

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2002



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

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

New Philadelphia City School District
Tuscarawas County
248 Front Avenue, SW
New Philadelphia, Ohio 44663

To the Board of Education:

We have audited the basic financial statements of the New Philadelphia City School District, Tuscarawas County, Ohio, (the District) as of and for the year ended June 30, 2002, and have issued our report thereon dated November 15, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated November 15, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying Schedule of Findings as items 2002-11279-001 and 2002-11279-002.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described are material weaknesses.

We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated November 15, 2002.

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a stylized flourish at the end.

Jim Petro
Auditor of State

November 15, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

New Philadelphia City School District
Tuscarawas County
248 Front Avenue, SW
New Philadelphia, Ohio 44663

To the Board of Education:

Compliance

We have audited the compliance of the New Philadelphia City School District, Tuscarawas County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2002. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance 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 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 of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2002.

Internal Control Over Compliance

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

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

Schedule of Receipts and Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the New Philadelphia City School District, (the District) as of and for the year ended June 30, 2002, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 15, 2002. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Jim Petro
Auditor of State

November 15, 2002

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

**SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster: Food Distribution Program	N/A	10.550	\$0	\$42,160		\$49,015
School Breakfast Program	044487-05-PU	10.553	9,755	0	\$9,755	0
National School Lunch Program	044487-04-PU	10.555	180,264	0	180,264	0
Total U.S. Department of Agriculture - Nutrition Cluster			190,019	42,160	190,019	49,015
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster: Special Education Grants to States (IDEA Part B)	044487-6B-SF-02 044487-6B-SF-01	84.027	159,206 60,999	0 0	175,719 74,774	0 0
Total Special Education Grants to States			220,205	0	250,493	0
Special Education - Preschool Grant	044487-PG-S1-02 044487-PG-S1-01	84.173	9,410 21,520	0 0	4,019 21,947	0 0
Total Special Education - Preschool Grant			30,930	0	25,966	0
Total Special Education Cluster			251,135	0	276,459	0
Grants to Local Educational Agencies (ESEA Title I)	044487-C1-S1-02 044487-C1-S1-01 044487-C1-SD-02 044487-C1-SD-01 044487-C1-SD-00	84.010	245,918 64,043 6,771 924 0	0 0 0 0 0	257,364 59,936 5,477 4,378 24	0 0 0 0 0
Total Grants to Local Educational Agencies			317,656	0	327,179	0
Title VI, IASA	04487-C2-S1-02 04487-C2-S1-01 04487-C2-S1-00	84.151	16,142 3,389 0	0 0 0	13,304 4,944 9	0 0 0
Total Title VI, IASA			19,531	0	18,257	0
Eisenhower Professional Development Grant	044487-MS-S2-02 044487-MS-S2-01	84.164	16,218 1,370	0 0	14,127 7,882	0 0
Total Eisenhower Professional Development Grant			17,588	0	22,009	0
Drug-Free Schools Grant	044487-DR-S1-02 044487-DR-S1-01 044487-DR-S1-00	84.186	11,682 9,277 0	0 0 0	11,785 12,918 778	0 0 0
Total Drug-Free Schools Grant			20,959	0	25,481	0
Class Size Reduction	044487-CR-S102 044487-CR-S101	84.340	89,061 30,162	0 0	79,854 27,915	0 0
Total Class Size Reduction			119,223	0	107,769	0
Learn and Serve America School and Community Base	04487-SV-S2-02 04487-SV-S2-01	94.004	5,000 0	0 0	4,917 479	0 0
Total Learn and Serve America School and Community Base			5,000	0	5,396	0
Total U.S. Department of Education			751,092	0	782,550	0
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i>						
Medicaid Assistance Program		93.778	60,238	0	29,245	0
Totals			\$1,001,349	\$42,160	\$1,001,814	\$49,015

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

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

**NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - FOOD DISTRIBUTION

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2002, the District had food commodities totaling \$11,209 in inventory.

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2002**

1. SUMMARY OF AUDITOR'S RESULTS
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(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	Yes
(d)(1)(iii)	<i>Was there any reported non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any other reportable internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under § .510?</i>	No
(d)(1)(vii)	<i>Major Programs (list):</i>	Title I – Grants to Local Educational Agencies, CFDA #84.010
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: > 300,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee?</i>	Yes

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

FINDING NUMBER 2002-11279-001

Reportable Condition – Athletic Revenue

During testing of certain athletic events, the following were noted:

- While the District Athletic Department utilizes color coded, pre-numbered tickets, Event Recap Forms did not always indicate what color of ticket was utilized by type (e.g., adult or student). For 48% of Event Recap Forms tested, the same roll of pre-numbered tickets was utilized for both adult and student tickets. For 20% of Event Recap Forms tested, beginning and ending ticket numbers were not properly documented by color and type. In addition, evidence did not exist to support that ticket number sequences were monitored from one athletic event to the next.
- While the District Athletic Director establishes ticket prices for each athletic event and submits them to the Board of Education for their review, there is no evidence of Board approval of athletic event ticket prices or season pass prices. In addition, ticket prices by type (e.g., adult or student) were not always documented on the respective Event Recap Forms.
- While the District utilizes Event Recap Forms for each athletic event, reconciliations of cash collected to tickets issued were not performed and variances (e.g., overages or shortages) were not documented. For 68% of Event Recap Forms tested, variances (e.g., overages or shortages) could not be determined because beginning and ending ticket numbers were not documented, or when documented were not differentiated by type (e.g., adult or student). For 32% of Event Recap Forms tested, overages and shortages ranging between \$4 and \$460 existed between tickets issued and cash collected. (Note: Where determinable, events tested indicated cash collected in aggregate exceeded tickets sold.)
- While the Athletic Director collects and maintains the Event Recap Forms, evidence did not exist to verify tickets sold less beginning cash were reconciled to monies collected and subsequently deposited.

As a result, the risk of misappropriation of athletic revenue is increased.

The Athletic Director should perform the following:

- Event Recap Forms should be utilized for all athletic events which document the specific athletic event with beginning and ending ticket numbers by ticket color and type (e.g., adult or student). Different colored ticket rolls should be utilized for each type of tickets issued at each athletic event. In addition, a method should be established to document ticket numbers by color utilized from one athletic event to the next.
- Athletic event ticket prices and season pass prices should be approved by the Board of Education, as evidenced within the Minutes. In addition, Board approved ticket prices by type (e.g., adult or student) should be documented on the Event Recap Form for each event.
- Event Recap Forms should document a reconciliation of cash collected to tickets sold, and the resulting variances (e.g., overages or shortages) for each athletic event. In addition, Event Recap Forms should be signed and dated by the Ticket Taker and/or the Site Manager and Athletic Director as evidence tickets sold reconcile to monies deposited.

This will help reduce the risk of misappropriation of athletic revenue.

FINDING NUMBER 2002-11279-002

Reportable Condition - Class of 2003 Concession Stand

The Class of 2003 managed and operated a concession stand to generate revenue for various class activities. During testing of concession stand activity, the following were noted:

- The student activity advisors did not prepare or maintain concession stand inventory records. As a result, the risk that concession stand inventory may be misused or lost without being detected timely is increased.
- Occasionally, concession stand cash proceeds were used to make direct purchases of concession stand inventory without initially depositing the concession stand cash proceeds with the District Treasurer's Office and the District Treasurer's Office issuing a subsequent purchase order. As a result, the risk concession stand cash proceeds could be misappropriated is increased.

The student activity advisors should perform the following:

- Concession stand inventory records should be prepared and periodically updated. The concession stand inventory records should document beginning inventory, amounts purchased, amounts sold, and ending inventory. This will help reduce the risk that concession stand inventory is inappropriately used or lost.
- Pursuant to the New Philadelphia City Schools Student Activity Policy Manual, under no circumstances are expenditures to be made with student fundraiser cash proceeds. Student fundraiser cash proceeds are considered public funds and should be accounted for on the District's financial statements. In addition, proper steps should be followed to obtain approved purchase orders for all expenditures. This will help reduce the risk of misappropriation of concession stand receipts.

3. FINDINGS FOR FEDERAL AWARDS

None

**NEW PHILADELPHIA CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2002**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2001-11279-001	Reportable Condition- Athletic tickets were not maintained in numerical sequence, various overages and shortages existed between the Cash Accountability Forms and each respective bank deposit, certain bank deposits were not submitted timely to the Treasurer.	No	Not corrected (See Finding No. 2002-11279-001)

NEW PHILADELPHIA CITY SCHOOL DISTRICT

New Philadelphia, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For the Fiscal Year Ended
June 30, 2002*

Issued by:
Treasurer's Office

Steven D. Sherer
Treasurer

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Steven D. Sherer
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SPECIAL SERVICES DIRECTOR
Louise E. Harris
330-364-0613

November 15, 2002

Board of Education Members and
Residents of New Philadelphia City School District

We are pleased to present the seventh Comprehensive Annual Financial Report (CAFR) of the New Philadelphia City School District. This report was prepared by the Treasurer's Office, and contains basic financial statements, supplemental statements and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 2001-02 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 aspects and are reported in a manner designed to present fairly the financial position and results of operation 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 (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

This CAFR is divided into three sections as follows:

1. The Introductory Section contains the title page, table of contents, letter of transmittal, a copy of the GFOA Certificate of Achievement, a list of principal officials, and an organizational chart of the District.
2. The Financial Section begins with the Report of Independent Accountants and includes Management's Discussion and Analysis, the basic financial statements and Notes which provide an overview of the District's financial position and operating results, and the Combining Statements for nonmajor funds and other schedules which provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section presents selected economic and financial information, presented on a multi-year basis.



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315 Fourth Street NW
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470 Fair Ave. NE
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SOUTH ELEMENTARY
132 Providence Ave. SW
330-364-0725

TUSCARAWAS ELEMENTARY
935 Tuscarawas Ave. NW
330-364-0740

WEST ELEMENTARY
232 Tuscarawas Ave. NW
330-364-0755

YORK ELEMENTARY
938 Stone Creek Road SW
330-364-0770

Reporting Entity

The School District has reviewed its reporting entity in order to ensure conformance with Governmental Accounting Standards Board Statement No. 14, “The Financial Reporting Entity”. In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the New Philadelphia City School District and its potential component units. The primary government consists of all funds, departments, agencies, boards, commissions and authorities that are not legally separate from the School District. For New Philadelphia City School District, this includes general operations, food service, and student related activities. There are no component units of the New Philadelphia City School District.

Economic Conditions and Outlook

The School District boundaries cover the City of New Philadelphia and several townships located in Tuscarawas County, therefore the economic conditions affecting the City and Townships directly affect the School District.

The Tuscarawas Campus of Kent State University started construction of a new free standing Science and Advanced Technology Center. The approximate 50,000 square foot building will house fully equipped science laboratories, nursing and computer labs, general classrooms and a lecture hall. The Science and Technology center will also have the capability to provide video conferencing and distance learning. The estimated cost of the project is \$9.5 million. The center will create opportunities to assist local businesses with project design and development, and provide for the growth of new companies and entrepreneurship. The outcome of that partnership will result in increased technological skill of the work force; increased productivity, quality and competitiveness, visibility and credibility within the community; increased jobs; and an overall increase in the economic health of the community.

The Times Reporter located in New Philadelphia which prints the County’s newspaper had a \$1.5 million renovation project. The upgrade included the Goss metro press and added state of the art insertion equipment. The Times Reporter also updated their office building. The Times-Reporter has plans to spend an additional \$600,000 to \$700,000 for equipment upgrades.

In addition, two new allotments on the city’s southside continue to develop which help to strengthen the District’s residential tax base. The New Towne Mall’s occupancy has remained steady which shows continuity in the District’s commercial tax base.

The District remains optimistic that this growth will continue, which will not only provide additional jobs, but will add to the tax base.

MAJOR INITIATIVES

Literacy

The Collaborative Language and Literacy Instruction Demonstration Project Grant that involved ten teachers when it started has been expanded to all K-5 teachers and students in the District. That grant originally provided the money for a full time speech-language pathologist to serve as a literacy

coordinator and for professional development and materials for teachers to enable them to better teach reading and writing skills to children. New Philadelphia was one of three finalists in the entire state of Ohio selected to participate in this project. The results of the project last year and gains made by the students involved encouraged all the elementary schools to become involved. Students in K-5 grades are individually assessed by their teacher at the beginning of the year to learn their reading levels and special intervention groups are receiving instruction in all schools. The goal is to improve the reading and writing skills of every student in New Philadelphia.

CIP Plans Continue Progress

District improvements have also been made through the Continuous Improvement Plan for the District and individual Building Continuous Improvement Plans. These are comprehensive plans designed to move our District incrementally through improvement on the 22 report card indicators as well as other areas within the system. Goals have been set and strategies have been identified to increase the level of success of our students. Each building staff is involved in updating and monitoring progress on their plans to focus on instruction and move their buildings ahead. This year New Philadelphia will move into the Excellent School status range on the District Report Card that is provided by the Ohio Department of Education having met 21 of the 22 indicators.

New Philadelphia is proud of its accomplishments and is committed to the future of every student. As it is stated in the mission of our District, we will provide a quality education for all students through a dedicated, competent staff working in collaboration with parents and community, thus providing each student the opportunity to develop his/her potential and become a productive citizen.

Internal Accounting and Budgetary Control

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

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

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District adopts the permanent appropriation measure in September.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the site administrator and the Superintendent, and be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date.

Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on line inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

The basis of accounting and the various funds utilized by New Philadelphia City Schools are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

Financial Condition

This is the third year the School District has prepared financial statements following GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 created new basic financial statements for reporting on the School District's financial activities as follows:

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

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

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

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion follows the Report of the Independent Accountants, providing an assessment of the School District finances for 2002 and the outlook for the future. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

Financial Highlights – Internal Service Fund

The only Internal Service Fund carried on the financial records of the School District is related to self-insurance. This fund accounts for the revenues and expenses related to the provision of dental, prescription, and medical benefits to School District employees. The Internal Service Fund had net assets of \$398,203 at June 30, 2002, compared with net assets of \$476,722 at June 30, 2001, reflecting a net decrease in net assets of \$78,519. The balance at June 30, 2002, is sufficient to meet all medical, dental, and prescription claims liabilities.

Financial Highlights – Fiduciary Funds

The trust fund carried on the financial records of the School District is a scholarship trust fund that has assets totaling \$14,189.

Cash Management

The District operated a cash management program designed to provide safety, liquidity, and yield in that order. Funds are invested in certificates of deposit and in the Ohio State Treasurer's Investment Pool (STAR Ohio). The amount of investment income for all District funds in fiscal year 2002 was \$322,637.

Protection of School District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Risk Management

The School District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss, and boiler and machinery coverage are purchased from Utica Insurance Company. The maximum deductible amount for these coverages is \$2,500 per loss incurred.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The District joined The Ohio School Board Association group rating program with other schools in an effort to control these costs. The group rating program did result in a 43% reduction in rates for the 2002 calendar year premium.

OTHER INFORMATION

Independent Audit

Provisions of State statutes require that the District's financial statements be subjected to an annual examination by an independent auditor. Those provisions have been satisfied, and the unqualified opinion of Jim Petro, Auditor of State, is included herein.

Pursuant to statute, the State prescribed 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 effective with its annual financial report for the 1979 calendar year.

GFOA Certificate of Achievement

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in financial reporting to New Philadelphia City School District for its Comprehensive Annual Financial Report for the year ended June 30, 2001.

This was the sixth consecutive year the School District received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental entity must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents satisfy all program standards. Reports must conform to Generally Accepted Accounting Principles (GAAP) and satisfy all applicable legal requirements respective to the entity.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements, and are again submitting it to the GFOA to determine its eligibility to receive the Certificate, which is the highest form of recognition in the area of governmental financial reporting.

Acknowledgments

The publication of this Comprehensive Annual Financial Report for the School District continues to reinforce the accountability of the School District to the taxpayers of the community.

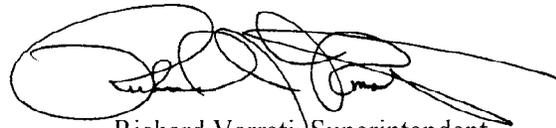
We wish to express appreciation to the members of the New Philadelphia Board of Education for supporting us in this project, and especially to the staff of the Treasurer's Office who contributed their time and effort to complete this report.

Also a special thanks to the taxpayers and voters who continue to demonstrate their trust in public education and in the New Philadelphia City School District.

Respectfully submitted,



Steven D. Sherer, Treasurer



Richard Varrati, Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

New Philadelphia City
School District, Ohio

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

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.



