obligation Construction Bond and an Energy Conservation Long-Term Note by placing enough money in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District's financial statements. At June 30, 2003 the balance in the irrevocable trust account is \$4,736,400 and the principal outstanding is \$4,200,000.

A summary of Long-Term obligation activity during the fiscal year is summarized below:

|                                   | Balance at<br><u>June 30, 2002</u> | Issued/<br><u>Transferred</u> | <u>Retired</u>       | Balance at<br><u>June 30, 2003</u> | Amounts Due<br><u>In One Year</u> |
|-----------------------------------|------------------------------------|-------------------------------|----------------------|------------------------------------|-----------------------------------|
| General Obligation Bonds Payable  | \$ 145,052,305                     | \$ -                          | \$ 5,477,129         | \$ 139,575,176                     | \$ 6,661,563                      |
| Energy Conservation Bonds Payable | 5,360,000                          | -                             | 455,000              | 4,905,000                          | 620,000                           |
| Long-Term Note Payable            | 1,000,000                          | -                             | 66,667               | 933,333                            | 66,667                            |
| Compensated Absences              | 12,758,904                         | 8,758,035                     | 7,872,448            | 13,644,491                         | 2,117,149                         |
| Capital Leases                    | 343,416                            | 408,687                       | 200,905              | 551,198                            | 199,474                           |
| Total Governmental Activities     |                                    |                               |                      |                                    |                                   |
| Long-Term Liabilities             | <u>\$ 164,514,625</u>              | <u>\$ 9,166,722</u>           | <u>\$ 14,072,149</u> | <u>\$ 159,609,198</u>              | <u>\$ 9,664,853</u>               |

Compensated absences of \$2,117,149 include \$1,006,655 for vacation and personal leave, which is estimated to be used in the next fiscal year.

**NOTE 14- INTERFUND TRANSACTIONS**

Interfund Balances at June 30, 2003 consist of the following individual fund receivable and payables:

| <u>Interfund Receivable/Payable</u> | <u>Receivable</u>   | <u>Payable</u>      |
|-------------------------------------|---------------------|---------------------|
| Major Funds                         |                     |                     |
| General Fund                        | \$ 1,642,525        | \$ -                |
| Capital Project Fund                | -                   | 3,024               |
| Non-Major Funds:                    |                     |                     |
| Food Service Fund                   | -                   | 653,337             |
| Public School Support               | -                   | 2,825               |
| Other Grants                        | -                   | 2,752               |
| Athletic/Music Fund                 | -                   | 61,727              |
| Other State Grants                  | -                   | 177,352             |
| Other Federal Grants                | -                   | 680,289             |
| Fiduciary Funds:                    |                     |                     |
| District Agency Fund                | -                   | 23,190              |
| Student Activity Fund               | -                   | 38,029              |
| Total                               | <u>\$ 1,642,525</u> | <u>\$ 1,642,525</u> |

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 15 – 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 is 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 adverse effect on the overall financial position of the District at June 30, 2003.

B. Litigation

There are currently several matters in litigation with the District as defendant. Based upon the facts and circumstances as they currently exist, management believes that the remaining cases will have no material effect on the financial statements of the District.

**NOTE 16- SIGNIFICANT CONTRACTUAL OBLIGATIONS**

Below is a list of the significant contractual obligations the District is obligated for as of June 30, 2003:

| <u>Contractor</u>             | <u>Project</u>   | <u>Amount</u> |
|-------------------------------|--|---------------|
| Corna/Kokosing                | General Trades Contractor at Hayes Intermediate School | \$144,756     |
| Sabo/Limach                   | Energy Conservation Project                            | 733,747       |
| Cardinal Bus Sales            | Buses  | 1,251,480     |
| Greater Columbus Construction | General Trades at Bostic Center                        | 293,328       |
| Dell Computers                | Computers  | 120,960       |

**NOTE 17 - SCHOOL FUNDING**

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. Declared unconstitutional was the State's "school foundation program", which provides monetary support to the District's general fund. During fiscal year 2003, the District received \$71,897,461 of school foundation support.

On May 11, 2000, the Supreme Court held the mandate of the Ohio Constitution that the State provide a "thorough and efficient system of common schools throughout the State" had not yet been fulfilled. The Supreme Court identified seven major areas that warranted further attention and development by the General Assembly.

After several attempts by the State to remedy the defects in the system, the Court issued its latest opinion on September 6, 2001. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

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

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

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 17 - SCHOOL FUNDING (continued)**

The State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001. In November 2001, the Court granted the request for reconsideration, but also ordered the parties to participate in a settlement conference with a court appointed mediator. On March 21, 2002, the mediator issued his final report indicating that the conference was unable to produce a settlement.

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 decision is unconstitutional and vacated its decision of September 6, 2001. 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..."

On March 4, 2003, the Plaintiffs filed a motion with the Common Pleas Court of Perry County requesting that such Court schedule and conduct a conference to address the State's compliance with the orders of such Court and the Supreme Court. On May 16, 2003, the Ohio Supreme Court granted a Writ of Prohibition as filed by the State and ordered the Common Pleas Court of Perry County to dismiss the motion for a compliance conference. The Ohio Supreme Court further stated again its ruling made on December 11, 2002.

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

**NOTE 18- SUBSTITUTE HOUSE BILL 412**

Substitute House Bill 412, as amended by H. B. 770, requires Districts, effective in Fiscal Year 1999, to set aside certain percentages of defined revenues for (1) textbook and instructional materials, (2) capital and maintenance and (3) budget reserve and also requires five year budget projections. It amended the fiscal watch and fiscal emergency statutes, created a state school district solvency fund, and phased out the "spending reserve" borrowing provisions. On April 10<sup>th</sup>, 2001, Senate Bill 345 became law removing the requirement for school district's to maintain a budget stabilization reserve. Additionally, school districts could opt to release funds from the budget stabilization reserve. However, Senate Bill 345 required school districts' to maintain any balances attributable to any Worker's Compensation rebates. On April 23<sup>rd</sup>, 2001, the District released all funds that were not provided form Worker's Compensation rebates.

|  | <u>Textbooks</u>    | <u>Capital<br/>Acquisition</u> | <u>Budget<br/>Stabilization</u> | <u>Totals</u>         |
|--|---------------------|--------------------------------|---------------------------------|-----------------------|
| Set aside Cash Balance as of June 30, 2003 | \$ -                | \$ -                           | \$ 557,898                      | \$ 557,898            |
| Current Year Set-aside Requirement         | 2,745,355           | 2,745,355                      | -                               | 5,490,710             |
| Qualifying Disbursements                   | <u>(2,941,572)</u>  | <u>(4,551,681)</u>             | <u>-</u>                        | <u>(7,493,253)</u>    |
| Total                                      | <u>\$ (196,217)</u> | <u>\$ (1,806,326)</u>          | <u>\$ 557,898</u>               | <u>\$ (1,444,645)</u> |
| Cash Balance Carried Forward to FY2004     | <u>\$ -</u>         | <u>\$ -</u>                    | <u>\$ 557,898</u>               | <u>\$ 557,898</u>     |

*South-Western City School District, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003*

**NOTE 19 - SUBSEQUENT EVENTS**

In conjunction with the 4.92 mill, \$128,000,000 bond issue passed on November 3, 1998, the District opened Hayes Intermediate School on August 25, 2003. Additionally, with the help of Federal Head Start funds, the District converted the former administrative services building into the Bostic Head Start Center, which opened on September 2, 2003. In an effort to lower future debt requirements, the District refinanced \$27,860,000 remaining on the 1994 Refunding School Facilities and the 1994 School Facilities Bond issues. The restructuring of this debt will result in total savings of \$2,139,064 over the term of the debt.

**This Page is Intentionally Left Blank.**



**REQUIRED SUPPLEMENTAL INFORMATION**

**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 and described below is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP) and Actual is presented for each major governmental fund to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

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

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis for the General Fund:

|                              |                        |
|------------------------------|------------------------|
|                              | <u>General</u>         |
| GAAP Basis                   | \$ (9,944,869)         |
| Adjustments:                 |                        |
| Revenue Accruals             | 2,928,324              |
| Expenditure Accruals         | (8,795,688)            |
| Encumbrances                 | 5,329,553              |
| Proceeds from Capital Leases | (408,687)              |
| Transfers                    | (331,684)              |
| Advances                     | (698,614)              |
| Budget Basis                 | <u>\$ (11,921,665)</u> |

**BUDGETARY CITATION**

According to Ohio Revised Code Section 5705.39, the total appropriation from each fund should not exceed the total estimated revenue. The District is in violation of this code section for the *All State Grants Fund*, *All Federal Grants Fund*, *Other Grants Fund*, and the *School Net Fund*. When grants are awarded, the entire amount is appropriated, however, the revenue may be received over two fiscal years. If this is the case, appropriations will exceed estimated revenues. It is the District’s practice not to decrease appropriations to match revenues received at fiscal year end, due to the opportunity that is created to over appropriate in future years.

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 General Fund  
 For the Fiscal Year Ended June 30, 2003

|                             | Original<br><u>Budget</u> | Final<br><u>Budget</u> | <u>Actual</u>      | <u>Variance</u> |
|-----------------------------|---------------------------|------------------------|--------------------|-----------------|
| Revenues:                   |                           |                        |                    |                 |
| Local:                      |                           |                        |                    |                 |
| Taxes                       | \$ 68,373,000             | \$ 67,052,751          | \$ 67,051,806      | \$ (945)        |
| Tuition                     | 499,244                   | 269,000                | 265,266            | (3,734)         |
| Interest                    | 1,000,000                 | 1,169,000              | 1,169,164          | 164             |
| Other Local Revenue         | 1,868,325                 | 1,649,000              | 1,622,885          | (26,115)        |
| Intergovernmental - State   | 72,436,000                | 73,890,000             | 73,893,848         | 3,848           |
| Intergovernmental - Federal | 230,000                   | 578,000                | 578,872            | 872             |
| Total Revenues              | <u>144,406,569</u>        | <u>144,607,751</u>     | <u>144,581,841</u> | <u>(25,910)</u> |
| Expenditures:               |                           |                        |                    |                 |
| Current:                    |                           |                        |                    |                 |
| Instruction:                |                           |                        |                    |                 |
| Regular                     |                           |                        |                    |                 |
| Salaries and Wages          | 49,149,302                | 48,654,327             | 48,654,327         | -               |
| Fringe Benefits             | 12,694,604                | 12,124,930             | 12,124,930         | -               |
| Purchased Services          | 1,385,309                 | 3,224,229              | 3,197,565          | 26,664          |
| Supplies and Materials      | 1,610,472                 | 1,985,200              | 1,898,557          | 86,643          |
| Miscellaneous               | 9,754                     | 121,627                | 4,603              | 117,024         |
| Total Regular               | <u>64,849,441</u>         | <u>66,110,313</u>      | <u>65,879,982</u>  | <u>230,331</u>  |
| Special                     |                           |                        |                    |                 |
| Salaries and Wages          | 9,016,181                 | 8,983,402              | 8,983,402          | -               |
| Fringe Benefits             | 2,478,687                 | 2,374,875              | 2,374,875          | -               |
| Purchased Services          | 2,354,985                 | 2,930,132              | 2,913,772          | 16,360          |
| Supplies and Materials      | 254,773                   | 241,993                | 230,560            | 11,433          |
| Total Special               | <u>14,104,626</u>         | <u>14,530,402</u>      | <u>14,502,609</u>  | <u>27,793</u>   |
| Vocational                  |                           |                        |                    |                 |
| Salaries and Wages          | 3,289,724                 | 3,347,556              | 3,347,556          | -               |
| Fringe Benefits             | 841,212                   | 813,421                | 813,421            | -               |
| Purchased Services          | 13,640                    | 130,409                | 125,291            | 5,118           |
| Supplies and Materials      | 46,667                    | 777,867                | 738,458            | 39,409          |
| Miscellaneous               | 4,200                     | 17,661                 | -                  | 17,661          |
| Total Vocational            | <u>4,195,443</u>          | <u>5,086,914</u>       | <u>5,024,726</u>   | <u>62,188</u>   |
| Other                       |                           |                        |                    |                 |
| Salaries and Wages          | 208,690                   | 127,248                | 127,248            | -               |
| Fringe Benefits             | 35,068                    | 31,185                 | 31,185             | -               |
| Supplies and Materials      | 8,000                     | 18,000                 | 10,489             | 7,511           |
| Total Other                 | <u>251,758</u>            | <u>176,433</u>         | <u>168,922</u>     | <u>7,511</u>    |
| Total Instruction           | <u>83,401,268</u>         | <u>85,904,062</u>      | <u>85,576,239</u>  | <u>327,823</u>  |
| Support Services:           |                           |                        |                    |                 |
| Pupil                       |                           |                        |                    |                 |
| Salaries and Wages          | 4,556,119                 | 4,883,476              | 4,883,476          | -               |
| Fringe Benefits             | 1,116,992                 | 1,165,322              | 1,165,322          | -               |
| Purchased Services          | 49,750                    | 51,944                 | 50,266             | 1,678           |
| Supplies and Materials      | 50,201                    | 54,130                 | 52,605             | 1,525           |
| Total Pupil                 | <u>5,773,062</u>          | <u>6,154,872</u>       | <u>6,151,669</u>   | <u>3,203</u>    |

(continued)

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
General Fund  
For the Fiscal Year Ended June 30, 2003  
(continued)

|   | Original<br><u>Budget</u> | Final<br><u>Budget</u> | <u>Actual</u>     | <u>Variance</u> |
|---|---------------------------|------------------------|-------------------|-----------------|
| <b>Instructional Staff</b>              |                           |                        |                   |                 |
| Salaries and Wages                      | 8,015,222                 | 8,195,502              | 8,195,502         | -               |
| Fringe Benefits                         | 2,429,106                 | 2,522,598              | 2,522,598         | -               |
| Purchased Services                      | 271,099                   | 217,396                | 189,660           | 27,736          |
| Supplies and Materials                  | 829,899                   | 934,813                | 919,194           | 15,619          |
| Miscellaneous                           | 3,900                     | 3,985                  | 3,634             | 351             |
| <b>Total Instructional Staff</b>        | <b>11,549,226</b>         | <b>11,874,294</b>      | <b>11,830,588</b> | <b>43,706</b>   |
| <b>Board of Education</b>               |                           |                        |                   |                 |
| Salaries and Wages                      | 18,000                    | 13,840                 | 13,840            | -               |
| Fringe Benefits                         | 175                       | 2,440                  | 2,440             | -               |
| Purchased Services                      | 171,500                   | 289,609                | 286,103           | 3,506           |
| Supplies and Materials                  | 4,000                     | 10,904                 | 10,904            | -               |
| Miscellaneous                           | 185,500                   | 162,534                | 160,883           | 1,651           |
| <b>Total Board of Education</b>         | <b>379,175</b>            | <b>479,327</b>         | <b>474,170</b>    | <b>5,157</b>    |
| <b>Administration</b>                   |                           |                        |                   |                 |
| Salaries and Wages                      | 7,486,253                 | 7,208,573              | 7,208,573         | -               |
| Fringe Benefits                         | 2,387,640                 | 2,317,405              | 2,317,405         | -               |
| Purchased Services                      | 1,184,820                 | 1,482,239              | 1,329,798         | 152,441         |
| Supplies and Materials                  | 111,982                   | 157,706                | 133,524           | 24,182          |
| Miscellaneous                           | 1,022,307                 | 969,009                | 958,375           | 10,634          |
| <b>Total Administration</b>             | <b>12,193,002</b>         | <b>12,134,932</b>      | <b>11,947,675</b> | <b>187,257</b>  |
| <b>Fiscal</b>                           |                           |                        |                   |                 |
| Salaries and Wages                      | 1,122,127                 | 907,384                | 907,384           | -               |
| Fringe Benefits                         | 210,033                   | 181,834                | 181,834           | -               |
| Purchased Services                      | 123,400                   | 268,496                | 257,029           | 11,467          |
| Supplies and Materials                  | 15,000                    | 14,037                 | 12,860            | 1,177           |
| Miscellaneous                           | 1,467,000                 | 1,119,780              | 1,096,134         | 23,646          |
| <b>Total Fiscal</b>                     | <b>2,937,560</b>          | <b>2,491,531</b>       | <b>2,455,241</b>  | <b>36,290</b>   |
| <b>Business</b>                         |                           |                        |                   |                 |
| Salaries and Wages                      | 324,417                   | 335,116                | 335,116           | -               |
| Fringe Benefits                         | 101,782                   | 102,877                | 102,877           | -               |
| Purchased Services                      | 637,432                   | 614,551                | 613,514           | 1,037           |
| Supplies and Materials                  | 72,500                    | 104,775                | 104,375           | 400             |
| Miscellaneous                           | 9,700                     | 14,644                 | 14,644            | -               |
| <b>Total Business</b>                   | <b>1,145,831</b>          | <b>1,171,963</b>       | <b>1,170,526</b>  | <b>1,437</b>    |
| <b>Operations and Maintenance</b>       |                           |                        |                   |                 |
| Salaries and Wages                      | 6,215,221                 | 6,452,640              | 6,452,640         | -               |
| Fringe Benefits                         | 1,930,120                 | 1,894,550              | 1,894,550         | -               |
| Purchased Services                      | 4,574,551                 | 5,057,323              | 4,910,342         | 146,981         |
| Supplies and Materials                  | 1,095,457                 | 901,805                | 901,705           | 100             |
| Miscellaneous                           | 45,000                    | 52,000                 | 51,131            | 869             |
| <b>Total Operations and Maintenance</b> | <b>13,860,349</b>         | <b>14,358,318</b>      | <b>14,210,368</b> | <b>147,950</b>  |
| <b>Pupil Transportation</b>             |                           |                        |                   |                 |
| Salaries and Wages                      | 4,349,281                 | 4,770,184              | 4,770,184         | -               |
| Fringe Benefits                         | 1,598,307                 | 1,678,714              | 1,678,714         | -               |
| Purchased Services                      | 482,000                   | 602,349                | 598,384           | 3,965           |
| Supplies and Materials                  | 884,400                   | 935,781                | 935,781           | -               |
| Miscellaneous                           | 1,000                     | -                      | -                 | -               |
| <b>Total Pupil Transportation</b>       | <b>7,314,988</b>          | <b>7,987,028</b>       | <b>7,983,063</b>  | <b>3,965</b>    |

