



**Auditor of State  
Betty Montgomery**



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY**

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AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING 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
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program		10.550		\$154,009		\$114,395
National School Lunch Program	048298-LLP4-2003	10.555	\$382,579		\$382,579	
National School Breakfast Program	048298-05PU-2002	10.553	51,095		51,095	
Total U.S. Department of Agriculture - Nutrition Cluster			<u>433,674</u>	<u>154,009</u>	<u>433,674</u>	<u>114,395</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States (IDEA Part B)						
	6B-SF-2002-P	84.027			64,061	
	6B-SF-2003-P	84.027	546,871		444,691	
Exceptional Child Grant	6B-SD-2003-P	84.027	15,000		5,863	
Total Special Education Cluster			<u>561,871</u>		<u>514,615</u>	
Adult Education- State Grant Program						
	AB-S1-2002	84.002	12,552		4,206	
	AB-S1-2003	84.002	28,341		36,641	
Total Adult Education- State Grant Program			<u>40,893</u>		<u>40,847</u>	
Grants to Local Educational Agencies (ESEA Title I)						
	C1-S1-2003	84.010	448,826		456,641	
Innovative Educational Program Strategies						
	C2-S1-2003	84.298	31,546		27,226	
Title II-D Technology Literacy Challenge Fund Grant						
	TJ-S1-2003	84.318	12,278		3,579	
Safe/Drug Free Community						
	T4-S1-2003	84.184	1,297		1,970	
Drug-Free Schools Grant						
	DR-S1-2003	84.186	24,179		22,780	
Title II-A Improving Teacher Quality						
	TR-S1-2003	84.367	180,450		178,885	
Assistive Technology Infusion Project						
	AT-S2-2002	84.352	5,398		5,398	
	AT-S3-2002	84.352	11,655		5,800	
Total Assistive Technology Infusion Project			<u>17,053</u>		<u>11,198</u>	
Total Department of Education			<u>1,318,393</u>		<u>1,257,741</u>	
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>						
<i>Pass Through Ohio Department of Mental Retardation and Departmental Disabilities</i>						
Medical Assistance Program	Ohio Dept of MR/DD	93.778	<u>68,125</u>		<u>54,331</u>	
<b>Totals</b>			<u><u>\$1,820,192</u></u>	<u><u>\$154,009</u></u>	<u><u>\$1,745,746</u></u>	<u><u>\$114,395</u></u>

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
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 - FOOD DISTRIBUTION**

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State Grants. It is assumed federal monies are expended first. At June 30, 2003, the District had no significant food commodities in inventory.



**Auditor of State  
Betty Montgomery**

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

Austintown Local School District  
Mahoning County  
225 Idaho Road  
Austintown, Ohio 44515

To the Board of Education:

We have audited the financial statements of the Austintown Local School District, Mahoning County, (the District) as of and for the year ended June 30, 2003, and have issued our report thereon dated December 4, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Austintown Local School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that we have reported to management of Austintown Local School District in a separate letter dated December 4, 2003.

Austintown Local School District  
Mahoning County  
Independent Accountants' Report on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

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

**Betty Montgomery**  
Auditor of State

December 4, 2003





## Auditor of State Betty Montgomery

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

Austintown Local School District  
Mahoning County  
225 Idaho Road  
Austintown, Ohio 44515

To the Board of Education:

#### Compliance

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

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

In our opinion, Austintown Local School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2003.

#### Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to the major federal programs 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. However, we noted a matter involving the internal control over financial reporting that we have reported to management of Austintown Local School District in a separate letter dated December 4, 2003.

#### **Schedule of Federal Awards Expenditures**

We have audited the basic financial statements of Austintown Local School District as of and for the year ended June 30, 2003, and have issued our report thereon dated December 4, 2003. Our audit was performed for the purpose of forming an opinion on the general-purpose 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 general-purpose financial statements taken as a whole.

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



**Betty Montgomery**  
Auditor of State

December 4, 2003

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY  
JUNE 30, 2003**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(ii)</i>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs:</b>	Nutrition Cluster /CFDA – 10.550, 10.553, 10.555
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	Yes

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

Finding Number	
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None

**3. FINDINGS FOR FEDERAL AWARDS**

Finding Number	
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None

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2003**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i><b>Explain:</b></i>
2002-11150-001	Negative cash fund balance in the lunchroom fund contrary to Ohio Revised Code 5705.10.	Yes	



COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

OF THE

AUSTINTOWN LOCAL  
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2003

PREPARED BY  
TREASURER'S DEPARTMENT  
BARBARA J. KLINER, TREASURER

225 IDAHO ROAD

YOUNGSTOWN, OHIO 44515





# INTRODUCTORY SECTION



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

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

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# Austintown Local Schools

Office of Barbara J. Kliner

Treasurer

225 Idaho Road

Austintown, Ohio 44515

330/797-3900 Ext. 1506

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December 4, 2003

Members of the Board of Education and Residents of the  
Austintown Local School District

The Comprehensive Annual Financial Report (CAFR) of the Austintown Local School District (the "District") for the fiscal year ended June 30, 2003 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in three sections as follows:

1. **Introductory Section** – This section contains a Table of Contents, Letter of Transmittal, List of Principal Officers, Organizational Chart of the District and Certificate of Achievement for Excellence in Financial Reporting.
2. **Financial Section** – This section begins with the Report of Independent Accountants, the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the District's financial position and operating results, the Combining Statements by Fund Type, and other schedules providing detailed information relative to the Basic Financial Statements.
3. **Statistical Section** – This section presents selected financial and demographic information, generally presented on a multi-year basis.

### ***General Introduction to the District***

The District ranks as the 70<sup>th</sup> largest in the State of Ohio among 740 public and community school districts and is the 2<sup>nd</sup> largest of the 14 school districts located within Mahoning County in terms of total enrollment. As of the most current school year (2002-2003), 5,102 students were enrolled in the District's eight schools (five elementaries, two middle and one high school). Approximately 90 District residents attend the Mahoning County Career and Technical Center.

The District employs 254 non-certified staff members and 346 certificated staff members. The certified staff members include 17 administrators and 329 full-time and part-time teachers. Of the 329 member teaching staff, 69% have master's degrees. The District faculty has an average 15 years of teaching experience. Currently the District has 6 teachers who have attained National Board Certification. Classroom teachers at all levels are supported by specialists in reading, guidance, art, music and physical education. The District's Pupil Personnel Services include school health and psychological services, pupil appraisal, counseling and guidance services, and speech-language and hearing services at all levels.

The District's curriculum, based on the newly adopted Ohio Content Standards and Ohio Models, offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and alternative programs. A full range of extracurricular programs and activities is available, beginning in the elementary grades with the after-school enrichment program. All District schools have libraries, lunch programs and multipurpose rooms or gyms for student activities.

The educational program is based on a "graded structure". The five elementary buildings house kindergarten (half day) through fourth grade. This has allowed for consistency across the District, as well as a focus on developmentally appropriate practices and integration in all subject areas. Grades five through eight are housed in two middle school buildings where a departmental structure is utilized. This allows for increased articulation among and across grade levels, as well as the development of expertise of specialists. The benefits of these programs are reflected in the fact that the District averages on the 4<sup>th</sup> and 6<sup>th</sup> grade Ohio Proficiency Tests are above average for the State of Ohio.

### ***The Reporting Entity and Services Provided***

The District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the District (the primary government) and its component units. A complete discussion of the District's reporting entity is provided in Note 2 to the basic financial statements.

The Board of Education is a body politic and corporate charges with the responsibility of managing and controlling affairs of the District and is, with the District, governed by laws of the State. The Board is comprised of five members elected for overlapping four calendar year terms.

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

### ***Overlapping Governmental Entities***

The major political subdivisions or other governmental entities that overlap the territory of the District are listed below. The stated percentage is that percentage of the tax valuation of the overlapping entity that is located within the District.

1. Mahoning County (14.91%)
2. Mill Creek Park District (14.91%)
3. Austintown Township (98.57%)
4. Mahoning County Career and Technical Center (17.84%)

Each of these entities operates independently, with its own separate budget, taxing power, and sources of revenue.

### ***Economic Conditions and Outlook***

The District is located in Mahoning County in northeastern Ohio, approximately 75 miles southeast of the City of Cleveland. The District's approximately 25.0 square miles encompasses most of the territory of Austintown Township. The District is in the Youngstown-Warren Metropolitan Statistical Area, which is comprised of Columbiana, Mahoning and Trumbull Counties.

The District's general area is served by diversified transportation facilities. Immediate access is available to several State and U.S. highways and to interstate highways I-76, I-80 and I-680. The District is adjacent to areas served by Conrail and Amtrak, and is served by passenger air service at Youngstown Memorial Airport located in the City of Youngstown.



Within 75 miles of the District, there are approximately 11,700 manufacturing plants, 12,500 wholesale distribution centers, and 46 Fortune 500 industrial, service, and corporate world headquarters. Employment in the Youngstown-Warren Metropolitan Statistical Area is primarily comprised of the manufacturing sector, largely in the automobile and steel industries. Since the mid 1980's, there has been an overall decrease in employment in the manufacturing sector, which has been offset by an increase in employment in the non-manufacturing sector.

Major commercial banks with offices within the District include Sky Bank, Bank One, Charter One, Farmers National Bank, Second National and Metropolitan National Bank.

Four daily newspapers serve the district. The District falls within the broadcast area of eight television stations and twenty one AM and FM radio stations. The District also operates a cable television channel which broadcasts school information on Channel 19.

Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include Youngstown State University, a public four-year university in the City of Youngstown with a full-time enrollment of over 13,500, Kent State University, The University of Akron, Penn State University (Sharon, Pennsylvania Branch), Mount Union College, Walsh College and Northeastern Ohio Universities College of Medicine.

A number of hospital and several adult and adolescent residential treatment centers are located in the area of the Youngstown-Warren Metropolitan Statistical Area.

Mahoning County provides numerous golf, tennis and swimming facilities all accessible to residents of the District.

There are many cultural activities available in the County including the Butler Institute of American Art, the Arms Museum, the Youngstown Playhouse and Youth Theatre, Uptown Theatre Easy Street Productions and the Youngstown Symphony Center. Youngstown University also provides art, music and plays. Many cultural activities are within driving distance in the greater Cleveland and Pittsburgh areas. Professional basketball, baseball, football and hockey teams are also located in the cities of Cleveland and Pittsburgh.

The District is not without economic challenges. On November 13, 2002, the District was informed that it is required to repay approximately \$1.2 million dollars in overpayment of personal property taxes from 1994 and 1995 to Tamco Distributors. This amount was subsequently withheld from the District's personal property tax settlement. The District applied for a catastrophic grant from the State of Ohio and was denied any assistance. The District was informed by the Office of School Management Assistance that a recalculation of the foundation formula would be done at the end of fiscal year 2003.

### ***Major Initiatives for the Year***

The District identified several significant programs needed to meet both student requirements and community desires.

*Student Performance.* The District earned 16 points and attained the rating of a Continuous Improvement school on the 2003 Ohio Department of Education Report Card. The District plans to improve upon this score in future years. Over the last five years, scores on proficiency tests, as well as attendance and graduation have continually improved. This past year all students with disabilities participated in the proficiency testing and their results were included in our scores.

*Continuous Improvement Plan.* The District has a Strategic Plan that has, over the last three years, evolved into a Continuous Improvement Plan (CIP). A committee of District as well as community stakeholders participate in an annual CIP review of goals and strategies. In addition, District administrators and teachers participate in Baldrige Quality Management Training in order to assist the implementation of our CIP.

*Building Repairs.* The District replaced boilers at Fitch High School and Davis Elementary. During the course of the year paving was completed in several parking lots, windows were replaced in several areas and the stadium sound system was replaced.

*Community.* The new Austintown Public Library was completed in October, 2002. The new 2,200 square foot building is located on the corner of the school campus near Fitch High School. The library is three times the size of the old library

### ***Major Initiatives for the Future***

*Student Achievement.* The District would like to increase student achievement for all students particularly in reading and math. The District plans to implement instruction and assessment standards as well as providing professional development to develop highly qualified teachers. In addition, all entry year teachers will be provided with an Entry Year Program that matches each teacher with a mentor teacher to provide support during their first years of teaching.

### ***Financial Information***

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

### ***Budgetary Controls***

In addition to the internal control structure mentioned above, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. As with the financial section, all amounts presented in the remainder of this letter are expressed in round dollars.

### ***Financial Condition***

This is the first year the 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 No. 34 creates new basic financial statements for reporting on the District’s financial activities as follows:

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

***Fund financial statements*** – These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the 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 also responsible for preparing a Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for 2003 and the outlook for the future. Because that discussion focuses on major funds, the financial highlights provided in this letter focus on certain non major funds of the District.

### **Financial Highlights**

*Fiduciary Funds* – The fiduciary funds account for assets held by the District in a trustee capacity, or as an agent, for individuals, other district organizations or other funds. The District maintains a private purpose trust fund and two agency fund. The private purpose trust fund had net assets of \$31,102 and the agency funds have net assets of \$3,137,033.

### **Risk Management**

The District has obtained a comprehensive commercial insurance package through Indiana Insurance for property, inland marine, musical instruments, EDP equipment, boiler and machinery, and commercial crime. Professional liability and vehicles are also protected through Indiana Insurance. The District provides employees with life insurance, health care and other benefits through the Mahoning County School Employees Insurance Consortium. In addition, the District has joined the Stark County Group Rating Program to provide for workers' compensation insurance.

See Note 11 to the basic financial statements for coverage amounts, coverage limits and deductibles relating to the District's insurance.

### **Cash Management**

The District has an aggressive cash management program, which consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by instruments issued by the United States Government or the State of Ohio or insured by the Federal Deposit Insurance Corporation. The total amount of interest earned was \$80,384 for the fiscal year ended June 30, 2003.

### **Legal Compliance/Independent Audit**

State statute requires an annual audit by independent accountants. The Ohio Auditor of State's office conducted the audit. The audit has been conducted in accordance with generally accepted auditing standards including a review of internal accounting controls and tests of compliance with Federal and State laws and regulations. The Report of Independent Accountants is included in this CAFR.

### **Use of this Report**

The report is published to provide to the Board of Education, as well as to our citizens and other interested persons, detailed information concerning the financial condition of the District, with particular emphasis placed on the utilization of resources during the past fiscal year. It is also intended that this report will serve as a guide in formulating policies and in conducting the District's future day-to-day activities. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

In today's bond market environment, it is increasingly important that public agencies prepare soundly conceived annual financial reports which are independently audited by a qualified firm or agency. It has become almost required practice that such reports be prepared in accordance with generally accepted accounting principles (GAAP), and the major bond rating agencies review the data presented in such reports before determining a public agency's bond rating.

Use of this report by the various departments of the District is encouraged when furnishing information. Copies of this report are being placed in the public library for use by the general public.

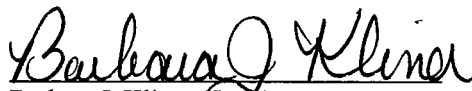
***Awards***

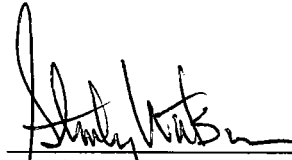
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Austintown Local School District for its comprehensive annual financial report for the fiscal year ended June 30, 2002. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

***Acknowledgments***

It is with great pride and pleasure that we submit this CAFR for review and wish to express appreciation to the members of the Board of Education for supporting us in this endeavor and other members of the Treasurer's office who contributed time and effort in completing this project. We would also like to acknowledge our consultant, Trimble, Julian & Grube, Inc., who provided us with expert technical assistance in all phases of preparing the report and the cooperation of the team from the Ohio Auditor of State's office, who conducted a thorough audit of our finances.

Sincerely,

  
Barbara J. Kliner, Treasurer

  
Stanley Watson, Superintendent

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

LIST OF PRINCIPAL OFFICERS  
JUNE 30, 2003

***Board of Education***

<u>Name</u>	Began Service As Board Member <u>January 1</u>	Present Term Expires <u>December 31</u>	Vocation in Private <u>Life</u>
Dr. David Ritchie*	1968	2003	Retired Podiatrist
Mrs. Joyce Pogany	1982	2005	Secretary
Mr. Kenneth Jakubec	1988	2003	GM Employee
Attorney Brad Gessner	1998	2005	Attorney
Mr. Ray Slivochka**	2002	2005	Pharmacist

\* President

\*\* Vice President

***Central Office Administrative Staff***

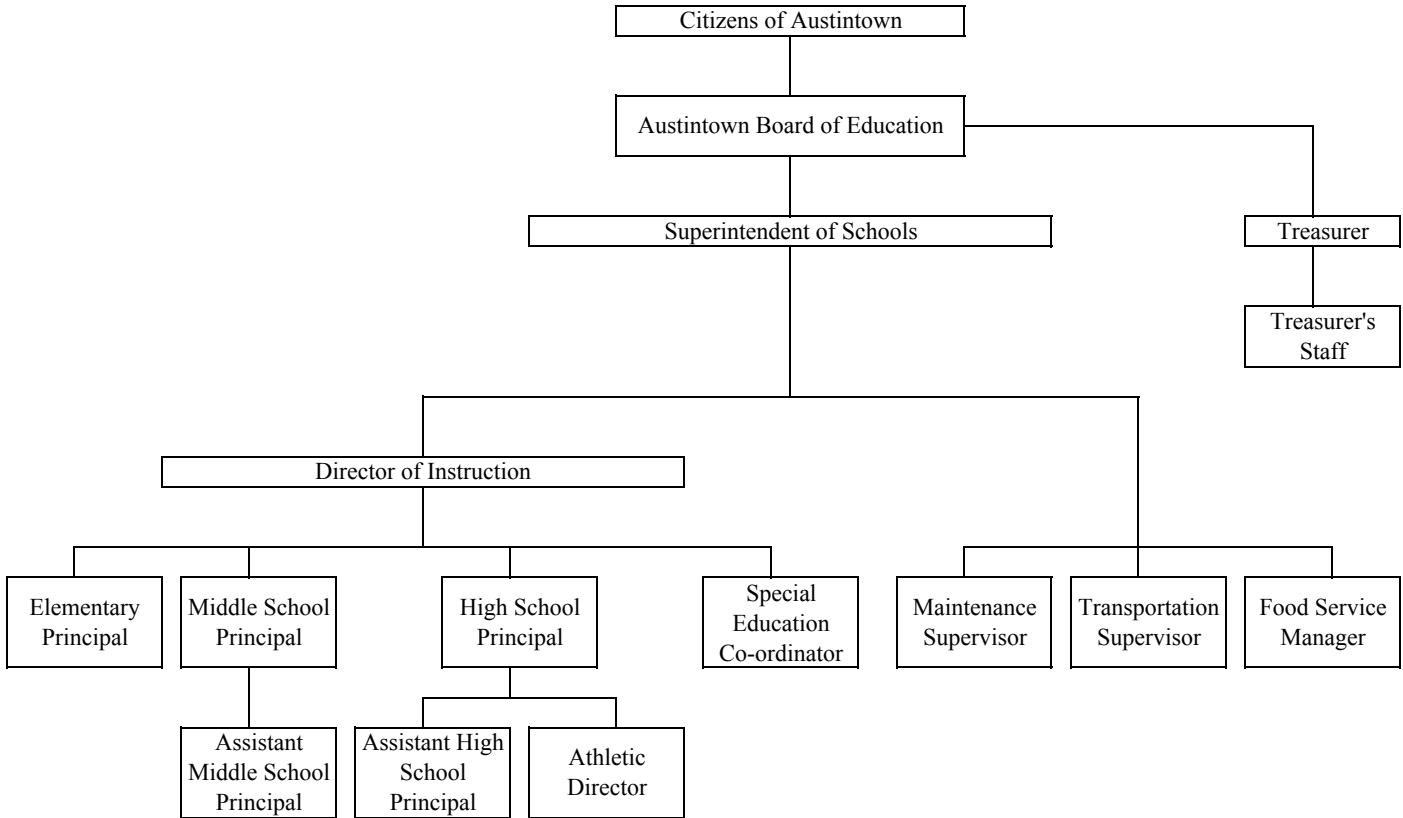
Superintendent	Mr. Stanley Watson
Treasurer	Ms. Barbara Kliner
Director of Instruction	Ms. Ann Marie Hiznay

***District Administrative Staff***

Director of Special Education	Ms. Becky Morris
Maintenance Supervisor	Mr. Harold Ripple
Transportation Supervisor	Ms. Colleen Bagnoli
Technology Coordinator	Mr. Thomas Ventresco

AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO

ORGANIZATIONAL CHART  
JUNE 30, 2003



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Austintown Local  
School District, Ohio

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

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



President

Executive Director

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# FINANCIAL SECTION

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Austintown Local School District  
Mahoning County  
225 Idaho Road  
Austintown, Ohio 44515

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning 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 audit 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio, as of June 30, 2003, and the respective changes in financial position and cash flows, where applicable, 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 December 4, 2003 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.

