



**Auditor of State
Betty Montgomery**

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

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**OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2003**

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						
(Passed through Ohio Department of Education)						
Nutrition Cluster:						
Food Distribution Program	N/A	10.550		\$16,908		\$17,436
National School Lunch Program	LL-P4-02	10.555	5,153		5,153	
	LL-P4-03		11,265		11,265	
Total National School Lunch Program			16,418		16,418	
Special Milk Program	02-PU-02	10.556	73		73	
	02-PU-03		234		234	
Total Special Milk Program			307		307	
Total U.S. Department of Agriculture - Nutrition Cluster			16,725	16,908	16,725	17,436
U.S. Department of Education						
(Passed through Ohio Department of Education)						
Title I - Education Consolidation Improvement Act	C1-S1-02	84.010	7,692		10,548	
	C1-S1-03		30,603		30,382	
Total Title I			38,295		40,930	
Title VI-B - Education of Handicapped Act	6B-SF-02	84.027	36,897		66,703	
	6B-SF-03		127,747		90,651	
Total Title VI-B			164,644		157,354	
Drug Free Schools	DR-S1-02	84.186			1,130	
	DR-S1-03		897		905	
Total Drug Free Schools			897		2,035	
Math Science Subsidy	MS-S1-01	84.281	504		3,309	
	MS-S1-02		539		6,531	
Total Math/Science Subsidy			1,043		9,840	
Innovative Education Program	C2-S1-01	84.298			4,861	
	C2-S1-02		3,475		3,670	
	C2-S1-03		78		78	
Total Innovative Education Program			3,553		8,609	
Technology Literacy Challenge Grant	TJ-S1-03	84.318	402		220	
Class Size Reduction Subsidy	CR-S1-02	84.340	6,019		7,405	
Assistive Technology Grant	AT-S2-02	84.352A	4,524		4,542	
	AT-S3-02		24,961		16,944	
	AT-S4-03		3,697			
Total Assistive Technology Grant			33,182		21,486	
Improving Teacher Quality Grant	TR-S1-03	84.367	27,866		25,521	
(Passed through Centerville City School District)						
Carl Perkins Grant	N/A	84.048	9,536		8,601	
Total U.S. Department of Education			285,437		282,001	
U.S. Department of Health & Human Services						
(Passed through Montgomery County Educational Service Center)						
Medicaid	N/A	93.778	3,494		3,494	
Total Federal Programs			\$305,656	\$16,908	\$302,220	\$17,436

See accompanying notes to the Schedule of Federal Awards Expenditures.

**OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2003**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

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



Auditor of State Betty Montgomery

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

Oakwood City School District
Montgomery County
20 Rubicon Road
Dayton, Ohio 45409

To the Board of Education:

We have audited the financial statements of Oakwood City School District, Montgomery County (the District), as of and for the year ended June 30, 2003 and have issued our report thereon dated January 20, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2003-001 thru 2003-003. We also noted immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated January 20, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered 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 a matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. 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 condition is described in the accompanying schedule of findings as item 2003-004.

**Internal Control Over Financial Reporting
(Continued)**

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe that the reportable condition described above is a material weakness. 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 January 20, 2004.

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



Betty Montgomery
Auditor of State

January 20, 2004



Auditor of State Betty Montgomery

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

Oakwood City School District
Montgomery County
20 Rubicon Road
Dayton, Ohio 45409

To the Board of Education:

Compliance

We have audited the compliance of Oakwood City School District, Montgomery County (the District), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2003. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003

Internal Control Over Compliance

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

**Internal Control Over Compliance
(Continued)**

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

Schedule of Federal Awards Expenditures

We have audited the basic financial statements of the District as of and for the year ended June 30, 2003, and have issued our report thereon dated January 20, 2004. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

January 20, 2004

**OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 §.505
FISCAL YEAR ENDED JUNE 30, 2003**

1. SUMMARY OF AUDITOR'S RESULTS
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(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Title I, Education Consolidation Improvement Act: CFDA # 84.010 Title VI-B, Education of Handicapped Act: CFDA # 84.027
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

FINDING NUMBER 2003-001

Noncompliance

Ohio Rev. Code Section 5705.41(B) requires that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

The following funds and line items had material expenditures in excess of amounts appropriated at May 31, 2003:

<u>Fund/Function/Object</u>	<u>Appropriated</u>	<u>Expended</u>	<u>Variance</u>
<u>General Fund:</u>			
Instruction			
Regular			
Purchased Services	\$213,985	\$327,752	(\$113,767)
Support Services			
Operation and Maintenance of Plant	522,229	686,540	(164,311)
Purchased Services			
Central Services			
Purchased Services	127,556	354,092	(226,536)
<u>Title VI-B Fund</u>	105,138	259,612	(154,474)
<u>Permanent Improvement Fund:</u>			
Architecture and Engineering			
Purchased Services	52,240	188,465	(136,225)
Building Improvement Services			
Other	15,000	128,064	(113,064)
<u>Building Fund:</u>			
Capital Outlay			
Architecture and Engineering			
Purchased Services	0	1,917,853	(1,917,853)
Debt Service			
Interest and Fiscal Charge	0	143,213	(143,213)
Other Financing Sources (Uses)			
Transfers Out	0	214,859	(214,859)

**FINDING NUMBER 2003-001
 (Continued)**

The following funds and line items had expenditures in excess of amounts appropriated at June 30, 2003:

<u>Fund/Function/Object</u>	<u>Appropriated</u>	<u>Expended</u>	<u>Variance</u>
<u>General Fund:</u>			
Instruction			
Regular			
Salaries and Wages	\$6,562,300	\$6,574,444	(\$12,144)
Other			
Purchased Services	88,000	92,724	(4,724)
Support Services			
Pupils			
Other	152,000	158,811	(6,811)
<u>Safe School Help Line Fund:</u>	3,100	4,555	(1,455)
<u>Carl Perkins Grant Fund:</u>	5,700	9,100	(3,400)
<u>Miscellaneous Federal Grants Fund:</u>	30,000	34,449	(4,449)
<u>Permanent Improvement Fund:</u>			
Capital Outlay			
Architecture and Engineering			
Purchased Services	187,240	188,465	(1,225)
<u>Building Fund:</u>			
Capital Outlay			
Site Improvement Services			
Purchased Services	38,000	44,435	(6,435)
Building Improvement Services			
Purchased Services	483,000	657,255	(174,255)

Other lesser variances were also noted.

The District should develop and implement procedures to properly monitor its budgetary activity as it relates to appropriations and expenditures. This will enable the District to comply with budgetary requirements, and make necessary amendments to the budget or to actual spending to reduce the possibility of overspending available funds.

FINDING NUMBER 2003-002

Noncompliance

Ohio Rev. Code Section 5705.39 states that the total appropriation from each fund should not exceed the total estimated resources for the respective fund. Further, no appropriation measure is to become effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate of resources.

**FINDING NUMBER 2003-002
 (Continued)**

The following funds had appropriations in excess of estimated resources at October 31, 2002:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Variance</u>
<u>General Fund</u>	\$16,573,768	\$19,343,451	(\$2,769,683)
<u>Special Revenue Funds</u>			
Food Service	190,226	232,300	(42,074)
Career Education	55,339	56,000	(661)
Latchkey	310,094	360,000	(49,906)
District Managed Activities	141,541	169,000	(27,459)
Ohio Reads	1,917	3,100	(1,183)
Safe School Help Line	536	1,600	(1,064)
Title VI-B	(78,384)	47,000	(125,384)
Title I	25,889	35,300	(9,411)
Title VI	9,888	10,200	(312)
Title VI-R	1,386	12,400	(11,014)
Misc. Federal Grants	(5,103)	5,600	(10,703)
<u>Debt Service Fund</u>			
Bond Retirement	1,650,930	2,297,000	(646,070)
<u>Capital Projects Funds</u>			
Permanent Improvement	210,390	242,100	(31,710)
SchoolNet	22,148	33,500	(11,352)

The following funds had appropriations in excess of estimated resources at June 30, 2003:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Variance</u>
<u>General</u>	\$16,573,768	\$19,526,100	(\$2,952,332)
<u>Special Revenue Funds</u>			
Food Service	190,226	230,900	(40,674)
Career Education	55,339	74,300	(18,961)
District Managed Activities	141,541	162,000	(20,459)
Ohio SchoolNet	0	10,400	(10,400)
Ohio Reads	1,917	5,200	(3,283)
Safe School Help Line	536	3,100	(2,564)
Eisenhower Grant	9,551	10,000	(449)
Title VI-B	(78,384)	260,000	(338,384)
Carl Perkins Grant	0	5,700	(5,700)
Title I	25,889	41,000	(15,111)
Title VI-R	26,386	35,900	(9,514)
Misc. Federal Grants	(5,103)	30,000	(35,103)
<u>Debt Service Fund</u>			
Bond Retirement	1,650,930	22,839,000	(21,188,070)
<u>Capital Projects</u>			
Permanent Improvement	210,390	497,100	(286,710)
Building Fund	0	23,178,000	(23,178,000)
SchoolNet	22,148	28,900	(6,752)

The District should develop and implement procedures to properly develop and monitor its budgetary expectations relating to appropriations and available resources. When changes in funding become apparent, the District should amend its certificate and appropriations accordingly. This would enable the District to comply with budgetary requirements, and make necessary amendments to the budget or actual spending to reduce the possibility of overspending available funds.

FINDING NUMBER 2003-003

Noncompliance

Ohio Rev. Code Section 5705.10 states that monies paid into any fund shall be used only for the purpose such fund was established. The existence of a deficit balance in any fund indicates that money from another fund or funds have been used to pay the obligations of the fund or funds carrying the deficit balance.

Several negative fund balances were noted throughout the year per review of the District's monthly financial reports. They were as follows:

Fund & Month	Balance	Fund & Month	Balance
Bond Retirement		Title VI	
October 2002	(\$69,304)	October 2002	(\$9,155)
June 2003	(717,671)	March 2003	(9,098)
Food Service		June 2003	(9,307)
October 2002	(14,005)	Drug Free Schools	
March 2003	(10,802)	October 2002	(902)
June 2003	(25,731)	March 2003	(1,942)
Safe School		June 2003	(2,837)
October 2002	(1,327)	Misc. Federal Grants	
Eisenhower Grant		October 2002	(5,103)
October 2002	(377)	School Net	
March 2003	(209)	October 2002	(35,049)
June 2003	(209)	March 2003	(62,749)
Title VI-B		June 2003	(63,901)
October 2002	(102,082)	Permanent Improvement	
March 2003	(94,501)	October 2003	(11,421)
June 2003	(74,954)		
Title I			
October 2002	(4,459)		
March 2003	(12,639)		
June 2003	(9,747)		

The District should develop and implement procedures to routinely monitor fund cash balances to prevent the inappropriate or illegal use of funds. When expenditures are anticipated to temporarily exceed available resources, the District may consider using advances from the General Fund, or changing spending from the affected funds. This will help in financial decision making by reducing the possibility of overspending available resources and help prevent using resources inappropriately.

FINDING NUMBER 2003-004

Capital Asset Records

The District did not have a formal capital asset policy and testing of Capital Assets noted the following exceptions:

- a. The District did not book \$21,239 in expenditures that qualified under the criteria for capitalization which amounted to 7% of the capital asset additions.
- b. The District reported capital assets as of December 9, 2003 instead of June 30, 2003 which resulted in net assets being understated by \$149,127 and an adjustment to the financial statements.
- c. The District had depreciable capital assets that were not depreciated, which resulted in net assets being overstated by \$24,172.
- d. Different useful lives were used for the same kind of capital assets. For example, the same kind of cafeteria tables had useful lives of 15 and 20 years, respectively.
- e. Capital asset deletions per Detail Schedule of Changes in Fixed Assets by Class for 2003 were still in the Book Value Report for June 2003.
- f. A mower purchased during 2001 was recorded with a useful life of 30 years.
- g. The District purchased the Lange Elementary School building during fiscal year 2000 for \$1,005,000, including renovation costs. During 2003, the capitalized cost was reallocated among all building and Lange Elementary was reallocated at only \$46,995, instead of at the historical cost. The difference in the cost and the allocated amount was assigned to other buildings, which were nearly completely depreciated because of their age. Allocation of Lange School cost to other buildings resulted in overstatement of accumulated depreciation and required adjustment to the financial statements.
- h. The District had \$2,675,329 in Buildings that were fully depreciated as of June 30, 2003 which were still being utilized.

A capital asset policy should be developed and adopted that includes guidance on capitalization of assets for consistency regarding capitalization amounts, depreciation methods, useful lives, timely posting of fixed asset additions and deletions, period physical inventory and correction of discrepancies to provide for consistency in accounting for and reporting of capital assets. Additionally, the District should re-evaluate the useful lives of its buildings since the useful lives are exceeding the estimated useful life of 50 years, or the district should disclose these buildings and amounts in the notes to financial statements.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

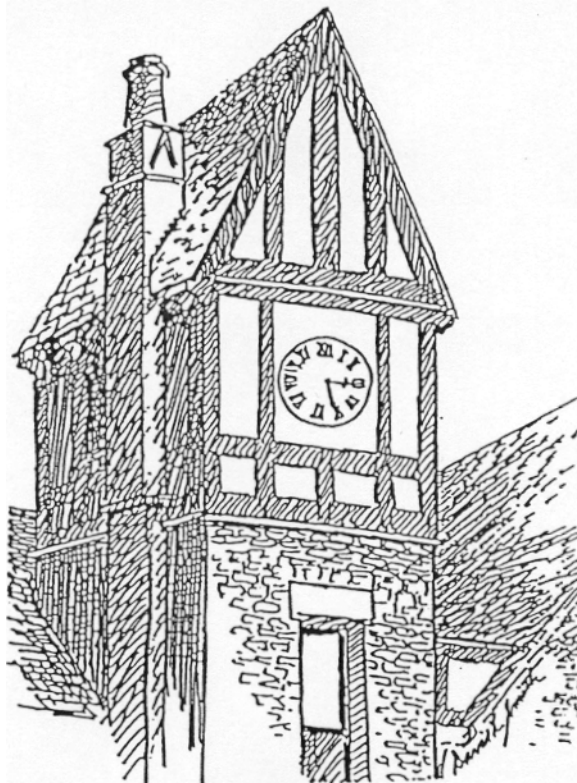
**OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
FISCAL YEAR ENDED JUNE 30, 2003**

Finding Number	Finding Summary	Fully <u>Corrected</u> ?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No <u>Longer Valid</u> ; <u>Explain</u> :
2002-10357-001	ORC Sec. 5705.41(D) - Failure to properly certify expenditures	No	Significant corrective was action taken, therefore no citation was issued during this audit.
2002-10357-002	ORC Sec. 5705.39 - Appropriations in excess of estimated resources.	No	Will be repeated as Finding 2003-002
2002-10357-003	ORC Sec. 5705.10 - Incurring deficit cash fund balances	No	Will be repeated as finding 2003-003
2002-10357-004	Inaccurate Fixed Asset Records	No	Will be repeated with additional comments as finding 2003-004

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INTRODUCTORY SECTION



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**OAKWOOD CITY
SCHOOL DISTRICT**

20 RUBICON ROAD, DAYTON, OHIO 45409

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Oakwood City School District
Montgomery County, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2003

Issued By:
Treasurer's Office

Kevin Philo
Treasurer

OAKWOOD CITY SCHOOL DISTRICT

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Board of Education

Oakwood City School District

20 Rubicon Road, Dayton, OH 45409

Voice: (937) 297-5332

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BOARD OF EDUCATION

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Director of Curriculum

January 20, 2004

The Citizens of Oakwood and the Board of Education
Oakwood City School District

It is my honor to present the Comprehensive Annual Financial Report (CAFR) for the Oakwood City School District. This report provides full disclosures of the financial operations of the School District for the fiscal year ended June 30, 2003. The CAFR, which includes an opinion from the Auditor of State of Ohio, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the management of the School District. To the best of our knowledge and belief, the data presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School District. This report will provide the taxpayers, employees, parents, and other parties interested in the operation of the Oakwood City School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be available to the Chamber of Commerce, major commercial and personal property taxpayers, the Wright Public Library, the Oakwood Schools Education Foundation, banking institutions and other interested parties.

The CAFR is composed of three distinct sections. The introductory section includes the title page, table of contents, this letter of transmittal, list of principal officials, an organizational chart, the GFOA Certificate of Achievement For Excellence in Financial Reporting, and the ASBO Certificate of Excellence in Financial Reporting. The financial section includes the report of independent auditors', the basic financial statements and explanatory notes, and the combining statements for nonmajor funds and other schedules that provide detailed information relative to the financial statements. The statistical section includes various tables reflecting social and economic information, financial trends and fiscal capacity of the School District.

THE SCHOOL DISTRICT

The School District is located in the City of Oakwood in Montgomery County. The City of Oakwood is located immediately south of the City of Dayton and adjacent to the University of Dayton. The City of Oakwood encompasses 2.97 square miles and the population is 9,215. Currently, the enrollment at the School District is 2,012.

The citizens of the City of Oakwood have voted in 95.05 mills for operating funds with an effective millage rate of 37.448 as of January 2003. A bond issue of \$20.2 million was approved in November 2002 for the renovation of school facilities. The effective millage of the bond issue was 4.38 as of June 30, 2003.

The Oakwood City School District offers a wide range of courses. The students also have a wide range of extra-curricular activities from which to choose.

THE REPORTING ENTITY

Oakwood City School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement Number 14, "The Financial Reporting Entity." In evaluating how to define the District for financial reporting purposes, management has considered all funds, departments, boards, organizations, and agencies making up the Oakwood City School District, the primary government. Numerous entities conduct their activities within the School District's boundaries but these entities have been excluded from the financial statements. The School District cannot legally access their resources; the School District has no obligation to finance deficits or provide financial support to them; and the School District is not obligated for their debts.

SERVICES PROVIDED

The School District provides a wide variety of instruction and support services as mandated by state statute or public desire. These services include regular instruction, special instruction, vocational instruction, student guidance services, and extracurricular activities. Support services are necessary to complete the educational process. These services include administration, technical, and other community services. Other activities include uniform school supply sales, food service operation, and a latchkey program. Uniform school supply sales consist of workbooks used by the students. The food service operation provides an opportunity for the children to receive a hot meal every school day, and the latchkey program provides care for School District students before and after school, during the summer, and during winter and spring breaks.

ORGANIZATION OF THE SCHOOL DISTRICT

The first official body designated as the Oakwood City Board of Education was formed in 1907. Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised code for the purpose of providing educational services authorized by charter and further mandated by State and/or Federal Agencies.

A five member Board of Education serves as the taxing authority, contracting body and policy maker for the School District. The Board adopts the annual operating budget and approves all expenditures of School District funds.

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

ECONOMIC CONDITION AND OUTLOOK

The City of Oakwood consists of 93 percent residential properties. No industrial operations are permitted within the city. Many of the residents are involved in business and professional careers. Given this fact, residential property values, which are the basis for most of the Oakwood City School District's revenues, have significantly increased in the past. The School District, along with many other public schools in the state, relies heavily on local property tax as a primary source of funds. Ohio law limits the growth in real estate revenues by reducing millage as assessed values increase following re-appraisals. Consequently, revenues generated from each levy remain relatively constant. As a result, the District must periodically seek additional funding from its taxpaying constituents. While statewide, voters have proved reluctant to increase their property taxes, the Oakwood City School District has received positive support from its taxpayers. The economic condition of the School District remains very strong and is projected to remain as such.

MAJOR INITIATIVES AND ACCOMPLISHMENTS FOR THE SCHOOL DISTRICT

Major accomplishments at Oakwood City Schools are nothing new to this School District. The Oakwood City School District prides itself on being one of the top performing public school districts in the State of Ohio and is working to continue that tradition. Some interesting facts about the District are:

- In 2003, the Oakwood City School District was one of a very few in the State of Ohio to meet all 27 of 27 State Indicators of Excellence.
- Five year postgraduate surveys indicate that over 90 percent of Oakwood graduates complete college.
- The dropout rate for Oakwood students is less than two percent per year.
- Over 80 percent of the secondary students participate in sports or co-curricular activities.
- The percentages of students passing the ninth grade proficiency tests are consistently one of the tops in the state.
- The school district voters in May 2002 approved a 6 mill operating levy with 69 percent approval. In November 2002, the Oakwood voters approved a 20.2 million dollar bond issue for facility additions and improvements with 65 percent of the vote and also passed a Permanent Improvement Renewal levy with 72 percent approval. The voters in Oakwood have consistently valued excellent education and shown their overwhelming support at the polls.
- The school district opened up their newest building in August 2000 for kindergarten, latchkey and preschool programs due to a generous \$1,000,000 donation by an alum in the summer of 2000.
- The school district built an ornamental garden complete with bronze statues to honor a long time educator, built a fiber optic infrastructure and upgraded technology throughout the district due to a generous \$1,000,000 donation by an alum in the summer of 2001.