(continued)

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
General Fund  
For the Fiscal Year Ended June 30, 2003  
(continued)

|  | Original<br><u>Budget</u> | Final<br><u>Budget</u> | <u>Actual</u>        | <u>Variance</u>     |
|--|---------------------------|------------------------|----------------------|---------------------|
| Central                                      |                           |                        |                      |                     |
| Salaries and Wages                           | 1,350,754                 | 1,369,877              | 1,369,877            | -                   |
| Fringe Benefits                              | 347,736                   | 364,655                | 364,655              | -                   |
| Purchased Services                           | 670,301                   | 701,401                | 608,715              | 92,686              |
| Supplies and Materials                       | 146,900                   | 334,497                | 321,989              | 12,508              |
| Miscellaneous                                | 6,000                     | 7,057                  | 2,866                | 4,191               |
| Total Central                                | <u>2,521,691</u>          | <u>2,777,487</u>       | <u>2,668,102</u>     | <u>109,385</u>      |
| Total Support Services                       | <u>57,674,884</u>         | <u>59,429,752</u>      | <u>58,891,402</u>    | <u>538,350</u>      |
| Community Services                           |                           |                        |                      |                     |
| Salaries and Wages                           | 67,025                    | 179,334                | 179,334              | -                   |
| Fringe Benefits                              | 19,734                    | 34,538                 | 34,538               | -                   |
| Purchased Services                           | 32,387                    | 39,407                 | 38,870               | 537                 |
| Supplies and Materials                       | 7,100                     | 10,536                 | 9,492                | 1,044               |
| Miscellaneous                                | 10,650                    | -                      | -                    | -                   |
| Total Community Services                     | <u>136,896</u>            | <u>263,815</u>         | <u>262,234</u>       | <u>1,581</u>        |
| Extracurricular Activities                   |                           |                        |                      |                     |
| Salaries and Wages                           | 1,887,560                 | 1,602,321              | 1,602,321            | -                   |
| Fringe Benefits                              | -                         | 288,065                | 288,065              | -                   |
| Purchased Services                           | -                         | 5,263                  | 5,263                | -                   |
| Supplies and Materials                       | 397                       | 274,672                | 272,961              | 1,711               |
| Total Extracurricular Activities             | <u>1,887,957</u>          | <u>2,170,321</u>       | <u>2,168,610</u>     | <u>1,711</u>        |
| Miscellaneous                                | 4,000                     | 443,811                | -                    | 443,811             |
| Capital Outlay                               | 2,691,759                 | 7,365,052              | 7,295,541            | 69,511              |
| Pass Through Grants                          | 325,000                   | 325,000                | 325,000              | -                   |
| Total Expenditures                           | <u>146,121,764</u>        | <u>155,901,813</u>     | <u>154,519,026</u>   | <u>1,382,787</u>    |
| Excess of Revenues Over (Under) Expenditures | (1,715,195)               | (11,294,062)           | (9,937,185)          | 1,356,877           |
| Other Financing Sources (Uses):              |                           |                        |                      |                     |
| Operating Transfers - In                     | 15,000                    | 15,000                 | 42,022               | 27,022              |
| Operating Transfers - Out                    | (1,401,083)               | (1,328,227)            | (1,327,888)          | 339                 |
| Advances - In                                | -                         | 943,000                | 943,911              | 911                 |
| Advances - Out                               | -                         | (1,642,525)            | (1,642,525)          | -                   |
| Total Other Financing Sources (Uses)         | <u>(1,386,083)</u>        | <u>(2,012,752)</u>     | <u>(1,984,480)</u>   | <u>28,272</u>       |
| Net Change in Fund Balances                  | (3,101,278)               | (13,306,814)           | (11,921,665)         | 1,385,149           |
| Fund Balance at Beginning of Year            | 31,242,342                | 31,242,342             | 31,242,342           | -                   |
| Prior Year Encumbrances Appropriated         | 4,926,632                 | 4,926,632              | 4,926,632            | -                   |
| Fund Balance at End of Year                  | <u>\$ 33,067,696</u>      | <u>\$ 22,862,160</u>   | <u>\$ 24,247,309</u> | <u>\$ 1,385,149</u> |

**This Page is Intentionally Left Blank.**

## **OTHER SUPPLEMENTAL INFORMATION**

## **DEBT SERVICE FUND**

The Debt Service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment.



South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
Debt Service Fund  
For the Fiscal Year Ended June 30, 2003

|  | <u>Final<br/>Budget</u> | <u>Actual</u>       | <u>Variance</u>     |
|--|-------------------------|---------------------|---------------------|
| Revenues:                                    |                         |                     |                     |
| Local:                                       |                         |                     |                     |
| Taxes  | \$ 13,436,000           | \$ 13,437,207       | \$ 1,207            |
| Other Local Revenue                          | 1,000                   | 1,568               | 568                 |
| Intergovernmental - State                    | <u>1,431,427</u>        | <u>1,463,160</u>    | <u>31,733</u>       |
| Total Revenues                               | <u>14,868,427</u>       | <u>14,901,935</u>   | <u>33,508</u>       |
| Expenditures:                                |                         |                     |                     |
| Current:                                     |                         |                     |                     |
| Support Services:                            |                         |                     |                     |
| Fiscal                                       |                         |                     |                     |
| Miscellaneous                                | <u>158,000</u>          | <u>152,695</u>      | <u>5,305</u>        |
| Total Fiscal                                 | <u>158,000</u>          | <u>152,695</u>      | <u>5,305</u>        |
| Total Support Services                       | <u>158,000</u>          | <u>152,695</u>      | <u>5,305</u>        |
| Debt Service:                                |                         |                     |                     |
| Principal Retirement                         | 7,106,762               | 5,932,129           | 1,174,633           |
| Interest and Fiscal Charges                  | <u>9,738,422</u>        | <u>8,855,733</u>    | <u>882,689</u>      |
| Total Expenditures                           | <u>17,003,184</u>       | <u>14,940,557</u>   | <u>2,062,627</u>    |
| Excess of Revenues Over (Under) Expenditures | (2,134,757)             | (38,622)            | 2,096,135           |
| Other Financing Sources:                     |                         |                     |                     |
| Operating Transfers - In                     | <u>925,832</u>          | <u>926,328</u>      | <u>496</u>          |
| Total Other Financing Sources:               | <u>925,832</u>          | <u>926,328</u>      | <u>496</u>          |
| Net Change in Fund Balances                  | (1,208,925)             | 887,706             | 2,096,631           |
| Fund Balance at Beginning of Year            | <u>3,013,751</u>        | <u>3,013,751</u>    | <u>-</u>            |
| Fund Balance at End of Year                  | <u>\$ 1,804,826</u>     | <u>\$ 3,901,457</u> | <u>\$ 2,096,631</u> |

## **CAPITAL IMPROVEMENTS FUND**

The Capital Improvements fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 Capital Improvements Fund  
 For the Fiscal Year Ended June 30, 2003

|                                  | <u>Final<br/>Budget</u> | <u>Actual</u>  | <u>Variance</u> |
|----------------------------------|-------------------------|----------------|-----------------|
| Revenues:                        |                         |                |                 |
| Local:                           |                         |                |                 |
| Interest                         | \$ 133,847              | \$ 133,063     | \$ (784)        |
| Other Local Revenue              | <u>20,000</u>           | <u>21,853</u>  | <u>1,853</u>    |
| Total Revenues                   | <u>153,847</u>          | <u>154,916</u> | <u>1,069</u>    |
| Expenditures:                    |                         |                |                 |
| Current:                         |                         |                |                 |
| Instruction:                     |                         |                |                 |
| Regular                          |                         |                |                 |
| Supplies and Materials           | <u>81,946</u>           | <u>81,946</u>  | <u>-</u>        |
| Total Regular                    | <u>81,946</u>           | <u>81,946</u>  | <u>-</u>        |
| Vocational                       |                         |                |                 |
| Supplies and Materials           | <u>2,770</u>            | <u>2,770</u>   | <u>-</u>        |
| Total Vocational                 | <u>2,770</u>            | <u>2,770</u>   | <u>-</u>        |
| Total Instruction                | <u>84,716</u>           | <u>84,716</u>  | <u>-</u>        |
| Support Services:                |                         |                |                 |
| Administration                   |                         |                |                 |
| Purchased Services               | 21,152                  | 21,152         | -               |
| Supplies and Materials           | <u>6,358</u>            | <u>6,358</u>   | <u>-</u>        |
| Total Administration             | <u>27,510</u>           | <u>27,510</u>  | <u>-</u>        |
| Fiscal                           |                         |                |                 |
| Miscellaneous                    | <u>87,914</u>           | <u>87,914</u>  | <u>-</u>        |
| Total Fiscal                     | <u>87,914</u>           | <u>87,914</u>  | <u>-</u>        |
| Operations and Maintenance       |                         |                |                 |
| Purchased Services               | 7,430                   | 280            | 7,150           |
| Supplies and Materials           | <u>11,184</u>           | <u>1,184</u>   | <u>10,000</u>   |
| Total Operations and Maintenance | <u>18,614</u>           | <u>1,464</u>   | <u>17,150</u>   |
| Food Services                    |                         |                |                 |
| Purchased Services               | 4,500                   | 4,500          | -               |
| Supplies and Materials           | <u>1,206</u>            | <u>1,206</u>   | <u>-</u>        |
| Total Food Services              | <u>5,706</u>            | <u>5,706</u>   | <u>-</u>        |
| Extracurricular Activities       |                         |                |                 |
| Supplies and Materials           | <u>454</u>              | <u>454</u>     | <u>-</u>        |
| Total Extracurricular Activities | <u>454</u>              | <u>454</u>     | <u>-</u>        |
| Total Support Services           | <u>140,198</u>          | <u>123,048</u> | <u>17,150</u>   |

(continued)

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 Capital Improvements Fund  
 For the Fiscal Year Ended June 30, 2003  
 (continued)

|  | Final<br><u>Budget</u> | <u>Actual</u>     | <u>Variance</u>  |
|--|------------------------|-------------------|------------------|
| Capital Outlay                               | 19,449,082             | 19,427,102        | 21,980           |
| Total Expenditures                           | <u>19,673,996</u>      | <u>19,634,866</u> | <u>39,130</u>    |
| Excess of Revenues Over (Under) Expenditures | (19,520,149)           | (19,479,950)      | 40,199           |
| Other Financing Sources (Uses):              |                        |                   |                  |
| Advances - In                                | 3,024                  | 3,024             | -                |
| Advances - Out                               | <u>(34,129)</u>        | <u>(34,129)</u>   | <u>-</u>         |
| Total Other Financing Sources (Uses)         | <u>(31,105)</u>        | <u>(31,105)</u>   | <u>-</u>         |
| Net Change in Fund Balances                  | (19,551,254)           | (19,511,055)      | 40,199           |
| Fund Balance at Beginning of Year            | 476,664                | 476,664           | -                |
| Prior Year Encumbrances Appropriated         | <u>19,224,998</u>      | <u>19,224,998</u> | <u>-</u>         |
| Fund Balance at End of Year                  | <u>\$ 150,408</u>      | <u>\$ 190,607</u> | <u>\$ 40,199</u> |

## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for revenue sources (other than capital projects or debt service) that are legally or third party restricted to expenditures for specified purposes. The following are descriptions of each Special Revenue Fund:

### Public School Support

To account for specific local revenue sources, other than taxes or expendable trusts, (i.e. profits from vending machines, sale of pictures, etc.), that are restricted to expenditures of specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases. These funds have been established at each school and at certain administrative centers for the purposes described above.

### Other Grants

To account for the proceeds of specific revenue sources, except state and federal grants that are legally restricted to expenditures for specified purposes.

### Athletics/Music

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 would usually include athletic programs but could also include the band, cheerleaders and other similar types of activities.

### All State Grants

To account for all state grant programs which include Auxiliary Services, Career Education, Ohio Reads, EMIS, State Head Start, Public School Preschool, Alternative Education, DPIA, Data Communication, SchoolNet Training, Summer Intervention, and STARS.

### All Federal Grants

To account for all federal grant programs which include: Adult Basic Education, Title II, Title VI-B, Perkins, Head Start, Refugee Children, Title I, Title VI, Preschool Grant, Emergency Immigrant Education, Title IV, Goals 2000, CSRD, Title VI-R, High Schools that Work, and SMART.

### Food Service

To account for the financial transactions related to the food service operations of the District.

### Insurance Reserve

To account for assets generated when the District was self-funded for health insurance. These assets are used to buy down the health care premium for employees and board share.

### Vocational Rotary

To account for income and expenses made in connection with goods and services provided by the students in the vocational programs.

## **NONMAJOR CAPITAL PROJECT FUND**

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment.

### SchoolNet Plus

To account for the state monies provided to help equip all classrooms with one computer for every five students.

Negative fund balances are caused by revenue estimates that are based solely on amounts received during the fiscal year, whereas appropriations are based on the total grant award.

South-Western City School District  
Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2003

|   | <u>Public School<br/>Support</u> | <u>Other<br/>Grants</u> | <u>Athletic/<br/>Music</u> | <u>All State<br/>Grants</u> |
|---|----------------------------------|-------------------------|----------------------------|-----------------------------|
| <u>Assets</u>                                 |                                  |                         |                            |                             |
| Equity in Pooled Cash and Cash<br>Equivalents | \$ 700,490                       | \$ 735,947              | \$ 618,444                 | \$ 1,009,930                |
| Receivable:                                   |                                  |                         |                            |                             |
| Accounts                                      | 3,339                            | 2,723                   | 8,996                      | -                           |
| Intergovernmental                             | -                                | -                       | -                          | 223,298                     |
| Prepaid Items                                 | -                                | -                       | -                          | 32,917                      |
| Materials and Supplies Inventory              | -                                | -                       | 9,836                      | -                           |
| Total Assets                                  | <u>\$ 703,829</u>                | <u>\$ 738,670</u>       | <u>\$ 637,276</u>          | <u>\$ 1,266,145</u>         |
| <u>Liabilities and Fund Balances</u>          |                                  |                         |                            |                             |
| <u>Liabilities:</u>                           |                                  |                         |                            |                             |
| Accounts Payable                              | \$ 49,414                        | \$ 123,134              | \$ 27,161                  | \$ 307,754                  |
| Accrued Wages and Benefits                    | 4,037                            | 11,439                  | 1,737                      | 145,506                     |
| Interfund Loans Payable                       | 2,825                            | 2,752                   | 61,727                     | 177,352                     |
| Deferred Revenue                              | -                                | -                       | -                          | 18,945                      |
| Total Liabilities                             | <u>56,276</u>                    | <u>137,325</u>          | <u>90,625</u>              | <u>649,557</u>              |
| <u>Fund Balance:</u>                          |                                  |                         |                            |                             |
| Reserved for Encumbrances                     | 62,283                           | 164,036                 | 64,334                     | 121,462                     |
| Unreserved                                    |                                  |                         |                            |                             |
| Designated for Capital Projects               |                                  |                         |                            |                             |
| Undesignated, reported in                     |                                  |                         |                            |                             |
| Special Revenue Funds                         | <u>585,270</u>                   | <u>437,309</u>          | <u>482,317</u>             | <u>495,126</u>              |
| Total Fund Balances                           | <u>647,553</u>                   | <u>601,345</u>          | <u>546,651</u>             | <u>616,588</u>              |
| Total Liabilities and Fund Balances           | <u>\$ 703,829</u>                | <u>\$ 738,670</u>       | <u>\$ 637,276</u>          | <u>\$ 1,266,145</u>         |

| <u>All Federal Grants</u> | <u>Food Service</u> | <u>Insurance Reserve</u> | <u>Vocational Rotary</u> | <u>SchoolNet Plus</u> | <u>Total Nonmajor Funds</u> |
|---------------------------|---------------------|--------------------------|--------------------------|-----------------------|-----------------------------|
| \$ 561,279                | \$ 78,657           | \$ 1,411,564             | \$ 40,330                | \$ 55,564             | \$ 5,212,205                |
| -                         | 1,524               | -                        | -                        | -                     | 16,582                      |
| 1,457,854                 | 365,326             | -                        | -                        | -                     | 2,046,478                   |
| 75,022                    | 108,915             | -                        | -                        | -                     | 216,854                     |
| -                         | 71,941              | -                        | -                        | -                     | 81,777                      |
| <u>\$ 2,094,155</u>       | <u>\$ 626,363</u>   | <u>\$ 1,411,564</u>      | <u>\$ 40,330</u>         | <u>\$ 55,564</u>      | <u>\$ 7,573,896</u>         |
| <br>                      |                     |                          |                          |                       |                             |
| \$ 217,679                | \$ 33,929           | \$ 627                   | \$ 2,103                 | \$ 7,121              | 768,922                     |
| 691,079                   | 192,332             | -                        | -                        | -                     | 1,046,130                   |
| 680,289                   | 653,337             | -                        | -                        | -                     | 1,578,282                   |
| 353,930                   | 28,000              | -                        | -                        | -                     | 400,875                     |
| <u>1,942,977</u>          | <u>907,598</u>      | <u>627</u>               | <u>2,103</u>             | <u>7,121</u>          | <u>3,794,209</u>            |
| <br>                      |                     |                          |                          |                       |                             |
| 215,337                   | 16,903              | 2,417                    | 178                      | -                     | 646,950                     |
|                           |                     |                          |                          | 48,443                | 48,443                      |
| (64,159)                  | (298,138)           | 1,408,520                | 38,049                   | -                     | 3,084,294                   |
| 151,178                   | (281,235)           | 1,410,937                | 38,227                   | 48,443                | 3,779,687                   |
| <u>\$ 2,094,155</u>       | <u>\$ 626,363</u>   | <u>\$ 1,411,564</u>      | <u>\$ 40,330</u>         | <u>\$ 55,564</u>      | <u>\$ 7,573,896</u>         |