William Patrick Pate
President

Jeffrey L. Esser
Executive Director

**New Philadelphia City School District
Principal Officials
June 30, 2002**

Board of Education

Mrs. V. Jane Brown	President
Mr. Hugh Berry	Vice President
Mr. Donald Kemp	Member
Mr. David Moreland	Member
Mr. Stephen Jenkins	Member

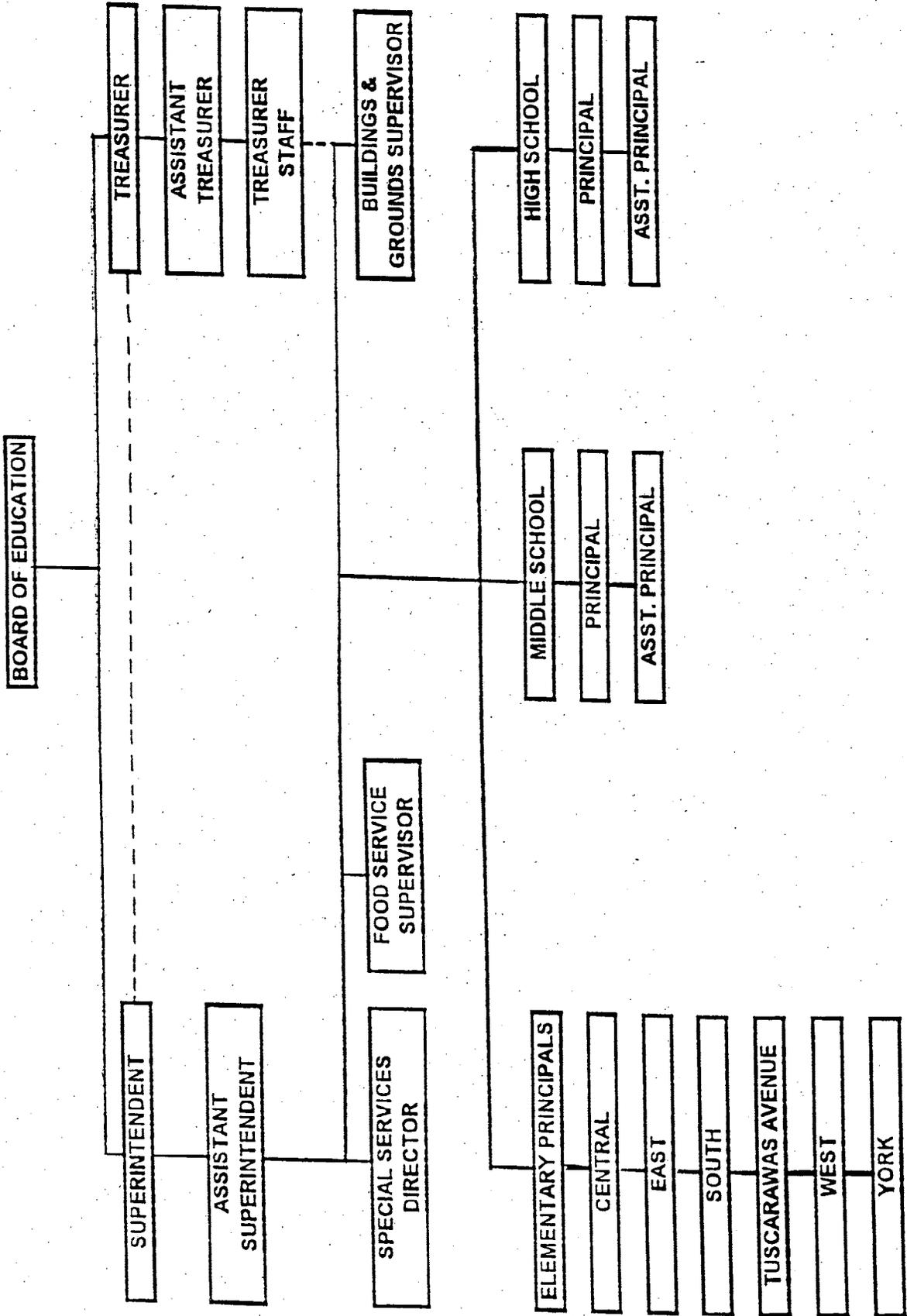
Treasurer

Mr. Steven D. Sherer

Administration

Mr. Richard Varrati	Superintendent
Mr. G. Randall Gibbs	Administrative Assistant

ORGANIZATIONAL CHART
NEW PHILADELPHIA CITY SCHOOLS



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FINANCIAL SECTION

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

New Philadelphia City School District
Tuscarawas County
248 Front Avenue, SW
New Philadelphia, Ohio 44663

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the New Philadelphia City School District, Tuscarawas County, Ohio (the District) as of and for the year ended June 30, 2002, which collectively comprise the District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the New Philadelphia City School District, Tuscarawas County, Ohio as of June 30, 2002, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2002 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized loop at the end.

Jim Petro
Auditor of State

November 15, 2002

New Philadelphia City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

The discussion and analysis of New Philadelphia City School District's (The District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2002. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2002 are as follows:

- ❑ In total, net assets decreased \$0.8 million. This decrease was in unrestricted net assets of governmental activities which represents a 9.7% decrease from 2001. Net assets of business-type activities remained constant.
- ❑ General revenues accounted for \$17.5 million or 88.0% of all revenues. Specific program revenues in the form of charges for services, sales, grants and contributions accounted for \$2.4 million or 12% of total revenues of \$19.8 million.
- ❑ The District had \$20.7 million in expenses related to governmental activities; only \$2.4 million of these expenses were offset by program specific charges for services, grants, or contributions. General revenue (primarily taxes) of \$17.5 million was adequate to provide for these programs.
- ❑ Among major funds, the General Fund had \$17.1 million in revenues and \$17.9 million in expenses. The General Fund's balance decreased by \$0.8 million.
- ❑ Net assets for the Enterprise Fund remained constant. Operating expense of \$0.7 million exceeded operating revenues of \$0.4 million. Grants of \$0.3 million in the Food Service Fund offset the operating loss.

Using this Comprehensive Annual Financial Report (CAFR)

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 New Philadelphia City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of New Philadelphia City School District, the general fund is by far the most significant fund.

New Philadelphia City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities answer the question “How did we do financially during 2002?” These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by the most private-sector companies. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

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

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

- ❑ Governmental Activities – Most of the School District’s programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- ❑ Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District food service program is reported as a business activity.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

The analysis of the District’s major funds begins on page 14. Fund financial reports provide detailed information about the District’s major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The District’s major governmental funds are the General Fund, Debt Service Fund and the Permanent Improvement Capital Projects Fund.

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

New Philadelphia City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

educational programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

The School 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 for 2002 compared to 2001:

Table 1
 Net Assets
 (In Millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Assets						
Current and Other Assets	\$22.9	\$22.1	\$0.2	\$0.2	\$23.1	\$22.3
Capital Assets	<u>15.9</u>	<u>15.8</u>	<u>0.1</u>	<u>0.1</u>	<u>16.0</u>	<u>15.9</u>
Total Assets	<u>38.8</u>	<u>37.9</u>	<u>0.3</u>	<u>0.3</u>	<u>39.1</u>	<u>38.2</u>
Liabilities						
Long-Term Liabilities	(8.4)	(8.3)	(0.0)	(0.0)	(8.4)	(8.3)
Other Liabilities	<u>(13.2)</u>	<u>(11.6)</u>	<u>(0.1)</u>	<u>(0.1)</u>	<u>(13.3)</u>	<u>(11.7)</u>
Total Liabilities	<u>(21.6)</u>	<u>(19.9)</u>	<u>(0.1)</u>	<u>(0.1)</u>	<u>(21.7)</u>	<u>(20.0)</u>
Net Assets						
Invested in Capital						
Assets Net of Debt	8.6	8.4	0.1	0.1	8.7	8.5
Restricted	1.1	1.2	0.0	0.0	1.1	1.2
Unrestricted	<u>7.5</u>	<u>8.4</u>	<u>0.1</u>	<u>0.1</u>	<u>7.6</u>	<u>8.5</u>
Total Net Assets	<u>\$17.2</u>	<u>\$18.0</u>	<u>\$0.2</u>	<u>\$0.2</u>	<u>\$17.4</u>	<u>\$18.2</u>

Total assets increased by \$0.9 million. Cash and Cash Equivalents decreased by \$0.2 million while Tax Receivables increased by \$0.7 million, and Intergovernmental Receivables increased by \$0.2 million. This was offset on the liability side where Accrued Wages increased by \$0.1 million and Deferred Revenue increased by \$1.5 million. This was due to the fact that less of the fiscal year 2002 tax revenues were collected or available in fiscal year 2001 and the district gave an overall increase in salaries to staff. The net assets of the District decreased by \$0.8 million. This was due primarily due again to the fact that the taxes were not available at fiscal year end.

New Philadelphia City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

The growth in current and assets continues to show the present financial stability of the District. The decline in unrestricted net assets for the current year is due to tax collections and will not repeat itself in future years.

The net assets of the District's business-type activities remained the same. Operating revenues and grants are currently matching expenses. Costs will have to be monitored to insure there is not a need for additional funds necessitating an increase in food service fees.

Table 2 shows the changes in net assets for fiscal year 2002 as compared to fiscal year 2001.

Table 2
Changes in Net Assets
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2002	2001	2002	2001	2002	2001
Revenues						
Program Revenues						
Charges for services	\$0.8	\$0.8	\$0.5	\$0.4	\$1.3	\$1.2
Operating Revenues	1.4	1.1	0.2	0.2	1.6	1.3
Capital Grants	0.1	0.2	0.0	0.0	0.1	0.2
General Revenue:						
Property Taxes	8.9	9.2	0.0	0.0	8.9	9.2
Grants and Entitlements	8.1	7.2	0.0	0.0	8.1	7.2
Other	0.5	1.1	0.0	0.0	0.5	1.1
Total Revenues	19.8	19.6	0.7	0.6	20.5	20.2
Program Expenses						
Instruction	12.0	11.7	0.0	0.0	12.0	11.7
Support Services						
Pupil and Instructional Staff	1.7	1.7	0.0	0.0	1.7	1.7
Board of Education, Fiscal						
And Administration	2.6	2.5	0.0	0.0	2.6	2.5
Operation and Maintenance	1.8	1.8	0.0	0.0	1.8	1.8
Pupil Transportation	0.8	0.7	0.0	0.0	0.8	0.7
Central	0.0	0.0	0.0	0.0	0.0	0.0
Operation-of Non Instructional						
Services	0.4	0.4	0.0	0.0	0.4	0.4
Extracurricular Activities	0.9	0.9	0.0	0.0	0.9	0.9
Interest and Fiscal Charges	0.5	0.5	0.0	0.0	0.5	0.5
Food Service	0.0	0.0	0.7	0.6	0.7	0.6
Total Expenses	20.7	20.2	0.7	0.6	21.4	20.8
Increase (Decrease) in						
Net Assets	(\$0.9)	(\$0.6)	\$0.0	\$0.0	(\$0.9)	(\$0.6)

New Philadelphia City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Governmental Activities

Several revenue sources fund our governmental activities with property taxes being the largest contributor. The last increase in property tax levies by the citizens of the District was in 1994. Property tax levies generated \$8.9 million in 2002. General revenues from grants and entitlements, such as the school foundation program, are also a large revenue generator. With the combination of taxes and intergovernmental funding over 80% of all expenses in governmental activities, the District monitors both of these revenue sources very closely for fluctuations.

Instruction comprises 58% of governmental program expenses. Interest expense was 2.4% and was attributable to outstanding bonds and capital leases on copier and weight training equipment. The increase of \$0.5 million in total expenses is due to increases in salaries and benefits. Overall salaries increased by 4% while increases in health insurance costs attributed to a 28% increase in benefits.

Table 3
 Governmental Activities
 (In Millions)

	Total Cost of Services 2002	Net Cost of Services 2002
Instruction	\$12.0	\$10.9
Support Services:		
Pupil and Instructional Staff	1.7	1.5
Board of Education, Administration and Fiscal	2.6	2.5
Operation and Maintenance of Plant	1.8	1.8
Pupil Transportation	0.8	0.7
Central	0.0	0.0
Operation of Non-Instructional Services	0.4	0.0
Extracurricular Activities	0.9	0.4
Interest and Fiscal Charges	0.5	0.5
Total Expenses	\$20.7	\$18.3

Business-Type Activities

Business-type activities include the food service operation. This program had revenues of \$670,504 and expenses of \$681,492 for fiscal year 2002. Management regularly reviews this program and food service fees have not been increased since 1997. To also insure that net assets are not reduced in fiscal 2003, the District is taking steps to reduce expenses. The food service program receives no support from tax revenues.

New Philadelphia City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

The School District's Funds

Information about the District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$20.3 million and expenditures of \$20.9 million. The net change in fund balance for the year was a decrease of \$0.6 million. The general fund accounted for \$0.8 million of the decrease while other governmental funds increased by \$0.3 million and debt service decreased by \$0.1 million. This minor decrease indicated the School District's current revenue base continues to meet District obligations as a whole. The District understands that it needs to continue to monitor expenses to insure that the District's obligations will continue to be met without the requirement of additional tax levies.

General Fund Budgeting Highlights

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

During the course of fiscal 2002, the District amended its general fund budget once at the end of the fiscal year. Requests for budget changes are made by the building administrators. Final approval is obtained from the treasurer and superintendent and is presented to the Board of Education for their adoption.

For the General Fund, budget basis revenue was \$0.2 million above original budget estimates of \$17.1 million. Of this \$0.2 million difference, most was due to conservative tax estimates.

The original appropriations of \$18.4 million were increased to \$18.8 million. Expenditures, however, were only \$17.8 million or \$1.0 million less than anticipated due to surplus appropriations in regular instruction, pupil services, administrative, maintenance and extracurricular costs.

The District's ending unobligated budgetary fund balance was \$1.1 million above the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2002, the School District had \$16.0 million invested in land, buildings, equipment and construction in progress, \$15.9 million in governmental activities. Table 4 shows fiscal 2002 balances compared to 2001:

New Philadelphia City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

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

	Governmental Activities		Business-Type Activities		Total	
	2002	2001	2002	2001	2002	2001
Land	\$0.8	\$0.6	\$0.0	\$0.0	\$0.8	\$0.6
Buildings and Improvements	11.1	11.2	0.0	0.0	11.1	11.2
Furniture and Equipment	3.0	2.9	0.1	0.1	3.1	3.0
Vehicles	0.9	0.9	0.0	0.0	0.9	0.9
Construction in Progress	0.2	0.2	0.0	0.0	0.2	0.2
Totals	<u>\$16.0</u>	<u>\$15.8</u>	<u>\$0.1</u>	<u>\$0.1</u>	<u>\$16.1</u>	<u>\$15.9</u>

The primary increase occurred in land which included the purchase of two parcels of ground near the High School.

For fiscal year 2002, Ohio law required school districts to set aside three percent of certain revenues for capital improvements and an additional three percent for textbooks. For fiscal year 2002, this amounted to \$384,120 for each set aside. For fiscal year 2002, the District had qualifying disbursements or offsets exceeding these requirements. For fiscal year 2003, the set asides will remain the same. The District has budgeted to meet these requirements.

As of June 30, 2002, the District has a contractual commitment for roofing work at the High School and Front Administration building. The balances outstanding on these contracts are \$126,000 and \$32,000, respectively.

Debt

At June 30, 2002, the District had \$7.1 million in bonds, \$3 million due within one year. Table 5 summarizes bonds outstanding.

Table 5
 Outstanding Debt at Year End
 (In Millions)

	Governmental Activities 2002	Governmental Activities 2001
General Obligation Bonds:		
1992 School Improvement	<u>\$7.1</u>	<u>\$7.4</u>
Total	<u>\$7.1</u>	<u>\$7.4</u>

In 1992 the District passed a 3.1 mill bond issue, providing \$8.7 million for facility improvements for the high school, including an addition of 24 classrooms.

New Philadelphia City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

At June 30, 2002, the District's overall legal debt margin was \$31,019,451 with an unvoted debt margin of \$418,182. The District maintains an A-1 bond rating.

For the Future

New Philadelphia City School District is strong financially. As the preceding information shows, the School District heavily depends on its property taxpayers. Although the District has not had to request an increase in voter-approved taxes since 1994, financially the future is not without challenges.

State law fixes the amount of tax revenue, forcing it to remain constant except for new valuations in the District. Management must plan expenses accordingly, staying within the District's five-year plan.

Externally, the State of Ohio was found by the Ohio Supreme Court in March, 1997, to be operating an unconstitutional educational system, one that was neither "adequate" nor "equitable." Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. On September 26, 2001 the Supreme Court issued its latest opinion regarding the State's school funding plan. On November 2, 2001 the Court granted the State's request for a motion of reconsideration of the September ruling.

New Philadelphia City School District has not anticipated any meaningful growth in State revenue. The concern is that, to meet the requirements of the court, the State may require redistribution of commercial and industrial property tax. This could have a significant impact on the School District's residential taxpayers.

Both scenarios require management to plan carefully and prudently to provide the resources to meet student needs over the next several years, and to grow even more dependent on local tax revenue.

In conclusion, New Philadelphia City School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1996.

In addition, the School District's system of budgeting and internal controls are well regarded and it will take all of the District's financial abilities to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Steven Sherer, Treasurer, at New Philadelphia City School District, 248 Front Avenue SW, New Philadelphia, Ohio 44663.

New Philadelphia City School District
Statement of Net Assets
 June 30, 2002

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$11,666,064	\$173,400	\$11,839,464
Receivables:			
Taxes	10,630,795	0	10,630,795
Accounts	117,831	0	117,831
Intergovernmental	463,993	0	463,993
Prepaid Items	13,234	0	13,234
Inventory Held for Resale	0	12,821	12,821
Materials and Supplies			
Inventory	5,172	0	5,172
Capital Assets:			
Land	834,677	0	834,677
Other Capital Assets, Net	15,083,208	113,297	15,196,505
<i>Total Assets</i>	<u>38,814,974</u>	<u>299,518</u>	<u>39,114,492</u>
Liabilities			
Accounts Payable	158,182	2,165	160,347
Accrued Wages	2,139,359	44,619	2,183,978
Vacation Payable	93,778	8,712	102,490
Retainage Payable	11,060	0	11,060
Intergovernmental Payable	489,560	36,770	526,330
Accrued Interest Payable	38,270	0	38,270
Deferred Revenue	9,857,727	11,209	9,868,936
Claims Payable	438,484	0	438,484
Long-Term Liabilities:			
Due Within One Year	415,039	0	415,039
Due In More Than One Year	7,942,515	28,904	7,971,419
<i>Total Liabilities</i>	<u>21,583,974</u>	<u>132,379</u>	<u>21,716,353</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	8,553,865	113,430	8,667,295
Restricted for:			
Capital Projects	182,701	0	182,701
Debt Service	503,081	0	503,081
Other Purposes	459,970	0	459,970
Unrestricted	7,531,383	53,709	7,585,092
<i>Total Net Assets</i>	<u>\$17,231,000</u>	<u>\$167,139</u>	<u>\$17,398,139</u>

See accompanying notes to the basic financial statements

New Philadelphia City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2002

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Instruction:				
Regular	\$10,079,636	\$147,081	\$821,827	\$85,111
Special	1,505,877	0	49,940	0
Vocational	332,016	0	0	0
Adult/Continuing	599	0	0	0
Other	98,019	0	0	0
Support Services:				
Pupil	942,987	0	42,210	0
Instructional Staff	746,742	0	191,683	0
Board of Education	173,287	0	0	0
Administration	1,796,378	0	127,502	0
Fiscal	640,469	0	11,667	0
Operation and Maintenance of Plant	1,823,154	0	0	0
Pupil Transportation	769,622	0	125	41,411
Central	3,152	0	0	0
Operation of Non-Instructional Services	368,925	174,543	201,246	0
Extracurricular Activities	913,793	509,925	0	0
Interest and Fiscal Charges	461,337	0	0	0
<i>Total Governmental Activities</i>	<u>20,655,993</u>	<u>831,549</u>	<u>1,446,200</u>	<u>126,522</u>
Business-Type Activities				
Food Service	681,492	432,866	232,178	0
<i>Total Business-Type Activities</i>	<u>681,492</u>	<u>432,866</u>	<u>232,178</u>	<u>0</u>
<i>Totals</i>	<u><u>\$21,337,485</u></u>	<u><u>\$1,264,415</u></u>	<u><u>\$1,678,378</u></u>	<u><u>\$126,522</u></u>

