



**Auditor of State  
Betty Montgomery**



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

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## **Auditor of State Betty Montgomery**

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

Barberton City School District  
Summit County  
479 Norton Avenue  
Barberton, Ohio 44203

To the Board of Education:

We have audited the financial statements of Barberton City School District, Summit County, Ohio, (the District) as of and for the year ended June 30, 2003, and have issued our report thereon dated January 16, 2004, in which we noted the District adopted Governmental Accounting Standards Board Statement No. 34 and reclassified tax anticipation notes. 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 District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to the management of the District in a separate letter dated January 16, 2004.

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

In planning and performing our audit, we considered District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. 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 other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated January 16, 2004.

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Barberton City School District  
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 and the Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

January 16, 2004



## 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

Barberton City School District  
Summit County  
479 Norton Avenue  
Barberton, Ohio 44203

To the Board of Education:

#### Compliance

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

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

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

#### Internal Control Over Compliance

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

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Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted a matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated January 16, 2004.

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

We have audited the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2003, and have issued our report thereon dated January 16, 2004, in which we noted the District adopted Governmental Accounting Standards Board Statement No. 34 and reclassified tax anticipation notes. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of receipts and expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Betty Montgomery**  
Auditor of State

January 16, 2004



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

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

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Grantor Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>(Passed Through Ohio Department of Education)</i>						
Child Nutrition Cluster:						
Food Donation Program	N/A	10.550		\$124,765		\$124,765
School Breakfast Program	043539-05-PU-01/02	10.553	\$ 157,750		\$ 157,750	
National School Lunch Program	043539-03/04-PU-01/02	10.555	703,739		703,739	
Total Child Nutrition Cluster			861,489	124,765	861,489	124,765
Child and Adult Care Food Program	043539-08-PU-01/02	10.558	23,143		23,143	
Total U.S. Department of Agriculture			884,632	124,765	884,632	124,765
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
<i>(Passed Through Ohio Department of Education)</i>						
Special Education Cluster:						
Special Education - Grants to State	043539-6B-SF-02P/043539-6B-S1-03/043539-6B-EC-01P	84.027	479,222		545,495	
Special Education - Preschool Grants	043539-PG-SA-02/04529-PG-S1-2003-P	84.173	57,097		59,377	
Total Special Education Cluster			536,319		604,872	
Adult Education - State Grant Program	043539-AB-S1-02/03	84.002	150,158		164,490	
Title I Grants to Local Educational Agencies	043539-C1-S1-02P/2003/01C	84.010	967,032		1,227,318	
Innovative Education Program Strategies	043539-C2-S1-02P/2003	84.298	29,911		31,493	
Class Size Reduction		84.340	111		111	
Safe and Drug-Free Schools and Communities - State Grant	043539-DRS1-02P/2003	84.186	33,548		32,489	
Goals 2000 State and Local Education Systemic Improvement Grants	043539-G2-S2-01	84.276			26,441	
Education Technology State Grants	043539-TLCF	84.318	32,514		38,969	
Impact Aid (Title VIII of ESEA)	N/A	84.041	55,291		55,291	
Improving Teacher Quality State Grants	043539-TRS1-03	84.367	303,054		288,148	
English Language Acquisition Grants	043539-T3-S1-2003	84.365	12,637		9,552	
Total U.S. Department of Education			2,120,575		2,479,174	
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>						
<i>(Passed Through Akron Summit County Action Agency)</i>						
Head Start	N/A	93.600	1,784,817		1,753,008	
Total Head Start	N/A		9,524		9,524	
			1,794,341		1,762,532	
<i>(Passed Through Summit County Department of Job and Family Services)</i>						
Temporary Assistance for Needy Families	N/A	93.558	1,064,013		1,064,013	
<i>(Passed Through Ohio Department of Education)</i>						
Refuge and Entrant Assistance - Discretionary Grants	043539-R1-S1-02/03	93.576	5,700		13,528	
<i>(Passed through Ohio Department of Mental Retardation and Developmental Disabilities)</i>						
Medical Assistance Program (Medicaid) (Barberton City School Board)	N/A	93.778	329,015		329,015	
Medical Assistance Program (Medicaid) (Decker Family Development Center)	N/A		153,385		153,385	
Total Medical Assistance Program			482,400		482,400	
Total U.S. Department of Health and Human Services			3,346,454		3,322,473	
Total			<b>\$6,351,661</b>	<b>\$124,765</b>	<b>\$6,686,279</b>	<b>\$124,765</b>

The notes to the Schedule of Receipts and Expenditures of Federal Awards are an integral part of this statement.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2003**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

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

**NOTE C - MEDICAL ASSISTANCE PROGRAM**

Cash receipts from the U.S. Department of Health and Human Services are commingled with local funds for the Medical Assistance Program. It is assumed federal monies are expended first.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

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

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

<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 (list):</b>	Head Start, CFDA #93.600; Medical Assistance Program (Medicaid), CFDA #93.778; and Title I Grants to Local Educational Agencies, CFDA #84.010
<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>	No

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

None.

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

None.

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# Barberton City School District

Barberton, Ohio



*Comprehensive Annual Financial Report  
For the fiscal year ended June 30, 2003*



# *Barberton City School District*

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Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2003

Prepared By:  
Mark Paprocki, Treasurer and  
Treasurer's Office Staff





**Barberton City School District**  
**Comprehensive Annual Financial Report**  
**For the fiscal year ended June 30, 2003**

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**Barberton City School District**  
**Comprehensive Annual Financial Report**  
**For the fiscal year ended June 30, 2003**

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***Barberton City School District***  
**Comprehensive Annual Financial Report**  
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## INTRODUCTORY SECTION



# Barberton City Schools

. . . . . *A place where the present touches the future.*

Mark Paprocki, Treasurer/CFO  
ADMINISTRATION BUILDING  
479 Norton Avenue • Barberton, Ohio 44203  
Phone: (330) 753-1025  
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Mr. Russ Shreiner • Mr. Ronald V. Romich • Mr. Russ McCune • Rev. Ralph Young • Mr. Scott A. Hornacek

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December 26, 2003

Board of Education Members and  
Citizens of the Barberton City School District:

It is a privilege to submit to you the Barberton City School District's (the "School District") Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2003. This report prepared by the Treasurer's/Chief Fiscal Officer's Office, conforms to Generally Accepted Accounting Principles (GAAP) as they apply to governmental entities and contains an opinion letter from the Auditor of State's Office who conducted our annual audit.

To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner which presents fairly the financial position and results of operations of the various funds of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section, which contains the table of contents, this transmittal letter, a listing of School Officials and the organizational chart and the Government Finance Officers' Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for fiscal year 2002.
2. The Financial Section, which contains the Independent Accountants' Report, Management's Discussion and Analysis, the basic financial statements and explanatory notes, and the combining statements for nonmajor funds, and other schedules that provide detailed information relative to the basic financial statements.
3. The Statistical Section, which contains pertinent financial and general information.

## **RESPONSIBILITY FOR FINANCIAL STATEMENTS**

Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the School District. We believe that the data presented is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the School District. This report will provide the taxpayers of the School District with comprehensive data in a format that enables them to receive a clearer understanding of the School District's finances.

## **HISTORY OF BARBERTON AND THE SCHOOL DISTRICT**

The School District is located in the City of Barberton, approximately nine miles southwest of the City of Akron, in northeast Ohio. Barberton earned the nickname of the Magic City because of its early rapid growth. Today, Barberton encompasses an area of approximately 8.91 miles, and with a population of 27,899, is the fourth largest city in Summit County.

As of June 2003, 4,270 students were enrolled in the District's nine schools (one high school, two middle schools, and six elementary schools). Two other educational facilities in the School District house a Head Start Program and a Decker Family Development Program. The student teacher ratio is 13.6 students per teacher.

The history of Barberton began in 1890 when Ohio Columbus Barber, the city's founder, and his partners developed approximately 600 acres of farmland, which later expanded into approximately eight square miles. Within a year of its founding, Barberton was platted. Streets were designed and lots became available for industry, business and homes. Tuscarawas Avenue and Second Street were deemed main thoroughfares. The Barberton Beltline Railroad was constructed around the Village to accommodate the industry that already had the advantage of the Erie Railroad, the C.A.&C. Railroad, the Ohio Canal and the Tuscarawas River. The new industrial town attracted businessmen and merchants, and provided work for the laboring population. Because Barberton developed so quickly, the town was nicknamed "The Magic City" almost from the time it was founded. The tradition of "magic" continues to be an important part of the City's heritage. Little of the early industry remains today except for Babcock and Wilcox, which was originally the Stirling Boiler Works, and PPG, originally the Columbia Chemical Company, Inc.

Parts of Barberton date back to around 1816. The north end of Barberton was originally known as New Portage and developed along the Tuscarawas River. In the 1850's, a second New Portage developed in the area where the Indian statue of Chief Hopocan now stands at the juncture of Wooster Road North and Norton Avenue. To the west was Johnson's Corners, which became part of Barberton in 1928.

The earliest schools were in these villages. Barberton schools were part of the Norton Township school system until 1893. The original part of Barberton High School was built in 1915. The purple and white colors were selected during the 1930-31 school year and the sports teams have always been known as "The Magics."

Unvoted inside millage for operating is 4.30 mills. The citizens of the School District have voted in 47.29 mills (full millage) for operating funds. Combined, these funds are being collected at an effective millage rate of 21.49 mills for residential property. The citizens have also voted in 5.00 mills (full millage) for permanent improvements. These funds are being collected at 3.50 effective mills.

Voters approved the sale of the Barberton Citizens Hospital and the creation of the Barberton Community Foundation in the fall of 1996. The proceeds from the sale exceeded \$75 million and are to be used by the Community Foundation exclusively in the City of Barberton for charitable and educational programs, public health services and recreational activities. It is unusual for a foundation with assets exceeding \$80 million to service such a relatively small area. For this reason, the Foundation is making a significant impact on the standard of living for Barberton residents in the areas they are permitted to spend the dollars. In May of 1997 the citizens of the School District voted for a 7.42 mill bond issue whose debt service will be funded fully by the Barberton Community Foundation. The taxpayers of the School District will not have to pay for any of the debt service for the construction of the new high school.



The School District is a member of the Four Cities Vocational Compact, which provides students a variety of technical-vocational programs at the high school level. The compact includes Norton Schools, Wadsworth Schools, and Copley-Fairlawn Schools. A student from Barberton Schools may attend a program at any of the other schools, and vice versa. This allows a wider array of opportunities for the students.

### **THE REPORTING ENTITY**

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

### **ORGANIZATION OF THE SCHOOL DISTRICT**

A five-member Board of Education serves as the taxing authority, contracting body and policy maker for the School District. The Board of Education adopts the annual operating budget, tax budget and authorizes all expenditures of the School District's tax monies.

The Superintendent is the Chief Executive Officer of the School District, responsible to the Board for all education and support operations. In February 2003, Dr. Jerome Pecko retired as Superintendent after seven years. Mr. Thomas Sladky, Assistant Superintendent, served as Interim Superintendent from March through July of 2003. In August 2003, Dr. Elizabeth Lolli became the Superintendent.

The Treasurer is the Chief Fiscal Officer of the School District, responsible to the Board for maintaining all financial records, issuing checks, investments, payment of liabilities and maintaining the minutes of all Board of Education meetings. Mark Paprocki became the Treasurer/CFO in July 2002.

### **ECONOMIC CONDITION AND OUTLOOK**

The City's economy has historically been associated with industry. Major industries with headquarters or divisions within Barberton's boundaries include manufacturers of fossil fuel and nuclear power generating equipment, automobile components, energy products, management systems and producers of chemical and dairy products. The corporate headquarters for the largest producer of cut flowers in the world is also located in Barberton.

During the 1970's and early 1980's employment by manufacturing companies decreased, primarily due to plant closings and down-sizing. Barberton's economy stabilized in the 1990's. Barberton's economy is stronger today because it is no longer dependent on several large industrial employers. Smaller manufacturing and service businesses have replaced many of the jobs lost in past years. To encourage industrial development, Barberton has created two industrial parks, Stuver Place and Foundation Parkway. However, the current national economic slowdown has affected Barberton.

## FINANCIAL INFORMATION

The School District is responsible for establishing and maintaining an internal control structure designed to protect its assets from loss, theft or misuse. Furthermore, the accounting system must be adequate to allow for the preparation of basic financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control does not exceed the benefits likely to be derived, and that the valuation of costs and benefits requires estimates and judgments by management.

## SUMMARY OF ACCOUNTING POLICIES AND BUDGETARY CONTROLS

This is the first year the School District has prepared financial statements following GASB Statement No. 34 “Basic Financial Statements – Management’s Discussion and Analysis – State and Local Governments.” GASB Statement No. 34 creates new basic financial statements for reporting on the School Districts 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 School District that are governmental and those that are considered business type activities.

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

*Statement of budgetary comparison* – This statement presents a comparison 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, cash disbursements and encumbrances.

As determined by criteria established by GASB Statement No. 34, the School District does not report any activities that qualify as enterprise or business type activities. As part of this new reporting model, management is also responsible for preparing a discussion and analysis of the School District. This discussion follows the Independent Accountants’ Report, providing an assessment of the School District’s finances for fiscal year 2003 and the outlook for the future.

## SINGLE AUDIT ACT

As a recipient of federal and state financial assistance, the School District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the School District and annual reviews by the School District’s independent auditors.

## **CASH MANAGEMENT**

The School District operates an aggressive cash management program of investing. The School District sweeps its money into investments on a daily basis as well as investments in Certificates of Deposit. The treasurer completes annual continuing education as required by law.

## **RISK MANAGEMENT**

The School District, as a political subdivision, maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss, and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio.

The School District provides workers' compensation coverage for all employees. Employee health insurance (medical and dental) is provided through the Klais & Company, the School District's Third-Party Administrator.

## **OTHER INFORMATION**

### **Independent Audit**

The State of Ohio requires an annual audit either by the Ohio Auditor of State or by an independent public accounting firm. The State Auditor's Office performed the audit for the fiscal year ended June 30, 2003. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Federal Office of Management and Budget Circular A-133. Those provisions have been satisfied and the opinion of the Independent Auditors is included in the financial section of this CAFR.

### **Reporting Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School District for its CAFR for the fiscal year ended June 30, 2002. The Certificate of Achievement is a national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded this certificate, a government must publish an easily readable and efficiently organized report. The report must satisfy Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for one year only. We believe our current report continues to conform to Certificate of Achievement Program Requirements, and it is being submitted to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation and publication of the 2003 Comprehensive Annual Financial Report of the Barberton City School District was made possible by the combined efforts of the School District Treasurer's/Chief Fiscal Officer's Office and the cooperation of various School District employees. The support and commitment to excellence by the Barberton Board of Education and the citizens of the School District was vital in the successful issuance of this report and the continuing efforts being made to improve our financial management and reporting.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Paprocki". The signature is written in a cursive style with a large, sweeping initial "M".

Mark Paprocki  
Treasurer/CFO

***Barberton City School District***  
**Public Officials Roster**  
**Year Ended June 30, 2003**

Board of Education

Rev. Ralph L. Young	President
Mr. Ronald V. Romich	Vice President
Ms. Scott Hornacek	Member
Mr. Russ Shreiner	Member
Mr. Russ McCune	Member

Treasurer / CFO

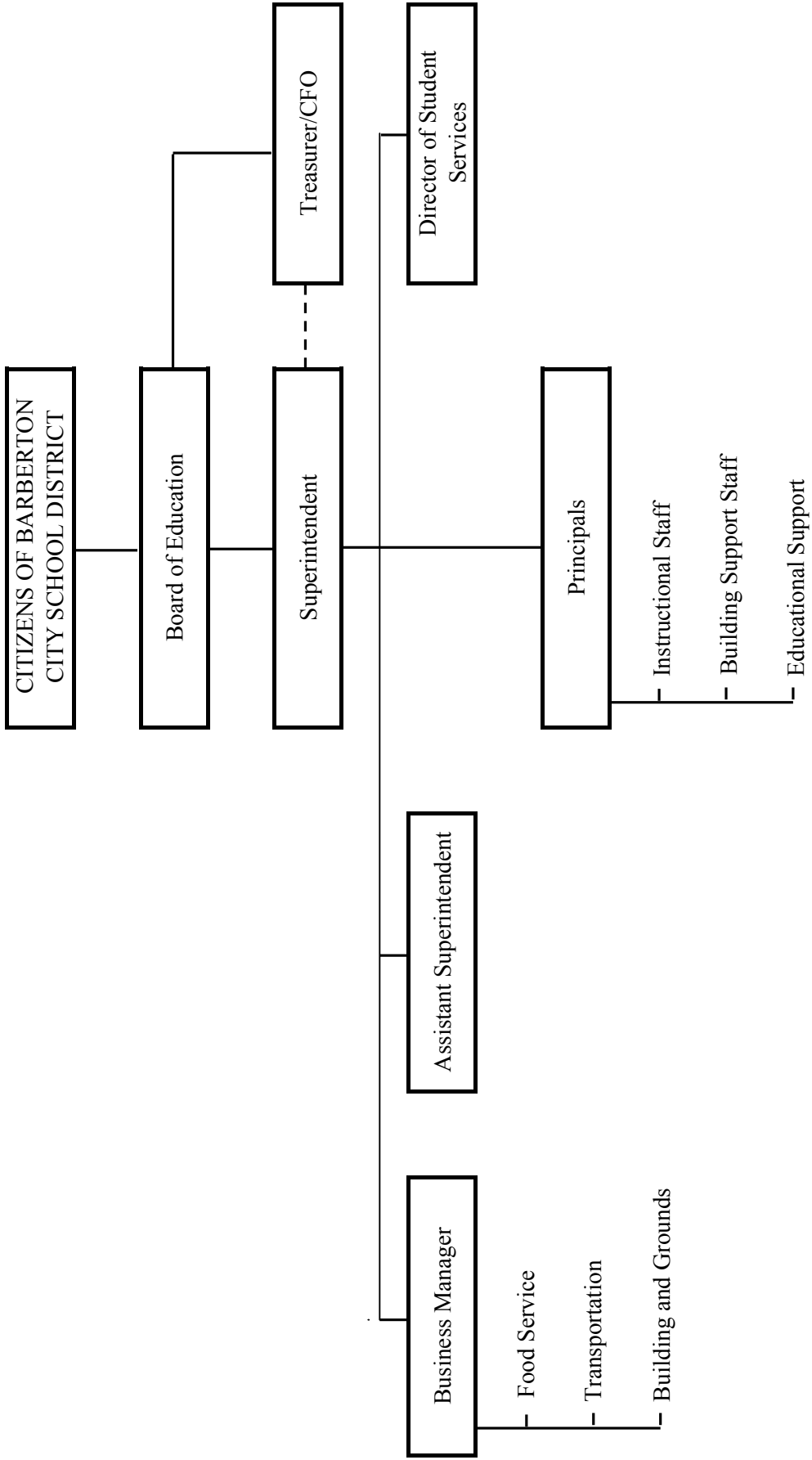
Mr. Mark Paprocki

Administration

Mr. Thomas Sladky	Interim Superintendent/ Assistant Superintendent
Mr. Fred Fries	Business Manager
Ms. Margaret Wiley	Director of Curriculum
Ms. Anne Vainer	Director of Student Services

**Barberton City School District**

**Organizational Chart**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Barberton City School  
District, Ohio

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

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



President

Executive Director





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## FINANCIAL SECTION





## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Barberton City School District  
Summit County  
479 Norton Avenue  
Barberton, Ohio 44203

To the Board of Education:

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Barberton City School District, Summit 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, for 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*. As also described in Note 3, the District reclassified tax anticipation notes from the Permanent Improvement capital projects fund liability to a long term liability reported in the government-wide financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2004 of 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.