South-Western City School District  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2003

|  | Public School<br>Support | Other<br>Grants   | Athletic/<br>Music | All State<br>Grants |
|--|--------------------------|-------------------|--------------------|---------------------|
| Revenues:                                    |                          |                   |                    |                     |
| Local:                                       |                          |                   |                    |                     |
| Tuition                                      | \$ 4,515                 | \$ 179,306        | \$ -               | \$ -                |
| Interest                                     | 7,699                    | -                 | 6,441              | -                   |
| Other Local Revenue                          | 1,051,565                | 432,730           | 1,280,409          | -                   |
| Intergovernmental - State                    | -                        | -                 | -                  | 3,642,201           |
| Intergovernmental - Federal                  | -                        | -                 | -                  | -                   |
| Total Revenues                               | <u>1,063,779</u>         | <u>612,036</u>    | <u>1,286,850</u>   | <u>3,642,201</u>    |
| Current:                                     |                          |                   |                    |                     |
| Instruction:                                 |                          |                   |                    |                     |
| Regular                                      | 317,111                  | 84,839            | 112,855            | 1,084,091           |
| Special                                      | 1,299                    | 13,099            | -                  | 123,174             |
| Vocational                                   | 9,634                    | 18,649            | -                  | -                   |
| Other  | 38,001                   | 843               | -                  | 355                 |
| Support Services:                            |                          |                   |                    |                     |
| Pupil  | 4,073                    | 99,573            | -                  | 251,193             |
| Instructional Staff                          | 21,351                   | 87,735            | 8,658              | 758,376             |
| Administration                               | 589,400                  | 19                | 1,967              | 123,339             |
| Fiscal                                       | -                        | -                 | -                  | 15,279              |
| Operations and Maintenance                   | -                        | 2,074             | -                  | 17,858              |
| Pupil Transportation                         | -                        | 6,546             | -                  | 108,552             |
| Central                                      | 9,915                    | -                 | -                  | 214,246             |
| Food Service                                 | -                        | -                 | -                  | -                   |
| Community Services                           | -                        | 3,546             | -                  | 847,135             |
| Extracurricular Activities                   | 9,244                    | 6,375             | 1,135,260          | -                   |
| Capital Outlay                               | 110,607                  | 248,140           | 86,745             | 320,803             |
| Total Expenditures                           | <u>1,110,635</u>         | <u>571,438</u>    | <u>1,345,485</u>   | <u>3,864,401</u>    |
| Excess of Revenues Over (Under) Expenditures | (46,856)                 | 40,598            | (58,635)           | (222,200)           |
| Other Financing Sources (Uses):              |                          |                   |                    |                     |
| Transfers - In                               | 8,937                    | -                 | 19,013             | -                   |
| Transfers - Out                              | -                        | -                 | (96)               | -                   |
| Total Other Financing Sources (Uses)         | <u>8,937</u>             | <u>-</u>          | <u>18,917</u>      | <u>-</u>            |
| Net Change in Fund Balance                   | (37,919)                 | 40,598            | (39,718)           | (222,200)           |
| Fund Balances at Beginning of Year           | 685,472                  | 560,747           | 586,369            | 838,788             |
| Fund Balances at End of Year                 | <u>\$ 647,553</u>        | <u>\$ 601,345</u> | <u>\$ 546,651</u>  | <u>\$ 616,588</u>   |



| All Federal<br>Grants | Food<br>Service     | Insurance<br>Reserve | Vocational<br>Rotary | School Net<br>Plus | Total<br>Nonmajor<br>Funds |
|-----------------------|---------------------|----------------------|----------------------|--------------------|----------------------------|
| \$ -                  | \$ -                | \$ -                 | \$ -                 | \$ -               | \$ 183,821                 |
| -                     | 166                 | 36,654               | 9                    | -                  | 50,969                     |
| -                     | 3,699,860           | 27,361               | 52,712               | -                  | 6,544,637                  |
| -                     | 154,419             | -                    | -                    | 280,354            | 4,076,974                  |
| 8,490,895             | 2,652,968           | -                    | -                    | -                  | 11,143,863                 |
| <u>8,490,895</u>      | <u>6,507,413</u>    | <u>64,015</u>        | <u>52,721</u>        | <u>280,354</u>     | <u>22,000,264</u>          |
| 1,902,699             | -                   | 2,684                | -                    | 28,568             | 3,532,847                  |
| 2,828,652             | -                   | -                    | 771                  | -                  | 2,966,995                  |
| 300,411               | -                   | 100                  | 47,001               | -                  | 375,795                    |
| 195,992               | -                   | -                    | -                    | -                  | 235,191                    |
| 524,138               | -                   | -                    | -                    | -                  | 878,977                    |
| 1,663,470             | -                   | 1,923                | -                    | -                  | 2,541,513                  |
| 578,332               | -                   | 20,423               | 1,645                | -                  | 1,315,125                  |
| 13,580                | -                   | -                    | -                    | -                  | 28,859                     |
| 133,255               | -                   | -                    | -                    | -                  | 153,187                    |
| 285,885               | -                   | -                    | -                    | -                  | 400,983                    |
| -                     | -                   | 1,065,422            | -                    | -                  | 1,289,583                  |
| -                     | 6,468,178           | -                    | -                    | -                  | 6,468,178                  |
| 169,743               | -                   | -                    | 817                  | -                  | 1,021,241                  |
| -                     | -                   | 6,400                | 220                  | -                  | 1,157,499                  |
| 764,026               | 282                 | 300                  | -                    | 203,343            | 1,734,246                  |
| <u>9,360,183</u>      | <u>6,468,460</u>    | <u>1,097,252</u>     | <u>50,454</u>        | <u>231,911</u>     | <u>24,100,219</u>          |
| (869,288)             | 38,953              | (1,033,237)          | 2,267                | 48,443             | (2,099,955)                |
| -                     | -                   | -                    | -                    | -                  | 27,950                     |
| -                     | -                   | -                    | -                    | -                  | (96)                       |
| -                     | -                   | -                    | -                    | -                  | 27,854                     |
| (869,288)             | 38,953              | (1,033,237)          | 2,267                | 48,443             | (2,072,101)                |
| 1,020,466             | (320,188)           | 2,444,174            | 35,960               | -                  | 5,851,788                  |
| <u>\$ 151,178</u>     | <u>\$ (281,235)</u> | <u>\$ 1,410,937</u>  | <u>\$ 38,227</u>     | <u>\$ 48,443</u>   | <u>\$ 3,779,687</u>        |

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 Public School Support Fund  
 For the Fiscal Year Ended June 30, 2003

|                        | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u> |
|------------------------|-------------------------|------------------|-----------------|
| Revenues:              |                         |                  |                 |
| Local:                 |                         |                  |                 |
| Tuition                | \$ -                    | \$ 4,715         | \$ 4,715        |
| Interest               | 15,053                  | 7,699            | (7,354)         |
| Other Local Revenue    | <u>1,087,100</u>        | <u>1,053,391</u> | <u>(33,709)</u> |
| Total Revenues         | <u>1,102,153</u>        | <u>1,065,805</u> | <u>(36,348)</u> |
| Expenditures:          |                         |                  |                 |
| Current:               |                         |                  |                 |
| Instruction:           |                         |                  |                 |
| Regular                |                         |                  |                 |
| Salaries and Wages     | 2,684                   | 2,684            | -               |
| Fringe Benefits        | 438                     | 438              | -               |
| Purchased Services     | 22,401                  | 20,189           | 2,212           |
| Supplies and Materials | <u>382,963</u>          | <u>323,039</u>   | <u>59,924</u>   |
| Total Regular          | <u>408,486</u>          | <u>346,350</u>   | <u>62,136</u>   |
| Special                |                         |                  |                 |
| Supplies and Materials | <u>1,395</u>            | <u>1,299</u>     | <u>96</u>       |
| Total Special          | <u>1,395</u>            | <u>1,299</u>     | <u>96</u>       |
| Vocational             |                         |                  |                 |
| Purchased Services     | 798                     | 108              | 690             |
| Supplies and Materials | <u>11,101</u>           | <u>9,526</u>     | <u>1,575</u>    |
| Total Vocational       | <u>11,899</u>           | <u>9,634</u>     | <u>2,265</u>    |
| Other                  |                         |                  |                 |
| Salaries and Wages     | 33,041                  | 33,041           | -               |
| Fringe Benefits        | 5,477                   | 5,477            | -               |
| Purchased Services     | 75                      | 8                | 67              |
| Supplies and Materials | <u>225</u>              | <u>21</u>        | <u>204</u>      |
| Total Other            | <u>38,818</u>           | <u>38,547</u>    | <u>271</u>      |
| Total Instruction      | <u>460,598</u>          | <u>395,830</u>   | <u>64,768</u>   |

(continued)

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
Public School Support Fund  
For the Fiscal Year Ended June 30, 2003  
(continued)

|   | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u> |
|---|-------------------------|------------------|-----------------|
| <b>Support Services:</b>                |                         |                  |                 |
| <b>Pupil</b>                            |                         |                  |                 |
| Salaries and Wages                      | 3,501                   | 3,501            | -               |
| Fringe Benefits                         | 572                     | 572              | -               |
| <b>Total Pupil</b>                      | <u>4,073</u>            | <u>4,073</u>     | <u>-</u>        |
| <b>Instructional Staff</b>              |                         |                  |                 |
| Salaries and Wages                      | 4,684                   | 4,684            | -               |
| Fringe Benefits                         | 228                     | 228              | -               |
| Purchased Services                      | 17,076                  | 8,545            | 8,531           |
| Supplies and Materials                  | 43,987                  | 9,060            | 34,927          |
| Miscellaneous                           | 335                     | 204              | 131             |
| <b>Total Instructional Staff</b>        | <u>66,310</u>           | <u>22,721</u>    | <u>43,589</u>   |
| <b>Administration</b>                   |                         |                  |                 |
| Salaries and Wages                      | 6,871                   | 6,871            | -               |
| Fringe Benefits                         | 1,100                   | 1,100            | -               |
| Purchased Services                      | 75,706                  | 42,551           | 33,155          |
| Supplies and Materials                  | 682,818                 | 583,457          | 99,361          |
| Miscellaneous                           | 450                     | -                | 450             |
| <b>Total Administration</b>             | <u>766,945</u>          | <u>633,979</u>   | <u>132,966</u>  |
| <b>Pupil Transportation</b>             |                         |                  |                 |
| Purchased Services                      | 800                     | -                | 800             |
| Supplies and Materials                  | 800                     | -                | 800             |
| <b>Total Pupil Transportation</b>       | <u>1,600</u>            | <u>-</u>         | <u>1,600</u>    |
| <b>Central</b>                          |                         |                  |                 |
| Purchased Services                      | 13,190                  | 11,923           | 1,267           |
| <b>Total Central</b>                    | <u>13,190</u>           | <u>11,923</u>    | <u>1,267</u>    |
| <b>Total Support Services</b>           | <u>852,118</u>          | <u>672,696</u>   | <u>179,422</u>  |
| <b>Community Services</b>               |                         |                  |                 |
| Supplies and Materials                  | 540                     | 40               | 500             |
| <b>Total Community Services</b>         | <u>540</u>              | <u>40</u>        | <u>500</u>      |
| <b>Extracurricular Activities</b>       |                         |                  |                 |
| Salaries and Wages                      | 4,123                   | 4,123            | -               |
| Fringe Benefits                         | 632                     | 632              | -               |
| Purchased Services                      | 2,000                   | 15               | 1,985           |
| Supplies and Materials                  | 12,692                  | 8,867            | 3,825           |
| <b>Total Extracurricular Activities</b> | <u>19,447</u>           | <u>13,637</u>    | <u>5,810</u>    |
| Miscellaneous                           | 11,956                  | -                | 11,956          |
| Capital Outlay                          | 180,012                 | 128,401          | 51,611          |
| <b>Total Expenditures</b>               | <u>1,524,671</u>        | <u>1,210,604</u> | <u>314,067</u>  |

(continued)

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 Public School Support Fund  
 For the Fiscal Year Ended June 30, 2003  
 (continued)

|  | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance</u>   |
|--|-------------------------|-------------------|-------------------|
| Excess of Revenues Over (Under) Expenditures | (422,518)               | (144,799)         | 277,719           |
| Other Financing Sources (Uses):              |                         |                   |                   |
| Operating Transfers - In                     | -                       | 36,685            | 36,685            |
| Operating Transfers - Out                    | (26,757)                | (26,757)          | -                 |
| Advances - In                                | 2,825                   | 2,825             | -                 |
| Advances - Out                               | (2,022)                 | (2,022)           | -                 |
| Total Other Financing Sources (Uses)         | <u>(25,954)</u>         | <u>10,731</u>     | <u>36,685</u>     |
| Net Change in Fund Balances                  | (448,472)               | (134,068)         | 314,404           |
| Fund Balance at Beginning of Year            | 631,698                 | 631,698           | -                 |
| Prior Year Encumbrances Appropriated         | 87,662                  | 87,662            | -                 |
| Fund Balance at End of Year                  | <u>\$ 270,888</u>       | <u>\$ 585,292</u> | <u>\$ 314,404</u> |

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 Other Grant Funds  
 For the Fiscal Year Ended June 30, 2003

|                        | <u>Final<br/>Budget</u> | <u>Actual</u>  | <u>Variance</u> |
|------------------------|-------------------------|----------------|-----------------|
| Revenues:              |                         |                |                 |
| Local:                 |                         |                |                 |
| Tuition                | \$ 214,284              | \$ 177,615     | \$ (36,669)     |
| Other Local Revenue    | 401,710                 | 439,242        | 37,532          |
| Total Revenues         | <u>615,994</u>          | <u>616,857</u> | <u>863</u>      |
| Expenditures:          |                         |                |                 |
| Current:               |                         |                |                 |
| Instruction:           |                         |                |                 |
| Regular                |                         |                |                 |
| Salaries and Wages     | 177,560                 | 47,594         | 129,966         |
| Fringe Benefits        | 31,950                  | 8,385          | 23,565          |
| Purchased Services     | 27,431                  | 14,067         | 13,364          |
| Supplies and Materials | 168,558                 | 64,666         | 103,892         |
| Total Regular          | <u>405,499</u>          | <u>134,712</u> | <u>270,787</u>  |
| Special                |                         |                |                 |
| Salaries and Wages     | 1,310                   | 145            | 1,165           |
| Fringe Benefits        | 215                     | 24             | 191             |
| Supplies and Materials | 67,924                  | 12,087         | 55,837          |
| Total Special          | <u>69,449</u>           | <u>12,256</u>  | <u>57,193</u>   |
| Vocational             |                         |                |                 |
| Purchased Services     | 5,733                   | 5,576          | 157             |
| Supplies and Materials | 39,059                  | 38,474         | 585             |
| Total Vocational       | <u>44,792</u>           | <u>44,050</u>  | <u>742</u>      |
| Other                  |                         |                |                 |
| Salaries and Wages     | 723                     | 723            | -               |
| Fringe Benefits        | 120                     | 120            | -               |
| Total Other            | <u>843</u>              | <u>843</u>     | <u>-</u>        |
| Total Instruction      | <u>520,583</u>          | <u>191,861</u> | <u>328,722</u>  |
| Support Services:      |                         |                |                 |
| Pupil                  |                         |                |                 |
| Salaries and Wages     | 115,369                 | 80,413         | 34,956          |
| Fringe Benefits        | 19,394                  | 12,897         | 6,497           |
| Purchased Services     | 14,140                  | 7,000          | 7,140           |
| Supplies and Materials | 8,838                   | 2,359          | 6,479           |
| Total Pupil            | <u>157,741</u>          | <u>102,669</u> | <u>55,072</u>   |

(continued)

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
Other Grants Fund  
For the Fiscal Year Ended June 30, 2003  
(continued)

|   | <u>Final<br/>Budget</u> | <u>Actual</u>  | <u>Variance</u> |
|---|-------------------------|----------------|-----------------|
| <b>Instructional Staff</b>              |                         |                |                 |
| Salaries and Wages                      | 100,994                 | 61,039         | 39,955          |
| Fringe Benefits                         | 16,407                  | 9,900          | 6,507           |
| Purchased Services                      | 36,913                  | 15,223         | 21,690          |
| Supplies and Materials                  | 13,852                  | 4,815          | 9,037           |
| <b>Total Instructional Staff</b>        | <u>168,166</u>          | <u>90,977</u>  | <u>77,189</u>   |
| <b>Operations and Maintenance</b>       |                         |                |                 |
| Salaries and Wages                      | 1,767                   | 1,767          | -               |
| Fringe Benefits                         | 292                     | 292            | -               |
| <b>Total Operations and Maintenance</b> | <u>2,059</u>            | <u>2,059</u>   | <u>-</u>        |
| <b>Pupil Transportation</b>             |                         |                |                 |
| Salaries and Wages                      | 182                     | -              | 182             |
| Supplies and Materials                  | 8,995                   | 6,546          | 2,449           |
| <b>Total Pupil Transportation</b>       | <u>9,177</u>            | <u>6,546</u>   | <u>2,631</u>    |
| <b>Total Support Services</b>           | <u>337,143</u>          | <u>202,251</u> | <u>134,892</u>  |
| <b>Community Services</b>               |                         |                |                 |
| Salaries and Wages                      | 85                      | 77             | 8               |
| Fringe Benefits                         | 13                      | 12             | 1               |
| Supplies and Materials                  | 5,466                   | 4,459          | 1,007           |
| <b>Total Community Services</b>         | <u>5,564</u>            | <u>4,548</u>   | <u>1,016</u>    |
| <b>Extracurricular Activities</b>       |                         |                |                 |
| Salaries and Wages                      | 7,189                   | 5,355          | 1,834           |
| Fringe Benefits                         | 1,226                   | 920            | 306             |
| Purchased Services                      | -                       | -              | -               |
| Supplies and Materials                  | 100                     | 100            | -               |
| <b>Total Extracurricular Activities</b> | <u>8,515</u>            | <u>6,375</u>   | <u>2,140</u>    |
| Miscellaneous                           | 4                       | 4              | -               |
| Capital Outlay                          | 424,679                 | 418,510        | 6,169           |
| <b>Total Expenditures</b>               | <u>1,296,488</u>        | <u>823,549</u> | <u>472,939</u>  |

(continued)