General Revenues

Property Taxes Levied for:

 General Purposes

 Debt Service

 Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Rentals

Contributions and Donations

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(9,025,617)	0	(9,025,617)
(1,455,937)	0	(1,455,937)
(332,016)	0	(332,016)
(599)	0	(599)
(98,019)	0	(98,019)
(900,777)	0	(900,777)
(555,059)	0	(555,059)
(173,287)	0	(173,287)
(1,668,876)	0	(1,668,876)
(628,802)	0	(628,802)
(1,823,154)	0	(1,823,154)
(728,086)	0	(728,086)
(3,152)	0	(3,152)
6,864	0	6,864
(403,868)	0	(403,868)
(461,337)	0	(461,337)
(18,251,722)	0	(18,251,722)
0	(16,448)	(16,448)
0	(16,448)	(16,448)
(18,251,722)	(16,448)	(18,268,170)
\$8,129,228	\$0	\$8,129,228
560,572	0	560,572
163,966	0	163,966
8,105,156	0	8,105,156
317,177	5,460	322,637
11,643	0	11,643
32,167	0	32,167
164,012	0	164,012
17,483,921	5,460	17,489,381
(767,801)	(10,988)	(778,789)
17,998,801	178,127	18,176,928
\$17,231,000	\$167,139	\$17,398,139

New Philadelphia City School District
Balance Sheet
Governmental Funds
June 30, 2002

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$9,787,923	\$445,359	\$82,408	\$513,687
Receivables:				
Taxes	9,735,483	690,233	205,079	0
Accounts	28,416	0	51,161	38,254
Intergovernmental	0	0	0	463,993
Due from Other Funds	51,500	0	0	0
Prepaid Items	13,234	0	0	0
Materials and Supplies Inventory	5,172	0	0	0
<i>Total Assets</i>	<u>\$19,621,728</u>	<u>\$1,135,592</u>	<u>\$338,648</u>	<u>\$1,015,934</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$101,765	\$0	\$0	\$56,199
Retainage Payable	0	0	11,060	0
Accrued Wages	1,997,905	0	0	138,524
Intergovernmental Payable	327,665	0	0	21,958
Due to Other Funds	0	0	13,500	38,000
Deferred Revenue	9,033,481	632,511	191,735	0
<i>Total Liabilities</i>	<u>11,460,816</u>	<u>632,511</u>	<u>216,295</u>	<u>254,681</u>
Fund Balances				
Reserved for Encumbrances	90,850	0	14,456	18,300
Reserved for Prepays	13,234	0	0	0
Reserved for Inventory	5,172	0	0	0
Reserved for Property Taxes	702,002	57,722	13,344	0
Unreserved, Undesignated, Reported in:				
General Fund	7,349,654	0	0	0
Special Revenue Funds	0	0	0	681,675
Debt Service Fund	0	445,359	0	0
Capital Projects Funds	0	0	94,553	61,278
<i>Total Fund Balances</i>	<u>8,160,912</u>	<u>503,081</u>	<u>122,353</u>	<u>761,253</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$19,621,728</u>	<u>\$1,135,592</u>	<u>\$338,648</u>	<u>\$1,015,934</u>

See accompanying notes to the basic financial statements

New Philadelphia City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities*
 June 30, 2002

Total Governmental Funds	Total Governmental Fund Balances	\$9,547,599
\$10,829,377	<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
10,630,795	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	15,917,885
117,831	An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	398,203
463,993	Accrued interest on bonds payable	(38,270)
51,500	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(8,594,417)
13,234		
5,172	<i>Net Assets of Governmental Activities</i>	\$17,231,000
\$22,111,902		
\$157,964		
11,060		
2,136,429		
349,623		
51,500		
9,857,727		
12,564,303		
123,606		
13,234		
5,172		
773,068		
7,349,654		
681,675		
445,359		
155,831		
9,547,599		
\$22,111,902		

New Philadelphia City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2002

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds
Revenues				
Taxes	\$8,129,228	\$560,572	\$163,966	\$0
Intergovernmental	8,121,107	78,768	20,443	1,525,991
Interest	317,021	0	0	156
Tuition and Fees	114,054	0	0	207,570
Extracurricular Activities	0	0	0	509,925
Rentals	11,643	0	0	0
Contributions and Donations	0	0	0	32,167
Miscellaneous	106,041	0	53,294	4,677
<i>Total Revenues</i>	<u>16,799,094</u>	<u>639,340</u>	<u>237,703</u>	<u>2,280,486</u>
Expenditures				
Current:				
Instruction:				
Regular	8,972,348	0	0	692,028
Special	1,429,003	0	0	36,724
Vocational	329,892	0	0	0
Adult/Continuing	0	0	0	483
Other	97,904	0	0	0
Support Services:				
Pupil	891,972	0	0	54,006
Instructional Staff	517,596	0	0	180,957
Board of Education	169,490	0	0	0
Administration	1,644,810	0	0	117,749
Fiscal	624,516	0	0	8,667
Operation and Maintenance of Plant	1,822,888	0	0	0
Pupil Transportation	800,611	0	0	100
Central	3,152	0	0	0
Operation of Non-Instructional Services	26,100	0	0	391,385
Extracurricular Activities	481,852	0	0	506,287
Capital Outlay	0	0	239,393	67,666
Debt Service:				
Principal Retirement	43,180	260,000	0	0
Interest and Fiscal Charges	14,444	448,290	0	0
<i>Total Expenditures</i>	<u>17,869,758</u>	<u>708,290</u>	<u>239,393</u>	<u>2,056,052</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>(1,070,664)</u>	<u>(68,950)</u>	<u>(1,690)</u>	<u>224,434</u>
Other Financing Sources (Uses)				
Other Financing Sources	269,880	0	0	0
Transfer In	0	0	0	22,323
Transfer Out	(22,323)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>247,557</u>	<u>0</u>	<u>0</u>	<u>22,323</u>
<i>Net Change in Fund Balance</i>	<u>(823,107)</u>	<u>(68,950)</u>	<u>(1,690)</u>	<u>246,757</u>
<i>Fund Balances Beginning of Year -</i>	8,983,687	572,031	124,043	514,496
Increase in Reserve for Inventory	332	0	0	0
<i>Fund Balances End of Year</i>	<u>\$8,160,912</u>	<u>\$503,081</u>	<u>\$122,353</u>	<u>\$761,253</u>

See accompanying notes to the basic financial statements

New Philadelphia 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, 2002*

Total Governmental Funds	Net Change in Fund Balances - Total Governmental Funds	(\$646,990)
	<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
\$8,853,766	Governmental funds report capital outlays as expenditures.	
9,746,309	However, in the statement of activities, the cost of those	
317,177	assets is allocated over their estimated useful lives as	
321,624	depreciation expense. This is the amount by which capital	
509,925	outlays exceed depreciation in the current period.	(241,992)
11,643		
32,167		
164,012	Governmental funds only report the disposal of assets to the	
	extent proceeds are received from the sale. In the statement	
19,956,623	of activities, a gain or loss is reported for each disposal. This	
	is the amount of the loss on the disposal of fixed assets. There	
	were no proceeds.	(144,287)
9,664,376	Repayment of bond and capital lease principal is an expenditure in the	
1,465,727	governmental funds, but the repayment reduces long-term	
329,892	liabilities in the statement of net assets.	303,180
483		
97,904	In the statement of activities, interest is accrued on	
	outstanding bonds, whereas in governmental funds, an	
	interest expenditure is reported when due.	1,397
945,978		
698,553	Some expenses reported in the statement of activities,	
169,490	such as compensated absences and intergovernmental	
1,762,559	payables which represent contractually required pension	
633,183	contributions, do not require the use of current financial	
1,822,888	resources and therefore are not reported as expenditures	
800,711	in governmental funds.	(117,628)
3,152		
417,485	The internal service fund used by management to charge	
988,139	the cost of insurance to individual funds is not reported in	
307,059	the district-wide statement of activities. Governmental fund	
	expenditures and the related internal service fund revenues	
	are eliminated. The net revenue (expense) of the internal	
303,180	service fund is allocated among the governmental activities.	78,519
462,734		
20,873,493		
(916,870)	<i>Change in Net Assets of Governmental Activities</i>	(\$767,801)
269,880		
22,323		
(22,323)		
269,880		
(646,990)		
10,194,257		
332		
\$9,547,599		

New Philadelphia City School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2002

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues				
Taxes	\$8,337,000	\$8,442,000	\$8,761,549	\$319,549
Intergovernmental	7,958,000	8,134,853	8,121,107	(13,746)
Interest	550,000	550,000	349,819	(200,181)
Tuition and Fees	97,000	97,000	115,442	18,442
Rentals	35,000	35,000	11,644	(23,356)
Miscellaneous	170,000	70,650	101,970	31,320
<i>Total Revenues</i>	<u>17,147,000</u>	<u>17,329,503</u>	<u>17,461,531</u>	<u>132,028</u>
Expenditures				
Current:				
Instruction:				
Regular	9,210,384	9,261,440	8,989,794	271,646
Special	1,462,295	1,452,295	1,414,592	37,703
Vocational	338,159	352,860	330,764	22,096
Other	60,000	90,000	87,770	2,230
Support Services:				
Pupil	987,901	1,020,401	918,320	102,081
Instructional Staff	542,338	548,338	518,290	30,048
Board of Education	181,300	181,300	169,485	11,815
Administration	1,710,150	1,703,150	1,629,078	74,072
Fiscal	654,522	706,572	648,940	57,632
Operation and Maintenance of Plant	1,898,952	2,079,452	1,927,125	152,327
Pupil Transportation	929,704	871,704	789,128	82,576
Central	2,500	4,500	3,152	1,348
Operation of Non-Instructional Services	0	44,942	34,272	10,670
Extracurricular Activities	464,300	469,300	362,298	107,002
<i>Total Expenditures</i>	<u>18,442,505</u>	<u>18,786,254</u>	<u>17,823,008</u>	<u>963,246</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,295,505)</u>	<u>(1,456,751)</u>	<u>(361,477)</u>	<u>1,095,274</u>
Other Financing Sources (Uses)				
Refund of Prior Year Expenditures	0	0	6,276	6,276
Advances In	0	0	25,650	25,650
Advances Out	(1,000)	(1,000)	(51,500)	(50,500)
Operating Transfers Out	(20,000)	(26,400)	(22,323)	4,077
<i>Total Other Financing Sources (Uses)</i>	<u>(21,000)</u>	<u>(27,400)</u>	<u>(41,897)</u>	<u>(14,497)</u>
<i>Net Change in Fund Balance</i>	(1,316,505)	(1,484,151)	(403,374)	1,080,777
<i>Fund Balance Beginning of Year</i>	9,695,702	9,695,702	9,695,702	0
Prior Year Encumbrances Appropriated	284,922	284,922	284,922	0
<i>Fund Balance End of Year</i>	<u>\$8,664,119</u>	<u>\$8,496,473</u>	<u>\$9,577,250</u>	<u>\$1,080,777</u>

See accompanying notes to the basic financial statements

New Philadelphia City School District
Statement of Net Assets
Proprietary Funds
June 30, 2002

	<u>Business-Type Activities - Enterprise Fund</u>	
	<u>Food Service</u>	<u>Governmental Activities - Internal Service</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$173,400	\$836,687
Receivables:		
Accounts	0	0
Inventory Held for Resale	12,821	0
<i>Total Current Assets</i>	186,221	836,687
Capital Assets, Net	113,297	0
<i>Total Assets</i>	299,518	836,687
Liabilities		
Accounts Payable	2,165	0
Accrued Wages	44,619	0
Vacation Payable	8,712	0
Intergovernmental Payable	36,770	0
Deferred Revenue	11,209	0
Claims Payable	0	438,484
<i>Total Current Liabilities</i>	103,475	438,484
Long-Term Liabilities:		
Compensated Absences Payable	28,904	0
<i>Total Liabilities</i>	132,379	438,484
Net Assets		
Invested in Capital Assets	113,430	0
Unrestricted	53,709	398,203
<i>Total Net Assets</i>	\$167,139	\$398,203

See accompanying notes to the basic financial statements

New Philadelphia City School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2002*

	Business-Type Activities - Enterprise Fund	
	Food Service	Governmental Activities - Internal Service
Operating Revenues		
Sales	\$432,866	\$0
Charges for Services	0	2,048,470
<i>Total Operating Revenues</i>	<u>432,866</u>	<u>2,048,470</u>
Operating Expenses		
Salaries	254,718	0
Fringe Benefits	109,519	0
Purchased Services	20,169	224,167
Cost of Sales	289,193	0
Depreciation	7,124	0
Claims	0	1,902,822
<i>Total Operating Expenses</i>	<u>680,723</u>	<u>2,126,989</u>
<i>Operating Loss</i>	<u>(247,857)</u>	<u>(78,519)</u>
Non-Operating Revenues (Expenses)		
Donated Commodities	42,160	0
Interest	5,460	0
Operating Grants	190,018	0
Loss on Disposal of Fixed Assets	(769)	0
<i>Total Non-Operating Revenues</i>	<u>236,869</u>	<u>0</u>
<i>Change in Net Assets</i>	(10,988)	(78,519)
<i>Net Assets Beginning of Year</i>	<u>178,127</u>	<u>476,722</u>
<i>Net Assets End of Year</i>	<u>\$167,139</u>	<u>\$398,203</u>

See accompanying notes to the basic financial statements

New Philadelphia City School District
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2002

	Business-Type Activities - Enterprise Fund	Governmental Activities - Internal Service
	Food Service	Internal Service
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash Received from Customers	\$432,866	\$0
Cash Received from Quasi-External Transactions With Other Funds	0	2,048,470
Cash Payments to Employees for Services	(244,733)	0
Cash Payments for Employee Benefits	(120,018)	0
Cash Payments for Goods and Services	(265,412)	(224,167)
Cash Payments for Claims	0	(1,758,604)
<i>Net Cash Used in Operating Activities</i>	<u>(197,297)</u>	<u>65,699</u>
Cash Flows from Noncapital Financing Activities		
Operating Grants Received	190,018	0
Cash Flows from Investing Activities		
Interest on Investments	5,460	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(1,819)	65,699
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>175,219</u>	<u>770,988</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$173,400</u>	<u>\$836,687</u>

(continued)

New Philadelphia City School District
Statement of Cash Flows
Proprietary Funds (continued)
For the Fiscal Year Ended June 30, 2002

	Business-Type Activities - Enterprise Fund	Governmental Activities - Internal Service
	Food Service	Internal Service
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating Loss	(\$247,857)	(\$78,519)
Adjustments:		
Depreciation	7,124	0
Donated Commodities Used During Year	42,160	0
(Increase) Decrease in Assets:		
Inventory Held for Resale	8,008	0
Increase (Decrease) in Liabilities:		
Accounts Payable	1,144	0
Accrued Wages	1,273	0
Vacation Payable	(1,779)	0
Compensated Absences Payable	7,750	0
Intergovernmental Payable	(7,758)	0
Deferred revenue	(7,362)	0
Claims Payable	0	144,218
<i>Net Cash Used in Operating Activities</i>	<u>(\$197,297)</u>	<u>\$65,699</u>

See accompanying notes to the basic financial statements

New Philadelphia City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2002

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$14,189	\$45,846
<i>Total Assets</i>	14,189	\$45,846
Liabilities		
Due to Students	0	45,846
<i>Total Liabilities</i>	0	45,846
Net Assets		
Held in Trust for Scholarships	14,189	
<i>Total Net Assets</i>	\$14,189	

See accompanying notes to the basic financial statements

New Philadelphia City School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2002

	Private Purpose Trust	
	Scholarship	Agency
Additions		
Interest	\$373	\$0
Gifts and Donations	1,606	
Total additions	1,979	
Deductions		
Other operating Expense	1,700	
<i>Changes in Net Assets</i>	279	13,134
<i>Net Assets at Beginning of Year</i>	13,910	32,712
<i>Net Assets at End of Year</i>	\$14,189	\$45,846

See accompanying notes to the basic financial statements

New Philadelphia City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002*

Note 1 - Description of the School District and Reporting Entity

New Philadelphia City School District (the "School District") operates under a locally-elected Board form of government and provides educational services as authorized by State statute and/or federal guidelines. This Board controls the District's eight instructional/support facilities staffed by 113 non-certificated employees, 204 certificated full time teaching personnel and 15 administrative employees who provide services to 3,251 students and other community members.

The School District was established in 1808, the first in the State of Ohio, and is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. Under such laws there is no authority for a School District to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at-large for staggered four year terms.

The School District serves an area of approximately 78 square miles. It is located in Tuscarawas County, and includes all of the City of New Philadelphia, Ohio, the Village of Stone Creek and portions of 9 townships. The School District is the 141st largest in the State of Ohio (among 612 school districts) in terms of enrollment. The School District currently operates eight instructional buildings, one warehouse building and one garage.

Reporting Entity

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

Nonpublic Schools Within the School District boundaries, Sacred Heart Elementary and Tuscarawas Central Catholic High School are operated through the Columbus Catholic Diocese. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed by the School District on behalf of the nonpublic schools by the Treasurer of the School District, as directed by the nonpublic schools. These transactions are reported as a governmental activity of the School District.

Component units are legally separate organizations for which the School District is financially accountable. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves their budget, the issuance of their debt or the levying of their taxes. The School District has no component units.

The School District is associated with three jointly governed organizations and one public entity risk pool. These organizations are presented in Note 16 to the financial statements. These organizations are:

Jointly Governed Organizations:

Ohio Mid-Eastern Regional Education Service Association

Buckeye Career Center

Tuscarawas County Tax Incentive Review Council

Public Entity Risk Pool:

Ohio School Boards Workers' Compensation Group Rating Program

New Philadelphia City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002*

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

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

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

B. Fund Accounting

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

New Philadelphia City School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

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

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

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.

Permanent Improvement Capital Projects Fund The permanent improvement capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

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

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The only enterprise fund of the School District is the Food Service Fund which accounts for the food service operations and is the School District's only major Proprietary Fund.

Internal Service Fund Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District, or to other governments, on a cost reimbursement basis. The only internal service fund that the School District accounts for is a self-insurance program, which provides medical benefits to employees.

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

C. Measurement Focus

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

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include 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 net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus and are excluded from the Government-Wide Financial Statements.

D. Basis of Accounting

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

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 6.) Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before

New Philadelphia City School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2002

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, interest, tuition, grants, student fees and rentals.