111 Second St., NW / Fourth Floor / Canton, OH 44702  
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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



**Betty Montgomery**  
Auditor of State

January 16, 2004

***Barberton City School District***  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2003  
Unaudited

This discussion and analysis of the Barberton City School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2003. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance. Since this is the first year of financial presentation under Governmental Accounting Standards Board (GASB) Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments", some analyses with prior year data is not available. Future Management Discussion and Analyses will be comparable.

## **Financial Highlights**

Key financial highlights for 2003 are as follows:

Due to the nature of school property taxes in Ohio, School Districts generally pass operating levies and have excess revenues in the early years followed by years where expenditures exceed revenues. Then the School District seeks new property taxes through a vote of the citizens. Barberton City School District last passed an operating levy in 1993. Since 2001 expenses have exceeded revenues requiring the School District to seek an operating levy in 2004.

Net assets of governmental activities decreased by \$1,503,726.

General revenues accounted for \$32,328,375 in revenue or 74% of total revenues. Charges for services were 4% of revenues. The remaining 22% was from grants, contributions and interest.

Outstanding debt decreased \$1,077,396 from \$32,709,962 in fiscal year 2002 to \$31,632,566 at the end of fiscal year 2003. Also, \$338,746 in lease principal was eliminated.

The School District had \$45,028,124 in expenses related to governmental activities; only \$11,196,023 of these expenses was offset by program specific charges for services, operating grants, contributions and interest. General revenues of \$32,328,375 contributed to support these programs.

Instructional expenses account for 56% of expenses and extracurricular activities accounted for another 3% of total governmental expenses.

## **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 that the reader can understand Barberton City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

***Barberton City School District***  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2003  
Unaudited

The statement of net assets and statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements present how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. The School District's major governmental funds are the general fund, the debt service fund and the Permanent Improvement capital project fund.

## **Reporting the School District as a Whole**

### ***Statement of Net Assets and Statement of Activities***

While these statements contain information about the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions to answer the question of how well the School District did in the past year. The statement of net assets and the statement of activity are designed to provide these answers. 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 School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole the financial position of the School 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 School District's current 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 School Districts' activities are considered to be all Governmental Activities:

Governmental Activities - Most of the School District's programs and services are reported here including instruction, support services, operation of non-instructional services, extracurricular activities and food service operations.

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

#### ***Fund Financial Statements***

The analysis of the School District's major funds begins on page 16. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds for fiscal year 2003 are the general fund, the debt service fund and the Permanent Improvement capital projects fund.

**Barberton City School District**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2003  
 Unaudited

**Governmental Funds** Most of the School 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 School District's general government operations and the basic services it provides. Governmental fund information helps 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 basic financial statements.

**The School District as a Whole**

The statement of net assets provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net assets for 2003 compared to 2002.

*Table 1*  
*Net Assets*

	<u>Governmental Activities</u>	
	<u>2003</u>	<u>2002</u>
<b>Assets</b>		
<i>Current and other assets</i>	\$ 22,058,550	\$ 27,599,226
<i>Capital assets, net of depreciation</i>	<u>48,033,523</u>	<u>47,084,236</u>
<i>Total assets</i>	<u>70,092,073</u>	<u>74,683,462</u>
<b>Liabilities</b>		
<i>Long-term liabilities</i>	33,484,944	34,705,457
<i>Other liabilities</i>	<u>16,850,450</u>	<u>18,717,600</u>
<i>Total liabilities</i>	<u>50,335,394</u>	<u>53,423,057</u>
<b>Net Assets</b>		
<i>Invested in capital assets, net of debt</i>	16,400,957	14,035,528
<i>Restricted</i>	5,926,100	7,619,618
<i>Unrestricted</i>	<u>(2,570,378)</u>	<u>(394,741)</u>
<i>Total net assets</i>	<u>\$ 19,756,679</u>	<u>\$ 21,260,405</u>

Net assets changed by \$(1,503,726) from fiscal year 2002 to fiscal year 2003.

One of the most significant causes to the decrease in the School District's assets was the decrease in cash of \$1,122,360. Prior year cash balance was required to be expended in the current year due to insufficient revenues to cover the current year's operations.

**Barberton City School District**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2003  
 Unaudited

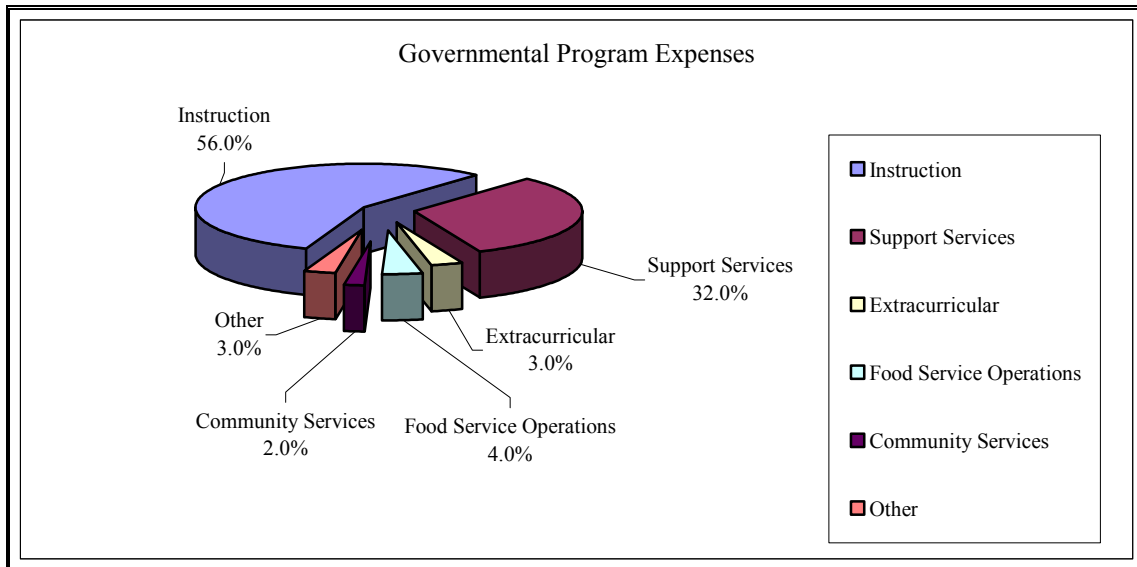
Table 2 shows net assets for fiscal year 2003. Since this is the first year the School District has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to fiscal year 2002 are not available. In future years a comparative analysis of government-wide data will be presented.

*Table 2*  
*Changes in Net Assets*

	<u>Governmental Activities</u>
<b>Revenues</b>	
<i>Program revenues</i>	
Charges for services	\$ 1,682,215
Operating grants, contributions and interest	9,482,988
Capital grants and contributions	30,820
<i>General revenues</i>	
Property taxes	12,430,404
Grants and entitlements	19,547,133
Investment earnings	113,276
Miscellaneous	237,562
Total revenues	<u>43,524,398</u>
<b>Program Expenses</b>	
<i>Instruction</i>	
Regular	16,088,004
Special	6,362,650
Vocational	1,280,947
Adult/continuing	208,486
Other	1,260,395
<i>Special services</i>	
Pupil	2,001,451
Instructional staff	3,192,957
Board of education	25,407
Administration	2,796,169
Fiscal	484,691
Business	402,392
Operation and maintenance of plant	4,342,010
Pupil transportation	880,106
Central	64,528
<i>Operation non-instructional services</i>	
Extracurricular activities	1,413,066
Food service operations	1,938,697
Community services	745,084
Interest and fiscal charges	1,541,084
Total expenses	<u>45,028,124</u>
Decrease in Net Assets	<u>\$ (1,503,726)</u>



**Barberton City School District**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2003  
 Unaudited



Barberton City School District depends both on property taxes and State funding.

Several revenue sources fund our governmental activities with property tax and State foundation revenues being the largest contributors. Property tax levies generated over \$12.4 million in 2003. General revenues from grants and entitlements, such as the school foundation program, generated over \$19.6 million. Combined these represent over 73% of all revenues the School District received.

The above Chart shows the percentage breakdown of the broad areas in Table 2.

- Instructional expenses include activities directly related to the teaching of pupils and the interaction between teacher and pupil. The total cost of instructional services was \$25,200,482 or 56% of governmental program expenses.
- Support Services include: Pupil services and instructional staff. These include the activities involved in assisting staff and the content and process of teaching to pupils; board of education; administration; expenses associated with establishing and administering school operation policies, financial operations; and activities concerned with purchasing, receiving and maintaining goods and services for the School District; operation and maintenance of plant; and pupil transportation. The total cost of support services was \$14,189,711 or 32% of governmental program expenses.
- Community Services include services to adults and children that benefit the community as a whole.
- Food Service Operations include the breakfast and lunch programs.
- Extracurricular Services directly benefit the students and supplement their educational experience.

**Barberton City School District**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2003  
 Unaudited

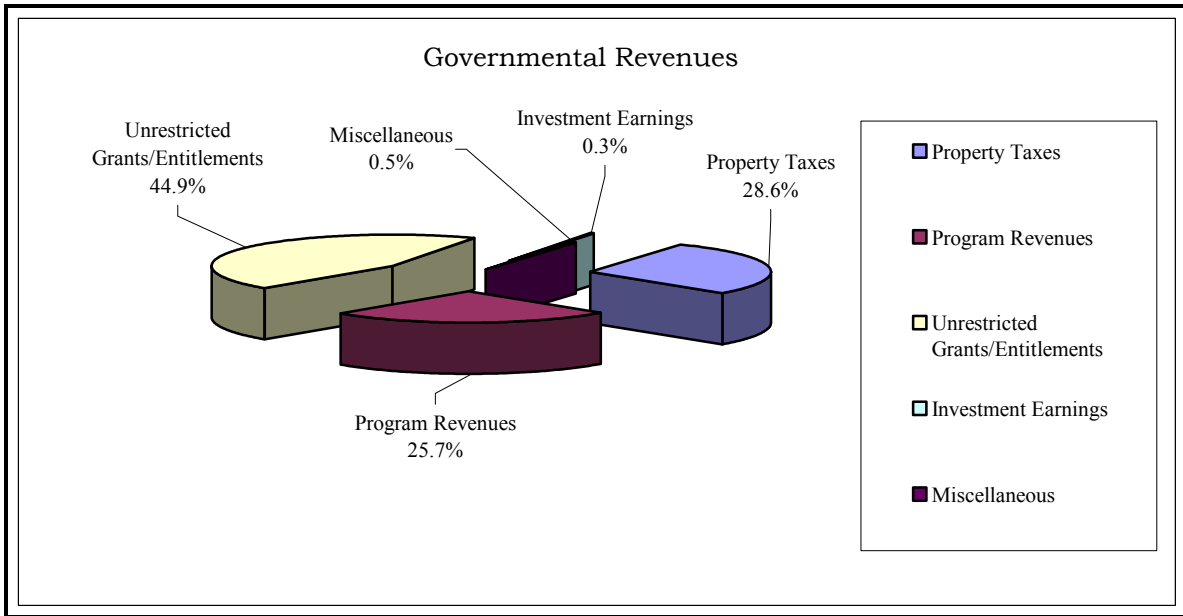
- Other includes interest and fiscal charges.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements. Comparisons to fiscal year 2002 are not available due to fiscal year 2003 being the initial year of implementation of GASB Statement No. 34.

*Table 3*  
*Governmental Activities*

	<u>Total Cost</u> <u>of Services</u> <u>2003</u>	<u>Net Cost</u> <u>of Services</u> <u>2003</u>
<b>Program Expenses:</b>		
<i>Instruction</i>		
<i>Regular</i>	\$ 16,088,004	\$ (14,102,180)
<i>Special</i>	6,362,650	(2,800,655)
<i>Vocational</i>	1,280,947	(1,273,960)
<i>Adult/continuing</i>	208,486	(46,693)
<i>Other</i>	1,260,395	(1,260,395)
<i>Special services</i>		
<i>Pupil</i>	2,001,451	(1,730,757)
<i>Instructional staff</i>	3,192,957	(2,376,019)
<i>Board of education</i>	25,407	(25,407)
<i>Administration</i>	2,796,169	(2,584,688)
<i>Fiscal</i>	484,691	(484,691)
<i>Business</i>	402,392	(402,392)
<i>Operation and maintenance of plant</i>	4,342,010	(4,134,887)
<i>Pupil transportation</i>	880,106	(779,203)
<i>Central</i>	64,528	(49,089)
<i>Operation non-instructional services:</i>		
<i>Extracurricular activities</i>	1,413,066	(928,769)
<i>Food service operations</i>	1,938,697	(481,180)
<i>Community services</i>	745,084	(194,604)
<i>Interest and fiscal charges</i>	1,541,084	(176,532)
<b>Total</b>	<b>\$ 45,028,124</b>	<b>\$ (33,832,101)</b>

**Barberton City School District**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2003  
 Unaudited



The 44.9% provided by the unrestricted grants and entitlements portion of general revenues include monies received from the Ohio Department of Education, State Foundation Program and property tax relief such as the homestead exemptions and rollbacks provided by HB 920.

The second largest revenue source is property taxes. These provide 28.6% of revenues.

Program Revenues include charges for services, grants, and contributions that are program specific. These include: grants from the Barberton Community Foundation; grants for specific purposes; contracts for services; reimbursements for services by third-parties; open enrollment tuition; food service receipts; and receipts for extracurricular activities. Due to nature of the School District, these receipts are a significant part of our operations.

**The School District's Funds**

The School District's major funds are accounted for using the modified accrual basis of accounting. The total revenues for governmental funds were \$45,696,987 and total expenditures were \$47,691,453. The net change in fund balance was significant in the general fund with a decrease of \$1,268,438. The general fund has an unreserved fund balance of \$(2,018,809). Last year this was \$(1,347,885). This decrease is attributed to continuing insufficient revenues to cover operational expenses. This demonstrates the need for additional operating revenues that can only be obtained through a property tax levy. The School District has taken steps to reduce costs by reducing staff with a projected savings of \$700,000 in fiscal year 2004. Other reductions in expenditures will be made in fiscal year 2004 and into fiscal year 2005.

**General Fund Budgeting Highlights**

The School 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.

**Barberton City School District**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2003  
 Unaudited

During fiscal year 2003, the School District amended its general fund budget numerous times, however none were significant. The budgeting process is being re-vamped for fiscal year 2004 and beyond. The new process is designed to require more planning for spending and internal reviews. The goal is to have a budget process that aligns with the School District goals.

For the general fund, the final budget basis revenue and other financing sources estimate was \$30,851,054, representing an increase from the original budget estimate of \$29,733,842. The difference of \$1,117,212 is attributed to conservative tax estimates, decrease in open enrollment students and investment income. Also, the original budget did not include other financing sources.

The original expenditures and other financing uses estimate of \$30,884,989 were revised over the fiscal year by \$1,459,964 to a final budget of \$32,344,953 and a difference of \$500,109 from the actual expenditures plus other financing uses of \$31,844,844.

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal year 2003, the School District had \$48,033,523 invested in land, buildings, equipment and vehicles. Table 4 shows fiscal year 2003 balances compared to fiscal year 2002:

*Table 4*  
*Capital Assets at June 30, 2003*  
*(Net of Depreciation)*

	<u>Governmental Activities</u>	
	<u>2003</u>	<u>2002</u>
<i>Land</i>	\$ 3,739,550	\$ 3,739,550
<i>Land improvements</i>	6,218,717	1,933,596
<i>Buildings</i>	37,196,485	37,934,397
<i>Furniture and equipments</i>	489,047	569,872
<i>Vehicles</i>	242,824	238,581
<i>Construction in progress</i>	<u>146,900</u>	<u>2,668,240</u>
<i>Total capital assets</i>	<u>\$ 48,033,523</u>	<u>\$ 47,084,236</u>

In fiscal year 2003 the new "Sports Complex" was completed with major donations from the Barberton Community Foundation. In addition to this construction, four new classroom additions began at Woodford and Johnson Schools. These are being funded through a Permanent Improvement levy.

See Note 8 to the basic financial statements for further details on governmental activities capital assets.

**Barberton City School District**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2003  
 Unaudited

**Debt**

At June 30, 2003 the School District had \$31,632,566 in outstanding debt. Table 5 summarizes the bonds and notes outstanding:

*Table 5  
 Outstanding Debt, at Fiscal Year End*

	<u>Governmental Activities</u>	
	<u>2003</u>	<u>2002</u>
1998 School Improvement Bonds	\$ 27,719,962	\$ 28,659,962
1984 Library Improvement Bonds	330,000	440,000
2001 Capital Improvement Notes	2,850,000	3,450,000
1999 Vocational Equipment Loan	20,000	40,000
2000 Vocational Equipment Loan	90,000	120,000
2002 Improvement and Building Loan	622,604	-
	<u>\$ 31,632,566</u>	<u>\$ 32,709,962</u>
<i>Total outstanding debt</i>	<u>\$ 31,632,566</u>	<u>\$ 32,709,962</u>

The School Improvement Bonds were used to build a new High School that opened in 2000. These bonds are being paid by a donation from the Barberton Community Foundation, secured by a voted bond issue. The Capital Improvement Notes are paid through a Permanent Improvement levy and funds are being used to renovate buildings and build two, four-classroom additions. The Improvement and Building Loan is through an Asset Pool program and was used to pay-off existing leases as well as purchase additional assets.

At June 30, 2003, the School District's overall legal debt limit was \$35,232,204 with an unvoted debt limit of \$168,668. The School District is rated A3 by Moody's Investors Service.

See Note 15 to the basic financial statements for further details on the governmental debt activities.

**Current Issues Affecting Financial Condition**

Late in fiscal year 2003 the Ohio Governor announced cuts in state funding to schools for the current year. The School District's funding was cut by over \$200,000.

The classified bus drivers union and the School District agreed to a contract extension that provides increases of 3% each year. The contract expired December 31, 2002. A new three-year labor agreement was ratified with the Barberton Education Association. The contract began August 2003. It includes increases in the base salary of 3% for the first two years and a wage re-opener for the third year. Changes to the prescription plan also took effect.

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

***Barberton City School District***

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2003  
Unaudited

The legislature passed a new budget bill for fiscal year 2004 and fiscal year 2005, which was signed by the Governor. This legislation, H.B. 95, reduced previously legislated increases in Basic Aid and Parity Aid. It also includes phasing-out Tangible Personal Property Taxes and the "\$10,000 exemption" payments to local governments, including schools.

The local economy continues to struggle and it continues to have a negative effect on local revenues. Interest rates continue to be very low resulting in reduced revenues through investing.

Due to the unsettled issues in the school funding, management is required to plan carefully and prudently to provide the resources to meet student needs over the next several years.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions or need additional financial information, contact Mark Paprocki, Treasurer/Chief Fiscal Officer of the Barberton City School District, 479 Norton Avenue, Barberton, Ohio 44203 by phone (330) 753-1025 or e-mail [mpaprocki@barberton.summit.k12.oh.us](mailto:mpaprocki@barberton.summit.k12.oh.us).