ACCOUNTING, INTERNAL CONTROL AND FINANCIAL REPORTING

Internal Accounting and Budgetary Control

The School District's accounting system is organized on a "fund" basis. Each fund is a self-balancing accounting entity. 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 (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The 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 either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted once the County Auditor has completed the tax duplicate for the upcoming calendar year, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates. State law permits the School District to make adjustments to estimated revenues and appropriations at any time prior to year-end.

All disbursements and transfers of cash between funds require appropriation authority from the Board of Education. Budgets for each of the different funds are controlled at various levels within each fund. All purchase order requests must be approved by the individual program managers and certified by the Treasurer, necessary funds are then encumbered and purchase orders released to vendors.

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 supplemental appropriations made to date.

As an additional safeguard, all employees involved with receiving and depositing funds are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher bond.

The basis of accounting and the various funds utilized by the Oakwood City School District are fully described in the notes to the basic financial statements. Additional information on the School District's budgetary accounts can also be found in the notes to the basic financial statements.

FINANCIAL CONDITION

This is the first 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 creates 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.

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 presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

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

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is located in the financial section of this report following the audit opinion, and provides an assessment of the District finances for fiscal year 2003.

DEBT ADMINISTRATION

At June 30, 2003, there was \$20,200,000 in general obligation bonds outstanding for the purpose of renovating existing school facilities. The tax anticipation notes outstanding at June 30, 2003, totaled \$1,024,000. The tax anticipation notes are being paid from the General Fund from property tax revenues.

The overall debt limit in the State of Ohio is nine percent of assessed value; the energy conservation debt limit is .90 percent of assessed value; and the unvoted debt limit is .10 percent of assessed value. The School District's overall legal debt margin was \$4,854,488, the energy conservation debt margin was \$2,504,449 and the unvoted debt margin was \$278,383 at June 30, 2003.

CASH MANAGEMENT

The Board of Education has an aggressive cash management program, which consists of expediting the receipt of revenues and prudently depositing available cash in financial institutions where it is collateralized by obligations of the United States Government or the State of Ohio or insured by the Federal Deposit Insurance Corporation. The total amount of interest earned in the General Fund was \$134,098 for the year ended June 30, 2003. The figure in the General Fund is higher than in the previous fiscal year due to more cash on hand for investment purposes. Also, the Building Capital Projects Fund received interest of \$167,263 and the various nonmajor governmental funds received interest of \$1,356.

The Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets provides protection of the School District's deposits. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

RISK MANAGEMENT

The School District constantly faces the risk of loss of assets by fire, storm, theft, accident or other catastrophes. Generally, the School District shifts the burden of such losses by entering into a casualty insurance contract whereby an insurance company, in consideration of a premium payment, assumes the risk of all or a portion of these losses. The Indiana Insurance Agency provides property insurance coverage. Indiana Insurance also provides general liability insurance and vehicle insurance coverage.

The School District is a member of the Ohio School Boards Association Workers' Compensation Group Rating Plan, which has reduced the yearly State Workers' Compensation rate.

INDEPENDENT AUDIT

Provisions of State statute require that the School District's financial statements be subjected to an annual audit by an independent auditor. Those provisions have been satisfied, and the opinion of the Auditor of State's office is included herein.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The School District adopted and has been in conformance with that system effective with its annual financial report for the 1979 calendar year.

AWARDS

GFOA Certificate of Achievement

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

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ASBO Certificate

The Association of School Business Officials international (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2002, to the Oakwood City School District.

This award certifies that the Comprehensive Annual Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. This was the sixth year that the School District has received this prestigious award.

Management believes that the Comprehensive Annual Financial Report for the current year, which will be submitted to ASBO for review, will again conform to ASBO's principles and standards.

ACKNOWLEDGMENTS

The publication of this seventh Comprehensive Annual financial Report for the Oakwood City School District is a major step in reinforcing the accountability of the School District to the taxpayers of the community.

We wish to express appreciation to the members of the Oakwood City School District Board of Education for supporting us in this endeavor and to the staff of the Treasurer's Office and various administrators and employees of the Oakwood City School District who contributed their time and effort to complete this project.

As always, a special thank you is given to the taxpayers, voters, parents and community, who demonstrate their continuing faith in the Oakwood City School District.

Respectfully Submitted,

Kevin S. Philo, Treasurer

Dr. Judy Hennessey, Superintendent

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
LIST OF PRINCIPAL OFFICIALS
June 30, 2003

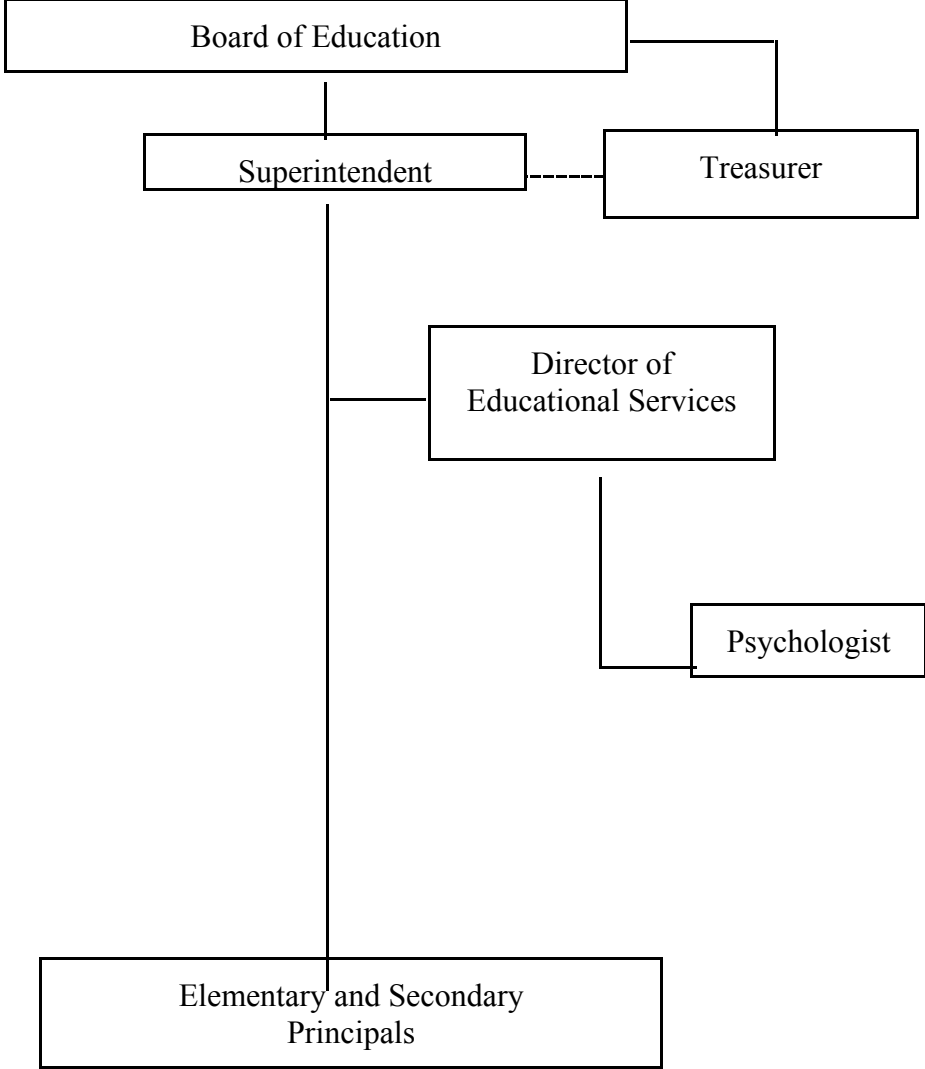
Elected Officials

President, Board of Education Dr. William Martin
Vice President, Board of Education Dr. James Uphoff
Board Member Nancy Dankof
Board Member Thomas Mays
Board Member Beth Merritt

Administrative Officials

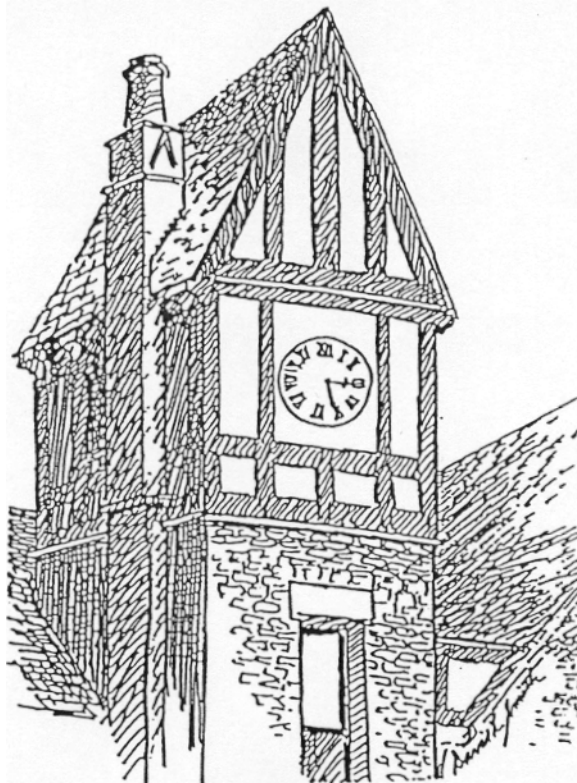
Superintendent Dr. Judy Hennessey
Treasurer Kevin Philo
Director of Educational Services Kathleen Johnson
Director of Curriculum, Instruction, and Assessment Dr. Mary Jo Scalzo

ORGANIZATIONAL CHART



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FINANCIAL SECTION



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**OAKWOOD CITY
SCHOOL DISTRICT**

20 RUBICON ROAD, DAYTON, OHIO 45409

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANT'S REPORT

Oakwood City School District
Montgomery County
20 Rubicon Road
Dayton, Ohio 45409

To the Board of Education:

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Oakwood City School District, Montgomery County, Ohio, as of June 30, 2003, and the respective changes in financial position, and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2003, the District implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*.

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

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

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www.auditor.state.oh.us

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

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

Betty Montgomery
Auditor of State

January 20, 2004

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

The discussion and analysis of the Oakwood City School District's financial performance provides an overview and analysis of the School District's financial activities for the fiscal year ended June 30, 2003. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review our letter of transmittal, notes to the basic financial statements and the financial statements themselves to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standard Board (GASB) in their Statements No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government" issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. Considering the financial resources necessary to prepare this information for the prior year, and that the GASB Statement No. 34 permits the omission of the comparative information in the first year of adoption of the new reporting model, the School Board has elected to exclude the information in this report. Subsequent reports will include the comparative information.

Financial Highlights

- ▶ The assets of Oakwood City School District exceeded its liabilities at June 30, 2003 by \$516,996. Of this amount, \$3,070,203 represents the difference between capital assets and related debt and net asset amounts restricted for specific purposes. The remaining deficit amount represents unrestricted net assets.
- ▶ In total, net assets of governmental activities increased by \$519,660, which represents a 19506.8 percent increase from 2002.
- ▶ General revenues accounted for \$18,130,481 or 94.7 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$1,012,793 or 5.3 percent of total revenues of \$19,143,274.
- ▶ The School District had \$18,623,614 in expenses related to governmental activities; only \$1,012,793 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes and grants and entitlements) of \$18,130,481 were sufficient to provide for these programs.
- ▶ The School District recognizes three major governmental funds: the General Fund, the Bond Retirement Fund, and the Building Fund. In terms of dollars received and spent, the General Fund is significantly larger than all the other funds of the School District combined. The General Fund had \$16,771,390 in revenues and \$16,875,394 in expenses in fiscal year 2003.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are presented following the requirements of GASB Statement No. 34, and are organized so the reader can understand Oakwood 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.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements are comprised of three components: the government-wide financial statements, fund financial statements and notes to the basic financial statements.

Reporting the School District as a Whole

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances, in a manner similar to private-sector business. The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances.

The Statement of Net Assets presents information on all of the School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets are important because they serve as a useful indicator of whether the financial position of the School District as a whole is improving or deteriorating. The cause of this change may be the result of several factors, some financial and some not. Nonfinancial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required but unfunded educational programs, and other factors. Ultimately, the School District's goal is to provide services to our students, not to generate profits as commercial entities do.

The Statement of Activities presents information showing how the government's net assets changed during the recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some item that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

In both of the government-wide financial statements, the School District activities are shown as Governmental Activities. All of the School District's programs and services are reported here including instructional services, support services and operation of non-instructional services. These services are funded primarily by taxes, tuition and fees, and intergovernmental revenues including federal and state grants and other shared revenues.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 17. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General, Bond Retirement, and Building.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objective. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into one of two categories: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Fiduciary Funds

The School District's only fiduciary fund is an agency fund. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

Government-Wide Financial Analysis

Recall that the Statement of Net Assets provides the perspective of the School District as a whole, showing assets, liabilities, and the difference between them (net assets). Table 1 provides a summary of the School District's net assets for 2003 compared to fiscal year 2002:

Table 1
Net Assets

	<u>Governmental Activities</u>	
	2003	2002
<u>Assets:</u>		
Current and Other Assets	\$32,500,282	\$9,481,378
Capital Assets, Net	5,311,514	2,874,461
<i>Total Assets</i>	<u>37,811,796</u>	<u>12,355,839</u>
<u>Liabilities:</u>		
Long-Term Liabilities	21,683,241	1,496,548
Other Liabilities	15,611,559	10,861,955
<i>Total Liabilities</i>	<u>37,294,800</u>	<u>12,358,503</u>
<u>Net Assets:</u>		
Invested in Capital Assets, Net of Related Debt	2,873,491	2,431,325
Restricted	196,712	272,381
Unrestricted	(2,553,207)	(2,706,370)
<i>Total Net Assets</i>	<u><u>\$516,996</u></u>	<u><u>(\$2,664)</u></u>

Current assets increased \$23,018,904 from fiscal year 2002 due to an increase in cash from bond proceeds of \$20,200,000. The remaining increase is due to an increase in taxes receivable from a new bond levy and an increased operating levy. Capital assets increased by \$2,437,053 as a result of the construction in progress for the current year renovation of school facilities.

Other (current) liabilities increased due to a deferred revenue increase corresponding to the increased taxes receivable, and an increase in contracts payable for the renovation of school facilities.

Long-term liabilities increased due to the issuance of \$20,200,000 of general obligation bonds.

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

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

The School District's smallest portion of net assets is unrestricted. These net assets represent resources that may be used to meet the School District's ongoing obligations to its students and creditors.

The remaining balance of \$196,712 is restricted assets. The restricted net assets are subject to external restrictions on how they may be used.

Table 2 shows the changes in net assets for fiscal year 2003. Since this is the first year the School District has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to fiscal year 2002 are not available.

Table 2
Changes in Net Assets

	Governmental Activities 2003
<u>Revenues:</u>	
<i>Program Revenue:</i>	
Charges for Services and Sales	\$615,379
Operating Grants and Contributions	295,987
Capital Grants and Contributions	101,427
<i>General Revenue:</i>	
Property Tax	11,384,943
Unrestricted Grants and Entitlements	6,158,788
Gain on Sale of Capital Assets	525
Unrestricted Contributions	37,797
Investment Earnings	301,644
Miscellaneous	246,784
<i>Total Revenues</i>	19,143,274
<u>Expenses:</u>	
<i>Program Expenses:</i>	
<i>Instruction:</i>	
Regular	9,495,259
Special	1,590,993
Vocational	9,073
Other	92,798

(Continued)

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

Table 2
Changes in Net Assets

	Governmental Activities 2003
<i>Support Services:</i>	
Pupil	1,084,045
Instructional Staff	442,710
Board of Education	17,279
Administration	1,492,354
Fiscal	563,052
Business	901
Operation and Maintenance of Plant	1,544,836
Pupil Transportation	153,561
Central	513,884
<i>Operation of Non-Instructional Services:</i>	
Food Service	250,545
Latchkey	167,914
Other	78,651
Extracurricular Activities	797,479
Interest and Fiscal Charges	328,280
<i>Total Expenses</i>	18,623,614
<i>Change in Net Assets</i>	519,660
Net Assets – Beginning of Year	(2,664)
Net Assets – End of Year	\$516,996

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

The most significant program expenses for the School District are Regular Instruction, Operation and Maintenance of Plant, Special Instruction, Administration and Pupil. These programs account for 81.66 percent of the total governmental activities. Regular Instruction, which accounts for 50.99 percent of the total, represents costs associated with providing general educational services. Operation and Maintenance of Plant, which represents 8.30 percent of the total, represent costs associated with the operating and maintaining the School District's facilities. Special Instruction, which represents 8.54 percent of the total, represent costs associated with providing educational services for handicapped, disadvantaged and other special needs students. Administration, which represents 8.01 percent of the total, represents costs associated with the overall administrative responsibility for each building and the School District as a whole. Pupil, which represents 5.82 percent of the total cost, represents costs associated with activities designed to assess and improve the well-being of pupils and supplement the teaching process.

The majority of the funding for the most significant programs indicated above is from property taxes and grants and entitlements not restricted for specific programs. Property taxes and grants and entitlements not restricted for specific programs accounts for 91.65 percent of total revenues.

Governmental Activities

Over the past several fiscal years, the School District has remained in stable financial condition. This has been accomplished through strong voter support and good fiscal management. The School District is heavily dependent on property taxes and, like most Ohio schools, is hampered by a lack of revenue growth. Property taxes made up 62.83 percent of the total revenue for our three most significant funds in fiscal year 2003.

The Ohio Legislature passed H.B. 920 (1976) and changed the way property taxes function in the State. The overall revenue generated by a levy will not increase solely as a result of inflation. As an example, the School District would receive from a home valued at \$100,000 and taxed at 1.0 mill, \$35.00 annually. If three years later the home were reappraised and the value increased to \$200,000 (and this increase in value is comparable to other property owners) the effective tax rate would become 0.5 mill and the School District would still receive \$35.00 annually. Therefore, the School District must regularly return to the voters to maintain a constant level of service.

The School District's 1.8 mill Permanent Improvement Levy is an important piece of the financial picture. It funds not only facility maintenance and upkeep issues but also provides the bulk of the School District's technology needs and a large percentage of the State's set-aside requirements for both textbooks and instructional materials and capital improvements. The 5-year levy was first passed by School District voters in 1992 and has been approved twice, the last time in 2002.

The School District voters also approved a bond retirement tax levy for 4.95 mills. It was passed in November 2002 as part of a \$20,200,000 bond issue for facility improvements. This levy generates approximately \$1.4 million dollars in revenue for debt service payments.

Instruction accounts for 60.07 percent of governmental program expenses. Support services expenses make up 31.21 percent of governmental expenses. The Statement of Activities shows the cost of program services and charges for services and grants offsetting those services.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

Table 3 shows, for governmental activities, the total cost of services and the net cost of services for fiscal year 2003 compared with fiscal year 2002. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Net Cost of Governmental Activities

	Total Cost of Services	Net Cost of Services
	2003	2003
<i>Program Expenses:</i>		
Instruction	\$11,188,123	\$10,859,281
Support Services	5,812,622	5,742,902
Operation of Non-Instructional Services	497,110	38,281
Extracurricular Activities	797,479	642,077
Interest and Fiscal Charges	328,280	328,280
Total Expenses	\$18,623,614	\$17,610,821

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. (See Note 2 for discussion of significant accounting policies and procedures). All governmental funds had total revenues and other financing sources of \$41,501,543 and expenditures and other financing uses of \$23,211,324.

Total governmental funds balances increased by \$18,290,219. This increase was mostly due to the difference between the bond proceeds of \$20,200,000 and the \$2,410,204 capital outlay in the Building Fund. The remaining increase is due to an increase in property tax revenues from the new bond retirement levy in the Bond Retirement Fund and increased operating levy in the General Fund.

The School District should remain stable in fiscal years 2003 through 2006. However, projections beyond fiscal year 2006 show the School District may be unable to meet inflationary cost increases in the long-term without additional tax levies or a meaningful change in state funding of public schools as directed by the Ohio Supreme Court.

Budget Highlights - General Fund

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

During the course of fiscal year 2003, the District amended its General Fund budget one time. The School District uses a modified site-based budget technique that is designed to control site budgets while providing building administrators and supervisors flexibility for site management.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

The School District prepares and monitors a detailed cashflow plan for the General Fund. Actual cashflow is compared to monthly and year-to-date estimates, and a monthly report is prepared for top management and the Board of Education.