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

Property taxes for which there is an enforceable legal claim as of June 30, 2002, but which were levied to finance fiscal year 2003 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

E. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Board of Education at the object level within each fund and function. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the Tuscarawas County Budget Commission for rate determination.

Estimated Resources Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the amended certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2002.

Appropriations Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certification saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations provided the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. The amounts reported as the original budgeted amounts in the budgetary statements reflect the appropriation in the first complete appropriated budget, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

Encumbrances As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On fund financial statements, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds. A reserve for encumbrances is not reported on government-wide financial statements.

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

F. Cash and Cash Equivalents

Cash received by the School District is pooled for investment purposes. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During fiscal year 2002, investments were limited to an overnight Repurchase Agreement and the State Treasury Asset Reserve of Ohio (STAR Ohio). 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, 2002. Repurchase agreements are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2002 amounted to \$317,021, which includes \$38,042 assigned from other School District funds.

For presentation on the financial statements, investments of the cash management pool and investments

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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

G. Prepaid Items

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

H. Inventory

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

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

I. Capital Assets

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

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	40 years	N/A
Buildings and Improvements	10 - 40 years	N/A
Furniture and Equipment	5 - 15 years	5-15 years
Vehicles	10 years	10 years

J. Interfund Balances

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

K. Compensated Absences

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

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the School District's past experience of making termination payments.

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

L. Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds, capital leases and long-term loans are recognized as a liability on the financial statements when due.

M. Fund Balance Reserves

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

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

N. Net Assets

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

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

O. Operating Revenues and Expenses

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

P. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. Interfund Activity

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

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

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2002.

S. Estimates

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

Note 3 - Budgetary Basis of Accounting

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

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

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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

	General
GAAP Basis	<u>(\$823,107)</u>
Net Adjustment for Revenue Accruals	398,833
Net Adjustment for Expenditure Accruals	239,270
Advances (Net)	(25,850)
Adjustment for Encumbrances	<u>(192,520)</u>
Budget Basis	<u><u>(\$403,374)</u></u>

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

Note 4 - Deposits and Investments

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

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

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

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

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

Interim monies are to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

Deposits At year-end, the carrying amount of the School District's deposits was \$1,785,488 and the bank balance was \$1,881,226. \$238,653 of the bank balance was covered by federal depository insurance. \$1,642,573 was uncollateralized and uninsured. Although the pledging bank has an investment and securities pool used to collateralize all public deposits which are held in the financial institutions name, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC. This pooled collateral would require the deposits to be classified under category three.

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

	Category 3	Carrying Value	Fair Value
	<u> </u>	<u> </u>	<u> </u>
Repurchase Agreements	\$791,308	\$791,308	\$791,308
Investment in State Treasurer's Investment Pool		9,304,377	9,304,377
		<u> </u>	<u> </u>
Total		\$10,095,685	\$10,095,685
		<u> </u>	<u> </u>

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

The assessed values upon which the fiscal year 2002 taxes were collected are:

	2001 Second-Half Collections		2002 First-Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/ Residential and Other Real Estate	\$304,496,650	78.99%	\$339,465,830	81.18%
Public Utility Personal	17,779,850	4.61	13,884,820	3.32
Tangible Personal Property	63,213,520	16.40	64,831,235	15.50
Total	\$385,490,020	100.00%	\$418,181,885	100.00%
Tax rate per \$1,000 of assessed valuation	\$42.25		\$42.15	

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits 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 semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The School District receives property taxes from Tuscarawas County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2002, are available to finance fiscal year 2002 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2002. 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 for that portion not intended to finance current year operations. The amount available to the School District as an advance at June 30, 2002, was \$702,002 in the general fund, \$57,722 in the debt service fund and \$13,344 in the permanent improvement capital projects fund. By comparison, the amount available to the school district as an advance at June 30, 2001 was \$1,334,323 in the general fund.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

Note 6 - Receivables

Receivables at June 30, 2002, consisted of taxes, accounts (rent and student fees), intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental Activities	
Community Alternative Funding Source	\$10,896
Title I	68,378
Title 6B	121,480
Title 6B Preschool	21,955
School Net	57,111
Juvenile Attention Center	89,498
Ohio Reads	74,964
Title VI	2,279
Drug Free	901
Eisenhower	1,802
Classroom Reduction	<u>14,729</u>
<i>Total Governmental Activities</i>	<u><u>\$463,993</u></u>

Note 7 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2002, was as follows:

	<u>Balance</u> <u>6/30/01</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/02</u>
Governmental Activities				
Land	\$690,177	\$144,500	\$0	\$834,677
Buildings and Improvements	17,429,754	243,793	0	17,673,547
Furniture and Equipment	5,074,536	616,708	(284,564)	5,406,680
Vehicles	1,433,172	128,965	(87,638)	1,474,499
Construction in Progress	221,875	158,000	(221,875)	158,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals at Historical Cost	\$24,849,514	\$1,291,966	(\$594,077)	\$25,547,403
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

Less Accumulated Depreciation:

Buildings and Improvements	(\$6,244,091)	(\$369,730)	\$0	(\$6,613,821)
Furniture and Equipment	(2,221,228)	(363,182)	180,586	(2,403,824)
Vehicles	(564,015)	(95,187)	47,329	(611,873)
Total Accumulated Depreciation	<u>(9,029,334)</u>	<u>(828,099)*</u>	<u>227,915</u>	<u>(9,629,518)</u>

Governmental Activities Capital

Assets, Net	<u>\$15,820,180</u>	<u>\$463,867</u>	<u>(\$366,162)</u>	<u>\$15,917,885</u>
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Business-Type Activities

Furniture and Equipment	\$261,592	\$0	(\$1,831)	\$259,761
Less Accumulated Depreciation	<u>(140,402)</u>	<u>(7,124)</u>	<u>1,062</u>	<u>(146,464)</u>
Business-Type Activities Capital Assets, Net	<u>\$121,190</u>	<u>(\$7,124)</u>	<u>(\$769)</u>	<u>\$113,297</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$538,983
Special	25,589
Vocational	4,511
Adult Education	117
Support Services:	
Pupil	2,405
Instructional Staff	31,096
Administration	17,118
Fiscal	2,997
Operation and Maintenance of Plant	45,201
Pupil Transportation	95,187
Operation of Non-Instructional Services	7,720
Extracurricular Activities	57,175
Total Depreciation Expense	<u>\$828,099</u>

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

Note 8 - Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2002, the School District contracted with Utica National Insurance for property and inland marine coverage, Nationwide for liability insurance, and Indiana Insurance for fleet coverage.

Building and Contents -	
replacement cost (\$1,000 deductible)	\$47,283,401
Inland Marine Coverage (\$100 deductible)	2,476,702
Boiler and Machinery (\$1,000 deductible)	No limit
Electronic Data Processing (\$250 deductible)	2,476,702
Crime Insurance	5,000
Automobile Liability (\$250 deductible)	1,000,000
Uninsured Motorists (\$250 deductible)	1,000,000
General Liability	
Per occurrence	1,000,000
Total per year	3,000,000

Settled claims have not exceeded this coverage in any of the past three years. There was no significant reduction in insurance coverage from the prior year.

B. Workers' Compensation

For fiscal year 2002, the School District participated in the Ohio School Board Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Company provides administrative, cost control and actuarial services to the GRP.

C. Employee Medical Benefits

The School District has elected to provide employees' major medical and hospitalization through a self-insured program. The School District maintains an internal service fund to account for and finance its uninsured risks of loss in this program. This plan provides a major medical plan with a \$100 single and

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

\$200 family deductible. A third party administrator, Benefit Services Company, located in Akron, Ohio, reviews all claims which are then paid by the School District. The School District purchases stop-loss coverage of \$50,000 per employee per year and an aggregate annual limit of \$1,000,000. The School District pays to the internal service fund \$757.68 for family coverage and \$347.25 for individual coverage per employee per month which represents the entire premium required. This premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

The claims liability at June 30, 2002, was estimated by the third party administrator to be \$438,484. This is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in fiscal year 2001 and 2002 were:

	Balance Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
2001	\$125,974	\$1,634,303	\$1,466,011	\$294,266
2002	294,266	1,902,822	1,758,604	438,484

Note 9 - Defined Benefit Pension Plans

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Columbus, Ohio 43215.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2002, 5.46 percent of annual covered salary was the portion to fund pension obligations. For fiscal year 2001, 4.2 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$408,912, \$393,024 and \$381,968, respectively; 50 percent has been contributed for fiscal year 2001 and 100 percent for the fiscal years 2001 and 2000. \$204,456 represents the unpaid contribution for fiscal year 2002.

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer defined benefit pension plan. STRS provides retirement and disability benefits, annual

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371.

For the fiscal year ended June 30, 2002, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent: 9.5 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$1,386,528, \$1,389,096 and \$1,265,088, respectively; 83.3 percent has been contributed for fiscal year 2002 and 100 percent for the fiscal years 2001 and 2000. \$231,088 represents the unpaid contribution for fiscal year 2002.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2002, all members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 10 - Postemployment Benefits

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligation to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year ended June 30, 2002, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$445,670 for fiscal year 2002.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2001, (the latest information available) the balance in the Fund was \$3.256 billion. For the year ended June 30, 2001, net health care costs paid by STRS were \$300,772,000 and STRS had 102,132 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, and disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

allocated to providing health care benefits. For the fiscal year ended June 30, 2001, employer contributions to fund health care benefits were 8.54 percent of covered payroll, a decrease of 1.26 percent for fiscal year 2001. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2002, the minimum pay was at \$12,400. For the School District, the amount to fund health care benefits, including surcharges, equaled \$285,734 during the 2002 fiscal year.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2001 (the latest information available), were \$161,439,934 and the target level was \$242.2 million. At June 30, 2001, SERS had net assets available for payment of health care benefits of \$315.7 million. SERS had approximately 50,000 participants currently receiving health care benefits.

Note 11 - Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 208 days for all personnel. Upon retirement, payment is made for one fourth of the accrued, but unused sick leave credit, up to a maximum of 50 days for classified and certified employees.

Note 12 - Long - Term Liabilities

The changes in the School District's long-term liabilities during the year consist of the following:

	Principal Outstanding 6/30/01	Additions	Reductions	Principal Outstanding 6/30/02	Amounts Due in One Year
Governmental Activities					
General Obligation Bonds:					
1992 School Improvement	\$7,380,000	\$0	\$260,000	\$7,120,000	\$280,000
Capital Leases Payable	8,084	269,880	43,175	234,789	64,873
Sick Leave	916,513	86,257	0	1,002,765	70,166
Total Governmental Activities					
Long-Term Liabilities	<u>\$8,304,597</u>	<u>\$356,137</u>	<u>\$303,175</u>	<u>\$8,357,554</u>	<u>\$415,039</u>
Business-Type Activities					
Compensated Absences	<u>\$21,154</u>	<u>\$16,462</u>	<u>\$0</u>	<u>\$28,904</u>	<u>\$0</u>

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

On September 1, 1992, the School District issued \$8,785,000 in voted general obligation bonds for the purpose of constructing a new high school and middle school additions under the authority of Ohio Revised Code Chapter 133. The bonds were issued for a twenty-five year period with a final maturity during fiscal year 2017. The debt will be retired from the revenue generated by a 3.1 mill bond levy approved by the School District voters in 1992.

Sick leave will be paid from the fund where the employee's salary is paid. Capital Leases will be paid from the General Fund.

At June 30, 2002, the School District's overall legal debt margin was \$31,019,451 with an unvoted debt margin of \$418,182. Principal and interest requirements to retire general obligation debt outstanding at June 30, 2002 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$280,000	\$430,665	\$710,665
2004	295,000	413,312	708,312
2005	315,000	396,380	711,380
2006	330,000	378,155	708,155
2007	350,000	357,812	707,812
2008 - 2012	2,090,000	1,423,125	3,513,125
2013 - 2017	2,795,000	664,844	3,459,844
2018	665,000	20,761	685,761
Total	<u>\$7,120,000</u>	<u>\$4,085,054</u>	<u>\$11,205,054</u>

Note 13 - Capitalized Leases - Lessee Disclosure

In prior fiscal years, the School District entered into capitalized leases for copiers. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the general purpose financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

Fixed assets acquired by lease have been capitalized in the amount of \$269,880, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2002.

Fiscal Year Ending June 30,	General Long-Term Obligations
2003	\$81,985
2004	81,985
2005	58,074
2006	34,164
2007	11,388
Total minimum lease payments	267,596
Less: amount representing interest	(32,807)
Present value of minimum lease payments	\$234,789

Note 14 - State School Funding Decision

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

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

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

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 cost support amount and the requirement that changes be 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 the conference was unable to produce a settlement. The case is now under reconsideration by the court.

The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

New Philadelphia City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Note 15 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2002.

B. Litigation

The School District is not party to any material legal proceedings.

Note 16 - Jointly Governed Organizations and Public Entity Risk Pool

A. Jointly Governed Organizations

Ohio Mid Eastern Regional Educational Service Agency (OME-RESA) is a jointly governed organization created as a regional council of governments pursuant to State statutes. OME-RESA provides financial accounting services, an educational management information system, cooperative purchase services and legal services to member districts. OME-RESA has eleven participating counties consisting of Belmont, Carroll, Columbiana, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Muskingum, Noble, and Tuscarawas Counties. OME-RESA operates under the direction of a Board consisting of one representative from each of the participating school districts. The Jefferson County Educational Service Center office serves as the fiscal agent and receives funding from the State Department of Education. The continued existence of OME-RESA is not dependent on the School District's continued participation and no equity interest exists. OME-RESA has no outstanding debt. To obtain financial information write to the Ohio Mid-Eastern Regional Educational Service Agency, Debra Angelo, who serves as Treasurer, Steubenville, Ohio 43952.

The Buckeye Career Center is a distinct subdivision of the State of Ohio operated under a Board consisting of one representative from each of the 11 participating school districts' elected boards, which possessed its own budgeting and taxing authority. To obtain financial information, write to Buckeye Career Center, Carla Cooper, who serves as treasurer, 545 University Drive NE, New Philadelphia, Ohio, 44663.

The Tuscarawas County Tax Incentive Review Council (TCTIRC) is a jointly governed organization, created as a regional council of governments pursuant to State Statutes. TCTIRC has 22 members, consisting of three members appointed by the County Commissioners, four members appointed by municipal corporations, six members appointed by township trustees, one member from the county auditor's office and eight members appointed by boards of education located within the county. TCTIRC reviews and evaluates the performance of each Enterprise Zone Agreement. This body is advisory in nature and cannot directly impact an existing Enterprise Zone Agreement; however, the council can make written recommendations to the legislative authority which approved the agreement. There is no cost associated with being a member of this council. The continued existence of the TCTIRC is not dependent on the School District's continued participation and no equity interest exists.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

The School District does not retain an ongoing financial interest or an ongoing financial responsibility with any of these organizations.

B. Public Entity Risk Pool

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

Note 17 – Contractual Commitments

As of June 30, 2002, the School District has contractual commitments for the following projects:

<u>Projects</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Balance 6/30/02</u>
District Roof Work	\$158,000	\$58,014	\$99,986
Total Contractual Commitments	<u>\$158,000</u>	<u>\$58,014</u>	<u>\$99,986</u>

Note 18 - Set-Aside Calculations

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years.

New Philadelphia City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

The following cash basis information describes the change in the set aside amounts for textbooks and capital acquisition. Disclosure of this information is required by State statute.

	<u>Textbooks</u>	<u>Capital Acquisition</u>
Set-aside Reserve Balance as of June 30, 2001	(\$472,894)	\$0
Current Year Set-aside Requirement	384,120	384,120
Offsets	0	(240,205)
Qualifying Disbursements	(786,434)	(235,501)
Totals	<u>(\$875,208)</u>	<u>(\$91,586)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>(\$875,208)</u>	<u>\$0</u>
Set-aside Reserve Balance as of June 30, 2002	<u>\$0</u>	<u>\$0</u>

The School District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years. The budget reserve set-aside shown in previous years was repealed by AM SUB S.B. 345 effective April 10, 2001.

Note 19 - Deficit Fund Balances

The Drug Free Grant Fund had a deficit balance as of June 30, 2002 of \$2,567. This deficit arose due to the recognition of accrued liabilities and will be made up in the next fiscal year once state and federal grants are allocated.

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New Philadelphia City School District

Combining Statements and Individual Fund Schedules

New Philadelphia City School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

Special Revenue Funds are established to account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the School District's special revenue funds follows:

Public School Support – This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs approved by board resolution.

Quaker Foundation Grants – This fund accounts for funds received to promote teacher improvement and activities between the school and community.

Community Alternative Funding Source – This fund accounts for medicare and medicaid payments received by the School District expended for special educations.

Ashland University – This fund accounts for receipts and expenditures associated with the offering of adult continuing education.

Athletic and Music – This fund accounts for gate receipts and other revenues from athletic events, all costs (except personnel services) of the School District's athletic and music programs, and publication of the high school and middle school yearbooks.

Auxiliary Services – Non-Public – This fund accounts for monies received by the District but expended by the non-public (parochial) schools within the District boundaries.

Teacher Inservice Grant - This fund accounts for state revenues to assist teachers in gaining new skills and becoming familiar with new teaching methodologies.

Management Information System – Accounts for funds received from the State to be used in the upgrading of the Educational Management Information System.

Preschool Grant – To account for funds received to run a district preschool program.

Eisenhower Math Grant – Accounts for grant monies received to provide inservice and supplies to the District's math and science programs.

Title 6-B Flowthru – This fund accounts for federal monies to assist schools in identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

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

(continued)

New Philadelphia City School District

Nonmajor Special Revenue Funds

(continued)

Chapter II – This fund accounts for federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, inservice training and staff development.

Title 6B Preschool – Accounts for federal funds specifically earmarked for handicapped preschool children.

Drug Free Schools Grant – This fund accounts for federal revenues which support the implementation of programs for drug abuse education and prevention.

Continuous Improvement Grant – Federal funds used to adopt a continuous improvement plan for the District.

Learn and Serve Grant – Federal funds used for Middle School community service.

Tele-Com E-Rate – Accounts for monies received from the Federal E-Rate Telecommunications Program.

Teacher Entry Year Grant – State funds used to provide for teacher mentor programs.

Opportunity School – Accounts for monies received to operate an evening high school.

Classroom Reduction – Federal funds used to reduce class sizes in primary grades.

Summer School – This fund accounts for the financial transactions related to the summer school program of the district.

Public Preschool – This fund accounts for the fee-based portion of the School District's preschool program.