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining non-major 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 non-major 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

December 4, 2003

**BASIC  
FINANCIAL STATEMENTS**

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
UNAUDITED**

The discussion and analysis of Austintown Local School District's (the "District") financial performance provides an overall review of the 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 the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2003 are as follows:

- In total, net assets decreased \$2,129,763. Net assets of governmental activities decreased \$2,125,658, which represents a 28.46% decrease from 2002. Net assets of business-type activities decreased \$4,105 or 3.54% from 2002.
- General revenues accounted for \$34,639,863 in revenue or 88.40% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$4,351,486 or 11.16% of total revenues of \$38,991,349.
- The District had \$41,070,846 in expenses related to governmental activities; only \$4,305,325 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$34,639,863 were used to provide for these programs.
- The District's only major governmental fund is the general fund. The general fund had \$34,232,218 in revenues and other financing sources and \$36,498,588 in expenditures and other financing uses. The general fund's fund balance decreased from \$(470,151) to \$(2,736,521).

**Using this Comprehensive Annual Financial Report (CAFR)**

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

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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***Statement of Net Assets and the Statement of Activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2003?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

Governmental Activities - Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities and food service.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's adult education programs, community center and summer school program operations are reported as business activities.

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

***Fund Financial Statements***

The analysis of the District's major governmental fund begins on page F10 and the analysis of the District's two nonmajor enterprise funds begins on page F9. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's only major governmental fund is the general fund.

***Governmental Funds***

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



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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***Proprietary Funds***

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole.

**Reporting the District's Fiduciary Responsibilities**

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in two agency funds. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages F27 and F28. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

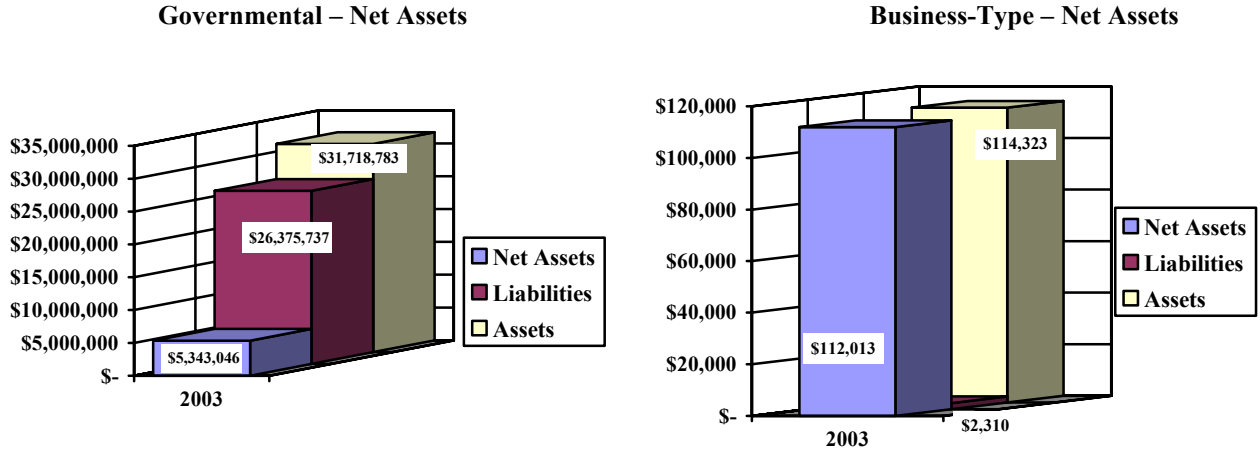
**The District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the District as a whole. This is the first year for government-wide financial statements using the full accrual basis of accounting, therefore a comparison with prior years is not available. A comparative analysis will be provided in future years when prior year information is available.

The table below provides a summary of the District's net assets for 2003.

	<b>Net Assets</b>	
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
	<u>2003</u>	<u>2003</u>
<b><u>Assets</u></b>		
Current assets	\$ 25,213,935	\$ 97,981
Capital assets	<u>6,504,848</u>	<u>16,342</u>
Total assets	<u>31,718,783</u>	<u>114,323</u>
<b><u>Liabilities</u></b>		
Current liabilities	22,710,141	2,310
Long-term liabilities	<u>3,665,596</u>	<u>-</u>
Total liabilities	<u>26,375,737</u>	<u>2,310</u>
Net Assets		
Invested in capital assets, net of debt	6,071,299	16,342
Restricted	1,414,949	-
Unrestricted (deficit)	<u>(2,143,202)</u>	<u>95,671</u>
Total net assets	<u>\$ 5,343,046</u>	<u>\$ 112,013</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The table below shows the changes in net assets for fiscal year 2003. Since this is the first year the District has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to fiscal year 2002 are not available. A comparative analysis will be provided in future years when prior year information is available.

	<b>Change in Net Assets</b>	
	Governmental Activities	Business-Type Activities
	2003	2003
<b><u>Revenues</u></b>		
Program revenues:		
Charges for services and sales	\$ 1,755,205	\$ 46,161
Operating grants and contributions	2,550,120	-
General revenues:		
Property taxes	16,198,277	-
Grants and entitlements	17,703,889	-
Investment earnings	80,384	-
Miscellaneous	657,313	-
Total revenues	38,945,188	46,161

**AUSTINTOWN LOCAL SCHOOL DISTRICT**  
**MAHONING COUNTY, OHIO**  
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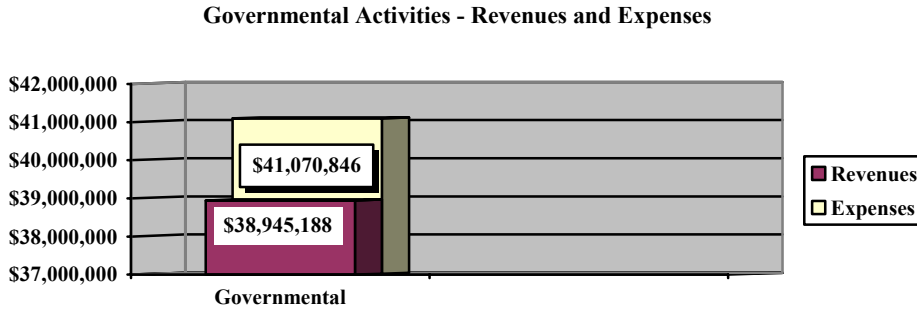
	Governmental Activities	Business-Type Activities
	2003	2003
<b><u>Expenses</u></b>		
Program expenses:		
Instruction:		
Regular	\$ 20,013,091	\$ -
Special	3,427,735	-
Vocational	274,729	-
Other	30,668	-
Support services:		
Pupil	2,507,098	-
Instructional staff	1,212,462	-
Board of Education	30,302	-
Administration	3,086,963	-
Fiscal	829,807	-
Business	5,375	-
Operations and maintenance	4,354,610	-
Pupil transportation	2,118,437	-
Central	231,582	-
Operation of non-instructional services:		-
Food service operations	1,609,800	-
Other non-instructional services	49,046	-
Extracurricular activities	1,027,243	-
Intergovernmental	250,258	-
Interest and fiscal charges	11,640	-
Adult education	-	9,589
Special enterprise	-	40,677
Total expenses	41,070,846	50,266
Changes in net assets	\$ (2,125,658)	\$ (4,105)

**Governmental Activities**

Total assets decreased by \$2,125,658 due to a decrease in cash and cash equivalents of \$2,360,940 in the general fund. The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements. These two revenue sources represent 87.05% of total governmental revenue. During fiscal 2003, the District was required to repay approximately \$1,200,000 in overpayment of personal property taxes from 1994 and 1995 to Tamco Distributors. This amount was withheld from the District's personal property tax settlement in the fall of 2002. The District also realized a reduction of \$320,000 in personal property tax collections in for the year. The loss in personal property tax revenues resulted in a decrease of \$1,320,282 from 2002 to 2003. In addition, the District received a cut in state funding of \$260,000 due to House Bill 40. By making various cuts and reductions in the budget, the District was able to end the year with a small carryover balance instead of being forced to borrow against next fiscal year's revenues.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The graph below presents the District's governmental activities revenue and expenses for fiscal year 2003.



The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2003. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. Comparisons to 2002 have not been presented since they are not available.

**Governmental Activities**

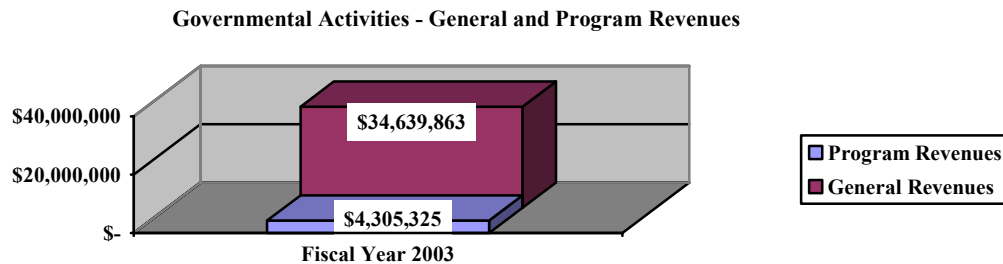
	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2003</u>
Program expenses:		
Instruction:		
Regular	\$ 20,013,091	\$ 19,417,343
Special	3,427,735	2,646,969
Vocational	274,729	274,729
Other	30,668	30,668

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2003</u>
Support services:		
Pupil	\$ 2,507,098	\$ 2,474,458
Instructional staff	1,212,462	1,040,457
Board of Education	30,302	30,302
Administration	3,086,963	2,849,344
Fiscal	829,807	829,807
Business	5,375	5,375
Operations and maintenance	4,354,610	4,352,610
Pupil transportation	2,118,437	2,118,319
Central	231,582	231,582
Operation of non-instructional services:		
Food service operations	1,609,800	87,948
Other operation of non-instructional services	49,046	13,827
Extracurricular activities	1,027,243	363,716
Intergovernmental	250,258	(13,573)
Interest and fiscal charges	<u>11,640</u>	<u>11,640</u>
 Total expenses	 <u>\$ 41,070,846</u>	 <u>\$ 36,765,521</u>

The dependence upon tax revenues during fiscal year 2003 for governmental activities is apparent, as 94.20% of 2003 instruction activities are supported through taxes and other general revenues. The District's taxpayers, as a whole, is by far the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2003.



**Business-Type Activities**

Business-type activities include adult education, summer school and the community center operations. These programs had revenues of \$46,161 and expenses of \$50,266 for fiscal year 2003. The District's business activities receive no support from tax revenues.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
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**The District's Funds**

The District's governmental funds (as presented on the balance sheet on page F 19) reported a combined fund balance of \$(1,103,362), which is below last year's total of \$717,289. The general fund balance was restated at June 30, 2002 due to the implementation of GASB Statement No. 34 (See Note 3.A. to the basic financial statements for detail). The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2003 and 2002.

	Fund Balance <u>June 30, 2003</u>	Fund Balance (Restated) <u>June 30, 2002</u>	Increase/ <u>(Decrease)</u>
General	\$ (2,736,521)	\$ (470,151)	\$ (2,266,370)
Other Governmental	<u>1,633,159</u>	<u>1,187,440</u>	<u>445,719</u>
Total	<u>\$ (1,103,362)</u>	<u>\$ 717,289</u>	<u>\$ (1,820,651)</u>

**General Fund**

The District's general fund balance decreased by \$2,266,370, due to a decrease in personal property tax revenue and state funding and due to an increase in overall expenditures during 2003. The table that follows assists in illustrating the financial activities and fund balance of the general fund.

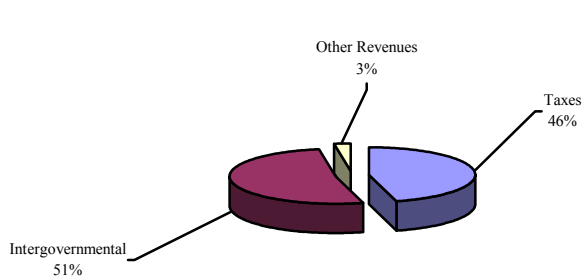
	<u>2003 Amount</u>	<u>2002 Amount</u>	<u>Percentage Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 15,707,753	\$ 17,313,456	(9.27%)
Intergovernmental	17,648,247	16,443,125	7.33%
Other revenues	<u>875,751</u>	<u>637,047</u>	37.47%
Total	<u>\$ 34,231,751</u>	<u>\$ 34,393,628</u>	(.47%)

Tax revenue decreased by \$1,605,703 or 9.27% from fiscal 2002 due to the decrease in property tax revenue received during fiscal 2003. Intergovernmental revenue increased \$1,205,122 or 7.33% from the prior year. This increase is attributed to an increase in the number of grants the district received in 2003. Other revenues declined due to a \$63,989 or 45.92% decrease in investment income. This is attributable to drastic cuts in interest rates by the Federal Reserve Bank throughout the year.

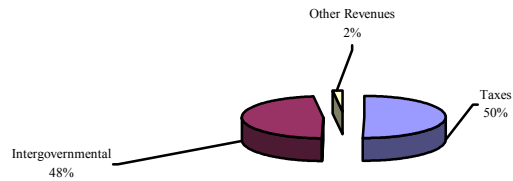
**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
UNAUDITED**

**Revenues – Fiscal Year 2003**



**Revenues – Fiscal Year 2002**



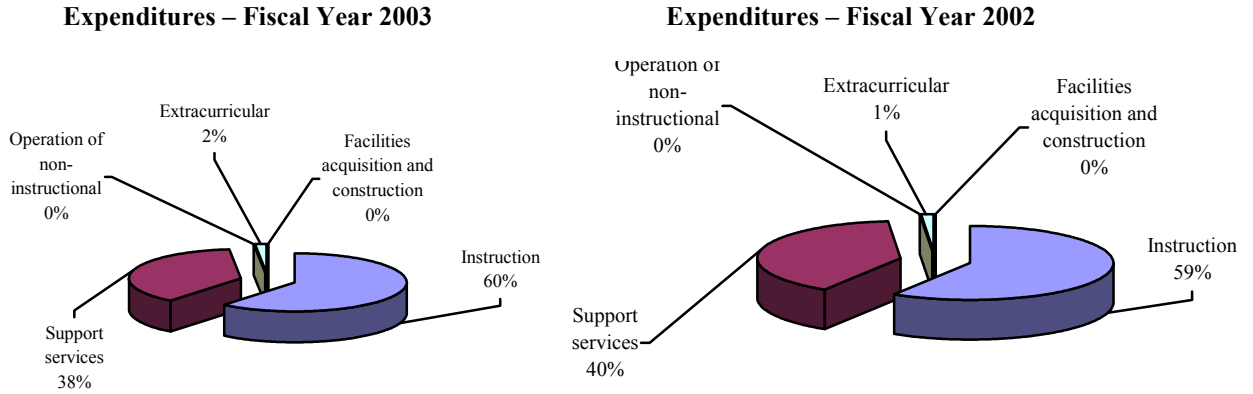
The table that follows assists in illustrating the expenditures of the general fund.

	<u>2003</u> <u>Amount</u>	<u>2002</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Expenditures</u></b>			
Instruction	\$ 22,006,664	\$ 20,254,612	8.65%
Support services	13,578,137	13,562,672	0.11%
Operation of non-instructional services	3,194	2,752	16.06%
Extracurricular activities	586,572	467,987	25.34%
Facilities acquisition and construction	11,043	27,104	(59.26%)
<b>Total</b>	<b><u>\$ 36,185,610</u></b>	<b><u>\$ 34,315,127</u></b>	<b>5.45%</b>

One of the most significant increases was in the area of extracurricular activities. This increase is primarily due to more choir and band trips during fiscal year 2003, which were offset by increased extracurricular revenues. Facilities acquisition and construction expenditures decreased due to an overall decrease in capital spending by the District. The largest expenditure line item, instruction, increased by \$1,752,052 or 8.65%, which is primarily attributed to wage and benefit increases.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
UNAUDITED**



***General Fund Budgeting Highlights***

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

During the course of fiscal 2003, the District amended its general fund budget numerous times, none significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, final budgeted revenues and other financing sources were \$34,536,198, below original budget estimates of \$34,862,920. Of this \$326,722 difference, most was due to tax estimates in the original budget.

General fund original appropriations of \$38,077,623 were decreased to \$37,510,626 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2003 totaled \$37,054,763, which was \$455,863 less than the final budget appropriations, primarily because salary costs proved to be lower than anticipated in the original and final budget.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
UNAUDITED

**Capital Assets and Debt Administration**

**Capital Assets**

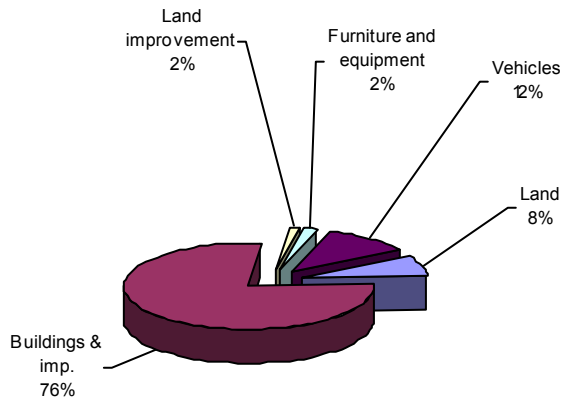
During fiscal year 2003, the District changed its capitalization threshold from five hundred dollars to four thousand dollars. This resulted in a restatement of capital assets in the governmental and business-type activities (see Note 3.A. for detail). At the end of fiscal 2003, the District had \$6,521,190 invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. Of this total, \$6,504,848 was reported in governmental activities and \$16,342 was reported in business-type activities. See Note 8 to the basic financial statements for detail on the District's capital assets. The following table shows fiscal 2003 balances compared to 2002:

**Capital Assets at June 30  
(Net of Depreciation)**

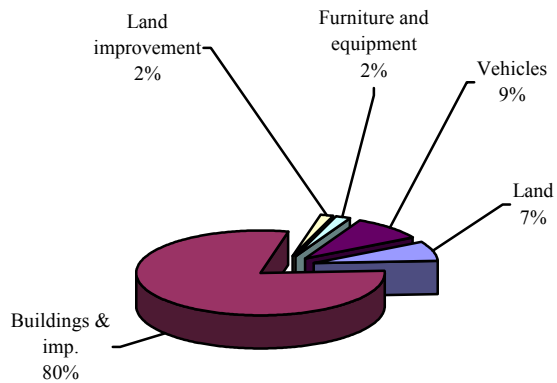
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Land	\$ 502,026	\$ 502,026	\$ -	\$ -	\$ 502,026	\$ 502,026
Land improvements	104,859	119,246	-	-	104,859	119,246
Building and improvements	5,020,949	5,358,248	-	-	5,020,949	5,358,248
Furniture and equipment	107,182	124,732	16,342	18,521	123,524	143,253
Vehicles	769,832	636,544	-	-	769,832	636,544
Textbooks	-	-	-	-	-	-
<b>Total</b>	<b><u>\$ 6,504,848</u></b>	<b><u>\$ 6,740,796</u></b>	<b><u>\$ 16,342</u></b>	<b><u>\$ 18,521</u></b>	<b><u>\$ 6,521,190</u></b>	<b><u>\$ 6,759,317</u></b>

The following graphs show the breakdown of governmental activities capital assets by category for 2003 and 2002.