For the General Fund, the final budget basis revenue was \$16,248,974 representing no change from the original budget estimates. The final budget reflected no change since there were no amendments made during the year. For the General Fund, the final budget basis expenditures were \$20,046,686 representing an increase of \$181,170 or .91 percent from the original budget. The increase is due to the School District appropriating funds for the proceeds of notes.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2003, the School District had \$10.2 million invested in land, buildings and improvements, furniture and equipment, and vehicles, of which all was in governmental activities. That total carries an accumulated depreciation of \$4.9 million. Table 4 shows fiscal year 2003 balances compared to fiscal year 2002.

Table 4
Capital Assets & Accumulated Depreciation at June 30, 2003

	<u>Governmental Activities</u>	
	<u>2003</u>	<u>2002</u>
<i>Nondepreciable Capital Assets:</i>		
Land	\$488,237	\$488,237
Construction in Progress	2,410,204	0
<i>Depreciable Capital Assets:</i>		
Buildings and Improvements	4,008,910	4,008,910
Furniture and Equipment	3,312,100	2,999,689
Vehicles	8,326	8,326
<i>Total Capital Assets</i>	<u>10,227,777</u>	<u>7,505,162</u>
<i>Less Accumulated Depreciation:</i>		
Buildings and Improvements	2,515,460	2,494,123
Furniture and Equipment	2,392,477	2,128,252
Vehicles	8,326	8,326
<i>Total Accumulated Depreciation</i>	<u>4,916,263</u>	<u>4,630,701</u>
<i>Capital Assets, Net</i>	<u><u>\$5,311,514</u></u>	<u><u>\$2,874,461</u></u>

More detailed information pertaining to the School District's capital asset activity can be found in the notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

Debt Administration

At June 30, 2003, the School District had \$20,235,704 in bonds and leases outstanding with \$497,819 due within one year. Table 5 summarizes the long-term bonds, notes and leases outstanding for fiscal year 2003 compared to fiscal year 2002.

Table 5
Outstanding Debt, Governmental Activities at Year End

Purpose	2003	2002
Facility Renovation	\$20,200,000	\$0
Issuance Premiums on Bonds	7,885	0
Capital Leases	27,819	83,136
Energy Conservation (H.B. 264)	0	58,000
Total	\$20,235,704	\$141,136

More detailed information pertaining to the School District's long-term debt activity can be found in the notes to the basic financial statements.

Current Issues

Although considered a mid-wealth district, Oakwood City School District is financially stable, and has been over the past several years. As indicated in the preceding financial information, the School District is heavily dependent on property taxes. Property tax revenue does not increase solely as a result of inflation. Therefore, in the long-term, the current program and staffing levels will be dependent on increased funding to meet inflation. Careful financial planning and the passage of a building levy have permitted the School District to provide a quality education for our students along with renovated facilities for the future.

In the spring of 2002, the Ohio Supreme Court issued its fourth split decision regarding the State's school funding plan. The majority opinion identified aspects of the current plan the require modification if the plan is to be considered constitutional. However, in December of 2002 the Court again ruled in a split decision that the State's plan was not acceptable. The Ohio Supreme Court will have two new Justices beginning in calendar year 2003 and the new court may be called upon to address the issue. At this time there can be no reasonable estimate of the decision or it's impact on school funding.

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

The State Legislature has also made several significant changes impacting local taxes:

In 2003 the Ohio Legislature modified the provisions of the 1999 HB283. This bill was designed to reduce the assessed valuation of the inventory component of personal property tax from 25 percent to 0 percent by 2031. The modification speeds up the reduction of assessed valuation to be completed in half the original time.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
(Unaudited)

Effective January 1, 2001 non-municipal owned electric utilities and rural cop-ops were deregulated in the State of Ohio. All electric company personal property was reduced from 100 percent assessed value (from 50 percent for rural co-ops) to 25 percent. (Distribution and transmission of personal property will continue to be assessed at 88 percent.) This significantly reduced revenues to certain school districts and moderately affects others.

Effective May 1, 2001 a kilowatt hour (KWH) tax began being collected. 37.8 percent of these new dollars would be deposited in a new Property Tax Replacement Fund (PTRF). 70 percent of the PTRF will be paid to school districts that lost revenue as determined by the Ohio Department of Taxation. First, distribution will be made to cover costs of fixed sum levies such as debt issues and emergency levies. Next, fixed rate levies would be replaced from 2002 through 2006; after this a phase out formula would begin.

The Oakwood City School District does not anticipate any meaningful growth or loss in revenue as a result of these changes. Based on these factors, the Board of Education and the administration of the District must maintain careful financial planning and prudent fiscal management in order to preserve the financial stability of the School District.

Commercial growth saw a 15.5 percent increase in assessed valuation in calendar 2003. This was mainly due to increased valuation of the small businesses located in the City of Oakwood.

The Oakwood City School District has committed itself to the highest standards of financial excellence for several years. The District has prepared a Comprehensive Annual Financial Report (CAFR) since fiscal year 1997 and has received the Government Finance Officers Association Certificate of Achievement for Excellence each year since. The commitment continues with this financial report using GASB Statement No. 34 reporting model.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, 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 received. If you have any questions about this report or need additional information contact Kevin S. Philo, Treasurer of Oakwood City School Board of Education, 20 Rubicon Road, Oakwood, OH 45409.

OAKWOOD CITY SCHOOL DISTRICT

Statement of Net Assets

June 30, 2003

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$20,194,056
Cash and Cash Equivalents with Fiscal Agent	2,468
Property Taxes Receivable	12,204,534
Accounts Receivable	1,999
Intergovernmental Receivable	1,094
Accrued Interest Receivable	93,964
Inventory Held for Resale	2,167
Nondepreciable Capital Assets	2,898,441
Depreciable Capital Assets, Net	<u>2,413,073</u>
<i>Total Assets</i>	<u>37,811,796</u>
<u>Liabilities:</u>	
Accounts Payable	194,968
Accrued Wages and Benefits	1,257,943
Contracts Payable	1,408,893
Intergovernmental Payable	653,874
Accrued Interest Payable	81,513
Deferred Revenue	10,990,368
Notes Payable	1,024,000
<i>Long-Term Liabilities:</i>	
Due Within One Year	761,643
Due In More Than One Year	<u>20,921,598</u>
<i>Total Liabilities</i>	<u>37,294,800</u>
<u>Net Assets:</u>	
Invested in Capital Assets, Net of Related Debt	2,873,491
<i>Restricted for:</i>	
<i>Permanent Fund Purpose:</i>	
Expendable	67,435
Nonexpendable	20,000
Other Purposes	109,277
Unrestricted	<u>(2,553,207)</u>
<i>Total Net Assets</i>	<u>\$516,996</u>

See accompanying notes to the basic financial statements

OAKWOOD CITY SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2003

	Program Revenues			Net (Expense)	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Revenue and Changes in Net Assets	
			Capital Grants and Contributions	Governmental Activities	
<u>Governmental Activities:</u>					
<i>Instruction:</i>					
Regular	\$9,495,259	\$59,275	\$176	\$73,625	(\$9,362,183)
Special	1,590,993	0	158,428	27,802	(1,404,763)
Vocational	9,073	0	9,536	0	463
Other	92,798	0	0	0	(92,798)
<i>Support Services:</i>					
Pupil	1,084,045	0	19,928	0	(1,064,117)
Instructional Staff	442,710	0	0	0	(442,710)
Board of Education	17,279	0	0	0	(17,279)
Administration	1,492,354	0	0	0	(1,492,354)
Fiscal	563,052	0	0	0	(563,052)
Business	901	0	0	0	(901)
Operation and Maintenance of Plant	1,544,836	0	30,150	0	(1,514,686)
Pupil Transportation	153,561	0	0	0	(153,561)
Central	513,884	4,244	15,398	0	(494,242)
<i>Operation of Non-Instructional Services:</i>					
Food Services	250,545	195,716	31,551	0	(23,278)
Latchkey	167,914	231,562	0	0	63,648
Other	78,651	0	0	0	(78,651)
Extracurricular Activities	797,479	124,582	30,820	0	(642,077)
Interest and Fiscal Charges	328,280	0	0	0	(328,280)
Total Governmental Activities	\$18,623,614	\$615,379	\$295,987	\$101,427	(17,610,821)
 <u>General Revenues:</u>					
<i>Property Taxes Levied for:</i>					
					10,460,877
					714,595
					209,471
					6,158,788
					525
					37,797
					301,644
					246,784
Total General Revenues					18,130,481
Change in Net Assets					519,660
<i>Net Assets at Beginning of Year - As Restated (See Note 3)</i>					<u>(2,664)</u>
<i>Net Assets at End of Year</i>					<u><u>\$516,996</u></u>

See accompanying notes to the basic financial statements

OAKWOOD CITY SCHOOL DISTRICT

*Balance Sheet
Governmental Funds
June 30, 2003*

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$900,942	\$0	\$18,833,492	\$459,622	\$20,194,056
<i>Cash and Cash Equivalents:</i>					
With Fiscal Agents	2,468	0	0	0	2,468
Property Taxes Receivable	10,932,839	1,063,094	0	208,601	12,204,534
Accounts Receivable	0	0	0	1,999	1,999
Intergovernmental Receivable	0	0	0	1,094	1,094
Accrued Interest Receivable	0	0	93,964	0	93,964
Interfund Receivable	904,357	0	0	0	904,357
Inventory Held for Resale	0	0	0	2,167	2,167
<i>Total Assets</i>	<u>\$12,740,606</u>	<u>\$1,063,094</u>	<u>\$18,927,456</u>	<u>\$673,483</u>	<u>\$33,404,639</u>
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$134,743	\$0	\$0	\$60,225	\$194,968
Accrued Wages and Benefits	1,237,330	0	0	20,613	1,257,943
Contracts Payable	0	0	1,408,893	0	1,408,893
Intergovernmental Payable	442,953	0	0	45,915	488,868
Accrued Interest Payable	427	0	0	3,303	3,730
Interfund Payable	0	717,671	0	186,686	904,357
Deferred Revenue	9,983,011	964,435	0	190,402	11,137,848
Notes Payable	1,024,000	0	0	0	1,024,000
Compensated Absences Payable	183,184	0	0	0	183,184
<i>Total Liabilities</i>	<u>13,005,648</u>	<u>1,682,106</u>	<u>1,408,893</u>	<u>507,144</u>	<u>16,603,791</u>
<u>Fund Balances:</u>					
Reserved for Encumbrances	531,707	0	1,061,393	152,943	1,746,043
Reserved for Property Taxes	949,828	98,659	0	18,199	1,066,686
Reserved for Endowments	0	0	0	20,000	20,000
<i>Unreserved, Undesignated, Reported in:</i>					
General Fund	(1,746,577)	0	0	0	(1,746,577)
Special Revenue Funds	0	0	0	(71,814)	(71,814)
Debt Service Fund	0	(717,671)	0	0	(717,671)
Capital Projects Funds	0	0	16,457,170	(20,424)	16,436,746
Permanent Fund	0	0	0	67,435	67,435
<i>Total Fund Balances (Deficits)</i>	<u>(265,042)</u>	<u>(619,012)</u>	<u>17,518,563</u>	<u>166,339</u>	<u>16,800,848</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$12,740,606</u>	<u>\$1,063,094</u>	<u>\$18,927,456</u>	<u>\$673,483</u>	<u>\$33,404,639</u>

See accompanying notes to the basic financial statements

OAKWOOD CITY SCHOOL DISTRICT
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2003*

Total Governmental Funds Balances		\$16,800,848
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		5,311,514
Some of the District's receivables will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. These receivables consist of:		
Property taxes		147,480
Intergovernmental payables include contractually required pension contributions not expected to be paid with expendable available financial resources and therefore are not reported in the funds.		(165,006)
not reported in the funds. Those liabilities consist of:		
General obligation bonds	(20,200,000)	
Premium on issuance of bonds	(7,885)	
Accrued interest on notes and bonds	(77,783)	
Capital leases payable	(27,819)	
Compensated absences	<u>(1,264,353)</u>	
Total liabilities that are not reported in the funds		<u>(21,577,840)</u>
<i>Net Assets of Governmental Activities</i>		<u><u>\$516,996</u></u>
See accompanying notes to the basic financial statements		

OAKWOOD CITY SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2003

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>					
Property Taxes	\$10,440,728	\$701,585	\$0	\$209,414	\$11,351,727
Intergovernmental	6,081,886	0	73,625	371,310	6,526,821
Interest	134,098	0	167,263	1,356	302,717
Tuition and Fees	54,348	0	0	59,275	113,623
Extracurricular Activities	0	0	0	198,426	198,426
Charges for Services	0	0	0	427,278	427,278
Contributions and Donations	0	0	0	40,286	40,286
Miscellaneous	60,330	0	18,045	71,716	150,091
<i>Total Revenues</i>	<u>16,771,390</u>	<u>701,585</u>	<u>258,933</u>	<u>1,379,061</u>	<u>19,110,969</u>
<u>Expenditures:</u>					
<i>Current:</i>					
<i>Instruction:</i>					
Regular	9,136,235	0	0	93,120	9,229,355
Special	1,359,299	0	0	227,004	1,586,303
Vocational	472	0	0	8,601	9,073
Other	92,798	0	0	0	92,798
<i>Support Services:</i>					
Pupil	1,026,897	0	0	42,806	1,069,703
Instructional Staff	299,353	0	0	118,481	417,834
Board of Education	17,271	0	0	0	17,271
Administration	1,484,575	0	0	5,876	1,490,451
Fiscal	536,276	0	6,917	2,781	545,974
Business	901	0	0	0	901
Operation and Maintenance of Plant	1,541,225	0	0	0	1,541,225
Pupil Transportation	149,441	0	0	674	150,115
Central	520,071	0	0	6,902	526,973
Operation of Non-Instructional Services	63,095	0	0	409,271	472,366
Extracurricular Activities	527,142	0	0	250,470	777,612
Capital Outlay	1,287	0	2,410,204	309,706	2,721,197
<i>Debt Service:</i>					
Principal Retirement	55,317	58,000	0	0	113,317
Interest and Fiscal Charges	63,739	35,359	143,214	24,380	266,692
<i>Total Expenditures</i>	<u>16,875,394</u>	<u>93,359</u>	<u>2,560,335</u>	<u>1,500,072</u>	<u>21,029,160</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(104,004)</u>	<u>608,226</u>	<u>(2,301,402)</u>	<u>(121,011)</u>	<u>(1,918,191)</u>
<u>Other Financing Sources (Uses):</u>					
Proceeds from Sale of Capital Assets	525	0	0	0	525
Transfers In	1,357,395	333,359	0	491,410	2,182,164
General Obligation Bonds Issued	0	0	20,200,000	0	20,200,000
Premium on Debt Issuance	0	0	7,885	0	7,885
Transfers Out	(196,122)	(1,561,528)	(387,920)	(36,594)	(2,182,164)
<i>Total Other Financing Sources (Uses)</i>	<u>1,161,798</u>	<u>(1,228,169)</u>	<u>19,819,965</u>	<u>454,816</u>	<u>20,208,410</u>
<i>Net Change in Fund Balances</i>	1,057,794	(619,943)	17,518,563	333,805	18,290,219
<i>Fund Balances (Deficit) at Beginning of Year - As Restated (See Note 3)</i>	<u>(1,322,836)</u>	<u>931</u>	<u>0</u>	<u>(167,466)</u>	<u>(1,489,371)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>(\$265,042)</u>	<u>(\$619,012)</u>	<u>\$17,518,563</u>	<u>\$166,339</u>	<u>\$16,800,848</u>

See accompanying notes to the basic financial statements

OAKWOOD CITY SCHOOL DISTRICT
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2003*

Net Change in Fund Balances - Total Governmental Funds		\$18,290,219
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		2,438,835
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(1,782)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These revenues consist of:		
Property taxes	33,216	
Intergovernmental	(1,440)	
Total revenues not reported in the funds		31,776
Bond proceeds provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net assets. In the current period, proceeds were received from general obligation bonds, including a premium of \$7,885.		(20,207,885)
Repayment of long-term notes principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		58,000
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(61,587)
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Increase in compensated absences	(33,932)	
Increase in intergovernmental payables	(49,301)	
Decrease in capital lease payable	55,317	
Total expenditures not reported in the funds		(27,916)
<i>Change in Net Assets of Governmental Activities</i>		<u><u>\$519,660</u></u>

See accompanying notes to the basic financial statements

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$9,163,974	\$9,163,974	\$10,382,597	\$1,218,623
Intergovernmental	4,950,000	4,950,000	6,081,886	1,131,886
Interest	1,131,702	1,131,702	137,757	(993,945)
Tuition and Fees	446,480	446,480	54,348	(392,132)
Miscellaneous	556,818	556,818	67,779	(489,039)
<i>Total Revenues</i>	16,248,974	16,248,974	16,724,367	475,393
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular</i>				
Salaries and Wages	6,912,800	6,562,300	6,574,445	(12,145)
Fringe Benefits	1,621,200	1,576,800	1,575,198	1,602
Purchased Services	213,985	398,035	331,922	66,113
Supplies and Materials	635,681	569,827	491,981	77,846
Capital Outlay	269,462	336,425	309,939	26,486
<i>Total Regular</i>	9,653,128	9,443,387	9,283,485	159,902
<i>Special</i>				
Salaries and Wages	977,100	1,024,000	1,023,235	765
Fringe Benefits	290,000	296,000	295,431	569
Purchased Services	5,600	0	0	0
Supplies and Materials	0	10,500	10,380	120
<i>Total Special</i>	1,272,700	1,330,500	1,329,046	1,454
<i>Vocational</i>				
Fringe Benefits	1,400	800	708	92
<i>Other</i>				
Purchased Services	47,000	88,000	92,724	(4,724)
Supplies and Materials	0	100	74	26
	47,000	88,100	92,798	(4,698)
<i>Total Instruction</i>	10,974,228	10,862,787	10,706,037	156,750
<i>Support Services:</i>				
<i>Pupils</i>				
Salaries and Wages	660,000	692,000	691,197	803
Fringe Benefits	157,200	166,000	164,612	1,388
Purchased Services	3,500	4,500	4,518	(18)
Supplies and Materials	4,000	4,023	3,701	322
Other	72,223	152,000	158,811	(6,811)
Capital Outlay	2,190	2,390	1,175	1,215
<i>Total Pupils</i>	899,113	1,020,913	1,024,014	(3,101)

(Continued)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
General Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Instructional Staff				
Salaries and Wages	200,900	229,100	228,018	1,082
Fringe Benefits	35,200	46,600	45,976	624
Purchased Services	19,243	19,743	15,260	4,483
Supplies and Materials	12,609	11,809	10,371	1,438
Capital Outlay	100	0	0	0
Total Instructional Staff	268,052	307,252	299,625	7,627
Board of Education				
Salaries and Wages	4,800	4,800	4,800	0
Fringe Benefits	1,300	1,300	1,255	45
Purchased Services	21,604	13,325	12,176	1,149
Supplies and Materials	1,150	650	425	225
Total Board of Education	28,854	20,075	18,656	1,419
Administration				
Salaries and Wages	970,000	1,091,000	1,090,580	420
Fringe Benefits	322,522	309,950	307,361	2,589
Purchased Services	88,127	145,827	103,302	42,525
Supplies and Materials	70,455	63,509	59,099	4,410
Capital Outlay	30,043	15,759	11,814	3,945
Total Administration	1,481,147	1,626,045	1,572,156	53,889
Fiscal				
Salaries and Wages	245,000	258,000	257,398	602
Fringe Benefits	74,700	75,000	74,416	584
Purchased Services	14,026	11,026	9,210	1,816
Supplies and Materials	14,346	15,346	14,520	826
Other	131,251	180,000	180,627	(627)
Capital Outlay	8,000	8,400	4,392	4,008
Total Fiscal	487,323	547,772	540,563	7,209
Business				
Other	1,600	2,000	1,951	49
Operation and Maintenance of Plant				
Salaries and Wages	740,000	724,000	723,584	416
Fringe Benefits	184,000	179,000	178,938	62
Purchased Services	522,740	742,392	676,567	65,825
Supplies and Materials	77,918	111,700	93,294	18,406
Other	5,000	7,100	7,100	0
Capital Outlay	99,127	16,850	14,737	2,113
Total Operation and Maintenance of Plant	1,628,785	1,781,042	1,694,220	86,822