Band Uniform – Accounts for monies set aside for purchase of high school band uniforms.

Juvenile Attention Center – This fund accounts for the revenues and expenses associated with the educational program at the Multi-County Juvenile Attention Center provided by the School District and charged back to the students' home school district.

Ohio Reads – State funds used to supplement reading programs in the elementary schools.

School Net Professional – Accounts for computer professional development funds.

(continued)

New Philadelphia City School District

Nonmajor Capital Projects Funds

The Capital Projects funds 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).

Vocational Educational Equipment – This fund accounts for monies received from the State of Ohio earmarked for vocational education equipment.

SchoolNet – This fund accounts for the revenues and expenses associated with funds provided by the State for technology upgrades and equipment purchases for Grades K to 4.

Library Replacement – This fund is used to account for funds received for the upgrading of library equipment.

New Philadelphia City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2002

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets:</u>			
Cash and Cash Equivalents:	\$ 509,011	\$ 4,676	\$ 513,687
Receivables:			
Accounts	38,254	0	38,254
Intergovernmental	<u>406,882</u>	<u>57,111</u>	<u>463,993</u>
Total Assets	<u>954,147</u>	<u>61,787</u>	<u>1,015,934</u>
<u>Liabilities and Fund Equity</u>			
<u>Liabilities:</u>			
Accounts Payable	55,749	450	56,199
Accrued Wages and Benefits	138,524	0	138,524
Intergovernmental Payable	38,000	0	38,000
Due to Other Funds	<u>21,958</u>	<u>0</u>	<u>21,958</u>
Total Liabilities	<u>254,231</u>	<u>450</u>	<u>254,681</u>
<u>Fund Equity:</u>			
Fund Balance:			
Reserved for Encumbrances	18,241	59	18,300
Unreserved:Undesignated			
Reported in:			
Special Revenue Funds	681,675	0	681,675
Capital Projects Funds	<u>0</u>	<u>61,278</u>	<u>61,278</u>
Total Fund Equity	<u>699,916</u>	<u>61,337</u>	<u>761,253</u>
Total Liabilities and Fund Equity	<u>\$ 954,147</u>	<u>\$ 61,787</u>	<u>\$ 1,015,934</u>

New Philadelphia City School District
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2002

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$1,440,880	\$85,111	\$ 1,525,991
Interest	156	0	156
Tuition and Fees	207,570	0	207,570
Extracurricular Activities	509,925	0	509,925
Gifts and Donations	32,167	0	32,167
Miscellaneous	1,380	3,297	4,677
Total Revenues	2,192,078	88,408	2,280,486
Expenditures:			
Current:			
Instruction:			
Regular	692,028	0	692,028
Special	36,724	0	36,724
Adult Continuing	483	0	483
Support Services:			
Pupils	54,006	0	54,006
Instructional Staff	180,957	0	180,957
Administration	117,749	0	117,749
Fiscal	8,667	0	8,667
Transportation	100	0	100
Non-Instructional Services	391,385	0	391,385
Extracurricular Activities	506,287	0	506,287
Capital Outlay	0	67,666	67,666
Total Expenditures	1,988,386	67,666	2,056,052
Excess of Revenues Over Expenditures	203,692	20,742	224,434
Other Financing Sources			
Transfer-In	22,323	0	22,323
Net Change in Fund Balance	226,015	20,742	246,757
Fund Balances at Beginning of Year	473,901	40,595	514,496
Fund Balances at End of Year	\$699,916	\$61,337	\$761,253

New Philadelphia City School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2002

	<u>Public School Support</u>	<u>Quaker Foundation Grants</u>	<u>Community Alternative Funding Source</u>	<u>Ashland University</u>
<u>Assets:</u>				
Cash and Cash Equivalents:	\$42,201	\$13,008	\$54,884	\$756
Receivables:				
Accounts	1,236	0	0	745
Intergovernmental	<u>0</u>	<u>0</u>	<u>10,896</u>	<u>0</u>
Total Assets	<u><u>\$43,437</u></u>	<u><u>\$13,008</u></u>	<u><u>\$65,780</u></u>	<u><u>\$1,501</u></u>
<u>Liabilities and Fund Equity</u>				
<u>Liabilities:</u>				
Accounts Payable	\$1,202	\$347	\$11,743	\$0
Accrued Wages and Benefits	0	0	4,365	0
Due to Other Funds	0	0	0	0
Intergovernmental Payable	<u>0</u>	<u>0</u>	<u>482</u>	<u>0</u>
Total Liabilities	<u>1,202</u>	<u>347</u>	<u>16,590</u>	<u>0</u>
<u>Fund Equity:</u>				
Fund Balance:				
Reserved for Encumbrances	0	533	0	0
Unreserved:Undesignated Reported in Special Revenue Funds	<u>42,235</u>	<u>12,128</u>	<u>49,190</u>	<u>1,501</u>
Total Fund Equity (Deficit)	<u>42,235</u>	<u>12,661</u>	<u>49,190</u>	<u>1,501</u>
Total Liabilities and Fund Equity	<u><u>\$43,437</u></u>	<u><u>\$13,008</u></u>	<u><u>\$65,780</u></u>	<u><u>\$1,501</u></u>

<u>Athletic and Music</u>	<u>Auxiliary Services Non-Public</u>	<u>Teacher Inservice Grant</u>	<u>Management Information System</u>	<u>Preschool Grant</u>	<u>Eisenhower Math Grant</u>
\$113,271	\$47,260	\$4,916	\$25,274	\$49,907	\$2,309
33,106	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,802</u>
<u>\$146,377</u>	<u>\$47,260</u>	<u>\$4,916</u>	<u>\$25,274</u>	<u>\$49,907</u>	<u>\$4,111</u>
\$10,950	\$3,630	\$0	\$19	\$0	\$0
0	14,912	0	0	7,033	0
0	0	0	0	0	0
<u>0</u>	<u>2,282</u>	<u>0</u>	<u>0</u>	<u>991</u>	<u>0</u>
<u>10,950</u>	<u>20,824</u>	<u>0</u>	<u>19</u>	<u>8,024</u>	<u>0</u>
6,091	0	0	856	850	394
<u>129,336</u>	<u>26,436</u>	<u>4,916</u>	<u>24,399</u>	<u>41,033</u>	<u>3,717</u>
<u>135,427</u>	<u>26,436</u>	<u>4,916</u>	<u>25,255</u>	<u>41,883</u>	<u>4,111</u>
<u>\$146,377</u>	<u>\$47,260</u>	<u>\$4,916</u>	<u>\$25,274</u>	<u>\$49,907</u>	<u>\$4,111</u>

(Continued)

New Philadelphia City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2002

	Title 6-B Flowthru	Title I	Chapter II	Title 6-B Preschool
<u>Assets:</u>				
Cash and Cash Equivalents:	\$487	(\$154)	\$2,839	\$5,391
Receivables:				
Accounts	0	0	0	0
Intergovernmental	121,480	68,378	2,279	21,955
Total Assets	<u>\$121,967</u>	<u>\$68,224</u>	<u>\$5,118</u>	<u>\$27,346</u>
<u>Liabilities and Fund Equity</u>				
<u>Liabilities:</u>				
Accounts Payable	\$19,038	\$844	\$0	\$0
Accrued Wages and Benefits	24,860	42,740	0	1,000
Due to other Funds	17,000	10,000	0	0
Intergovernmental Payable	3,519	4,887	872	386
Total Liabilities	<u>64,417</u>	<u>58,471</u>	<u>872</u>	<u>1,386</u>
<u>Fund Equity:</u>				
Fund Balance:				
Reserved for Encumbrances	0	81	0	0
Unreserved:Undesignated Reported in Special Revenue Funds	57,550	9,672	4,246	25,960
Total Fund Equity (Deficit)	<u>57,550</u>	<u>9,753</u>	<u>4,246</u>	<u>25,960</u>
Total Liabilities and Fund Equity	<u>\$121,967</u>	<u>\$68,224</u>	<u>\$5,118</u>	<u>\$27,346</u>

<u>Drug Free Schools Grant</u>	<u>Tele-Com E-Rate</u>	<u>Classroom Reduction</u>	<u>Summer School</u>	<u>Public Preschool</u>
\$898	\$42,599	\$9,406	\$10,231	\$33,319
0	0	0	3,167	0
<u>901</u>	<u>0</u>	<u>14,729</u>	<u>0</u>	<u>0</u>
<u>\$1,799</u>	<u>\$42,599</u>	<u>\$24,135</u>	<u>\$13,398</u>	<u>\$33,319</u>
\$0	\$0	\$100	\$1,057	\$26
218	0	17,854	0	0
1,000	0	0	0	0
<u>3,148</u>	<u>0</u>	<u>2,072</u>	<u>0</u>	<u>0</u>
<u>4,366</u>	<u>0</u>	<u>20,026</u>	<u>1,057</u>	<u>26</u>
0	0	0	0	0
<u>(2,567)</u>	<u>42,599</u>	<u>4,109</u>	<u>12,341</u>	<u>33,293</u>
<u>(2,567)</u>	<u>42,599</u>	<u>4,109</u>	<u>12,341</u>	<u>33,293</u>
<u>\$1,799</u>	<u>\$42,599</u>	<u>\$24,135</u>	<u>\$13,398</u>	<u>\$33,319</u>

New Philadelphia City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2002

	<u>Band Uniform</u>	<u>Learn and Serve</u>	<u>Juvenile Attention Center</u>	<u>Ohio Reads</u>	<u>School Net Professional</u>
<u>Assets:</u>					
Cash and Cash Equivalents:	\$6,256	\$83	\$234	\$41,774	\$1,862
Receivables:					
Accounts	0	0	0	0	0
Intergovernmental	0	0	89,498	74,964	0
Total Assets	<u>\$6,256</u>	<u>\$83</u>	<u>\$89,732</u>	<u>\$116,738</u>	<u>\$1,862</u>
 <u>Liabilities and Fund Equity</u>					
<u>Liabilities:</u>					
Accounts Payable	\$0	\$0	\$191	\$6,602	\$0
Accrued Wages and Benefits	0	0	24,713	829	0
Due to Other Funds	0	0	10,000	0	0
Intergovernmental Payable	0	0	3,076	243	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>37,980</u>	<u>7,674</u>	<u>0</u>
 <u>Fund Equity:</u>					
<u>Fund Balance:</u>					
Reserved for Encumbrances	0	0	59	9,377	0
Unreserved: Undesignated Reported in Special Revenue Funds	6,256	83	51,693	99,687	1,862
Total Fund Equity (Deficit)	<u>6,256</u>	<u>83</u>	<u>51,752</u>	<u>109,064</u>	<u>1,862</u>
Total Liabilities and Fund Equity	<u>\$6,256</u>	<u>\$83</u>	<u>\$89,732</u>	<u>\$116,738</u>	<u>\$1,862</u>

Total
Nonmajor
Special
Revenue Funds

\$509,011

38,254

406,882

\$954,147

\$55,749

138,524

38,000

21,958

254,231

18,241

681,675

699,916

\$954,147

New Philadelphia City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2002

	Public School Support	Quaker Foundation Grants	Community Alternate Funding Source	Ashland University
Revenues:				
Intergovernmental	\$0	\$0	\$56,741	\$0
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	151,525	0	0	0
Gifts and Donations	0	32,167	0	0
Miscellaneous	0	0	0	1,380
Total Revenues	151,525	32,167	56,741	1,380
Expenditures:				
Current:				
Instruction:				
Regular	0	31,362	0	0
Special	0	0	35,014	0
Adult Continuing	0	0	0	483
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	5,642	0
Fiscal	0	0	0	0
Operation and Maintenance	0	0	0	0
Transportation	0	0	0	0
Non-Instructional Services	0	0	0	0
Extracurricular Activities	147,944	0	0	0
Total Expenditures	147,944	31,362	40,656	483
Excess of Revenues Over (Under) Expenditures	3,581	805	16,085	897
Other Financing Sources				
Transfer-In	0	0	0	0
Net Change in Fund Balance	3,581	805	16,085	897
Fund Balances at				
Beginning of Year	38,654	11,856	33,105	604
Fund Balances at End of Year	\$42,235	\$12,661	\$49,190	\$1,501

<u>Athletic and Music</u>	<u>Auxiliary Services Non-Public</u>	<u>Teacher Inservice Fund</u>	<u>Management Information System</u>	<u>Preschool Grant</u>	<u>Eisenhower Math Grant</u>
\$0	\$188,506	\$0	\$11,667	\$100,593	\$18,020
0	0	0	0	0	0
0	0	0	0	0	0
358,400	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>358,400</u>	<u>188,506</u>	<u>0</u>	<u>11,667</u>	<u>100,593</u>	<u>18,020</u>
0	0	0	0	54,088	21,469
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	156	0
0	0	2,731	0	24,424	0
0	0	0	0	4,718	0
0	0	0	3,955	0	0
0	0	0	0	0	0
0	0	0	0	100	0
0	209,651	0	0	0	0
358,343	0	0	0	0	0
<u>358,343</u>	<u>209,651</u>	<u>2,731</u>	<u>3,955</u>	<u>83,486</u>	<u>21,469</u>
57	(21,145)	(2,731)	7,712	17,107	(3,449)
0	0	0	0	0	0
57	(21,145)	(2,731)	7,712	17,107	(3,449)
<u>135,370</u>	<u>47,581</u>	<u>7,647</u>	<u>17,543</u>	<u>24,776</u>	<u>7,560</u>
<u>\$135,427</u>	<u>\$26,436</u>	<u>\$4,916</u>	<u>\$25,255</u>	<u>\$41,883</u>	<u>\$4,111</u>

(Continued)

New Philadelphia City School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2002*

	Title 6-B Flowthru	Title I	Chapter II	Title 6-B Preschool
Revenues:				
Intergovernmental	\$341,685	\$325,110	\$21,810	\$31,365
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	341,685	325,110	21,810	31,365
Expenditures:				
Current:				
Instruction:				
Regular	4,742	320,893	17,452	0
Special	0	0	0	560
Adult Continuing	0	0	0	0
Support Services:				
Pupils	28,175	0	0	0
Instructional Staff	127,419	0	0	19,371
Administration	102,071	0	0	5,318
Fiscal	0	0	0	0
Operation and Maintenance	0	0	0	0
Transportation	0	0	0	0
Non-Instructional Services	7,213	0	1,677	0
Extracurricular Activities	0	0	0	0
Total Expenditures	269,620	320,893	19,129	25,249
Excess of Revenues Over (Under) Expenditures	72,065	4,217	2,681	6,116
Other Financing Sources				
Transfers-In	0	0	0	0
Net Change in Fund Balance	72,065	4,217	2,681	6,116
Fund Balances at Beginning of Year	(14,515)	5,536	1,565	19,844
Fund Balances at End of Year	\$57,550	\$9,753	\$4,246	\$25,960

<u>Drug Free Schools Grant</u>	<u>Tele-Com E-Rate Fund</u>	<u>Classroom Reduction</u>	<u>Summer School</u>	<u>Public Preschool</u>
\$12,583	\$27,778	\$133,952	\$0	\$0
0	0	0	0	0
0	0	0	4,541	28,486
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>12,583</u>	<u>27,778</u>	<u>133,952</u>	<u>4,541</u>	<u>28,486</u>
0	0	110,902	24,743	39,163
0	0	0	0	0
0	0	0	0	0
25,675	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	4,712	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>25,675</u>	<u>0</u>	<u>115,614</u>	<u>24,743</u>	<u>39,163</u>
(13,092)	27,778	18,338	(20,202)	(10,677)
0	0	0	22,323	0
<u>(13,092)</u>	<u>27,778</u>	<u>18,338</u>	<u>2,121</u>	<u>(10,677)</u>
10,525	14,821	(14,229)	10,220	43,970
<u>(\$2,567)</u>	<u>\$42,599</u>	<u>\$4,109</u>	<u>\$12,341</u>	<u>\$33,293</u>

(Continued)

New Philadelphia City School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances*
Nonmajor Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2002

	<u>Band Uniform</u>	<u>Learn and Serve</u>	<u>Juvenile Attention Center</u>	<u>Ohio Reads</u>
Revenues:				
Intergovernmental	\$0	\$5,000	\$0	\$161,928
Interest	156	0	0	0
Tuition and Fees	0	0	174,543	0
Extracurricular Activities	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	<u>156</u>	<u>5,000</u>	<u>174,543</u>	<u>161,928</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	0	0	67,214
Special	0	1,150	0	0
Adult Continuing	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Fiscal	0	0	0	0
Operation and Maintenance	0	0	0	0
Transportation	0	0	0	0
Non-Instructional Services	0	4,246	168,598	0
Extracurricular Activities	0	0	0	0
Total Expenditures	<u>0</u>	<u>5,396</u>	<u>168,598</u>	<u>67,214</u>
Excess of Revenues Over (Under) Expenditures	156	(396)	5,945	94,714
Other Financing Sources				
Transfers-In	0	0	0	0
Net Change in Fund Balance	<u>156</u>	<u>(396)</u>	<u>5,945</u>	<u>94,714</u>
Fund Balances at Beginning of Year	<u>6,100</u>	<u>479</u>	<u>45,807</u>	<u>14,350</u>
Fund Balances at End of Year	<u>\$6,256</u>	<u>\$83</u>	<u>\$51,752</u>	<u>\$109,064</u>

School Net Professional	Total Nonmajor Special Revenue Funds
\$4,142	\$1,440,880
0	156
0	207,570
0	509,925
0	32,167
0	1,380
<u>4,142</u>	<u>2,192,078</u>
0	692,028
0	36,724
0	483
0	54,006
7,012	180,957
0	117,749
0	8,667
0	0
0	100
0	391,385
0	506,287
<u>7,012</u>	<u>1,988,386</u>
(2,870)	203,692
<u>0</u>	<u>22,323</u>
(2,870)	226,015
<u>4,732</u>	<u>473,901</u>
<u>\$1,862</u>	<u>\$699,916</u>