**Barberton City School District**  
**Statement of Net Assets**  
**June 30, 2003**

	Governmental Activities
<u>Assets:</u>	
Equity in pooled cash and cash equivalents	\$ 7,513,980
Cash and cash equivalents:	
With fiscal agents	14,474
Receivables:	
Taxes	13,225,200
Accounts	21,019
Intergovernmental	1,148,293
Prepaid items	2,125
Inventory held for resale	50,334
Materials and supplies inventory	83,125
Capital assets:	
Land and construction in progress	3,886,450
Depreciable capital assets, net	44,147,073
Total capital assets	<u>48,033,523</u>
Total assets	<u>70,092,073</u>
<u>Liabilities:</u>	
Accounts payable	493,775
Accrued wages	2,517,309
Retainage payable	654
Intergovernmental payable	1,233,913
Deferred revenue	11,926,383
Accrued interest payable	237,447
Matured compensated absences payable	141,065
Claims payable	299,904
Long-term liabilities:	
Due within one year	2,031,805
Due in more than one year	31,453,139
Total liabilities	<u>50,335,394</u>
<u>Net assets:</u>	
Invested in capital assets, net of related debt	16,400,957
Restricted for:	
Capital projects	3,740,646
Debt service	1,549,504
Other purposes	635,950
Unrestricted	<u>(2,570,378)</u>
Total net assets	<u>\$ 19,756,679</u>

See accompanying notes to the basic financial statements.



**Barberton City School District**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2003**

	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Revenues and Changes in Net Assets
					Governmental Activities
<u>Governmental Activities:</u>					
Instruction:					
Regular	\$ 16,088,004	\$ 127,991	\$ 1,857,833	\$ -	\$ (14,102,180)
Special	6,362,650	79,163	3,482,832	-	(2,800,655)
Vocational	1,280,947	-	-	6,987	(1,273,960)
Adult/continuing	208,486	19,143	142,650	-	(46,693)
Other	1,260,395	-	-	-	(1,260,395)
Support services:					
Pupils	2,001,451	-	270,694	-	(1,730,757)
Instructional staff	3,192,957	166,961	649,977	-	(2,376,019)
Board of education	25,407	-	-	-	(25,407)
Administration	2,796,169	-	211,481	-	(2,584,688)
Fiscal	484,691	-	-	-	(484,691)
Business	402,392	-	-	-	(402,392)
Operation and maintenance of plant	4,342,010	36,299	170,824	-	(4,134,887)
Pupil transportation	880,106	40	77,030	23,833	(779,203)
Central	64,528	-	15,439	-	(49,089)
Operation of non-instructional services					
Food service operations	1,938,697	653,678	803,839	-	(481,180)
Community services	745,084	182,564	367,916	-	(194,604)
Extracurricular activities	1,413,066	416,376	67,921	-	(928,769)
Interest and fiscal charges	1,541,084	-	1,364,552	-	(176,532)
Total governmental activities	<u>\$ 45,028,124</u>	<u>\$ 1,682,215</u>	<u>\$ 9,482,988</u>	<u>\$ 30,820</u>	<u>(33,832,101)</u>

General Revenues:

Property taxes levied for:	
General purposes	10,900,342
Debt service	789,581
Capital outlay	740,481
Grants and entitlements not restricted to specific programs	19,547,133
Investment earnings	113,276
Miscellaneous	237,562
Total general revenues	<u>32,328,375</u>
Change in net assets	(1,503,726)
Net assets beginning of year - (See Note 3)	21,260,405
Net assets end of year	<u>\$ 19,756,679</u>

See accompanying notes to the basic financial statements.

**Barberton City School District**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2003**

	General	Debt Service	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<u>Assets and other debits:</u>					
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ 84,145	\$ 1,780,771	\$ 3,665,184	\$ 1,178,987	\$ 6,709,087
Cash and cash equivalents					
With fiscal agents	14,474	-	-	-	14,474
Receivables:					
Taxes	11,668,368	819,891	736,941	-	13,225,200
Accounts	160	-	-	20,859	21,019
Intergovernmental	110,322	-	-	1,037,971	1,148,293
Interfund receivable	49,000	-	-	-	49,000
Due from other funds	472,424	-	-	-	472,424
Prepaid items	1,783	-	-	342	2,125
Inventory held for resale	-	-	-	50,334	50,334
Materials and supplies inventory	73,697	-	-	9,428	83,125
Equity in pooled cash and cash equivalents (restricted)	246,684	-	-	-	246,684
Total assets and other debits	<u>\$ 12,721,057</u>	<u>\$ 2,600,662</u>	<u>\$ 4,402,125</u>	<u>\$ 2,297,921</u>	<u>\$ 22,021,765</u>
<u>Liabilities and fund balances</u>					
<u>Liabilities:</u>					
Accounts payable	\$ 172,575	\$ -	\$ 138,646	\$ 152,290	\$ 463,511
Accrued wages	2,133,449	-	-	383,860	2,517,309
Matured compensated absences payable	125,177	-	-	15,888	141,065
Retainage payable	654	-	-	-	654
Interfund payable	-	-	-	49,000	49,000
Due to other funds	-	-	-	472,424	472,424
Intergovernmental payable	708,407	-	-	154,284	862,691
Deferred revenue	11,095,765	815,385	621,380	440,503	12,973,033
Total liabilities	<u>14,236,027</u>	<u>815,385</u>	<u>760,026</u>	<u>1,668,249</u>	<u>17,479,687</u>
<u>Fund balances:</u>					
Reserved for encumbrances	257,155	-	1,066,226	307,267	1,630,648
Reserved for bus purchases	73,022	-	-	-	73,022
Reserved for textbooks/instructional material	9,948	-	-	-	9,948
Reserved for budget stabilization	163,714	-	-	-	163,714
Unreserved, undesignated,					
Reported in:					
General fund	(2,018,809)	-	-	-	(2,018,809)
Special revenue funds	-	-	-	322,172	322,172
Debt service funds	-	1,785,277	-	-	1,785,277
Capital projects funds	-	-	2,575,873	233	2,576,106
Total fund balances	<u>(1,514,970)</u>	<u>1,785,277</u>	<u>3,642,099</u>	<u>629,672</u>	<u>4,542,078</u>
Total liabilities and fund balances	<u>\$ 12,721,057</u>	<u>\$ 2,600,662</u>	<u>\$ 4,402,125</u>	<u>\$ 2,297,921</u>	<u>\$ 22,021,765</u>

See accompanying notes to the basic financial statements.

**Barberton City School District**  
**Reconciliation of Total Governmental Fund Balances to**  
**Net Assets of Governmental Activities**  
**For the Fiscal Year Ended June 30, 2003**

Total governmental funds balances		\$ 4,542,078
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		48,033,523
Other long-term assets that are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property taxes	\$ 497,584	
Intergovernmental	454,823	
Accounts	94,243	
Total		1,046,650
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		228,041
Intergovernmental payable includes contractually required pension contributions not expected to be paid with expendable available financial resources and are therefore not reported in the funds.		(371,222)
Long-term liabilities, including debt payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:		
General obligation debt	\$ (31,632,566)	
Compensated absences	(1,852,378)	
Accrued interest payable	(237,447)	
Total		(33,722,391)
Net assets of governmental activities		<u>\$ 19,756,679</u>

See accompanying notes to the basic financial statements.

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

	General	Debt Service	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>					
Property and other local taxes	\$ 11,343,872	\$ 791,654	\$ 781,168	\$ -	\$ 12,916,694
Intergovernmental	17,830,083	7,547	175,209	8,317,592	26,330,431
Interest	55,926	26,269	25,993	6,865	115,053
Tuition and fees	112,067	-	-	92,873	204,940
Extracurricular activities	1,180	-	-	415,188	416,368
Gifts and donations	-	2,297,123	-	1,849,653	4,146,776
Customer services	-	-	-	1,032,453	1,032,453
Rent	18,017	-	-	10,432	28,449
Miscellaneous	235,093	-	-	270,730	505,823
Total revenues	29,596,238	3,122,593	982,370	11,995,786	45,696,987
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	12,380,363	-	10,697	2,035,977	14,427,037
Special	3,054,847	-	-	3,299,280	6,354,127
Vocational	1,280,849	-	-	2,536	1,283,385
Adult/continuing	-	-	-	206,232	206,232
Other	1,260,395	-	-	-	1,260,395
Support services:					
Pupils	1,795,651	-	-	191,648	1,987,299
Instructional staff	1,494,613	-	-	1,627,442	3,122,055
Board of education	25,361	-	-	-	25,361
Administration	2,541,801	294	7,374	212,468	2,761,937
Fiscal	444,296	10,354	18,714	-	473,364
Business	428,997	-	8,522	-	437,519
Operation and maintenance of plant	3,982,133	-	51,533	370,954	4,404,620
Pupil transportation	708,849	-	-	137,039	845,888
Central	44,538	-	-	20,572	65,110
Operation of non-instructional services					
Food service operations	2,340	-	-	1,796,355	1,798,695
Community services	-	-	-	738,995	738,995
Extracurricular activities	859,506	-	-	435,359	1,294,865
Capital outlay	163,845	-	1,013,143	1,438,446	2,615,434
Debt service:					
Principal retirement	388,746	1,650,000	-	-	2,038,746
Interest and fiscal charges	20,366	1,530,023	-	-	1,550,389
Total expenditures	30,877,496	3,190,671	1,109,983	12,513,303	47,691,453
Excess of revenues over (under) expenditures	(1,281,258)	(68,078)	(127,613)	(517,517)	(1,994,466)
<u>Other financing sources (uses):</u>					
Proceeds of loan	622,604	-	-	-	622,604
Transfers in	296,753	-	-	961,944	1,258,697
Transfers out	(906,537)	-	(50,000)	(302,160)	(1,258,697)
Total other financing sources (uses)	12,820	-	(50,000)	659,784	622,604
Net change in fund balance	(1,268,438)	(68,078)	(177,613)	142,267	(1,371,862)
Fund balances at beginning of year, as restated (Note 3)	(246,532)	1,853,355	3,819,712	487,405	5,913,940
Fund balances at end of year	\$ (1,514,970)	\$ 1,785,277	\$ 3,642,099	\$ 629,672	\$ 4,542,078

See accompanying notes to the basic financial statements.

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

Net change in fund balances - total governmental funds	\$	(1,371,862)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.		
In the current period, these amounts are:		
Capital asset additions	\$	2,910,886
Depreciation expense		<u>(1,961,599)</u>
Excess of capital outlay over depreciation expense		949,287
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These activities consist of:		
Property taxes	\$	(486,290)
Intergovernmental		(1,504,683)
Accounts		<u>(271,508)</u>
Net change in deferred revenues during the year		(2,262,481)
Proceeds of loan provide current financial resources and are reported as revenue in the governmental funds but are not reported as revenue in the statement of activities.		(622,604)
Repayment of bond, notes and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		1,700,000
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets		338,746
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Increase in compensated absences	\$	(195,629)
Increase in pension obligation		(67,309)
Decrease in accrued interest		<u>9,305</u>
Total additional expenditures		(253,633)
The internal service fund used by management to charge the costs of medical, prescription drug, dental and vision claims to individual funds are not reported in the statement of activities. The net revenue of the internal service fund is reported with in the governmental entity wide statements.		<u>18,821</u>
Change in net assets of governmental activities	<u>\$</u>	<u>(1,503,726)</u>

See accompanying notes to the basic financial statements.

**Barberton City School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Taxes	\$ 11,346,728	\$ 11,216,059	\$ 11,264,934	\$ 48,875
Intergovernmental	18,109,764	17,649,497	17,829,255	179,758
Interest	99,150	55,856	55,926	70
Tuition and fees	97,700	85,833	84,933	(900)
Rent	-	15,000	18,017	3,017
Extracurricular activities	-	700	1,180	480
Miscellaneous	80,500	86,350	162,995	76,645
Total revenues	<u>29,733,842</u>	<u>29,109,295</u>	<u>29,417,240</u>	<u>307,945</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	13,294,598	12,894,218	12,311,883	582,335
Special	2,941,659	3,053,803	3,014,554	39,249
Vocational	1,160,646	1,283,612	1,256,261	27,351
Adult/continuing	-	4,516	-	4,516
Other	993,000	1,253,441	1,432,159	(178,718)
Support services:				
Pupils	1,758,640	1,840,267	1,745,188	95,079
Instructional staff	1,486,942	1,588,224	1,489,209	99,015
Board of education	18,391	21,991	25,297	(3,306)
Administration	2,529,637	2,539,411	2,429,578	109,833
Fiscal	495,287	528,829	518,680	10,149
Business	451,485	463,911	420,207	43,704
Operation and maintenance of plant	3,986,326	4,288,007	4,104,634	183,373
Pupil transportation	697,342	792,338	702,518	89,820
Central	70,900	58,019	45,818	12,201
Operation of non-instructional services	247,909	-	2,385	(2,385)
Extracurricular activities	571,754	914,330	854,501	59,829
Capital outlay	130,473	590,220	393,638	196,582
Debt service:				
Principal retirement	50,000	50,000	50,000	-
Total expenditures	<u>30,884,989</u>	<u>32,165,137</u>	<u>30,796,510</u>	<u>1,368,627</u>
Excess of revenues over (under) expenditures	<u>(1,151,147)</u>	<u>(3,055,842)</u>	<u>(1,379,270)</u>	<u>1,676,572</u>
<u>Other financing sources (uses):</u>				
Proceeds of loan	-	884,000	622,604	(261,396)
Proceeds from sale of fixed assets	-	1,000	-	(1,000)
Refund of prior year expenditures	-	14,534	111,054	96,520
Contingency	-	(57,758)	-	57,758
Advances in	-	452,675	452,675	-
Advances out	-	(41,000)	(49,000)	(8,000)
Transfers in	-	389,550	389,550	-
Transfers out	-	(81,058)	(999,334)	(918,276)
Total other financing sources (uses)	<u>-</u>	<u>1,561,943</u>	<u>527,549</u>	<u>(1,034,394)</u>
Net change in fund balance	(1,151,147)	(1,493,899)	(851,721)	642,178
Fund balances at beginning of year, as restated (Note 3)	834,839	834,839	834,839	-
Prior year encumbrances appropriated	482,947	482,947	482,947	-
Fund balances at end of year	<u>\$ 166,639</u>	<u>\$ (176,113)</u>	<u>\$ 466,065</u>	<u>\$ 642,178</u>

See accompanying notes to the basic financial statements.

***Barberton City School District***  
**Statement of Fund Net Assets**  
**Internal Service Fund**  
**June 30, 2003**

	Self Insurance
<u>Assets:</u>	
Equity in pooled cash and cash equivalents	\$ 558,209
<u>Liabilities:</u>	
Accounts payable	\$ 30,264
Claims payable	299,904
Total liabilities	330,168
<u>Net assets:</u>	
Unrestricted	228,041
Total liabilities and net assets	\$ 558,209

See accompanying notes to the basic financial statements.

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

	Self Insurance
<u>Operating revenues:</u>	
Charges for services	\$ 3,873,750
<u>Operating expenses:</u>	
Purchased services	642,342
Claims	3,217,675
Total operating expenses	3,860,017
Operating income	13,733
<u>Non-operating revenues:</u>	
Interest	5,088
Change in net assets	18,821
Net assets beginning of year	209,220
Net assets end of year	\$ 228,041

See accompanying notes to the basic financial statements.



**Barberton City School District**  
**Statement of Cash Flows**  
**Internal Service Fund**  
**For the Fiscal Year Ended June 30, 2003**

	Self Insurance
<u>Cash flows from operating activities:</u>	
Cash received from quasi-external transactions with other funds	\$ 3,873,750
Cash payments to suppliers for goods and services	(612,078)
Cash payments for claims	(3,299,064)
Net cash used for operating activities	<u>(37,392)</u>
<u>Cash flows from investing activities:</u>	
Interest on investments	5,088
Net cash provided by investing financing	<u>5,088</u>
Net decrease in cash and cash equivalents	(32,304)
Cash and cash equivalents at beginning of year	590,513
Cash and cash equivalents at end of year	<u>\$ 558,209</u>
<u>Reconciliation of operating income to net cash used for operating activities:</u>	
Operating income	<u>\$ 13,733</u>
Adjustments to reconcile operating income to net cash used for operating activities:	
Change in assets and liabilities:	
Increase (decrease) in liabilities:	
Accounts payable	30,264
Claims payable	(81,389)
Total adjustments	<u>(51,125)</u>
Net cash used for operating activities	<u>\$ (37,392)</u>

See accompanying notes to the basic financial statements.

**Barberton City School District**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2003**

	Private Purpose Trust	
	<u>Scholarships</u>	<u>Agency</u>
<u>Assets and other debits:</u>		
<u>Assets:</u>		
Equity in pooled cash and cash equivalents	\$ 84,587	\$ 59,309
<u>Liabilities:</u>		
Accounts payable	\$ -	\$ 3,383
Due to students	-	55,926
Total liabilities	-	\$ 59,309
<u>Net assets:</u>		
Held in trust for scholarships	\$ 84,587	

See accompanying notes to the basic financial statements.

***Barberton City School District***  
**Statement of Changes in Fiduciary Net Assets**  
**Private Purpose Trust Fund**  
**For the Fiscal Year Ended June 30, 2003**

	Private Purpose Trust
	Scholarships
<u>Additions:</u>	
Interest	\$ 987
Gift and donations	26,917
Miscellaneous	5,720
Total additions	<u>33,624</u>
<u>Deductions:</u>	
Payments in accordance with trust agreements	<u>30,292</u>
Change in net assets	3,332
Net assets beginning of year, as restated (Note 3)	<u>81,255</u>
Net assets end of year	<u><u>\$ 84,587</u></u>

See accompanying notes to the basic financial statements.

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

### **NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT**

The Barberton City School District (the “School District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. The Board controls the School District’s eleven instructional/support facilities staffed by 200 non-certificated employees and 320 certificated full time teaching personnel, and thirty-eight administrators, who provide services to 4,270 students and other community members.

### **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes.

Within the boundaries of the Barberton City School District, Saint Augustine School is operated as a private school. State legislation provides funding to this private school. The School District receives the money and then disburses the money as directed by the private school. The accounting for the monies is reflected in a special revenue fund of the School District. The School District does not have any component units.

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

The School District is associated with the Northeast Ohio Network for Educational Technology and the Four Cities Vocational Compact, which are defined as jointly governed organizations. Jointly governed organizations are governed by representatives from each of the governments that create the organizations, but there is no ongoing financial interest or responsibility by the participating governments. Information regarding these organizations is presented in Note 16.

### A. Basis of Presentation

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

#### Government-wide Financial Statements

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

The statement of net assets presents the financial condition of the governmental activities of the School District at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program 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 School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

#### Fund Financial Statements

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

### B. Fund Accounting

The School District uses funds to maintain on its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School District functions or activities.

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special restrictions or limitations. For financial statement presentation purposes, the various funds of the School District are grouped into the following generic fund types under the broad fund categories of governmental, proprietary and fiduciary.

### Governmental Fund Types

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

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

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

Permanent Improvement Capital Projects Fund – The permanent improvement capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary fund).

### Proprietary Fund Type:

Proprietary fund reporting focuses on the determination of operating income, change in net assets, financial position and cash flows. Proprietary funds are classified enterprise or internal service; the School District has no enterprise funds.

Internal Service Fund – The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounts for medical, surgical, prescription drug, and dental and vision claims of the School District's employees.