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 Other Grants Fund  
 For the Fiscal Year Ended June 30, 2003  
 (continued)

|  | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance</u>   |
|--|-------------------------|-------------------|-------------------|
| Excess of Revenues Over (Under) Expenditures | (680,494)               | (206,692)         | 473,802           |
| Other Financing Sources (Uses):              |                         |                   |                   |
| Operating Transfers - In                     | 16,623                  | 16,623            | -                 |
| Operating Transfers - Out                    | (16,623)                | (16,623)          | -                 |
| Advances - In                                | 2,752                   | 2,752             | -                 |
| Advances - Out                               | (631)                   | (631)             | -                 |
| Total Other Financing Sources (Uses)         | <u>2,121</u>            | <u>2,121</u>      | <u>-</u>          |
| Net Change in Fund Balances                  | (678,373)               | (204,571)         | 473,802           |
| Fund Balance at Beginning of Year            | 560,710                 | 560,710           | -                 |
| Prior Year Encumbrances Appropriated         | 92,563                  | 92,563            | -                 |
| Fund Balance at End of Year                  | <u>\$ (25,100)</u>      | <u>\$ 448,702</u> | <u>\$ 473,802</u> |

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
Athletic/Music Fund  
For the Fiscal Year Ended June 30, 2003

|  | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u>        |
|--|-------------------------|------------------|------------------------|
| Revenues:                                    |                         |                  |                        |
| Local:                                       |                         |                  |                        |
| Interest                                     | \$ 3,325                | \$ 6,441         | \$ 3,116               |
| Other Local Revenue                          | <u>1,260,148</u>        | <u>1,259,946</u> | <u>(202)</u>           |
| Total Revenues                               | <u>1,263,473</u>        | <u>1,266,387</u> | <u>2,914</u>           |
| Expenditures:                                |                         |                  |                        |
| Current:                                     |                         |                  |                        |
| Instruction:                                 |                         |                  |                        |
| Regular                                      |                         |                  |                        |
| Purchased Services                           | 97,948                  | 84,710           | 13,238                 |
| Supplies and Materials                       | <u>61,000</u>           | <u>28,745</u>    | <u>32,255</u>          |
| Total Regular                                | <u>158,948</u>          | <u>113,455</u>   | <u>45,493</u>          |
| Total Instruction                            | <u>158,948</u>          | <u>113,455</u>   | <u>45,493</u>          |
| Support Services:                            |                         |                  |                        |
| Instructional Staff                          |                         |                  |                        |
| Supplies and Materials                       | <u>16,693</u>           | <u>12,962</u>    | <u>3,731</u>           |
| Total Instructional Staff                    | <u>16,693</u>           | <u>12,962</u>    | <u>3,731</u>           |
| Administration                               |                         |                  |                        |
| Purchased Services                           | 5,300                   | 1,374            | 3,926                  |
| Supplies and Materials                       | <u>2,800</u>            | <u>600</u>       | <u>2,200</u>           |
| Total Administration                         | <u>8,100</u>            | <u>1,974</u>     | <u>6,126</u>           |
| Total Support Services                       | <u>24,793</u>           | <u>14,936</u>    | <u>9,857</u>           |
| Extracurricular Activities                   |                         |                  |                        |
| Salaries and Wages                           | 75,649                  | 75,649           | -                      |
| Fringe Benefits                              | 12,394                  | 12,394           | -                      |
| Purchased Services                           | 348,286                 | 249,343          | 98,943                 |
| Supplies and Materials                       | 1,155,552               | 862,136          | 293,416                |
| Miscellaneous                                | <u>1,367</u>            | <u>158</u>       | <u>1,209</u>           |
| Total Extracurricular Activities             | <u>1,593,248</u>        | <u>1,199,680</u> | <u>393,568</u>         |
| Miscellaneous                                | -                       | -                | -                      |
| Capital Outlay                               | <u>179,377</u>          | <u>118,002</u>   | <u>61,375</u>          |
| Total Expenditures                           | <u>1,956,366</u>        | <u>1,446,073</u> | <u>510,293</u>         |
| Excess of Revenues Over (Under) Expenditures | (692,893)               | (179,686)        | 513,207<br>(continued) |



South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 Athletic/Music Fund  
 For the Fiscal Year Ended June 30, 2003  
 (continued)

|                                       | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance</u>   |
|---------------------------------------|-------------------------|-------------------|-------------------|
| Other Financing Sources (Uses):       |                         |                   |                   |
| Operating Transfers - In              | 19,000                  | 19,035            | 35                |
| Operating Transfers - Out             | (96)                    | (96)              | -                 |
| Advances - In                         | 61,727                  | 61,727            | -                 |
| Advances - Out                        | <u>(15,900)</u>         | <u>(15,800)</u>   | <u>100</u>        |
| Total Other Financing Sources (Uses)  | <u>64,731</u>           | <u>64,866</u>     | <u>135</u>        |
| <br>Net Change in Fund Balances       | <br>(628,162)           | <br>(114,820)     | <br>513,342       |
| <br>Fund Balance at Beginning of Year | <br>569,694             | <br>569,694       | <br>-             |
| Prior Year Encumbrances Appropriated  | <u>59,395</u>           | <u>59,395</u>     | <u>-</u>          |
| Fund Balance at End of Year           | <u>\$ 927</u>           | <u>\$ 514,269</u> | <u>\$ 513,342</u> |

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 All State Grant Funds  
 For the Fiscal Year Ended June 30, 2003

|                           | Final<br>Budget  | Actual           | Variance      |
|---------------------------|------------------|------------------|---------------|
| Revenues:                 |                  |                  |               |
| Intergovernmental - State | \$ 3,406,253     | \$ 3,412,576     | \$ 6,323      |
| Total Revenues            | <u>3,406,253</u> | <u>3,412,576</u> | <u>6,323</u>  |
| Expenditures:             |                  |                  |               |
| Current:                  |                  |                  |               |
| Instruction:              |                  |                  |               |
| Regular                   |                  |                  |               |
| Salaries and Wages        | 504,947          | 492,821          | 12,126        |
| Fringe Benefits           | 159,377          | 156,635          | 2,742         |
| Purchased Services        | 431,014          | 431,010          | 4             |
| Supplies and Materials    | 64,519           | 63,213           | 1,306         |
| Total Regular             | <u>1,159,857</u> | <u>1,143,679</u> | <u>16,178</u> |
| Special                   |                  |                  |               |
| Salaries and Wages        | 85,598           | 85,124           | 474           |
| Fringe Benefits           | 34,028           | 33,198           | 830           |
| Purchased Services        | 1,347            | 1,308            | 39            |
| Supplies and Materials    | 8,839            | 6,964            | 1,875         |
| Total Special             | <u>129,812</u>   | <u>126,594</u>   | <u>3,218</u>  |
| Other                     |                  |                  |               |
| Purchased Services        | 88               | 8                | 80            |
| Supplies and Materials    | 2,800            | 1,003            | 1,797         |
| Total Other               | <u>2,888</u>     | <u>1,011</u>     | <u>1,877</u>  |
| Total Instruction         | <u>1,292,557</u> | <u>1,271,284</u> | <u>21,273</u> |
| Support Services:         |                  |                  |               |
| Pupil                     |                  |                  |               |
| Salaries and Wages        | 161,447          | 157,712          | 3,735         |
| Fringe Benefits           | 54,792           | 52,497           | 2,295         |
| Purchased Services        | 20,454           | 18,605           | 1,849         |
| Supplies and Materials    | 42,807           | 41,801           | 1,006         |
| Total Pupil               | <u>279,500</u>   | <u>270,615</u>   | <u>8,885</u>  |

(continued)

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 All State Grant Funds  
 For the Fiscal Year Ended June 30, 2003  
 (continued)

|   | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u> |
|---|-------------------------|------------------|-----------------|
| <b>Instructional Staff</b>              |                         |                  |                 |
| Salaries and Wages                      | 602,007                 | 547,947          | 54,060          |
| Fringe Benefits                         | 172,450                 | 161,618          | 10,832          |
| Purchased Services                      | 101,559                 | 73,016           | 28,543          |
| Supplies and Materials                  | 19,876                  | 19,828           | 48              |
| Miscellaneous                           | 382                     | 381              | 1               |
| <b>Total Instructional Staff</b>        | <u>896,274</u>          | <u>802,790</u>   | <u>93,484</u>   |
| <b>Administration</b>                   |                         |                  |                 |
| Salaries and Wages                      | 96,275                  | 88,614           | 7,661           |
| Fringe Benefits                         | 25,152                  | 23,756           | 1,396           |
| Purchased Services                      | 6,905                   | 5,987            | 918             |
| Supplies and Materials                  | 8,845                   | 4,857            | 3,988           |
| Miscellaneous                           | 567                     | 567              | -               |
| <b>Total Administration</b>             | <u>137,744</u>          | <u>123,781</u>   | <u>13,963</u>   |
| <b>Fiscal</b>                           |                         |                  |                 |
| Miscellaneous                           | 53,212                  | 15,279           | 37,933          |
| <b>Total Fiscal</b>                     | <u>53,212</u>           | <u>15,279</u>    | <u>37,933</u>   |
| <b>Operations and Maintenance</b>       |                         |                  |                 |
| Salaries and Wages                      | 13,844                  | 11,595           | 2,249           |
| Fringe Benefits                         | 6,636                   | 4,284            | 2,352           |
| Purchased Services                      | 9,566                   | 7,886            | 1,680           |
| <b>Total Operations and Maintenance</b> | <u>30,046</u>           | <u>23,765</u>    | <u>6,281</u>    |
| <b>Pupil Transportation</b>             |                         |                  |                 |
| Salaries and Wages                      | 60,448                  | 60,036           | 412             |
| Fringe Benefits                         | 30,026                  | 29,362           | 664             |
| Supplies and Materials                  | 22,000                  | 14,523           | 7,477           |
| <b>Total Pupil Transportation</b>       | <u>112,474</u>          | <u>103,921</u>   | <u>8,553</u>    |
| <b>Central</b>                          |                         |                  |                 |
| Salaries and Wages                      | 43,980                  | 39,816           | 4,164           |
| Fringe Benefits                         | 11,791                  | 11,332           | 459             |
| Purchased Services                      | 259,876                 | 167,932          | 91,944          |
| Supplies and Materials                  | 53,071                  | 2,000            | 51,071          |
| <b>Total Central</b>                    | <u>368,718</u>          | <u>221,080</u>   | <u>147,638</u>  |
| <b>Total Support Services</b>           | <u>1,877,968</u>        | <u>1,561,231</u> | <u>316,737</u>  |
| <b>Community Services</b>               |                         |                  |                 |
| Salaries and Wages                      | 302,608                 | 255,424          | 47,184          |
| Fringe Benefits                         | 68,762                  | 57,768           | 10,994          |
| Purchased Services                      | 14,787                  | 13,598           | 1,189           |
| Supplies and Materials                  | 562,685                 | 557,028          | 5,657           |
| Miscellaneous                           | 2,396                   | 2,296            | 100             |
| <b>Total Community Services</b>         | <u>951,238</u>          | <u>886,114</u>   | <u>65,124</u>   |

(continued)

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
All State Grants Funds  
For the Fiscal Year Ended June 30, 2003  
(continued)

|  | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance</u>   |
|--|-------------------------|-------------------|-------------------|
| Miscellaneous                                | 14,990                  | 14,990            | -                 |
| Capital Outlay                               | 469,735                 | 386,458           | 83,277            |
| Total Expenditures                           | <u>4,606,488</u>        | <u>4,120,077</u>  | <u>486,411</u>    |
| Excess of Revenues Over (Under) Expenditures | (1,200,235)             | (707,501)         | 492,734           |
| Other Financing Sources (Uses):              |                         |                   |                   |
| Advances - In                                | 177,352                 | 177,352           | -                 |
| Advances - Out                               | <u>(17,717)</u>         | <u>(17,717)</u>   | <u>-</u>          |
| Total Other Financing Sources (Uses)         | <u>159,635</u>          | <u>159,635</u>    | <u>-</u>          |
| Net Change in Fund Balances                  | (1,040,600)             | (547,866)         | 492,734           |
| Fund Balance at Beginning of Year            | 801,187                 | 801,187           | -                 |
| Prior Year Encumbrances Appropriated         | 230,361                 | 230,361           | -                 |
| Fund Balance at End of Year                  | <u>\$ (9,052)</u>       | <u>\$ 483,682</u> | <u>\$ 492,734</u> |

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 All Federal Grants Fund  
 For the Fiscal Year Ended June 30, 2003

|                             | Final<br>Budget  | Actual           | Variance         |
|-----------------------------|------------------|------------------|------------------|
| Revenues:                   |                  |                  |                  |
| Intergovernmental - Federal | \$ 8,463,278     | \$ 8,471,399     | \$ 8,121         |
| Total Revenues              | <u>8,463,278</u> | <u>8,471,399</u> | <u>8,121</u>     |
| Expenditures:               |                  |                  |                  |
| Current:                    |                  |                  |                  |
| Instruction:                |                  |                  |                  |
| Regular                     |                  |                  |                  |
| Salaries and Wages          | 1,744,843        | 1,378,278        | 366,565          |
| Fringe Benefits             | 557,016          | 436,508          | 120,508          |
| Purchased Services          | 16,594           | 8,227            | 8,367            |
| Supplies and Materials      | 130,534          | 116,737          | 13,797           |
| Total Regular               | <u>2,448,987</u> | <u>1,939,750</u> | <u>509,237</u>   |
| Special                     |                  |                  |                  |
| Salaries and Wages          | 2,186,541        | 1,811,996        | 374,545          |
| Fringe Benefits             | 568,471          | 463,938          | 104,533          |
| Purchased Services          | 60,440           | 44,449           | 15,991           |
| Supplies and Materials      | 571,484          | 538,790          | 32,694           |
| Total Special               | <u>3,386,936</u> | <u>2,859,173</u> | <u>527,763</u>   |
| Vocational                  |                  |                  |                  |
| Salaries and Wages          | 81,894           | 67,990           | 13,904           |
| Fringe Benefits             | 17,755           | 14,666           | 3,089            |
| Purchased Services          | 97,207           | 97,207           | -                |
| Supplies and Materials      | 293,390          | 293,390          | -                |
| Total Vocational            | <u>490,246</u>   | <u>473,253</u>   | <u>16,993</u>    |
| Other                       |                  |                  |                  |
| Salaries and Wages          | 164,777          | 148,324          | 16,453           |
| Fringe Benefits             | 41,075           | 36,899           | 4,176            |
| Purchased Services          | 4,221            | 1,901            | 2,320            |
| Supplies and Materials      | 7,882            | 4,706            | 3,176            |
| Total Other                 | <u>217,955</u>   | <u>191,830</u>   | <u>26,125</u>    |
| Total Instruction           | <u>6,544,124</u> | <u>5,464,006</u> | <u>1,080,118</u> |
| Support Services:           |                  |                  |                  |
| Pupil                       |                  |                  |                  |
| Salaries and Wages          | 475,809          | 358,513          | 117,296          |
| Fringe Benefits             | 138,553          | 102,742          | 35,811           |
| Purchased Services          | 25,426           | 11,335           | 14,091           |
| Supplies and Materials      | 47,637           | 42,962           | 4,675            |
| Total Pupil                 | <u>687,425</u>   | <u>515,552</u>   | <u>171,873</u>   |

(continued)

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 All Federal Grants Fund  
 For the Fiscal Year Ended June 30, 2003  
 (continued)

|   | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u> |
|---|-------------------------|------------------|-----------------|
| <b>Instructional Staff</b>              |                         |                  |                 |
| Salaries and Wages                      | 1,164,381               | 991,475          | 172,906         |
| Fringe Benefits                         | 305,555                 | 272,265          | 33,290          |
| Purchased Services                      | 420,609                 | 362,333          | 58,276          |
| Supplies and Materials                  | 142,984                 | 128,975          | 14,009          |
| Miscellaneous                           | -                       | -                | -               |
| <b>Total Instructional Staff</b>        | <u>2,033,529</u>        | <u>1,755,048</u> | <u>278,481</u>  |
| <b>Administration</b>                   |                         |                  |                 |
| Salaries and Wages                      | 492,193                 | 397,263          | 94,930          |
| Fringe Benefits                         | 143,482                 | 116,607          | 26,875          |
| Purchased Services                      | 43,123                  | 34,771           | 8,352           |
| Supplies and Materials                  | 25,146                  | 20,430           | 4,716           |
| Miscellaneous                           | 6,559                   | 5,559            | 1,000           |
| <b>Total Administration</b>             | <u>710,503</u>          | <u>574,630</u>   | <u>135,873</u>  |
| <b>Fiscal</b>                           |                         |                  |                 |
| Miscellaneous                           | 14,465                  | 13,580           | 885             |
| <b>Total Fiscal</b>                     | <u>14,465</u>           | <u>13,580</u>    | <u>885</u>      |
| <b>Operations and Maintenance</b>       |                         |                  |                 |
| Salaries and Wages                      | 31,730                  | 28,330           | 3,400           |
| Fringe Benefits                         | 10,793                  | 8,495            | 2,298           |
| Purchased Services                      | 131,555                 | 97,855           | 33,700          |
| <b>Total Operations and Maintenance</b> | <u>174,078</u>          | <u>134,680</u>   | <u>39,398</u>   |
| <b>Pupil Transportation</b>             |                         |                  |                 |
| Salaries and Wages                      | 158,416                 | 137,776          | 20,640          |
| Fringe Benefits                         | 72,276                  | 59,528           | 12,748          |
| Purchased Services                      | 45,912                  | 38,082           | 7,830           |
| Supplies and Materials                  | 74,634                  | 59,961           | 14,673          |
| <b>Total Pupil Transportation</b>       | <u>351,238</u>          | <u>295,347</u>   | <u>55,891</u>   |
| <b>Central</b>                          |                         |                  |                 |
| Purchased Services                      | 201                     | 201              | -               |
| Supplies and Materials                  | -                       | -                | -               |
| <b>Total Central</b>                    | <u>201</u>              | <u>201</u>       | <u>-</u>        |
| <b>Total Support Services</b>           | <u>3,971,439</u>        | <u>3,289,038</u> | <u>682,401</u>  |
| <b>Community Services</b>               |                         |                  |                 |
| Salaries and Wages                      | 76,593                  | 65,191           | 11,402          |
| Fringe Benefits                         | 18,117                  | 15,604           | 2,513           |
| Purchased Services                      | 22,248                  | 11,493           | 10,755          |
| Supplies and Materials                  | 172,147                 | 82,499           | 89,648          |
| <b>Total Community Services</b>         | <u>289,105</u>          | <u>174,787</u>   | <u>114,318</u>  |

(continued)