New Philadelphia City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2002

	<u>Vocational Educational Equipment</u>	<u>School Net</u>	<u>Library Replacement</u>	<u>Totals</u>
<u>Assets:</u>				
Cash and Cash Equivalents:	\$3,282	\$405	\$989	\$4,676
Receivables:				
Intergovernmental	<u>0</u>	<u>57,111</u>	<u>0</u>	<u>57,111</u>
Total Assets	<u><u>\$3,282</u></u>	<u><u>\$57,516</u></u>	<u><u>\$989</u></u>	<u><u>\$61,787</u></u>
<u>Liabilities and Fund Equity</u>				
<u>Liabilities:</u>				
Accounts Payable	<u>0</u>	<u>450</u>	<u>0</u>	<u>450</u>
Total Liabilities	<u>0</u>	<u>450</u>	<u>0</u>	<u>450</u>
<u>Fund Equity</u>				
Fund Balance:				
Reserved for Encumbrances	0	59	0	59
Unreserved:Undesignated Reported in Capital Project Funds	<u>3,282</u>	<u>57,007</u>	<u>989</u>	<u>61,278</u>
Total Fund Equity	<u>3,282</u>	<u>57,066</u>	<u>989</u>	<u>61,337</u>
Total Liabilities and Fund Equity	<u><u>\$3,282</u></u>	<u><u>\$57,516</u></u>	<u><u>\$989</u></u>	<u><u>\$61,787</u></u>

New Philadelphia City School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2002*

	<u>Vocational Educational Equipment</u>	<u>School Net</u>	<u>Library Replacement</u>	<u>Totals</u>
Revenues:				
Intergovernmental	\$0	\$85,111	\$0	\$85,111
Miscellaneous	<u>0</u>	<u>0</u>	<u>3,297</u>	<u>3,297</u>
Total Revenues	<u>0</u>	<u>85,111</u>	<u>3,297</u>	<u>88,408</u>
Expenditures:				
Current:				
Capital Outlay	<u>0</u>	<u>65,002</u>	<u>2,664</u>	<u>67,666</u>
Total Expenditures	<u>0</u>	<u>65,002</u>	<u>2,664</u>	<u>67,666</u>
Net Change in Fund Balance	0	20,109	633	20,742
Fund Balances at Beginning of Year	<u>3,282</u>	<u>36,957</u>	<u>356</u>	<u>40,595</u>
Fund Balances at End of	<u><u>\$3,282</u></u>	<u><u>\$57,066</u></u>	<u><u>\$989</u></u>	<u><u>\$61,337</u></u>

New Philadelphia City School District

**Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual**

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Over (Under)
Revenues				
Taxes	\$8,337,000	\$8,442,000	\$8,761,549	\$319,549
Intergovernmental	7,958,000	8,134,853	8,121,107	(13,746)
Interest	550,000	550,000	349,819	(200,181)
Tuition and Fees	97,000	97,000	115,442	18,442
Rentals	35,000	35,000	11,644	(23,356)
Miscellaneous	170,000	70,650	101,970	31,320
<i>Total Revenues</i>	<u>17,147,000</u>	<u>17,329,503</u>	<u>17,461,531</u>	<u>132,028</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	6,418,000	6,451,000	6,326,278	124,722
Fringe Benefits	2,133,100	1,938,600	1,890,797	47,803
Purchased Services	133,900	201,285	122,765	78,520
Materials and Supplies	377,670	482,841	464,243	18,598
Capital Outlay - Replacement	147,714	187,714	185,711	2,003
<i>Total Regular</i>	<u>9,210,384</u>	<u>9,261,440</u>	<u>8,989,794</u>	<u>271,646</u>
Special:				
Salaries and Wages	1,087,000	1,087,000	1,073,934	13,066
Fringe Benefits	371,225	361,225	337,778	23,447
Purchased Services	4,070	0	0	0
Materials and Supplies	0	4,070	2,880	1,190
<i>Total Special</i>	<u>1,462,295</u>	<u>1,452,295</u>	<u>1,414,592</u>	<u>37,703</u>
Vocational:				
Salaries and Wages	245,000	245,000	238,700	6,300
Fringe Benefits	77,050	77,050	62,923	14,127
Materials and Supplies	4,684	9,385	8,350	1,035
Capital Outlay	11,425	21,425	20,791	634
<i>Total Vocational</i>	<u>338,159</u>	<u>352,860</u>	<u>330,764</u>	<u>22,096</u>
Other:				
Purchased Services	60,000	90,000	87,770	2,230
<i>Total Instruction</i>	<u>\$11,070,838</u>	<u>\$11,156,595</u>	<u>\$10,822,920</u>	<u>\$333,675</u>

(continued)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Over (Under)
Support Services:				
Pupil:				
Salaries and Wages	\$611,000	\$611,000	\$590,815	\$20,185
Fringe Benefits	219,000	219,000	169,937	49,063
Purchased Services	110,500	110,500	86,497	24,003
Materials and Supplies	47,401	79,901	71,071	8,830
Total Pupil	987,901	1,020,401	918,320	102,081
Instructional Staff:				
Salaries and Wages	314,000	314,000	289,589	24,411
Fringe Benefits	160,750	163,750	162,451	1,299
Purchased Services	2,800	5,800	2,105	3,695
Materials and Supplies	64,788	64,788	64,145	643
Total Instructional Staff	542,338	548,338	518,290	30,048
Board of Education:				
Salaries and Wages	2,400	2,400	2,400	0
Fringe Benefits	400	400	180	220
Purchased Services	28,500	28,500	23,574	4,926
Capital Outlay - New	150,000	150,000	143,331	6,669
Total Board of Education	181,300	181,300	169,485	11,815
Administration:				
Salaries and Wages	1,149,500	1,159,500	1,158,653	847
Fringe Benefits	485,500	460,500	412,460	48,040
Purchased Services	47,221	47,221	34,833	12,388
Materials and Supplies	9,929	9,929	8,446	1,483
Capital Outlay - Replacement	15,000	5,000	1,251	3,749
Other	3,000	21,000	13,435	7,565
Total Administration	1,710,150	1,703,150	1,629,078	74,072
Fiscal:				
Salaries and Wages	158,000	163,000	159,957	3,043
Fringe Benefits	72,500	72,500	62,844	9,656
Purchased Services	67,000	102,050	68,181	33,869
Materials and Supplies	120,022	115,022	107,159	7,863
Capital Outlay - Replacement	5,000	5,000	3,900	1,100
Other	232,000	249,000	246,899	2,101
Total Fiscal	\$654,522	\$706,572	\$648,940	\$57,632

(continued)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Over (Under)
Operation and Maintenance of Plant:				
Salaries and Wages	\$747,000	\$817,500	\$810,860	\$6,640
Fringe Benefits	369,000	349,000	306,117	42,883
Purchased Services	583,796	608,796	537,074	71,722
Materials and Supplies	94,100	129,100	108,794	20,306
Capital Outlay - Replacement	105,056	175,056	164,280	10,776
Total Operation and Maintenance of Plant	1,898,952	2,079,452	1,927,125	152,327
Pupil Transportation:				
Salaries and Wages	473,000	473,000	434,851	38,149
Fringe Benefits	206,600	206,600	186,731	19,869
Purchased Services	6,745	8,745	6,140	2,605
Materials and Supplies	107,359	107,359	91,129	16,230
Capital Outlay - Replacement	136,000	76,000	70,277	5,723
Total Pupil Transportation	929,704	871,704	789,128	82,576
Central:				
Purchased Services	2,500	4,500	3,152	1,348
Total Central	2,500	4,500	3,152	1,348
Total Support Services	6,907,367	7,115,417	6,603,518	511,899
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	0	8,500	8,086	414
Materials and Supplies	0	36,442	26,186	10,256
Total Operation of Non-Instructional Services	0	44,942	34,272	10,670
Extracurricular Activities:				
Academic and Subject Oriented Activities				
Salaries and Wages	115,000	115,000	87,955	27,045
Fringe Benefits	18,300	18,300	13,508	4,792
Materials and Supplies	0	0	0	0
Total Academic and Subject Oriented Activities	\$133,300	\$133,300	\$101,463	\$31,837

(continued)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Over (Under)
Sports Oriented Activities:				
Salaries and Wages	\$252,000	\$252,000	\$196,145	\$55,855
Fringe Benefits	37,950	37,950	27,645	10,305
Total Sports Oriented Activities	289,950	289,950	223,790	66,160
School and Public Service				
Co-Curricular Activities:				
Salaries and Wages	37,000	42,000	33,057	8,943
Fringe Benefits	4,050	4,050	3,988	62
Total School and Public Service				
Co-Curricular Activities	41,050	46,050	37,045	9,005
Total Extracurricular Activities	464,300	469,300	362,298	107,002
<i>Total Expenditures</i>	<i>18,442,505</i>	<i>18,786,254</i>	<i>17,823,008</i>	<i>963,246</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(1,295,505)</i>	<i>(1,456,751)</i>	<i>(361,477)</i>	<i>1,095,274</i>
Other Financing Sources (Uses)				
Refund of Prior Year Expenditures	0	0	6,276	6,276
Advances In	0	0	25,650	25,650
Advances Out	(1,000)	(1,000)	(51,500)	(50,500)
Operating Transfers Out	(20,000)	(26,400)	(22,323)	4,077
Total Other Financing Sources (Uses)	(21,000)	(27,400)	(41,897)	(14,497)
<i>Net Change in Fund Balance</i>	<i>(1,316,505)</i>	<i>(1,484,151)</i>	<i>(403,374)</i>	<i>1,080,777</i>
<i>Fund Balance Beginning of Year</i>	<i>9,695,702</i>	<i>9,695,702</i>	<i>9,695,702</i>	<i>0</i>
Prior Year Encumbrances Appropriated	284,922	284,922	284,922	0
Fund Balance End of Year	\$8,664,119	\$8,496,473	\$9,577,250	\$1,080,777

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Over (Under)
Revenues				
Taxes	\$646,000	\$646,000	\$650,672	\$4,672
Intergovernmental	78,000	78,000	78,768	768
<i>Total Revenues</i>	<u>724,000</u>	<u>724,000</u>	<u>729,440</u>	<u>5,440</u>
Expenditures				
Debt Service:				
Principal Retirement	260,000	260,000	260,000	0
Interest and Fiscal Charges	448,290	448,290	448,290	0
Total Debt Service	708,290	708,290	708,290	0
<i>Total Expenditures</i>	<u>708,290</u>	<u>708,290</u>	<u>708,290</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	15,710	15,710	21,150	5,440
<i>Fund Balance Beginning of Year</i>	<u>424,208</u>	<u>424,208</u>	<u>424,208</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$439,918</u></u>	<u><u>\$439,918</u></u>	<u><u>\$445,358</u></u>	<u><u>\$5,440</u></u>

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Taxes	\$187,700	\$175,000	\$190,041	\$15,041
Intergovernmental	22,900	19,000	20,443	1,443
Miscellaneous	0	0	2,133	2,133
<i>Total Revenues</i>	210,600	194,000	212,617	18,617
Expenditures				
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Capital Outlay - New	7,467	25,467	21,462	4,005
Capital Outlay - Replacement	237,953	272,953	241,498	31,455
Total Capital Outlay	245,420	298,420	262,960	35,460
<i>Total Expenditures</i>	245,420	298,420	262,960	35,460
Excess of Revenues Over (Under) Expenditures	(34,820)	(104,420)	(50,343)	54,077
Other Financing Sources				
Advances In	0	0	13,500	13,500
<i>Net Change in Fund Balance</i>	(34,820)	(104,420)	(36,843)	67,577
<i>Fund Balance Beginning of Year</i>	51,374	51,374	51,374	0
Prior Year Encumbrances Appropriated	40,419	40,419	40,419	0
<i>Fund Balance End of Year</i>	\$56,973	(\$12,627)	\$54,950	\$67,577

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Extracurricular Activities	\$147,000	\$147,000	\$153,037	\$6,037
Expenditures				
Current:				
Extracurricular Activities:				
School and Public Service Co-Curricular Activities:				
Co-Curricular Activities:				
Salaries and Wages	5,800	5,800	6,499	(699)
Fringe Benefits	50	50	35	15
Purchased Services	63,000	63,000	62,327	673
Materials and Supplies	76,913	113,113	79,641	33,472
<i>Total Expenditures</i>	145,763	181,963	148,502	33,461
<i>Net Change in Fund Balance</i>	1,237	(34,963)	4,535	39,498
<i>Fund Balance Beginning of Year</i>	35,758	35,758	35,758	0
Prior Year Encumbrances Appropriated	913	913	913	0
<i>Fund Balance End of Year</i>	\$37,908	\$1,708	\$41,206	\$39,498

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Quaker Foundation Grants Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$0	\$13,205	\$12,040	(\$1,165)
Miscellaneous	16,976	16,976	20,126	3,150
<i>Total Revenues</i>	<u>16,976</u>	<u>30,181</u>	<u>32,166</u>	<u>1,985</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	14,937	16,913	12,604	4,309
Capital Outlay - New	5,105	22,366	19,539	2,827
<i>Total Expenditures</i>	<u>20,042</u>	<u>39,279</u>	<u>32,143</u>	<u>7,136</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,066)</u>	<u>(9,098)</u>	<u>23</u>	<u>9,121</u>
Other Financing Uses				
Advances Out	0	(12,650)	(12,650)	0
<i>Net Change in Fund Balance</i>	(3,066)	(21,748)	(12,627)	9,121
<i>Fund Balance Beginning of Year</i>	24,394	24,394	24,394	0
Prior Year Encumbrances Appropriated	358	358	358	0
<i>Fund Balance End of Year</i>	<u>\$21,686</u>	<u>\$3,004</u>	<u>\$12,125</u>	<u>\$9,121</u>

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Alternative Funding Source Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$65,000	\$65,000	\$60,238	(\$4,762)
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	40,398	40,398	24,189	16,209
Support Services:				
Administration:				
Salaries and Wages	17,500	17,500	1,519	15,981
Fringe Benefits	12,682	12,682	4,108	8,574
Total Administration	30,182	30,182	5,627	24,555
Total Support Services	30,182	30,182	5,627	24,555
<i>Total Expenditures</i>	70,580	70,580	29,816	40,764
<i>Net Change in Fund Balance</i>	(5,580)	(5,580)	30,422	36,002
<i>Fund Balance Beginning of Year</i>	23,492	23,492	23,492	0
Prior Year Encumbrances Appropriated	398	398	398	0
<i>Fund Balance End of Year</i>	\$18,310	\$18,310	\$54,312	\$36,002

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ashland University Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Miscellaneous	\$2,500	\$2,500	\$635	(\$1,865)
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	1,300	1,300	471	829
Fringe Benefits	10	10	0	10
Materials and Supplies	1,500	1,500	12	1,488
<i>Total Expenditures</i>	2,810	2,810	483	2,327
<i>Excess of Revenues Under Expenditures</i>	(310)	(310)	152	462
Other Financing Uses				
Advances Out	0	0	(500)	(\$500)
<i>Net Change in Fund Balance</i>	(310)	(310)	(348)	(38)
<i>Fund Balance Beginning of Year</i>	1,103	1,103	1,103	0
<i>Fund Balance End of Year</i>	\$793	\$793	\$755	(\$38)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Athletic and Music Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Extracurricular Activities	\$350,700	\$350,700	\$345,875	(\$4,825)
Expenditures				
Current:				
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Activities:				
Salaries and Wages	300	300	0	300
Fringe Benefits	150	150	0	150
Materials and Supplies	25,000	37,248	33,213	4,035
Other	44,082	53,482	43,821	9,661
Total Academic and Subject Oriented Activities	69,532	91,180	77,034	14,146
Sports Oriented Activities:				
Salaries and Wages	9,100	9,100	7,710	1,390
Fringe Benefits	150	150	108	42
Purchased Services	88,108	93,608	82,642	10,966
Materials and Supplies	145,615	169,115	128,660	40,455
Capital Outlay	5,000	5,000	1,487	3,513
Total Sports Oriented Activities	247,973	276,973	220,607	56,366
School and Public Service				
Purchased Services	1,000	1,000	394	606
Materials and Supplies	50,348	82,600	78,094	4,506
Other	0	2,050	2,028	22
Total School and Public Service	51,348	85,650	80,516	5,134
Co-Curricular Activities	51,348	85,650	80,516	5,134
Total Extracurricular Activities	368,853	453,803	378,157	75,646
<i>Total Expenditures</i>	368,853	453,803	378,157	75,646
<i>Excess of Revenues Under Expenditures</i>	(18,153)	(103,103)	(32,282)	70,821
Other Financing Uses				
Refund of Prior Year Expense	0	0	575	575
Advances Out	0	(4,500)	(4,500)	0
<i>Net Change in Fund Balance</i>	(18,153)	(107,603)	(36,207)	71,396
<i>Fund Balance Beginning of Year</i>	122,283	122,283	122,283	0
Prior Year Encumbrances Appropriated	10,153	10,153	10,153	0
<i>Fund Balance End of Year</i>	\$114,283	\$24,833	\$96,229	\$71,396

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services Non-Public Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$155,000	\$155,000	\$188,506	\$33,506
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	99,062	99,062	76,306	22,756
Fringe Benefits	6,746	28,122	18,118	10,004
Purchased Services	27,630	27,631	32,961	(5,330)
Materials and Supplies	109,215	91,215	109,775	(18,560)
Total Community Services	242,653	246,030	237,160	8,870
<i>Total Expenditures</i>	242,653	246,030	237,160	8,870
<i>Net Change in Fund Balance</i>	(87,653)	(91,030)	(48,654)	42,376
<i>Fund Balance Beginning of Year</i>	57,755	57,755	57,755	0
Prior Year Encumbrances Appropriated	36,348	36,348	36,348	0
<i>Fund Balance (Deficit) End of Year</i>	\$6,450	\$3,073	\$45,449	\$42,376

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Teacher Inservice Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	3,472	2,930	859	2,071
Purchased Services	0	3,658	1,792	1,866
Materials and Supplies	3,255	139	139	0
Total Support Services	6,727	6,727	2,790	3,937
Operation of Non-Instructional Community Services:				
Purchased Services	609	609	0	609
<i>Total Expenditures</i>	7,336	7,336	2,790	4,546
<i>Net Change in Fund Balance</i>	(7,336)	(7,336)	(2,790)	4,546
<i>Fund Balance Beginning of Year</i>	7,707	7,707	7,707	0
<i>Fund Balance End of Year</i>	\$371	\$371	\$4,917	\$4,546

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Management Information System Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$9,000	\$9,000	\$11,667	\$2,667
Expenditures				
Current:				
Support Services:				
Fiscal:				
Purchased Services	5,479	5,479	4,829	650
<i>Net Change in Fund Balance</i>	3,521	3,521	6,838	3,317
<i>Fund Balance Beginning of Year</i>	17,081	17,081	17,081	0
Prior Year Encumbrances Appropriated	479	479	479	0
<i>Fund Balance End of Year</i>	<u>\$21,081</u>	<u>\$21,081</u>	<u>\$24,398</u>	<u>\$3,317</u>