### Fiduciary Fund Types:

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

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

### C. Measurement Focus and Basis of Accounting

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

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

The internal service fund and the private purpose trust fund are reported using the economic resources measurement focus.

### 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. The private purpose trust fund and the agency fund also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

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

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

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes (should not include delinquent) for which there is an enforceable legal claim as of June 30, 2003, but which were levied to finance fiscal year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

### Expenditures/Expenses

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the statement of activities as an expense with a like amount reported within the "Operating Grants and Contributions" program revenue account. Unused donated commodities are reported in the account "Inventory held for resale" within the basic financial statements.

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

### E. Budgetary Accounting

#### Tax Budget

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

#### Estimated Resources

By 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 School District must revise its budget so that total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered cash balances from the preceding fiscal year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budget revenue in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted revenue in the budgetary statements reflect the amounts in the final amended certificate issued during the fiscal year.



## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

### Appropriations

Upon receipt from the County Fiscal Officer of an amended Certificate of Estimated Resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund level of expenditure, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The Appropriation Resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted.

The amounts reported as the original budgeted expenditure amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The final budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions. Under Ohio law advances are not required to be budgeted.

### Encumbrances

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Expenditures plus encumbrances may not legally exceed appropriations. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds.

### Lapsing of Appropriations:

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

### F. Cash and Investments

To improve cash management, all cash received by the School District is pooled in several bank accounts. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term investments. Individual fund integrity is maintained through School District's records. Each fund's interest in the pool is presented on the statement of net assets in the account, "Equity in pooled cash and cash equivalents". During the current fiscal year investments were limited to certificates of deposit, overnight repurchase agreements, and STAR Ohio, the State Treasurer's Investment Pool. All investments of the School District had a maturity of two years or less. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market price. Nonparticipating investment contracts, such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost.

## ***Barberton City School District***

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

Under existing Ohio statutes, all investment earnings accrue to the general fund except those specifically related to certain trust funds, unless the Board specifically allows the interest to be recorded in other funds. The Board of Education has passed a resolution to allow interest to also be recorded in other funds as listed in Note 5.

At June 30, 2003 the general fund had an account with an escrow agent in the amount of \$13,820, related to the High School building project.

For purposes of the statement of cash flows and for presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

### G. Prepaid Items

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

### H. Inventory

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

Inventories of the general fund are stated at cost while inventories of the Food Service special revenue fund are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in the general fund consist of expendable supplies held for consumption. Inventories of the Food Service fund consist of donated food, purchased food, and supplies held for resale. Inventories reported on the fund financial statements are expensed when used.

### I. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other government or imposed by enabling legislation. Restricted assets in the general fund include the amount required by State statute to be set aside to create a reserve for the purchase of textbook and instructional materials and buses. Restricted assets may also be set-aside as a reserve for budget stabilization, which is now optional as determined by the School District. See Note 19 for additional information regarding statutory reserves.

### J. Capital Assets and Depreciation

General capital assets are those assets resulting 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 on the fund financial statements.

**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

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

All reported capital assets, other than land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

<u>Asset Description</u>	<u>Estimated Lives</u>
<i>Buildings</i>	<i>30 - 50 years</i>
<i>Furniture and equipment</i>	<i>5 - 20 years</i>
<i>Vehicles</i>	<i>10 - 15 years</i>
<i>Land improvements</i>	<i>5 - 20 years</i>

**K. 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 activities columns of the statement of net assets.

**L. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the School District's past experience of making termination payments.

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid.

The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The School District records a liability for accumulated unused sick leave for all employees after ten years of service.

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

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

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

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

### N. Net Assets

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

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

### O. Fund Balance Reserves

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of the fund balance that is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, textbook/instructional material purchases, bus purchases, and budget stabilization.

The reserve for budget stabilization represents monies required to be set aside by State statute to protect against cyclical changes in revenues and expenditures.

### P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are charges for services for the self-insurance program. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

### Q. Interfund Transactions

Interfund transfers are reported as other financing sources/uses for governmental funds in the fund financial statements. All transfers between governmental funds have been eliminated within the governmental activities column of the statements of net assets.

### R. Estimates

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

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

### S. 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 School District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year ended June 30, 2003.

## **NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE**

### A. Changes in Accounting Principles

For fiscal year 2003, the School District has implemented Governmental Accounting Standards Board Statement (GASB) Statement No. 34, “Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments”; GASB No. 37, “Basic Financial Statements for State and Local Governments: Omnibus”, GASB No. 38, “Certain Financial Statement Note Disclosures”, GASB Statement No. 41, “Budgetary Comparison Schedules – Perspective Differences” and GASB Interpretation No. 6, “Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements”. At June 30, 2003, there was no effect on fund balance as a result of implementing GASB Statements 37 and 38.

GASB Statement No. 34 creates new basic financial statements for reporting on the School 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 split the School District’s programs between governmental and business-type 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 and the reclassification of funds based on the guidance provided in Statement No. 34. Due to these fund reclassifications, there are no business type activities reported.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice. The School District restated the fund liability of compensated absences that had not matured during fiscal year 2002 and has reported prepaid amounts for services not yet consumed.

**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

**B. Restatement of Fund Balance**

The restatements for GASB Statement No. 34, and GASB Interpretation No. 6 had the following effects on fund balance of the major and nonmajor funds of the School District as they were previously reported. It was also determined that the enterprise funds should be reclassified as special revenue funds. The transition from governmental fund balance to net assets of the governmental activities is also presented.

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Nonmajor</u>	<u>Total</u>
<i>Fund Balances,</i>					
<i>June 30, 2002</i>	\$ (141,942)	\$ 1,853,355	\$ 369,712	\$ 7,321	\$ 2,088,446
<i>Prior year restatement</i>	(403,909)	-	3,450,000	-	3,046,091
<i>Fund reclassification</i>	171,410	-	-	426,935	598,345
<i>Prepaid items</i>	37,230	-	-	-	37,230
<i>Interpretation No. 6</i>					
<i>Compensated absences</i>	90,679	-	-	53,149	143,828
<i>Adjusted Fund Balances,</i>					
<i>June 30, 2002</i>	<u>\$ (246,532)</u>	<u>\$ 1,853,355</u>	<u>\$ 3,819,712</u>	<u>\$ 487,405</u>	5,913,940

GASB Statement No. 34 Adjustments:

<i>Capital assets</i>	47,084,236
<i>Internal service fund</i>	209,220
<i>Long-term liabilities</i>	(34,705,457)
<i>Intergovernmental payable increase - full accrual</i>	(303,913)
<i>Accrued interest</i>	(246,752)
<i>Long-term (deferred) assets</i>	<u>3,309,131</u>
<i>Governmental activities net assets, June 30, 2002</i>	<u>\$ 21,260,405</u>

On September 10, 2001 the School District issued \$3,450,000 in tax anticipation notes at an interest rate of 3.80%. The note was reflected as a liability of the Permanent Improvement capital projects fund in the previous fiscal year. Following the close of the fiscal year, it was determined that this note should have been reported as long term. Therefore, it is now being reported in the government-wide financial statements. Also, following the close of the previous fiscal year, an error was found in the reporting of the School District's excess costs. Due to these errors the above restatements were necessary.

**NOTE 4 – BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) 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 GAAP basis are that:

**Barberton City School District**

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

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

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

<i>Net Change in Fund Balance</i>	
	<u>General</u>
<i>GAAP Basis</i>	\$ (1,268,438)
<i>Revenue Accruals</i>	477,528
<i>Expenditure Accruals</i>	291,226
<i>Encumbrances (Budget Basis)</i>	
<i>Outstanding at year end</i>	<u>(352,037)</u>
<i>Budget Basis</i>	<u>\$ (851,721)</u>

**NOTE 5 –DEPOSITS AND INVESTMENTS**

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

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

Inactive 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 or deposit accounts, including passbook accounts. Interim monies may be invested in the following obligations provided they mature or are redeemable within five years from the date of settlement:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

2. Bonds, notes, debentures, or other obligation 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 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) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio).
7. Certain bankers' acceptances and commercial paper notes in an amount not to exceed 25% of the interim monies available for investment at any one time.
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 School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

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

### Deposits:

At fiscal year end, the carrying amount of the School District's deposits, was \$2,937,350 and the bank balance was \$3,086,494. Of the bank balance, \$300,000 was covered by federal depository insurance and \$2,786,494 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School District's name.



**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

Investments:

GASB Statement No. 3 “Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements” requires that the School District’s investments be classified in categories of risk. Category 1 includes investments that are insured or registered for which the securities are held by the School District or its agent in the School District’s name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty’s trust department or agent in the School District’s name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District’s name. The School District’s investment in repurchase agreements, which are Category 3 investments, had a carrying amount of \$4,735,000 and a fair value of \$4,735,000 at June 30, 2003.

Interest is legally required to be placed in the general fund; the Food Service, Public School Support, Decker Center, District Managed Student Activities and Auxiliary special revenue funds; the Bond Retirement debt service fund; the Permanent Improvement capital projects funds; the Scholarships private purpose trust fund; the Rotary and Self Insurance internal service fund; the Student Activities and District Agency funds. Interest revenue credited to the general fund amounted to \$55,926, which includes \$19,987 assigned from other School District funds.

The School District has invested funds in STAR Ohio during fiscal year 2003. STAR Ohio is an investment pool managed by the State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price, which is the price the investment could be sold for on June 30, 2003. The School District’s investment in STAR Ohio is an unclassified investment since it is not evidence by securities that exist in physical or book entry form. At June 30, 2003 the School District no longer has funds invested in STAR Ohio.

The classification of cash and cash equivalents and investments on the basic financial statements is based on criteria set forth in GASB Statements No. 9, “Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting”. 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:

	<i>Equivalents/ Deposits</i>	<i>Investments</i>
<i>GASB Statement No. 9</i>	\$ 7,672,350	\$ -
<i>Investments which are part of a cash management pool:</i>		
<i>Repurchase Agreement</i>	<u>(4,735,000)</u>	<u>4,735,000</u>
<i>GASB Statement No. 3</i>	<u>\$ 2,937,350</u>	<u>\$ 4,735,000</u>

**NOTE 6 – PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis. First-half tax distributions are received by the School District in the second half of the fiscal year. Second-half tax distributions are received in the first half of the following fiscal year.

**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values for real property taxes are established by State law at 35% of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility real and tangible personal property taxes attached as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Public utility real property is assessed by State law at 35% of true value; tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property is currently assessed at 25% of true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The School District receives property taxes from Summit County. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the county by June 30 are available to finance current year operations. The School District, by resolution, authorizes the Treasurer to request advances from the County Fiscal Officer during the year and to make these funds available for appropriation.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes which were measurable as of June 30 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at June 30, nor were they levied to finance fiscal year 2003 operations. For the governmental fund financial statements, the receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30 was \$681,166 in the general fund, \$115,561 in the Permanent Improvement capital projects fund, and \$4,506 in the Bond Retirement debt service funds and is recognized as revenue.

There were no new levies passed during the current fiscal year. The assessed values upon which the current fiscal year taxes were collected are:

<u>Property Category</u>	<u>2002</u> <u>Assessed Value</u>	<u>2001</u> <u>Assessed Value</u>
<u>Real Property</u>		
Residential and agricultural	\$ 270,031,500	\$ 223,227,510
Commercial and industrial	77,070,860	71,183,480
Public utilities	13,690,500	13,792,630
<u>Tangible Personal Property</u>		
General	<u>65,201,931</u>	<u>64,631,388</u>
Total	<u>\$ 425,994,791</u>	<u>\$ 372,835,008</u>

**Barberton City School District**

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

**NOTE 7 RECEIVABLES**

Receivables at year end consisted of taxes, accounts (tuition and excess costs), 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. The intergovernmental receivable at June 30, consisted of:

<u>Governmental activities</u>	<u>Amount</u>
General fund	\$ 110,322
Special revenue funds:	
Food service	132,024
Local grant	2,600
Management information systems	15,833
Adult basic education	4,459
Title VI-B	129,517
Project head start	433,907
Title I	307,492
Title V	3,578
Drug free schools	5,206
Miscellaneous federal grants	3,355
	<u>\$ 1,148,293</u>

**NOTE 8 – CAPITAL ASSETS**

The capital asset balances of the governmental activities have been restated due to fund reclassifications and the increase of the capitalization threshold. See Note 3 for details.

<u>Governmental Activity</u>	<u>Balance</u> <u>June 30, 2002</u>	<u>Adjustments</u>	<u>Restated Balance</u> <u>June 30, 2002</u>
Land and improvements	\$ 6,034,378	\$ 587,122	\$ 6,621,500
Buildings	39,476,106	6,189,473	45,665,579
Furniture and equipment	2,571,222	(1,101,700)	1,469,522
Vehicles	1,544,259	-	1,544,259
Construction in progress	<u>1,862,666</u>	<u>805,574</u>	<u>2,668,240</u>
Subtotal	51,488,631	6,480,469	57,969,100
Less: Accumulated depreciation	<u>-</u>	<u>(10,884,864)</u>	<u>(10,884,864)</u>
Total	<u>\$ 51,488,631</u>	<u>\$ (4,404,395)</u>	<u>\$ 47,084,236</u>

**Barberton City School District**

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

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

<u>Governmental activities</u>	<u>Restated Balance June 30, 2002</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2003</u>
<i>Capital assets, not being depreciated:</i>				
Land and improvements	\$ 3,739,550	\$ -	\$ -	\$ 3,739,550
Construction in progress	<u>2,668,240</u>	<u>146,900</u>	<u>(2,668,240)</u>	<u>146,900</u>
Total capital assets, not being depreciated	<u>6,407,790</u>	<u>146,900</u>	<u>(2,668,240)</u>	<u>3,886,450</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	2,881,950	4,534,361	-	7,416,311
Buildings	45,665,579	708,348	-	46,373,927
Furniture and equipment	1,469,522	133,361	-	1,602,883
Vehicles	<u>1,544,259</u>	<u>56,156</u>	<u>-</u>	<u>1,600,415</u>
Total capital assets, being depreciated	<u>51,561,310</u>	<u>5,432,226</u>	<u>-</u>	<u>56,993,536</u>
<i>Less: Accumulated depreciation</i>				
Land improvements	(948,354)	(249,240)	-	(1,197,594)
Buildings	(7,731,182)	(1,446,260)	-	(9,177,442)
Furniture and equipment	(899,650)	(214,186)	-	(1,113,836)
Vehicles	<u>(1,305,678)</u>	<u>(51,913)</u>	<u>-</u>	<u>(1,357,591)</u>
Total accumulated depreciation	<u>(10,884,864)</u>	<u>(1,961,599)</u>	<u>-</u>	<u>(12,846,463)</u>
Total capital assets being depreciated, net	<u>40,676,446</u>	<u>3,470,627</u>	<u>-</u>	<u>44,147,073</u>
Governmental activities capital assets, net	<u>\$ 47,084,236</u>	<u>\$ 3,617,527</u>	<u>\$ (2,668,240)</u>	<u>\$ 48,033,523</u>

Depreciation expense charged to governmental functions for the year ending June 30, 2003 is as follows:

**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

<i>Instruction:</i>	
<i>Regular</i>	\$ 1,555,289
<i>Vocational</i>	471
<i>Support services:</i>	
<i>Pupils</i>	5,893
<i>Instructional staff</i>	61,003
<i>Fiscal</i>	15,951
<i>Business</i>	776
<i>Operation and maintenance of plant</i>	65,960
<i>Pupil transportation</i>	79,873
<i>Operation of non-instructional services</i>	18,647
<i>Extracurricular activities</i>	<u>157,736</u>
	<u>\$ 1,961,599</u>

**NOTE 9 – INTERFUND TRANSACTIONS**

Interfund balances at fiscal year end consist of the following individual fund receivables and payables and are represented as “Interfund Receivable/Payable” on the balance sheet:

	<i>Interfund Receivable</i>	<i>Interfund Payable</i>
<i>General fund</i>	\$ 49,000	\$ -
<i>Nonmajor governmental funds</i>	<u>-</u>	<u>49,000</u>
	<u>\$ 49,000</u>	<u>\$ 49,000</u>

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made. As of June 30, 2003, all interfund loans outstanding are anticipated to be repaid in fiscal year 2004.

Due from/to other funds consisted of the following at June 30, 2003:

	<i>Receivable</i>	<i>Payable</i>
<i>General fund</i>	\$ 472,424	\$ -
<i>Nonmajor governmental funds</i>	<u>-</u>	<u>472,424</u>
	<u>\$ 472,424</u>	<u>\$ 472,424</u>

These due from/to transfers took place due to overdrafts of the internal investment pool and have been reported as fund liabilities of the respective funds.

**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

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

Interfund transfers for the year ended June 30, 2003, consisted of the following:

<u>Transfers To</u>	<u>Transfers From</u>			<u>Total</u>
	<u>General Fund</u>	<u>Permanent Improvement Fund</u>	<u>Nonmajor Funds</u>	
General Fund	\$ -	\$ -	\$ 296,753	\$ 296,753
Nonmajor Funds	906,537	50,000	5,407	961,944
Total	<u>\$ 906,537</u>	<u>\$ 50,000</u>	<u>\$ 302,160</u>	<u>\$ 1,258,697</u>

**NOTE 10 – RISK MANAGEMENT**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no settlements paid in excess of insurance nor has insurance coverage been significantly reduced in any of the past three years. During fiscal year 2003, the School District contracted for the following insurance coverages:

<u>Property</u>	
Building and Contents-replacement cost (\$500 deductible)	\$ 1,000,000
Equipment (\$500 deductible)	1,000,000
Musical Instruments (\$500 deductible)	717,065
Commercial Auto (\$250 deductible)	1,000,000
<u>Public Officials Bonds</u>	100,000
<u>General Liability</u>	
Per occurrence	1,000,000
Total per year	2,000,000
<u>Education Liability</u>	
Per occurrence	1,000,000
Total per year	1,000,000
<u>Employee Benefits Liability</u>	
Per occurrence	1,000,000
Total per year	3,000,000

The School District uses an internal service fund to record and report its self funded health care insurance program. The claims liability of \$299,904 reported in the fund at year end was estimated by third party administrators and is based on the requirements of GASB Statement 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported.

**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

The School District purchases stop-loss coverage of \$100,000 per employee. Changes in the fund's claims liability during the current and prior fiscal years were:

	<i>Balance at Beginning of year</i>	<i>Current year claims</i>	<i>Claim payments</i>	<i>Balance at end of year</i>
2002 \$	316,510	3,894,417	3,829,634	381,293
2003 \$	381,293	3,217,675	3,299,064	299,904

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**NOTE 11 – DEFINED BENEFIT PENSION PLANS**

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained from the School Employees Retirement System, 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

Plan members are required to contribute 9% of their annual covered salary and the School District is required to contribute an actuarially determined rate of 14% of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2003, 8.17% of annual covered payroll was the portion to fund pension obligations. For fiscal year 2002, 5.46% of annual covered payroll was the portion to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to the statutory maximum amounts, by the SERS Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$501,657, \$305,924 and \$218,413, respectively; 40% has been contributed for fiscal year 2003 and 100% for the fiscal years 2002 and 2001. \$519,500 representing the unpaid contribution for fiscal year 2003.