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
All Federal Grants Funds  
For the Fiscal Year Ended June 30, 2003  
(continued)

|  | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u>     |
|--|-------------------------|------------------|---------------------|
| Miscellaneous                                | 55,622                  | 55,622           | -                   |
| Capital Outlay                               | 934,659                 | 894,088          | 40,571              |
| Total Expenditures                           | <u>11,794,949</u>       | <u>9,877,541</u> | <u>1,917,408</u>    |
| Excess of Revenues Over (Under) Expenditures | (3,331,671)             | (1,406,142)      | 1,925,529           |
| Other Financing Sources (Uses):              |                         |                  |                     |
| Advances - In                                | 680,289                 | 680,289          | -                   |
| Advances - Out                               | (147,233)               | (147,233)        | -                   |
| Total Other Financing Sources (Uses)         | <u>533,056</u>          | <u>533,056</u>   | <u>-</u>            |
| Net Change in Fund Balances                  | (2,798,615)             | (873,086)        | 1,925,529           |
| Fund Balance at Beginning of Year            | 482,911                 | 482,911          | -                   |
| Prior Year Encumbrances Appropriated         | 472,463                 | 472,463          | -                   |
| Fund Balance at End of Year                  | <u>\$ (1,843,241)</u>   | <u>\$ 82,288</u> | <u>\$ 1,925,529</u> |

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
Food Service Fund  
For the Fiscal Year Ended June 30, 2003

|  | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u> |
|--|-------------------------|------------------|-----------------|
| Revenues:                                    |                         |                  |                 |
| Local:                                       |                         |                  |                 |
| Interest                                     | \$ -                    | \$ 166           | \$ 166          |
| Other Local Revenue                          | 3,333,501               | 3,333,168        | (333)           |
| Intergovernmental - State                    | 140,000                 | 140,936          | 936             |
| Intergovernmental - Federal                  | <u>2,627,000</u>        | <u>2,628,102</u> | <u>1,102</u>    |
| Total Revenues                               | <u>6,100,501</u>        | <u>6,102,372</u> | <u>1,871</u>    |
| Expenditures:                                |                         |                  |                 |
| Current:                                     |                         |                  |                 |
| Community Services                           |                         |                  |                 |
| Salaries and Wages                           | 2,565,036               | 2,565,034        | 2               |
| Fringe Benefits                              | 863,718                 | 863,718          | -               |
| Purchased Services                           | 217,530                 | 216,281          | 1,249           |
| Supplies and Materials                       | <u>2,448,235</u>        | <u>2,448,179</u> | <u>56</u>       |
| Total Community Services                     | <u>6,094,519</u>        | <u>6,093,212</u> | <u>1,307</u>    |
| Capital Outlay                               | <u>13,345</u>           | <u>13,346</u>    | <u>(1)</u>      |
| Total Expenditures                           | <u>6,107,864</u>        | <u>6,106,558</u> | <u>1,306</u>    |
| Excess of Revenues Over (Under) Expenditures | (7,363)                 | (4,186)          | 3,177           |
| Other Financing Sources (Uses):              |                         |                  |                 |
| Advances - In                                | 653,337                 | 653,337          | -               |
| Advances - Out                               | <u>(674,162)</u>        | <u>(674,162)</u> | <u>-</u>        |
| Total Other Financing Sources (Uses)         | <u>(20,825)</u>         | <u>(20,825)</u>  | <u>-</u>        |
| Net Change in Fund Balances                  | (28,188)                | (25,011)         | 3,177           |
| Fund Balance at Beginning of Year            | 16,428                  | 16,428           | -               |
| Prior Year Encumbrances Appropriated         | <u>22,841</u>           | <u>22,841</u>    | <u>-</u>        |
| Fund Balance at End of Year                  | <u>\$ 11,081</u>        | <u>\$ 14,258</u> | <u>\$ 3,177</u> |



South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
Insurance Reserve Fund  
For the Fiscal Year Ended June 30, 2003

|                                  | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u>  |
|----------------------------------|-------------------------|------------------|------------------|
| Revenues:                        |                         |                  |                  |
| Local:                           |                         |                  |                  |
| Interest                         | \$ 57,660               | \$ 61,295        | \$ 3,635         |
| Other Local Revenue              | 30,340                  | 27,392           | (2,948)          |
| Total Revenues                   | <u>88,000</u>           | <u>88,687</u>    | <u>687</u>       |
| Expenditures:                    |                         |                  |                  |
| Current:                         |                         |                  |                  |
| Instruction:                     |                         |                  |                  |
| Regular                          |                         |                  |                  |
| Purchased Services               | 1,790                   | 139              | 1,651            |
| Supplies and Materials           | 2,426                   | 1,107            | 1,319            |
| Miscellaneous                    | 1,700                   | 1,438            | 262              |
| Total Regular                    | <u>5,916</u>            | <u>2,684</u>     | <u>3,232</u>     |
| Vocational                       |                         |                  |                  |
| Purchased Services               | 100                     | 100              | -                |
| Total Vocational                 | <u>100</u>              | <u>100</u>       | <u>-</u>         |
| Total Instruction                | <u>6,016</u>            | <u>2,784</u>     | <u>3,232</u>     |
| Support Services:                |                         |                  |                  |
| Instructional Staff              |                         |                  |                  |
| Supplies and Materials           | 1,923                   | 1,923            | -                |
| Total Instructional Staff        | <u>1,923</u>            | <u>1,923</u>     | <u>-</u>         |
| Administration                   |                         |                  |                  |
| Purchased Services               | 1,330                   | 1,010            | 320              |
| Supplies and Materials           | 25,893                  | 19,938           | 5,955            |
| Miscellaneous                    | 1,191                   | 245              | 946              |
| Total Administration             | <u>28,414</u>           | <u>21,193</u>    | <u>7,221</u>     |
| Central                          |                         |                  |                  |
| Purchased Services               | 2,198,610               | 1,066,747        | 1,131,863        |
| Supplies and Materials           | 1,162                   | 942              | 220              |
| Total Central                    | <u>2,199,772</u>        | <u>1,067,689</u> | <u>1,132,083</u> |
| Total Support Services           | <u>2,230,109</u>        | <u>1,090,805</u> | <u>1,139,304</u> |
| Extracurricular Activities       |                         |                  |                  |
| Miscellaneous                    | 6,400                   | 6,400            | -                |
| Total Extracurricular Activities | <u>6,400</u>            | <u>6,400</u>     | <u>-</u>         |
| Capital Outlay                   | 470                     | 300              | 170              |
| Total Expenditures               | <u>2,242,995</u>        | <u>1,100,289</u> | <u>1,142,706</u> |

(continued)

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 Insurance Reserve Fund  
 For the Fiscal Year Ended June 30, 2003  
 (continued)

|                                      | <u>Final<br/>Budget</u> | <u>Actual</u>       | <u>Variance</u>     |
|--------------------------------------|-------------------------|---------------------|---------------------|
| Net Change in Fund Balances          | (2,154,995)             | (1,011,602)         | 1,143,393           |
| Fund Balance at Beginning of Year    | 2,418,796               | 2,418,796           | -                   |
| Prior Year Encumbrances Appropriated | 918                     | 918                 | -                   |
| Fund Balance at End of Year          | <u>\$ 264,719</u>       | <u>\$ 1,408,112</u> | <u>\$ 1,143,393</u> |

South-Western City School District  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget (Non-GAAP) and Actual  
Vocational Rotary Fund  
For the Fiscal Year Ended June 30, 2003

|  | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u>  |
|--|-------------------------|------------------|------------------|
| Revenues:                                    |                         |                  |                  |
| Local:                                       |                         |                  |                  |
| Interest                                     | \$ -                    | \$ 9             | \$ 9             |
| Other Local Revenue                          | 47,500                  | 47,406           | (94)             |
| Total Revenues                               | <u>47,500</u>           | <u>47,415</u>    | <u>(85)</u>      |
| Expenditures:                                |                         |                  |                  |
| Current:                                     |                         |                  |                  |
| Instruction:                                 |                         |                  |                  |
| Special                                      |                         |                  |                  |
| Supplies and Materials                       | 1,169                   | 1,041            | 128              |
| Total Special                                | <u>1,169</u>            | <u>1,041</u>     | <u>128</u>       |
| Vocational                                   |                         |                  |                  |
| Salaries and Wages                           | 50                      | 50               | -                |
| Fringe Benefits                              | 8                       | 8                | -                |
| Purchased Services                           | 1,276                   | 482              | 794              |
| Supplies and Materials                       | 70,325                  | 46,893           | 23,432           |
| Total Vocational                             | <u>71,659</u>           | <u>47,433</u>    | <u>24,226</u>    |
| Total Instruction                            | <u>72,828</u>           | <u>48,474</u>    | <u>24,354</u>    |
| Support Services:                            |                         |                  |                  |
| Instructional Staff                          |                         |                  |                  |
| Purchased Services                           | 1,831                   | 1,645            | 186              |
| Total Administration                         | <u>1,831</u>            | <u>1,645</u>     | <u>186</u>       |
| Total Support Services                       | <u>1,831</u>            | <u>1,645</u>     | <u>186</u>       |
| Extracurricular Activities                   |                         |                  |                  |
| Supplies and Materials                       | 1,300                   | 817              | 483              |
| Total Extracurricular Activities             | <u>1,300</u>            | <u>817</u>       | <u>483</u>       |
| Capital Outlay                               | 1,780                   | 220              | 1,560            |
| Total Expenditures                           | <u>77,739</u>           | <u>51,156</u>    | <u>26,583</u>    |
| Excess of Revenues Over (Under) Expenditures | (30,239)                | (3,741)          | 26,498           |
| Other Financing Uses:                        |                         |                  |                  |
| Operating Transfers - In                     | 35,500                  | 36,453           | 953              |
| Operating Transfers - Out                    | (31,147)                | (31,147)         | -                |
| Total Other Financing Uses                   | <u>4,353</u>            | <u>5,306</u>     | <u>953</u>       |
| Net Change in Fund Balances                  | (25,886)                | 1,565            | 27,451           |
| Fund Balance at Beginning of Year            | 35,959                  | 35,959           | -                |
| Prior Year Encumbrances Appropriated         | 525                     | 525              | -                |
| Fund Balance at End of Year                  | <u>\$ 10,598</u>        | <u>\$ 38,049</u> | <u>\$ 27,451</u> |

South-Western City School District  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget (Non-GAAP) and Actual  
 School Net Fund  
 For the Fiscal Year Ended June 30, 2003

|                                      | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u>  |
|--------------------------------------|-------------------------|------------------|------------------|
| Revenues:                            |                         |                  |                  |
| Intergovernmental - State            | \$ 280,000              | \$ 280,354       | \$ 354           |
| Total Revenues                       | <u>280,000</u>          | <u>280,354</u>   | <u>354</u>       |
| Expenditures:                        |                         |                  |                  |
| Current:                             |                         |                  |                  |
| Instruction:                         |                         |                  |                  |
| Regular                              |                         |                  |                  |
| Supplies and Materials               | 70,089                  | 28,568           | 41,521           |
| Total Regular                        | <u>70,089</u>           | <u>28,568</u>    | <u>41,521</u>    |
| Total Instruction                    | <u>70,089</u>           | <u>28,568</u>    | <u>41,521</u>    |
| Capital Outlay                       | 210,265                 | 203,343          | 6,922            |
| Total Expenditures                   | <u>280,354</u>          | <u>231,911</u>   | <u>48,443</u>    |
| Net Change in Fund Balances          | (354)                   | 48,443           | 48,797           |
| Fund Balance at Beginning of Year    | -                       | -                | -                |
| Prior Year Encumbrances Appropriated | -                       | -                | -                |
| Fund Balance at End of Year          | <u>\$ (354)</u>         | <u>\$ 48,443</u> | <u>\$ 48,797</u> |

## **INTERNAL SERVICE FUNDS**

To account for the financing of services provided by one department or agency to another department or agency of the district on a cost-reimbursement basis. A description of the District's internal service fund follows:

### Health Self Insurance

To account for monies received from other funds as payment for providing dental insurance. This fund reimburses for service provided to employees, for reimbursements to employees who have paid providers, to third party administrators for claims payment or administration, for stop-loss coverage, or any other reinsurance or other similar purposes.

South-Western City School District  
 Schedule of Revenues, Expenses and  
 Changes in Fund Equity - Budget (Non-GAAP) and Actual  
 Health Self Insurance Fund  
 For the Fiscal Year Ended June 30, 2003

|  | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|-------------------------|-------------------|---|
| Revenues:                                |                         |                   |   |
| Charges for Services                     | \$ 1,759,300            | \$ 1,750,915      | \$ (8,385)                                      |
| Charges to Employees                     | -                       | 13,246            | 13,246  |
| Interest                                 | 5,000                   | 4,465             | (535)   |
| Total Revenues                           | <u>1,764,300</u>        | <u>1,768,626</u>  | <u>4,326</u>                                    |
| Expenses:                                |                         |                   |   |
| Purchased Services                       | <u>1,677,000</u>        | <u>1,665,909</u>  | <u>11,091</u>                                   |
| Total Expenses                           | <u>1,677,000</u>        | <u>1,665,909</u>  | <u>11,091</u>                                   |
| Excess of Revenues Over (Under) Expenses | 87,300                  | 102,717           | 15,417  |
| Fund Equity at Beginning of Year         | <u>328,924</u>          | <u>328,924</u>    | <u>-</u>  |
| Fund Equity at End of Year               | <u>\$ 416,224</u>       | <u>\$ 431,641</u> | <u>\$ 15,417</u>                                |

## **FIDUCIARY FUND TYPES**

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 governments, and other funds. This includes Agency Funds. The following are descriptions of each Agency Fund.

### **AGENCY FUNDS**

#### Student Activity

To account for those student activity programs, which have student participation in the activity and have students involved in the management of the programs.

#### District Agency

To account for payments from all other funds for their contributions to the two retirement systems and the medical, vision, life insurance program and workers' compensation. This agency fund disburses payments to the appropriate vendors when payments are due.

#### Teacher Development

To account for monies used to operate the Central Ohio Regional Professional Development Center (CORPDC). The Treasurer of the District receives these monies, as directed by the CORPDC.

South-Western City School District  
 Combining Balance Sheet  
 All Agency Funds  
 June 30, 2003

|  | <u>Student<br/>Activity</u> | <u>District<br/>Agency</u> | <u>Teacher<br/>Development</u> | <u>Total</u>        |
|--|-----------------------------|----------------------------|--------------------------------|---------------------|
| <u>Assets:</u>                             |                             |                            |                                |                     |
| Equity in Pooled Cash and Cash Equivalents | \$ 319,948                  | \$ 3,146,056               | \$ 1,196,052                   | \$ 4,662,056        |
| Accounts Receivable                        | 1,383                       | 144,051                    | -                              | 145,434             |
| Total Assets                               | <u>\$ 321,331</u>           | <u>\$ 3,290,107</u>        | <u>\$ 1,196,052</u>            | <u>\$ 4,807,490</u> |
| <u>Liabilities:</u>                        |                             |                            |                                |                     |
| Accounts Payable                           | \$ 17,425                   | \$ 749,403                 | \$ 220,134                     | \$ 986,962          |
| Accrued Wages and Benefits                 | -                           | -                          | 1,456                          | 1,456               |
| Interfund Loans Payable                    | 38,029                      | 23,190                     | -                              | 61,219              |
| Undistributed Money                        | 265,877                     | 2,517,514                  | 974,462                        | 3,757,853           |
| Total Liabilities                          | <u>\$ 321,331</u>           | <u>\$ 3,290,107</u>        | <u>\$ 1,196,052</u>            | <u>\$ 4,807,490</u> |



South-Western City School District  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
For the Fiscal Year Ended June 30, 2003

|                                | Beginning<br>Balance<br><u>June 30, 2002</u> | <u>Additions</u>    | <u>Deductions</u> | Ending<br>Balance<br><u>June 30, 2003</u> |
|--------------------------------|--|---------------------|-------------------|---|
| <u>Student Activity:</u>       |  |                     |                   |   |
| Assets:                        |  |                     |                   |   |
| Equity in Pooled Cash and Cash |  |                     |                   |   |
| Equivalents                    | \$ 307,237                                   | \$ 54,071           | \$ 41,360         | \$ 319,948                                |
| Accounts Receivable            | 791  | 1,383               | 791               | 1,383                                     |
| Total Assets                   | <u>\$ 308,028</u>                            | <u>\$ 55,454</u>    | <u>\$ 42,151</u>  | <u>\$ 321,331</u>                         |
| Liabilities:                   |  |                     |                   |   |
| Accounts Payable               | \$ 13,679                                    | \$ 17,425           | \$ 13,679         | \$ 17,425                                 |
| Interfund Loans Payable        | 14,089                                       | 38,029              | 14,089            | 38,029                                    |
| Undistributed Money            | 280,260                                      | -                   | 14,383            | 265,877                                   |
| Total Liabilities              | <u>\$ 308,028</u>                            | <u>\$ 55,454</u>    | <u>\$ 42,151</u>  | <u>\$ 321,331</u>                         |
| <u>District Agency</u>         |  |                     |                   |   |
| Assets:                        |  |                     |                   |   |
| Equity in Pooled Cash and Cash |  |                     |                   |   |
| Equivalents                    | \$ 2,026,855                                 | \$ 1,859,897        | \$ 740,696        | \$ 3,146,056                              |
| Accounts Receivable            | 136,030                                      | 144,051             | 136,030           | 144,051                                   |
| Total Assets                   | <u>\$ 2,162,885</u>                          | <u>\$ 2,003,948</u> | <u>\$ 876,726</u> | <u>\$ 3,290,107</u>                       |
| Liabilities:                   |  |                     |                   |   |
| Accounts Payable               | \$ 702,568                                   | \$ 749,403          | \$ 702,568        | \$ 749,403                                |
| Interfund Loans Payable        | 38,128                                       | 23,190              | 38,128            | 23,190                                    |
| Undistributed Money            | 1,422,189                                    | 1,231,355           | 136,030           | 2,517,514                                 |
| Total Liabilities              | <u>\$ 2,162,885</u>                          | <u>\$ 2,003,948</u> | <u>\$ 876,726</u> | <u>\$ 3,290,107</u>                       |
| <u>Teacher Development</u>     |  |                     |                   |   |
| Assets:                        |  |                     |                   |   |
| Equity in Pooled Cash and Cash |  |                     |                   |   |
| Equivalents                    | \$ 1,965,499                                 | \$ 221,590          | \$ 991,037        | \$ 1,196,052                              |
| Total Assets                   | <u>\$ 1,965,499</u>                          | <u>\$ 221,590</u>   | <u>\$ 991,037</u> | <u>\$ 1,196,052</u>                       |
| Liabilities:                   |  |                     |                   |   |
| Accounts Payable               | \$ 671,310                                   | \$ 220,134          | \$ 671,310        | \$ 220,134                                |
| Accrued Wages and Benefits     | 2,436  | 1,456               | 2,436             | 1,456                                     |
| Undistributed Money            | 1,291,753                                    | -                   | 317,291           | 974,462                                   |
| Total Liabilities              | <u>\$ 1,965,499</u>                          | <u>\$ 221,590</u>   | <u>\$ 991,037</u> | <u>\$ 1,196,052</u>                       |