**Capital Assets - Governmental Activities  
2003**



**Capital Assets - Governmental Activities  
2002**



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
UNAUDITED

***Debt Administration***

At June 30, 2003 the District had \$433,549 in an asbestos abatement loan and energy conservation notes outstanding. Of this total, \$65,123 is due within one year and \$368,426 is due within greater than one year. See Note 9 to the basic financial statements for more detail on the District's long-term obligations. The following table summarizes the bonds and loan outstanding.

**Outstanding Debt, at Year End**

	Governmental Activities <u>2003</u>	Governmental Activities <u>2002</u>
Asbestos abatement loan	\$ 213,549	\$ 238,672
Energy conservation notes	<u>220,000</u>	<u>260,000</u>
Total	<u>\$ 433,549</u>	<u>\$ 498,672</u>

The asbestos abatement loan was received in 1988 from the U.S. Environmental Agency for an asbestos project. This loan is scheduled to mature in fiscal year 2012 and is interest free as long as the District remains current on repayment.

The District issued energy conservation notes in 2001 to provide energy improvements to various District buildings. The annual interest rate is 5.89% and the notes are scheduled to mature in fiscal 2008.

At June 30, 2003 the District's overall legal debt margin was \$50,457,409 with an unvoted debt margin of \$558,193.

**Current Financial Related Activities**

The District faces two serious challenges, which both have financial impact and require voter approval.

The Austintown Middle School is 87 years old and needs to be replaced. The District attempted to pass a bond issue for participation in the Ohio School Facilities Commission (OSFC) ELPP plan but was not successful in two attempts. After much discussion and consideration, the Board of Education decided to reduce the millage from 3.9 to 2.9 mills and build a new middle school instead of all the renovations and changes the OSFC would have required as part of its plan. The District will try to follow the Master Plan and may qualify for some assistance when and if the plan is still in effect when the District becomes eligible in approximately 9-10 years. The 2.9 mill levy was placed on the November 2003 ballot and approved by voters. The cost of the proposed project is \$26,000,000 over 27 years. The new middle school building will house grades 6-8. This will allow for realignment that will include moving 4<sup>th</sup> grade from the elementary schools. The elementary schools will then house grades K-3, and the District will be able to implement all day everyday kindergarten.

The second challenge is the need for additional operating funds. The District has taken some unexpected and devastating financial blows in the past year and is trying to recover. The refund of \$1,200,000 in overpayment of personal property taxes, reduction in personal property tax collection, and state funding cuts and losses for open enrollment and community schools has put a severe strain on the operating budget. The last new levy was in 1996 and through frugal spending the District was projecting not going to the tax payers until 2004, which is seven years. However, in order to stay out of fiscal caution, the District attempted to pass a 5.9 mill operating levy on the November 2003 ballot. Although the bond issue passed, the 5.9 mill operating levy failed.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
UNAUDITED**

**Contacting the District's Financial Management**

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Barbara Kliner, Treasurer, Austintown Local School District, 225 Idaho Road, Youngstown, Ohio 44515.

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF NET ASSETS  
JUNE 30, 2003

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 4,062,643	\$ 97,981	\$ 4,160,624
Receivables:			
Taxes . . . . .	20,950,628	-	20,950,628
Accounts . . . . .	15,728	-	15,728
Intergovernmental . . . . .	117,418	-	117,418
Prepayments . . . . .	30,605	-	30,605
Materials and supplies inventory . . . . .	36,913	-	36,913
Capital assets:			
Land . . . . .	502,026	-	502,026
Depreciable capital assets, net . . . . .	6,002,822	16,342	6,019,164
Capital assets, net. . . . .	<u>6,504,848</u>	<u>16,342</u>	<u>6,521,190</u>
Total assets. . . . .	<u>31,718,783</u>	<u>114,323</u>	<u>31,833,106</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	78,280	-	78,280
Accrued wages and benefits . . . . .	4,345,542	2,016	4,347,558
Pension obligation payable. . . . .	908,654	-	908,654
Intergovernmental payable . . . . .	254,854	294	255,148
Deferred revenue . . . . .	17,110,123	-	17,110,123
Accrued interest payable . . . . .	12,688	-	12,688
Long-term liabilities:			
Due within one year. . . . .	372,365	-	372,365
Due within more than one year . . . . .	3,293,231	-	3,293,231
Total liabilities . . . . .	<u>26,375,737</u>	<u>2,310</u>	<u>26,378,047</u>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt. . . . .	6,071,299	16,342	6,087,641
Restricted for:			
Capital projects . . . . .	763,952	-	763,952
Debt service. . . . .	220,000	-	220,000
Other purposes . . . . .	430,997	-	430,997
Unrestricted (deficit). . . . .	<u>(2,143,202)</u>	<u>95,671</u>	<u>(2,047,531)</u>
Total net assets . . . . .	<u>\$ 5,343,046</u>	<u>\$ 112,013</u>	<u>\$ 5,455,059</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>
<b>Governmental activities:</b>			
Instruction:			
Regular . . . . .	\$ 20,013,091	\$ 144,423	\$ 451,325
Special . . . . .	3,427,735	-	780,766
Vocational . . . . .	274,729	-	-
Other . . . . .	30,668	-	-
Support services:			
Pupil . . . . .	2,507,098	10,685	21,955
Instructional staff . . . . .	1,212,462	25,345	146,660
Board of education . . . . .	30,302	-	-
Administration . . . . .	3,086,963	-	237,619
Fiscal . . . . .	829,807	-	-
Business . . . . .	5,375	-	-
Operations and maintenance . . . . .	4,354,610	-	2,000
Pupil transportation . . . . .	2,118,437	-	118
Central . . . . .	231,582	-	-
Operation of non-instructional services:			
Food service operations . . . . .	1,609,800	911,225	610,627
Other non-instructional services . . . . .	49,046	-	35,219
Extracurricular activities . . . . .	1,027,243	663,527	-
Intergovernmental . . . . .	250,258	-	263,831
Interest and fiscal charges . . . . .	11,640	-	-
Total governmental activities . . . . .	<u>41,070,846</u>	<u>1,755,205</u>	<u>2,550,120</u>
<b>Business-type activities:</b>			
Adult education . . . . .	9,589	9,525	-
Special enterprise . . . . .	40,677	36,636	-
Total business-type activities . . . . .	<u>50,266</u>	<u>46,161</u>	<u>-</u>
Totals . . . . .	<u>\$ 41,121,112</u>	<u>\$ 1,801,366</u>	<u>\$ 2,550,120</u>

**General Revenues:**

Property taxes levied for:

- General purposes . . . . .
- Debt service . . . . .

Grants and entitlements not restricted to specific programs . . . . .

Investment earnings . . . . .

Miscellaneous . . . . .

Total general revenues . . . . .

Change in net assets . . . . .

Net assets at beginning of year . . . . .

Net assets at end of year . . . . .

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue  
and Changes in Net Assets**

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (19,417,343)	\$ -	\$ (19,417,343)
(2,646,969)	-	(2,646,969)
(274,729)	-	(274,729)
(30,668)	-	(30,668)
(2,474,458)	-	(2,474,458)
(1,040,457)	-	(1,040,457)
(30,302)	-	(30,302)
(2,849,344)	-	(2,849,344)
(829,807)	-	(829,807)
(5,375)	-	(5,375)
(4,352,610)	-	(4,352,610)
(2,118,319)	-	(2,118,319)
(231,582)	-	(231,582)
(87,948)	-	(87,948)
(13,827)	-	(13,827)
(363,716)	-	(363,716)
13,573	-	13,573
(11,640)	-	(11,640)
<u>(36,765,521)</u>	<u>-</u>	<u>(36,765,521)</u>
-	(64)	(64)
-	(4,041)	(4,041)
-	(4,105)	(4,105)
<u>(36,765,521)</u>	<u>(4,105)</u>	<u>(36,769,626)</u>
15,912,856	-	15,912,856
285,421	-	285,421
17,703,889	-	17,703,889
80,384	-	80,384
657,313	-	657,313
<u>34,639,863</u>	<u>-</u>	<u>34,639,863</u>
(2,125,658)	(4,105)	(2,129,763)
<u>7,468,704</u>	<u>116,118</u>	<u>7,584,822</u>
<u>\$ 5,343,046</u>	<u>\$ 112,013</u>	<u>\$ 5,455,059</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2003

	<b>General</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 2,220,852	\$ 1,841,791	\$ 4,062,643
Receivables:			
Taxes . . . . .	20,925,505	25,123	20,950,628
Accounts . . . . .	13,166	2,562	15,728
Intergovernmental . . . . .	-	117,418	117,418
Prepayments . . . . .	30,605	-	30,605
Materials and supplies inventory . . . . .	-	36,913	36,913
Total assets . . . . .	\$ 23,190,128	\$ 2,023,807	\$ 25,213,935
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 36,346	\$ 41,934	\$ 78,280
Accrued wages and benefits . . . . .	4,102,727	242,815	4,345,542
Compensated absences payable . . . . .	94,188	3,645	97,833
Pension obligation payable. . . . .	533,370	21,790	555,160
Intergovernmental payable. . . . .	234,513	20,341	254,854
Deferred revenue. . . . .	20,925,505	60,123	20,985,628
Total liabilities . . . . .	25,926,649	390,648	26,317,297
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	118,559	302,123	420,682
Reserved for materials and supplies inventory. . . . .	-	36,913	36,913
Reserved for prepayments . . . . .	30,605	-	30,605
Unreserved, undesignated, reported in:			
General fund . . . . .	(2,885,685)	-	(2,885,685)
Special revenue funds. . . . .	-	312,257	312,257
Debt service fund . . . . .	-	220,000	220,000
Capital projects funds. . . . .	-	761,866	761,866
Total fund balances . . . . .	(2,736,521)	1,633,159	(1,103,362)
Total liabilities and fund balances . . . . .	\$ 23,190,128	\$ 2,023,807	\$ 25,213,935

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2003

<b>Total governmental fund balances</b>		\$ (1,103,362)
<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.		6,504,848
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	\$ 3,840,505	
Intergovernmental revenue	<u>35,000</u>	
Total		3,875,505
Long-term liabilities, including notes and loans payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	3,134,214	
Pension obligation payable	353,494	
Energy conservation notes	220,000	
Asbestos loan	213,549	
Accrued interest payable	<u>12,688</u>	
Total		<u>(3,933,945)</u>
<b>Net assets of governmental activities</b>		<u><u>\$ 5,343,046</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
From local sources:			
Taxes . . . . .	\$ 15,707,753	\$ 285,421	\$ 15,993,174
Tuition. . . . .	78,800	-	78,800
Charges for services. . . . .	-	879,360	879,360
Earnings on investments. . . . .	75,355	5,029	80,384
Extracurricular. . . . .	2,830	641,718	644,548
Classroom materials and fees . . . . .	61,920	1,431	63,351
Other local revenues. . . . .	656,846	78,897	735,743
Other revenue. . . . .	-	18,961	18,961
Intergovernmental - State . . . . .	17,648,247	693,782	18,342,029
Intergovernmental - Federal. . . . .	-	1,747,933	1,747,933
Total revenue . . . . .	<u>34,231,751</u>	<u>4,352,532</u>	<u>38,584,283</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	19,061,639	505,104	19,566,743
Special. . . . .	2,659,196	740,746	3,399,942
Vocational. . . . .	285,829	-	285,829
Other . . . . .	-	30,668	30,668
Support Services:			
Pupil. . . . .	2,407,231	57,074	2,464,305
Instructional staff . . . . .	1,028,609	158,172	1,186,781
Board of education . . . . .	30,302	-	30,302
Administration. . . . .	2,520,950	500,809	3,021,759
Fiscal . . . . .	819,137	-	819,137
Business . . . . .	5,375	-	5,375
Operations and maintenance. . . . .	4,305,601	1,000	4,306,601
Pupil transportation . . . . .	2,229,350	254	2,229,604
Central. . . . .	231,582	-	231,582
Operation of non-instructional services:			
Food service operations . . . . .	-	1,465,748	1,465,748
Other non-instructional services . . . . .	3,194	31,360	34,554
Extracurricular activities. . . . .	586,572	414,037	1,000,609
Facilities acquisition and construction . . . . .	11,043	-	11,043
Intergovernmental pass through . . . . .	-	250,258	250,258
Debt service:			
Principal retirement . . . . .	-	65,123	65,123
Interest and fiscal charges . . . . .	-	13,546	13,546
Total expenditures . . . . .	<u>36,185,610</u>	<u>4,233,899</u>	<u>40,419,509</u>
Excess of revenues under expenditures . . . . .	<u>(1,953,859)</u>	<u>118,633</u>	<u>(1,835,226)</u>
<b>Other financing sources (uses):</b>			
Transfers in. . . . .	-	312,978	312,978
Transfers (out) . . . . .	(312,978)	-	(312,978)
Proceeds from sale of capital assets. . . . .	467	-	467
Total other financing sources (uses) . . . . .	<u>(312,511)</u>	<u>312,978</u>	<u>467</u>
Net change in fund balances . . . . .	(2,266,370)	431,611	(1,834,759)
<b>Fund balances at beginning of</b>			
<b>year (restated) . . . . .</b>	(470,151)	1,187,440	717,289
<b>Increase in reserve for inventory. . . . .</b>	-	14,108	14,108
<b>Fund balances at end of year. . . . .</b>	<u>\$ (2,736,521)</u>	<u>\$ 1,633,159</u>	<u>\$ (1,103,362)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

<b>Net change in fund balances - total governmental funds</b>	\$	(1,834,759)
<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 depreciation expense exceeds capital outlays in the current period.		(235,948)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		14,108
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		206,429
Repayment of note and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		65,123
In the statement of activities, interest is accrued on outstanding notes and loans, whereas in governmental funds, an interest expenditure is reported when due.		1,906
Some expenses reported in the statement of activities, such as compensated absences and pension obligations, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		<u>(342,517)</u>
<b>Change in net assets of governmental activities</b>	<b>\$</b>	<b><u><u>(2,125,658)</u></u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Over (Under)</b>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$16,009,898	\$15,707,753	\$15,707,753	\$ -
Tuition . . . . .	74,424	73,830	73,935	105
Earnings on investments . . . . .	76,026	74,591	75,355	764
Extracurricular . . . . .	2,884	2,830	2,830	-
Classroom materials and fees . . . . .	68,965	61,683	62,245	562
Other local revenues . . . . .	338,873	668,872	671,083	2,211
Intergovernmental - State . . . . .	<u>17,987,718</u>	<u>17,648,247</u>	<u>17,648,247</u>	<u>-</u>
Total revenue . . . . .	<u>34,558,788</u>	<u>34,237,806</u>	<u>34,241,448</u>	<u>3,642</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	20,303,681	19,806,733	19,603,923	202,810
Special . . . . .	2,504,706	2,512,627	2,625,994	(113,367)
Vocational . . . . .	318,081	309,448	306,059	3,389
Support services:				
Pupil . . . . .	2,418,176	2,382,134	2,424,014	(41,880)
Instructional staff . . . . .	1,140,620	1,117,193	1,034,157	83,036
Board of education . . . . .	60,700	22,899	11,520	11,379
Administration . . . . .	2,889,350	2,770,003	2,558,715	211,288
Fiscal . . . . .	860,127	841,710	817,979	23,731
Business . . . . .	9,000	9,000	5,417	3,583
Operations and maintenance . . . . .	4,348,781	4,266,745	4,339,415	(72,670)
Pupil transportation . . . . .	2,432,196	2,308,783	2,200,272	108,511
Central . . . . .	222,000	232,031	231,252	779
Operation of non-instructional services . . . . .	3,000	3,020	3,195	(175)
Extracurricular activities . . . . .	552,545	604,279	568,830	35,449
Facilities acquisition and construction . . . . .	<u>14,660</u>	<u>11,043</u>	<u>11,043</u>	<u>-</u>
Total expenditures . . . . .	<u>38,077,623</u>	<u>37,197,648</u>	<u>36,741,785</u>	<u>455,863</u>
Excess of revenues over (under) expenditures . . . . .	<u>(3,518,835)</u>	<u>(2,959,842)</u>	<u>(2,500,337)</u>	<u>459,505</u>
<b>Other financing sources (uses):</b>				
Refund of prior year expenditure . . . . .	303,656	297,925	297,925	-
Transfers (out) . . . . .	-	(312,978)	(312,978)	-
Proceeds from sale of capital assets . . . . .	<u>476</u>	<u>467</u>	<u>467</u>	<u>-</u>
Total other financing sources (uses) . . . . .	<u>304,132</u>	<u>(14,586)</u>	<u>(14,586)</u>	<u>-</u>
Net change in fund balance . . . . .	(3,214,703)	(2,974,428)	(2,514,923)	459,505
<b>Fund balance at beginning of year (restated) . . . . .</b>				
	4,202,595	4,202,595	4,202,595	-
<b>Prior year encumbrances appropriated . . . . .</b>				
	<u>379,197</u>	<u>379,197</u>	<u>379,197</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,367,089</u>	<u>\$ 1,607,364</u>	<u>\$ 2,066,869</u>	<u>\$ 459,505</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2003

	<b>Nonmajor Enterprise Funds</b>
<b>Assets:</b>	
Current assets:	
Equity in pooled cash and cash equivalents . . . . .	\$ 97,981
Total current assets . . . . .	97,981
Noncurrent assets:	
Capital assets, net . . . . .	16,342
Total assets . . . . .	114,323
<b>Liabilities:</b>	
Accrued wages and benefits . . . . .	2,016
Intergovernmental payable . . . . .	294
Total liabilities . . . . .	2,310
<b>Net assets:</b>	
Invested in capital assets . . . . .	16,342
Unrestricted . . . . .	95,671
Total net assets . . . . .	\$ 112,013

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<b>Nonmajor Enterprise Funds</b>
<b>Operating revenues:</b>	
Tuition and fees . . . . .	\$ 46,161
Total operating revenues . . . . .	46,161
<b>Operating expenses:</b>	
Personal services . . . . .	36,461
Materials and supplies . . . . .	11,626
Depreciation . . . . .	2,179
Total operating expenses . . . . .	50,266
Change in net assets . . . . .	(4,105)
<b>Net assets at beginning of year (restated) . . . . .</b>	116,118
<b>Net assets at end of year. . . . .</b>	<b>\$ 112,013</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<b>Nonmajor Enterprise Funds</b>
<b>Cash flows from operating activities:</b>	
Cash received from tuition and fees . . . . .	\$ 46,211
Cash payments for personal services . . . . .	(36,001)
Cash payments for materials and supplies . . . . .	<u>(11,626)</u>
Net cash used in operating activities . . . . .	<u>(1,416)</u>
Net decrease in cash and cash equivalents . . . . .	(1,416)
<b>Cash and cash equivalents at beginning of year . . .</b>	<u>99,397</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u><u>\$ 97,981</u></u>
 <b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss . . . . .	\$ (4,105)
Adjustments:	
Depreciation . . . . .	2,179
Changes in assets and liabilities:	
Decrease in accounts receivable . . . . .	50
Increase in accrued wages and benefits . . . . .	1,215
Increase in intergovernmental payable . . . . .	218
Decrease in pension obligation payable . . . . .	<u>(973)</u>
Net cash used in operating activities . . . . .	<u><u>\$ (1,416)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2003

	<b>Private Purpose Trust</b>	
	<b>Scholarship</b>	<b>Agency</b>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 31,377	\$ 2,959,262
Receivables:		
Accounts . . . . .	-	3,180
Intergovernmental . . . . .	-	174,591
	31,377	3,137,033
<b>Total assets . . . . .</b>		
<b>Liabilities:</b>		
Accounts payable . . . . .	275	1,872
Undistributed monies . . . . .	-	3,082,832
Due to students . . . . .	-	52,329
	275	3,137,033
<b>Total liabilities . . . . .</b>		<b>\$ 3,137,033</b>
<b>Net Assets:</b>		
Held in trust for scholarships . . . . .	31,102	
<b>Total net assets . . . . .</b>	<b>\$ 31,102</b>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<b>Private Purpose Trust</b>
	<b>Scholarship</b>
<b>Additions:</b>	
Interest . . . . .	\$ 664
Gifts and contributions. . . . .	6,560
	7,224
Total additions. . . . .	7,224
<b>Deductions:</b>	
Scholarships awarded . . . . .	23,314
Change in net assets . . . . .	(16,090)
Net assets at beginning of year. . . . .	47,192
Net assets at end of year . . . . .	\$ 31,102

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

Austintown Local School District (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is governed by a locally elected five member Board of Education (the "Board") which provides educational services.