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer defined benefit pension plan. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

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 became disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2003 plan members were required to contribute 9.3% of their annual covered salaries and the School District is required to contribute an actuarially determined rate of 14% of annual covered payroll; 13% was the portion used to fund pension obligations. For fiscal year 2002, 9.5% was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$2,486,380, \$1,762,065, \$1,667,000, respectively; 83% has been contributed for fiscal year 2003 and 100% for the fiscal years 2002 and 2001. \$448,452 representing the unpaid contribution for fiscal year 2003. Contributions to the DC and Combined plans for fiscal year 2003 were \$1,431 made by the School District and \$21,271 made by the plan members.

### **C. Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2003, four members of the Board of Education have elected Social Security. The Board's liability is 6.2% of wages paid.

### **NOTE 12 – POSTEMPLOYMENT BENEFITS**

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System (STRS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Benefit provisions and the obligations to contribute are established by the STRS based on authority granted by State statute. Most benefit recipients are required to pay a portion of the health care cost in the form of a monthly premium.



## ***Barberton City School District***

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll. The retirement board currently allocates employer contributions equal to 1% of covered payroll to the Health Care Reserve Fund from which payments for health care benefits are paid. For the School District this amount equaled \$191,260 during the 2003 fiscal year. Health care benefits are financed on a pay-as-you-go basis. The balance in the Health Care Reserve Fund for the STRS was \$3.011 billion at June 30, 2002, (latest information available). For the year ended June 30, 2002, the net health care costs paid by the STRS were \$354,697,000 and eligible benefit recipients totaled 105,300.

For the School Employees Retirement System (SERS), coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75% 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 \$14,500. The surcharge, added to the unallocated portion of the 14% contribution rate, provides for maintenance of the asset target level for the health care fund. For the School District, the amount of employer contributions used to fund health care equaled \$447,659, which includes a surcharge of \$89,684 during the 2003 fiscal year.

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2002, (latest information available) were \$182,946,777 and the target level was \$274.4 million. At June 30, 2002, the SERS's net assets available for payment of health care benefits was \$335.2 million, at cost. The number of participants receiving health care benefits was approximately 50,000.

### **NOTE 13 – EMPLOYEE BENEFITS**

#### **A. Compensated Absences**

The criteria for determining vacation and sick leave components is derived from negotiated agreements and State laws. Classified employees earn ten to thirty days of vacation per year, depending upon length of service. Administrator employees earn twenty vacation days per year and teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of two hundred fifty days for certified employees, two hundred thirty days for year round classified employees and two hundred fifteen days for nine month classified employees. Upon retirement, payment is made for one-fourth of their accrued, but unused sick leave credit to a maximum established by negotiated agreements.

#### **B. Health Care Benefits**

The School District provides medical, dental, vision and life insurance benefits to most employees. The premium and coverage varies with employee depending on the terms of the union contract.

**Barberton City School District**

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

**NOTE 14 – CAPITALIZED LEASES – LESSEE DISCLOSURE**

The School District did not enter into any new capital leases during the fiscal year 2003. In prior years, the School District entered into a capitalized lease for the acquisition of technological equipment and for the acquisition of computer equipment for the School District. The terms of the agreements provide options to purchase the equipment. These leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 “Accounting for Leases,” which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the fund financial statements of the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized as equipment in the amount of \$617,122 equal to the present value of the future minimum lease payments at the time of acquisition.

During the year the lease was paid off from the proceeds of a new loan. The final principal payments were made in the current fiscal year totaling \$338,746.

**NOTE 15 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS**

Changes in the School District’s long-term obligations during fiscal year 2003 were as follows:

<u>Governmental activities</u>	<u>Balance July 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30</u>	<u>Due in one year</u>
<u>Bonds</u>					
School Improvement Bonds, 3.65-5.00% maturing on November 1, 2022	\$ 28,659,962	\$ -	\$ (940,000)	\$ 27,719,962	\$ 980,000
Library Improvement Bonds, 9.00% maturing on December 1, 2005	440,000	-	(110,000)	330,000	110,000
Total Bonds	<u>29,099,962</u>	<u>-</u>	<u>(1,050,000)</u>	<u>28,049,962</u>	<u>1,090,000</u>
<u>Notes</u>					
Permanent Improvement TAN, 3.80% maturing on December 1, 2006	3,450,000	-	(600,000)	2,850,000	670,000
<u>Loans</u>					
Vocational School Equipment Loan, 0.00% maturing on July 30, 2008	40,000	-	(20,000)	20,000	-
Vocational School Equipment Loan, 0.00% maturing on December 31, 2005	120,000	-	(30,000)	90,000	30,000
Improvement and Building Loan maturing on June 26, 2007	-	622,604	-	622,604	-
Total Loans	<u>160,000</u>	<u>622,604</u>	<u>(50,000)</u>	<u>732,604</u>	<u>30,000</u>
<u>Other Obligations</u>					
Long-term compensated absences	1,656,753	253,982	(58,357)	1,852,378	241,805
Capital leases payable	338,746	-	(338,746)	-	-
Total Other Obligations	<u>1,995,499</u>	<u>253,982</u>	<u>(397,103)</u>	<u>1,852,378</u>	<u>241,805</u>
Governmental activities long-term liabilities	<u>\$ 34,705,461</u>	<u>\$ 876,586</u>	<u>\$ (2,097,103)</u>	<u>\$ 33,484,944</u>	<u>\$ 2,031,805</u>

**Barberton City School District**

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

In fiscal year 1988 the School District issued School Improvement Bonds for \$31,999,962, which are to be paid from money received from the Barberton Community Foundation. The School District receives in November of each year the amount necessary to make debt service payments for the following calendar year. Interest earned on these monies will be used for the repayment of the bonds. The requests from the Foundation will be for the required payments reduced by the amount of interest earned. The bonds were issued to cover costs of the new high school. The Barberton Community Foundation was established to improve the lives of the citizens of Barberton by offering scholarships to Barberton High School graduates and by awarding grants to not-for-profit organizations to serve the citizens of Barberton.

In fiscal year 2002 the School District issued \$3,450,000 in tax anticipation notes at an interest rate of 3.80% to pay the costs of remodeling various School District buildings. The note is to be repaid by the Permanent Improvement Levy passed in May of 2001 and will be repaid from the Bond Retirement debt service fund.

In fiscal year 1985 the School District issued \$2,200,000 in Library Improvement Bonds. These bonds will be paid from the Bond Retirement Debt Service Fund. Compensated absences will be paid from the fund from which the person is paid.

The Vocational School Equipment Loan, maturing in 2008, is a ten-year no interest loan from the Ohio Department of Education (ODOE). The Vocational School Equipment Loan, maturing in 2005, is also a no interest loan from the ODOE, but for a term of only five years. Payments for both loans will be paid from the general fund.

On December 26, 2002 the School District entered into a loan agreement for various improvements and acquisitions. As of June 30, 2003, the School District has received \$622,604 in proceeds with a remaining balance of \$269,396 to be received by the School District on a reimbursement basis. As of June 30, 2003, the loan was not completely finalized. Payments for this loan will be paid out of the general fund.

The annual requirements to amortize all bonds, notes and loans outstanding as of year-end are as follows:

	<i>Vocational Equipment Loan.</i>	<i>Permanent Improvement Notes</i>		<i>Library Improvement Bonds</i>		<i>School Improvement Bonds</i>		
	<i>Principal</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2004	\$ 30,000	\$ 670,000	\$ 95,570	\$ 110,000	\$ 24,750	\$ 980,000	\$ 1,334,858	\$ 3,245,178
2005	30,000	700,000	69,540	110,000	14,850	1,020,000	1,291,848	3,236,238
2006	30,000	725,000	42,655	110,000	4,950	1,065,000	1,243,037	3,220,642
2007	10,000	755,000	14,345	-	-	1,115,000	1,188,537	3,082,882
2008	10,000	-	-	-	-	349,586	1,986,077	2,345,663
2009-2013	-	-	-	-	-	5,370,376	6,177,436	11,547,812
2014-2018	-	-	-	-	-	7,875,000	3,588,509	11,463,509
2019-2023	-	-	-	-	-	9,945,000	1,309,821	11,254,821
<i>Total</i>	<u>\$ 110,000</u>	<u>\$ 2,850,000</u>	<u>\$ 222,110</u>	<u>\$ 330,000</u>	<u>\$ 44,550</u>	<u>\$ 27,719,962</u>	<u>\$ 18,120,123</u>	<u>\$ 49,396,745</u>

***Barberton City School District***

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS**

Northeast Ohio Network for Educational Technology (NEONET) is the computer service organization or Data Acquisition Site (DAS) used by the School District. NEONET is an association of public school districts in a geographic area determined by the Ohio Department of Education. The Summit County Educational Service Center acts as the fiscal agent for the consortium. The purpose of the consortium is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All Districts in the consortium are required to pay fees, charges, and assessments as charged. NEONET is governed by a board made up of superintendents from all of the participating districts. An elected Executive Board consisting of five members of the governing board is the managerial body of the consortium and meets on a monthly basis. The School District does not maintain an ongoing financial interest or an ongoing financial responsibility. Payments to NEONET are made from the general fund. During the current fiscal year the School District contributed \$26,755 to NEONET.

The Four Cities Vocational Compact (Compact) is a jointly governed organization to provide for the vocational and special education needs of the students of four participating school districts. The four-member board consists of the superintendent from each of the participating school districts. Students may attend any vocational or special education class offered by any of the four districts. If a student elects to attend a class offered by a school district other than the school district in which the student resides, the school district of residence pays an instructional fee to the school district that offered the class. Wadsworth City School District serves as the fiscal agent for this Compact, collecting and distributing payments. The committee exercises total control over the operation of the compact, including budgeting, appropriating, contracting and designating management. All revenues are generated from charges for services.

**NOTE 17 - CONTINGENCIES**

A. Grants:

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

B. Litigation:

The School District is party to legal proceedings. The School District is of the opinion that the ultimate disposition of claims will not have a material effect, if any, on the financial condition of the School District.

C. School Funding:

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

**Barberton City School District**

Notes to the Basic Financial Statements

For the fiscal year ended June 30, 2003

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

**NOTE 18 – FUND DEFICITS**

As of June 30, 2003, several funds had deficit fund balances/retained earnings. These deficits were caused by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The following funds had deficits at year end:

	<u>Deficit</u>
<i>General</i>	\$ 1,514,970
<i>Special Revenue</i>	
<i>Adult Education</i>	51,346
<i>Decker Center</i>	62,674
<i>Management Information System</i>	221
<i>Public School Preschool</i>	924
<i>Disadvantaged Pupil Impact Aid</i>	257,842
<i>Adult Basic Education</i>	3,615
<i>Project Head Start</i>	191,386
<i>Title V</i>	1,671
<i>Drug Free Schools Grant</i>	1,068

The School District is in the process of reviewing expenditures in an effort to bring them in line with revenues. In addition to this, the School District anticipates passing an operating levy in the near future.

**NOTE 19 - STATUTORY RESERVES**

The School District is required by State statute to annually set aside monies for the purchase of textbooks and other instructional materials and for capital improvements purchases. The amounts set-aside may be reduced by offset credits, which are monies received and restricted for the same specific purpose. Although the School District had qualifying disbursements during the year that reduced the set-aside amounts below zero, these extra amounts may only be used to reduce the set-aside requirements of future years for the purchase of textbooks. Negative amounts are therefore not presented as being carried forward to the next fiscal year for the other set-asides. The School District was required to set aside additional monies for textbooks and other instructional materials and some capital maintenance reserves. Amounts not spent by year-end or reduced by offset credits must be held in cash at year-end and carried forward to be used for the same purposes in future years. Although no longer required by state statute, a budget stabilization reserve may still be set-aside at the discretion of the School District.

**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

During the fiscal year ended June 30, 2003, the reserve activity was as follows:

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>	<u>Total</u>
<i>Set-aside Cash Balance as of June 30, 2002</i>	\$ (90,513)	\$ -	\$ 163,714	\$ 73,201
<i>Current Year Set-aside Requirement</i>	610,445	610,445	-	1,220,890
<i>Qualifying Disbursements</i>	<u>(509,984)</u>	<u>(1,117,270)</u>	<u>-</u>	<u>(1,627,254)</u>
<i>Total</i>	<u>\$ 9,948</u>	<u>\$ (506,825)</u>	<u>\$ 163,714</u>	<u>\$ (333,163)</u>
<i>Cash Balance Carried Forward to FY2004</i>	<u>\$ 9,948</u>	<u>\$ -</u>	<u>\$ 163,714</u>	<u>\$ 173,662</u>

The School District also had unspent monies set-aside for the purchase of school buses in the amount of \$73,022.

**NOTE 20 - ACCOUNTABILITY AND COMPLIANCE**

As of June 30, 2003 the School District had appropriations exceeding estimated resources for the following funds, which is a violation of Ohio Revised Code Section 5705.39.

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Variance</u>
<i>General</i>	\$ 31,685,893	\$ 31,862,006	\$ (176,113)
<i>Permanent Improvement</i>	3,648,145	4,191,099	(542,954)
<u><i>Nonmajor special revenue funds:</i></u>			
<i>Title I</i>	1,383,094	1,696,728	(313,634)
<i>Improving Teacher Quality</i>	352,126	377,558	(25,432)

Section 5705.41(D), Revised Code, requires that encumbrances be charged against proper appropriations. Section 5705.41(D), Revised Code, prohibits a subdivision from making expenditures unless it has been properly appropriated. It was noted that expenditures plus encumbrances exceeded appropriations in the following funds at June 30, 2003.

**Barberton City School District**

Notes to the Basic Financial Statements  
For the fiscal year ended June 30, 2003

<i>Fund</i>	<i>Appropriations</i>	<i>Expenditures and encumbrances</i>	<i>Variance</i>
<i>Nonmajor special revenue funds:</i>			
<i>Uniform School Supplies</i>	\$ 105,432	\$ 212,847	\$ (107,415)
<i>Adult Education</i>	62,443	96,249	(33,806)
<i>Decker Center</i>	1,355,836	1,505,179	(149,343)
<i>Athletics</i>	508,253	536,215	(27,962)
<i>Project Head Start</i>	2,250,719	2,262,568	(11,849)
<i>Nonmajor capital projects funds:</i>			
<i>Building</i>	78,431	923,286	(844,855)

**NOTE 21 - CONSTRUCTION COMMITMENTS**

The School District has construction project that is a commitment of the Building capital projects fund. The project involves the construction and improvements to various School District buildings and is being funded by the Permanent Improvement Levy passed in May 2001. To date the School District has spent \$146,900 on this project with a remaining commitment of \$1,193,572.





## **Combining Statements and Individual Fund Schedules**

# **Combining Statements and Individual Fund Schedules**

## **Combining Statements – Nonmajor Governmental Funds**

### **Nonmajor Special Revenue Funds**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. The title of each special revenue fund is descriptive of the activities accounted for therein. A description of the School District's special revenue funds follows:

#### Food Service

To account for all revenues and expenditures related to the provision of food services, including breakfast and lunch, for School District students and staff.

#### Uniform School Supplies

To account for the purchase and sale of school supplies as adopted by the Board of Education for resale to students of the School District.

#### Adult Education

To account for all revenues and expenditures related to the provision of credit and non-credit classes to the general public.

#### Public School Support

To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

#### Local Grant

To account for funds received from private organizations that are restricted for specific purposes.

#### Success School

To account for the revenues and expenditures related to the success school program.

#### Decker Center

To account for the revenues and expenditures related to the Decker Center family development center.

### Athletics

To account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund includes athletic programs as well as band, cheerleaders, drama clubs, and other similar types of activities.

### Auxiliary Services

To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the School District as provided by state law.

### Management Information Systems

To account for state funds provided to assist the School District in implementing a staff, student, and financial reporting system as mandated by the Omnibus Education Reform Act of 1989.

### Public School Preschool

To account for monies used to assist the School District in paying the cost of preschool programs for three and four year olds.

### Disadvantaged Pupil Impact Aid (DPIA)

To account for state funds which provide instructional programs and materials for disadvantaged students.

### SchoolNet Professional Development

To account for a limited number of professional development subsidy grants.

### Ohio Reads

To account for improvements in reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public school buildings, for background checks for volunteers, to evaluate the Ohio Reads Program, and for operating expenses associated with administering the program.

### Miscellaneous State Grants

To account for monies received from state agencies which are not classified elsewhere.

### Adult Basic Education

To account for state and federal funds used 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; increase of opportunities for useful employment; improvement of attitudes toward self, family and community.

Eisenhower Math and Science

To account for federal funds used in the training of teachers in new techniques and methodologies in the areas of mathematics and science.

Title VI-B

To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

Project Head Start

To account for federal funds received to assist community action programs, in order to help urban and rural communities mobilize their resources in combating poverty.

Title I

To account for federal funds for services provided to meet special needs of educationally deprived children.

Title V

To account for federal funds to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; programs to enhance personal excellence of students and student achievement.

Drug Free Schools Grant

To account for federal funds provided to establish, operate and improve programs for drug abuse prevention, early intervention, rehabilitation referral and education in schools.

EHA Preschool Grant

To account for federal funds used for the improvement and expansion of services for handicapped children ages three through five years.

Improving Teacher Quality

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

Miscellaneous Federal Grants

To account for various monies received through state agencies from the federal government or directly from the federal governments which are not classified elsewhere.

## Nonmajor Capital Projects Funds

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The capital projects funds are:

### Building

To account for receipts and expenditures related to all special bond funds in the School District. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

### Vocational Equipment Assistance

To account for the receipts and expenditures involved in providing equipment, replacing obsolete or worn out equipment, and encouraging vocational education planning districts to offer more promising new programs through the assistance of state funds and local matching funds.

### Vocational Education Equipment

To account for receipts and expenditures involved in the replacement or the updating of equipment essential for the instruction of students in job skills.