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Grant Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$199,000	\$199,000	\$100,593	(\$98,407)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	65,998	66,015	24,680	41,335
Fringe Benefits	34,872	31,247	15,168	16,079
Materials and Supplies	23,109	22,944	18,491	4,453
Capital Outlay - New	7,000	6,500	1,558	4,942
Total Regular	130,979	126,706	59,897	66,809
Support Services:				
Pupil:				
Purchased Services	5,200	5,000	56	4,944
Materials and Supplies	100	100	100	0
Total Pupils	5,300	5,100	156	4,944
Instructional Staff:				
Salaries and Wages	46,500	49,940	19,996	29,944
Fringe Benefits	13,503	14,036	4,428	9,608
Purchased Services	100	100	0	100
Materials and Supplies	5,017	5,017	196	4,821
Total Instructional Staff	65,120	69,093	24,620	44,473
Administration:				
Salaries and Wages	29,500	29,500	4,039	25,461
Fringe Benefits	0	0	0	0
Purchased Services	0	0	0	0
Materials and Supplies	384	384	34	350
Total Administration	29,884	29,884	4,073	25,811
Pupil Transportation:				
Salaries and Wages	100	100	100	0
Purchased Services	2,000	2,000	0	2,000
Total Pupil Transportation	2,100	2,100	100	2,000
Total Support Services	102,404	106,177	28,949	77,228
Total Expenditures	233,383	232,883	88,846	144,037
Net Change in Fund Balance	(34,383)	(33,883)	11,747	45,630
Fund Balance Beginning of Year	29,185	29,185	29,185	0
Prior Year Encumbrances Appropriated	8,124	8,124	8,124	0
Fund Balance End of Year	\$2,926	\$3,426	\$49,056	\$45,630

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Eisenhower Math Grant Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$19,553	\$19,553	\$17,588	(\$1,965)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	9,324	3,584	3,351	233
Purchased Services	2,700	8,824	7,528	1,296
Materials and Supplies	14,095	13,710	11,525	2,185
<i>Total Expenditures</i>	26,119	26,118	22,404	3,714
<i>Net Change in Fund Balance</i>	(6,566)	(6,565)	(4,816)	1,749
<i>Fund Balance Beginning of Year</i>	5,992	5,992	5,992	0
<i>Prior Year Encumbrances</i>	737	737	737	0
<i>Fund Balance End of Year</i>	\$163	\$164	\$1,913	\$1,749

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title 6-B Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$342,379	\$342,379	\$220,205	(\$122,174)
Expenditures				
Current:				
Regular Instruction				
Salaries	10,000	9,160	4,160	5,000
Fringe Benefits	0	582	582	0
Total Regular Instruction	10,000	9,742	4,742	5,000
Support Services:				
Pupils:				
Purchased Services	30,506	30,027	8,880	21,147
Materials and Supplies	2,308	2,313	813	1,500
Capital Outlay - New	1,510	0	0	0
Total Pupils	34,324	32,340	9,693	22,647
Instructional Staff:				
Salaries and Wages	70,370	75,696	69,904	5,792
Fringe Benefits	68,204	64,272	45,279	18,993
Purchased Services	3,100	3,100	798	2,302
Materials and Supplies	4,123	4,645	4,239	406
Capital Outlay	7,400	7,400	6,130	1,270
Total Instructional Staff	153,197	155,113	126,350	28,763
Administration:				
Salaries and Wages	102,350	108,302	77,669	30,633
Fringe Benefits	30,840	31,416	22,814	8,602
Materials and Supplies	1,843	2,116	1,517	599
Capital Outlay - New	955	0	0	0
Total Administration	135,988	141,834	102,000	39,834
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	12,475	11,560	6,424	5,136
Fringe Benefits	500	500	280	220
Purchased Services	6,614	4,504	1,040	3,464
Total Operation of Non-Instructional Services	19,589	16,564	7,744	8,820
Total Expenditures	353,098	355,593	250,529	105,064
Total Revenue (Under) Expenditures	(10,719)	(13,214)	(30,324)	(17,110)
Other Financing Sources				
Advances In	0	0	17,000	17,000
Net Change in Fund Balance	(10,719)	(13,214)	(13,324)	(110)
Fund Balance Beginning of Year	13,245	13,245	13,245	0
Prior Year Encumbrances Appropriated	531	531	531	0
Fund Balance End of Year	\$3,057	\$562	\$452	(\$110)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$368,451	\$368,451	\$317,656	(\$50,795)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	273,501	278,000	246,012	31,988
Fringe Benefits	82,983	79,229	72,464	6,765
Purchased Services	2,152	1,750	949	801
Materials and Supplies	7,506	7,246	7,181	65
Capital Outlay	1,400	1,400	1,500	(100)
Total Instruction	367,542	367,625	328,106	39,519
Support Services:				
Administration:				
Salaries and Wages	10,000	10,000	0	10,000
Total Administration	10,000	10,000	0	10,000
<i>Total Expenditures</i>	377,542	377,625	328,106	49,519
<i>Excess of Revenues Under Expenditures</i>	(9,091)	(9,174)	(10,450)	(1,276)
Other Financing Uses				
Advances In	0	0	10,000	10,000
Advances Out	0	0	(5,000)	(5,000)
	0	0	5,000	5,000
<i>Excess of Revenues Under Expenditures and Other Sources(Uses)</i>	(9,091)	(9,174)	(5,450)	3,724
<i>Fund Balance Beginning of Year</i>	4,252	4,252	4,252	0
Prior Year Encumbrances Appropriated	119	119	119	0
<i>Fund Balance End of Year</i>	(\$4,720)	(\$4,803)	(\$1,079)	\$3,724

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Chapter II Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$23,998	\$23,998	\$19,531	(\$4,467)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	12,396	12,392	10,056	2,336
Fringe Benefits	1,410	1,265	1,125	140
Purchased Services	749	907	907	0
Materials and Supplies	5,565	5,565	4,492	1,073
Total Instruction	20,120	20,129	16,580	3,549
Operation of Non-Instructional Services:				
Services:				
Community Services:				
Materials and Supplies	3,471	3,471	1,677	1,794
Total Operation of Non-Instructional Services	3,471	3,471	1,677	1,794
<i>Total Expenditures</i>	23,591	23,600	18,257	5,343
<i>Net Change in Fund Balance</i>	407	398	1,274	876
<i>Fund Balance Beginning of Year</i>	1,564	1,564	1,564	0
<i>Fund Balance End of Year</i>	\$1,971	\$1,962	\$2,838	\$876

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title 6-B Preschool Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$52,908	\$52,908	\$30,930	(\$21,978)
Expenditures				
Current:				
Instruction:				
Special:				
Purchased Services	1,527	1,560	560	1,000
Instructional Staff:				
Salaries and Wages	29,436	31,065	16,139	14,926
Fringe Benefits	9,924	7,486	2,534	4,952
Purchased Services	1,281	1,000	0	1,000
Materials and Supplies	2,116	2,179	1,411	768
Total Instructional Staff	42,757	41,730	20,084	21,646
Administration:				
Salaries and Wages	8,376	9,336	5,200	4,136
Fringe Benefits	0	0	64	(64)
Purchased Services	626	694	58	636
Total Administration	9,002	10,030	5,322	4,708
Total Support Services	51,759	51,760	25,406	26,354
<i>Total Expenditures</i>	53,286	53,320	25,966	27,354
<i>Net Change in Fund Balance</i>	(378)	(412)	4,964	5,376
<i>Fund Balance Beginning of Year</i>	427	427	427	0
<i>Fund Balance End of Year</i>	\$49	\$15	\$5,391	\$5,376

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Schools Grant Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$24,115	\$24,115	\$20,959	(\$3,156)
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	16,031	15,942	16,392	(450)
Purchased Services	0	793	793	0
Materials and Supplies	8,048	4,137	3,901	236
Capital Outlay	1,800	5,007	4,205	802
Total Support Services	25,879	25,879	25,291	588
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	400	400	400	0
Total Operation of Non-Instructional Services:	400	400	400	0
<i>Total Expenditures</i>	26,279	26,279	25,691	588
<i>Excess of Revenue Under Expenditures</i>	(2,164)	(2,164)	(4,732)	(2,568)
<i>Other Operating Sources</i>				
Advances In	0	0	1,000	\$1,000
<i>Net Change in Fund Balance</i>	(2,164)	(2,164)	(3,732)	(1,568)
<i>Fund Balance Beginning of Year</i>	4,020	4,020	4,020	0
Prior Year Encumbrances Appropriated	400	400	400	0
<i>Fund Balance End of Year</i>	\$2,256	\$2,256	\$688	(\$1,568)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Learn and Serve Grant Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>			Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Special:				
Purchased Services	0	50	0	50
Materials and Supplies	<u>0</u>	<u>1,100</u>	<u>1,150</u>	<u>(50)</u>
Total Instruction	<u>0</u>	<u>1,150</u>	<u>1,150</u>	<u>0</u>
Operation of Non-Instructional Services:				
Community Services:				
Other	<u>479</u>	<u>4,329</u>	<u>4,246</u>	<u>83</u>
Total Expenditures	<u>479</u>	<u>5,479</u>	<u>5,396</u>	<u>83</u>
Net Change in Fund Balance	4,521	(479)	(396)	83
Fund Balance Beginning of Year	<u>479</u>	<u>479</u>	<u>479</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$5,000</u></u>	<u><u>\$0</u></u>	<u><u>\$83</u></u>	<u><u>\$83</u></u>

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tele-com E-Rate Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$20,000	\$20,000	\$41,247	\$21,247
Expenditures				
Fiscal				
Purchased services	0	0	0	0
<i>Net Change in Fund Balance</i>	20,000	20,000	41,247	21,247
<i>Fund Balance Beginning of Year</i>	1,351	1,351	1,351	0
<i>Fund Balance End of Year</i>	\$21,351	\$21,351	\$42,598	\$21,247

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Classroom Reduction Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$134,918	\$134,918	\$119,223	(\$15,695)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	101,873	101,856	76,719	25,137
Fringe Benefits	19,525	20,898	22,993	(2,095)
Purchased Services	5,232	3,137	2,937	200
Materials and Supplies	2,703	407	407	0
Total Instruction	129,333	126,298	103,056	23,242
Support Services:				
Fiscal:				
Purchased Services	2,321	5,606	4,861	745
<i>Total Expenditures</i>	131,654	131,904	107,917	23,987
<i>Total Revenues Over Expenditures</i>	3,264	3,014	11,306	8,292
<i>Other Operating (Uses)</i>				
Advances Out	0	0	(3,000)	(3,000)
<i>Net Change in Fund Balance</i>	3,264	3,014	8,306	5,292
<i>Fund Balance Beginning of Year</i>	953	953	953	0
<i>Fund Balance End of Year</i>	\$4,217	\$3,967	\$9,259	\$5,292

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Summer School Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Tuition and Fees	\$9,000	\$9,000	\$3,706	(\$5,294)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	22,000	22,000	21,021	979
Fringe Benefits	1,200	3,200	1,164	2,036
Materials and Supplies	4,500	4,500	4,445	55
<i>Total Expenditures</i>	27,700	29,700	26,630	3,070
<i>Excess of Revenues Under Expenditures</i>	(18,700)	(20,700)	(22,924)	(2,224)
Other Financing Sources				
Operating Transfers In	20,000	20,500	22,323	1,823
<i>Net Change in Fund Balance</i>	1,300	(200)	(601)	(401)
<i>Fund Balance Beginning of Year</i>	10,832	10,832	10,832	0
<i>Fund Balance End of Year</i>	\$12,132	\$10,632	\$10,231	(\$401)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Prechool Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Tuition and Fees	\$30,000	\$30,000	\$28,800	(\$1,200)
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	22,169	72,169	42,470	29,699
<i>Net Change in Fund Balance</i>	7,831	(42,169)	(13,670)	28,499
<i>Fund Balance Beginning of Year</i>	43,323	43,323	43,323	0
<i>Prior Year Encumbrances Appropriated</i>	2,169	2,169	2,169	0
<i>Fund Balance End of Year</i>	\$53,323	\$3,323	\$31,822	\$28,499

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Band Uniform Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Interest	\$1,450	\$600	\$156	(\$444)
Expenditures				
Current:				
Extracurricular Activities:				
Academic and Subject Oriented				
Activities:				
Capital Outlay - Replacement	0	0	0	0
<i>Net Change in Fund Balance</i>	1,450	600	156	(444)
<i>Fund Balance Beginning of Year</i>	6,101	6,101	6,101	0
<i>Fund Balance End of Year</i>	\$7,551	\$6,701	\$6,257	(\$444)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Juvenile Attention Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Tuition and Fees	\$162,000	\$162,000	\$139,929	(\$22,071)
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	115,000	115,000	109,331	5,669
Fringe Benefits	41,000	41,000	40,308	692
Materials and Supplies	4,000	4,000	0	4,000
Other	7,000	10,000	9,876	124
<i>Total Expenditures</i>	167,000	170,000	159,515	10,485
Total Revenues (Under) Expenditures	(5,000)	(8,000)	(19,586)	(11,586)
Other Financing Sources				
Advances In	0	0	10,000	10,000
<i>Net Change in Fund Balance</i>	(5,000)	(8,000)	(9,586)	(1,586)
<i>Fund Balance Beginning of Year</i>	9,571	9,571	9,571	0
<i>Fund Balance End of Year</i>	\$4,571	\$1,571	(\$15)	(\$1,586)

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$87,000	\$87,000	\$86,964	(\$36)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	26,214	17,905	8,309
Purchased Services	0	2,450	0	2,450
Materials and Supplies	13,000	59,650	51,444	8,206
Other	0	4,388	4,388	0
Capital Outlay - New	0	8,771	2,267	6,504
<i>Total Expenditures</i>	13,000	101,473	76,004	25,469
<i>Net Change in Fund Balance</i>	74,000	(14,473)	10,960	25,433
<i>Fund Balance Beginning of Year</i>	8,526	8,526	8,526	0
Prior Year Encumbrances Appropriated	6,310	6,310	6,310	0
<i>Fund Balance End of Year</i>	\$88,836	\$363	\$25,796	\$25,433

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
SchoolNet Professional Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$0	\$4,142	\$4,142	\$0
Expenditures				
Current				
Instruction				
Salaries	1,110	1,110	1,110	0
Purchased Services	3,580	7,764	6,411	1,353
Total Expenditures	4,690	8,874	7,521	1,353
<i>Net Change in Fund Balance</i>	(4,690)	(4,732)	(3,379)	1,353
<i>Fund Balance Beginning of Year</i>	4,507	4,507	4,507	0
<i>Prior Year Encumbrances Appropriated</i>	225	225	225	0
<i>Fund Balance End of Year</i>	<u>\$42</u>	<u>\$0</u>	<u>\$1,353</u>	<u>\$1,353</u>

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Equipment Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	1,000	1,000	0	1,000
<i>Net Change in Fund Balance</i>	(1,000)	(1,000)	0	1,000
<i>Fund Balance Beginning of Year</i>	3,281	3,281	3,281	0
<i>Fund Balance End of Year</i>	<u>\$2,281</u>	<u>\$2,281</u>	<u>\$3,281</u>	<u>\$1,000</u>

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Schoolnet Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$35,400	\$35,400	\$28,000	(\$7,400)
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	7,287	19,687	19,551	136
Fiscal				
Purchased Services	0	43,000	35,679	7,321
Non-Instructional				
Salaries	0	4,605	4,353	252
Purchased Services	0	40	40	0
Capital Outlay	0	5,155	5,155	0
Total Non-Instructional	0	9,800	9,548	252
<i>Total Expenditures</i>	<u>7,287</u>	<u>72,487</u>	<u>64,778</u>	<u>7,709</u>
<i>Net Change in Fund Balance</i>	28,113	(37,087)	(36,778)	309
<i>Fund Balance Beginning of Year</i>	<u>37,181</u>	<u>37,181</u>	<u>37,181</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$65,294</u>	<u>\$94</u>	<u>\$403</u>	<u>\$309</u>

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Library Replacement Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Contributions and Donations	\$0	\$0	\$115	\$115
Miscellaneous	2,900	2,900	3,183	283
<i>Total Revenues</i>	2,900	2,900	3,298	398
Expenditures				
Current:				
Instructional Staff:				
Materials and Supplies	0	200	118	82
Capital Outlay				
Architecture and Engineering Services:				
Materials and Supplies	300	2,700	2,605	95
<i>Total Expenditures</i>	300	2,900	2,723	177
<i>Net Change in Fund Balance</i>	2,600	0	575	575
<i>Fund Balance Beginning of Year</i>	356	356	356	0
<i>Fund Balance End of Year</i>	\$2,956	\$356	\$931	\$575

New Philadelphia City School District
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Sales	\$421,000	\$421,000	\$432,866	\$11,866
Interest	5,000	5,000	5,460	460
Operating Grants	200,000	200,000	190,018	(9,982)
<i>Total Revenues</i>	626,000	626,000	628,344	2,344
Expenses				
Salaries:				
Food Service Operations	252,750	252,750	244,732	8,018
Fringe Benefits:				
Food Service Operations	154,100	154,100	120,018	34,082
Purchased Services:				
Food Service Operations	24,200	24,200	20,170	4,030
Materials and Supplies:				
Food Service Operations	230,000	255,000	244,891	10,109
Capital Outlay:				
Capital Outlay - New:				
Food Service Operations	6,000	6,000	0	6,000
<i>Total Expenses</i>	667,050	692,050	629,811	62,239
<i>Net Change in Fund Balance</i>	(41,050)	(66,050)	(1,467)	64,583
<i>Fund Balance Beginning of Year</i>	174,898	174,898	174,898	0
<i>Fund Balance End of Year</i>	\$133,848	\$108,848	\$173,431	\$64,583

New Philadelphia City School District
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Charges for Services	\$1,650,000	\$1,650,000	\$2,048,470	\$398,470
Expenses				
Purchased Services:				
Self Insurance	280,000	310,000	224,167	85,833
Claims:				
Self Insurance	1,800,000	1,800,000	1,758,604	41,396
<i>Total Expenses</i>	2,080,000	2,110,000	1,982,771	127,229
<i>Net Change in Fund Balance</i>	(430,000)	(460,000)	65,699	525,699
<i>Fund Balance Beginning of Year</i>	770,987	770,987	770,987	0
<i>Fund Balance End of Year</i>	\$340,987	\$310,987	\$836,686	\$525,699