(continued)

South-Western City School District  
 Combining Statement of Changes in Assets and Liabilities  
 All Agency Funds  
 For the Fiscal Year Ended June 30, 2003  
 (continued)

|                                | Beginning<br>Balance<br><u>June 30, 2002</u> | <u>Additions</u>    | <u>Deductions</u>   | Ending<br>Balance<br><u>June 30, 2003</u> |
|--------------------------------|--|---------------------|---------------------|---|
| <u>All Agency Funds</u>        |  |                     |                     |   |
| Assets:                        |  |                     |                     |   |
| Equity in Pooled Cash and Cash |  |                     |                     |   |
| Equivalents                    | \$ 4,299,591                                 | \$ 2,135,558        | \$ 1,773,093        | \$ 4,662,056                              |
| Accounts Receivable            | 136,821                                      | 145,434             | 136,821             | 145,434                                   |
| Total Assets                   | <u>\$ 4,436,412</u>                          | <u>\$ 2,280,992</u> | <u>\$ 1,909,914</u> | <u>\$ 4,807,490</u>                       |
| Liabilities:                   |  |                     |                     |   |
| Accounts Payable               | \$ 1,387,557                                 | \$ 986,962          | \$ 1,387,557        | \$ 986,962                                |
| Accrued Wages and Benefits     | 2,436  | 1,456               | 2,436               | 1,456                                     |
| Interfund Loans Payable        | 52,217                                       | 61,219              | 52,217              | 61,219                                    |
| Undistributed Money            | 2,994,202                                    | 1,231,355           | 467,704             | 3,757,853                                 |
| Total Liabilities              | <u>\$ 4,436,412</u>                          | <u>\$ 2,280,992</u> | <u>\$ 1,909,914</u> | <u>\$ 4,807,490</u>                       |

## **STATISTICAL SECTION**

South-Western City School District  
 General Fund Expenditures by Function  
 Last Ten Fiscal Years

|                            | Fiscal<br>2003        | Fiscal<br>2002        | Fiscal<br>2001        | Fiscal<br>2000        | Fiscal<br>1999        | Fiscal<br>1998       | Fiscal<br>1997       | Fiscal<br>1996       | Fiscal<br>1995       | Fiscal<br>1994       |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Instruction:</b>        |                       |                       |                       |                       |                       |                      |                      |                      |                      |                      |
| Regular                    | \$ 66,732,252         | \$ 58,041,395         | \$ 54,132,589         | \$ 50,553,336         | \$ 47,490,805         | \$ 45,173,936        | \$ 42,683,610        | \$ 39,922,094        | \$ 37,094,734        | \$ 35,878,594        |
| Special                    | 14,311,498            | 11,815,665            | 10,828,745            | 9,323,302             | 9,684,269             | 8,219,162            | 8,135,577            | 6,073,950            | 5,573,931            | 5,333,174            |
| Vocational                 | 4,678,304             | 4,008,708             | 3,836,439             | 3,795,074             | 3,717,091             | 3,621,744            | 3,534,832            | 3,486,900            | 3,411,456            | 3,332,014            |
| Other                      | 164,925               | 145,456               | 117,047               | 111,936               | 102,405               | 62,922               | 72,219               | 988,834              | 790,621              | 817,976              |
| <b>Support Services:</b>   |                       |                       |                       |                       |                       |                      |                      |                      |                      |                      |
| Pupil                      | 6,419,711             | 5,279,781             | 5,054,682             | 4,775,095             | 4,403,439             | 4,265,340            | 3,970,682            | 3,791,883            | 3,554,236            | 3,503,695            |
| Instructional Staff        | 12,108,275            | 9,738,960             | 9,144,722             | 7,868,800             | 7,454,951             | 6,779,116            | 5,934,357            | 5,747,840            | 5,288,899            | 5,971,025            |
| Board of Education         | 479,880               | 224,840               | 220,905               | 198,957               | 204,843               | 202,947              | 190,188              | 212,642              | 242,581              | 216,932              |
| Administration             | 11,740,003            | 10,322,615            | 9,553,137             | 8,697,820             | 7,931,227             | 7,008,561            | 6,796,032            | 6,288,392            | 5,808,049            | 5,898,621            |
| Fiscal                     | 2,404,228             | 2,407,363             | 2,595,935             | 2,321,657             | 2,699,919             | 2,112,083            | 1,957,283            | 2,498,294            | 2,475,435            | 2,196,593            |
| Business                   | 974,415               | 892,459               | 819,113               | 727,262               | 832,269               | 510,486              | 584,603              | 510,541              | 534,637              | 432,880              |
| Operations and Maintenance | 13,926,549            | 12,239,655            | 11,742,314            | 12,155,861            | 8,584,160             | 7,752,638            | 7,673,496            | 6,827,854            | 5,980,482            | 6,413,798            |
| Pupil Transportation       | 8,035,413             | 6,869,883             | 6,302,708             | 5,184,355             | 5,212,170             | 3,928,342            | 3,757,958            | 3,637,803            | 3,554,154            | 3,497,892            |
| Central                    | 2,493,380             | 2,089,229             | 1,937,416             | 1,835,522             | 1,885,573             | 1,839,888            | 1,459,915            | 1,135,676            | 981,563              | 1,069,328            |
| Community Services         | 258,400               | 228,750               | 209,574               | 271,779               | -                     | -                    | -                    | -                    | -                    | -                    |
| Extracurricular Activities | 2,130,030             | 505,182               | 341,656               | 356,441               | 315,465               | 313,878              | 257,789              | 248,118              | 234,371              | 228,114              |
| Miscellaneous              | -                     | -                     | 177,695               | 127,567               | 117,798               | -                    | 53,403               | 79,307               | 260,273              | 301,507              |
| Capital Outlay             | 3,580,906             | 4,384,965             | 2,165,623             | 1,883,656             | 1,868,051             | 2,541,252            | 1,325,828            | 756,576              | 378,569              | 1,303,677            |
| Pass Through Grants        | 325,000               | 325,000               | 325,000               | 300,000               | 300,000               | 348,606              | -                    | -                    | -                    | -                    |
| Debt Service               | 283,722               | 365,893               | 359,177               | 398,951               | 450,013               | 395,806              | 711,586              | 422,864              | 312,900              | 135,379              |
| <b>Total Expenditures</b>  | <b>\$ 151,052,891</b> | <b>\$ 129,885,799</b> | <b>\$ 119,864,477</b> | <b>\$ 110,887,371</b> | <b>\$ 103,254,448</b> | <b>\$ 95,076,707</b> | <b>\$ 89,099,358</b> | <b>\$ 82,629,568</b> | <b>\$ 76,476,891</b> | <b>\$ 76,731,199</b> |

Source: School District Comprehensive Annual Financial Report

South-Western City School District  
 General Fund Revenues by Source  
 Last Ten Fiscal Years

|                             | Fiscal<br>2003 | Fiscal<br>2002 | Fiscal<br>2001 | Fiscal<br>2000 | Fiscal<br>1999 | Fiscal<br>1998 | Fiscal<br>1997 | Fiscal<br>1996 | Fiscal<br>1995 | Fiscal (1)<br>1994 |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| Revenues                    |                |                |                |                |                |                |                |                |                |                    |
| Taxes                       | \$ 64,314,881  | \$ 58,597,390  | \$ 64,147,057  | \$ 66,579,291  | \$ 60,154,425  | \$ 54,057,378  | \$ 50,172,388  | \$ 52,521,120  | \$ 45,082,777  | \$ 38,690,934      |
| Tuition                     | 263,531        | 393,119        | 370,993        | 206,029        | 116,264        | 340,628        | 366,903        | 194,253        | 417,810        | 110,361            |
| Interest                    | 1,061,385      | 1,944,485      | 3,436,812      | 2,656,159      | 2,067,933      | 1,539,023      | 1,462,480      | 1,064,080      | 706,935        | 480,675            |
| Intergovernmental - State   | 73,895,778     | 67,340,648     | 55,556,934     | 50,154,517     | 47,416,508     | 43,705,799     | 39,695,247     | 37,205,452     | 32,315,797     | 35,413,751         |
| Intergovernmental - Federal | 616,432        | 535,899        | 381,051        | 306,305        | 262,415        | 223,198        | 325,201        | 99,162         | 68,527         | 73,648             |
| Other                       | 1,501,510      | 1,458,789      | 1,414,068      | 755,685        | 429,325        | 565,630        | 264,275        | 294,136        | 357,985        | 218,388            |
| Total Revenues              | \$ 141,653,517 | \$ 130,270,330 | \$ 125,306,915 | \$ 120,657,986 | \$ 110,446,870 | \$ 100,431,656 | \$ 92,286,494  | \$ 91,378,203  | \$ 78,949,831  | \$ 74,987,757      |

Source: School District Comprehensive Annual Financial Report

(1) Reflects restated amounts due to a change in accounting principle.

South-Western City School District  
 Property Tax Levies and Collections  
 Last Ten Years

| Tax Year/<br>Collection<br>Year | Current<br>Levy | Delinquent<br>Levy | Total<br>Levy | Current<br>Collection | Percent of<br>Current Levy<br>Collected | Delinquent<br>Collection | Total<br>Collection | Total Collection<br>As a Percent of<br>Total Levy | Delinquent<br>Taxes<br>Receivable | Tax Year/<br>Collection<br>Year |
|---------------------------------|-----------------|--------------------|---------------|-----------------------|---|--------------------------|---------------------|---|-----------------------------------|---------------------------------|
| 2002/2003 (1)                   | \$ 86,458,902   | \$ 7,337,196       | \$ 93,796,098 | \$ 81,512,004         | 94.28%                                  | \$ 5,145,762             | \$ 86,657,766       | 92.39%  | \$ 7,153,656                      | 2002/2003                       |
| 2001/2002 (1)                   | 85,132,756      | 8,745,197          | 93,877,953    | 82,014,581            | 96.34%                                  | 4,380,375                | 86,394,956          | 92.03%  | 8,305,224                         | 2001/2002                       |
| 2000/2001 (1)                   | 84,797,133      | 6,383,257          | 91,180,390    | 82,882,592            | 97.74%                                  | 3,924,217                | 86,806,809          | 95.20%  | 5,684,753                         | 2000/2001                       |
| 1999/2000 (1)                   | 89,837,034      | 5,482,545          | 95,319,579    | 79,192,486            | 88.15%                                  | 3,147,122                | 82,339,608          | 86.38%  | 5,431,851                         | 1999/2000                       |
| 1998/1999 (1)                   | 75,816,300      | 4,890,024          | 80,706,324    | 74,698,742            | 98.53%                                  | 2,824,094                | 77,522,836          | 96.06%  | 5,514,324                         | 1998/1999                       |
| 1997/1998 (1)                   | 65,222,021      | 5,970,823          | 71,192,844    | 63,612,455            | 97.53%                                  | 2,850,394                | 66,462,849          | 93.36%  | 5,349,378                         | 1997/1998                       |
| 1996/1997 (1)                   | 63,457,650      | 5,057,702          | 68,515,352    | 61,642,680            | 97.14%                                  | 2,293,063                | 63,935,743          | 93.32%  | 5,757,230                         | 1996/1997                       |
| 1995/1996 (1)                   | 60,310,628      | 3,686,008          | 63,996,636    | 59,544,988            | 98.73%                                  | 1,691,898                | 61,236,886          | 95.69%  | 4,736,586                         | 1995/1996                       |
| 1994/1995 (2)                   | 58,995,564      | 3,272,891          | 62,268,455    | 58,486,921            | 99.14%                                  | 1,126,435                | 59,613,356          | 95.74%  | 3,495,909                         | 1994/1995                       |
| 1993/1994 (2)                   | 44,955,103      | 3,637,914          | 48,593,017    | 43,267,904            | 96.25%                                  | 2,854,550                | 46,122,454          | 94.92%  | 3,431,037                         | 1993/1994                       |

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

(1) Does not include November Personal Property reimbursement from the State of Ohio.

(2) Includes Homestead/Rollback on Real and reimbursement on personal property taxes assessed locally, but distributed through the State and reported as Intergovernmental revenues.

South-Western City School District  
 Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Collection Years

| Collection Year | Real Property (1) |                        |                | Tangible Personal Property (2) |                        |                | Public Utility (3) |                        |       | Total          |                        |       |
|-----------------|-------------------|------------------------|----------------|--------------------------------|------------------------|----------------|--------------------|------------------------|-------|----------------|------------------------|-------|
|                 | Assessed Value    | Estimated Actual Value |                | Assessed Value                 | Estimated Actual Value |                | Assessed Value     | Estimated Actual Value |       | Assessed Value | Estimated Actual Value |       |
|                 |                   | Value                  | Value          |                                | Value                  | Value          |                    | Value                  | Value |                | Value                  | Value |
| 2003            | \$ 1,944,520,110  | \$ 5,555,771,743       | \$ 327,412,336 | \$ 1,309,649,344               | \$ 80,654,260          | \$ 161,308,520 | \$ 2,352,586,706   | \$ 7,026,729,607       |       |                |                        | 2003  |
| 2002            | 1,740,984,660     | 4,974,241,886          | 312,181,478    | 1,248,725,912                  | 77,011,450             | 154,022,900    | 2,130,177,588      | 6,376,990,698          |       |                |                        | 2002  |
| 2001            | 1,686,914,280     | 4,819,755,086          | 320,534,386    | 1,282,137,544                  | 94,580,280             | 189,160,560    | 2,102,028,946      | 6,291,053,190          |       |                |                        | 2001  |
| 2000            | 1,602,009,470     | 4,577,169,914          | 290,640,778    | 1,162,563,112                  | 95,575,700             | 191,151,400    | 1,988,225,948      | 5,930,884,426          |       |                |                        | 2000  |
| 1999            | 1,351,762,160     | 3,862,177,600          | 286,032,773    | 1,144,131,092                  | 91,164,590             | 182,329,180    | 1,728,959,523      | 5,188,637,872          |       |                |                        | 1999  |
| 1998            | 1,303,642,930     | 3,724,694,085          | 276,769,393    | 1,107,077,572                  | 90,550,140             | 181,100,280    | 1,670,962,463      | 5,012,871,937          |       |                |                        | 1998  |
| 1997            | 1,249,075,420     | 3,568,786,914          | 249,281,118    | 997,124,472                    | 89,660,060             | 179,330,120    | 1,588,016,598      | 4,745,241,506          |       |                |                        | 1997  |
| 1996            | 1,124,661,530     | 3,213,318,657          | 233,340,206    | 933,360,824                    | 89,584,970             | 179,169,940    | 1,447,586,706      | 4,325,849,421          |       |                |                        | 1996  |
| 1995            | 1,067,683,010     | 3,050,522,886          | 231,193,746    | 924,774,984                    | 109,326,320            | 217,484,574    | 1,408,203,076      | 4,192,782,444          |       |                |                        | 1995  |
| 1994            | 1,044,663,540     | 2,984,752,971          | 238,943,671    | 955,774,684                    | 92,926,750             | 184,860,640    | 1,376,533,961      | 4,125,388,295          |       |                |                        | 1994  |

Source: Franklin County Auditor

- (1) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax commissioner.
- (2) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 29 percent in 1990 to 25 percent in 1993. 1994, 1995, 1996, 1997, 1998 and 1999 are also at 25 percent.
- (3) Assumes public utilities are assessed at true value, which is 50% of estimated actual value.

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

| Tax Year/<br>Collection<br>Year | CITIES                      |                          |                          | South-Western City<br>School District |                          |                            |                          | VILLAGES                 |                          |                            |                            | TOWNSHIPS                 |                                     |                             |       |
|---------------------------------|-----------------------------|--------------------------|--------------------------|---------------------------------------|--------------------------|----------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------------|---------------------------|-------------------------------------|-----------------------------|-------|
|                                 | Franklin<br>County          | City of<br>Columbus      | City of<br>Grove City    | Voted                                 |                          | Unvoted<br>General<br>Fund | Village of<br>Harrisburg | Village of<br>New Rome   | Village of<br>Urbancrest | Franklin<br>Township       | Jackson<br>Township        | Pleasant<br>Township      | Harrisburg-<br>Pleasant<br>Township | Prairie<br>Township         |       |
|                                 |                             |                          |                          | General<br>Fund                       | Bond<br>Fund             |                            |                          |                          |                          |                            |                            |                           |                                     |                             | 13.05 |
| 2002/2003                       | 17.64<br>(13.31)<br>(14.97) | 3.14<br>(3.14)<br>(3.14) | 4.30<br>(4.30)<br>(4.30) | 46.10<br>(19.83)<br>(31.62)           | 6.44<br>(6.44)<br>(6.44) | 3.90<br>(3.90)<br>(3.90)   | 1.00<br>(1.00)<br>(1.00) | 1.20<br>(1.20)<br>(1.20) | 0.60<br>(0.60)<br>(0.60) | 13.05<br>(8.27)<br>(12.03) | 20.20<br>(9.73)<br>(10.20) | 16.20<br>(7.42)<br>(8.11) | 15.80<br>(7.02)<br>(7.71)           | 14.20<br>(10.52)<br>(13.09) |       |
| 2001/2002                       | 17.64                       | 3.14                     | 4.40                     | 46.10                                 | 6.61                     | 3.90                       | 1.00                     | 1.20                     | 0.60                     | 13.05                      | 20.20                      | 16.20                     | 15.80                               | 14.20                       |       |
| 2000/2001                       | 17.64                       | 3.14                     | 4.50                     | 46.10                                 | 6.97                     | 3.90                       | 1.00                     | 1.20                     | 0.60                     | 13.05                      | 20.20                      | 16.20                     | 15.80                               | 14.20                       |       |
| 1999/2000                       | 17.64                       | 3.14                     | 4.60                     | 46.10                                 | 6.97                     | 3.90                       | 1.00                     | 1.20                     | 0.60                     | 13.05                      | 20.20                      | 16.20                     | 15.80                               | 14.20                       |       |
| 1998/1999                       | 17.54                       | 3.14                     | 4.70                     | 46.10                                 | 7.18                     | 3.90                       | 1.00                     | 1.20                     | 5.60                     | 13.05                      | 20.20                      | 16.20                     | 15.80                               | 14.20                       |       |
| 1997/1998                       | 15.22                       | 3.14                     | 4.80                     | 46.10                                 | 2.30                     | 3.90                       | 5.00                     | 1.20                     | 5.60                     | 13.05                      | 20.20                      | 16.20                     | 15.80                               | 14.20                       |       |
| 1996/1997                       | 15.12                       | 3.14                     | 4.90                     | 46.10                                 | 2.36                     | 3.90                       | 5.00                     | 1.20                     | 5.60                     | 13.05                      | 20.20                      | 16.20                     | 20.80                               | 14.00                       |       |
| 1995/1996                       | 14.82                       | 3.14                     | 4.90                     | 46.10                                 | 2.48                     | 3.90                       | 5.00                     | 1.20                     | 5.60                     | 13.05                      | 20.20                      | 16.20                     | 15.80                               | 14.00                       |       |
| 1994/1995                       | 14.57                       | 3.14                     | 5.00                     | 46.10                                 | 2.70                     | 3.85                       | 5.00                     | 1.20                     | 5.60                     | 13.05                      | 20.20                      | 16.20                     | 15.80                               | 14.00                       |       |
| 1993/1994                       | 14.57                       | 3.14                     | 5.10                     | 37.20                                 | 2.75                     | 3.85                       | 5.00                     | 1.20                     | 5.60                     | 13.05                      | 20.20                      | 16.20                     | 15.80                               | 14.00                       |       |

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

Figures in parenthesis reflect "effective" millage for residential/agricultural (upper) and commercial/industrial (lower) for the current collection year only.  
 All other figures reflect voted millage.