### SchoolNet

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

**Barberton City School District**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2003**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 1,130,946	\$ 48,041	\$ 1,178,987
Accounts	20,859	-	20,859
Intergovernmental	1,037,971	-	1,037,971
Prepaid items	342	-	342
Inventory held for resale	50,334	-	50,334
Materials and supplies inventory	9,428	-	9,428
Total assets	<u>\$ 2,249,880</u>	<u>\$ 48,041</u>	<u>\$ 2,297,921</u>
 <u>Liabilities and fund equity :</u>			
<u>Liabilities:</u>			
Accounts payable	\$ 152,290	\$ -	\$ 152,290
Accrued wages	383,860	-	383,860
Compensated absences payable	15,888	-	15,888
Interfund payable	49,000	-	49,000
Intergovernmental payable	154,284	-	154,284
Deferred revenue	440,503	-	440,503
Due to students	472,424	-	472,424
Total liabilities	<u>1,668,249</u>	<u>-</u>	<u>1,668,249</u>
 <u>Fund balances:</u>			
Reserved for encumbrances	259,459	47,808	307,267
Unreserved, undesignated, Reported in:			
Special revenue funds	322,172	-	322,172
Capital projects funds	-	233	233
Total fund balances	<u>581,631</u>	<u>48,041</u>	<u>629,672</u>
Total liabilities and fund balances	<u>\$ 2,249,880</u>	<u>\$ 48,041</u>	<u>\$ 2,297,921</u>

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues:</u>			
Intergovernmental	\$ 8,310,605	\$ 6,987	\$ 8,317,592
Interest	6,865	-	6,865
Tuition and fees	92,873	-	92,873
Extracurricular activities	415,188	-	415,188
Gifts and donations	1,849,653	-	1,849,653
Customer services	1,032,453	-	1,032,453
Rent	10,432	-	10,432
Miscellaneous	270,730	-	270,730
Total revenues	<u>11,988,799</u>	<u>6,987</u>	<u>11,995,786</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	2,035,977	-	2,035,977
Special	3,299,280	-	3,299,280
Vocational	2,535	1	2,536
Adult/continuing	206,232	-	206,232
Support services:			
Pupils	191,648	-	191,648
Instructional staff	1,507,742	119,700	1,627,442
Administration	212,468	-	212,468
Operation and maintenance of plant	370,954	-	370,954
Pupil transportation	137,039	-	137,039
Central	20,572	-	20,572
Operation of non-instructional services:			
Food service operations	1,796,355	-	1,796,355
Community services	738,995	-	738,995
Extracurricular activities	435,359	-	435,359
Capital outlay	1,438,446	-	1,438,446
Total expenditures	<u>12,393,602</u>	<u>119,701</u>	<u>12,513,303</u>
Excess of revenues over (under) expenditures	<u>(404,803)</u>	<u>(112,714)</u>	<u>(517,517)</u>
<u>Other financing sources (uses):</u>			
Transfers in	86,465	875,479	961,944
Transfers out	(295,972)	(6,188)	(302,160)
Total other financing sources (uses)	<u>(209,507)</u>	<u>869,291</u>	<u>659,784</u>
Net change in fund balance	(614,310)	756,577	142,267
Fund balances (deficit) at beginning of year, as restated	1,195,941	(708,536)	487,405
Fund balances at end of year	<u>\$ 581,631</u>	<u>\$ 48,041</u>	<u>\$ 629,672</u>

**Barberton City School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2003**

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Adult Education</u>	<u>Public School Support</u>	<u>Local Grant</u>
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ 230,376	\$ 7,435	\$ 1,013	\$ 160,077	\$ 186,575
Receivables:					
Accounts	391	-	-	25	-
Intergovernmental	132,024	-	-	-	2,600
Prepaid items	20	-	7	-	-
Inventory held for resale	50,334	-	-	-	-
Materials and supplies inventory	9,428	-	-	-	-
Total assets	<u>\$ 422,573</u>	<u>\$ 7,435</u>	<u>\$ 1,020</u>	<u>\$ 160,102</u>	<u>\$ 189,175</u>
<u>Liabilities and fund balances:</u>					
<u>Liabilities:</u>					
Accounts payable	\$ 6,924	\$ -	\$ 17	\$ 9,487	\$ 510
Accrued wages	9,303	-	1,765	-	-
Compensated absences payable	-	-	-	-	-
Interfund payable	-	-	49,000	-	-
Due to other funds	-	-	-	-	-
Intergovernmental payable	9,931	-	1,584	-	70
Deferred revenue	103	-	-	-	2,600
Total liabilities	<u>26,261</u>	<u>-</u>	<u>52,366</u>	<u>9,487</u>	<u>3,180</u>
<u>Fund balances:</u>					
Reserved for encumbrances	32,099	171	397	5,583	130,438
Unreserved, undesignated, Reported in special revenue funds	<u>364,213</u>	<u>7,264</u>	<u>(51,743)</u>	<u>145,032</u>	<u>55,557</u>
Total fund balances	<u>396,312</u>	<u>7,435</u>	<u>(51,346)</u>	<u>150,615</u>	<u>185,995</u>
Total liabilities and fund balances	<u>\$ 422,573</u>	<u>\$ 7,435</u>	<u>\$ 1,020</u>	<u>\$ 160,102</u>	<u>\$ 189,175</u>



<u>Success School</u>	<u>Decker Center</u>	<u>Athletics</u>	<u>Auxiliary Services</u>	<u>Management Information Systems</u>	<u>Public School Preschool</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>SchoolNet Professional Development</u>
\$ 89,310	\$ 29,987	\$ 164,840	\$ 53,794	\$ -	\$ -	\$ -	\$ 885
-	20,443	-	-	-	-	-	-
-	-	-	-	15,833	-	-	-
-	5	-	3	1	10	95	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 89,310</u>	<u>\$ 50,435</u>	<u>\$ 164,840</u>	<u>\$ 53,797</u>	<u>\$ 15,834</u>	<u>\$ 10</u>	<u>\$ 95</u>	<u>\$ 885</u>
\$ 2,264	\$ 78,608	\$ 5,415	\$ 26,070	\$ -	\$ -	\$ -	\$ 550
14,402	7,205	-	4,676	-	-	193,719	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
10,194	6,853	41	521	222	934	64,218	5
-	20,443	-	-	15,833	-	-	-
<u>26,860</u>	<u>113,109</u>	<u>5,456</u>	<u>31,267</u>	<u>16,055</u>	<u>934</u>	<u>257,937</u>	<u>555</u>
4,748	4,063	12,027	27,133	-	-	-	-
<u>57,702</u>	<u>(66,737)</u>	<u>147,357</u>	<u>(4,603)</u>	<u>(221)</u>	<u>(924)</u>	<u>(257,842)</u>	<u>330</u>
<u>62,450</u>	<u>(62,674)</u>	<u>159,384</u>	<u>22,530</u>	<u>(221)</u>	<u>(924)</u>	<u>(257,842)</u>	<u>330</u>
<u>\$ 89,310</u>	<u>\$ 50,435</u>	<u>\$ 164,840</u>	<u>\$ 53,797</u>	<u>\$ 15,834</u>	<u>\$ 10</u>	<u>\$ 95</u>	<u>\$ 885</u>

(Continued)

**Barberton City School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2003**

	Ohio Reads	Miscellaneous State Grants	Adult Basic Education	Eisenhower Math/ Science	Title VI-B
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ 41,215	\$ 41,647	\$ 3,121	\$ -	\$ -
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	-	4,459	-	129,517
Prepaid items	-	-	-	-	14
Inventory held for resale	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	-
Total assets	<u>\$ 41,215</u>	<u>\$ 41,647</u>	<u>\$ 7,580</u>	<u>\$ -</u>	<u>\$ 129,531</u>
<u>Liabilities and fund balances:</u>					
<u>Liabilities:</u>					
Accounts payable	\$ 1,798	\$ -	\$ -	\$ -	\$ 125
Accrued wages	-	-	3,972	-	20,982
Compensated absences payable	-	-	-	-	-
Interfund payable	-	-	-	-	-
Due to other funds	-	-	-	-	1,645
Intergovernmental payable	463	786	2,788	-	6,477
Deferred revenue	-	-	4,435	-	70,297
Total liabilities	<u>2,261</u>	<u>786</u>	<u>11,195</u>	<u>-</u>	<u>99,526</u>
<u>Fund balances:</u>					
Reserved for encumbrances	12,415	2,426	2,163	-	5,714
Unreserved, undesignated, Reported in special revenue funds	<u>26,539</u>	<u>38,435</u>	<u>(5,778)</u>	<u>-</u>	<u>24,291</u>
Total fund balances	<u>38,954</u>	<u>40,861</u>	<u>(3,615)</u>	<u>-</u>	<u>30,005</u>
Total liabilities and fund balances	<u>\$ 41,215</u>	<u>\$ 41,647</u>	<u>\$ 7,580</u>	<u>\$ -</u>	<u>\$ 129,531</u>

Project Head Start	Title I	Title V	Drug Free Schools Grant	EHA Preschool Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ 34,000	\$ 1,011	\$ 1,980	\$ 10,501	\$ 44,727	\$ 28,452	\$ 1,130,946
-	-	-	-	-	-	-	20,859
433,907	307,492	3,578	5,206	-	-	3,355	1,037,971
102	63	1	1	3	17	-	342
-	-	-	-	-	-	-	50,334
-	-	-	-	-	-	-	9,428
<u>\$ 434,009</u>	<u>\$ 341,555</u>	<u>\$ 4,590</u>	<u>\$ 7,187</u>	<u>\$ 10,504</u>	<u>\$ 44,744</u>	<u>\$ 31,807</u>	<u>\$ 2,249,880</u>
\$ 3,459	\$ -	\$ -	\$ 127	\$ -	\$ 250	\$ 16,686	\$ 152,290
8,586	79,127	3,562	2,336	7,463	26,612	150	383,860
2,286	13,602	-	-	-	-	-	15,888
-	-	-	-	-	-	-	49,000
470,779	-	-	-	-	-	-	472,424
12,597	25,836	792	586	1,863	7,295	228	154,284
127,688	188,636	1,907	5,206	-	-	3,355	440,503
<u>625,395</u>	<u>307,201</u>	<u>6,261</u>	<u>8,255</u>	<u>9,326</u>	<u>34,157</u>	<u>20,419</u>	<u>1,668,249</u>
3,902	10,459	-	121	-	5,600	-	259,459
<u>(195,288)</u>	<u>23,895</u>	<u>(1,671)</u>	<u>(1,189)</u>	<u>1,178</u>	<u>4,987</u>	<u>11,388</u>	<u>322,172</u>
<u>(191,386)</u>	<u>34,354</u>	<u>(1,671)</u>	<u>(1,068)</u>	<u>1,178</u>	<u>10,587</u>	<u>11,388</u>	<u>581,631</u>
<u>\$ 434,009</u>	<u>\$ 341,555</u>	<u>\$ 4,590</u>	<u>\$ 7,187</u>	<u>\$ 10,504</u>	<u>\$ 44,744</u>	<u>\$ 31,807</u>	<u>\$ 2,249,880</u>

**Barberton City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2003**

	Food Service	Uniform School Supplies	Adult Education	Public School Support	Local Grant
<u>Revenues:</u>					
Intergovernmental	\$ 944,519	\$ -	\$ 14,594	\$ -	\$ 16,545
Interest	2,487	-	-	1,709	-
Tuition and fees	-	92,873	-	-	-
Extracurricular activities	-	-	-	96,346	-
Gifts and donations	-	-	-	11,225	1,607,431
Customer services	657,648	-	25,743	-	-
Rent	-	-	-	77	-
Miscellaneous	90,873	-	-	2,647	31,433
Total revenues	<u>1,695,527</u>	<u>92,873</u>	<u>40,337</u>	<u>112,004</u>	<u>1,655,409</u>
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	-	101,645	176	-	32,353
Special	-	-	-	-	5,222
Vocational	-	1,456	-	-	-
Adult/continuing	-	-	42,137	-	-
Support services:					
Pupils	-	-	-	6,328	27
Instructional staff	-	-	17,010	16,227	2,058
Administration	-	-	114	-	-
Operation and maintenance of plant	-	-	-	-	27,083
Pupil transportation	-	-	-	-	-
Central	-	-	-	5,514	14,200
Operation of non-instructional services					
Food service operations	1,719,275	-	-	-	-
Community services	-	-	-	-	141,653
Extracurricular activities	-	-	-	70,463	-
Capital outlay	-	-	-	-	1,438,446
Total expenditures	<u>1,719,275</u>	<u>103,101</u>	<u>59,437</u>	<u>98,532</u>	<u>1,661,042</u>
Excess of revenues over (under) expenditures	<u>(23,748)</u>	<u>(10,228)</u>	<u>(19,100)</u>	<u>13,472</u>	<u>(5,633)</u>
<u>Other financing sources (uses):</u>					
Transfers in	-	-	5,382	59	-
Transfers out	-	-	(1,854)	(23)	(288,713)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,528</u>	<u>36</u>	<u>(288,713)</u>
Net change in fund balance	(23,748)	(10,228)	(15,572)	13,508	(294,346)
Fund balances (deficit) at beginning of year, as restated	420,060	17,663	(35,774)	137,107	480,341
Fund balances (deficit) at end of year	<u>\$ 396,312</u>	<u>\$ 7,435</u>	<u>\$ (51,346)</u>	<u>\$ 150,615</u>	<u>\$ 185,995</u>

Success School	Decker Center	Athletics	Auxiliary Services	Management Information Systems	Public School Preschool	Disadvantaged Pupil Impact Aid	SchoolNet Professional Development
\$ 121,445	\$ 955,458	\$ -	\$ 191,731	\$ 15,982	\$ 216,022	\$ 1,924,642	\$ 4,600
-	41	1,982	646	-	-	-	-
-	-	-	-	-	-	-	-
-	-	318,842	-	-	-	-	-
-	177,641	53,356	-	-	-	-	-
182,564	166,498	-	-	-	-	-	-
-	10,355	-	-	-	-	-	-
-	1,965	10,882	-	-	-	-	-
<u>304,009</u>	<u>1,311,958</u>	<u>385,062</u>	<u>192,377</u>	<u>15,982</u>	<u>216,022</u>	<u>1,924,642</u>	<u>4,600</u>
-	-	-	-	-	-	1,715,620	927
151	16,669	-	-	-	196,754	217,457	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	22,025	-	5,159	-
12	978,711	-	-	-	-	-	8,912
-	-	-	-	-	18	-	-
-	63,778	-	-	-	74,185	-	-
-	305	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	15,473	-	-	-	13,982	-	-
312,958	911	-	223,404	-	-	-	-
-	-	364,896	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>313,121</u>	<u>1,075,847</u>	<u>364,896</u>	<u>223,404</u>	<u>22,025</u>	<u>284,939</u>	<u>1,938,236</u>	<u>9,839</u>
<u>(9,112)</u>	<u>236,111</u>	<u>20,166</u>	<u>(31,027)</u>	<u>(6,043)</u>	<u>(68,917)</u>	<u>(13,594)</u>	<u>(5,239)</u>
-	81,000	24	-	-	-	-	-
-	-	-	-	-	-	-	-
-	81,000	24	-	-	-	-	-
(9,112)	317,111	20,190	(31,027)	(6,043)	(68,917)	(13,594)	(5,239)
71,562	(379,785)	139,194	53,557	5,822	67,993	(244,248)	5,569
<u>\$ 62,450</u>	<u>\$ (62,674)</u>	<u>\$ 159,384</u>	<u>\$ 22,530</u>	<u>\$ (221)</u>	<u>\$ (924)</u>	<u>\$ (257,842)</u>	<u>\$ 330</u>

(Continued)

**Barberton City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2003**

	Ohio Reads	Miscellaneous State Grants	Adult Basic Education	Eisenhower Math/ Science	Title VI-B
<u>Revenues:</u>					
Intergovernmental	\$ 12,000	\$ 102,191	\$ 150,182	\$ -	\$ 505,488
Interest	-	-	-	-	-
Tuition and fees	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Gifts and donations	-	-	-	-	-
Customer services	-	-	-	-	-
Rent	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>12,000</u>	<u>102,191</u>	<u>150,182</u>	<u>-</u>	<u>505,488</u>
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	78,636	60,484	-	19,036	-
Special	2	-	-	-	200,376
Vocational	-	-	-	-	-
Adult/continuing	-	13,680	150,415	-	-
Support services:					
Pupils	-	14,643	-	-	123,058
Instructional staff	-	8,637	16,999	-	199,391
Administration	-	-	107	-	3,236
Operation and maintenance of plant	-	77,537	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Operation of non-instructional services					
Food service operations	-	-	-	-	-
Community services	-	-	-	-	23,463
Extracurricular activities	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>78,638</u>	<u>174,981</u>	<u>167,521</u>	<u>19,036</u>	<u>549,524</u>
Excess of revenues over (under) expenditures	<u>(66,638)</u>	<u>(72,790)</u>	<u>(17,339)</u>	<u>(19,036)</u>	<u>(44,036)</u>
<u>Other financing sources (uses):</u>					
Transfers in	-	-	-	-	-
Transfers out	-	(5,382)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(5,382)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(66,638)	(78,172)	(17,339)	(19,036)	(44,036)
Fund balances (deficit) at beginning of year, as restated	105,592	119,033	13,724	19,036	74,041
Fund balances (deficit) at end of year	<u>\$ 38,954</u>	<u>\$ 40,861</u>	<u>\$ (3,615)</u>	<u>\$ -</u>	<u>\$ 30,005</u>

Project Head Start	Title I	Title V	Drug Free Schools Grant	EHA Preschool Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 1,573,186	\$ 1,085,888	\$ 31,582	\$ 32,436	\$ 57,097	\$ 303,054	\$ 51,963	\$ 8,310,605
-	-	-	-	-	-	-	6,865
-	-	-	-	-	-	-	92,873
-	-	-	-	-	-	-	415,188
-	-	-	-	-	-	-	1,849,653
-	-	-	-	-	-	-	1,032,453
-	-	-	-	-	-	-	10,432
132,930	-	-	-	-	-	-	270,730
<u>1,706,116</u>	<u>1,085,888</u>	<u>31,582</u>	<u>32,436</u>	<u>57,097</u>	<u>303,054</u>	<u>51,963</u>	<u>11,988,799</u>
-	-	-	87	-	13,022	13,991	2,035,977
1,264,369	1,033,678	29,095	-	59,951	252,154	23,402	3,299,280
-	-	-	-	-	1,079	-	2,535
-	-	-	-	-	-	-	206,232
-	-	-	20,408	-	-	-	191,648
58,847	124,147	-	-	-	20,999	55,792	1,507,742
144,687	62,030	-	-	-	2,276	-	212,468
115,871	-	-	12,500	-	-	-	370,954
136,734	-	-	-	-	-	-	137,039
-	858	-	-	-	-	-	20,572
47,625	-	-	-	-	-	-	1,796,355
-	32,681	3,925	-	-	-	-	738,995
-	-	-	-	-	-	-	435,359
-	-	-	-	-	-	-	1,438,446
<u>1,768,133</u>	<u>1,253,394</u>	<u>33,020</u>	<u>32,995</u>	<u>59,951</u>	<u>289,530</u>	<u>93,185</u>	<u>12,393,602</u>
<u>(62,017)</u>	<u>(167,506)</u>	<u>(1,438)</u>	<u>(559)</u>	<u>(2,854)</u>	<u>13,524</u>	<u>(41,222)</u>	<u>(404,803)</u>
-	-	-	-	-	-	-	86,465
-	-	-	-	-	-	-	(295,972)
-	-	-	-	-	-	-	(209,507)
(62,017)	(167,506)	(1,438)	(559)	(2,854)	13,524	(41,222)	(614,310)
(129,369)	201,860	(233)	(509)	4,032	(2,937)	52,610	1,195,941
<u>\$ (191,386)</u>	<u>\$ 34,354</u>	<u>\$ (1,671)</u>	<u>\$ (1,068)</u>	<u>\$ 1,178</u>	<u>\$ 10,587</u>	<u>\$ 11,388</u>	<u>\$ 581,631</u>

**Barberton City School District**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**June 30, 2003**

	<u>Building</u>	<u>Vocational Equipment Assistance</u>	<u>Vocational Education Equipment</u>	<u>SchoolNet</u>	<u>Total Nonmajor Capital Projects Funds</u>
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ 47,809	\$ -	\$ 232	\$ -	\$ 48,041
<u>Fund balances:</u>					
Reserved for encumbrances	47,808	-	-	-	47,808
Unreserved, undesignated, Reported in capital projects funds	1	-	232	-	233
Total liabilities and fund balances	\$ 47,809	\$ -	\$ 232	\$ -	\$ 48,041