New Philadelphia City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Scholarship Trust Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Interest	\$850	\$850	\$373	(\$477)
Gifts and Donations	\$35	\$35	\$1,606	\$1,571
<i>Total Revenue</i>	\$885	\$885	\$1,979	\$1,094
Expenditures				
Current:				
Operation of Non-Instructional				
Services:				
Other	1,300	2,300	1,700	600
<i>Net Change in Fund Balance</i>	(415)	(1,415)	279	1,694
<i>Fund Balance Beginning of Year</i>	13,910	13,910	13,910	0
<i>Fund Balance End of Year</i>	\$13,495	\$12,495	\$14,189	\$1,694

*New Philadelphia City School District
Statement of Changes in Assets and Liabilities
Student Managed Activities Agency Fund
For the Fiscal Year Ended June 30, 2002*

	Beginning Balance July 1, 2001	Additions	Deductions	Ending Balance June 30, 2002
<u>Assets:</u>				
Cash and Cash Equivalents	\$32,712	\$45,846	\$32,712	\$45,846
Total Assets	<u>\$32,712</u>	<u>\$45,846</u>	<u>\$32,712</u>	<u>\$45,846</u>
<u>Liabilities:</u>				
Due to Students	\$32,712	\$45,846	\$32,712	\$45,846
Total Liabilities	<u>\$32,712</u>	<u>\$45,846</u>	<u>\$32,712</u>	<u>\$45,846</u>

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**STATISTICAL
SECTION**

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New Philadelphia City School District

Statistical Section

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

New Philadelphia City School District
 General Governmental
 Revenues by Source and Expenses/Expenditures by Function
 Last Ten Fiscal Years

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
General Revenues:				
Taxes	8,853,766	8,454,881	10,778,966	7,009,799
Intergovernmental	9,746,309	9,435,150	8,513,912	6,930,745
Interest	317,177	740,838	659,524	516,664
Tuition and Fees	321,624	253,772	230,173	106,881
Extracurricular	509,925	502,410	531,131	-
Rents	11,643	24,260	1,375	4,636
Contributions	32,167	52,363	10,998	-
Customer Services	-	-	-	-
Miscellaneous	164,012	294,186	146,907	56,955
Total	<u><u>\$ 19,956,623</u></u>	<u><u>\$ 19,757,860</u></u>	<u><u>\$ 20,872,986</u></u>	<u><u>\$ 14,625,680</u></u>
Expenses/Expenditures:				
Current:				
Instruction:				
Regular	\$ 9,664,376	\$ 9,339,022	\$ 8,643,136	\$7,681,081
Special	1,465,727	1,365,324	1,255,527	1,137,576
Vocational	329,892	323,891	289,022	315,129
Adult Continuing	483	1,739	3,991	1,176
Other	97,904	50,491	-	32,045
Support Services				
Pupils	945,978	952,081	814,332	804,931
Instructional Staff	698,553	624,684	532,616	219,694
Board of Education	169,490	93,361	84,065	34,718
Administration	1,762,559	1,720,512	1,636,129	1,467,687
Fiscal	633,183	596,386	555,478	516,196
Operation and Maintenance	1,822,888	1,888,418	1,551,319	1,525,795
Pupil Transportation	800,711	976,104	717,455	639,622
Central	3,152	2,218	2,379	-
Operation of Non-Instructional	417,485	376,115	304,472	-
Extracurricular Activities	988,139	914,047	860,498	284,965
Capital Outlay	307,059	340,932	339,863	-
Debt Service	765,914	743,003	741,037	47,271
	<u><u>\$ 20,873,493</u></u>	<u><u>\$ 20,308,328</u></u>	<u><u>\$ 18,331,319</u></u>	<u><u>\$ 14,707,886</u></u>

Note: Data for 1993-95 reported on a cash basis, while 1996-2002 reported on a GAAP Basis

1993-1999 data includes General Fund, 2000-2002 data includes General Governmental Activities.

Source: School District Records

New Philadelphia City School District
 General Governmental
 Revenues by Source and Expenses/Expenditures by Function
 Last Ten Fiscal Years

<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>
8,392,530	8,307,980	8,054,469	6,706,267	6,035,362	6,036,592
6,770,311	6,587,943	6,543,872	6,173,695	6,206,873	6,173,551
480,602	373,904	229,650	193,390	86,597	103,563
134,521	109,082	123,454	40,009	54,578	46,467
-	-	-	-	-	-
272	1,095	2,269	-	-	-
-	-	-	-	-	-
-	-	1,964	-	-	-
144,072	41,019	10,934	73,456	47,332	210,657
<u>\$ 15,922,308</u>	<u>\$ 15,421,023</u>	<u>\$ 14,966,612</u>	<u>\$ 13,186,817</u>	<u>\$ 12,430,742</u>	<u>\$ 12,570,830</u>
\$7,465,131	\$7,030,507	\$6,916,733	\$6,679,809	\$6,767,244	\$6,838,962
1,008,844	965,380	963,548	903,530	771,350	711,696
330,386	316,662	305,231	292,589	275,731	241,476
1,259	-	-	-	-	-
34,036	49,104	19,140	-	-	-
557,278	635,280	609,269	630,401	575,913	506,081
455,432	285,606	276,249	241,360	222,796	240,028
6,909	22,773	41,126	43,727	86,437	160,567
1,434,915	1,342,457	1,307,459	1,212,847	1,167,778	1,071,967
446,916	482,622	431,196	395,330	378,941	355,868
1,398,915	1,434,537	1,443,002	1,398,345	1,461,092	1,263,868
637,799	611,307	549,669	533,859	488,467	657,718
-	-	-	-	-	-
-	-	-	-	-	-
269,937	226,540	208,599	195,460	173,761	176,722
-	-	-	-	-	-
47,270	35,453	44,648	-	-	-
<u>\$14,095,027</u>	<u>\$13,438,228</u>	<u>\$13,115,869</u>	<u>\$12,527,257</u>	<u>\$12,369,510</u>	<u>\$12,224,953</u>

New Philadelphia City School District
Property Tax Levies and Collections - Real and Public Utilities
Last Ten Years

Tax Year	Current Tax Levy	Current Tax Collections	Percent Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections to Current Tax Levies	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Current Tax Levy
2001	\$7,582,682	\$ 7,333,049	96.71%	\$ 81,281	\$7,414,330	97.78%	\$ 358,622	4.73%
2000	\$7,305,693	\$ 7,282,976	99.69%	\$ 72,827	\$7,355,803	100.69%	\$ 238,372	3.26%
1999	\$7,249,581	7,218,482	99.57%	78,843	7,297,325	100.66%	206,431	2.85%
1998	6,997,692	6,898,223	98.58%	70,002	6,968,225	99.58%	192,738	2.75%
1997	6,878,589	6,958,966	101.17%	72,259	7,031,225	102.22%	280,074	4.07%
1996	6,768,416	6,684,020	98.75%	161,804	6,845,824	101.14%	263,494	3.89%
1995*	6,391,075	6,395,159	100.06%	152,970	6,548,129	102.46%	302,832	4.74%
1994	5,230,290	5,050,362	96.56%	193,438	5,243,800	100.26%	294,361	5.63%
1993**	5,142,641	5,072,692	98.64%	179,843	5,252,535	102.14%	288,214	5.60%
1992	4,468,728	4,138,373	92.61%	307,960	4,446,333	99.50%	422,511	9.45%

* 1995 figures represent first year collection of 5.9 mill operating levy.

** 1993 figures represent first year collection of 3.1 mill bond levy.

Source: Tuscarawas County Auditor and Tuscarawas County Treasurer

Does not include state reimbursements of Homestead and Rollback Exemptions

Note: Outstanding Delinquent taxes cannot be calculated based on other statistical information in this table because of retroactive additions and deletions which are brought on in one lump sum.

New Philadelphia City School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Year	Real Property		Public Utility Property		Personal Property		Total		Ratio
	Assessed Value	Actual Value	Assessed Value	Actual Value	Assessed Value	Actual Value	Assessed Value	Actual Value	
2002	\$339,465,830	\$969,902,371	\$13,884,820	\$15,778,205	\$64,831,235	\$259,324,940	\$418,181,885	\$1,245,005,516	33.59%
2001	304,496,650	869,990,429	17,779,850	20,204,375	63,213,520	252,854,080	385,490,020	1,143,048,884	33.72%
2000	298,996,140	854,274,686	18,967,510	21,553,989	57,762,562	231,050,248	375,726,212	1,106,878,923	33.94%
1999	293,644,500	838,984,286	19,006,340	21,598,114	54,080,366	216,321,464	366,731,206	1,076,903,864	34.05%
1998	240,231,180	686,374,800	19,312,180	21,945,659	52,359,925	209,439,700	311,903,285	917,760,159	33.99%
1997	235,036,790	671,533,686	20,472,830	23,264,580	51,733,546	206,934,184	307,243,166	901,732,450	34.07%
1996	229,734,770	656,385,057	20,892,680	23,741,682	44,500,120	178,000,480	295,127,570	868,127,219	34.39%
1995	198,487,960	567,108,457	22,424,340	25,482,205	40,997,061	163,988,244	261,909,361	756,578,906	34.62%
1994	194,002,350	554,292,429	21,947,790	24,940,670	39,404,462	157,617,848	255,354,602	736,850,947	34.65%
1993	191,648,990	547,568,543	21,116,610	23,996,148	40,095,876	160,383,504	252,861,476	731,948,195	34.55%

Source: Tuscarawas County Auditor

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

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>
New Philadelphia City Schools	\$42.15	\$42.25	\$42.30	\$42.30	\$42.80	\$42.80	\$42.80	\$43.40	\$43.40	\$37.50
<u>Tuscarawas County:</u>										
County	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
Mental Retardation Board	4.90	4.90	4.90	4.90	3.00	3.00	3.00	3.00	3.00	3.00
Senior Citizens	0.50	0.50	0.50	0.50	0.50	-	-	-	-	-
Community Mental Health	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Buckeye Career Center	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	1.80
City of New Philadelphia	9.67	9.67	9.67	9.67	9.67	9.67	9.67	9.67	9.67	10.49
Village of Stone Creek	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90
Tuscarawas County Library	0.44	0.44	0.44	0.44	0.40	0.60	0.60	0.60	0.60	0.60
<u>Townships:</u>										
Auburn Township	5.90	5.90	5.90	5.90	5.90	5.90	3.40	3.40	3.40	3.40
Bucks Township	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Clay Township	7.05	7.05	7.05	7.05	7.05	7.05	6.80	6.80	6.80	6.80
Dover Township	4.90	4.90	4.90	4.90	4.90	4.90	4.40	4.40	4.40	4.40
Fairfield Township	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40
Goshen Township	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80
Jefferson Township	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	7.30
Warwick Township	5.30	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80	4.80
York Township	5.90	5.90	5.90	5.90	5.90	6.90	6.90	6.90	6.90	6.90

Source: Tuscarawas County Auditor

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

Year	Population	Assessed Value	Gross Bonded Debt	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2002	17,056	\$ 418,181,885	\$ 7,120,000	\$ 503,081	\$6,616,919	0.02	\$387.95
2001	17,056	385,490,020	7,350,000	424,209	6,925,791	0.02	406.06
2000	17,056	375,726,212	7,615,000	398,401	7,216,599	0.02	423.11
1999	15,698	366,731,206	7,830,000	366,731	7,463,269	0.02	475.43
1998	15,698	311,903,285	8,035,000	313,094	7,721,906	0.02	491.90
1997	15,698	307,243,166	8,230,000	254,003	7,975,997	0.03	508.09
1996	15,698	295,127,570	8,420,000	358,121	8,061,879	0.03	513.56
1995	15,698	261,909,361	8,605,000	167,839	8,437,161	0.03	537.47
1994	15,698	255,354,602	8,785,000	143,856	8,641,144	0.03	550.46
1993	15,698	252,861,476	8,810,000	9,721	8,800,279	0.03	560.60

Source: District Treasurer Records, Tuscarawas County Auditor and Bureau of the Census

Note: Population includes City of New Philadelphia only.

New Philadelphia City School District
 Computation of Legal Debt Margin
 June 30, 2002

	<u>Voted Debt Margin</u>	<u>Unvoted Debt Margin</u>
Assessed Value	<u>\$418,181,885</u>	<u>\$418,181,885</u>
Debt Limitation(1)	37,636,370	418,182
Total Outstanding Debt June 30, 2001 General Obligation Bonds - Voted	<u>7,120,000</u>	<u>7,120,000</u>
Total Outstanding Debt	<u>7,120,000</u>	<u>7,120,000</u>
Less Debt Exempt from Limitation: General Obligation Bonds - Voted	<u>-</u>	<u>7,120,000</u>
Net Debt Applicable to Debt Limitation	7,120,000	-
Amount Available in Debt Service Fund	503,081	-
Total Legal Debt Margin	<u>\$31,019,451</u>	<u>\$418,182</u>

Source: Tuscarawas County Auditor's Office and School District Records

(1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

New Philadelphia City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 June 30, 2002

<u>Political Subdivision</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable To District</u>	<u>Amount Applicable To District</u>
New Philadelphia City School District	\$7,120,000	100%	\$7,120,000
City Of New Philadelphia	<u>3,865,057</u>	100%	<u>3,865,057</u>
Total	<u><u>\$10,985,057</u></u>		<u><u>\$10,985,057</u></u>

Percentages are determined by dividing the assessed valuation of the political subdivision within the School District by the total assessed valuation of the subdivision.

The valuations used are for the 2001 tax year

Source: District records and Tuscarawas County Auditor's Office

New Philadelphia City School District
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total General Government Expenditures
Last Ten Years

<u>Year</u>	<u>Principal</u>	<u>Interest and Fiscal Charges</u>	<u>Total Debt Service</u>	<u>Total General Government Expenditures</u>	<u>Ratio of Debt Service to Total General Fund Expenditures</u>
2002	\$ 260,000	\$ 448,290	\$ 708,290	\$ 20,873,493	3.39%
2001	235,000	464,254	699,254	20,308,328	3.44%
2000	215,000	478,766	693,766	18,331,319	3.78%
1999	205,000	492,311	697,311	14,707,886	4.74%
1998	195,000	505,211	700,211	14,095,027	4.97%
1997	190,000	517,628	707,628	13,438,228	5.27%
1996	185,000	529,721	714,721	13,115,869	5.45%
1995	180,000	541,493	721,493	12,527,257	5.76%
1994	-	547,297	547,297	12,369,510	4.42%
1993	25,000	387,399	412,399	12,224,953	3.37%

Source: District Treasurer

New Philadelphia City School District
Property Values, Bank Deposits, Construction Activity, and Population
Last Ten Years

<u>Year</u>	<u>Assessed Value Real and Personal Property (1)</u>	<u>Tuscarawas County Bank Deposits (2)</u>	<u>Number of Building Permits Issued (3)</u>	<u>Population (4)</u>
2002	\$ 418,181,885	N/A	N/A	17,056
2001	385,490,020	\$ 222,631,000 (5)	289	17,056
2000	375,726,212	211,927,000 (5)	451	17,056
1999	366,731,206	162,185,000 (5)	432	15,698
1998	311,903,285	222,464,000 (5)	417	15,698
1997	307,243,166	205,749,000 (5)	362	15,698
1996	295,127,570	407,639,000	324	15,698
1995	261,909,361	402,359,000	363	15,698
1994	255,354,602	383,091,000	383	15,698
1993	252,861,476	371,710,000	329	15,698

(1) Source: Tuscarawas County Auditor.

(2) Source: Federal Reserve Bank of Cleveland, Ohio.

(3) Source: City of New Philadelphia, Office of the Service Director.

(4) Source: Bureau of the Census, includes City of New Philadelphia only.

(5) Certain Bank Deposits are not included due to reorganizations.

N/A Not Available

New Philadelphia City School District
Principal Taxpayers
June 30, 2002

Taxpayer	Type	Total Assessed Valuation	Percent of Total District Assessed Valuation
Gradall Company	Manufacturer	\$ 17,942,478	4.29%
Glimcher Properties	Retail	16,938,980	4.05%
General Telephone Company	Public Utility	10,114,780	2.42%
Ohio Power Company	Public Utility	7,953,080	1.90%
Lowes Inc	Retail	3,334,210	0.80%
Betz Laboratories	Manufacturer	3,234,870	0.77%
Stone Container	Manufacturer	3,024,030	0.72%
East Ohio Gas	Public Utility	3,014,450	0.72%
Joy/Green Fan	Manufacturer	2,883,130	0.69%
Timken Company	Manufacturer	2,119,440	0.51%
Totals		<u>\$ 52,616,970</u>	<u>12.58%</u>
Total School District Valuation		<u>\$ 418,181,885</u>	

Source: Tuscarawas County Auditor

New Philadelphia City School District
 Ten Largest Employers
 June 30, 2002

Employer	Nature of Business	Number of Employees
County	Government	740
Gradall	Construction Equipment	700
New Philadelphia City Schools	School	365
Stone Container Corporation	Paper Products	350
Mansfield Journal Company	Newspaper Publisher	250
Lauren Manufacturing	Sealants/Molds	210
Joy/Green Fan	Industrial Fans	200
City of New Philadelphia	Government	195
Starlight Enterprises	Sheltered Workshop	190
Timken Company	Roller Bearings	155

Source: the 1996 Ohio Industrial Directory, published by Harris Publishing Company.

New Philadelphia City School District
Demographic Statistics
Last Nine Years

Year	Population New Philadelphia City (1)	School District Median Income	School District Attendance Rate	Total School Enrollment	Expenditure Per Pupil	Student Dropout Rate	Tuscarawas County Unemployment Rate (2)
2001	17,056	N/A	94.8%	3,162	\$ 6,461	3.80%	4.8%
2000	17,056	\$ 27,168	94.8%	3,228	5,700	3.70%	4.8%
1999	17,056	27,168	94.6%	3,252	5,047	3.70%	4.6%
1998	15,698	23,844	94.9%	3,273	4,929	2.35%	4.7%
1997	15,698	21,428	94.9%	3,349	4,832	4.40%	4.9%
1996	15,698	20,538	94.4%	3,407	4,451	4.40%	5.5%
1995	15,698	20,540	95.0%	3,479	4,281	5.20%	5.3%
1994	15,698	20,142	94.5%	3,506	4,231	3.80%	6.3%
1993	15,698	20,381	94.3%	3,497	4,041	3.10%	5.9%

(1) Data from Bureau of the Census

(2) Data from Ohio Bureau of Employment Services.

Source: Ohio Department of Education District Profiles 1993 to 2001 (latest available)

Only 9 years of data is available



STATE OF OHIO
OFFICE OF THE AUDITOR

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NEW PHILADELPHIA CITY SCHOOL DISTRICT

TUSCARAWAS 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
DECEMBER 10, 2002**