(Continued)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation				
Salaries and Wages	75,000	58,000	57,645	355
Fringe Benefits	18,700	18,200	18,179	21
Purchased Services	57,396	75,896	69,495	6,401
Supplies and Materials	14,063	19,063	15,752	3,311
Total Pupil Transportation	165,159	171,159	161,071	10,088
Central				
Salaries and Wages	240,000	234,000	233,996	4
Fringe Benefits	101,978	90,378	75,448	14,930
Purchased Services	127,556	425,217	350,496	74,721
Supplies and Materials	10,500	2,500	1,626	874
Other	3,840	5,740	5,193	547
Capital Outlay	75,000	54,000	53,114	886
Total Central	558,874	811,835	719,873	91,962
Total Support Services	5,518,907	6,288,093	6,032,129	255,964
Non-Instructional Services:				
Community Services				
Fringe Benefits	1,600	1,800	121	1,679
Purchased Services	83,250	65,850	64,128	1,722
Total Non-Instructional Services	84,850	67,650	64,249	3,401
Extracurricular Activities:				
Academic Oriented Activities				
Salaries and Wages	80,000	76,000	75,446	554
Fringe Benefits	12,500	13,000	20,636	(7,636)
Total Academic Oriented Activities	92,500	89,000	96,082	(7,082)
Occupation Oriented Activities				
Salaries and Wages	9,700	8,000	7,842	158
Fringe Benefits	1,400	1,500	1,453	47
Total Occupation Oriented Activities	11,100	9,500	9,295	205
Sports Oriented Activities				
Salaries and Wages	299,300	327,000	326,024	976
Fringe Benefits	74,700	66,100	66,079	21
Purchased Services	12,500	5,500	5,403	97
Total Sports Oriented Activities	386,500	398,600	397,506	1,094

(Continued)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
School and Public Service Activities				
Salaries and Wages	9,800	10,400	10,334	66
Fringe Benefits	2,300	2,500	2,474	26
Purchased Services	0	1,500	1,410	90
Supplies and Materials	8,076	9,476	7,300	2,176
Total School and Public Service Activities	20,176	23,876	21,518	2,358
Total Extracurricular Activities	510,276	520,976	524,401	(3,425)
Capital Outlay:				
Architecture and Engineering Services				
Purchased Services	211,251	281,678	174,373	107,305
Building Improvement Services				
Capital Outlay	1,004	502	0	502
Total Capital Outlay	212,255	282,180	174,373	107,807
<i>Total Expenditures</i>	17,300,516	18,021,686	17,501,189	520,497
Excess of Revenues Under Expenditures	(1,051,542)	(1,772,712)	(776,822)	995,890
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Notes	0	0	1,950,000	1,950,000
Proceeds from Sale of Capital Assets	0	0	525	525
Transfers In	0	0	35,867	35,867
Transfers Out	(2,565,000)	(2,025,000)	(1,036,521)	988,479
<i>Total Other Financing Sources (Uses)</i>	(2,565,000)	(2,025,000)	949,871	2,974,871
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,616,542)	(3,797,712)	173,049	3,970,761
Fund Balance at Beginning of Year	327,263	327,263	327,263	0
Prior Year Encumbrances Appropriated	520,586	520,586	520,586	0
Fund Balance (Deficit) at End of Year	(\$2,768,693)	(\$2,949,863)	\$1,020,898	\$3,970,761

OAKWOOD CITY SCHOOL DISTRICT

Statement of Fiduciary Net Assets

Fiduciary Fund

June 30, 2003

	<u>Agency</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$37,628</u></u>
<u>Liabilities:</u>	
Accounts Payable	\$1,935
Intergovernmental Payable	2
Due To Students	<u>35,691</u>
<i>Total Liabilities</i>	<u><u>\$37,628</u></u>

See accompanying notes to the basic financial statements

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Description of the School District

Oakwood City School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by state statute and/or federal guidelines. It is staffed by 65 non-certificated employees, 166 certificated full-time teaching personnel and 9 administrative employees who provide services to 2,012 students and other community members. The School District currently operates 4 instructional buildings and 1 administrative building.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that 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 Oakwood City School District, this includes general operations, food service, and student related activities of the School District.

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

The School District is associated with two jointly governed organizations, an insurance purchasing pool and two related organizations. These organizations are the Metropolitan Dayton Educational Cooperative Association (MDECA), the Southwestern Ohio Educational Purchasing Council (SOEPC), the Ohio School Boards Association Worker's Compensation Group Rating Plan (GRP), the Oakwood Schools Education Foundation and the Wright Memorial Public Library, respectively. These organizations are presented in Notes 19, 20 and 21 to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Oakwood 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 activities and to its proprietary fund provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

A. Basis of Presentation

The School District's basic financial statement consists of government-wide financial 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 statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no business-type activities.

The statement of net assets presents the financial condition of the governmental activities of the School District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the 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 District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Fund Accounting

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 self-balancing set of accounts. The funds of the School District fall within two categories: governmental and fiduciary.

Governmental Funds

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

The following are the School District's major governmental funds:

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

Bond Retirement Fund- This fund is used to account for financial resources accumulated for the payment of general long-term debt principal, interest and related costs.

Building Fund- This fund is used to account for the receipts and expenditures related to all special bond funds in the School District, including the proceeds from the sale of the bonds, notes or certificates of indebtedness. Expenditures of the fund represent the costs of renovating, constructing, or acquiring capital facilities including real property.

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

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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary fund is an agency fund which is used to account for student managed activities.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the statement of net assets.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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 balance 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.

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 and the financial statements of the fiduciary fund are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means that the resources are collectible 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 the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the 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 it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at the fiscal year-end: property taxes available for advance, grants and interest.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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, 2003, but which were levied to finance fiscal year 2004 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 measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During the fiscal year 2003, the School District's investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio), money market mutual funds and U.S. government securities. Except for non-participating investment contracts, investments are reported at fair value which is based on quoted market prices. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investments the investment could be sold for on June 30, 2003.

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 2003 amounted to \$134,098, which includes \$111,920 assigned from other District funds. The Building Fund and the Permanent Fund received interest during the year of \$167,263 and \$1,073 respectively.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

F. 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.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

On fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in, first-out. 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 consumed or used.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2003, 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. As of June 30, 2003, the School District reported no prepaid items.

H. Restricted Assets

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors or laws of other governments or imposed by enabling legislation. As of June 30, 2003, the School District reported no restricted assets.

I. Capital Assets

General capital assets are associated with and generally arise from governmental activities. 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.

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

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings and Improvements	20 - 50 years
Furniture and Equipment	5 - 30 years
Vehicles	7 - 10 years
Books and Educational Media	4 - 5 years

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. Interfund Balances

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

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributed 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 vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payments in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees after 7 years of service with the School District.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees will be paid.

L. Accrued Liabilities and Long-Term Liabilities

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination of 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 due for payment in the current year. Bonds, long-term notes and capital leases are recognized as a liability on the fund financial statements when due.

M. Net Assets

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

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

N. Fund Balance Reserves

The School District reserves those portions of fund balance 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, endowments, and property taxes.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute. The reserve for endowments represents principal in the permanent fund that cannot be spent.

O. Interfund Transactions

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

P. 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. For the fiscal year 2003, the School District reported no extraordinary or special items.

Q. Estimates

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

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

R. Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The Library Automation, Summer School Subsidy, and the Emergency Repairs Grant Special Revenue Funds and the Harman Playground Project Capital Projects Fund had no anticipated revenues/expenditures and were not budgeted. However, budgetary schedules have been presented for these funds to disclose their remaining fund balances. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of budgetary control for general fund, debt service fund, and capital projects funds is at the object level within each fund and function. All other funds are budgeted at the fund function level with the exception of grant funds which are budgeted at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the 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 2003.

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

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES AND PRIOR PERIOD ADJUSTMENTS

Changes in Accounting Principles

For fiscal year 2003, the School District has implemented GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments," GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus," GASB Statement No. 38, "Certain Financial Statement Note Disclosures," and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements." At June 30, 2002, there was no effect on fund balance as a result of implementing GASB Statement Nos. 37 and 38, and GASB Interpretation No. 6.

GASB Statement No. 34 creates new basic financial statements for reporting on the School District's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements present the School District's programs as governmental activities. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at June 30, 2002, caused by the conversion to the accrual basis of accounting.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES AND PRIOR PERIOD ADJUSTMENTS - (Continued)

Restatement of Fund Balances

The restatements for fund reclassifications, the reclassification of accrued interest revenue and GASB Statement No. 34 had the following effects on fund balance of the major and nonmajor funds of the School District as they were previously reported.

	General	Bond Retirement	Building	Nonmajor	Total
Fund Balances, June 30 2002	(\$1,322,836)	\$931	\$0	(\$293,362)	(\$1,615,267)
Fund Reclassifications	0	0	0	125,896	125,896
Adjusted Fund Balances, June 30, 2002	<u>(\$1,322,836)</u>	<u>\$931</u>	<u>\$0</u>	<u>(\$167,466)</u>	<u>(1,489,371)</u>
<i>GASB 34 Adjustments:</i>					
Intergovernmental Receivables					1,440
Property Taxes Receivable					114,264
Capital Assets					2,874,461
Accrued Interest Payable					(16,196)
Intergovernmental Payable					(115,705)
<i>Long-Term Obligations:</i>					
Compensated Absences Payable					(1,230,421)
Capital Leases Payable					(83,136)
Energy Conservation Notes					(58,000)
Governmental Activities Net Assets, June 30, 2002					<u><u>(\$2,664)</u></u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE

Accountability

At June 30, 2003, the following funds had deficit fund balances/retained earnings:

Fund	Amount
General Fund	\$265,042
Bond Retirement Fund	619,012
<i>Nonmajor Special Revenue Funds:</i>	
Food Service	40,137
Ohio SchoolNet Professional Development	6,558
Eisenhower Grant	209
Title VI-B	112,905
Title I	20,281
Title VI	9,307
Drug Free Schools Program	2,829
Miscellaneous Federal Grants	1,132
<i>Nonmajor Capital Projects Funds:</i>	
SchoolNet	63,901

The deficits in these funds resulted from the application of generally accepted accounting principles. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is needed, rather than when accruals occur. The deficit in the General Fund will be eliminated through an increase in intergovernmental revenues. The School District is analyzing the situation in the Food Service Special Revenue Fund and is still considering the possibility of increasing lunch rates to reduce the current retained earnings deficit.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

Compliance

At June 30, 2003, the following cash basis deficit fund balances existed:

Bond Retirement Fund	\$717,671
<i>Nonmajor Special Revenue Funds:</i>	
Food Service	25,732
Eisenhower Grant	209
Title VI-B	74,954
Title I	9,746
Title VI	9,307
Drug Free Schools Program	2,837
<i>Nonmajor Capital Projects Fund:</i>	
SchoolNet	63,901

Other immaterial instances of deficit fund balances were also noted throughout the year.

The following funds had total expenditures in excess of total appropriations for the fiscal year ended June 30, 2003:

Building Fund	\$178,926
<i>Nonmajor Special Revenue Funds:</i>	
Safe School Help Line	1,456
Perkins Grant	3,401
Miscellaneous Federal Grants	4,449

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The following funds had material excesses of expenditures plus encumbrances over appropriations at the fund, function, and object level, which is the legal level of budgetary control adopted by the Board of Education for these funds.

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Building Fund			
Capital Outlay			
Building Improvement Services			
Purchased Services	\$483,000	\$657,255	(\$174,255)

The following funds had appropriations in excess of estimated resources plus available balances for the fiscal year ended June 30, 2003:

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
General Fund	\$16,573,768	\$19,526,100	(\$2,952,332)
Bond Retirement Fund	1,650,930	22,839,000	(21,188,070)
Building Fund	0	23,178,000	(23,178,000)
<i>Nonmajor Special Revenue Funds:</i>			
Food Service	190,225	230,900	(40,675)
Career Education	55,339	74,300	(18,961)
District Managed Activities	141,541	162,000	(20,459)
Ohio SchoolNet Professional Development	0	10,400	(10,400)
Ohio Reads	1,917	5,200	(3,283)
Safe School Help Line	536	3,100	(2,564)
Eisenhower Grant	9,550	10,000	(450)
Title VI-B	(78,383)	260,000	(338,383)
Perkins Grant	0	5,700	(5,700)
Title I	25,889	41,000	(15,111)
E-Rate	2,427	2,800	(373)
Title VI-R	26,386	35,900	(9,514)
Miscellaneous Federal Grants	(5,103)	30,000	(35,103)
<i>Nonmajor Capital Projects Funds:</i>			
Permanent Improvement	210,390	497,100	(286,710)
School Net	22,148	28,900	(6,752)

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law and described earlier 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 Balance - Budget and Actual (Budget Basis) is presented for the General Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and modified accrual GAAP basis are that:

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

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

<u>Net Change in Fund Balance</u>	
GAAP Basis	\$1,057,794
<i>Adjustments:</i>	
Revenue Accruals	(47,023)
Expenditure Accruals	160,758
Encumbrances	(786,556)
Other Sources (Uses)	(211,927)
Budget Basis	<u><u>\$173,046</u></u>

NOTE 6 - 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.

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

Inactive deposits are public deposits that the Board has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must be either 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 moneys. Interim moneys are those moneys which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings 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 money deposited with the institution.

Interim monies may 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 fair 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 fair value 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;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the date of purchase in an amount not to exceed twenty-five percent of interim monies available for investment at any 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.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

At fiscal year end, the School District had \$4,804 in undeposited cash on hand which is included on the balance sheet of District as part of "equity in pooled cash and cash equivalents."

Deposits: At fiscal year-end, the carrying amount of the School District's deposits was (\$98,210), and the bank balance was \$63,623. All the bank balance was covered by federal depository insurance. Although the securities serving as collateral were held by the pledging financial institutions' trust department in the School District's name and all State statutory requirements for the investments of money had been followed, non-compliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

Investments: The School District's investments are categorized below to give an indication of the level of risk assumed by the School District at fiscal 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 which are held by the counter party's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The School District's investment in STAR Ohio, an investment pool operated by the Ohio State Treasurer, 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.S. Government Securities	\$19,249,232	\$19,249,232	\$19,249,232
Money Market Mutual Funds	544,890	544,890	544,890
STAR Ohio	0	533,436	533,436
Totals	<u>\$19,794,122</u>	<u>\$20,327,558</u>	<u>\$20,327,558</u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB No. 9. A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$20,234,152	\$0
Cash on Hand	(4,804)	0
<i>Investments:</i>		
U.S. Government Securities	(19,249,232)	19,249,232
Money Market Mutual Funds	(544,890)	544,890
STAR Ohio	(533,436)	533,436
GASB Statement No. 3	<u>(\$98,210)</u>	<u>\$20,327,558</u>

NOTE 7 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31, of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 35 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31. Tangible personal property assessments are 25 percent of true value.

Real property taxes are paid by taxpayers annually or semi-annually. If paid annually, payment is due December 31, unless extended; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20, unless extended. Under certain circumstances, State statute permits earlier or later payment dates to be established.

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

The School District receives property taxes from Montgomery 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, 2003 are available to finance fiscal year 2003 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 7 - PROPERTY TAXES - (Continued)

Accrued property taxes receivable represents the June 2003 personal property tax settlement, delinquent taxes outstanding and real property, tangible personal property, and public utility taxes which become measurable as of June 30, 2003. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The total amount available as an advance at June 30, 2003 was \$1,066,686 and is recognized as revenue. Of this total amount, \$949,828 was available to the General Fund, \$98,659 was available to the Bond Retirement Fund, and \$18,199 was available to the Permanent Improvement Fund.

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

	2002 Second- Half Collections		2003 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$240,246,250	97.46%	\$272,682,320	97.95%
Public Utility Personal	3,678,190	1.49%	3,671,630	1.32%
Tangible Personal Property	2,573,525	1.05%	2,029,247	0.73%
Total Assessed Value	<u>\$246,497,965</u>	<u>100.00%</u>	<u>\$278,383,197</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$95.57		\$105.95	

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 8 - RECEIVABLES

Receivables at June 30, 2003 consisted of property taxes, accounts (student fees), interfund, interest, and intergovernmental grants. 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>Governmental Activities:</u>	
<i>Nonmajor Special Revenue Funds:</i>	
Drug Free Schools Program	\$8
Title VI-R	650
Miscellaneous Federal Grants	<u>436</u>
Total Intergovernmental Receivables	<u><u>\$1,094</u></u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 9 - CAPITAL ASSETS

Capital asset governmental activity for the fiscal year ended June 30, 2003 was as follows:

<u>Asset Category</u>	<u>Balance at July 1, 2002</u>	<u>Transfers/ Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance at June 30, 2003</u>
<i>Nondepreciable Capital Assets:</i>				
Land	\$488,237	\$0	\$0	\$488,237
Construction in Progress	0	2,410,204	0	2,410,204
Total Nondepreciable Capital Assets	488,237	2,410,204	0	2,898,441
<i>Depreciable Capital Assets:</i>				
Buildings and Improvements	4,008,910	0	0	4,008,910
Furniture, Fixtures and Equipment	2,999,689	314,193	(1,782)	3,312,100
Vehicles	8,326	0	0	8,326
Total Depreciable Capital Assets	7,016,925	314,193	(1,782)	7,329,336
Total Capital Assets	7,505,162	2,724,397	(1,782)	10,227,777
<i>Accumulated Depreciation:</i>				
Buildings and Improvements	(2,494,123)	(21,337)	0	(2,515,460)
Furniture, Fixtures and Equipment	(2,128,252)	(264,225)	0	(2,392,477)
Vehicles	(8,326)	0	0	(8,326)
Total Accumulated Depreciation	(4,630,701)	(285,562)	0	(4,916,263)
Total Net Capital Assets	<u>\$2,874,461</u>	<u>\$2,438,835</u>	<u>(\$1,782)</u>	<u>\$5,311,514</u>

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follow:

<i>Instruction:</i>	
Regular	\$151,591
Special	3,911
<i>Support Services:</i>	
Pupil	7,651
Instructional Staff	22,329
Administration	10,860
Fiscal	3,798
Operation and Maintenance	55,618
Central	16,231
Operation of Non-Instructional Services	1,320
Extracurricular Activities	12,253
	<hr/>
Total Depreciation Expense	<u><u>\$285,562</u></u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 10 - RISK MANAGEMENT

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 2003, the School District contracted with Indiana Insurance for general liability insurance with a \$1,000,000 single occurrence limit and a \$2,000,000 aggregate. Property is protected by Indiana Insurance and hold a \$1,000 deductible. The total amount of property covered is \$37,767,500. The School District's vehicles are covered under a business policy with Indiana Insurance Agency which carries a \$1,000,000 limit on any accident. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from last year.

Worker's Compensation

For fiscal year 2003, the School District participated in the Ohio School Boards Association Worker's Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 20). 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 worker's 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 rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percent 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 selection criteria. The firm of Gates McDonald and Company of Ohio provides administrative, cost control, and actuarial services to the GRP.

NOTE 11 - DEFINED BENEFIT PENSION PLANS

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, Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215 or by calling (614) 222-5853.

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 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 2003, 8.17 percent of the annual covered salary was the portion used to fund pension obligations. For fiscal year 2002, 5.46 percent was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS Retirement Board. The School District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$204,478, \$111,653, and \$84,004, respectively; 46.3 percent has been contributed for fiscal year 2003 and 100 percent for the fiscal years 2002 and 2001. \$109,805 representing the unpaid contribution for fiscal year 2003, is recorded as a liability within the respective funds.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

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

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

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District is required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2002, the portion used to fund pension obligations was 9.5 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's contributions for pension obligations to STRS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$1,237,664, \$832,203, and \$795,556, respectively; 83.45 percent has been contributed for fiscal year 2003 and 100 percent for the fiscal years 2002 and 2001. \$204,891 representing the unpaid contribution for fiscal year 2003, is recorded as a liability within the respective funds.

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, 2003, all members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 12 - 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-certificated 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 obligations 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.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. All benefit recipients pay a portion of health care cost in the form of a monthly premium. By Ohio Law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year 2003, the Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$95,205 during fiscal year 2003.

STRS pays health care benefits from the Health Care Stabilization Fund. The balance in the Fund was \$3.011 billion at June 30, 2002 (the latest information available). For the year ended June 30, 2002, net health care costs paid by STRS were \$354,697,000 and STRS had 105,300 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivorship 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 allocated to providing health care benefits. For fiscal year 2003, employer contributions to fund health care benefits were 5.83 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2003, the minimum pay has been established at \$12,400. 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 at June 30, 2002 (the latest information available) were \$182,946,777 and the target level was \$274.4 million. At June 30, 2002, SERS had net assets available for payment of health care benefits of \$335.2 million. The number of participants currently receiving health care benefits is approximately 50,000. For the School District, the amount to fund health care benefits, including the surcharge, equaled \$185,477 during the 2003 fiscal year.