**Barberton City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**For the Fiscal Year Ended June 30, 2003**

	<u>Building</u>	<u>Vocational Equipment Assistance</u>	<u>Vocational Education Equipment</u>	<u>SchoolNet</u>	<u>Total Nonmajor Capital Projects Funds</u>
<u>Revenues:</u>					
Intergovernmental	\$ -	\$ -	\$ 6,987	\$ -	\$ 6,987
<u>Expenditures:</u>					
Current:					
Instruction:					
Vocational	-	-	1	-	1
Support services:					
Instructional staff	-	-	-	119,700	119,700
Total expenditures	-	-	1	119,700	119,701
Excess of revenues over (under) expenditures	-	-	6,986	(119,700)	(112,714)
<u>Other financing sources (uses):</u>					
Transfers in	875,479	-	-	-	875,479
Transfers out	-	(6,188)	-	-	(6,188)
Total other financing sources (uses)	875,479	(6,188)	-	-	869,291
Net change in fund balance	875,479	(6,188)	6,986	(119,700)	756,577
Fund balances (deficit) at beginning of year	(827,670)	6,188	(6,754)	119,700	(708,536)
Fund balances at end of the year	<u>\$ 47,809</u>	<u>\$ -</u>	<u>\$ 232</u>	<u>\$ -</u>	<u>\$ 48,041</u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses and  
Changes in Fund Balance – Budget and Actual**

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Bond Retirement Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Taxes	\$ 785,864	\$ 790,310	\$ 4,446
Intergovernmental	8,404	7,547	(857)
Gifts and donations	2,297,123	2,297,123	-
Total revenues	<u>3,123,505</u>	<u>3,121,249</u>	<u>(2,256)</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Administration	1,000	294	706
Debt service:			
Principal retirement	1,650,750	1,650,000	750
Interest and fiscal charges	1,530,023	1,530,023	-
Total expenditures	<u>3,183,873</u>	<u>3,181,097</u>	<u>2,776</u>
Excess of revenues over (under) expenditures	<u>(60,368)</u>	<u>(59,848)</u>	<u>520</u>
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	<u>(9,574)</u>	<u>(9,574)</u>	<u>-</u>
Net change in fund balance	(69,942)	(69,422)	520
Fund balance at beginning of year	1,850,193	1,850,193	-
Prior year encumbrances appropriated	1	1	-
Fund balance at end of year	<u>\$ 1,780,252</u>	<u>\$ 1,780,772</u>	<u>\$ 520</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Permanent Improvement Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Taxes	\$ 721,875	\$ 737,708	\$ 15,833
Intergovernmental	187,583	175,209	(12,374)
Interest	19,000	25,993	6,993
Total revenues	<u>928,458</u>	<u>938,910</u>	<u>10,452</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	12,098	10,698	1,400
Support services:			
Administration	7,640	7,374	266
Fiscal	21,282	18,714	2,568
Business	10,810	8,522	2,288
Operation and maintenance of plant	104,500	51,533	52,967
Capital outlay	4,359,235	2,220,465	2,138,770
Total expenditures	<u>4,515,565</u>	<u>2,317,306</u>	<u>2,198,259</u>
Excess of revenues over (under) expenditures	<u>(3,587,107)</u>	<u>(1,378,396)</u>	<u>2,208,711</u>
<u>Other financing sources (uses):</u>			
Advances in	-	938,657	938,657
Advances out	-	(93,801)	(93,801)
Transfers out	-	(50,000)	(50,000)
Total other financing sources (uses)	<u>-</u>	<u>794,856</u>	<u>794,856</u>
Net change in fund balance	(3,587,107)	(583,540)	3,003,567
Fund balance at beginning of year	2,719,687	2,719,687	-
Prior year encumbrances appropriated	324,466	324,466	-
Fund balance at end of year	<u>\$ (542,954)</u>	<u>\$ 2,460,613</u>	<u>\$ 3,003,567</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Food Service Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 890,800	\$ 935,402	\$ 44,602
Interest	8,000	2,487	(5,513)
Charges for services	675,000	657,648	(17,352)
Miscellaneous	111,200	92,240	(18,960)
Total revenues	<u>1,685,000</u>	<u>1,687,777</u>	<u>2,777</u>
<u>Expenditures:</u>			
Current:			
Operation of non-instructional services	1,865,056	1,748,338	116,718
Excess of revenues over (under) expenditures	<u>(180,056)</u>	<u>(60,561)</u>	<u>119,495</u>
<u>Other financing sources (uses):</u>			
Refund of prior year expenditures	15,000	6,042	(8,958)
Transfers out	(1,000)	-	1,000
Total other financing sources (uses)	<u>14,000</u>	<u>6,042</u>	<u>(7,958)</u>
Net change in fund balance	(166,056)	(54,519)	111,537
Fund balances at beginning of year	220,484	220,484	-
Prior year encumbrances appropriated	27,436	27,436	-
Fund balances at end of year	<u>\$ 81,864</u>	<u>\$ 193,401</u>	<u>\$ 111,537</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Uniform School Supplies Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Tuition and fees	\$ 90,694	\$ 92,873	\$ 2,179
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	103,976	103,932	44
Vocational	1,456	1,456	-
Total expenditures	105,432	105,388	44
Excess of revenues over (under) expenditures	(14,738)	(12,515)	2,223
<u>Other financing sources (uses):</u>			
Transfers in	-	107,459	107,459
Transfers out	-	(107,459)	(107,459)
Total other financing sources (uses)	-	-	-
Net change in fund balance	(14,738)	(12,515)	2,223
Fund balances at beginning of year	11,993	11,993	-
Prior year encumbrances appropriated	7,787	7,787	-
Fund balances at end of year	<u>\$ 5,042</u>	<u>\$ 7,265</u>	<u>\$ 2,223</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Adult Education Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 14,034	\$ 14,594	\$ 560
Charges for services	25,500	25,743	243
Total revenues	<u>39,534</u>	<u>40,337</u>	<u>803</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Adult/continuing	46,964	45,297	1,667
Support services:			
Instructional staff	15,479	15,479	-
Total expenditures	<u>62,443</u>	<u>60,776</u>	<u>1,667</u>
Excess of revenues over (under) expenditures	<u>(22,909)</u>	<u>(20,439)</u>	<u>2,470</u>
<u>Other financing sources (uses):</u>			
Advances in	49,000	49,000	-
Advances out	-	(33,619)	(33,619)
Transfers in	5,382	5,382	-
Transfers out	-	(1,854)	(1,854)
Total other financing sources (uses)	<u>54,382</u>	<u>18,909</u>	<u>(35,473)</u>
Net change in fund balance	31,473	(1,530)	(33,003)
Fund balances at beginning of year	-	-	-
Prior year encumbrances appropriated	2,146	2,146	-
Fund balances at end of year	<u>\$ 33,619</u>	<u>\$ 616</u>	<u>\$ (33,003)</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Public School Support Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Interest	\$ 6,197	\$ 1,709	\$ (4,488)
Rent	-	77	77
Extracurricular activities	108,729	96,346	(12,383)
Gifts and donations	21,860	11,225	(10,635)
Miscellaneous	1,334	2,717	1,383
Total revenues	<u>138,120</u>	<u>112,074</u>	<u>(26,046)</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Pupils	10,885	9,222	1,663
Instructional staff	18,065	15,188	2,877
Central	22,200	5,680	16,520
Extracurricular activities	153,691	73,283	80,408
Total expenditures	<u>204,841</u>	<u>103,373</u>	<u>101,468</u>
Excess of revenues over (under) expenditures	<u>(66,721)</u>	<u>8,701</u>	<u>75,422</u>
<u>Other financing sources (uses):</u>			
Advances in	-	694	694
Advances out	-	(694)	(694)
Transfers in	80	28,068	27,988
Transfers out	(28,032)	(28,032)	-
Total other financing sources (uses)	<u>(27,952)</u>	<u>36</u>	<u>27,988</u>
Net change in fund balance	(94,673)	8,737	103,410
Fund balance at beginning of year	130,681	130,681	-
Prior year encumbrances appropriated	7,783	7,783	-
Fund balance at end of year	<u>\$ 43,791</u>	<u>\$ 147,201</u>	<u>\$ 103,410</u>



**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Local Grant Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 16,545	\$ 16,545	\$ -
Gifts and donations	2,050,454	1,957,988	(92,466)
Miscellaneous	31,433	31,433	-
Total revenues	<u>2,098,432</u>	<u>2,005,966</u>	<u>(92,466)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	59,112	36,188	22,924
Special	10,896	7,834	3,062
Support services:			
Instructional staff	2,058	2,058	-
Operation and maintenance of plant	50,000	27,083	22,917
Central	14,200	14,200	-
Operation of non-instructional services	149,876	147,376	2,500
Capital outlay	1,844,824	1,844,824	-
Total expenditures	<u>2,130,966</u>	<u>2,079,563</u>	<u>51,403</u>
Excess of revenues over (under) expenditures	<u>(32,534)</u>	<u>(73,597)</u>	<u>(41,063)</u>
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(2,065)	(2,065)	-
Transfers out	(288,713)	(288,713)	-
Total other financing sources (uses)	<u>(290,778)</u>	<u>(290,778)</u>	<u>-</u>
Net change in fund balance	(323,312)	(364,375)	(41,063)
Fund balance at beginning of year, as restated	281,594	281,594	-
Prior year encumbrances appropriated	138,408	138,408	-
Fund balance at end of year	<u>\$ 96,690</u>	<u>\$ 55,627</u>	<u>\$ (41,063)</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Success School Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 114,000	\$ 140,331	\$ 26,331
Charges for services	186,000	182,564	(3,436)
Total revenues	<u>300,000</u>	<u>322,895</u>	<u>22,895</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff	14,357	-	14,357
Operation of non-instructional services	357,616	314,699	42,917
Total expenditures	<u>371,973</u>	<u>314,699</u>	<u>57,274</u>
Excess of revenues over (under) expenditures	<u>(71,973)</u>	<u>8,196</u>	<u>80,169</u>
<u>Other financing sources (uses):</u>			
Advances in	-	49,125	49,125
Advances out	-	(49,125)	(49,125)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(71,973)	8,196	80,169
Fund balances at beginning of year	66,703	66,703	-
Prior year encumbrances appropriated	7,416	7,416	-
Fund balances at end of year	<u>\$ 2,146</u>	<u>\$ 82,315</u>	<u>\$ 80,169</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**Decker Center Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 1,173,239	\$ 1,086,591	\$ (86,648)
Interest	-	41	41
Rent	10,350	10,355	5
Gifts and donations	203,000	177,641	(25,359)
Customer services	165,875	172,329	6,454
Miscellaneous	2,300	1,965	(335)
Total revenues	<u>1,554,764</u>	<u>1,448,922</u>	<u>(105,842)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	17,532	19,375	(1,843)
Support services:			
Instructional staff	1,261,275	1,215,259	46,016
Operation and maintenance of plant	62,800	59,321	3,479
Pupil transportation	327	305	22
Operation of non-instructional services	13,902	14,065	(163)
Total expenditures	<u>1,355,836</u>	<u>1,308,325</u>	<u>47,511</u>
Excess of revenues over (under) expenditures	<u>198,928</u>	<u>140,597</u>	<u>(58,331)</u>
<u>Other financing sources (uses):</u>			
Advances out	-	(196,854)	(196,854)
Transfers in	-	81,000	81,000
Total other financing sources (uses)	<u>-</u>	<u>(115,854)</u>	<u>(115,854)</u>
Net change in fund balance	198,928	24,743	(174,185)
Fund balances at beginning of year, as restated	(91,899)	(91,899)	-
Prior year encumbrances appropriated	91,011	91,011	-
Fund balances at end of year	<u>\$ 198,040</u>	<u>\$ 23,855</u>	<u>\$ (174,185)</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Athletics Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Interest	\$ 8,812	\$ 1,982	\$ (6,830)
Tuition and fees	250	-	(250)
Extracurricular activities	399,945	318,842	(81,103)
Gifts and donations	37,283	53,356	16,073
Miscellaneous	3,931	11,137	7,206
Total revenues	<u>450,221</u>	<u>385,317</u>	<u>(64,904)</u>
<u>Expenditures:</u>			
Current:			
Extracurricular activities	508,253	385,703	122,550
Excess of revenues over (under) expenditures	<u>(58,032)</u>	<u>(386)</u>	<u>57,646</u>
<u>Other financing sources (uses):</u>			
Advances in	-	7	7
Advances out	-	(7)	(7)
Transfers in	23	150,529	150,506
Transfers out	-	(150,505)	(150,505)
Total other financing sources (uses)	<u>23</u>	<u>24</u>	<u>1</u>
Net change in fund balance	(58,009)	(362)	57,647
Fund balance at beginning of year	136,451	136,451	-
Prior year encumbrances appropriated	12,776	12,776	-
Fund balance at end of year	<u>\$ 91,218</u>	<u>\$ 148,865</u>	<u>\$ 57,647</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**Auxiliary Services Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 205,932	\$ 191,731	\$ (14,201)
Interest	1,000	646	(354)
Total revenues	<u>206,932</u>	<u>192,377</u>	<u>(14,555)</u>
<u>Expenditures:</u>			
Current:			
Operation of non-instructional services	252,284	252,285	(1)
Net change in fund balance	(45,352)	(59,908)	(14,556)
Fund balances at beginning of year	56,729	56,729	-
Prior year encumbrances appropriated	4,087	4,087	-
Fund balances at end of year	<u>\$ 15,464</u>	<u>\$ 908</u>	<u>\$ (14,556)</u>

**Management Information Systems Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 15,982	\$ 15,982	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Pupils	22,550	22,550	-
Net change in fund balance	(6,568)	(6,568)	-
Fund balances at beginning of year	6,568	6,568	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**Public School Preschool Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 289,068	\$ 289,068	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	202,009	198,529	3,480
Support services:			
Operation and maintenance of plant	73,020	76,416	(3,396)
Operation of non-instructional services	14,040	14,123	(83)
Total expenditures	289,069	289,068	1
Net change in fund balance	(1)	-	1
Fund balances at beginning of year	-	-	-
Fund balances at end of year	\$ (1)	\$ -	\$ 1

**Disadvantaged Pupil Impact Aid Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 1,924,642	\$ 1,924,642	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	1,707,806	1,725,996	(18,190)
Special	216,836	198,646	18,190
Total expenditures	1,924,642	1,924,642	-
Net change in fund balance	-	-	-
Fund balances at beginning of year	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**SchoolNet Professional Development Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 4,600	\$ 4,600	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	-	922	(922)
Support services:			
Instructional staff	10,419	9,162	1,257
Total expenditures	10,419	10,084	335
Net change in fund balance	(5,819)	(5,484)	335
Fund balances at beginning of year	5,529	5,529	-
Prior year encumbrances appropriated	290	290	-
Fund balances at end of year	\$ -	\$ 335	\$ 335

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Ohio Reads Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 109,500	\$ 109,500	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	109,589	94,979	14,610
Special	7,500	-	7,500
Total expenditures	117,089	94,979	22,110
Excess of revenues over (under) expenditures	(7,589)	14,521	22,110
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(4,892)	-	4,892
Net change in fund balance	(12,481)	14,521	27,002
Fund balances at beginning of year	1,221	1,221	-
Prior year encumbrances appropriated	11,261	11,261	-
Fund balances at end of year	<u>\$ 1</u>	<u>\$ 27,003</u>	<u>\$ 27,002</u>



**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Miscellaneous State Grants Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 102,191	\$ 102,191	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	65,822	63,408	2,414
Adult/continuing	16,754	16,754	-
Support services:			
Pupils	15,211	14,453	758
Instructional staff	46,955	10,997	35,958
Operation and maintenance of plant	77,630	77,537	93
Central	475	475	-
Total expenditures	222,847	183,624	39,223
Excess of revenues over (under) expenditures	(120,656)	(81,433)	39,223
<u>Other financing sources (uses):</u>			
Transfers out	(5,382)	(5,382)	-
Net change in fund balance	(126,038)	(86,815)	39,223
Fund balance at beginning of year, as restated	117,389	117,389	-
Prior year encumbrances appropriated	8,648	8,648	-
Fund balance at end of year	\$ (1)	\$ 39,222	\$ 39,223

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**Adult Basic Education Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 154,617	\$ 150,158	\$ (4,459)
<u>Expenditures:</u>			
Current:			
Instruction:			
Adult/continuing	157,215	148,719	8,496
Support services:			
Instructional staff	14,753	17,912	(3,159)
Administration	24	24	-
Total expenditures	171,992	166,655	5,337
Excess of revenues over (under) expenditures	(17,375)	(16,497)	878
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(80)	-	80
Advances in	-	24	24
Advances out	-	(24)	(24)
Total other financing sources (uses)	(80)	-	80
Net change in fund balance	(17,455)	(16,497)	958
Fund balances at beginning of year	15,166	15,166	-
Prior year encumbrances appropriated	2,289	2,289	-
Fund balances at end of year	\$ -	\$ 958	\$ 958

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**Eisenhower Math and Science Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	4,291	4,291	-
Excess of revenues over (under) expenditures	(4,291)	(4,291)	-
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(15,487)	(15,487)	-
Net change in fund balance	(19,778)	(19,778)	-
Fund balances at beginning of year	17,395	17,395	-
Prior year encumbrances appropriated	2,383	2,383	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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	<b>Title VI-B Fund</b>		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 608,739	\$ 479,222	\$ (129,517)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	248,861	198,781	50,080
Support services:			
Pupils	204,700	123,433	81,267
Instructional staff	201,626	202,130	(504)
Administration	5,334	3,675	1,659
Operation of non-instructional services	12,851	23,318	(10,467)
Total expenditures	673,372	551,337	122,035
Excess of revenues over (under) expenditures	(64,633)	(72,115)	(7,482)
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(630)	(630)	-
Net change in fund balance	(65,263)	(72,745)	(7,482)
Fund balances at beginning of year	49,703	49,703	-
Prior year encumbrances appropriated	15,559	15,559	-
Fund balances at end of year	\$ (1)	\$ (7,483)	\$ (7,482)

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**Project Head Start Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 2,564,762	\$ 1,651,887	\$ (912,875)
Miscellaneous	188,538	132,930	(55,608)
Total revenues	<u>2,753,300</u>	<u>1,784,817</u>	<u>(968,483)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	1,562,520	1,254,727	307,793
Support services:			
Instructional staff	100,225	60,211	40,014
Administration	188,183	143,801	44,382
Operation and maintenance of plant	156,481	114,496	41,985
Pupil transportation	174,232	136,316	37,916
Operation of non-instructional services	69,078	47,671	21,407
Total expenditures	<u>2,250,719</u>	<u>1,757,222</u>	<u>493,497</u>
Excess of revenues over (under) expenditures	<u>502,581</u>	<u>27,595</u>	<u>(474,986)</u>
<u>Other financing sources (uses):</u>			
Advances out	-	(505,346)	(505,346)
Net change in fund balance	502,581	(477,751)	(980,332)
Fund balances at beginning of year	101	101	-
Prior year encumbrances appropriated	2,662	2,662	-
Fund balances at end of year	<u>\$ 505,344</u>	<u>\$ (474,988)</u>	<u>\$ (980,332)</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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	<b>Title I Fund</b>		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 1,075,524	\$ 967,032	\$ (108,492)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	1,399,369	1,015,773	383,596
Support services:			
Instructional staff	139,521	129,893	9,628
Administration	89,010	58,567	30,443
Central	12,000	924	11,076
Operation of non-instructional services	43,542	32,618	10,924
Total expenditures	1,683,442	1,237,775	445,667
Excess of revenues over (under) expenditures	(607,918)	(270,743)	337,175
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(15,293)	(15,293)	-
Advances in	290,000	290,000	-
Total other financing sources (uses)	274,707	274,707	-
Net change in fund balance	(333,211)	3,964	337,175
Fund balances at beginning of year	17,570	17,570	-
Prior year encumbrances appropriated	2,007	2,007	-
Fund balances at end of year	\$ (313,634)	\$ 23,541	\$ 337,175