The District is the 70<sup>th</sup> in the State of Ohio (among 705 public and community school districts) in terms of total enrollment. The District is staffed by 254 non-certificated and 346 certificated personnel to provide services to approximately 5,102 students and other community members.

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

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

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity". When applying GASB Statement No. 14, management has considered all potential component units. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the debt, the issuance of debt, or the levying of taxes. Based upon the application of this criteria, the District has no component units. The financial statements of the reporting entity include only those of the District (the primary government). The following organizations are described due to their relationship with the District:

*JOINTLY GOVERNED ORGANIZATIONS*

Area Cooperative Computerized Educational Service System

Area Cooperative Computerized Educational Service System (ACCESS), a not-for-profit computer service, is jointly governed by 24 districts within Mahoning and Columbiana counties. ACCESS is governed by an assembly consisting of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the assembly. Members of ACCESS are assessed annual user fees and periodic capital improvement fees based on their average daily membership. During fiscal year 2003, the District paid \$111,737 to ACCESS for computer services. The members do not have an ongoing financial interest in ACCESS, however, they do not have an equity interest. Financial information can be obtained from the treasurer for the Mahoning County Educational Service Center, who serves as fiscal agent, at 100 DeBartolo Place, Youngstown, Ohio 44507-1693.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

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

Mahoning County Career & Technical Center

The Mahoning County Career & Technical Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of representatives from the participating school districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information, write to the Treasurer of the Career & Technical Center, at 7300 North Palmyra Road, Canfield, Ohio 44406.

*PUBLIC ENTITY RISK POOL*

Mahoning County School Employees Insurance Consortium

The Mahoning County School Employees Insurance Consortium is a shared risk pool comprised of fourteen Mahoning County School Districts. The consortium is governed by an assembly which consists of one representative from each participating School District (usually the superintendent or designee). The assembly elects officers for one year terms to serve as the Board of Directors. The assembly exercises controls over the operations of the Consortium. All Consortium revenues are generated from charges for services and remitted to the fiscal agent Austintown Local School District. The fiscal agent will then remit the charges for services to Professional Risk Management (PRM), who acts in the capacity of a third-party administrator (TPA) for claims processing.

Stark County Schools Council Workers' Compensation Group Rating Plan

The District participates in the Stark County School Council Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRP.

**B. Fund Accounting**

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

*GOVERNMENTAL FUNDS*

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

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

Other governmental funds of the District are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds; and (c) for grants and other resources whose use is restricted to a particular purpose.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

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

*PROPRIETARY FUNDS*

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration.

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

*FIDUCIARY FUNDS*

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

**C. Basis of Presentation and Measurement Focus**

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. 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 District.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

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* - Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Special Enterprise and Adult Education enterprise funds are tuition and fees. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-purpose trust funds are reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting on the fund financial statements. Proprietary and fiduciary funds also use the accrual basis of accounting.

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 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 fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as donated commodities revenue.

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

**E. Budgets**

The District is required by state statute to adopt an annual appropriated cash basis budget for all funds. The specific timetable for fiscal year 2003 is as follows:

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

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

3. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the final budgeted amount in the budgetary statement reflect the amounts set forth in the final Amended Certificate issued for fiscal year 2003.
4. By July 1, the Annual Appropriation Resolution is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year). Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized cash basis appropriation.
7. Appropriations amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, increased or decreased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal 2003.
8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Cash disbursements plus encumbrances may not legally exceed budgeted appropriations at the fund level.

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

**F. Cash and Investments**

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



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

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

During 2003, investments were limited to repurchase agreements. Nonparticipating investment contracts, such as repurchase agreements, are reported at cost.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during fiscal 2003 amounted to \$75,355, which includes \$22,289 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the Statement of Net Assets, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the Treasurer's investment account at year-end is provided in Note 4.

**G. Inventory**

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

Inventories consist of donated food and purchased food.

**H. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District increased its capitalization threshold from five hundred dollars to four thousand dollars for its capital assets during fiscal 2003. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

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

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	10 - 45 years	N/A
Building/improvements	10 - 50 years	N/A
Furniture/equipment	5 - 15 years	5 - 15 years
Vehicles	6 - 8 years	N/A
Textbooks	5 years	N/A

**I. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. The District has no internal balances at June 30, 2003.

**J. Compensated Absences**

Compensated absences of the District consist of vacation leave and severance liability to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”, a liability for vacation leave is accrued if a) the employees’ rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for severance is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for severance on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and severance payments has been calculated using pay rates in effect at June 30, 2003, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

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

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

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

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

**L. Fund Balance Reserves**

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

**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 District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**N. Prepayments**

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

**O. Parochial Schools**

Within the District boundaries, Immaculate Heart of Mary, St. Anne, and St. Joseph Schools are operated through the Youngstown Catholic Diocese. Current state legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The fiduciary responsibility of the District for these monies is reflected in a special revenue fund for financial reporting purposes.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

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

**P. Estimates**

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

**Q. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are tuition for adult education classes, summer school and the community center. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

**R. Capital Contributions**

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. The District had no capital contributions during fiscal 2003.

**S. Interfund Activity**

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

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

**T. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2003.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Changes in Accounting Principles and Restatement of Fund Balance**

For fiscal year 2003, the 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", GASB Statement No. 41, "Budgetary Comparison Schedule - Perspective Differences", and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements". At June 30, 2002, there was not effect on fund balance as a result of implementing GASB Statements 37, 38 and 41.

GASB Statement No. 41 allows the presentation of budgetary schedules as required supplementary information based on the fund, organization or program structure that the government uses for its legally adopted budget when significant budgetary perspective differences result in the District not being able to present budgetary comparisons for the general and each major special revenue fund.

GASB No. 34 creates new basic financial statements for reporting on the District's financial activities. The basic 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 show the District's programs for governmental activities. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at June 30, 2002, caused by the conversion to the accrual basis of accounting.

**Governmental Activities - Fund Reclassification and Restatement of Fund Balance** - Certain funds have been reclassified to properly reflect their intended purpose in accordance with the Standards of GASB Statement No. 34. Certain funds previously reported as enterprise funds have been reclassified and are now part of the general fund and other nonmajor governmental funds. It was also determined that GASB Interpretation No. 6 had an effect on fund balance as previously reported at June 30, 2002.

The fund reclassifications and the implementation of GASB Interpretation No. 6 had the following effect on the District's governmental fund balances are previously reported:

	<u>General</u>	<u>Nonmajor</u>	<u>Total</u>
Fund balance June 30, 2002	\$(194,356)	\$1,256,612	\$ 1,062,256
Fund reclassifications	904	(69,172)	(68,268)
Implementation of GASB Interpretation No. 6	<u>(276,699)</u>	<u>-</u>	<u>(276,699)</u>
Restated fund balance, June 30, 2002	<u>\$(470,151)</u>	<u>\$1,187,440</u>	<u>\$ 717,289</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

The transition from governmental fund balances to net assets of the governmental activities is presented as follows:

	<u>Total</u>
Restated fund balance, June 30, 2002	\$ 717,289
GASB 34 adjustments:	
Long-term (deferred) assets	3,669,076
Capital assets	6,740,796
Accrued interest payable	(14,594)
Long-term liabilities	<u>(3,643,863)</u>
Governmental activities net assets, June 30, 2002	<u>\$ 7,468,704</u>

**Business-Type Activities - Fund Reclassification and Restatement of Fund Balance** - Certain funds previously reported as enterprise funds are now reported in the general fund and other nonmajor funds to properly reflect the intended purpose of the funds. In addition, capital assets in the Special Enterprise enterprise fund have been restated to reflect the change in capitalization threshold.

	<u>Nonmajor Enterprise</u>
Fund equity as previously reported	\$ (23,556)
Fund reclassification	149,013
Adjustment for capital assets	<u>(9,339)</u>
Restated net assets as of July 1, 2002	<u>\$ 116,118</u>

**B. Deficit Fund Balances**

Fund balances at June 30, 2003 included the following individual fund deficits:

<u>Major Fund</u>	
General	\$2,736,521
<u>Nonmajor Funds</u>	
Education Management Information Systems	507
Miscellaneous State Grants	41
Title I	44,201

These funds complied with Ohio state law, which does not permit cash basis deficits. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities. These deficits should be eliminated by future intergovernmental revenues not recognized under GAAP at June 30.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS**

Monies held by the District into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim 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 District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the finance institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be 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 or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days in an amount not the exceed 25% of the interim monies available for investment at any one time; and

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS - (Continued)**

8. Under limited circumstances, corporate debt instrument rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the 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 custodial credit risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reserve Repurchase Agreements".

*Deposits:* At year-end, the carrying amount of the District's deposits was \$(1,019,723) and the bank balance was \$1,167. A liability was not recorded for the negative carrying amount of deposits because there was no actual overdraft, due to the "zero-balance" nature of the District's bank accounts. The negative carrying amount of deposits is due to the sweeping of monies into overnight repurchase agreements which are reported as "investments". The entire bank balance was covered by federal depository insurance.

Collateral is required for demand deposits and certificates of deposit in excess of all deposits not covered by federal depository insurance. Obligations that may be placed as collateral are obligations of the United States and its agencies, obligations of the State of Ohio and its municipalities, and obligations of the other states. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required.

*Investments:* Investments are categorized to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or securities held by the District. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department, but not in the District's name.

	<u>Category 3</u>	<u>Reported Amount</u>	<u>Fair Value</u>
Repurchase agreements	<u>\$ 8,170,986</u>	<u>\$ 8,170,986</u>	<u>\$ 8,170,986</u>



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS - (Continued)**

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

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$ 7,151,263	\$ -
Investments of the cash management pool:		
Repurchase agreements	<u>(8,170,986)</u>	<u>8,170,986</u>
GASB Statement No. 3	<u>\$ (1,019,723)</u>	<u>\$ 8,170,986</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund transfers for the year ended June 30, 2003, consisted of the following, as reported on the fund statements:

	<u>Amount</u>
Transfers from general fund to:	
Nonmajor Governmental Funds	\$ 312,978

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 6 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis. Distributions from the second half of the calendar year occur in a new fiscal year and are intended to finance the operations of that year. Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the District.

Real property taxes and public utility taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by state law at 35% of appraised market value.

Public utility property taxes are assessed on tangible personal property, as well as land and improvements. Real property is assessed at 35% of market value; tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property taxes attach as a lien and are levied on January 1 of the current year. Tangible personal property assessments are 25% of true value.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE 6 - PROPERTY TAXES - (Continued)**

The assessed value upon which the 2002 taxes were collected was \$558,193,430. Agricultural/residential and public utility/minerals real estate represented 65.96% or \$368,169,750 of this total; commercial & industrial real estate represented 21.61% or \$120,651,640 of this total; public utility tangible represented 2.63% or \$14,689,080 of this total and general tangible property 9.80% or \$54,682,960 of this total. The voted general tax rate for operations at the fiscal year ended June 30, 2003 was \$54.60 per \$1,000.00 of assessed valuation.

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

The County Treasurer collects property tax on behalf of the District. The County Auditor periodically remits to the District its portion of the taxes collected. These tax "advances" are based on statutory cash flow collection rates. Final "settlements" are made each February and August. The amounts available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes, which became measurable as of June 30, 2003. Although total property tax collections for the next fiscal year are measurable, they are not (exclusive of advances) intended to finance current year operations. The net receivable (total receivable less amount available intended to finance the current year) is therefore offset by a credit to deferred revenue. There were no tax advances available to the District at June 30, 2003.

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

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2003 consisted of taxes, accounts (billings for user charged services and student fees), and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the Statement of Net Assets follows:

**Governmental Activities**

Taxes - current and delinquent	\$ 20,950,628
Accounts	15,728
Intergovernmental	<u>117,418</u>
Total receivables	<u>\$ 21,083,774</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within subsequent years.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 8 - CAPITAL ASSETS**

- A. The capital asset balances of the governmental activities and business-type activities have been restated due to errors and omissions in the amount previously reported as capital assets and due to changes in the District's capital asset policy (see Note 2.H. for detail):

	Balance <u>June 30, 2002</u>	<u>Adjustments</u>	Restated Balance <u>June 30, 2002</u>
<b>Governmental Activities</b>			
Capital assets, not being depreciated:			
Land	\$ 635,228	\$ (133,202)	\$ 502,026
Total capital assets, not being depreciated	<u>635,228</u>	<u>(133,202)</u>	<u>502,026</u>
Capital assets, being depreciated:			
Land improvements	-	290,049	290,049
Building/improvements	13,870,421	497,041	14,367,462
Furniture/equipment	7,771,886	(6,522,083)	1,249,803
Vehicles	3,208,555	(141,783)	3,066,772
Textbooks	-	1,857,154	1,857,154
Total capital assets, being depreciated	<u>24,850,862</u>	<u>(4,019,622)</u>	<u>20,831,240</u>
<i>Less: accumulated depreciation:</i>	<u>-</u>	<u>(14,592,470)</u>	<u>(14,592,470)</u>
Governmental activities capital assets, net	<u>\$ 25,486,090</u>	<u>\$ (18,745,294)</u>	<u>\$ 6,740,796</u>
<b>Business-Type Activities</b>			
Furniture/equipment	\$ 196,094	\$ (174,304)	\$ 21,790
Less: accumulated depreciation	<u>(129,556)</u>	<u>126,287</u>	<u>(3,269)</u>
Total	<u>\$ 66,538</u>	<u>\$ (48,017)</u>	<u>\$ 18,521</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 8 - CAPITAL ASSETS - (Continued)**

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

	Restated Balance <u>June 30, 2002</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>June 30, 2003</u>
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 502,026	\$ -	\$ -	\$ 502,026
Total capital assets, not being depreciated	<u>502,026</u>	<u>-</u>	<u>-</u>	<u>502,026</u>
Capital assets, being depreciated:				
Land improvements	290,049	-	-	290,049
Building/improvements	14,367,462	-	-	14,367,462
Furniture/equipment	1,249,803	-	-	1,249,803
Vehicles	3,066,772	258,610	(53,809)	3,271,573
Textbooks	1,857,154	-	-	1,857,154
Total capital assets, being depreciated	<u>20,831,240</u>	<u>258,610</u>	<u>(53,809)</u>	<u>21,036,041</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(170,803)	(14,387)	-	(185,190)
Building/improvements	(9,009,214)	(337,299)	-	(9,346,513)
Furniture/equipment	(1,125,071)	(17,550)	-	(1,142,621)
Vehicles	(2,430,228)	(125,322)	53,809	(2,501,741)
Textbooks	(1,857,154)	-	-	(1,857,154)
Total accumulated depreciation	<u>(14,592,470)</u>	<u>(494,558)</u>	<u>53,809</u>	<u>(15,033,219)</u>
Governmental activities capital assets, net	<u>\$ 6,740,796</u>	<u>\$ (235,948)</u>	<u>\$ -</u>	<u>\$ 6,504,848</u>
<b>Business-Type Activities</b>				
Capital assets, being depreciated:				
Furniture/equipment	\$ 21,790	\$ -	\$ -	\$ 21,790
Less: accumulated depreciation	<u>(3,269)</u>	<u>(2,179)</u>	<u>-</u>	<u>(5,448)</u>
Total	<u>\$ 18,521</u>	<u>\$ (2,179)</u>	<u>\$ -</u>	<u>\$ 16,342</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 8 - CAPITAL ASSETS - (Continued)**

<u>Instruction:</u>	
Regular	\$ 245,458
Special	20,341
Vocational	4,415
 <u>Support Services:</u>	
Pupil	11,439
Instructional staff	11,180
Administration	17,636
Fiscal	529
Operations and maintenance of plant	22,984
Pupil transportation	117,124
Operation of non-instructional services	16,818
Extracurricular activities	<u>26,634</u>
 Total depreciation expense	 <u>\$ 494,558</u>

**NOTE 9 - LONG-TERM OBLIGATIONS**

The District has issued energy conservation notes and an asbestos loan to provide for energy improvements to various District buildings. The primary source of repayment of these obligations is through energy savings as a result of the improvements. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund.

The following is a description of the District's asbestos loan and energy conservation notes outstanding as of June 30, 2003:

	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Outstanding July 1, 2002</u>	<u>Issued in 2003</u>	<u>Retired in 2003</u>	<u>Outstanding June 30, 2003</u>
Asbestos loan	0.00%	12/01/93	11/30/11	\$ 238,672	\$ -	\$ (25,123)	\$ 213,549
Energy conservation notes	5.89%	07/24/00	07/24/15	<u>260,000</u>	<u>-</u>	<u>(40,000)</u>	<u>220,000</u>
Total				<u>\$ 498,672</u>	<u>\$ -</u>	<u>\$ (65,123)</u>	<u>\$ 433,549</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the District's future annual debt service requirements to maturity for the asbestos loan and energy conservation notes:

<u>Fiscal Year Ending</u>	<u>Principal on Loan/Notes</u>	<u>Interest on Loan/Notes</u>	<u>Total</u>
2004	\$ 65,123	\$ 11,218	\$ 76,341
2005	65,123	8,833	73,956
2006	65,123	6,477	71,600
2007	65,123	4,121	69,244
2008	85,123	1,769	86,892
2009-2012	<u>87,934</u>	<u>-</u>	<u>87,934</u>
Total	<u>\$ 433,549</u>	<u>\$ 32,418</u>	<u>\$ 465,967</u>

**B.** The changes in the District's long-term obligations during the year consist of the following:

	<u>Balance June 30, 2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2003</u>	<u>Amounts Due in One Year</u>
<b>Governmental Activities</b>					
Compensated absences payable	\$ 3,129,821	\$ 188,157	\$ (97,833)	\$ 3,220,145	\$ 307,242
Loans payable	238,672	-	(25,123)	213,549	25,123
Notes payable	<u>260,000</u>	<u>-</u>	<u>(40,000)</u>	<u>220,000</u>	<u>40,000</u>
Total governmental activities long-term liabilities	<u>\$ 3,628,493</u>	<u>\$ 188,157</u>	<u>\$ (162,956)</u>	<u>\$ 3,653,694</u>	<u>\$ 372,365</u>

Compensated absences will be paid from the fund from which the employee is paid.

**C. Legal Debt Margin**

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

The effects of these debt limitations at June 30, 2003 are a voted debt margin of \$50,457,409 (including available funds of \$220,000) and an unvoted debt margin of \$558,193.

**NOTE 10 - COMPENSATED ABSENCES**

Employees earn vacation at rates specified under State of Ohio law and based on credited service. Teachers and some Administrators do not earn vacation time. Administrators, Clerical, Technical, and Maintenance and Operations employees with one or more years of service are entitled to vacation ranging from 5 to 25 days. Employees with less than one year of service earn one vacation day per month worked, not to exceed five days. Unused vacation is not cumulative to the next year.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE 10 - COMPENSATED ABSENCES - (Continued)**

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service (earned on a pro-rata basis for less than full-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 168 days and ten percent of remaining days for certified employees and classified employees.