NOTE 13 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal 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. There is no maximum number of sick days that can be accumulated. A pro-rated portion of accumulated sick leave is paid upon retirement from the School District.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 13 - EMPLOYEE BENEFITS - (Continued)

Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through CoreSource. The School District has elected to provide employee medical/surgical benefits through Blue Cross/Blue Shield. The employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. Dental insurance is provided by the School District to most employees through CoreSource.

Special Termination Benefit

The School District offers a special termination benefit to employees who retire in the first year that they become eligible. For classified employees, they must give written notice to the Superintendent by March 30 of the year he/she first becomes eligible for "full retirement" and they must meet the eligibility requirements set forth by the State Employees Retirement System to receive a bonus. For certified employees, they must have at least 30 years of service to retire as set forth by the State Teachers Retirement System. Three employees retired during fiscal years 2003 that qualified for the special termination benefit.

NOTE 14 - CAPITAL LEASES - LESSEE DISCLOSURE

During the year, the School District did not enter into any new capital leases. The School District does have two capital leases outstanding from prior years. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized in the amount of \$214,403 which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded by the School District. Principal payments in fiscal year 2003 totaled \$55,317.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2003:

<u>Fiscal Year Ending June 30,</u>	<u>GLTOAG</u>
2004	\$28,565
Less: Amount Representing Interest	<u>(746)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$27,819</u></u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 15 - NOTE OBLIGATIONS

The changes in the School District's short-term note obligations during fiscal year 2003 were as follows:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Principal Outstanding at July 1, 2002</u>	<u>Additions</u>	<u>Deductions</u>	<u>Principal Outstanding at June 30, 2003</u>
<u>Governmental Activities:</u>						
Tax Anticipation Note	1997	4.48%	\$360,000	\$0	\$360,000	\$0
Tax Anticipation Note	1999	4.71%	450,000	0	150,000	300,000
Tax Anticipation Note	2002	3.79%	724,000	0	0	724,000
Revenue Anticipation Note	2002	2.27%	0	1,950,000	1,950,000	0
Bond Anticipation Note	2002	2.00%	0	10,200,000	10,200,000	0
Bond Anticipation Note	2003	1.85%	0	10,000,000	10,000,000	0
Total Governmental Activities Note Obligations			<u>\$1,534,000</u>	<u>\$22,150,000</u>	<u>\$22,660,000</u>	<u>\$1,024,000</u>

On December 18, 1997, Oakwood City School District issued a \$597,000 permanent improvement tax anticipation note. The tax anticipation note is being paid from the Permanent Improvements Capital Projects Fund, the fund which received the proceeds.

On June 17, 1999, Oakwood City School District issued a \$750,000 tax anticipation note to cover general operating expenses. The tax anticipation note is being paid from the General Fund using the proceeds of the thirteen mill continuing operating levy.

On June 20, 2002, Oakwood City School District issued a \$724,000 tax anticipation note to cover general operating expenses. The tax anticipation note will be paid from the General Fund using the proceeds of the thirteen mill continuing operating levy. The final payment on the note will be made in December, 2007.

On July 1, 2002, Oakwood City School District issued a \$1,950,000 current revenue anticipation note to cover general operating expenses. The note matured on June 30, 2003 and was paid out of the Bond Retirement Debt Service Fund.

On December 19, 2002, Oakwood City School District issued a \$10,200,000 bond anticipation note to begin renovation projects. The note matured on June 19, 2003 and was paid out of the Building Capital Projects Fund using bond proceeds.

On January 16, 2003, Oakwood City School District issued a \$10,000,000 bond anticipation note to begin renovation projects. The note matured on June 12, 2003, and was paid out of the Building Capital Projects Fund using bond proceeds.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 15 - NOTE OBLIGATIONS - (Continued)

Principal and interest requirements to retire the tax anticipation notes outstanding at June 30, 2003, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2004	\$284,000	\$35,674	\$319,674
2005	290,000	23,299	313,299
2006	145,000	14,307	159,307
2007	150,000	8,717	158,717
2008	155,000	2,937	157,937
Totals	<u>\$1,024,000</u>	<u>\$84,934</u>	<u>\$1,108,934</u>

NOTE 16 - LONG-TERM LIABILITIES

The changes in the School District's long-term liabilities during fiscal year 2003 were as follows:

	Issue Date	Interest Rate	Principal Outstanding at July 1, 2002	Additions	Deletions	Principal Outstanding at June 30, 2003	Amount Due in One Year
<u>Governmental Activities:</u>							
Energy Conservation Note	1998	4.80%	\$58,000	\$0	\$58,000	\$0	\$0
Renovation Bonds	2003	4.80%	0	20,200,000	0	20,200,000	470,000
Add Deferred Amounts:							
Issuance Premiums on Bonds			0	7,885	0	7,885	0
Capital Leases			83,136	0	55,317	27,819	27,819
Compensated Absences			1,292,101	773,823	618,387	1,447,537	263,824
Total Governmental Activities Long-Term Liabilities			<u>\$1,433,237</u>	<u>\$20,981,708</u>	<u>\$731,704</u>	<u>\$21,683,241</u>	<u>\$761,643</u>

Energy Conservation Note - On February 11, 1998, Oakwood City School District issued \$290,000 in unvoted general obligation for the purpose of providing energy conservation measures for the School District, under the authority of Ohio Revised Code Sections 133.06 (G) and 3313.372. The notes were issued for a five fiscal year period with final maturity during fiscal year 2003. The debt will be retired from savings which are anticipated from the energy conservation improvements.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 16 - LONG-TERM LIABILITIES - (Continued)

Renovation General Obligation Bonds - On April 1, 2003, Oakwood City School District issued voted general obligation bonds for the purpose of renovating the Middle School, High School, and Elementary buildings. The bonds were issued for a twenty-seven year period with final maturity at December 1, 2030. The proceeds from the sale of these bonds were recorded in the Building Fund. These bonds are retired through the Bond Retirement Fund using tax revenues.

Compensated absences will be paid from the fund from which the person is paid. Most of the District's employees are paid from the General Fund, with the remainder being paid from the Food Service and Title I Funds. Capital leases are being paid from the General Fund.

The School District's overall legal debt margin was \$4,854,488 with an unvoted debt margin of \$278,383 at June 30, 2003.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2003, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$470,000	\$854,583	\$1,324,583
2005	335,000	846,532	1,181,532
2006	340,000	839,783	1,179,783
2007	425,000	832,132	1,257,132
2008	435,000	822,880	1,257,880
2009-2013	1,785,000	3,953,790	5,738,790
2014-2018	3,895,000	4,068,531	7,963,531
2019-2023	1,840,000	2,918,600	4,758,600
2024-2028	5,920,000	1,950,075	7,870,075
2029-2030	4,755,000	370,125	5,125,125
Total	<u>\$20,200,000</u>	<u>\$17,457,031</u>	<u>\$37,657,031</u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 17 - INTERFUND ACTIVITY

As of June 30, 2003, receivables and payables that resulted from various interfund transactions were as follows:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$904,357	\$0
Bond Retirement Fund	0	717,671
<i>Nonmajor Special Revenue Funds:</i>		
Food Service	0	25,732
Eisenhower Grant	0	209
Title VI-B	0	74,954
Title I	0	9,746
Title VI	0	9,307
Drug Free Schools Program	0	2,837
Total Nonmajor Special Revenue Funds	0	122,785
<i>Nonmajor Capital Project Fund:</i>		
SchoolNet	0	63,901
Total	<u>\$904,357</u>	<u>\$904,357</u>

The balance of \$904,357 due to the General Fund from the funds listed is a result of negative cash balances in these funds. The General Fund is responsible for any deficit in these funds and interfund transactions were established to cover these expenditures.

Transfers From	Transfers To				Total
	General	Bond Retirement	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	
General	\$0	\$160,298	\$14,320	\$21,504	\$196,122
Bond Retirement	1,321,528	0	0	240,000	1,561,528
Building	0	173,061	0	214,859	387,920
Nonmajor Special Revenue Funds	35,867	0	727	0	36,594
Totals	<u>\$1,357,395</u>	<u>\$333,359</u>	<u>\$15,047</u>	<u>\$476,363</u>	<u>\$2,182,164</u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 17 - INTERFUND ACTIVITY - (Continued)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During the fiscal year 2003, the District made transfers from the Bond Retirement Debt Service Fund of \$1,321,528 to the General Fund and \$240,000 to the Permanent Improvement Capital Projects Fund to make debt payments for notes reported in those funds. The Bond Retirement Debt Service Fund also received transfers of \$160,298 from the General Fund and \$173,061 from the Building Capital Projects Fund to subsidize debt payments made for long-term obligations.

NOTE 18 - STATUTORY SET-ASIDES

The following changes occurred in the School District's set-aside reserve accounts during fiscal year 2003:

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Totals</u>
Set-Aside Balance as of July 1, 2002	\$0	\$0	\$0
Current Year Set-Aside Requirement	283,483	283,483	566,966
Prior Year Carryover	(165,380)	0	(165,380)
Current Year Offsets	0	(211,049)	(211,049)
Qualifying Disbursements	<u>(734,400)</u>	<u>(1,260,606)</u>	<u>(1,995,006)</u>
Total	<u>(616,297)</u>	<u>(1,188,172)</u>	<u>(1,804,469)</u>
Set-Aside Balance as of June 30, 2003	<u>\$0</u>	<u>\$0</u>	
Total Restricted Assets			<u>\$0</u>

Although the School District can have qualifying disbursements during the year that exceed the current year set-aside requirements in both the textbook and capital improvement reserve accounts, only the excess in the textbook reserve account can be carried forward to offset future years' textbook set-aside requirements. Each reserve must be represented by restricted cash at year-end and carried forward to be used for the same purposes in future years.

NOTE 19 - JOINTLY GOVERNED ORGANIZATION

Metropolitan Dayton Educational Cooperative Association - The School District is a participant in the Metropolitan Education Cooperative Association (MDECA) which is a computer consortium. MDECA is an association of public school districts in a geographic region determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts.

The governing board of MDECA consists of one representative from each of the participating members. The School District paid MDECA \$54,302 for services provided during the year. Financial information can be obtained from Jerry C. Woodyard, Executive Director of MDECA, located at 201 Riverside Drive Suite 1C, Dayton, Ohio 45405.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 19 - JOINTLY GOVERNED ORGANIZATION - (Continued)

Southwestern Ohio Educational Purchasing Council - The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing cooperative made up of nearly 100 school districts in 12 counties. The purpose of the cooperative is to obtain reduced prices for quality merchandise and services commonly used by schools. All member school districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member School District has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member school districts. Any school district withdrawing from the SOEPC forfeits its claim to any and all SOEPC assets. A one year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member will be liable for all member obligations for a one year period. Payments to SOEPC are made from the General Fund. The School District did not have any contributions to the SOEPC during the 2003 fiscal year. To obtain financial information, write to the Southwestern Ohio Purchasing Council, Robert Brown, who serves as Director, 1831 Harshman Road, Dayton, Ohio 45424.

NOTE 20 - INSURANCE PURCHASING POOL

Ohio School Boards Association Worker's Compensation Group Rating Plan

The School District participates in the Ohio School Boards Association Worker's Compensation Group Rating Program (GRP), and 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 21 - RELATED ORGANIZATIONS

Oakwood Schools Education Foundation - The Education Foundation is a legally separate body politic. Two of the board members of the Oakwood Schools Education Foundation are appointed by the School District, while the other seventeen members are appointed by the two. The School District is not able to impose its will on the Oakwood Schools Education Foundation and no financial benefit/burden relationship exists. The Oakwood Schools Education Foundation is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities.

Wright Memorial Public Library - The Wright Memorial Public Library is a related organization to Oakwood City School District. The School Board members are responsible for appointing the trustees of the Public Library; however, the School Board cannot influence the Library's operation nor does the Library represent a potential financial benefit or burden to Oakwood City School District. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. Once the Library determines to present a levy to the voters, including the determination of the rate and duration, the School District must place the levy on the ballot. The Library may issue debt and determine its own budget. The Library did not receive any funding from the School District during fiscal year 2001.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003*

NOTE 22 - CONTINGENCIES

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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, 2003.

NOTE 23 - SCHOOL FUNDING

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school funding plan is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school funding scheme that is thorough and efficient...".

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

NOTE 24 - SUBSEQUENT EVENT

The School District approved the issuance of notes not to exceed \$1,900,000 in anticipation of the collection of current property tax revenues for calendar year 2004 on December 8, 2003. The note in amount of \$1,900,000 was dated December 16, 2003 and the funds were borrowed from the District's Building Fund.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

OAKWOOD CITY SCHOOL DISTRICT

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than amounts related to permanent purposes or major capital projects) that are legally restricted by law and administrative action to expenditures for specified purposes. The following are descriptions of the School District's nonmajor special revenue funds:

Nonmajor Special Revenue Funds

Food Service

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

Faculty

To account for resources from the teachers of the various schools for the purchase of flowers for various reasons.

Uniform School Supplies

To account for the purchase and sale of school supplies as adopted by the Board of Education for use in the School District.

Special Rotary

To account for monies collected on behalf of the Oakwood Alumni Association for the benefit of the students.

School Support

To account for school site sales and expenditures for field trips, assemblies, and other activity costs approved by Board Resolution.

Career Education

To account for instructional programs for persons nineteen years of age and older who are enrolled in school and who have less than a twelfth-grade education or its equivalent.

Latchkey

To account for fees used to support the latchkey program for children.

Library Automation System

To account for hardware and software development, or other costs associated with the requirements of the computerization in the library. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented. Fund balance was \$566 at June 30, 2003.

District Managed Activities

To account for student activity programs which have student participation in the activity but do not have student management of the programs.

Local Professional Development

To account for monies received under House Bill 117 to be used for locally held professional development and teacher training activities which are guided by Ohio's model competency based education programming or comparable models to support student achievement, including proficiency test performance.

OAKWOOD CITY SCHOOL DISTRICT

Nonmajor Special Revenue Funds (Continued)

Education Management Information Systems

To account for hardware and software development, or other costs associated with the requirements of the management information system.

Ohio SchoolNet Professional Development

To account for grant monies used to provide hardware, software, telecommunication services, and staff development to support educational uses of technology in the classroom.

Textbooks/Materials Subsidy

To account for grant monies that are used for instructional materials, including textbooks.

Ohio Reads

To account for grant monies used to improve reading outcomes, and for volunteer coordinators in public school buildings.

Summer School Subsidy

To account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Ohio Revised Code. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented. Fund balance was \$2,271 at June 30, 2003.

Emergency Repairs Grant

To account for grant monies used to make emergency maintenance repairs. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented. Fund balance was \$691 at June 30, 2003.

Safe School Help Line

To account for grant monies to establish a help line students can call if they do not feel comfortable talking directly to their parents, teachers, or other authoritative individuals if they are aware of a potential violent act.

Eisenhower Grant

To account for monies used to strengthen instruction in science, mathematics, modern foreign languages, English, the arts and computer learning.

Title VI-B

To account for federal monies to assist in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the elementary and secondary levels.

Perkins Grant

To account for federal monies used to develop vocational education programs in the areas of secondary, adult, disadvantaged and handicapped persons, and work-study projects.

Title I

To account for federal monies used to assist in meeting the special needs of educationally deprived children.

OAKWOOD CITY SCHOOL DISTRICT

Nonmajor Special Revenue Funds (Continued)

Title VI

To account for federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, in service and staff development.

Drug Free Schools Program

To account for federal revenues which support the implementation of programs for drug abuse education and prevention.

E-Rate

To account for grant monies paid directly to the telecommunications service provider.

Title VI-R

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

Miscellaneous Federal Grants

To account for various monies received from the federal government which are not classified elsewhere. These grants include Title II-D and ATIP.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The following is a description of the School District's nonmajor capital projects funds.

Nonmajor Capital Projects Funds

Permanent Improvement

To account for the acquisition, construction or improvement of capital facilities. This fund receives an annual allocation of property taxes from the General Fund.

Harman Playground Project

To account for improvement costs of the Harman Playground. Because there were no anticipated revenues/ expenditures in this fund and none occurred, no budgetary information was presented. Fund balance was \$80 at June 30, 2003.

SchoolNet

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

Interactive Video Distance Learning

To account for monies used to finance the interactive video distance learning project. This money will be spent by the State for necessary fixed assets which are then be sent to the participating school districts.

OAKWOOD CITY SCHOOL DISTRICT

PERMANENT FUND

The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The following is a description of the School District's nonmajor permanent fund.

Nonmajor Permanent Fund

Scholarship

To account for assets which have been set aside to earn interest that is distributed in the form of scholarships.

FIDUCIARY FUND

To account for assets held by the School District in trust or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Fund

Student Managed Activities

To account for those student activity programs which have student participation in the activity and have student involvement in the management of the program.

OAKWOOD CITY SCHOOL DISTRICT

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$284,264	\$87,923	\$87,435	\$459,622
Property Taxes Receivable	0	208,601	0	208,601
Accounts Receivable	1,999	0	0	1,999
Intergovernmental Receivable	1,094	0	0	1,094
Inventory Held for Resale	2,167	0	0	2,167
<i>Total Assets</i>	<u>\$289,524</u>	<u>\$296,524</u>	<u>\$87,435</u>	<u>\$673,483</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$59,580	\$645	\$0	\$60,225
Accrued Wages and Benefits	20,613	0	0	20,613
Intergovernmental Payable	45,915	0	0	45,915
Accrued Interest Payable	0	3,303	0	3,303
Interfund Payable	122,785	63,901	0	186,686
Deferred Revenue	0	190,402	0	190,402
<i>Total Liabilities</i>	<u>248,893</u>	<u>258,251</u>	<u>0</u>	<u>507,144</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	112,445	40,498	0	152,943
Reserved for Property Taxes	0	18,199	0	18,199
Reserved for Endowments	0	0	20,000	20,000
<i>Unreserved, Undesignated, Reported in:</i>				
Special Revenue Funds	(71,814)	0	0	(71,814)
Capital Projects Funds	0	(20,424)	0	(20,424)
Permanent Fund	0	0	67,435	67,435
<i>Total Fund Balances</i>	<u>40,631</u>	<u>38,273</u>	<u>87,435</u>	<u>166,339</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$289,524</u>	<u>\$296,524</u>	<u>\$87,435</u>	<u>\$673,483</u>

OAKWOOD CITY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$0	\$209,414	\$0	\$209,414
Intergovernmental	313,358	57,952	0	371,310
Interest	283	0	1,073	1,356
Tuition and Fees	59,275	0	0	59,275
Extracurricular Activities	198,426	0	0	198,426
Charges for Services	427,278	0	0	427,278
Contributions and Donations	37,797	0	2,489	40,286
Miscellaneous	71,716	0	0	71,716
<i>Total Revenues</i>	<u>1,108,133</u>	<u>267,366</u>	<u>3,562</u>	<u>1,379,061</u>
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular	93,120	0	0	93,120
Special	227,004	0	0	227,004
Vocational	8,601	0	0	8,601
<i>Support Services:</i>				
Pupil	42,806	0	0	42,806
Instructional Staff	84,145	34,336	0	118,481
Administration	5,876	0	0	5,876
Fiscal	0	2,781	0	2,781
Pupil Transportation	330	344	0	674
Central	6,902	0	0	6,902
Operation of Non-Instructional Services	409,271	0	0	409,271
Extracurricular Activities	246,470	0	4,000	250,470
Capital Outlay	0	309,706	0	309,706
<i>Debt Service:</i>				
Interest and Fiscal Charges	0	24,380	0	24,380
<i>Total Expenditures</i>	<u>1,124,525</u>	<u>371,547</u>	<u>4,000</u>	<u>1,500,072</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(16,392)</u>	<u>(104,181)</u>	<u>(438)</u>	<u>(121,011)</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	15,047	476,363	0	491,410
Transfers Out	(36,594)	0	0	(36,594)
<i>Total Other Financing Sources (Uses)</i>	<u>(21,547)</u>	<u>476,363</u>	<u>0</u>	<u>454,816</u>
<i>Net Change in Fund Balances</i>	(37,939)	372,182	(438)	333,805
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>78,570</u>	<u>(333,909)</u>	<u>87,873</u>	<u>(167,466)</u>
<i>Fund Balances at End of Year</i>	<u>\$40,631</u>	<u>\$38,273</u>	<u>\$87,435</u>	<u>\$166,339</u>