South-Western City School District  
 Percent of Net General Obligation Bonded Debt to  
 Assessed Value, Net Bonded Debt per Capita and per Average Daily Membership  
 Last Ten Collection Years

| Year | (1)<br>Estimated<br>Population | (2)<br>Average<br>Daily<br>Membership | (3)<br>Assessed<br>Value | Gross<br>Bonded Debt | Less Debt<br>Service Funds | Net<br>Bonded Debt | Percentage of Net<br>Bonded Debt to<br>Assessed Value | Net Bonded<br>Debt<br>Per Capita | Net Bonded<br>Debt Per<br>Average Daily<br>Membership |
|------|--------------------------------|---------------------------------------|--------------------------|----------------------|----------------------------|--------------------|---|----------------------------------|---|
| 2003 | 119,708                        | 20,251                                | \$ 2,352,586,706         | \$ 138,550,175       | \$ 3,901,457               | \$ 134,648,718     | 5.72%   | \$ 1,124.81                      | \$ 6,648.99   |
| 2002 | 119,708                        | 19,722                                | 2,130,177,588            | 150,412,305          | 3,013,751                  | 147,398,554        | 6.92%   | 1,231.32                         | 7,473.81  |
| 2001 | 95,632                         | 19,070                                | 2,102,028,946            | 147,692,665          | 3,673,813                  | 144,018,852        | 6.85%   | 1,505.97                         | 7,552.12  |
| 2000 | 95,632                         | 18,594                                | 1,988,225,948            | 153,444,448          | 2,318,444                  | 151,126,004        | 7.60%   | 1,580.29                         | 8,127.68  |
| 1999 | 95,632                         | 18,224                                | 1,728,959,523            | 159,265,330          | 4,847,954                  | 154,417,376        | 8.93%   | 1,614.70                         | 8,473.30  |
| 1998 | 95,632                         | 18,558                                | 1,670,962,463            | 41,901,816           | 3,679,940                  | 38,221,876         | 2.29%   | 399.68                           | 2,059.59  |
| 1997 | 95,632                         | 18,220                                | 1,588,016,598            | 44,719,803           | 4,579,315                  | 40,140,488         | 2.53%   | 419.74                           | 2,203.10  |
| 1996 | 92,000                         | 17,844                                | 1,447,586,706            | 46,448,816           | 4,561,556                  | 41,887,260         | 2.89%   | 455.30                           | 2,347.41  |
| 1995 | 92,000                         | 17,136                                | 1,408,203,076            | 46,867,316           | 4,748,365                  | 42,118,951         | 2.99%   | 457.81                           | 2,457.92  |
| 1994 | 92,000                         | 16,799                                | 1,376,533,961            | 48,938,327           | 3,047,966                  | 45,890,361         | 3.33%   | 498.81                           | 2,731.73  |

(1) Ohio Municipal Advisory Council - population is estimated by this organization.

(2) Per District records

(3) Franklin County Auditor

South-Western City School District  
 Computation of Legal Debt Margin  
 June 30, 2003

|  |    |                    |                      |
|--|----|--------------------|----------------------|
| Assessed Valuation                           | \$ | 2,352,586,706      |                      |
| Bonded Debt Limit - 9% of Assessed Value     | \$ | 211,732,804        |                      |
| Amount of Debt Applicable to 9% Debt Limit:  |    | <u>138,550,175</u> |                      |
| 9% Voted Debt Margin                         |    |                    | <u>\$ 73,182,629</u> |
| Bonded Debt Limit - .10% of Assessed Value   | \$ | 2,352,587          |                      |
| Amount of Debt Applicable to .10% Debt Limit |    | <u>-</u>           |                      |
| .10% Unvoted Debt Margin                     |    |                    | <u>\$ 2,352,587</u>  |

Source: Franklin County Auditor and School District financial records

Note: Voted debt margins are determined without reference of applicable monies  
 in the District's Bond Retirement Fund.

South-Western City School District  
 Computation of Direct and Overlapping General Obligation Bonded Debt  
 June 30, 2003

| <u>Governmental Unit</u>           | <u>Gross Debt<br/>Outstanding</u> | <u>Percent<br/>Applicable to<br/>School District</u> | <u>Amount<br/>Applicable to<br/>School District</u> |
|------------------------------------|-----------------------------------|--|---|
| South-Western City School District | \$ 138,550,175                    | 100.00%  | \$ 138,550,175                                      |
| Franklin County                    | 151,355,625                       | 9.51%  | 14,393,920  |
| City of Columbus                   | 331,606,545                       | 6.85%  | 22,715,048  |
| City of Grove City                 | 11,375,000                        | 100.00%  | 11,375,000  |
| Village of New Rome                | 70,000                            | 100.00%  | 70,000  |
| Total Net Overlapping Debt         | <u>\$ 632,957,345</u>             |  | <u>\$ 187,104,143</u>                               |

Note: Percent were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivisions. The valuations used were for the 2003 collection year

Source: Ohio Municipal Advisory Council - Governmental Unit Finance Office

South-Western City School District  
Ratio of Annual Debt Service Expenditures for Voted General Obligation Bonded  
Debt to Total General Fund Expenditures  
Last Ten Years

| <u>Fiscal<br/>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total<br/>Debt Service</u> | <u>Total<br/>General Fund<br/>Expenditures</u> | <u>Percent of<br/>Debt Service<br/>to General Fund<br/>Expenditures</u> |
|------------------------|------------------|-----------------|-------------------------------|--|---|
| 2003                   | \$ 5,247,129     | \$ 8,588,707    | \$ 13,835,836                 | \$ 151,052,891                                 | 9.16%   |
| 2002                   | 6,255,360        | 6,866,303       | 13,121,663                    | 129,885,799                                    | 10.10%  |
| 2001                   | 5,283,783        | 7,569,267       | 12,853,050                    | 119,864,477                                    | 10.72%  |
| 2000                   | 5,090,882        | 7,565,888       | 12,656,770                    | 110,859,371                                    | 11.42%  |
| 1999                   | 1,442,107        | 4,019,851       | 5,461,958                     | 103,254,448                                    | 5.29%   |
| 1998                   | 1,850,000        | 1,741,440       | 3,591,440                     | 95,076,707                                     | 3.78%   |
| 1997                   | 1,580,000        | 1,811,480       | 3,391,480                     | 89,099,358                                     | 3.81%   |
| 1996                   | 1,930,000        | 1,880,068       | 3,810,068                     | 82,629,568                                     | 4.61%   |
| 1995                   | 1,560,000        | 2,042,768       | 3,602,768                     | 76,209,668                                     | 4.73%   |
| 1994                   | 600,000          | 1,202,643       | 1,802,643                     | 76,731,199                                     | 2.35%   |

Source: School District Financial Records

South-Western City School District  
 New Construction, Property Value and Bank Deposits (3)  
 Last Ten Years

| Collection Year | New Construction (1)         |                           |                           | Property Value (2) |                      |                      | Collection Year |
|-----------------|------------------------------|---------------------------|---------------------------|--------------------|----------------------|----------------------|-----------------|
|                 | Agricultural/<br>Residential | Commercial/<br>Industrial | Total New<br>Construction | Real<br>Property   | Tangible<br>Personal | Public<br>Utility(4) |                 |
| 2003            | \$ 38,281,050                | \$ 12,795,380             | \$ 51,076,430             | \$ 5,555,771,743   | \$ 1,309,649,344     | \$ 161,308,520       | 2003            |
| 2002            | 45,122,230                   | 16,047,580                | 61,169,810                | 4,974,241,886      | 1,248,725,912        | 154,022,900          | 2002            |
| 2001            | 39,851,280                   | 27,273,130                | 67,124,410                | 4,819,755,086      | 1,282,137,544        | 189,160,560          | 2001            |
| 2000            | 42,823,980                   | 24,486,650                | 67,310,630                | 4,577,169,914      | 1,162,563,112        | 191,151,400          | 2000            |
| 1999            | 31,709,480                   | 7,787,500                 | 39,496,980                | 3,862,177,600      | 1,144,131,092        | 182,329,180          | 1999            |
| 1998            | 33,047,870                   | 16,398,100                | 49,445,970                | 3,724,694,085      | 1,107,077,572        | 181,100,280          | 1998            |
| 1997            | 31,055,330                   | 15,471,280                | 46,526,610                | 3,568,786,914      | 997,124,472          | 179,330,120          | 1997            |
| 1996            | 35,245,180                   | 12,823,230                | 48,068,410                | 3,213,318,657      | 933,360,824          | 179,169,940          | 1996            |
| 1995            | 31,338,200                   | 10,134,190                | 41,472,390                | 3,050,522,886      | 924,774,984          | 217,484,574          | 1995            |
| 1994            | 32,159,680                   | 26,925,010                | 59,084,690                | 2,984,752,971      | 955,774,684          | 184,860,640          | 1994            |

Source: Franklin County Auditor

(1) New Construction data in District boundaries.

(2) Represents Estimated Actual Value

(3) Bank Deposit information unavailable for District. Information for Franklin County would be irrelevant.

(4) Public Utility property taxes are assessed on tangible personal property at 88 percent of true value. Telecommunication equipment was reduced to 25 percent of true value.

South-Western City School District  
Principal Taxpayers  
December 31, 2002

|  | <u>Total<br/>Assessed<br/>Valuation</u> | <u>% of Total<br/>Assessed<br/>Valuation</u> |
|--|---|--|
| <u>Public Utilities</u>                    |   |  |
| 1. Columbus Southern Power Company         | \$ 47,300,610                           | 2.01%  |
| 2. Ohio Bell Telephone Co.                 | 14,908,380                              | 0.63%  |
| 3. Columbia Gas of Ohio Inc.               | 4,655,800                               | 0.20%  |
| <u>Real Estate</u>                         |   |  |
| 1. Distribution Fulfillment Services Inc.  | \$ 12,914,340                           | 0.55%  |
| 2. Dispatch Printing Co.                   | 10,696,000                              | 0.45%  |
| 3. Port West Associates L P                | 9,782,500                               | 0.42%  |
| 4. Distribution Funding III                | 8,928,400                               | 0.38%  |
| 5. Consolidated Stores International Corp. | 8,908,200                               | 0.38%  |
| 6. Nationwide - Columbus Real              | 8,194,030                               | 0.35%  |
| 7. Security Capital Ind Trust              | 7,003,510                               | 0.30%  |
| 8. Realty Associates Fund V                | 5,336,100                               | 0.23%  |
| 9. Darby Dan Farm LP                       | 4,814,670                               | 0.20%  |
| 10. Delphi Automotive Systems              | 4,578,810                               | 0.19%  |
| <u>Tangible Personal Property</u>          |   |  |
| 1. Wal Mart Stores                         | \$ 17,820,740                           | 0.76%  |
| 2. Kal Kan Foods Inc.                      | 17,701,530                              | 0.75%  |
| 3. Merck Medco RX Services of Ohio         | 15,860,301                              | 0.67%  |
| 4. Sears Roebuck & Company                 | 15,714,330                              | 0.67%  |
| 5. Big Lots Stores Inc.                    | 15,209,430                              | 0.65%  |
| 6. Delphi Automotive Systems LLC           | 10,687,800                              | 0.45%  |
| 7. IBM Credit Corporation                  | 10,610,260                              | 0.45%  |
| 8. Dispatch Printing Company               | 9,307,980                               | 0.40%  |
| 9. Holt Company of Ohio                    | 7,948,100                               | 0.34%  |
| 10. Sally Beauty Company Inc.              | 7,005,390                               | 0.30%  |
| All Others                                 | <u>2,076,699,495</u>                    | <u>88.27%</u>                                |
| Total Assessed Valuation                   | <u>\$ 2,352,586,706</u>                 | <u>100.00%</u>                               |

South-Western City School District  
 Ten Year Attendance Data (1)

| School<br>Year<br>End | Number<br>Of<br>Graduates | Elementary<br>Schools<br>Enrollment | (2)                                   |                                 | High<br>Schools<br>Enrollment | Total<br>Enrollment |
|-----------------------|---------------------------|-------------------------------------|---------------------------------------|---------------------------------|-------------------------------|---------------------|
|                       |                           |                                     | Intermediate<br>Schools<br>Enrollment | Middle<br>Schools<br>Enrollment |                               |                     |
| 2003                  | 1,090                     | 7,895                               | 3,231                                 | 3,403                           | 5,722                         | 20,251              |
| 2002                  | 978                       | 7,731                               | 3,157                                 | 3,173                           | 5,661                         | 19,722              |
| 2001                  | 856                       | 7,619                               | 3,118                                 | 2,985                           | 5,348                         | 19,070              |
| 2000                  | 996                       | 9,064                               | N/A                                   | 4,273                           | 5,257                         | 18,594              |
| 1999                  | 936                       | 8,753                               | N/A                                   | 4,292                           | 5,179                         | 18,224              |
| 1998                  | 826                       | 8,898                               | N/A                                   | 4,461                           | 5,150                         | 18,509              |
| 1997                  | 1,034                     | 8,749                               | N/A                                   | 4,268                           | 5,203                         | 18,220              |
| 1996                  | 1,005                     | 8,625                               | N/A                                   | 4,137                           | 5,059                         | 17,821              |
| 1995                  | 984                       | 8,249                               | N/A                                   | 4,020                           | 4,886                         | 17,155              |
| 1994                  | 915                       | 7,957                               | N/A                                   | 4,042                           | 4,810                         | 16,809              |
| 1993                  | 997                       | 7,901                               | N/A                                   | 3,896                           | 4,767                         | 16,564              |

Source: State Report ADM-1 (1992)  
 Superintendent's Annual Closing Spring Report

(1) As of Fiscal Year 1993 data has been submitted through the State of Ohio's  
 Education Management Information System (Pupil Personnel ADMHIST.XLS)

(2) The intermediate buildings, which house the District's 5th and 6th grade students, were opened in January 2001.  
 5th and 6th grade students were removed from the elementary schools and middle schools, respectively.

South-Western City School District  
 Certified Staff by Training  
 as of April 2003

|                         | <u>Non-Degree</u> | <u>B.S.</u> | <u>B.S. + 30</u> | <u>M.A.</u> | <u>M.A. +30</u> | <u>Total</u> |
|-------------------------|-------------------|-------------|------------------|-------------|-----------------|--------------|
| <u>Pupil Personnel</u>  |                   |             |                  |             |                 |              |
| Number                  |                   | 7           | 3                | 16          | 35              | 61           |
| Percentage of Total     |                   | 11.48%      | 4.92%            | 26.23%      | 57.38%          | 100.00%      |
| <u>High School</u>      |                   |             |                  |             |                 |              |
| Number                  | 3                 | 132         | 55               | 171         | 62              | 423          |
| Percentage of Total     | 0.71%             | 31.21%      | 13.00%           | 40.43%      | 14.66%          | 100.00%      |
| <u>Middle School</u>    |                   |             |                  |             |                 |              |
| Number                  |                   | 71          | 22               | 107         | 32              | 232          |
| Percentage of Total     |                   | 30.60%      | 9.48%            | 46.12%      | 13.79%          | 100.00%      |
| <u>Elementary</u>       |                   |             |                  |             |                 |              |
| Number                  |                   | 262         | 66               | 246         | 74              | 648          |
| Percentage of Total     |                   | 40.43%      | 10.19%           | 37.96%      | 11.42%          | 100.00%      |
| <u>Federal Programs</u> |                   |             |                  |             |                 |              |
| Number                  |                   | 13          | 5                | 22          | 9               | 49           |
| Percentage of Total     |                   | 26.53%      | 10.20%           | 44.90%      | 18.37%          | 100.00%      |
| <u>Total</u>            |                   |             |                  |             |                 |              |
| Number                  | 3                 | 485         | 151              | 562         | 212             | 1,413        |
| Percentage of Total     | 0.21%             | 34.32%      | 10.69%           | 39.77%      | 15.00%          | 100.00%      |

Source: School district personnel records.