**NOTE 11 - RISK MANAGEMENT**

**A. Property, Fleet, and Liability Insurance**

The 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 District contracted with Indiana Insurance for property, commercial inland marine, musical instruments, EDP equipment, boiler and machinery, and commercial crime insurance with a \$500 deductible.

General commercial liability is protected by the Indiana Insurance with a \$1,000,000 single occurrence, \$2,000,000 aggregated and no deductible. Vehicles are covered by Indiana Insurance and have a \$1,000 deductible for comprehensive and collision. Automobile liability has a \$2,000,000 combined single limit of liability.

Settled claims have not exceeded this commercial coverage and there has not been a significant reduction in coverage from the prior year.

**B. Medical Benefits**

The District has joined together with other school districts in Mahoning County to form the Mahoning County School Employees Insurance Consortium, a public entity shared risk pool, currently operating as a common risk management and insurance program for 14 member school districts. The plan was organized to provide life insurance, health care and other benefits to its member organizations.

Rates are calculated and set through an annual update process. The District pays a monthly contribution which is placed in a common fund from which claims and payments are made for all participating districts and claims are paid for all participants regardless of claims flow. Any claim exceeding \$135,000 is covered by the District's stop-loss carrier.

The District pays 100% of the medical insurance premiums for certified and classified employees and their families.

The dental and prescription drug coverage is administered by Professional Risk Management, a third party administrator. The District pays 90% of prescription and dental premiums. Unum provides the life insurance coverage.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE 11 - RISK MANAGEMENT - (Continued)**

**C. Workers' Compensation**

The District participated in the Stark County School council Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (see Note 2.A.). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium to the State GRP. A participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to share equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selective criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRP.

**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

**A. School Employees Retirement System**

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State Statute Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone 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 43215-3476, or by calling (614) 222-5853.

Plan members are required to contribute 9% of their annual covered salary and the District is required to contribute at an actuarially determined rate of 14% for 2003, 8.17% was the portion to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The adequacy of the contribution rates is determined annually. The District's required contributions to SERS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$726,657, \$690,213, and \$659,909, respectively; 51.90% has been contributed for fiscal year 2003 and 100% for the fiscal years 2002 and 2001. \$377,232, represents the unpaid contribution for fiscal year 2003.

**B. State Teachers Retirement System**

The 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 retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. 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.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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% 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. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

Plan members are required to contribute 9.3% of their annual covered salary and the District is required to contribute 14%; 13% was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employee contributions. The District's required contributions to STRS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$2,536,942, \$2,462,079, and \$2,400,044, respectively; 83.08% has been contributed for fiscal year 2003 and 100% for the fiscal years 2002 and 2001. \$429,416, represents the unpaid contribution for fiscal year 2003.

**NOTE 13 - POSTEMPLOYMENT BENEFITS**

The District provides comprehensive health care benefits to retired teachers and their dependents through STRS, and to retired non-certified employees and their dependents through SERS. Benefits include hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare Part B premiums. Benefit provisions and the obligations to contribute are established by STRS and SERS based on authority granted by state statute. Both STRS and SERS 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. Most benefit recipients pay a portion of the 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% of covered payroll. For this fiscal year, the State Teachers Retirement Board allocated employer contributions equal to 1% of covered payroll to the Health Care Reserve fund. For the District, this amount equaled \$181,210 during fiscal 2003.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE 13 - POSTEMPLOYMENT BENEFITS - (Continued)**

STRS pays health care benefits from the Health Care Reserve fund. The balance in the Health Care Reserve fund was \$3.011 billion at June 30, 2002 (the latest information available). For the fiscal year ended June 30, 2002 (the latest information available), net health care costs paid by STRS were \$354.697 million and STRS had 105,300 eligible benefit recipients.

For SERS, coverage is made available to service retirees with 10 or more years of qualifying service credit, and disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than 25 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.

For this fiscal year, employer contributions to fund health care benefits were 5.83% of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14% 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% 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% of annual health care expenses. Expenses for health care at June 30, 2002 (the latest information available) were \$182.947 million and the target level was \$274.4 million. At June 30, 2002, (the latest information available) SERS had net assets available for payment of health care benefits of \$335.2 million and SERS had approximately 50,000 participants receiving health care benefits. For the District, the amount to fund health care benefits, including surcharge, equaled \$373,580 during the 2003 fiscal year.

**NOTE 14 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to a reservation of fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 14 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

**Net Change in Fund Balance**

	<u>General Fund</u>
Budget basis	\$ (2,514,923)
Net adjustment for revenue accruals	(9,697)
Net adjustment for expenditure accruals	402,192
Net adjustment for other sources/uses	(297,925)
Adjustment for encumbrances	<u>153,983</u>
GAAP basis	<u>\$ (2,266,370)</u>

**NOTE 15 - CONTINGENCIES**

**A. Grants**

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

**B. Litigation**

The District is a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and spending projects. The District management is of the opinion that disposition of the claim and legal proceedings will not have a material effect, if any, on the financial condition of the District.

**C. State School Funding Decision**

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

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE 16 - STATUTORY RESERVES**

The District is required by state law to set-aside certain general fund revenue amounts, as defined by statute, into various reserves. These reserves are calculated and presented on a cash basis. During the fiscal year ended June 30, 2003, the reserve activity was as follows:

	<u>Textbooks</u>	<u>Capital Acquisition</u>
Set-aside cash balance as of June 30, 2002	\$ (223,199)	\$ -
Current year set-aside requirement	669,387	669,387
Current year offsets	-	-
Qualifying disbursements	<u>(1,485,297)</u>	<u>(1,055,871)</u>
Total	<u>\$ (1,039,109)</u>	<u>\$ (386,484)</u>
Balance carried forward to FY 2004	<u>\$ (1,039,109)</u>	<u>\$ -</u>

**NOTE 17 - SIGNIFICANT SUBSEQUENT EVENTS**

Voters approved a 10 mill levy to issue \$26,000,000 in school improvement bonds and voted down a 5.9 mill operating levy on the November 7, 2003 ballot.

**COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES**

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS**

**Nonmajor Special Revenue Funds**

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

***Food Service*** Section 3313.81, Revised Code

A fund used to record financial transactions related to food service operations.

***Public School Support*** Section 5705.12, Revised Code

A fund provided to account for specific local revenue sources (i.e. profits from vending machines, sales of pictures, etc.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

***Other Grants*** Sections 5705.09 and 5705.13, Revised Code

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

***Miscellaneous Grants*** Section 5705.12, Revised Code

A fund provided to account for the proceeds of specific local revenue sources, except for state and federal grants that are legally restricted for specified purposes. This fund is used to account for the District's DARE and Channel 19 programs.

***District Managed Student Activity*** Section 3313.062

A fund provided to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

***Auxiliary Services*** Current Budget Bill, Appropriation line item 200-511

A fund use to account for monies which provide services and materials to pupils attending non-public schools within the school district.

***Education Management Information Systems*** Current Budget Bill, Appropriation line item 200-446

A fund provided to account for hardware and software development, or other costs associated with the requirements of the management information system.

***Reading Improvement*** Current Budget Bill, Appropriation line item 200-803

A fund to be used to provide incentive grants to individual school building teams for improving performance.

***Disadvantaged Pupil Impact Aid*** Current Budget Bill

A fund used to account for monies received for disadvantaged pupil impact aid.

***SchoolNet Professional Development*** Section 5705.09, Revised Code

A fund provided to account for a limited number of professional development subsidy grants.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS**

**Nonmajor Special Revenue Funds - (Continued)**

***Ohio Reads***

State line item Appropriation GRF, 200-566 and 200-455

A fund intended to improve reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public school buildings, for educational service centers for costs associated with volunteer coordination, for background checks of volunteers, to evaluate the Ohio Reads Program, and for operating expenses associated with administering the program.

***Summer Intervention***

State line item Appropriation 200-513

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

***Alternative School Grant***

State line item Appropriation GRF, 200-520

A fund used to account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services facility.

***Miscellaneous State Grants***

Section 5705.12, Revised Code

A fund used to account for various monies received from state agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

***Adult Basic Education***

Catalog of Federal Domestic Assistance #84.002

A fund used to account for instructional programs for persons sixteen years of age and older who are not enrolled in school and who have less than a twelfth-grade education or its equivalent; development of basic educational skills; and an increase of opportunities for useful employment; improvement of attitudes toward self, family, and community.

Public Law 98-377.

***Education for Economic Security***

Catalog of Federal Domestic Assistance #84.164 or #13.483

This fund is to account for Federal monies received through the Ohio Department of Education for the purpose of improving the skills of teachers, (science, foreign languages, and computer learning) and increasing the access of all students to that instruction.

Education of the Handicapped Act.

***Title VI-B***

Catalog of Federal Domestic Assistance #84.010

To account for Federal monies which assist states in the identification of handicapped children, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

***Title I***

P L 97-35; Catalog of Federal Domestic Assistance #84.151

To account for funds which provide financial assistance to State and local educational agencies to meet the special needs of educationally deprived children.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS**

**Nonmajor Special Revenue Funds - (Continued)**

***Title VI***

Catalog of Federal Domestic Assistance #84.151

To account for funds which consolidate various programs into a single authorization of grants to State for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the State and local agencies.

***Drug-Free School Grant***

Catalog of Federal Domestic Assistance #84-166

To provide funds to local educational agencies and consortia of these agencies to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

***Improving Teacher Quality***

Title VI of the ESEA, Catalog of Domestic Assistance Number 84.340

A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

***Miscellaneous Federal Grants***

Section 5705.12, Revised Code

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant and be approved by the Auditor of State.

**Nonmajor Debt Service Fund**

A fund provided for the retirement of serial bonds and short term loans. All revenue derived from general or special levies, either within or exceeding the statutory unvoted ten-mill limitation, which is levied for debt charges on bonds or loans, are paid into this fund. The District maintains only one debt service fund, therefore, combining statements and schedules are not

**Nonmajor Capital Projects Funds**

Capital Projects funds account for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds and trust funds). A description of the District's capital projects funds follows:

***Capital Projects - H.B. 426***

Section 5705.13, Revised Code

A fund used to accumulate money for one or more capital projects.

***SchoolNet***

Section 5705.09, Revised Code

A fund provided to account for wiring to all classrooms in the State and to provide a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2003

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 859,745	\$ 220,000	\$ 762,046	\$ 1,841,791
Receivables:				
Property taxes . . . . .	-	25,123	-	25,123
Accounts. . . . .	2,562	-	-	2,562
Intergovernmental . . . . .	117,418	-	-	117,418
Materials and supplies inventory . . . . .	36,913	-	-	36,913
Total assets. . . . .	<u>\$ 1,016,638</u>	<u>\$ 245,123</u>	<u>\$ 762,046</u>	<u>\$ 2,023,807</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 41,934	\$ -	\$ -	\$ 41,934
Accrued wages and benefits . . . . .	242,815	-	-	242,815
Compensated absences payable . . . . .	3,645	-	-	3,645
Pension obligation payable. . . . .	21,790	-	-	21,790
Intergovernmental payable. . . . .	20,341	-	-	20,341
Deferred revenue. . . . .	35,000	25,123	-	60,123
Total liabilities. . . . .	<u>365,525</u>	<u>25,123</u>	<u>-</u>	<u>390,648</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	301,943	-	180	302,123
Reserved for materials and supplies inventory . . . . .	36,913	-	-	36,913
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	312,257	-	-	312,257
Debt service. . . . .	-	220,000	-	220,000
Capital projects. . . . .	-	-	761,866	761,866
Total fund balances. . . . .	<u>651,113</u>	<u>220,000</u>	<u>762,046</u>	<u>1,633,159</u>
Total liabilities and fund balances . . . . .	<u>\$ 1,016,638</u>	<u>\$ 245,123</u>	<u>\$ 762,046</u>	<u>\$ 2,023,807</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Fund</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ -	\$ 285,421	\$ -	\$ 285,421
Charges for services . . . . .	880,791	-	-	880,791
Earnings on investments . . . . .	5,029	-	-	5,029
Extracurricular . . . . .	641,718	-	-	641,718
Other local revenue . . . . .	78,897	-	-	78,897
Other revenue . . . . .	18,961	-	-	18,961
Intergovernmental - state . . . . .	693,782	-	-	693,782
Intergovernmental - federal . . . . .	1,747,933	-	-	1,747,933
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue . . . . .	4,067,111	285,421	-	4,352,532
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	434,942	-	70,162	505,104
Special . . . . .	740,746	-	-	740,746
Other . . . . .	30,668	-	-	30,668
Support services:				
Pupil . . . . .	57,074	-	-	57,074
Instructional staff . . . . .	158,172	-	-	158,172
Administration . . . . .	500,809	-	-	500,809
Operations and maintenance . . . . .	1,000	-	-	1,000
Pupil transportation . . . . .	254	-	-	254
Operation of non-instructional services:				
Food service operations . . . . .	1,465,748	-	-	1,465,748
Operation of non-instructional services . . . . .	31,360	-	-	31,360
Extracurricular activities . . . . .	414,037	-	-	414,037
Intergovernmental pass through . . . . .	250,258	-	-	250,258
Debt service:				
Principal retirement . . . . .	-	65,123	-	65,123
Interest and fiscal charges . . . . .	-	13,546	-	13,546
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	4,085,068	78,669	70,162	4,233,899
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(17,957)	206,752	(70,162)	118,633
<b>Other financing sources:</b>				
Transfers in . . . . .	312,978	-	-	312,978
Total other financing sources . . . . .	312,978	-	-	312,978
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances . . . . .	295,021	206,752	(70,162)	431,611
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances, July 1 (restated) . . . . .</b>	341,984	13,248	832,208	1,187,440
<b>Increase in reserve for inventory . . . . .</b>	14,108	-	-	14,108
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances, June 30 . . . . .</b>	<u>\$ 651,113</u>	<u>\$ 220,000</u>	<u>\$ 762,046</u>	<u>\$ 1,633,159</u>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2003

	<u>Food Service</u>	<u>Public School Support</u>	<u>Other Grants</u>	<u>Miscellaneous Grants</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 103,883	\$ 249,093	\$ 7,552	\$ 28,851
Receivables:				
Accounts. . . . .	168	148	-	-
Intergovernmental . . . . .	74,150	-	49	-
Materials and supplies inventory . . . . .	<u>36,913</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets. . . . .	<u>\$ 215,114</u>	<u>\$ 249,241</u>	<u>\$ 7,601</u>	<u>\$ 28,851</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 1,218	\$ -	\$ 3,889
Accrued wages and benefits . . . . .	111,454	168	2,517	110
Compensated absences payable . . . . .	3,645	-	-	-
Pension obligation payable. . . . .	21,350	-	440	-
Intergovernmental payable . . . . .	6,634	123	309	23
Deferred revenue. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities. . . . .	<u>143,083</u>	<u>1,509</u>	<u>3,266</u>	<u>4,022</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	6,525	3,113	1,477
Reserved for materials and supplies inventory . . . . .	36,913	-	-	-
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	<u>35,118</u>	<u>241,207</u>	<u>1,222</u>	<u>23,352</u>
Total fund balances (deficits) . . . . .	<u>72,031</u>	<u>247,732</u>	<u>4,335</u>	<u>24,829</u>
Total liabilities and fund balances. . . . .	<u>\$ 215,114</u>	<u>\$ 249,241</u>	<u>\$ 7,601</u>	<u>\$ 28,851</u>

<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Education Management Information Systems</u>	<u>Reading Improvement</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>SchoolNet Professional Development</u>
\$ 65,544	\$ 103,219	\$ -	\$ 4,946	\$ 1,768	\$ 3,260
2,246	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 67,790</u>	<u>\$ 103,219</u>	<u>\$ -</u>	<u>\$ 4,946</u>	<u>\$ 1,768</u>	<u>\$ 3,260</u>
\$ 8,018	\$ 18,688	\$ -	\$ -	\$ 431	\$ -
-	165	-	1,225	-	-
-	-	-	-	-	-
-	-	-	-	-	-
392	835	507	18	295	-
-	-	-	-	-	-
<u>8,410</u>	<u>19,688</u>	<u>507</u>	<u>1,243</u>	<u>726</u>	<u>-</u>
4,770	79,480	-	-	1,337	3,249
-	-	-	-	-	-
<u>54,610</u>	<u>4,051</u>	<u>(507)</u>	<u>3,703</u>	<u>(295)</u>	<u>11</u>
<u>59,380</u>	<u>83,531</u>	<u>(507)</u>	<u>3,703</u>	<u>1,042</u>	<u>3,260</u>
<u>\$ 67,790</u>	<u>\$ 103,219</u>	<u>\$ -</u>	<u>\$ 4,946</u>	<u>\$ 1,768</u>	<u>\$ 3,260</u>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2003

	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Alternative School Grant</u>	<u>Miscellaneous State Grants</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 24,587	\$ 19,874	\$ 17,816	\$ -
Receivables:				
Accounts. . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Materials and supplies inventory . . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 24,587</u>	<u>\$ 19,874</u>	<u>\$ 17,816</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 2,795	\$ -	\$ -	\$ -
Accrued wages and benefits . . . . .	861	-	6,135	-
Compensated absences payable . . . . .	-	-	-	-
Pension obligation payable. . . . .	-	-	-	-
Intergovernmental payable . . . . .	261	-	588	41
Deferred revenue. . . . .	-	-	-	-
Total liabilities. . . . .	<u>3,917</u>	<u>-</u>	<u>6,723</u>	<u>41</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	21,792	-	17,816	-
Reserved for materials and supplies inventory . . . . .	-	-	-	-
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	<u>(1,122)</u>	<u>19,874</u>	<u>(6,723)</u>	<u>(41)</u>
Total fund balances (deficits) . . . . .	<u>20,670</u>	<u>19,874</u>	<u>11,093</u>	<u>(41)</u>
Total liabilities and fund balances. . . . .	<u>\$ 24,587</u>	<u>\$ 19,874</u>	<u>\$ 17,816</u>	<u>\$ -</u>

<u>Adult Basic Education</u>	<u>Education for Economic Security</u>	<u>Title VI-B</u>	<u>Title I</u>	<u>Title VI</u>	<u>Drug-Free School Grant</u>
\$ 8,345	\$ -	\$ 111,318	\$ 29,246	\$ 5,436	\$ 2,521
-	-	-	-	-	-
-	-	35,000	-	-	-
-	-	-	-	-	-
<u>\$ 8,345</u>	<u>\$ -</u>	<u>\$ 146,318</u>	<u>\$ 29,246</u>	<u>\$ 5,436</u>	<u>\$ 2,521</u>
\$ -	\$ -	\$ 72	\$ 845	\$ -	\$ -
2,499	-	47,804	68,185	-	-
-	-	-	-	-	-
-	-	-	-	-	-
309	-	4,593	4,417	-	87
-	-	35,000	-	-	-
<u>2,808</u>	<u>-</u>	<u>87,469</u>	<u>73,447</u>	<u>-</u>	<u>87</u>
8,345	-	104,520	28,401	5,436	2,521
-	-	-	-	-	-
<u>(2,808)</u>	<u>-</u>	<u>(45,671)</u>	<u>(72,602)</u>	<u>-</u>	<u>(87)</u>
<u>5,537</u>	<u>-</u>	<u>58,849</u>	<u>(44,201)</u>	<u>5,436</u>	<u>2,434</u>
<u>\$ 8,345</u>	<u>\$ -</u>	<u>\$ 146,318</u>	<u>\$ 29,246</u>	<u>\$ 5,436</u>	<u>\$ 2,521</u>

-- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2003

	<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 1,565	\$ 70,921	\$ 859,745
Receivables:			
Accounts. . . . .	-	-	2,562
Intergovernmental . . . . .	-	8,219	117,418
Materials and supplies inventory . . . . .	-	-	36,913
	<hr/>	<hr/>	<hr/>
Total assets. . . . .	<u>\$ 1,565</u>	<u>\$ 79,140</u>	<u>\$ 1,016,638</u>
 <b>Liabilities:</b>			
Accounts payable. . . . .	\$ -	\$ 5,978	41,934
Accrued wages and benefits . . . . .	-	1,692	242,815
Compensated absences payable . . . . .	-	-	3,645
Pension obligation payable. . . . .	-	-	21,790
Intergovernmental payable . . . . .	831	78	20,341
Deferred revenue. . . . .	-	-	35,000
	<hr/>	<hr/>	<hr/>
Total liabilities. . . . .	<u>831</u>	<u>7,748</u>	<u>365,525</u>
 <b>Fund Balances:</b>			
Reserved for encumbrances. . . . .	1,565	11,596	301,943
Reserved for materials and supplies inventory . . . . .	-	-	36,913
Unreserved, undesignated, reported in:			
Special revenue funds . . . . .	(831)	59,796	312,257
	<hr/>	<hr/>	<hr/>
Total fund balances (deficits) . . . . .	<u>734</u>	<u>71,392</u>	<u>651,113</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances. . . . .	<u>\$ 1,565</u>	<u>\$ 79,140</u>	<u>\$ 1,016,638</u>



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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Food Service</u>	<u>Public School Support</u>	<u>Other Grants</u>	<u>Miscellaneous Grants</u>
<b>Revenues:</b>				
From local sources:				
Charges for services . . . . .	\$ 879,360	\$ -	\$ -	\$ -
Earnings on investments . . . . .	-	2,634	-	-
Extracurricular . . . . .	-	249,459	-	-
Other local revenues . . . . .	21,616	464	8,985	30,748
Other revenue . . . . .	-	-	18,961	-
Intergovernmental - state . . . . .	23,504	-	55,642	-
Intergovernmental - federal . . . . .	443,363	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue . . . . .	1,367,843	252,557	83,588	30,748
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	-	22,074	496
Special . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	47,725	2,615
Instructional staff . . . . .	-	-	-	14,598
Administration . . . . .	-	208,144	-	-
Operations and maintenance . . . . .	-	-	-	-
Pupil transportation . . . . .	-	-	-	-
Operation of non-instructional services:				
Food service operations . . . . .	1,465,748	-	-	-
Operation of non-instructional services . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	-	-	-
Intergovernmental pass through . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	1,465,748	208,144	69,799	17,709
Excess (deficiency) of revenues over (under) expenditures . . . . .	(97,905)	44,413	13,789	13,039
<b>Other financing sources:</b>				
Transfers in . . . . .	225,000	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources . . . . .	225,000	-	-	-
Net change in fund balances . . . . .	127,095	44,413	13,789	13,039
<b>Fund balances (deficits), July 1 (restated) . . . . .</b>	(69,172)	203,319	(9,454)	11,790
<b>Increase in reserve for inventory . . . . .</b>	14,108	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficits), June 30 . . . . .</b>	<u>\$ 72,031</u>	<u>\$ 247,732</u>	<u>\$ 4,335</u>	<u>\$ 24,829</u>

<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Education Management Information Systems</u>	<u>Reading Improvement</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>SchoolNet Professional Development</u>
\$ 1,431	\$ -	\$ -	\$ -	\$ -	\$ -
555	1,840	-	-	-	-
392,259	-	-	-	-	-
17,084	-	-	-	-	-
-	-	-	-	-	-
-	263,831	18,656	-	52,036	8,050
-	-	-	-	-	-
<u>411,329</u>	<u>265,671</u>	<u>18,656</u>	<u>-</u>	<u>52,036</u>	<u>8,050</u>
-	-	-	1,220	50,452	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
403	-	-	-	-	8,383
-	-	106,870	-	-	-
-	-	-	-	-	-
136	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
414,037	-	-	-	-	-
-	250,258	-	-	-	-
<u>414,576</u>	<u>250,258</u>	<u>106,870</u>	<u>1,220</u>	<u>50,452</u>	<u>8,383</u>
(3,247)	15,413	(88,214)	(1,220)	1,584	(333)
-	-	87,978	-	-	-
-	-	87,978	-	-	-
(3,247)	15,413	(236)	(1,220)	1,584	(333)
62,627	68,118	(271)	4,923	(542)	3,593
-	-	-	-	-	-
<u>\$ 59,380</u>	<u>\$ 83,531</u>	<u>\$ (507)</u>	<u>\$ 3,703</u>	<u>\$ 1,042</u>	<u>\$ 3,260</u>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Alternative School Grant</u>	<u>Miscellaneous State Grants</u>
<b>Revenues:</b>				
From local sources:				
Charges for services . . . . .	\$ -	\$ -	\$ -	\$ -
Earnings on investments . . . . .	-	-	-	-
Extracurricular . . . . .	-	-	-	-
Other local revenues . . . . .	-	-	-	-
Other revenue . . . . .	-	-	-	-
Intergovernmental - state . . . . .	107,500	19,874	67,921	9,200
Intergovernmental - federal . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue . . . . .	107,500	19,874	67,921	9,200
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	105,622	-	46,368	1,623
Special . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	774	-	379	-
Instructional staff . . . . .	3,314	-	-	6,018
Administration . . . . .	-	-	17,530	1,600
Operations and maintenance . . . . .	-	-	-	-
Pupil transportation . . . . .	117	-	-	-
Operation of non-instructional services:				
Food service operations . . . . .	-	-	-	-
Operation of non-instructional services . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	-	-	-
Intergovernmental pass through . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	109,827	-	64,277	9,241
Excess (deficiency) of revenues over (under) expenditures . . . . .	(2,327)	19,874	3,644	(41)
<b>Other financing sources:</b>				
Transfers in . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources . . . . .	-	-	-	-
Net change in fund balances . . . . .	(2,327)	19,874	3,644	(41)
<b>Fund balances (deficits), July 1 (restated) . . . . .</b>	22,997	-	7,449	-
<b>Increase in reserve for inventory . . . . .</b>	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficits), June 30 . . . . .</b>	<u>\$ 20,670</u>	<u>\$ 19,874</u>	<u>\$ 11,093</u>	<u>\$ (41)</u>

<b>Adult Basic Education</b>	<b>Education for Economic Security</b>	<b>Title VI-B</b>	<b>Title I</b>	<b>Title VI</b>	<b>Drug-Free School Grant</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
16,645	-	-	-	-	-
28,341	27	561,871	448,826	31,546	24,179
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44,986	27	561,871	448,826	31,546	24,179
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-	-	-	-	20,561	12,109
-	-	343,830	396,916	-	-
30,668	-	-	-	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	-	-
6,411	27	21,712	59,084	5,510	7,131
3,962	-	130,164	-	-	1,757
-	-	-	-	-	1,000
-	-	-	-	-	-
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-	-	-	-	-	-
-	-	24,513	5,191	1,156	-
-	-	-	-	-	-
-	-	-	-	-	-
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41,041	27	520,219	461,191	27,227	21,997
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
3,945	-	41,652	(12,365)	4,319	2,182
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	-	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
3,945	-	41,652	(12,365)	4,319	2,182
1,592	-	17,197	(31,836)	1,117	252
-	-	-	-	-	-
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\$ 5,537	\$ -	\$ 58,849	\$ (44,201)	\$ 5,436	\$ 2,434

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<b>Improving Teacher Quality</b>	<b>Miscellaneous Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Revenues:</b>			
From local sources:			
Charges for services . . . . .	\$ -	\$ -	\$ 880,791
Earnings on investments . . . . .	-	-	5,029
Extracurricular . . . . .	-	-	641,718
Other local revenues . . . . .	-	-	78,897
Other revenue . . . . .	-	-	18,961
Intergovernmental - state . . . . .	-	50,923	693,782
Intergovernmental - federal . . . . .	180,450	29,330	1,747,933
	<hr/>	<hr/>	<hr/>
Total revenue . . . . .	180,450	80,253	4,067,111
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	154,135	20,282	434,942
Special . . . . .	-	-	740,746
Other . . . . .	-	-	30,668
Support services:			
Pupil . . . . .	-	5,581	57,074
Instructional staff . . . . .	25,581	-	158,172
Administration . . . . .	-	30,782	500,809
Operations and maintenance . . . . .	-	-	1,000
Pupil transportation . . . . .	-	1	254
Operation of non-instructional services:			
Food service operations . . . . .	-	-	1,465,748
Operation of non-instructional services . . . . .	-	500	31,360
Extracurricular activities . . . . .	-	-	414,037
Intergovernmental pass through . . . . .	-	-	250,258
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Total expenditures . . . . .	179,716	57,146	4,085,068
Excess (deficiency) of revenues over (under) expenditures . . . . .	734	23,107	(17,957)
<b>Other financing sources:</b>			
Transfers in . . . . .	-	-	312,978
	<hr/>	<hr/>	<hr/>
Total other financing sources . . . . .	-	-	312,978
Net change in fund balances . . . . .	734	23,107	295,021
<b>Fund balances (deficits), July 1 (restated) . . . . .</b>	-	48,285	341,984
<b>Increase in reserve for inventory . . . . .</b>	-	-	14,108
	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficits), June 30 . . . . .</b>	\$ 734	\$ 71,392	\$ 651,113
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2003

	<b>Capital Projects- H.B. 426</b>	<b>SchoolNet</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 761,866	\$ 180	\$ 762,046
Total assets . . . . .	\$ 761,866	\$ 180	\$ 762,046
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	\$ -	\$ 180	\$ 180
Unreserved, undesignated, reported in:			
Capital projects . . . . .	761,866	-	761,866
Total fund balances . . . . .	\$ 761,866	\$ 180	\$ 762,046

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Capital Projects- H.B. 426</u>	<u>SchoolNet</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	\$ -	\$ 70,162	\$ 70,162
 Total expenditures . . . . .	<u>-</u>	<u>70,162</u>	<u>70,162</u>
 Net change in fund balances . . . . .	-	(70,162)	(70,162)
 <b>Fund balances, July 1 . . . . .</b>	<u>761,866</u>	<u>70,342</u>	<u>832,208</u>
 <b>Fund balances, June 30 . . . . .</b>	<u><u>\$ 761,866</u></u>	<u><u>\$ 180</u></u>	<u><u>\$ 762,046</u></u>



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
COMBINING STATEMENTS - NONMAJOR ENTERPRISE FUNDS**

**Nonmajor Enterprise Funds**

A fund category to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and indirect costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered primarily through user charges. This fund category can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Adult Education**

Section 5705.12, Revised Code

A fund provided to account for transactions made in connection with adult education classes. Receipts include, but are not limited to, tuition from patrons and students and reimbursement from the State Department of Education. Expenses include supplies, salaries and textbooks.

**Special Enterprise**

Section 5705.12, Revised Code

A fund to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and direct costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered primarily through user charges. This fund can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. This fund accounts for the programs of the community center and summer school.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2003

	<u>Adult Education</u>	<u>Special Enterprise</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 857	\$ 97,124	\$ 97,981
Capital assets:			
Depreciable capital assets, net . . . . .	<u>-</u>	<u>16,342</u>	<u>16,342</u>
Capital assets, net . . . . .	<u>-</u>	<u>16,342</u>	<u>16,342</u>
Total assets . . . . .	<u>\$ 857</u>	<u>\$ 113,466</u>	<u>\$ 114,323</u>
<b>Liabilities:</b>			
Accrued wages and benefits . . . . .	933	1,083	2,016
Intergovernmental payable . . . . .	<u>90</u>	<u>204</u>	<u>294</u>
Total liabilities . . . . .	<u>1,023</u>	<u>1,287</u>	<u>2,310</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	-	16,342	16,342
Unrestricted. . . . .	<u>(166)</u>	<u>95,837</u>	<u>95,671</u>
Total net assets (deficit) . . . . .	<u>\$ (166)</u>	<u>\$ 112,179</u>	<u>\$ 112,013</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Adult Education</u>	<u>Special Enterprise</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Operating revenues:</b>			
Tuition and fees . . . . .	\$ 9,525	\$ 36,636	\$ 46,161
Total operating revenues . . . . .	<u>9,525</u>	<u>36,636</u>	<u>46,161</u>
<b>Operating expenses:</b>			
Personal services . . . . .	9,527	26,934	36,461
Materials and supplies . . . . .	62	11,564	11,626
Depreciation . . . . .	-	2,179	2,179
Total operating expenses . . . . .	<u>9,589</u>	<u>40,677</u>	<u>50,266</u>
Operating loss . . . . .	<u>(64)</u>	<u>(4,041)</u>	<u>(4,105)</u>
<b>Net assets (deficit) at beginning of year . .</b>	<u>(102)</u>	<u>116,220</u>	<u>116,118</u>
<b>Net assets (deficit) at end of year . . . . .</b>	<u>\$ (166)</u>	<u>\$ 112,179</u>	<u>\$ 112,013</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<b>Adult Education</b>	<b>Special Enterprise</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Cash flows from operating activities:</b>			
Cash received from tuition and fees . . . . .	\$ 9,525	\$ 36,686	\$ 46,211
Cash payments for personal services . . . . .	(10,290)	(25,711)	(36,001)
Cash payments for materials and supplies . . . . .	(62)	(11,564)	(11,626)
Net cash used in operating activities . . . . .	(827)	(589)	(1,416)
Net decrease in cash and cash equivalents . . . . .	(827)	(589)	(1,416)
<b>Cash and cash equivalents at beginning of year . . .</b>	<b>1,684</b>	<b>97,713</b>	<b>99,397</b>
<b>Cash and cash equivalents at end of year . . . . .</b>	<b>\$ 857</b>	<b>\$ 97,124</b>	<b>\$ 97,981</b>
 <b>Reconciliation of operating loss to net cash used in operating activities:</b>			
Operating loss . . . . .	\$ (64)	\$ (4,041)	\$ (4,105)
Adjustments:			
Depreciation . . . . .	-	2,179	2,179
Changes in assets and liabilities:			
Decrease in accounts receivable . . . . .	-	50	50
Increase in accrued wages and benefits . . . . .	132	1,083	1,215
Increase in intergovernmental payable . . . . .	78	140	218
Decrease in pension obligation payable . . . . .	(973)	-	(973)
Net cash used in operating activities . . . . .	\$ (827)	\$ (589)	\$ (1,416)

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
COMBINING STATEMENTS - FIDUCIARY FUNDS**

**Agency Funds**

**Mahoning County Insurance Consortium**

Section 5705.09, Revised Code

A fund provided to account for monies received from Employee Benefits Self-Insurance funds of school districts forming the Mahoning County Insurance Consortium insurance "pool" for employee benefits.

**Student Managed Activity**

Section 3313.062, Revised Code

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<b>Beginning Balance July 1, 2002</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance June 30, 2003</b>
<b>Mahoning County Insurance Consortium</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 473,925	\$ 29,102,281	\$ 26,667,965	\$ 2,908,241
Receivables				
Due from other governments. . . . .	159,576	174,591	159,576	174,591
Total assets . . . . .	\$ 633,501	\$ 29,276,872	\$ 26,827,541	\$ 3,082,832
<b>Liabilities:</b>				
Undistributed monies . . . . .	633,501	29,276,872	26,827,541	3,082,832
Total liabilities . . . . .	\$ 633,501	\$ 29,276,872	\$ 26,827,541	\$ 3,082,832
<b>Student Managed Activity</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 38,859	\$ 128,190	\$ 116,028	\$ 51,021
Receivables				
Accounts . . . . .	105	3,180	105	3,180
Total assets . . . . .	\$ 38,964	\$ 131,370	\$ 116,133	\$ 54,201
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 489	\$ 1,872	\$ 489	\$ 1,872
Due to students . . . . .	38,475	129,498	115,644	52,329
Total liabilities. . . . .	\$ 38,964	\$ 131,370	\$ 116,133	\$ 54,201
<b>Total</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 512,784	\$ 29,230,471	\$ 26,783,993	\$ 2,959,262
Receivables				
Accounts . . . . .	105	3,180	105	3,180
Due from other governments. . . . .	159,576	174,591	159,576	174,591
Total assets . . . . .	\$ 672,465	\$ 29,408,242	\$ 26,943,674	\$ 3,137,033
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 489	\$ 1,872	\$ 489	\$ 1,872
Undistributed monies . . . . .	633,501	29,276,872	26,827,541	3,082,832
Due to students . . . . .	38,475	129,498	115,644	52,329
Total liabilities. . . . .	\$ 672,465	\$ 29,408,242	\$ 26,943,674	\$ 3,137,033

INDIVIDUAL FUND SCHEDULES OF  
REVENUES, EXPENDITURES/EXPENSES AND  
CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
(NON-GAAP BUDGETARY BASIS)

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**GENERAL FUND**

The general fund is used to account for resources traditionally associated with a school district which are not required legally or by sound financial management to be accounted for in another fund. These activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration.

Since there is only one general fund and the legal level of budgetary control is not greater than that presented in the basic financial statements, no additional financial statements are presented here.