OAKWOOD CITY SCHOOL DISTRICT

*Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2003*

	Food Service	Faculty	Uniform School Supplies	Special Rotary	School Support	Career Education
<u>Assets:</u>						
Equity In Pooled Cash and Cash Equivalents	\$0	\$5,088	\$38,350	\$24,154	\$53,871	\$18,585
Accounts Receivable	1,999	0	0	0	0	0
Intergovernmental Receivable	0	0	0	0	0	0
Inventory Held for Resale	2,167	0	0	0	0	0
<i>Total Assets</i>	<u>\$4,166</u>	<u>\$5,088</u>	<u>\$38,350</u>	<u>\$24,154</u>	<u>\$53,871</u>	<u>\$18,585</u>
<u>Liabilities and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts Payable	\$619	\$249	\$252	\$419	\$3,488	\$25
Accrued Wages and Benefits	10,194	0	0	0	0	0
Intergovernmental Payable	7,758	0	0	0	0	0
Interfund Payable	25,732	0	0	0	0	0
<i>Total Liabilities</i>	<u>44,303</u>	<u>249</u>	<u>252</u>	<u>419</u>	<u>3,488</u>	<u>25</u>
<u>Fund Balances:</u>						
Reserved for Encumbrances	12,181	0	0	0	3,806	3,666
<i>Unreserved, Undesignated, Reported in:</i> Special Revenue Funds	<u>(52,318)</u>	<u>4,839</u>	<u>38,098</u>	<u>23,735</u>	<u>46,577</u>	<u>14,894</u>
<i>Total Fund Balances (Deficits)</i>	<u>(40,137)</u>	<u>4,839</u>	<u>38,098</u>	<u>23,735</u>	<u>50,383</u>	<u>18,560</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,166</u>	<u>\$5,088</u>	<u>\$38,350</u>	<u>\$24,154</u>	<u>\$53,871</u>	<u>\$18,585</u>

Latchkey	Library Automation System	District Managed Activities	Local Professional Development	Education Management Information Systems	Ohio SchoolNet Professional Development	Textbooks/ Materials Subsidy	Ohio Reads	Summer School Subsidy
\$69,488	\$566	\$11,506	\$364	\$18,797	\$18,984	\$4,070	\$2,051	\$2,271
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
<u>\$69,488</u>	<u>\$566</u>	<u>\$11,506</u>	<u>\$364</u>	<u>\$18,797</u>	<u>\$18,984</u>	<u>\$4,070</u>	<u>\$2,051</u>	<u>\$2,271</u>
\$16,130	\$0	\$3,845	\$0	\$0	\$25,542	\$0	\$0	\$0
0	0	0	0	0	0	0	0	0
78	0	6	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
<u>16,208</u>	<u>0</u>	<u>3,851</u>	<u>0</u>	<u>0</u>	<u>25,542</u>	<u>0</u>	<u>0</u>	<u>0</u>
20,267	0	1,121	0	0	0	0	0	0
<u>33,013</u>	<u>566</u>	<u>6,534</u>	<u>364</u>	<u>18,797</u>	<u>(6,558)</u>	<u>4,070</u>	<u>2,051</u>	<u>2,271</u>
<u>53,280</u>	<u>566</u>	<u>7,655</u>	<u>364</u>	<u>18,797</u>	<u>(6,558)</u>	<u>4,070</u>	<u>2,051</u>	<u>2,271</u>
<u>\$69,488</u>	<u>\$566</u>	<u>\$11,506</u>	<u>\$364</u>	<u>\$18,797</u>	<u>\$18,984</u>	<u>\$4,070</u>	<u>\$2,051</u>	<u>\$2,271</u>

OAKWOOD CITY SCHOOL DISTRICT

*Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2003*

	Emergency Repairs Grant	Safe School Help Line	Eisenhower Grant	Title VI-B	Perkins Grant	Title I
<u>Assets:</u>						
Equity In Pooled Cash and Cash Equivalents	\$691	\$1,602	\$0	\$0	\$935	\$0
Accounts Receivable	0	0	0	0	0	0
Intergovernmental Receivable	0	0	0	0	0	0
Inventory Held for Resale	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$691</u>	<u>\$1,602</u>	<u>\$0</u>	<u>\$0</u>	<u>\$935</u>	<u>\$0</u>
<u>Liabilities and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	0	0	10,419
Intergovernmental Payable	0	6	0	37,951	0	116
Interfund Payable	0	0	209	74,954	0	9,746
<i>Total Liabilities</i>	<u>0</u>	<u>6</u>	<u>209</u>	<u>112,905</u>	<u>0</u>	<u>20,281</u>
<u>Fund Balances:</u>						
Reserved for Encumbrances	0	0	57,995	6,812	0	0
<i>Unreserved, Undesignated, Reported in: Special Revenue Funds</i>	<u>691</u>	<u>1,596</u>	<u>(58,204)</u>	<u>(119,717)</u>	<u>935</u>	<u>(20,281)</u>
<i>Total Fund Balances (Deficits)</i>	<u>691</u>	<u>1,596</u>	<u>(209)</u>	<u>(112,905)</u>	<u>935</u>	<u>(20,281)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$691</u>	<u>\$1,602</u>	<u>\$0</u>	<u>\$0</u>	<u>\$935</u>	<u>\$0</u>

Title VI	Drug Free Schools Program	E-Rate	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$3,771	\$2,346	\$6,774	\$284,264
0	0	0	0	0	1,999
0	8	0	650	436	1,094
0	0	0	0	0	2,167
<u>\$0</u>	<u>\$8</u>	<u>\$3,771</u>	<u>\$2,996</u>	<u>\$7,210</u>	<u>\$289,524</u>

\$0	\$0	\$0	\$669	\$8,342	\$59,580
0	0	0	0	0	20,613
0	0	0	0	0	45,915
9,307	2,837	0	0	0	122,785
<u>9,307</u>	<u>2,837</u>	<u>0</u>	<u>669</u>	<u>8,342</u>	<u>248,893</u>

0	0	0	2,286	4,311	112,445
<u>(9,307)</u>	<u>(2,829)</u>	<u>3,771</u>	<u>41</u>	<u>(5,443)</u>	<u>(71,814)</u>
<u>(9,307)</u>	<u>(2,829)</u>	<u>3,771</u>	<u>2,327</u>	<u>(1,132)</u>	<u>40,631</u>
<u>\$0</u>	<u>\$8</u>	<u>\$3,771</u>	<u>\$2,996</u>	<u>\$7,210</u>	<u>\$289,524</u>

OAKWOOD CITY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2003

	Food Service	Faculty	Uniform School Supplies	Special Rotary	School Support	Career Education
<u>Revenues:</u>						
Intergovernmental	\$31,551	\$0	\$0	\$0	\$0	\$5,837
Interest	0	0	0	283	0	0
Tuition and Fees	0	0	59,275	0	0	0
Extracurricular Activities	0	4,244	0	0	69,600	0
Charges for Services	195,716	0	0	0	0	0
Contributions and Donations	0	0	0	7,585	3,462	26,750
Miscellaneous	0	121	0	35,160	9,178	0
<i>Total Revenues</i>	<u>227,267</u>	<u>4,365</u>	<u>59,275</u>	<u>43,028</u>	<u>82,240</u>	<u>32,587</u>
<u>Expenditures:</u>						
<i>Current:</i>						
<i>Instruction:</i>						
Regular	0	0	76,457	0	0	5,563
Special	0	0	0	0	0	0
Vocational	0	0	0	0	0	0
<i>Support Services:</i>						
Pupil	0	0	0	0	15,519	27,287
Instructional Staff	0	0	0	7,002	0	12,442
Administration	0	0	0	0	5,876	0
Pupil Transportation	0	0	0	0	0	0
Central	0	4,101	0	0	0	0
Operation of Non-Instructional Services	225,912	0	0	12,431	1,151	0
Extracurricular Activities	0	0	0	32,991	49,343	5,697
<i>Total Expenditures</i>	<u>225,912</u>	<u>4,101</u>	<u>76,457</u>	<u>52,424</u>	<u>71,889</u>	<u>50,989</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	1,355	264	(17,182)	(9,396)	10,351	(18,402)
<u>Other Financing Sources (Uses):</u>						
Transfers In	727	0	0	0	0	27
Transfers Out	0	(727)	0	(57)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>727</u>	<u>(727)</u>	<u>0</u>	<u>(57)</u>	<u>0</u>	<u>27</u>
<i>Net Change in Fund Balances</i>	2,082	(463)	(17,182)	(9,453)	10,351	(18,375)
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>(42,219)</u>	<u>5,302</u>	<u>55,280</u>	<u>33,188</u>	<u>40,032</u>	<u>36,935</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>(\$40,137)</u>	<u>\$4,839</u>	<u>\$38,098</u>	<u>\$23,735</u>	<u>\$50,383</u>	<u>\$18,560</u>

Latchkey	Library Automation System	District Managed Activities	Local Professional Development	Education Management Information Systems	Ohio SchoolNet Professional Development	Textbooks/ Materials Subsidy	Ohio Reads	Summer School Subsidy
\$0	\$0	\$0	\$0	\$7,330	\$19,600	\$0	\$2,000	\$0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	124,582	0	0	0	0	0	0
231,562	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	27,257	0	0	0	0	0	0
<u>231,562</u>	<u>0</u>	<u>151,839</u>	<u>0</u>	<u>7,330</u>	<u>19,600</u>	<u>0</u>	<u>2,000</u>	<u>0</u>
0	0	0	0	0	0	0	3,075	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	1,499	0	29,608	0	2,000	0
0	0	0	0	0	0	0	0	0
330	0	0	0	0	0	0	0	0
0	0	0	0	77	0	0	0	0
167,914	0	0	0	0	0	0	0	0
0	0	158,439	0	0	0	0	0	0
<u>168,244</u>	<u>0</u>	<u>158,439</u>	<u>1,499</u>	<u>77</u>	<u>29,608</u>	<u>0</u>	<u>5,075</u>	<u>0</u>
63,318	0	(6,600)	(1,499)	7,253	(10,008)	0	(3,075)	0
0	0	14,293	0	0	0	0	0	0
(35,000)	0	(810)	0	0	0	0	0	0
<u>(35,000)</u>	<u>0</u>	<u>13,483</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
28,318	0	6,883	(1,499)	7,253	(10,008)	0	(3,075)	0
<u>24,962</u>	<u>566</u>	<u>772</u>	<u>1,863</u>	<u>11,544</u>	<u>3,450</u>	<u>4,070</u>	<u>5,126</u>	<u>2,271</u>
<u>\$53,280</u>	<u>\$566</u>	<u>\$7,655</u>	<u>\$364</u>	<u>\$18,797</u>	<u>(\$6,558)</u>	<u>\$4,070</u>	<u>\$2,051</u>	<u>\$2,271</u>

OAKWOOD CITY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2003

	Emergency Repairs Grant	Safe School Help Line	Eisenhower Grant	Title VI-B	Perkins Grant	Title I
<u>Revenues:</u>						
Intergovernmental	\$0	\$5,622	\$504	\$129,188	\$9,536	\$30,603
Interest	0	0	0	0	0	0
Tuition and Fees	0	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0	0
Charges for Services	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>5,622</u>	<u>504</u>	<u>129,188</u>	<u>9,536</u>	<u>30,603</u>
<u>Expenditures:</u>						
<i>Current:</i>						
<i>Instruction:</i>						
Regular	0	2,699	1,051	0	0	0
Special	0	0	0	143,479	0	44,948
Vocational	0	0	0	0	8,601	0
<i>Support Services:</i>						
Pupil	0	0	0	0	0	0
Instructional Staff	0	0	752	0	0	1,600
Administration	0	0	0	0	0	0
Pupil Transportation	0	0	0	0	0	0
Central	0	0	0	0	0	0
Operation of Non-Instructional Services	0	1,863	0	0	0	0
Extracurricular Activities	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>4,562</u>	<u>1,803</u>	<u>143,479</u>	<u>8,601</u>	<u>46,548</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	1,060	(1,299)	(14,291)	935	(15,945)
<u>Other Financing Sources (Uses):</u>						
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	0	1,060	(1,299)	(14,291)	935	(15,945)
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>691</u>	<u>536</u>	<u>1,090</u>	<u>(98,614)</u>	<u>0</u>	<u>(4,336)</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$691</u>	<u>\$1,596</u>	<u>(\$209)</u>	<u>(\$112,905)</u>	<u>\$935</u>	<u>(\$20,281)</u>

Title VI	Drug Free Schools Program	E-Rate	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$78	\$905	\$8,068	\$28,516	\$34,020	\$313,358
0	0	0	0	0	283
0	0	0	0	0	59,275
0	0	0	0	0	198,426
0	0	0	0	0	427,278
0	0	0	0	0	37,797
0	0	0	0	0	71,716
<u>78</u>	<u>905</u>	<u>8,068</u>	<u>28,516</u>	<u>34,020</u>	<u>1,108,133</u>
0	0	0	4,275	0	93,120
8,749	0	0	0	29,828	227,004
0	0	0	0	0	8,601
0	0	0	0	0	42,806
0	2,831	0	26,190	221	84,145
0	0	0	0	0	5,876
0	0	0	0	0	330
0	0	2,724	0	0	6,902
0	0	0	0	0	409,271
0	0	0	0	0	246,470
<u>8,749</u>	<u>2,831</u>	<u>2,724</u>	<u>30,465</u>	<u>30,049</u>	<u>1,124,525</u>
(8,671)	(1,926)	5,344	(1,949)	3,971	(16,392)
0	0	0	0	0	15,047
0	0	0	0	0	(36,594)
0	0	0	0	0	(21,547)
(8,671)	(1,926)	5,344	(1,949)	3,971	(37,939)
<u>(636)</u>	<u>(903)</u>	<u>(1,573)</u>	<u>4,276</u>	<u>(5,103)</u>	<u>78,570</u>
<u>(\$9,307)</u>	<u>(\$2,829)</u>	<u>\$3,771</u>	<u>\$2,327</u>	<u>(\$1,132)</u>	<u>\$40,631</u>

OAKWOOD CITY SCHOOL DISTRICT

Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2003

	<u>Permanent Improvement</u>	<u>Harman Playground Project</u>	<u>SchoolNet</u>	<u>Interactive Video Distance Learning</u>	<u>Total Nonmajor Capital Projects Funds</u>
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$85,828	\$80	\$0	\$2,015	\$87,923
Property Taxes Receivable	208,601	0	0	0	208,601
<i>Total Assets</i>	<u>\$294,429</u>	<u>\$80</u>	<u>\$0</u>	<u>\$2,015</u>	<u>\$296,524</u>
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$645	\$0	\$0	\$0	\$645
Interfund Payable	0	0	63,901	0	63,901
Accrued Interest Payable	3,303	0	0	0	3,303
Deferred Revenue	190,402	0	0	0	190,402
<i>Total Liabilities</i>	<u>194,350</u>	<u>0</u>	<u>63,901</u>	<u>0</u>	<u>258,251</u>
<u>Fund Balances:</u>					
Reserved for Encumbrances	38,773	0	0	1,725	40,498
Reserved for Property Taxes	18,199	0	0	0	18,199
<i>Unreserved, Undesignated, Reported in:</i>					
Capital Projects Funds	43,107	80	(63,901)	290	(20,424)
<i>Total Fund Balances (Deficits)</i>	<u>100,079</u>	<u>80</u>	<u>(63,901)</u>	<u>2,015</u>	<u>38,273</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$294,429</u>	<u>\$80</u>	<u>\$0</u>	<u>\$2,015</u>	<u>\$296,524</u>

OAKWOOD CITY SCHOOL DISTRICT
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 For the Fiscal Year Ended June 30, 2003

	Permanent Improvement	Harman Playground Project	SchoolNet	Interactive Video Distance Learning	Total Nonmajor Capital Projects Funds
<u>Revenues:</u>					
Property Taxes	\$209,414	\$0	\$0	\$0	\$209,414
Intergovernmental	30,150	0	27,802	0	57,952
<i>Total Revenues</i>	<u>239,564</u>	<u>0</u>	<u>27,802</u>	<u>0</u>	<u>267,366</u>
<u>Expenditures:</u>					
<i>Current:</i>					
<i>Support Services:</i>					
Instructional Staff	0	0	28,851	5,485	34,336
Fiscal	2,781	0	0	0	2,781
Pupil Transportation	344	0	0	0	344
Capital Outlay	309,706	0	0	0	309,706
<i>Debt Service:</i>					
Interest and Fiscal Charges	24,380	0	0	0	24,380
<i>Total Expenditures</i>	<u>337,211</u>	<u>0</u>	<u>28,851</u>	<u>5,485</u>	<u>371,547</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(97,647)</u>	<u>0</u>	<u>(1,049)</u>	<u>(5,485)</u>	<u>(104,181)</u>
<u>Other Financing Sources:</u>					
Transfers In	476,363	0	0	0	476,363
<i>Net Change in Fund Balances</i>	378,716	0	(1,049)	(5,485)	372,182
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>(278,637)</u>	<u>80</u>	<u>(62,852)</u>	<u>7,500</u>	<u>(333,909)</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$100,079</u>	<u>\$80</u>	<u>(\$63,901)</u>	<u>\$2,015</u>	<u>\$38,273</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)*
Bond Retirement Debt Service Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$0	\$0	\$602,926	\$602,926
<u>Expenditures:</u>				
<i>Debt Service:</i>				
Principal Retirement	2,222,000	22,598,000	22,598,000	0
Interest and Fiscal Charges	75,000	233,000	231,202	1,798
Dues and Fees	0	8,000	7,588	412
<i>Total Expenditures</i>	<u>2,297,000</u>	<u>22,839,000</u>	<u>22,836,790</u>	<u>2,210</u>
Excess of Revenues Over (Under) Expenditures	(2,297,000)	(22,839,000)	(22,233,864)	605,136
<u>Other Financing Sources:</u>				
Transfers In	1,650,000	1,650,000	21,515,262	19,865,262
<i>Total Other Financing Sources</i>	<u>1,650,000</u>	<u>1,650,000</u>	<u>21,515,262</u>	<u>19,865,262</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(647,000)	(21,189,000)	(718,602)	20,470,398
Fund Balance at Beginning of Year	<u>930</u>	<u>930</u>	<u>930</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>(\$646,070)</u>	<u>(\$21,188,070)</u>	<u>(\$717,672)</u>	<u>\$20,470,398</u>

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Building Capital Projects Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$73,625	\$73,625
Interest	0	0	30,854	30,854
Miscellaneous	0	0	18,045	18,045
<i>Total Revenues</i>	0	0	122,524	122,524
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Fiscal				
Other	0	7,000	6,917	83
Total Support Services	0	7,000	6,917	83
Capital Outlay				
Site Improvement Services				
Purchased Services	0	38,000	44,435	(6,435)
Architecture and Engineering				
Purchased Services	0	1,918,000	1,917,185	815
Building Improvement Services				
Purchased Services	0	483,000	657,255	(174,255)
Total Capital Outlay	0	2,439,000	2,618,875	(179,875)
<i>Debt Service:</i>				
Interest and Fiscal Charges	0	144,000	143,214	786
<i>Total Expenditures</i>	0	2,590,000	2,769,006	(179,006)
Excess of Revenues Over (Under) Expenditures	0	(2,590,000)	(2,646,482)	(56,482)
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Bonds	0	0	20,200,000	20,200,000
Proceeds from Sale of Long-Term Notes	0	0	20,200,000	20,200,000
Premium on Debt Issuance	0	0	7,885	7,885
Transfers Out	0	(20,588,000)	(20,587,920)	80
<i>Total Other Financing Sources (Uses)</i>	0	(20,588,000)	19,819,965	40,407,965
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	(23,178,000)	17,173,483	40,351,483
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance (Deficit) at End of Year	\$0	(\$23,178,000)	\$17,173,483	\$40,351,483