South-Western City School District  
 Schedule of Property and Casualty Insurance in Force  
 June 30, 2003

| Company          | Policy Period |          | Coverage                    | Liability Limits        | Deductible                                 | Annual Premium |
|------------------|---------------|----------|-----------------------------|-------------------------|--|----------------|
|                  | From          | To       |                             |                         |  |                |
| Ohio School Plan | 07/01/02      | 07/01/03 | General Liability           | \$1,000,000/\$3,000,000 | \$0  | \$ 134,148     |
|                  |               |          | Fire                        | \$500,000/Fire          | \$0  |                |
|                  |               |          | Medical Expense Limit       | \$10,000/person         | \$0  |                |
|                  |               |          | Employee Benefits           | \$1,000,000/\$3,000,000 | \$0  |                |
|                  |               |          | Educational Legal Liability | \$1,000,000/\$2,000,000 | \$10,000                                   |                |
| Indiana          | 07/01/02      | 07/01/03 | Fleet                       | \$2,000,000             | \$1,000 Comprehensive<br>\$1,000 Collision | \$ 189,678     |
| Indiana          | 07/01/02      | 07/01/03 | Property/Building Content   | Replacement Cost        | \$10,000                                   | \$ 219,199     |
|                  |               |          | Flood Coverage              | \$1,000,000             | \$50,000                                   |                |
|                  |               |          | Boiler/Machinery            | \$297,884,000           | \$1,000                                    |                |
|                  |               |          | Employee Dishonesty         | \$50,000                | \$0  |                |
|                  |               |          | Inland Marine               |                         |  |                |
|                  |               |          | Photography Equipment       | \$115,115               | \$250                                      |                |
|                  |               |          | Musical Instruments         | \$1,597,899             | \$250                                      |                |
|                  |               |          | School Band Uniforms        | \$100,000               | \$250                                      |                |
|                  |               |          | Athletic Equipment          | \$408,436               | \$25                                       |                |
|                  |               |          | Mobile Phones               | \$35,000                | \$100                                      |                |
|                  |               |          | Cellular Phones             | \$4,040                 | \$100                                      |                |
|                  |               |          | Mobile Radios               | \$157,075               | \$100                                      |                |
|                  |               |          | Contractor's Equipment      | \$736,370               | \$250                                      |                |

Source: School district records.

South-Western City School District  
 State Basic Aid and South-Western Per Pupil Cost  
 Last Ten Years

| <u>Year</u> | <u>State Basic<br/>Aid Per Pupil (1) (3)</u> | <u>Percentage<br/>Change</u> | <u>Actual<br/>State Basic Aid<br/>Per Pupil Received</u> | <u>Percentage<br/>Change</u> | <u>South-Western<br/>Cost Per<br/>Pupil in ADM (2)</u> | <u>Percentage<br/>Increase</u> |
|-------------|--|------------------------------|--|------------------------------|--|--------------------------------|
| 2002/2003   | \$ 4,949                                     | 2.8%                         | \$ 3,253   | 10.2%                        | 8,423  | 11.8%                          |
| 2001/2002   | 4,814  | 12.1%                        | 2,952  | 16.9%                        | 7,533  | 2.4%                           |
| 2000/2001   | 4,294  | 6.0%                         | 2,525  | 14.5%                        | 7,354  | 6.7%                           |
| 1999/2000   | 4,052  | 5.2%                         | 2,206  | 2.8%                         | 6,890  | 5.3%                           |
| 1998/1999   | 3,851  | 5.1%                         | 2,145  | 25.3%                        | 6,546  | 24.1%                          |
| 1997/1998   | 3,663  | 4.7%                         | 1,712  | 6.5%                         | 5,275  | 3.7%                           |
| 1996/1997   | 3,500  | 5.6%                         | 1,607  | 7.0%                         | 5,087  | 4.3%                           |
| 1995/1996   | 3,315  | 9.2%                         | 1,502  | 12.3%                        | 4,879  | 3.1%                           |
| 1994/1995   | 3,035  | 5.7%                         | 1,338  | -1.3%                        | 4,732  | 0.8%                           |
| 1993/1994   | 2,871  | 1.9%                         | 1,356  | 1.4%                         | 4,695  | 6.3%                           |

Source: School district financial records.  
 Ohio Department of Education

- (1) Actual state revenue increase percent is less than reflected. This chart shows statewide per student allotment which is then adjusted for individual school district characteristics.
- (2) Previous years information for General Fund only. Beginning in fiscal year 1999, the Ohio Department of Education does not provide expenditure per pupil information for the General Fund only. Information for fiscal year 1998-99 is expenditure per pupil information for all funds.
- (3) Increase to state basic aid per pupil are misleading without noting the corresponding increases to the local charge off requirement. For Fiscal Year 1993-1994 and prior the local charge off was 20 mills of local effort. During Fiscal Year 1994-1995 that charge off requirement was increased to 21 mills and for Fiscal Year 1995-1996 it was increased to 22 mills of the local effort

South-Western City School District  
 General Fund - Operating Expenditures Necessary to Educate  
 a District Student for Graduation in June, 2002  
 (Actual Dollars Expended by Year)

|                     |             | Grade | South-Western    | State Average    | Franklin County  |
|---------------------|-------------|-------|------------------|------------------|------------------|
|                     |             | Level | City School      | for All          | Franklin County  |
|                     |             |       | District         | School Districts | Average          |
| Elementary School   |             |       |                  |                  |                  |
|                     | 1989-90     | K     | 3,788            | 4,349            | 4,558            |
|                     | 1990-91     | 1     | 4,029            | 4,386            | 4,741            |
|                     | 1991-92     | 2     | 4,202            | 4,473            | 4,835            |
|                     | 1992-93     | 3     | 4,466            | 4,437            | 5,068            |
|                     | 1993-94     | 4     | 4,695            | 4,640            | 5,426            |
|                     | 1994-95     | 5     | 4,732            | 4,758            | 5,299            |
| Secondary School    |             |       |                  |                  |                  |
| Enter Middle School |             |       |                  |                  |                  |
|                     | 1995-96     | 6     | 4,879            | 4,940            | 5,626            |
|                     | 1996-97     | 7     | 5,087            | 5,113            | 5,635            |
|                     | 1997-98     | 8     | 5,275            | 5,369            | 6,046            |
| Enter High School   |             |       |                  |                  |                  |
|                     | 1998-99 (1) | 9     | 6,546            | 6,642            | 7,167            |
|                     | 1999-00 (1) | 10    | 6,890            | 7,057            | 7,636            |
|                     | 2000-01 (1) | 11    | 7,354            | 7,602            | 8,222            |
|                     | 2001-02 (1) | 12    | 7,354            | 7,602            | 8,222            |
| Total               |             |       | <u>\$ 69,297</u> | <u>\$ 71,368</u> | <u>\$ 78,481</u> |

Source: District Financial Records  
 General Fund Costs per Pupil-State of Ohio Department of Education.

- (1) Previous year information for General Fund only. Beginning in fiscal year 1999, the Ohio Department of Education does not provide expenditure per pupil information for the General Fund only. Information for fiscal year 1998-99 and beyond is expenditure per pupil information for all funds.

South-Western City School District  
Facility Inventory

|                                    |               | <u>Original<br/>Construction</u> | <u>Addition (s)<br/>Date (s)</u> | <u>Building Area<br/>(Sq. Ft.)</u> | <u>Acreage</u> | <u>Student<br/>Capacity</u> |
|------------------------------------|---------------|----------------------------------|----------------------------------|------------------------------------|----------------|-----------------------------|
| <b><u>Elementary Schools</u></b>   |               |                                  |                                  |                                    |                |                             |
| Alton Hall                         | Basic         | 1960                             | 1961, 1964, 1996                 | 36,958                             | 9.90           | 500                         |
|                                    | Portable      | 1977                             |                                  | 1,718                              |                |                             |
|                                    | Portable      | 1989                             |                                  | 1,596                              |                |                             |
|                                    | Portable      | 1995                             |                                  | 1,596                              |                |                             |
| Buckeye Woods                      | Basic         | 1995                             |                                  | 68,000                             | 20.10          | 725                         |
| Darbydale                          | Basic         | 1958                             |                                  | 31,143                             | 7.15           | 249                         |
|                                    | Portable (1)  | 1977                             |                                  | 1,704                              |                |                             |
| Darby Woods                        | Basic         | 1995                             |                                  | 68,000                             | 8.80           | 725                         |
| East Franklin                      | Basic         | 1956                             | 1963, 1997                       | 36,638                             | 6.16           | 450                         |
| Finland                            | Basic         | 1964                             | 1995                             | 36,636                             | 8.60           | 475                         |
| Harmon                             | Basic         | 1950                             | 1997                             | 43,362                             | 12.00          | 500                         |
|                                    | Portable (1)  | 1953                             |                                  | 3,336                              |                |                             |
| Harrisburg                         | Basic         | 1939                             | 1951                             | 16,390                             | 4.60           | 175                         |
|                                    | Portable (1)  | 1967                             |                                  | 793                                |                |                             |
| Highland Park                      | Basic         | 1969                             | 1997                             | 42,002                             | 14.59          | 525                         |
| Monterey                           | Basic         | 1956                             | 1995                             | 36,636                             | 10.10          | 475                         |
|                                    | Portables (2) | 1990                             |                                  | 3,192                              |                |                             |
| North Franklin                     | Basic         | 1920                             | 1938                             | 38,387                             | 5.40           | 425                         |
| Prairie Lincoln                    | Basic         | 1956                             | 1961, 1962                       | 43,058                             | 19.40          | 525                         |
|                                    | Portable (1)  | 1995                             |                                  | 1,596                              |                |                             |
| Prairie Norton                     | Basic         | 1950                             |                                  | 39,721                             | 10.90          | 575                         |
|                                    | Portable (1)  | 1967                             |                                  | 793                                |                |                             |
|                                    | Portable (1)  | 1995                             |                                  | 1,596                              |                |                             |
| Richard Avenue                     | Basic         | 1957                             |                                  | 44,718                             | 10.30          | 525                         |
| J. C. Sommer                       | Basic         | 1956                             | 1959                             | 36,964                             | 8.70           | 561                         |
|                                    | Portable (2)  | 1967                             |                                  | 1,586                              |                |                             |
| Stiles                             | Basic         | 1963                             | 1995                             | 36,636                             | 10.77          | 475                         |
|                                    | Portable (2)  | 1988                             |                                  | 3,192                              |                |                             |
| West Franklin                      | Basic         | 1955                             | 1997                             | 47,813                             | 9.70           | 575                         |
| <b><u>Intermediate Schools</u></b> |               |                                  |                                  |                                    |                |                             |
| Franklin Woods                     | Basic         | 2000                             |                                  | 87,981                             | 21.45          | 800                         |
| Galloway Ridge                     | Basic         | 2000                             |                                  | 87,981                             | 6.95           | 800                         |
| Holt Crossing                      | Basic         | 2000                             |                                  | 87,981                             | 20.70          | 800                         |
| Park Street                        | Basic         | 2000                             |                                  | 87,981                             | 5.00           | 800                         |

|  |              | <u>Original<br/>Construction</u> | <u>Addition (s)<br/>Date (s)</u>                   | <u>Building Area<br/>(Sq. Ft.)</u> | <u>Acreage</u> | <u>Student<br/>Capacity</u> |
|--|--------------|----------------------------------|--|------------------------------------|----------------|-----------------------------|
| <b><u>Middle Schools</u></b>                 |              |                                  |  |                                    |                |                             |
| Brookpark                                    | Basic        | 1953                             | 1997   | 82,422                             | 16.20          | 725                         |
|  | Portable (2) | 1964                             |  | 1,668                              |                |                             |
| Finland                                      | Basic        | 1964                             | 1975, 1995   | 91,098                             | 17.30          | 786                         |
|  | Portable (1) | 1989                             |  | 1,596                              |                |                             |
|  | Portable (1) | 1991                             |  | 1,596                              |                |                             |
| Jackson                                      | Basic        | 2001                             |  | 99,597                             | 28.14          | 800                         |
| Norton                                       | Basic        | 1953                             | 1995   | 87,204                             | 15.00          | 680                         |
|  | Portable (1) | 1964                             |  | 1,668                              |                |                             |
|  | Portable (1) | 1990                             |  | 1,596                              |                |                             |
| Pleasant View                                | Basic        | 1958                             | 1963   | 138,702                            | 40.00          | 924                         |
| <b><u>High Schools</u></b>                   |              |                                  |  |                                    |                |                             |
| Central Crossing                             | Basic        | 2002                             |  | 260,716                            | 63.40          | 1,880                       |
| Franklin Heights                             | Basic        | 1955                             | 1956, 1957, 1963<br>1974, 1975, 1976<br>1986, 1997 | 152,983                            | 37.02          | 1,172                       |
| Grove City                                   | Basic        | 1970                             | 1971, 1976, 1983<br>1985, 2000                     | 198,348                            | 53.30          | 1,843                       |
| Westland                                     | Basic        | 1970                             | 1971, 1976, 1982<br>1985, 2000                     | 197,154                            | 54.65          | 1,861                       |
| <b><u>Additional Schools</u></b>             |              |                                  |  |                                    |                |                             |
| Kingston                                     | Basic        | 1949                             |  | 13,180                             | 2.00           | 70                          |
| Hayes Tech Annex                             | Basic        | 1950                             |  | 10,000                             | 1.17           | 60                          |
| South-Western Career Academy                 | Basic        | 2002                             |  | 130,156                            | 25.10          | 750                         |
| <b><u>Recreation Centers</u></b>             |              |                                  |  |                                    |                |                             |
| Falcons Nest                                 |              | 1986                             |  | 37,507                             |                |                             |
| Grove City                                   |              | 1986                             |  | 37,507                             |                |                             |
| Cougar Community                             |              | 1986                             |  | 37,507                             |                |                             |
| <b><u>Miscellaneous</u></b>                  |              |                                  |  |                                    |                |                             |
| District Service Center                      | Basic        | 1981                             | 1989, 1995, 2002                                   | 70,000                             | 9.51           | <u>Occupancy</u><br>350     |
| Darbydale Distribution                       |              | 1930-1940                        |  | 4,170                              | 1.63           | 5                           |
| Transportation                               |              | 1986                             |  | 16,594                             | 10.00          | 109                         |
| 2 Houses - offices                           |              | 1960 est                         |  | 5,000                              | 1.50           | 8                           |
| Norton Road Head Start                       |              | 1975                             |  | 4,300                              |                | 46                          |
| Stiles Family Center                         |              | 1994                             |  | 4,510                              |                | 206                         |
| Tech Services - Garage                       |              | 1960 est                         |  | 2,000                              | 0.50           | 3                           |
| <b><u>Facilities under Renovation</u></b>    |              |                                  |  |                                    |                |                             |
| Hayes Tech (Hayes Intermediate)              | Basic        | 1966                             | 1981, 1982, 1986, 2003                             | 58,677                             | 10.80          | 520                         |
|  | Modular      | 1991                             |  | 4,150                              |                |                             |
| Administrative Offices<br>(HeadStart Center) | Basic        | 1973                             | 2003   | 13,105                             | 2.60           | 115                         |

South-Western City School District  
 Educational Statistics  
 Last Six Fiscal Years

| Percentage of Students Passing:               | Fiscal<br>2002 | Fiscal<br>2001 | Fiscal<br>2000 | Fiscal<br>1999 | Fiscal<br>1998 | Fiscal<br>1997 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| <u>4th Grade</u>                              |                |                |                |                |                |                |
| Citizenship                                   | 51.3%          | 54.8%          | 49.0%          | 59.9%          | 43.9%          | 35.6%          |
| Mathematics                                   | 53.3%          | 56.3%          | 42.1%          | 57.6%          | 26.0%          | 24.4%          |
| Reading                                       | 65.2%          | 49.6%          | 48.6%          | 51.8%          | 35.7%          | 41.4%          |
| Writing                                       | 75.9%          | 76.5%          | 75.1%          | 62.8%          | 52.3%          | 58.8%          |
| Science                                       | 48.0%          | 43.5%          | 33.8%          | 40.6%          | 33.9%          | 27.7%          |
| <u>6th Grade</u>                              |                |                |                |                |                |                |
| Citizenship                                   | 66.7%          | 69.1%          | 61.5%          | 69.3%          | 51.6%          | 54.6%          |
| Mathematics                                   | 46.6%          | 59.9%          | 39.0%          | 41.2%          | 33.3%          | 39.6%          |
| Reading                                       | 59.7%          | 55.6%          | 40.8%          | 44.7%          | 39.0%          | 35.0%          |
| Writing                                       | 85.8%          | 84.6%          | 75.1%          | 78.1%          | 82.1%          | 34.1%          |
| Science                                       | 60.3%          | 56.9%          | 39.8%          | 35.4%          | 34.4%          | 30.2%          |
| <u>9th Grade</u>                              |                |                |                |                |                |                |
| Citizenship                                   | 80.7%          | 80.6%          | 77.5%          | 76.5%          | 75.3%          | 77.2%          |
| Mathematics                                   | 70.1%          | 69.7%          | 64.9%          | 62.4%          | 61.3%          | 63.9%          |
| Reading                                       | 87.2%          | 89.2%          | 86.7%          | 86.4%          | 86.0%          | 88.1%          |
| Writing                                       | 88.5%          | 90.1%          | 90.0%          | 89.5%          | 84.9%          | 82.5%          |
| Science                                       | 74.2%          | 77.3%          | 72.5%          | 68.8%          | 64.0%          | N/A            |
| <u>12th Grade</u>                             |                |                |                |                |                |                |
| Citizenship                                   | 89.1%          | 62.9%          | 89.4%          | 52.8%          | 44.0%          | 38.9%          |
| Mathematics                                   | 80.1%          | 56.7%          | 80.2%          | 49.8%          | 41.9%          | 30.2%          |
| Reading                                       | 92.7%          | 66.2%          | 95.3%          | 62.0%          | 50.3%          | 47.7%          |
| Writing                                       | 92.2%          | 85.1%          | 96.2%          | 72.1%          | 71.4%          | 49.5%          |
| Science                                       | 84.4%          | 64.0%          | 85.0%          | 53.6%          | 38.1%          | 36.1%          |
| <u>Student Attendance Rate</u>                | 94.1%          | 93.0%          | 93.9%          | 94.1%          | 94.3%          | 94.7%          |
| <u>Average Number of Students per Teacher</u> | 15.9           | 19.2           | 18.6           | 19.0           | 20.9           | 21.5           |

Source: State of Ohio School District Report Card. Information for fiscal year 2003 not available at this time.



**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

**SOUTH-WESTERN 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 6, 2004**