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOOD SERVICE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Charges for services . . . . .	\$ 832,830	\$ 879,356	\$ 879,353	\$ (3)
Other local revenues . . . . .	21,150	22,332	22,332	-
Intergovernmental - State . . . . .	22,260	23,504	23,504	-
Intergovernmental - Federal . . . . .	410,199	433,114	433,114	-
Total revenue . . . . .	<u>1,286,439</u>	<u>1,358,306</u>	<u>1,358,303</u>	<u>(3)</u>
<b>Expenditures:</b>				
Current:				
Food service operations:				
Salaries and wages . . . . .	630,800	648,397	648,397	-
Fringe benefits . . . . .	321,734	305,213	305,213	-
Purchased services . . . . .	900	1,798	1,798	-
Materials and supplies . . . . .	498,000	489,157	489,157	-
Capital outlay . . . . .	22,000	14,173	14,173	-
Other . . . . .	4,000	6,988	6,988	-
Total expenditures . . . . .	<u>1,477,434</u>	<u>1,465,726</u>	<u>1,465,726</u>	<u>-</u>
Excess of revenues over (under) expenditures . . . . .	<u>(190,995)</u>	<u>(107,420)</u>	<u>(107,423)</u>	<u>(3)</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	213,095	225,000	225,000	-
Total other financing sources (uses) . . . . .	<u>213,095</u>	<u>225,000</u>	<u>225,000</u>	<u>-</u>
Net change in fund balance . . . . .	22,100	117,580	117,577	(3)
<b>Fund balance at beginning of year . . . . .</b>	<u>(13,694)</u>	<u>(13,694)</u>	<u>(13,694)</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,406</u>	<u>\$ 103,886</u>	<u>\$ 103,883</u>	<u>\$ (3)</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PUBLIC SCHOOL SUPPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Earnings on investments. . . . .	\$ 2,306	\$ 2,487	\$ 2,634	\$ 147
Extracurricular. . . . .	233,079	251,378	251,438	60
Other local revenues. . . . .	430	464	464	-
<b>Total revenue . . . . .</b>	<u>235,815</u>	<u>254,329</u>	<u>254,536</u>	<u>207</u>
<b>Expenditures:</b>				
Current:				
Support services:				
Administration. . . . .	265,340	218,065	218,065	-
<b>Total expenditures . . . . .</b>	<u>265,340</u>	<u>218,065</u>	<u>218,065</u>	<u>-</u>
Net change in fund balance . . . . .	(29,525)	36,264	36,471	207
<b>Fund balance at beginning of year. . . . .</b>	196,438	196,438	196,438	-
<b>Prior year encumbrances appropriated . . . . .</b>	8,441	8,441	8,441	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 175,354</u>	<u>\$ 241,143</u>	<u>\$ 241,350</u>	<u>\$ 207</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
OTHER GRANTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Other local revenues . . . . .	\$ 7,048	\$ 8,985	\$ 8,985	\$ -
Other revenue . . . . .	15,626	19,921	19,921	-
Intergovernmental - State . . . . .	47,631	60,723	60,753	30
Total revenue . . . . .	<u>70,305</u>	<u>89,629</u>	<u>89,659</u>	<u>30</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	15,068	23,694	23,694	-
Support services:				
Pupil . . . . .	41,457	51,323	51,323	-
Total expenditures . . . . .	<u>56,525</u>	<u>75,017</u>	<u>75,017</u>	<u>-</u>
Net change in fund balance . . . . .	13,780	14,612	14,642	30
<b>Fund balance at beginning of year . . . . .</b>	(12,764)	(12,764)	(12,764)	-
<b>Prior year encumbrances appropriated . . . . .</b>	2,561	2,561	2,561	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,577</u>	<u>\$ 4,409</u>	<u>\$ 4,439</u>	<u>\$ 30</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MISCELLANEOUS GRANTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Other local revenues . . . . .	\$ 38,500	\$ 32,498	\$ 32,498	\$ -
Total revenue . . . . .	<u>38,500</u>	<u>32,498</u>	<u>32,498</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	2,171	517	517	-
Support services:				
Pupil . . . . .	2,500	1,735	1,735	-
Instructional staff . . . . .	<u>34,235</u>	<u>17,322</u>	<u>16,822</u>	<u>500</u>
Total expenditures . . . . .	<u>38,906</u>	<u>19,574</u>	<u>19,074</u>	<u>500</u>
Net change in fund balance . . . . .	(406)	12,924	13,424	500
<b>Fund balance at beginning of year . . . . .</b>	<u>10,061</u>	<u>10,061</u>	<u>10,061</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 9,655</u>	<u>\$ 22,985</u>	<u>\$ 23,485</u>	<u>\$ 500</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DISTRICT MANAGED STUDENT ACTIVITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Earnings on investments. . . . .	\$ 493	\$ 545	\$ 555	\$ 10
Extracurricular. . . . .	352,420	390,991	391,170	179
Classroom materials and fees . . . . .	978	1,082	1,431	349
Other local revenues. . . . .	16,419	17,084	17,084	-
<b>Total revenue . . . . .</b>	<u>370,310</u>	<u>409,702</u>	<u>410,240</u>	<u>538</u>
<b>Expenditures:</b>				
Current:				
Support services:				
Instructional staff . . . . .	1,300	413	413	-
Pupil transportation . . . . .	-	135	135	-
Extracurricular activities. . . . .	374,860	423,085	423,085	-
<b>Total expenditures . . . . .</b>	<u>376,160</u>	<u>423,633</u>	<u>423,633</u>	<u>-</u>
Net change in fund balance . . . . .	(5,850)	(13,931)	(13,393)	538
<b>Fund balance at beginning of year. . . . .</b>	55,544	55,544	55,544	-
<b>Prior year encumbrances appropriated . .</b>	10,605	10,605	10,605	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 60,299</u>	<u>\$ 52,218</u>	<u>\$ 52,756</u>	<u>\$ 538</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AUXILIARY SERVICES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Earnings on investments. . . . .	\$ -	\$ 1,840	\$ 1,840	\$ -
Intergovernmental - State . . . . .	-	263,831	263,831	-
Total revenue . . . . .	<u>-</u>	<u>265,671</u>	<u>265,671</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Pass-through intergovernmental. . . . .	<u>78,273</u>	<u>338,893</u>	<u>338,893</u>	<u>-</u>
Total expenditures . . . . .	<u>78,273</u>	<u>338,893</u>	<u>338,893</u>	<u>-</u>
Net change in fund balance. . . . .	(78,273)	(73,222)	(73,222)	-
<b>Fund balance at beginning of year. . . . .</b>	44,236	44,236	44,236	-
<b>Prior year encumbrances appropriated . . . . .</b>	34,037	34,037	34,037	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 5,051</u>	<u>\$ 5,051</u>	<u>\$ -</u>



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EDUCATION MANAGEMENT INFORMATION SYSTEMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ -	\$ 18,656	\$ 18,656	\$ -
Total revenue . . . . .	-	18,656	18,656	-
<b>Expenditures:</b>				
Current:				
Support services:				
Administration . . . . .	-	106,634	106,634	-
Total expenditures . . . . .	-	106,634	106,634	-
Excess of revenues over (under) expenditures. . . . .	-	(87,978)	(87,978)	-
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	-	87,978	87,978	-
Total other financing sources (uses) . . . . .	-	87,978	87,978	-
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year. . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
READING IMPROVEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	\$ 4,946	\$ -	\$ -	\$ -
Total expenditures . . . . .	<u>4,946</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance . . . . .	(4,946)	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>\$ 4,946</u>	<u>\$ 4,946</u>	<u>\$ 4,946</u>	<u>\$ -</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 4,946</u>	<u>\$ 4,946</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DISADVANTAGED PUPIL IMPACT AID  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Over (Under)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ 52,036	\$ 52,036	\$ 52,036	\$ -
Total revenue . . . . .	<u>52,036</u>	<u>52,036</u>	<u>52,036</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	52,036	52,036	52,036	-
Total expenditures . . . . .	<u>52,036</u>	<u>52,036</u>	<u>52,036</u>	<u>-</u>
Net change in fund balance. . . . .	-	-	-	-
<b>Fund balance at beginning of year. . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOOLNET PROFESSIONAL DEVELOPMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Over (Under)</b>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ 3,450	\$ 8,050	\$ 8,050	\$ -
Total revenue . . . . .	<u>3,450</u>	<u>8,050</u>	<u>8,050</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Support services:				
Instructional staff . . . . .	7,043	11,643	11,632	11
Total expenditures . . . . .	<u>7,043</u>	<u>11,643</u>	<u>11,632</u>	<u>11</u>
Net change in fund balance . . . . .	(3,593)	(3,593)	(3,582)	11
<b>Fund balance at beginning of year . . . . .</b>	260	260	260	-
<b>Prior year encumbrances appropriated . . . . .</b>	3,333	3,333	3,333	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 11</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
OHIO READS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ 82,500	\$ 107,500	\$ 107,500	\$ -
Total revenue . . . . .	<u>82,500</u>	<u>107,500</u>	<u>107,500</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	27,316	129,974	129,984	(10)
Support services:				
Pupil . . . . .	-	774	774	-
Instructional staff . . . . .	498	4,450	4,440	10
Pupil transportation . . . . .	116	232	232	-
Total expenditures . . . . .	<u>27,930</u>	<u>135,430</u>	<u>135,430</u>	<u>-</u>
Net change in fund balance . . . . .	54,570	(27,930)	(27,930)	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	27,930	27,930	27,930	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 82,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SUMMER INTERVENTION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ -	\$ 19,874	\$ 19,874	\$ -
Total revenue . . . . .	-	19,874	19,874	-
Net change in fund balance. . . . .	-	19,874	19,874	-
<b>Fund balance at beginning of year. . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 19,874</u>	<u>\$ 19,874</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ALTERNATIVE SCHOOL GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ 72,071	\$ 67,921	\$ 67,921	\$ -
Total revenue . . . . .	<u>72,071</u>	<u>67,921</u>	<u>67,921</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	63,278	59,128	59,128	-
Support services:				
Pupil . . . . .	577	577	577	-
Administration . . . . .	20,030	20,030	20,030	-
Total expenditures . . . . .	<u>83,885</u>	<u>79,735</u>	<u>79,735</u>	<u>-</u>
Net change in fund balance . . . . .	(11,814)	(11,814)	(11,814)	-
<b>Fund balance at beginning of year . . . . .</b>	<u>11,814</u>	<u>11,814</u>	<u>11,814</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MISCELLANEOUS STATE GRANTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Over (Under)</b>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ -	\$ 9,200	\$ 9,200	\$ -
Total revenue . . . . .	<u>-</u>	<u>9,200</u>	<u>9,200</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	1,620	1,620	-
Support services:				
Instructional staff . . . . .	-	5,980	5,980	-
Administration . . . . .	-	1,600	1,600	-
Total expenditures . . . . .	<u>-</u>	<u>9,200</u>	<u>9,200</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ADULT BASIC EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ 16,645	\$ 16,645	\$ 16,645	\$ -
Intergovernmental - Federal . . . . .	40,893	40,893	40,893	-
Total revenue . . . . .	<u>57,538</u>	<u>57,538</u>	<u>57,538</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Other . . . . .	37,773	37,773	37,776	(3)
Support services:				
Instructional staff . . . . .	7,902	7,902	7,888	14
Administration . . . . .	3,517	3,517	3,528	(11)
Total expenditures . . . . .	<u>49,192</u>	<u>49,192</u>	<u>49,192</u>	<u>-</u>
Net change in fund balance . . . . .	8,346	8,346	8,346	-
<b>Fund balance at beginning of year . . . . .</b>	(12,552)	(12,552)	(12,552)	-
<b>Prior year encumbrances appropriated . . . . .</b>	4,206	4,206	4,206	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EDUCATION FOR ECONOMIC SECURITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - Federal . . . . .	\$ -	\$ 27	\$ 27	\$ -
Total revenue . . . . .	<u>-</u>	<u>27</u>	<u>27</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Support services:				
Instructional staff . . . . .	-	27	27	-
Total expenditures . . . . .	<u>-</u>	<u>27</u>	<u>27</u>	<u>-</u>
Net change in fund balance. . . . .	-	-	-	-
<b>Fund balance at beginning of year. . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE VI-B  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - Federal . . . . .	\$ 546,871	\$ 561,871	\$ 561,871	\$ -
Total revenue . . . . .	<u>546,871</u>	<u>561,871</u>	<u>561,871</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Special . . . . .	398,137	434,437	402,366	32,071
Support services:				
Instructional staff . . . . .	22,840	36,540	26,813	9,727
Administration . . . . .	156,185	156,185	156,185	-
Operation of non-instructional services . . . . .	33,771	33,771	33,771	-
Total expenditures . . . . .	<u>610,933</u>	<u>660,933</u>	<u>619,135</u>	<u>41,798</u>
Net change in fund balance . . . . .	(64,062)	(99,062)	(57,264)	41,798
<b>Fund balance at beginning of year . . . . .</b>	<u>64,062</u>	<u>64,062</u>	<u>64,062</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ (35,000)</u>	<u>\$ 6,798</u>	<u>\$ 41,798</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE I  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - Federal . . . . .	\$ 449,729	\$ 448,826	\$ 448,826	\$ -
Total revenue . . . . .	<u>449,729</u>	<u>448,826</u>	<u>448,826</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Special . . . . .	421,498	420,595	419,811	784
Support services:				
Instructional staff . . . . .	59,380	59,380	60,156	(776)
Operation of non-instructional services . . . . .	5,912	5,912	5,920	(8)
Total expenditures . . . . .	<u>486,790</u>	<u>485,887</u>	<u>485,887</u>	<u>-</u>
Net change in fund balance . . . . .	(37,061)	(37,061)	(37,061)	-
<b>Fund balance at beginning of year . . . . .</b>	36,919	36,919	36,919	-
<b>Prior year encumbrances appropriated . . . . .</b>	142	142	142	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE VI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - Federal . . . . .	\$ 31,556	\$ 31,546	\$ 31,546	\$ -
Total revenue . . . . .	<u>31,556</u>	<u>31,546</u>	<u>31,546</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	23,746	23,520	23,436	84
Support services:				
Instructional staff . . . . .	6,131	6,131	6,359	(228)
Operation of non-instructional services . . . . .	2,796	3,012	2,868	144
Total expenditures . . . . .	<u>32,673</u>	<u>32,663</u>	<u>32,663</u>	<u>-</u>
Net change in fund balance . . . . .	(1,117)	(1,117)	(1,117)	-
<b>Fund balance at beginning of year . . . . .</b>	326	326	326	-
<b>Prior year encumbrances appropriated . . . . .</b>	791	791	791	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DRUG FREE SCHOOL GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - Federal . . . . .	\$ 24,199	\$ 24,179	\$ 24,179	\$ -
Total revenue . . . . .	<u>24,199</u>	<u>24,179</u>	<u>24,179</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	14,167	15,382	15,382	-
Support services:				
Instructional staff . . . . .	8,408	7,173	7,173	-
Administration . . . . .	1,746	1,746	1,746	-
Operations and maintenance . . . . .	1,000	1,000	1,000	-
Total expenditures . . . . .	<u>25,321</u>	<u>25,301</u>	<u>25,301</u>	<u>-</u>
Net change in fund balance . . . . .	(1,122)	(1,122)	(1,122)	-
Fund balance at beginning of year . . . . .	430	430	430	-
Prior year encumbrances appropriated . . . . .	692	692	692	-
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
IMPROVING TEACHER QUALITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - Federal . . . . .	\$ 180,511	\$ 180,450	\$ 180,450	\$ -
Total revenue . . . . .	<u>180,511</u>	<u>180,450</u>	<u>180,450</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	153,304	153,304	153,304	-
Support services:				
Instructional staff . . . . .	<u>27,207</u>	<u>27,146</u>	<u>27,146</u>	<u>-</u>
Total expenditures . . . . .	<u>180,511</u>	<u>180,450</u>	<u>180,450</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MISCELLANEOUS FEDERAL GRANTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental - State . . . . .	\$ 39,850	\$ 53,455	\$ 50,428	\$ (3,027)
Intergovernmental - Federal . . . . .	21,865	29,330	29,330	-
Total revenue . . . . .	<u>61,715</u>	<u>82,785</u>	<u>79,758</u>	<u>(3,027)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	19,215	29,243	27,767	1,476
Support services:				
Pupil . . . . .	5,510	7,417	6,264	1,153
Administration . . . . .	10,866	32,943	32,597	346
Pupil transportation . . . . .	-	90	-	90
Operation of non-instructional services . . . . .	1,500	1,500	1,500	-
Total expenditures . . . . .	<u>37,091</u>	<u>71,193</u>	<u>68,128</u>	<u>3,065</u>
Net change in fund balance . . . . .	24,624	11,592	11,630	38
<b>Fund balance at beginning of year . . . . .</b>	40,851	40,851	40,851	-
<b>Prior year encumbrances appropriated . . . . .</b>	866	866	866	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 66,341</u>	<u>\$ 53,309</u>	<u>\$ 53,347</u>	<u>\$ 38</u>



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DEBT SERVICE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 79,669	\$ 285,421	\$ 285,421	\$ -
Total revenue . . . . .	<u>79,669</u>	<u>285,421</u>	<u>285,421</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Debt service:				
Principal retirement . . . . .	65,123	65,123	65,123	-
Interest and fiscal charges . . . . .	<u>13,737</u>	<u>13,546</u>	<u>13,546</u>	<u>-</u>
Total expenditures . . . . .	<u>78,860</u>	<u>78,669</u>	<u>78,669</u>	<u>-</u>
Net change in fund balance . . . . .	809	206,752	206,752	-
<b>Fund balance at beginning of year . . . . .</b>	<u>13,248</u>	<u>13,248</u>	<u>13,248</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 14,057</u>	<u>\$ 220,000</u>	<u>\$ 220,000</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CAPITAL PROJECTS - H.B. 426  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Facilities acquisition and construction. . . .	\$ 500,000	\$ -	\$ -	\$ -
Total expenditures . . . . .	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance . . . . .	(500,000)	-	-	-
<b>Fund balance at beginning of year. . . . .</b>	<u>761,866</u>	<u>761,866</u>	<u>761,866</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 261,866</u>	<u>\$ 761,866</u>	<u>\$ 761,866</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOOLNET  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	\$ 75,046	\$ 75,046	\$ 75,046	\$ -
Total expenditures . . . . .	<u>75,046</u>	<u>75,046</u>	<u>75,046</u>	<u>-</u>
Net change in fund balance . . . . .	(75,046)	(75,046)	(75,046)	-
<b>Fund balance at beginning of year. . . . .</b>	<u>75,046</u>	<u>75,046</u>	<u>75,046</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ADULT EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Over (Under)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
Tuition and fees . . . . .	\$ 4,000	\$ 9,525	\$ 9,525	\$ -
Total revenue . . . . .	<u>4,000</u>	<u>9,525</u>	<u>9,525</u>	<u>-</u>
<b>Operating expenses:</b>				
Salaries and wages . . . . .	2,000	10,272	10,272	-
Fringe benefits. . . . .	29	18	18	-
Supplies and materials. . . . .	1,000	62	62	-
Total operating expenses . . . . .	<u>3,029</u>	<u>10,352</u>	<u>10,352</u>	<u>-</u>
Net change in fund balance. . . . .	971	(827)	(827)	-
<b>Fund balance at beginning of year. . . . .</b>	<u>1,684</u>	<u>1,684</u>	<u>1,684</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 2,655</u>	<u>\$ 857</u>	<u>\$ 857</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SPECIAL ENTERPRISE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Tuition and fees . . . . .	\$ 32,350	\$ 36,356	\$ 36,686	\$ 330
Total revenue . . . . .	<u>32,350</u>	<u>36,356</u>	<u>36,686</u>	<u>330</u>
<b>Operating expenses:</b>				
Salaries and wages . . . . .	25,880	25,494	25,494	-
Fringe benefits. . . . .	370	297	297	-
Supplies and materials. . . . .	4,400	4,723	4,723	-
Capital outlay . . . . .	12,435	6,841	6,841	-
Other operating expenses . . . . .	732	-	-	-
Total operating expenses . . . . .	<u>43,817</u>	<u>37,355</u>	<u>37,355</u>	<u>-</u>
Net change in fund balance. . . . .	(11,467)	(999)	(669)	330
<b>Fund balance at beginning of year . . . . .</b>	97,633	97,633	97,633	-
<b>Prior year encumbrances appropriated . . . . .</b>	80	80	80	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 86,246</u>	<u>\$ 96,714</u>	<u>\$ 97,044</u>	<u>\$ 330</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT IN REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOLARSHIP TRUST  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Earnings on investments. . . . .	\$ 763	\$ 665	\$ 664	\$ (1)
Gifts and contributions. . . . .	7,645	6,660	6,560	(100)
Total revenue . . . . .	<u>8,408</u>	<u>7,325</u>	<u>7,224</u>	<u>(101)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Vocational . . . . .	10,000	9,848	9,848	-
Operation of non-instructional services . . . . .	16,707	14,658	14,658	-
Total expenditures . . . . .	<u>26,707</u>	<u>24,506</u>	<u>24,506</u>	<u>-</u>
Net change in fund balance . . . . .	(18,299)	(17,181)	(17,282)	(101)
<b>Fund balance at beginning of year . . . . .</b>	45,059	45,059	45,059	-
<b>Prior year encumbrances appropriated . . . . .</b>	3,600	3,600	3,600	
<b>Fund balance at end of year . . . . .</b>	<u>\$ 30,360</u>	<u>\$ 31,478</u>	<u>\$ 31,377</u>	<u>\$ (101)</u>

# STATISTICAL SECTION





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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES - GENERAL FUND  
LAST TEN FISCAL YEARS\***

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>Instruction:</b>				
Regular . . . . .	\$ 19,061,639	\$ 18,082,658	\$ 16,467,538	\$ 16,631,981
Special . . . . .	2,659,196	1,863,915	2,190,067	2,095,070
Vocational . . . . .	285,829	303,112	302,695	313,286
Other . . . . .	-	4,927	22,851	12,277
	<u>22,006,664</u>	<u>20,254,612</u>	<u>18,983,151</u>	<u>19,052,614</u>
<b>Support services:</b>				
Pupil . . . . .	2,407,231	2,033,536	1,920,314	1,841,858
Instructional staff . . . . .	1,028,609	1,013,886	984,281	609,341
Board of Education . . . . .	30,302	38,473	15,406	28,693
Administration . . . . .	2,520,950	3,665,925	2,569,920	2,749,695
Fiscal . . . . .	819,137	763,580	816,183	714,789
Business . . . . .	5,375	3,947	-	-
Operations and maintenance . . . . .	4,305,601	3,848,408	3,468,462	3,142,903
Pupil transportation . . . . .	2,229,350	2,000,885	1,977,728	1,831,271
Central . . . . .	<u>231,582</u>	<u>194,032</u>	<u>1,993</u>	<u>1,477</u>
Total support services . . . . .	<u>13,578,137</u>	<u>13,562,672</u>	<u>11,754,287</u>	<u>10,920,027</u>
Operation of non-instructional services . . . . .	3,194	2,752	-	-
Extracurricular activities . . . . .	586,572	467,987	453,012	423,629
Facilities acquisition and construction . . . . .	<u>11,043</u>	<u>27,104</u>	<u>487,810</u>	<u>738,146</u>
<b>Total expenditures . . . . .</b>	<u>36,185,610</u>	<u>34,315,127</u>	<u>31,678,260</u>	<u>31,134,416</u>
Other financing uses . . . . .	<u>312,978</u>	<u>761,866</u>	<u>-</u>	<u>-</u>
<b>Total expenditures and other uses . . . . .</b>	<u>\$ 36,498,588</u>	<u>\$ 35,076,993</u>	<u>\$ 31,678,260</u>	<u>\$ 31,134,416</u>

Source: School District financial records.