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)*
Food Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$18,107	\$18,107	\$17,018	(\$1,089)
Charges for Services	206,119	206,119	193,717	(12,402)
<i>Total Revenues</i>	<u>224,226</u>	<u>224,226</u>	<u>210,735</u>	<u>(13,491)</u>
<u>Expenditures:</u>				
<i>Current:</i>				
Non-Instructional Services				
Food Service Operations				
Salaries and Wages	76,900	81,200	81,120	80
Fringe Benefits	27,000	29,600	29,549	51
Supplies and Materials	129,545	134,545	119,073	15,472
Capital Outlay	13,400	100	20	80
<i>Total Expenditures</i>	<u>246,845</u>	<u>245,445</u>	<u>229,762</u>	<u>15,683</u>
Excess of Revenues Over (Under) Expenditures	(22,619)	(21,219)	(19,027)	2,192
<u>Other Financing Sources:</u>				
Transfers In	774	774	727	(47)
<i>Total Other Financing Sources</i>	<u>774</u>	<u>774</u>	<u>727</u>	<u>(47)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(21,845)	(20,445)	(18,300)	2,145
Fund Balance (Deficit) at Beginning of Year	(34,775)	(34,775)	(34,775)	0
Prior Year Encumbrances Appropriated	<u>14,545</u>	<u>14,545</u>	<u>14,545</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>(\$42,075)</u>	<u>(\$40,675)</u>	<u>(\$38,530)</u>	<u>\$2,145</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Faculty Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Extracurricular Activities	\$9,723	\$9,723	\$4,244	(\$5,479)
Miscellaneous	277	277	121	(156)
<i>Total Revenues</i>	10,000	10,000	4,365	(5,635)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Central				
Purchased Services	915	756	680	76
Supplies and Materials	5,007	4,337	3,722	615
<i>Total Expenditures</i>	5,922	5,093	4,402	691
Excess of Revenues Over (Under) Expenditures	4,078	4,907	(37)	(4,944)
<u>Other Financing Uses:</u>				
Transfers Out	(978)	(808)	(727)	81
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	3,100	4,099	(764)	(4,863)
Fund Balance at Beginning of Year	4,703	4,703	4,703	0
Prior Year Encumbrances Appropriated	700	700	700	0
Fund Balance (Deficit) at End of Year	\$8,503	\$9,502	\$4,639	(\$4,863)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Uniform School Supplies Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Tuition and Fees	\$90,000	\$90,000	\$59,305	(\$30,695)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Supplies and Materials	84,374	83,574	79,907	3,667
<i>Total Expenditures</i>	84,374	83,574	79,907	3,667
Excess of Revenues Over (Under) Expenditures	5,626	6,426	(20,602)	(27,028)
Fund Balance at Beginning of Year	51,834	51,834	51,834	0
Prior Year Encumbrances Appropriated	3,574	3,574	3,574	0
Fund Balance (Deficit) at End of Year	\$61,034	\$61,834	\$34,806	(\$27,028)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Special Rotary Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Interest	\$230	\$230	\$283	\$53
Contributions and Donations	6,170	6,170	7,585	1,415
Miscellaneous	28,600	28,600	35,160	6,560
<i>Total Revenues</i>	<u>35,000</u>	<u>35,000</u>	<u>43,028</u>	<u>8,028</u>
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	759	1,303	1,185	118
Supplies and Materials	1,499	2,571	2,339	232
Capital Outlay	2,376	4,077	3,708	369
Total Support Services	<u>4,634</u>	<u>7,951</u>	<u>7,232</u>	<u>719</u>
<i>Non-Instructional Services</i>				
Community Services				
Purchased Services	7,736	13,272	12,072	1,200
Supplies and Materials	551	945	860	85
Total Non-Instructional Services	<u>8,287</u>	<u>14,217</u>	<u>12,932</u>	<u>1,285</u>
<i>Extracurricular Activities:</i>				
Academic Oriented Activities				
Purchased Services	929	1,593	1,449	144
<i>School and Public Service Activities</i>				
Purchased Services	19,984	34,283	31,184	3,099
Supplies and Materials	229	394	358	36
Total School and Public Service Activities	<u>20,213</u>	<u>34,677</u>	<u>31,542</u>	<u>3,135</u>
Total Extracurricular Activities	<u>21,142</u>	<u>36,270</u>	<u>32,991</u>	<u>3,279</u>
<i>Total Expenditures</i>	<u>34,063</u>	<u>58,438</u>	<u>53,155</u>	<u>5,283</u>
Excess of Revenues Over (Under) Expenditures	937	(23,438)	(10,127)	13,311
<u>Other Financing Uses:</u>				
Transfers Out	(37)	(63)	(57)	6
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	900	(23,501)	(10,184)	13,317
Fund Balance at Beginning of Year	28,488	28,488	28,488	0
Prior Year Encumbrances Appropriated	4,700	4,700	4,700	0
Fund Balance (Deficit) at End of Year	<u>\$34,088</u>	<u>\$9,687</u>	<u>\$23,004</u>	<u>\$13,317</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
School Support Special Revenue Fund
For the Fiscal Year Ended June 30, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Extracurricular Activities	\$67,704	\$67,704	\$69,600	\$1,896
Contributions and Donations	3,368	3,368	3,462	94
Miscellaneous	8,928	8,928	9,178	250
<i>Total Revenues</i>	80,000	80,000	82,240	2,240
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Pupils				
Purchased Services	22,872	17,084	17,779	(695)
Administration				
Purchased Services	10,167	7,908	6,210	1,698
Total Support Services	33,039	24,992	23,989	1,003
Non-Instructional Services				
Other Operation of Non-Instructional Services				
Purchased Services	1,706	1,274	1,151	123
Extracurricular Activities				
Academic Oriented Activities				
Purchased Services	33,659	25,867	20,776	5,091
Supplies and Materials	37,997	28,965	25,843	3,122
Total Academic Oriented Activities	71,656	54,832	46,619	8,213
School and Public Service Activities				
Purchased Services	7,663	6,066	7,260	(1,194)
Total Extracurricular Activities	79,319	60,898	53,879	7,019
<i>Total Expenditures</i>	114,064	87,164	79,019	8,145
Excess of Revenues Over (Under) Expenditures	(34,064)	(7,164)	3,221	10,385
Fund Balance at Beginning of Year	35,596	35,596	35,596	0
Prior Year Encumbrances Appropriated	7,764	7,764	7,764	0
Fund Balance (Deficit) at End of Year	\$9,296	\$36,196	\$46,581	\$10,385

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Career Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$8,054	\$8,054	\$5,838	(\$2,216)
Contributions and Donations	36,908	36,908	26,750	(10,158)
<i>Total Revenues</i>	<u>44,962</u>	<u>44,962</u>	<u>32,588</u>	<u>(12,374)</u>
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Supplies and Materials	1,198	1,589	1,400	189
Capital Outlay	3,561	4,725	4,163	562
Total Instruction	<u>4,759</u>	<u>6,314</u>	<u>5,563</u>	<u>751</u>
<i>Support Services:</i>				
Pupils				
Purchased Services	38,445	44,879	26,119	18,760
Supplies and Materials	22,608	26,439	13,704	12,735
Capital Outlay	9,279	10,671	4,979	5,692
Total Pupils	<u>70,332</u>	<u>81,989</u>	<u>44,802</u>	<u>37,187</u>
Instructional Staff				
Salaries and Wages	225	298	263	35
Fringe Benefits	3	5	4	1
Supplies and Materials	737	863	627	236
Capital Outlay	16,006	19,276	12,114	7,162
Total Instructional Staff	<u>16,971</u>	<u>20,442</u>	<u>13,008</u>	<u>7,434</u>
Total Support Services	<u>87,303</u>	<u>102,431</u>	<u>57,810</u>	<u>44,621</u>
Extracurricular Activities				
School and Public Service Activities				
Capital Outlay	4,873	6,465	5,697	768
Total Extracurricular Activities	<u>4,873</u>	<u>6,465</u>	<u>5,697</u>	<u>768</u>
<i>Total Expenditures</i>	<u>96,935</u>	<u>115,210</u>	<u>69,070</u>	<u>46,140</u>
Excess of Revenues Over (Under) Expenditures	(51,973)	(70,248)	(36,482)	33,766
<u>Other Financing Sources (Uses):</u>				
Transfers In	38	38	27	(11)
Transfers Out	(77)	(102)	0	102
<i>Total Other Financing Sources (Uses)</i>	<u>(39)</u>	<u>(64)</u>	<u>27</u>	<u>91</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(52,012)	(70,312)	(36,455)	33,857
Fund Balance at Beginning of Year	10,339	10,339	10,339	0
Prior Year Encumbrances Appropriated	<u>41,012</u>	<u>41,012</u>	<u>41,012</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>(\$661)</u>	<u>(\$18,961)</u>	<u>\$14,896</u>	<u>\$33,857</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)*
Latchkey Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$284,000	\$284,000	\$231,562	(\$52,438)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Pupil Transportation				
Fringe Benefits	537	385	330	55
Total Support Services	537	385	330	55
Non - Instructional Services				
Food Service Operations				
Salaries and Wages	2,579	1,848	1,585	263
Fringe Benefits	28	20	17	3
Supplies and Materials	6,603	5,610	8,328	(2,718)
Total Food Service Operations	9,210	7,478	9,930	(2,452)
Community Services				
Purchased Services	325,440	241,732	211,587	30,145
Supplies and Materials	579	415	656	(241)
Total Community Services	326,019	242,147	212,243	29,904
Other Operation of Non-Instructional Services				
Supplies and Materials	390	280	240	40
Total Non - Instructional Services	335,619	249,905	222,413	27,492
<i>Total Expenditures</i>	336,156	250,290	222,743	27,547
Excess of Revenues Over (Under) Expenditures	(52,156)	33,710	8,819	(24,891)
<u>Other Financing Uses:</u>				
Transfers Out	(56,945)	(40,810)	(35,000)	5,810
<i>Total Other Financing Uses</i>	(56,945)	(40,810)	(35,000)	5,810
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	(109,101)	(7,100)	(26,181)	(19,081)
Fund Balance at Beginning of Year	26,093	26,093	26,093	0
Prior Year Encumbrances Appropriated	33,100	33,100	33,100	0
Fund Balance (Deficit) at End of Year	(\$49,908)	\$52,093	\$33,012	(\$19,081)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Library Automation System Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	566	566	566	0
Fund Balance at End of Year	\$566	\$566	\$566	\$0

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)*
District Managed Activities Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Extracurricular Activities	\$106,485	\$106,485	\$124,582	\$18,097
Miscellaneous	23,298	23,298	27,257	3,959
<i>Total Revenues</i>	129,783	129,783	151,839	22,056
<u>Expenditures:</u>				
<i>Current:</i>				
Extracurricular Activities				
Sport Oriented Activities				
Salaries and Wages	2,407	2,307	2,230	77
Purchased Services	75,047	72,003	68,731	3,272
Supplies and Materials	90,232	86,530	87,131	(601)
Capital Outlay	2,834	2,716	2,625	91
<i>Total Expenditures</i>	170,520	163,556	160,717	2,839
Excess of Revenues Over (Under) Expenditures	(40,737)	(33,773)	(8,878)	24,895
<u>Other Financing Sources (Uses):</u>				
Transfers In	12,217	12,217	14,293	2,076
Transfers Out	(837)	(837)	(810)	27
<i>Total Other Financing Sources (Uses)</i>	11,380	11,380	13,483	2,103
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(29,357)	(22,393)	4,605	26,998
Fund Balance (Deficit) at Beginning of Year	(459)	(459)	(459)	0
Prior Year Encumbrances Appropriated	2,393	2,393	2,393	0
Fund Balance (Deficit) at End of Year	(\$27,423)	(\$20,459)	\$6,539	\$26,998

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Local Professional Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$11,000	\$11,000	\$0	(\$11,000)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	8,414	1,547	1,500	47
Supplies and Materials	337	104	51	53
<i>Total Expenditures</i>	<u>8,751</u>	<u>1,651</u>	<u>1,551</u>	<u>100</u>
Excess of Revenues Over (Under) Expenditures	2,249	9,349	(1,551)	(10,900)
Fund Balance at Beginning of Year	1,863	1,863	1,863	0
Prior Year Encumbrances Appropriated	<u>51</u>	<u>51</u>	<u>51</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$4,163</u>	<u>\$11,263</u>	<u>\$363</u>	<u>(\$10,900)</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Education Management Information Systems Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$8,000	\$8,000	\$7,330	(\$670)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Central				
Purchased Services	3,400	100	77	23
Excess of Revenues Over (Under) Expenditures	4,600	7,900	7,253	(647)
Fund Balance at Beginning of Year	11,544	11,544	11,544	0
Fund Balance (Deficit) at End of Year	<u>\$16,144</u>	<u>\$19,444</u>	<u>\$18,797</u>	<u>(\$647)</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)
 Ohio SchoolNet Professional Development Special Revenue Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$23,050	\$23,050
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	4,000	14,400	10,397	4,003
Excess of Revenues Over (Under) Expenditures	(4,000)	(14,400)	12,653	27,053
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	4,000	4,000	4,000	0
Fund Balance (Deficit) at End of Year	<u>\$0</u>	<u>(\$10,400)</u>	<u>\$16,653</u>	<u>\$27,053</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)
 Textbooks/Materials Subsidy Special Revenue Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$0	\$0
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>4,070</u>	<u>4,070</u>	<u>4,070</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u><u>\$4,070</u></u>	<u><u>\$4,070</u></u>	<u><u>\$4,070</u></u>	<u><u>\$0</u></u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Ohio Reads Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$2,000	\$2,000
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Materials and Supplies	<u>5,149</u>	<u>6,430</u>	<u>3,125</u>	<u>3,305</u>
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	<u>1,210</u>	<u>2,029</u>	<u>2,000</u>	<u>29</u>
<i>Total Expenditures</i>	<u>6,359</u>	<u>8,459</u>	<u>5,125</u>	<u>3,334</u>
Excess of Revenues Over (Under) Expenditures	(6,359)	(8,459)	(3,125)	5,334
Fund Balance at Beginning of Year	1,917	1,917	1,917	0
Prior Year Encumbrances Appropriated	<u>3,259</u>	<u>3,259</u>	<u>3,259</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>(\$1,183)</u>	<u>(\$3,283)</u>	<u>\$2,051</u>	<u>\$5,334</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Summer School Subsidy Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	2,271	2,271	2,271	0
Fund Balance at End of Year	\$2,271	\$2,271	\$2,271	\$0

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Emergency Repairs Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	691	691	691	0
Fund Balance at End of Year	\$691	\$691	\$691	\$0

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Safe School Help Line Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$5,622	\$5,622
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries and Wages	524	1,015	1,492	(477)
Fringe Benefits	141	0	400	(400)
Supplies and Materials	281	816	800	16
Total Instruction	946	1,831	2,692	(861)
Non-Instructional Services				
Community Services				
Purchased Services	654	1,269	1,863	(594)
Total Expenditures	1,600	3,100	4,555	(1,455)
Excess of Revenues Over (Under) Expenditures	(1,600)	(3,100)	1,067	4,167
Fund Balance at Beginning of Year	536	536	536	0
Fund Balance (Deficit) at End of Year	(\$1,064)	(\$2,564)	\$1,603	\$4,167

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)
 Eisenhower Grant Special Revenue Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$9,000	\$9,000	\$1,043	(\$7,957)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries and Wages	185	150	150	0
Purchased Services	4,070	5,720	3,309	2,411
Total Instruction	<u>4,255</u>	<u>5,870</u>	<u>3,459</u>	<u>2,411</u>
<i>Support Services:</i>				
Instructional Staff				
Salaries and Wages	189	154	154	0
Fringe Benefits	2	2	2	0
Purchased Services	7,842	12,161	6,375	5,786
Total Support Services	<u>8,033</u>	<u>12,317</u>	<u>6,531</u>	<u>5,786</u>
Total Expenditures	<u>12,288</u>	<u>18,187</u>	<u>9,990</u>	<u>8,197</u>
Excess of Revenues Over (Under) Expenditures	(3,288)	(9,187)	(8,947)	240
Fund Balance at Beginning of Year	550	550	550	0
Prior Year Encumbrances Appropriated	<u>8,187</u>	<u>8,187</u>	<u>8,187</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$5,449</u>	<u>(\$450)</u>	<u>(\$210)</u>	<u>\$240</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$62,000	\$62,000	\$164,644	\$102,644
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Special				
Purchased Services	<u>105,138</u>	<u>318,138</u>	<u>259,613</u>	<u>58,525</u>
Excess of Revenues Over (Under) Expenditures	(43,138)	(256,138)	(94,969)	161,169
Fund Balance (Deficit) at Beginning of Year	(140,383)	(140,383)	(140,383)	0
Prior Year Encumbrances Appropriated	<u>58,138</u>	<u>58,138</u>	<u>58,138</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u><u>(\$125,383)</u></u>	<u><u>(\$338,383)</u></u>	<u><u>(\$177,214)</u></u>	<u><u>\$161,169</u></u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)
 Perkins Grant Special Revenue Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$9,536	\$9,536
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Vocational				
Purchased Services	2,259	2,259	3,909	(1,650)
Supplies and Materials	1,447	1,447	2,183	(736)
Capital Outlay	1,994	1,994	3,009	(1,015)
<i>Total Expenditures</i>	5,700	5,700	9,101	(3,401)
Excess of Revenues Over (Under) Expenditures	(5,700)	(5,700)	435	6,135
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance (Deficit) at End of Year	(\$5,700)	(\$5,700)	\$435	\$6,135

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$33,000	\$33,000	\$38,295	\$5,295
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Special				
Salaries and Wages	33,920	39,397	39,330	67
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	1,380	1,603	1,600	3
<i>Total Expenditures</i>	35,300	41,000	40,930	70
Excess of Revenues Over (Under) Expenditures	(2,300)	(8,000)	(2,635)	5,365
Fund Balance (Deficit) at Beginning of Year	(7,111)	(7,111)	(7,111)	0
Fund Balance (Deficit) at End of Year	(\$9,411)	(\$15,111)	(\$9,746)	\$5,365

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Title VI Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$14,000	\$14,000	\$3,553	(\$10,447)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Special				
Salaries and Wages	10,030	8,652	8,602	50
Fringe Benefits	79	69	69	0
Supplies and Materials	91	78	78	0
<i>Total Expenditures</i>	10,200	8,799	8,749	50
Excess of Revenues Over (Under) Expenditures	3,800	5,201	(5,196)	(10,397)
Fund Balance (Deficit) at Beginning of Year	(4,112)	(4,112)	(4,112)	0
Fund Balance (Deficit) at End of Year	(\$312)	\$1,089	(\$9,308)	(\$10,397)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)
 Drug Free Schools Program Special Revenue Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$13,000	\$13,000	\$897	(\$12,103)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	2,091	866	846	20
Supplies and Materials	5,142	2,267	1,986	281
<i>Total Expenditures</i>	<u>7,233</u>	<u>3,133</u>	<u>2,832</u>	<u>301</u>
Excess of Revenues Over (Under) Expenditures	5,767	9,867	(1,935)	(11,802)
Fund Balance (Deficit) at Beginning of Year	(1,136)	(1,136)	(1,136)	0
Prior Year Encumbrances Appropriated	<u>233</u>	<u>233</u>	<u>233</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$4,864</u>	<u>\$8,964</u>	<u>(\$2,838)</u>	<u>(\$11,802)</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
E-Rate Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$4,000	\$4,000	\$8,068	\$4,068
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Central				
Purchased Services	<u>7,900</u>	<u>2,800</u>	<u>2,724</u>	<u>76</u>
Excess of Revenues Over (Under) Expenditures	(3,900)	1,200	5,344	4,144
Fund Balance (Deficit) at Beginning of Year	<u>(1,573)</u>	<u>(1,573)</u>	<u>(1,573)</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u><u>(\$5,473)</u></u>	<u><u>(\$373)</u></u>	<u><u>\$3,771</u></u>	<u><u>\$4,144</u></u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Title VI-R Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$25,000	\$25,000	\$33,885	\$8,885
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries and Wages	2,559	7,409	7,405	4
Instructional Staff				
Purchased Services	9,841	28,491	28,476	15
<i>Total Expenditures</i>	12,400	35,900	35,881	19
Excess of Revenues Over (Under) Expenditures	12,600	(10,900)	(1,996)	8,904
Fund Balance at Beginning of Year	1,386	1,386	1,386	0
Fund Balance (Deficit) at End of Year	\$13,986	(\$9,514)	(\$610)	\$8,904

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$33,585	\$33,585
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Supplies and Materials	0	0	535	(535)
Special				
Supplies and Materials	467	2,503	2,456	47
Capital Outlay	5,076	27,193	31,238	(4,045)
Total Special	5,543	29,696	33,694	(3,998)
Total Instruction	5,543	29,696	34,229	(4,533)
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	57	304	220	84
Total Expenditures	5,600	30,000	34,449	(4,449)
Excess of Revenues Over (Under) Expenditures	(5,600)	(30,000)	(864)	29,136
Fund Balance (Deficit) at Beginning of Year	(5,103)	(5,103)	(5,103)	0
Fund Balance (Deficit) at End of Year	(\$10,703)	(\$35,103)	(\$5,967)	\$29,136