\* Fiscal years 1994 - 1996 are reported on a cash basis. All other years are reported on GAAP basis.

<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$ 16,180,429	\$ 15,719,063	\$ 14,625,738	\$ 14,116,827	\$ 13,450,865	\$ 13,162,961
1,851,235	1,019,692	843,912	877,540	658,154	668,422
238,180	294,103	294,928	294,401	273,242	263,502
89,741	71,641	-	1,373	124,213	119,066
<u>18,359,585</u>	<u>17,104,499</u>	<u>15,764,578</u>	<u>15,290,141</u>	<u>14,506,474</u>	<u>14,213,951</u>
1,758,147	1,701,681	1,503,124	1,540,638	1,364,867	1,260,477
669,143	523,681	514,338	493,757	535,177	531,054
9,956	29,402	31,299	31,620	35,907	36,464
2,686,424	2,257,228	2,185,721	2,169,676	2,129,181	2,107,137
660,253	654,901	638,190	585,644	599,510	573,708
-	-	-	-	-	-
2,904,505	2,790,452	2,461,554	2,590,951	2,346,496	2,453,463
1,644,540	1,501,855	1,262,236	1,373,439	1,283,829	1,200,412
1,674	85,667	77,652	539	2,386	1,391
<u>10,334,642</u>	<u>9,544,867</u>	<u>8,674,114</u>	<u>8,786,264</u>	<u>8,297,353</u>	<u>8,164,106</u>
-	-	-	-	-	-
401,765	391,952	341,038	348,319	328,082	320,875
370,843	139,590	-	-	-	760
<u>29,466,835</u>	<u>27,180,908</u>	<u>24,779,730</u>	<u>24,424,724</u>	<u>23,131,909</u>	<u>22,699,692</u>
-	-	-	-	-	-
<u>\$ 29,466,835</u>	<u>\$ 27,180,908</u>	<u>\$ 24,779,730</u>	<u>\$ 24,424,724</u>	<u>\$ 23,131,909</u>	<u>\$ 22,699,692</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**SUMMARY OF REVENUES BY SOURCE - GENERAL FUND  
LAST TEN FISCAL YEARS\***

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>Revenue from</b>				
<b>Local sources:</b>				
Taxes . . . . .	\$ 15,707,753	\$ 17,313,456	\$ 17,068,052	\$ 16,155,852
Tuition. . . . .	78,800	70,991	55,174	12,277
Earnings on investments . . . . .	75,355	139,344	284,949	236,260
Other local revenues. . . . .	<u>721,596</u>	<u>426,712</u>	<u>268,935</u>	<u>326,379</u>
Total local sources . . . . .	<u>16,583,504</u>	<u>17,950,503</u>	<u>17,677,110</u>	<u>16,730,768</u>
<b>Revenue from</b>				
<b>State sources:</b>				
Unrestricted grants-in-aid . . . . .	<u>17,648,247</u>	<u>16,443,125</u>	<u>14,925,457</u>	<u>14,237,494</u>
Total state sources. . . . .	<u>17,648,247</u>	<u>16,443,125</u>	<u>14,925,457</u>	<u>14,237,494</u>
Total revenue . . . . .	<u>34,231,751</u>	<u>34,393,628</u>	<u>32,602,567</u>	<u>30,968,262</u>
Other financing sources. . . . .	<u>467</u>	<u>1,250</u>	<u>68,620</u>	<u>151,701</u>
Total revenue and other sources . . . . .	<u>\$ 34,232,218</u>	<u>\$ 34,394,878</u>	<u>\$ 32,671,187</u>	<u>\$ 31,119,963</u>

Source: School District Financial records.

\* Fiscal years 1994 - 1996 are reported on a cash basis. All other years are reported on GAAP basis.

<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$ 16,044,757	\$ 15,833,965	\$ 13,759,956	\$ 7,766,952	\$ 7,333,219	\$ 7,601,841
-	-	-	-	-	-
173,113	161,235	118,920	116,389	126,189	56,614
269,098	266,341	320,371	159,454	80,064	126,229
<u>16,486,968</u>	<u>16,261,541</u>	<u>14,199,247</u>	<u>8,042,795</u>	<u>7,539,472</u>	<u>7,784,684</u>
<u>13,579,776</u>	<u>12,743,205</u>	<u>11,368,982</u>	<u>10,619,206</u>	<u>10,308,615</u>	<u>10,263,687</u>
<u>13,579,776</u>	<u>12,743,205</u>	<u>11,368,982</u>	<u>10,619,206</u>	<u>10,308,615</u>	<u>10,263,687</u>
<u>30,066,744</u>	<u>29,004,746</u>	<u>25,568,229</u>	<u>18,662,001</u>	<u>17,848,087</u>	<u>18,048,371</u>
<u>16,938</u>	<u>37,182</u>	<u>14,633</u>	<u>5,772,034</u>	<u>5,181,740</u>	<u>5,819,484</u>
<u><u>\$ 30,083,682</u></u>	<u><u>\$ 29,041,928</u></u>	<u><u>\$ 25,582,862</u></u>	<u><u>\$ 24,434,035</u></u>	<u><u>\$ 23,029,827</u></u>	<u><u>\$ 23,867,855</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**PROPERTY TAX LEVIES AND COLLECTIONS\*  
LAST TEN CALENDAR YEARS\*\***

<b>Tax Collection Year</b>	<b>Current Levy</b>	<b>Delinquent Levy</b>	<b>Total Levy</b>	<b>Current Collection</b>	<b>Percent of Current Levy Collected</b>	<b>Delinquent Collection</b>	<b>Total Collection</b>	<b>Total Collection as a Percent of Total Levy</b>
2002	19,184,967	3,974,447	23,159,414	16,820,249	87.67%	849,905	\$ 17,670,154	92.10%
2001	19,333,864	4,385,780	23,719,644	18,374,462	95.04%	1,493,695	19,868,157	102.76%
2000	19,059,197	3,994,049	23,053,246	18,265,756	95.84%	628,965	18,894,721	99.14%
1999	17,907,052	3,828,641	21,735,693	17,513,702	97.80%	547,787	18,061,489	100.86%
1998	17,695,372	3,837,056	21,532,428	17,419,600	98.44%	651,406	18,071,006	102.12%
1997	17,328,931	3,508,580	20,837,511	17,046,460	98.37%	465,439	17,511,899	101.06%
1996	14,037,223	3,356,300	17,393,523	13,727,718	97.80%	482,096	14,209,814	101.23%
1995	13,907,998	3,522,604	17,430,602	13,022,848	93.64%	654,674	13,677,522	98.34%
1994	14,064,696	2,818,805	16,883,501	12,849,274	91.36%	443,495	13,292,769	94.51%
1993	13,582,001	2,613,203	16,195,204	13,417,424	98.79%	538,161	13,955,585	102.75%

Source: Mahoning County Auditor

\*Real estate taxes include Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenues.

\*\* Data is presented on a calendar year basis, which is consistent with the method by which the Mahoning County Auditor maintains this information.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN CALENDAR YEARS\***

<b>Year</b>	<b>Assessed Valuation</b>			<b>Total Assessed Value</b>	<b>Total Estimated Actual Value</b>	<b>Ratio</b>
	<b>Real Property (a)</b>	<b>Public Utility (b)</b>	<b>Personal Property (c)</b>			
2002	\$ 488,821,390	\$ 14,689,080	\$ 54,682,960	\$ 558,193,430	\$ 1,632,056,519	34.20%
2001	484,345,170	14,362,910	59,276,160	557,984,240	1,637,269,471	34.08%
2000	478,045,190	18,950,130	57,695,600	554,690,920	1,619,160,039	34.26%
1999	467,786,420	21,346,130	52,340,250	541,472,800	1,570,150,594	34.49%
1998	380,596,690	21,233,540	55,995,070	457,825,300	1,335,528,417	34.28%
1997	369,939,520	21,023,540	56,155,390	447,118,450	1,305,482,004	34.25%
1996	361,111,940	20,748,250	56,542,150	438,402,340	1,281,494,557	34.21%
1995	325,888,580	21,413,260	57,938,580	405,240,420	1,187,497,799	34.13%
1994	318,305,230	22,665,270	62,833,131	403,803,631	1,186,532,027	34.03%
1993	315,167,360	23,302,430	63,961,563	402,431,353	1,182,804,458	34.02%

Source: Mahoning County Auditor

\* Data is presented on a calendar year basis, which is consistent with the method by which the Mahoning County Auditor maintains this information.

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

(b) Assumes public utilities are assessed at 88% of estimated actual value.

(c) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 and prior years to 25% in 1993.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUATION)  
LAST TEN CALENDAR YEARS\*

Tax Year	Overlapping Governments				Austintown Local School District				
	Mahoning County	Millcreek Park District	Austintown Township	Mahoning County Career & Technical Center	General Fund	Unvoted	Effective Rates		
							Total	Ag/Res	Other
2002	11.70	1.75	18.10	2.10	48.20	6.40	54.60	30.60	36.20
2001	11.70	1.75	18.10	2.10	48.20	6.40	54.60	30.60	36.20
2000	10.85	1.75	17.10	2.10	48.20	6.40	54.60	30.60	35.20
1999	10.85	1.90	17.10	2.10	48.20	6.40	54.60	30.60	35.20
1998	10.85	1.90	17.10	2.10	48.20	6.40	54.60	35.40	41.30
1997	10.85	1.90	17.10	2.10	48.20	6.40	54.60	35.40	41.30
1996	9.95	1.90	17.10	2.10	40.90	6.40	47.30	35.40	41.30
1995	9.95	1.90	17.10	2.10	40.90	6.40	47.30	31.60	33.80
1994	9.95	1.90	17.10	2.10	40.90	6.40	47.30	31.60	33.80
1993	11.00	1.90	14.70	2.10	40.90	6.40	47.30	31.60	33.80

Source: Mahoning County Auditor

\* Data is presented on a calendar year basis, which is consistent with the method by which the Mahoning County Auditor maintain this information.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

DEMOGRAPHIC STATISTICS  
LAST TEN CALENDAR YEARS

<b>Year</b>	<b>Mahoning County Population (1)</b>	<b>School Enrollment (2)</b>	<b>Mahoning County Unemployment Rate (3)</b>
2003	N/A	5,162	7.90%
2002	253,308	5,021	7.00%
2001	255,250	5,054	5.50%
2000	257,555	5,016	5.00%
1999	252,597	5,100	5.50%
1998	255,165	5,148	5.90%
1997	257,489	5,204	5.80%
1996	263,884	5,231	6.30%
1995	262,338	5,249	6.30%
1994	263,884	5,265	7.90%

(1) U.S. Censes Bureau website

(2) Ohio Department of Education

(3) Bureau of Labor Marker Information

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 2003

**Voted Debt Margin:**

Assessed Valuation (Tax Year 2002)	\$	<u>558,193,430</u>
Voted Debt Limit - 9% of Assessed Value *		50,237,409
Debt Service Fund Equity		220,000
Amount of Debt Applicable to Debt Limit: Bonded Debt		<u>-</u>
Voted Debt Margin	\$	<u>50,457,409</u>
Unvoted Debt Limit - 0.1% of Assessed Value *	\$	558,193
Amount of Debt Applicable		<u>-</u>
Unvoted Debt Margin	\$	<u>558,193</u>

Source: Mahoning County Auditor and School District financial records.

\* Ohio Bond Law sets a limit of 9% of assessed value for voted debt and 0. 1% for unvoted debt

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
JUNE 30, 2002

<u>Governmental Unit</u>	<u>General Obligation Debt</u>	<u>Percent Applicable to School District</u>	<u>Amount Applicable to School District</u>
<b>Direct:</b>			
Austintown Local School District	\$ -	100.00%	\$ -
<b>Overlapping:</b>			
Mahoning County	26,005,778	14.91%	3,877,461
Mill Creak Park District	-	14.91%	-
Austintown Township	-	98.57%	-
Mahoning County Career & Technical Center	-	17.84%	-
Total Overlapping	<u>26,005,778</u>		<u>3,877,461</u>
<b>Grand Total Direct and Overlapping</b>	<u>\$ 26,005,778</u>		<u>\$ 3,877,461</u>

Source: Ohio Municipal Advisory Council

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NEW CONSTRUCTION AND PROPERTY VALUE  
LAST TEN CALENDAR YEARS**

Year	New Construction (1)			Assessed Valuation (2)			
	Permits Issued	Commercial/Industrial	Residential/Agricultural	Real Property	Public Utility	Personal Property	Total Property
2002	614	3,419,400	14,721,219.00	\$ 488,821,390	\$ 14,689,080	\$ 54,682,960	\$ 558,193,430
2001	621	8,551,120	14,452,534.00	484,345,170	14,362,910	59,276,160	557,984,240
2000	694	6,660,149	18,787,405.00	478,045,190	18,950,130	57,695,600	554,690,920
1999	652	5,142,200	16,790,270.00	467,786,420	21,346,130	52,340,250	541,472,800
1998	646	9,472,300	19,597,000.00	380,596,690	21,233,540	55,995,070	457,825,300
1997	614	5,905,500	19,166,200.00	369,939,520	21,023,540	56,155,390	447,118,450
1996	623	5,860,750	19,266,000.00	361,111,940	20,748,250	56,542,150	438,402,340
1995	552	3,956,200	14,841,100.00	325,888,580	21,413,260	57,938,580	405,240,420
1994	588	5,228,037	14,985,600.00	318,305,230	22,665,270	62,833,131	403,803,631
1993	581	6,442,500	17,171,000.00	315,167,360	23,302,430	63,961,563	402,431,353

(1) Source: Austintown Township Zoning Office

(2) Mahoning County Auditor

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**PRINCIPAL TAXPAYERS - REAL PROPERTY TAX  
TAX YEAR 2002**

<b>Taxpayer</b>	<b>Assessed Valuation</b>	<b>% of Total Assessed Valuation</b>
P&S Equities	\$ 6,169,770	1.26%
West View Village Co.	2,862,170	0.59%
35th Strouss Associates	2,642,720	0.54%
Hillbrook Apartments	2,553,250	0.52%
Westminister Associates	2,310,010	0.47%
Austintown Realty Co.	2,199,520	0.45%
Retail Trust Co.	1,876,000	0.38%
Franklin LLC	1,685,600	0.34%
Austintown Association	1,646,790	0.34%
Austintown General	1,610,770	0.33%
<b>Total</b>	<b>\$ 25,556,600</b>	<b>5.23%</b>

Source: Mahoning County Auditor

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

PRINCIPAL TAXPAYERS - PUBLIC UTILITY TAX  
TAX YEAR 2002

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Ohio Edison Co.	\$ 6,955,490	47.35%
Ohio Bell Telephone Co.	4,131,210	28.12%
American Transmissions Systems Inc.	1,322,930	9.01%
East Ohio Gas Co.	1,319,110	8.98%
Sygnel Communications Inc.	221,890	1.51%
Youngstown-Warren MSA LP	209,040	1.42%
Quest Comm un ications	175,670	1.20%
Sprintco Inc.	157,970	1.08%
AT&T Communications	59,840	0.41%
Nextel	49,420	0.34%
 Total	 <u>\$ 14,602,570</u>	 <u>99.41%</u>

Source: Mahoning County Auditor

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

PRINCIPAL TAXPAYERS - PERSONAL PROPERTY TAX  
TAX YEAR 2002

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Tamarkin Co.	\$ 3,347,260	6.12%
Hynes Industries	2,893,240	5.29%
Greenwood Chevrolet	2,182,980	3.99%
Modern Building Supply Inc.	1,874,300	3.43%
GE Lighting Inc.	1,838,120	3.36%
WalMart Stores	1,481,840	2.71%
Fred Martin Ford Inc.	1,289,150	2.36%
Play Wire Wheel	1,208,960	2.21%
Bakemark Ingredients	1,118,320	2.05%
Steel City Corporation	1,003,230	1.83%
 Total	 <u>\$18,237,400</u>	 <u>33.35%</u>

Source: Mahoning County Auditor

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

ATTENDANCE DATA  
LAST TEN SCHOOL YEARS

<b>School Year Ended</b>	<b>Number of Graduates</b>	<b>Attendance Percentage</b>	<b>Average Daily Membership</b>	<b>% Increase (Decrease) in ADM from Prior Year</b>
2003	389	N/A	5,102	1.61%
2002	372	94.20%	5,021	-0.65%
2001	385	93.60%	5,054	0.76%
2000	373	93.70%	5,016	-1.65%
1999	386	93.00%	5,100	-0.93%
1998	409	93.60%	5,148	-1.08%
1997	425	93.60%	5,204	-0.52%
1996	368	93.80%	5,231	-0.34%
1995	405	93.60%	5,249	-0.30%
1994	414	93.80%	5,265	N/A

Source: Ohio Department of Education



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**TEACHER EDUCATION AND EXPERIENCE  
AS OF JUNE 30, 2003**

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Non-Degree	0	0.00%
Bachelor's Degree	57	17.18%
Bachelor's Degree + 15	64	19.28%
Master's Degree	62	18.67%
Master's Degree + 15	27	8.13%
Master's Degree + 30	121	36.14%
Ph.D.	<u>2</u>	<u>0.60%</u>
	<u><u>333</u></u>	<u><u>100.00%</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5 Years	88	26.21%
6 - 10 Years	69	20.78%
11 - 15 Years	24	7.23%
16 - 20 Years	36	10.84%
21 - 25 Years	36	10.84%
26 - 30 Years	<u>80</u>	<u>24.10%</u>
	<u><u>333</u></u>	<u><u>100.00%</u></u>

Source: District Personnel Records

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF PROPERTY AND CASUALTY INSURANCE  
AS OF JUNE 30, 2003

<b>Company</b>	<b>Policy Period</b>	<b>Coverage</b>	<b>Limits of Coverage</b>	<b>Deductible</b>	<b>Annual Premium</b>
Indiana Insurance	10/01/02 to 10/01/03	Property Casualty Each Occurrence Aggregate	\$ 2,000,000 \$ 5,000,000	\$ -	\$ 70,662
Indiana Insurance	10/17/02 to 10/17/03	Fleet	\$ 2,000,000	Comprehensive: \$ 1,000 Collision: \$ 1,000	\$ 92,824
Indiana Insurance	02/01/03 to 02/01/04	Liability Each Occurrence Aggregate	\$ 1,000,000 \$ 2,000,000	\$ 10,000	\$ 22,155

Source: School District Records



**Auditor of State  
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

**AUSTINTOWN LOCAL SCHOOL DISTRICT**

**MAHONING 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**