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$115,437	\$115,437	\$211,049	\$95,612
Intergovernmental	3,691	3,691	30,150	26,459
<i>Total Revenues</i>	<u>119,128</u>	<u>119,128</u>	<u>241,199</u>	<u>122,071</u>
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Fiscal				
Other	2,000	2,800	2,781	19
Pupil Transportation				
Purchased Services	300	400	344	56
<i>Total Support Services</i>	<u>2,300</u>	<u>3,200</u>	<u>3,125</u>	<u>75</u>
Capital Outlay				
Architecture and Engineering				
Purchased Services	52,240	187,240	188,465	(1,225)
Building Improvement Services				
Purchased Services	0	2,800	0	2,800
Capital Outlay	63,489	66,689	55,879	10,810
Other	15,000	128,100	128,064	36
<i>Total Capital Outlay</i>	<u>130,729</u>	<u>384,829</u>	<u>372,408</u>	<u>12,421</u>
<i>Total Expenditures</i>	<u>133,029</u>	<u>388,029</u>	<u>375,533</u>	<u>12,496</u>
Excess of Revenues Over (Under) Expenditures	(13,901)	(268,901)	(134,334)	134,567
<u>Other Financing Sources (Uses):</u>				
Transfers In	26,308	26,308	214,859	188,551
Transfers Out	(130,000)	(130,000)	(120,000)	10,000
<i>Total Other Financing Sources (Uses)</i>	<u>(103,692)</u>	<u>(103,692)</u>	<u>94,859</u>	<u>198,551</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(117,593)	(372,593)	(39,475)	333,118
Fund Balance at Beginning of Year	64,954	64,954	64,954	0
Prior Year Encumbrances Appropriated	20,929	20,929	20,929	0
Fund Balance (Deficit) at End of Year	<u>(\$31,710)</u>	<u>(\$286,710)</u>	<u>\$46,408</u>	<u>\$333,118</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Harman Playground Project Capital Projects Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	80	80	80	0
Fund Balance at End of Year	<u>\$80</u>	<u>\$80</u>	<u>\$80</u>	<u>\$0</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
SchoolNet Capital Projects Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$85,000	\$85,000	\$27,802	(\$57,198)
<u>Expenditures</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	1,339	1,155	1,153	2
Capital Outlay	32,161	27,745	27,699	46
<i>Total Expenditures</i>	<u>33,500</u>	<u>28,900</u>	<u>28,852</u>	<u>48</u>
Excess of Revenues Over (Under) Expenditures	51,500	56,100	(1,050)	(57,150)
Fund Balance at Beginning of Year	<u>(62,852)</u>	<u>(62,852)</u>	<u>(62,852)</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>(\$11,352)</u>	<u>(\$6,752)</u>	<u>(\$63,902)</u>	<u>(\$57,150)</u>

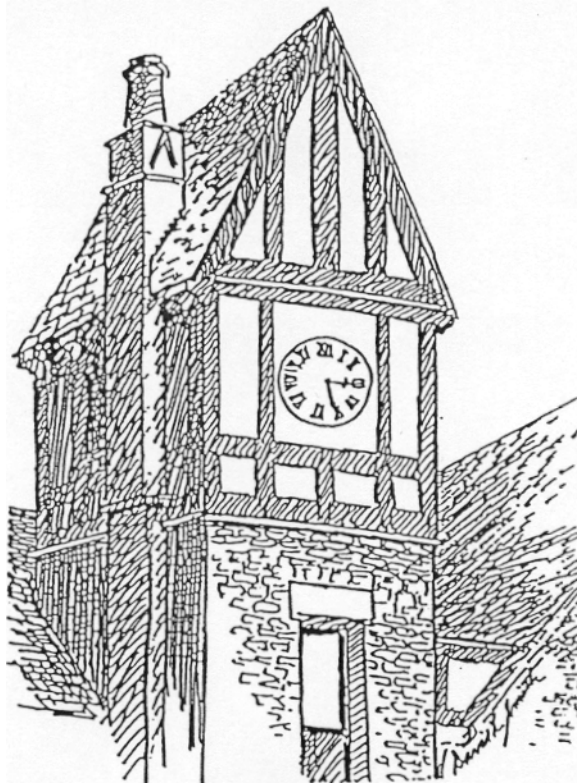
OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)
 Interactive Video Distance Learning Capital Projects Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	0	7,300	7,210	90
<i>Total Expenditures</i>	0	7,300	7,210	90
Excess of Revenues Over (Under) Expenditures	0	(7,300)	(7,210)	90
Fund Balance at Beginning of Year	7,500	7,500	7,500	0
Fund Balance at End of Year	\$7,500	\$200	\$290	\$90

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
 Scholarship Permanent Fund
 For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Interest	\$6,025	\$6,025	\$1,073	(\$4,952)
Contributions and Donations	13,975	13,975	2,489	(11,486)
<i>Total Revenues</i>	20,000	20,000	3,562	(16,438)
<u>Expenditures:</u>				
<i>Current:</i>				
Extracurricular Activities				
Academic Oriented Activities				
Other	2,800	4,000	4,000	0
<i>Total Expenditures</i>	2,800	4,000	4,000	0
Excess of Revenues Over (Under) Expenditures	17,200	16,000	(438)	(16,438)
Fund Balance at Beginning of Year	87,872	87,872	87,872	0
Fund Balance (Deficit) at End of Year	\$105,072	\$103,872	\$87,434	(\$16,438)

STATISTICAL SECTION



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**OAKWOOD CITY
SCHOOL DISTRICT**

20 RUBICON ROAD, DAYTON, OHIO 45409

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OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS (1)

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Current:										
Instruction:										
Regular	\$9,136,235	\$8,393,683	\$7,452,493	\$6,965,846	\$6,785,765	\$6,607,368	\$6,133,738	\$5,830,199	\$5,344,230	\$5,165,096
Special	1,359,299	1,179,681	1,066,565	1,060,273	968,009	955,381	837,306	816,125	689,390	633,124
Vocational	472	1,356	3,506	6,638	53,394	45,986	0	763	0	0
Other	92,798	50,183	33,787	7,613	56,443	0	0	0	0	97,897
Support Services:										
Pupils	1,026,897	886,934	764,145	814,858	681,060	590,571	544,821	518,831	488,897	428,640
Instructional Staff	299,353	237,375	229,063	259,579	234,649	306,295	267,155	280,537	260,922	249,606
Board of Education	17,271	26,487	25,874	19,356	23,410	33,949	22,283	10,843	9,238	10,926
Administration	1,484,575	1,274,626	1,159,984	1,189,392	1,101,991	1,085,751	977,558	962,588	917,511	871,080
Fiscal	536,276	493,979	485,229	444,723	426,406	411,251	343,571	348,896	318,027	297,062
Business	901	2,624	0	11,227	931	931	745	25	1,490	745
Operation and Maintenance of Plant	1,541,225	1,538,324	1,385,844	1,247,423	1,155,176	1,149,302	1,065,938	1,045,055	1,003,441	894,234
Pupil Transportation	149,441	153,827	155,079	119,339	120,733	102,898	101,139	90,266	102,669	110,580
Central	520,071	621,493	624,333	562,936	449,351	429,025	636,787	389,766	346,390	376,698
Non-Instructional Services	63,095	155,544	80,811	81,597	27,237	19,649	16,033	30,234	8,311	16,675
Extracurricular Activities	527,142	490,056	447,299	455,969	411,615	397,762	404,563	376,132	334,058	310,358
Capital Outlay	1,287	806,629	272,942	1,125,161	28,017	284,361	10,679	0	0	0
Debt Service:										
Principal Retirement	55,317	52,340	49,537	56,119	32,086	28,248	0	0	0	0
Interest and Fiscal Charges	63,739	98,725	51,283	67,616	28,979	2,832	0	0	0	0
Total	\$16,875,394	\$16,463,866	\$14,287,774	\$14,495,665	\$12,585,252	\$12,451,560	\$11,362,316	\$10,700,260	\$9,824,574	\$9,462,721

Source: School District Fund Financial Statements

(1) 1995 - 2003 are reported on a GAAP basis; 1994 is on a cash basis.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
GENERAL FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS (1)

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Property Taxes	\$10,440,728	\$9,690,818	\$10,116,078	\$9,305,208	\$8,096,998	\$8,535,469	\$8,075,855	\$8,071,647	\$7,940,242	\$7,081,299
Intergovernmental	6,081,886	5,675,838	3,945,452	3,511,338	3,214,472	3,039,606	2,576,738	2,333,476	2,236,607	2,160,801
Interest	134,098	97,724	218,763	76,033	82,987	117,939	122,257	140,687	132,527	70,747
Tuition and Fees	54,348	63,782	79,162	66,374	78,766	82,967	67,895	61,571	47,159	45,254
Contributions and Donations	0	3,000	6,100	1,013,670	25,661	0	0	0	0	0
Rent	0	0	0	0	1,712	2,566	0	0	0	0
Miscellaneous	60,330	829,023	525,849	59,992	4,447	221,445	130,751	22,352	1,603	3,934
Total	\$16,771,390	\$16,360,185	\$14,891,404	\$14,032,615	\$11,505,043	\$11,999,992	\$10,973,496	\$10,629,733	\$10,358,138	\$9,362,035

Source: School District Fund Financial Statements

(1) 1995 - 2003 are reported on a GAAP basis; 1994 is on a cash basis.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

<u>YEAR</u>	<u>CURRENT TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENT COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>PERCENT OF TOTAL COLLECTIONS TO CURRENT TAX LEVIES</u>	<u>OUTSTANDING DELINQUENT TAXES</u>	<u>PERCENT OF OUTSTANDING DELINQUENT TAXES TO CURRENT TAX LEVY</u>
2003	\$13,936,708	\$13,689,738	98.23%	\$193,725	\$13,883,463	99.62%	\$352,814	2.53%
2002	11,122,595	10,989,722	98.81	126,588	11,116,310	99.94	114,264	1.03
2001	11,129,623	10,944,098	98.33	190,615	11,134,713	100.04	76,065	0.68
2000	9,665,106	9,481,810	98.11	190,256	9,672,066	100.07	175,576	1.82
1999	9,609,610	9,427,679	98.11	190,256	9,617,935	100.09	248,372	2.58
1998	9,646,326	9,463,898	98.11	198,589	9,662,487	100.17	249,649	2.59
1997	9,408,090	9,392,194	99.83	N/A (1)	9,392,194	99.83	207,201	2.21
1996	9,342,699	9,338,639	99.96	N/A (1)	9,338,639	99.96	217,998	2.33
1995	9,478,062	9,367,203	98.83	158,628	9,525,831	100.50	353,391	3.73
1994	8,201,241	8,067,850	98.37	190,377	8,258,227	100.69	214,441	2.61

Source: Montgomery County, Ohio; County Auditor - Presented on calendar year basis because that is the manner that information is maintained by the County Auditor.

These amounts include state reimbursements of homestead and rollback exemptions.

(1) Information not available.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

YEAR	AGRICULTURAL, AND RESIDENTIAL REAL		COMMERCIAL AND INDUSTRIAL REAL		PUBLIC UTILITY PERSONAL		TANGIBLE PERSONAL		TOTAL		ASSESSED VALUE RATIO
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	
2003	\$256,513,870	\$732,896,771	\$16,168,450	\$46,195,571	\$3,671,630	\$4,172,307	\$2,029,247	\$8,116,988	\$278,383,197	\$791,381,637	35
2002	224,891,570	642,547,343	15,354,680	43,870,514	3,678,190	4,179,761	2,573,525	10,294,100	246,497,965	700,891,718	35
2001	224,217,880	640,622,514	16,087,770	45,965,057	4,323,570	4,913,148	2,117,008	8,468,032	246,746,228	699,968,751	35
2000	225,216,200	643,474,857	16,112,130	46,034,657	4,464,190	5,072,943	1,909,209	7,636,836	247,701,729	702,219,293	35
1999	205,092,240	585,977,829	15,217,870	43,479,629	5,227,520	5,940,364	2,428,998	9,715,992	227,966,628	645,113,814	35
1998	205,061,480	585,889,943	15,397,210	43,992,029	5,221,010	5,932,966	2,632,901	10,531,604	228,312,601	646,346,542	35
1997	205,476,510	587,075,743	15,587,520	44,535,771	5,187,620	5,895,023	2,698,065	10,792,260	228,949,715	648,298,797	35
1996	174,348,390	498,138,257	14,276,300	40,789,429	5,327,570	6,054,057	2,882,070	11,528,280	196,834,330	556,510,023	35
1995	173,903,820	496,868,057	13,441,730	38,404,943	6,235,170	7,085,420	2,825,573	11,302,292	196,406,293	553,660,712	35
1994	173,846,290	496,703,686	13,332,060	38,091,600	6,188,290	7,032,148	2,942,890	11,771,560	196,309,530	553,598,994	35

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

- (1) This amount is calculated based on the following percentages:
 All real property is assessed at 35 percent of actual value.
 Public Utility Personal is assessed at 88 percent of true value (with certain exceptions).
 Tangible Personal is assessed at 25 percent of actual value.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(per \$1,000 of Assessed Valuation)
LAST TEN YEARS

<u>YEAR (1)</u>	<u>SCHOOL LEVY</u>	<u>COUNTY LEVY</u>	<u>CITY LEVY</u>	<u>LIBRARY LEVY</u>	<u>TOTAL LEVY</u>	<u>DEBT SERVICE INCLUDED IN TOTAL LEVY</u>			
						<u>SCHOOL</u>	<u>COUNTY</u>	<u>CITY</u>	<u>TOTAL</u>
2003	105.95	17.24	11.80	0.94	135.93	4.38	0.00	0.00	4.38
2002	95.57	17.24	11.80	0.94	125.55	0.00	0.00	0.00	0.00
2001	95.57	17.24	11.80	0.94	125.55	0.00	0.00	0.00	0.00
2000	95.57	16.64	11.80	0.94	124.95	0.00	0.00	0.00	0.00
1999	82.32	16.64	11.80	0.94	111.70	0.00	0.00	0.00	0.00
1998	88.82	16.64	11.80	0.94	118.20	0.00	0.00	0.00	0.00
1997	88.82	16.64	11.80	0.00	117.26	0.00	0.00	0.00	0.00
1996	88.82	16.64	11.80	0.00	117.26	0.00	0.00	0.00	0.00
1995	88.82	16.64	11.80	0.00	117.26	0.00	0.00	0.00	0.00
1994	88.82	16.64	11.80	0.00	117.26	0.00	0.00	0.00	0.00

Source: Montgomery County Auditor

(1) Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2003

Assessed Value	<u>\$278,383,197</u>
Overall Debt Limit - 9% of Assessed Value (1)	\$25,054,488
Amount of Debt Applicable to Debt Limit:	
Bonded Debt	<u>(20,200,000)</u>
Overall Debt Margin	<u>\$4,854,488</u>
Energy Conservation Debt Limit - .90% of Assessed Value (1)	\$2,505,449
Amount of Debt Applicable	<u>0</u>
Energy Conservation Debt Margin	<u>\$2,505,449</u>
Unvoted Debt Limit - .10% of Assessed Value (1)	\$278,383
Amount of Debt Applicable	<u>0</u>
Unvoted Debt Margin	<u>\$278,383</u>

Source: Montgomery County Auditor and School District's financial records.

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

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
JUNE 30, 2003

<u>JURISDICTION</u>	<u>NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING (1)</u>	<u>PERCENTAGE APPLICABLE TO SCHOOL DISTRICT</u>	<u>AMOUNT APPLICABLE TO SCHOOL DISTRICT</u>
<u>Direct Debt:</u>			
Oakwood City School District	\$20,200,000	100%	\$20,200,000
<u>Overlapping Debt:</u>			
Montgomery County	38,917,639	3.05% (2)	1,186,988
City of Oakwood	3,550,000	100% (3)	<u>3,550,000</u>
Total Direct and Overlapping Debt			<u><u>\$24,936,988</u></u>

Source: Montgomery County Auditor

- (1) Includes all general obligation bonded debt, not general obligation notes.
- (2) Percentage of County's valuation within the School District compared to the total valuation of the County.
- (3) Percentage of City's valuation within the School District compared to the total valuation of the City.

OAKWOOD CITY SCHOOL DISTRICT
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
 GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
 LAST TEN FISCAL YEARS

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL DEBT SERVICE</u>	<u>TOTAL GENERAL FUND EXPENDITURES (1)</u>	<u>RATIO OF DEBT SERVICE TO GENERAL FUND EXPENDITURES (PERCENTAGE)</u>
2003	\$58,000	\$35,359	\$93,359	\$16,875,394	0.55%
2002	58,000	9,598	67,598	16,463,866	0.41%
2001	58,000	5,568	63,568	14,287,774	0.44%
2000	58,000	4,022	62,022	14,495,665	0.43%
1999	58,000	10,741	68,741	12,585,252	0.55%
1998	0	12,259	12,259	12,451,560	0.10%
1997	0	0	0	11,362,316	0.00%
1996	0	0	0	10,700,260	0.00%
1995	0	0	0	9,824,574	0.00%
1994	0	0	0	9,462,721	0.00%

Source: School District Fund Financial Statements

(1) Fiscal years 1995 - 2003 are reported on a GAAP basis; 1994 is on a cash basis. Non-GAAP year includes other financing uses.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

<u>YEAR</u>	<u>POPULATION COUNT (1) (2)</u>
2002	N/A
2000	9,215
1998	8,387
1996	9,000
1994	8,633
1992	8,862
1990	8,957
1988	8,580
1986	8,740
1984	8,980

UNEMPLOYMENT STATISTICS:

<u>YEAR</u>	<u>PERCENT (3)</u>
2002	5.80%
2001	5.30
2000	4.20
1999	3.90
1998	3.90
1997	4.00
1996	4.40
1995	4.00
1994	4.80
1993	5.40

(1) Miami Valley Regional Planning Commission - Population for City of Oakwood, Ohio

(2) 1990 and 2000 are the actual census figures; all other years are estimates by the Census Bureau, given every two years.

(3) Ohio Department of Job & Family Services

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PROPERTY VALUES, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

YEAR (5)	CONSTRUCTION PERMITS (1)		AVERAGE MONTHLY BANK DEPOSITS (3) (4)	ASSESSED PROPERTY VALUE (2)
	NUMBER	VALUE		
2002	631	\$5,698,844	\$241,447,000	\$278,383,197
2001	608	7,064,900	208,298,000	246,497,965
2000	603	7,363,809	191,473,000	246,746,228
1999	619	11,740,459	2,994,378,000	247,701,729
1998	683	6,706,076	3,264,705,000	227,966,628
1997	596	4,503,856	3,530,314,000	228,949,715
1996	602	4,002,826	3,899,145,000	196,834,330
1995	638	4,380,592	3,995,114,000	196,406,293
1994	660	5,447,901	4,034,766,000	196,309,530
1993	576	7,320,267	3,834,335,000	180,154,149

(1) Source: City of Oakwood

(2) Source: Montgomery County Auditor

(3) Source: Federal Reserve Bank of Cleveland

(4) Data is presented for Montgomery County because there are no banks that have their main branch in the City of Oakwood. In 2000, the County's largest bank, Fifth Third of Western Ohio, moved its headquarters to Hamilton County.

(5) Data is presented on a calendar year basis because that is the manner in which the information is maintained by the City of Oakwood and the Federal Reserve Bank of Cleveland.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PRINCIPAL PROPERTY TAXPAYERS
REAL ESTATE TAX
JUNE 30, 2003

NAME OF TAXPAYER	ASSESSED VALUE (1)	PERCENT OF TOTAL ASSESSED VALUE
National Cash Register	\$3,526,590	1.27%
Ohio Bell Telephone	2,098,760	0.75%
Dayton Power and Light	1,136,310	0.41%
Far Hills Building Partnership	752,960	0.27%
Karrington of Oakwood, Ltd.	653,650	0.23%
Standford D. & Karen Smith	626,580	0.23%
John C. Gray	554,100	0.20%
Michelle Vollmar Trust	534,230	0.19%
4101 Company LLC	529,520	0.19%
Marilee Oberheu, Trustee	<u>522,800</u>	<u>0.19%</u>
Subtotal	<u>10,935,500</u>	<u>3.93%</u>
All Other Taxpayers	<u>267,447,697</u>	<u>96.07%</u>
Total Assessed Valuation	<u><u>\$278,383,197</u></u>	<u><u>100.00%</u></u>

Source: Montgomery County Auditor

(1) Assessed values are for 2002 collection year.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
MISCELLANEOUS STATISTICS
JUNE 30, 2003

Year of Establishment	1907
Form of Government	Locally-elected five member Board
Number of Employees:	
Certificated	166
Non-Certificated	65
Administrative	9
Area - square miles	2.97
Average Daily Membership	2,012
Cost per Pupil	\$9,256
Average Number of Years Teaching Experience	11
Percentage of Teaching Staff Holding a Master's Degree	66%
School Buildings	Teacher to Student Ratio
Harman Elementary School	17 to 1
Edwin D. Smith Elementary School	18 to 1
Oakwood Junior High School	16 to 1
Oakwood High School	14 to 1
Lange Elementary School	18 to 1



**Auditor of State
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OAKWOOD CITY SCHOOL DISTRICT

MONTGOMERY 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
MARCH 4, 2004**