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**Title V Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 33,489	\$ 29,911	\$ (3,578)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	31,978	27,569	4,409
Operation of non-instructional services	4,106	3,925	181
Total expenditures	36,084	31,494	4,590
Excess of revenues over (under) expenditures	(2,595)	(1,583)	1,012
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(1,908)	(1,908)	-
Net change in fund balance	(4,503)	(3,491)	1,012
Fund balances at beginning of year	4,503	4,503	-
Prior year encumbrances appropriated	(1)	(1)	-
Fund balances at end of year	<u>\$ (1)</u>	<u>\$ 1,011</u>	<u>\$ 1,012</u>

**Drug Free Schools Grant Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 37,642	\$ 32,436	\$ (5,206)
<u>Expenditures:</u>			
Current:			
Support services:			
Pupils	27,178	20,239	6,939
Operation and maintenance of plant	12,500	12,500	-
Total expenditures	39,678	32,739	6,939
Net change in fund balance	(2,036)	(303)	1,733
Fund balances at beginning of year	2,034	2,034	-
Prior year encumbrances appropriated	1	1	-
Fund balances at end of year	<u>\$ (1)</u>	<u>\$ 1,732</u>	<u>\$ 1,733</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**EHA Preschool Grant Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 57,097	\$ 57,097	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	69,874	59,374	10,500
Net change in fund balance	(12,777)	(2,277)	10,500
Fund balances at beginning of year	12,778	12,778	-
Fund balances at end of year	<u>\$ 1</u>	<u>\$ 10,501</u>	<u>\$ 10,500</u>

**Improving Teacher Quality Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 326,594	\$ 303,054	\$ (23,540)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	27,031	11,740	15,291
Special	279,436	248,963	30,473
Support services:			
Instructional staff	56,871	26,595	30,276
Administration	14,220	2,411	11,809
Total expenditures	377,558	289,709	87,849
Net change in fund balance	(50,964)	13,345	64,309
Fund balances at beginning of year	25,532	25,532	-
Fund balances at end of year	<u>\$ (25,432)</u>	<u>\$ 38,877</u>	<u>\$ 64,309</u>



**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**Miscellaneous Federal Grants Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 59,401	\$ 51,963	\$ (7,438)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	13,980	13,980	-
Special	31,495	23,078	8,417
Support services:			
Instructional staff	71,114	68,115	2,999
Total expenditures	<u>116,589</u>	<u>105,173</u>	<u>11,416</u>
Net change in fund balance	(57,188)	(53,210)	3,978
Fund balances at beginning of year	38,845	38,845	-
Prior year encumbrances appropriated	26,131	26,131	-
Fund balances at end of year	<u>\$ 7,788</u>	<u>\$ 11,766</u>	<u>\$ 3,978</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**Building Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Capital outlay	78,431	78,431	-
Excess of revenues over (under) expenditures	(78,431)	(78,431)	-
<u>Other financing sources (uses):</u>			
Advances out	-	(844,855)	(844,855)
Transfers in	200,000	875,479	675,479
Total other financing sources (uses)	200,000	30,624	(169,376)
Net change in fund balance	121,569	(47,807)	(169,376)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	47,808	47,808	-
Fund balance at end of year	\$ 169,377	\$ 1	\$ (169,376)

**Vocational Equipment Assistance Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Total expenditures	-	-	-
Excess of revenues over (under) expenditures	-	-	-
<u>Other financing sources (uses):</u>			
Transfers out	(6,188)	(6,188)	-
Net change in fund balance	(6,188)	(6,188)	-
Fund balance at beginning of year	6,188	6,188	-
Fund balance at end of year	\$ -	\$ -	\$ -

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
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**For the Fiscal Year Ended June 30, 2003**

**Vocational Education Equipment Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 6,987	\$ 6,987	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Vocational	3,694	3,593	101
Excess of revenues over (under) expenditures	3,293	3,394	101
<u>Other financing sources (uses):</u>			
Advances out	-	(6,856)	(6,856)
Net change in fund balance	3,293	(3,462)	(6,755)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	3,694	3,694	-
Fund balance at end of year	<u>\$ 6,987</u>	<u>\$ 232</u>	<u>\$ (6,755)</u>

**SchoolNet Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff	119,700	119,700	-
Net change in fund balance	(119,700)	(119,700)	-
Fund balance at beginning of year	119,700	119,700	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Barberton City School District**  
**Schedule of Revenues, Expenses**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Self Insurance Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Charges for services	\$ 3,750,000	\$ 3,873,750	\$ 123,750
Interest	10,000	5,088	(4,912)
Total revenues	<u>3,760,000</u>	<u>3,878,838</u>	<u>118,838</u>
<u>Expenses:</u>			
Purchased services	540,000	662,078	(122,078)
Other	3,710,000	3,299,064	410,936
Total expenses	<u>4,250,000</u>	<u>3,961,142</u>	<u>288,858</u>
Excess of revenues over (under) expenses	<u>(490,000)</u>	<u>(82,304)</u>	<u>407,696</u>
Transfers in	-	192,681	192,681
Transfers out	-	(192,681)	(192,681)
Net change in fund balance	(490,000)	(82,304)	407,696
Fund balance at beginning of year	590,514	590,514	-
Prior year encumbrances appropriated	(1)	(1)	-
Fund balance at end of year	<u>\$ 100,513</u>	<u>\$ 508,209</u>	<u>\$ 407,696</u>

**Barberton City School District**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2003**

**Private Purpose Trust Fund**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Interest	\$ 1,335	\$ 987	\$ (348)
Gifts and donations	29,115	26,917	(2,198)
Miscellaneous	5,970	5,720	(250)
Total revenues	<u>36,420</u>	<u>33,624</u>	<u>(2,796)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	1,500	-	1,500
Support services:			
Pupils	15,225	13,127	2,098
Operation of non-instructional services	36,906	18,314	18,592
Total expenditures	<u>53,631</u>	<u>31,441</u>	<u>22,190</u>
Excess of revenues over (under) expenditures	(17,211)	2,183	19,394
Fund balance at beginning of year, as restated	81,254	81,254	-
Fund balance at end of year	<u>\$ 64,043</u>	<u>\$ 83,437</u>	<u>\$ 19,394</u>



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## STATISTICAL SECTION







**Barberton City School District**

**General Government Revenues by Source and Expenditures by Function**

Last Ten Fiscal Years (1), (2)

	Fiscal Year Ended June 30, 2003	Fiscal Year Ended June 30, 2002	Fiscal Year Ended June 30, 2001	Fiscal Year Ended June 30, 2000
<u>Revenues:</u>				
Taxes	\$ 12,916,694	\$ 11,880,551	\$ 11,449,730	\$ 11,348,628
Intergovernmental	26,330,431	25,675,447	23,421,410	22,112,784
Interest	115,053	175,579	455,021	1,062,548
Tuition and fees	204,940	393,513	16,168	170,638
Extracurricular activities	416,368	370,078	414,808	420,973
Gifts and donations	4,146,776	67,632	29,363	26,945
Miscellaneous	1,566,725	4,831,161	3,991,217	3,438,788
Total revenues	<u>\$ 45,696,987</u>	<u>\$ 43,393,961</u>	<u>\$ 39,777,717</u>	<u>\$ 38,581,304</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	\$ 14,427,037	\$ 14,194,422	\$ 13,473,805	\$ 12,335,821
Special	6,354,127	5,893,983	5,269,140	4,755,309
Vocational	1,283,385	1,204,478	1,199,022	1,211,890
Adult/continuing	206,232	193,168	308,547	183,665
Other	1,260,395	902,967	1,038,162	1,169,074
Support services:				
Pupils	1,987,299	1,722,407	1,579,525	1,550,732
Instructional staff	3,122,055	4,144,100	3,982,050	2,887,456
Board of education	25,361	16,716	16,890	42,769
Administration	2,761,937	2,623,206	2,405,927	2,288,536
Fiscal	473,364	525,819	365,506	631,902
Business	437,519	404,399	351,952	486,598
Operation and maintenance of plant	4,404,620	3,905,411	4,160,012	3,536,787
Pupil transportation	845,888	815,666	771,756	625,702
Central	65,110	36,694	54,183	39,986
Operation of non-instructional services	2,537,690	399,968	533,872	421,986
Extracurricular activities	1,294,865	1,149,483	1,337,996	1,003,566
Capital outlay	2,615,434	3,105,528	3,056,549	20,784,699
Intergovernmental	-	-	-	-
Debt service	3,589,135	2,898,202	2,727,360	2,605,325
Total expenditures	<u>\$ 47,691,453</u>	<u>\$ 44,136,617</u>	<u>\$ 42,632,254</u>	<u>\$ 56,561,803</u>

Source: 2000-2003 School District Financial Records, 1999-1993 School District Audit Reports

(1) 1993 through 1995 reported on a cash basis, 1996-2003 on a GAAP basis.

(2) Includes general, special revenue, debt service and capital projects funds for fiscal year 2003. Fiscal years 1994-2002 includes general, special revenue, debt service, capital projects and expendable trust funds.

<u>Fiscal Year Ended June 30, 1999</u>	<u>Fiscal Year Ended June 30, 1998</u>	<u>Fiscal Year Ended June 30, 1997</u>	<u>Fiscal Year Ended June 30, 1996</u>	<u>Fiscal Year Ended June 30, 1995</u>	<u>Fiscal Year Ended June 30, 1994</u>
\$ 10,900,004	\$ 10,718,766	\$ 9,891,189	\$ 9,363,476	\$ 9,437,454	\$ 8,049,905
20,656,824	22,330,308	20,929,684	19,150,531	16,725,561	15,070,856
1,751,758	1,891,140	343,698	317,142	267,713	107,636
267,632	12,171	25,816	27,509	36,135	41,127
349,325	314,804	295,601	287,794	284,612	291,781
-	-	-	-	-	-
2,972,391	3,220,457	534,416	448,447	989,684	593,356
<u>\$ 36,897,934</u>	<u>\$ 38,487,646</u>	<u>\$ 32,020,404</u>	<u>\$ 29,594,899</u>	<u>\$ 27,741,159</u>	<u>\$ 24,154,661</u>
\$ 12,185,230	\$ 11,639,942	\$ 11,123,192	\$ 10,008,914	\$ 10,087,082	\$ 9,878,035
4,519,778	4,002,749	3,768,932	3,664,834	3,228,469	2,791,550
968,947	865,734	808,465	778,329	770,042	665,190
267,319	2,134,497	2,791,595	1,503,679	1,222,365	168,462
1,109,810	1,228,325	871,261	858,166	604,761	392,197
1,702,418	1,771,143	1,433,599	1,552,852	1,416,923	1,255,617
2,954,235	1,852,468	2,398,002	2,031,069	2,119,310	1,677,655
25,558	13,228	15,739	17,004	13,510	18,294
2,521,429	2,342,450	2,148,175	2,154,058	1,959,706	1,879,433
627,163	453,236	420,241	402,900	438,156	381,620
346,987	315,389	402,193	334,942	320,908	273,610
3,150,673	2,997,864	3,061,635	2,644,312	2,527,941	2,415,537
507,846	768,623	619,824	531,643	567,124	587,806
43,532	44,647	66,644	42,400	69,977	67,623
412,786	459,734	308,482	230,723	164,105	234,977
864,785	790,612	784,985	730,407	718,889	657,998
11,234,380	7,111,882	173,744	293,333	32,597	65,097
-	-	-	-	-	-
2,788,346	33,062,171	307,760	320,090	742,586	351,394
<u>\$ 46,231,222</u>	<u>\$ 71,854,694</u>	<u>\$ 31,504,468</u>	<u>\$ 28,099,655</u>	<u>\$ 27,004,451</u>	<u>\$ 23,762,095</u>

**Barberton City School District**  
**Property Tax Levies and Collections (1)**  
**Last Ten Calendar Years**

Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collections	Percent of		Total Collection as a Percent of Total Levy	Delinquent Taxes Receivable
					Current Levy Collected	Delinquent Collection		
2002	\$ 14,215,404	\$ 1,371,945	\$ 15,587,349	\$ 13,033,751	91.69%	\$ 801,509	88.76%	\$ 1,752,089
2001	12,587,242	1,053,135	13,640,377	12,128,846	96.36%	508,433	92.65%	1,003,098
2000	12,416,407	1,110,134	13,526,541	11,924,039	96.03%	399,777	91.11%	1,202,725
1999	12,288,486	1,420,769	13,709,255	11,855,033	96.47%	652,369	91.23%	1,201,853
1998	11,804,014	1,529,922	13,333,936	11,354,618	96.19%	629,491	89.88%	1,349,827
1997	11,373,226	1,226,025	12,599,251	10,941,381	96.20%	353,968	89.65%	1,303,902
1996	10,894,632	827,269	11,721,901	10,452,155	95.94%	240,458	91.22%	1,029,288
1995	10,449,859	705,663	11,155,522	10,108,289	96.73%	239,545	92.76%	807,688
1994	10,299,420	419,247	10,718,667	10,111,655	98.18%	239,620	96.57%	367,392
1993	7,858,397	566,235	8,424,632	7,710,940	98.12%	235,348	94.32%	478,344

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

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

(2) Represents collection year. 2003 information cannot be presented because all collections have not been made by June 30.

(3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

**Barberton City School District**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Collection Years**

Collection Year	Real Property (1)		Public Utility (2)		Tangible Personal Property (3)		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2003	\$ 347,102,360	\$ 991,721,029	\$ 13,690,500	\$ 15,557,386	\$ 65,201,931	\$ 260,807,724	\$ 425,994,791	\$ 1,268,086,139
2002	294,410,990	841,174,257	13,792,630	15,673,443	64,631,388	258,525,552	372,835,008	1,115,373,252
2001	280,424,350	801,212,429	17,249,740	19,601,977	62,813,417	251,253,668	360,487,507	1,072,068,074
2000	245,115,410	700,329,743	19,718,940	22,407,886	65,074,203	260,296,812	329,908,553	983,034,441
1999	239,046,580	682,990,229	19,621,730	22,297,420	56,137,898	224,551,592	314,806,208	929,839,241
1998	230,431,470	658,375,629	19,974,670	22,698,489	56,244,788	224,979,152	306,650,928	906,053,269
1997	195,145,450	557,558,429	20,236,190	22,995,670	51,163,802	204,655,208	266,545,442	785,209,307
1996	192,173,080	549,065,943	22,545,250	25,619,602	45,989,036	183,956,144	260,707,366	758,641,689
1995	189,146,310	540,418,029	22,692,510	25,786,943	42,996,023	171,984,092	254,834,843	738,189,064
1994	169,756,540	485,018,686	22,390,720	25,444,000	40,493,863	155,745,627	232,641,123	666,208,313

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

(1) Real estate value is assessed at 35% of actual value.

(2) Public utility personal is assessed at 88% of actual value.

(3) Tangible personal property is assessed at 25% of actual value.

***Barberton City School District***

**Property Tax Rates - Direct and Overlapping Governments (1)**

**Last Ten Calendar Years**

<u>Collection Year</u>	<u>School Levy</u>	<u>Barberton City Levy</u>	<u>Norton City Levy</u>	<u>Coventry Township Levy</u>	<u>County Levy</u>	<u>Total</u>
2003	56.73	3.50	6.50	13.75	13.07	93.55
2002	56.79	3.50	6.50	12.50	13.07	92.36
2001	53.36	3.50	6.50	13.07	13.07	89.50
2000	53.44	3.50	6.50	13.50	12.27	89.21
1999	53.36	3.50	6.50	13.50	12.27	89.13
1998	53.36	3.50	6.50	13.50	11.65	88.51
1997	53.46	3.50	6.50	12.50	11.39	87.35
1996	53.61	3.50	6.50	13.90	13.99	91.50
1995	53.61	3.50	6.50	12.90	14.16	90.67
1994	53.76	3.50	6.50	12.90	12.31	88.97

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

(1) Rates are per \$1,000 of assessed valuation

**Barberton City School District**

**Computation of Legal Debt Margin**

**June 30, 2003**

Assessed Valuation (2003)	<u>\$ 425,994,791</u>
Bonded Debt Limit - 9% of Assessed Value (1)	38,339,531
Outstanding debt:	
Tax Anticipation Notes	2,850,000
Library Improvement Bonds	330,000
School Improvement Bonds	27,719,962
Vocational School Equipment Loan	110,000
School Improvement and Building Loan	622,604
Less: Amount to be provided by the Barberton Community Foundation	(26,739,962)
Amount available in debt service fund	<u>(1,785,277)</u>
Total outstanding debt	<u>\$ 3,107,327</u>
Amount of debt applicable to debt limit	3,107,327
Voted Debt Margin	<u>\$ 35,232,204</u>
Bonded Debt Limit - .10% of Assessed Value (1)	425,995
Outstanding debt:	
Tax Anticipation Notes	2,850,000
Library Improvement Bonds	330,000
School Improvement Bonds	27,719,962
Vocational School Equipment Loan	110,000
School Improvement and Building Loan	622,604
Less: Amount to be provided by the Barberton Community Foundation	(26,739,962)
Amount available in debt service fund	<u>(1,785,277)</u>
Total outstanding debt	<u>\$ 3,107,327</u>
Less exemptions:	
Tax Anticipation Notes	<u>2,850,000</u>
Amount of debt applicable to debt limit	257,327
Unvoted Debt Margin	<u>\$ 168,668</u>

Source: Summit County Fiscal Officer and School District financial records.

(1) Ohio Bond Law sets a limit of 9% of assessed value for voted debt and 1/10 of 1% for unvoted debt. All School District debt subject to the limitation is voted.

**Barberton City School District**  
**Ratio of Net General Bonded Debt to**  
**Assessed Value and Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

<u>Collection Year</u>	<u>Net General Bonded Debt (1)</u>	<u>Assessed Value</u>	<u>Population (2)</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
2003	\$ 3,107,327	\$ 425,994,791	27,899	0.73%	111.38
2002	3,136,915	372,835,008	27,899	0.84%	112.44
2001	-	360,487,507	27,899	0.00%	0.00
2000	-	329,908,553	27,899	0.00%	0.00
1999	194,006	314,806,208	27,623	0.06%	7.02
1998	980,410	306,650,928	27,623	0.32%	35.49
1997	1,316,818	266,545,442	27,623	0.49%	47.67
1996	1,526,856	260,707,366	27,623	0.59%	55.27
1995	1,704,784	254,834,843	27,623	0.67%	61.72
1994	1,906,258	232,641,123	27,623	0.82%	69.01

Source: Summit County Fiscal Officer, School District Records, Barberton City CAFR 1995, and School District Audit Reports

(1) No debt is applicable to enterprise funds.

(2) Population data for 1993 through 1999 was assumed to be the same as the 1990 census, and 2001 through 2003 was assumed to be the same as the 2000 census, respectively, as interim data was not available.



**Barberton City School District**

**Ratio of Annual Debt Service Expenditures for  
General Bonded Debt to Total General Governmental Expenditures  
Last Ten Fiscal Years**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Governmental Expenditures</u>	<u>Ratio of Debt Service to Governmental Expenditures (Percentages)</u>
2003	\$ 1,650,000	\$ 1,530,023	\$ 3,180,023	\$ 47,691,453	6.67%
2002	1,091,100	1,555,862	2,646,962	44,136,617	6.00%
2001	1,056,100	1,510,757	2,566,857	42,632,254	6.02%
2000	1,026,100	1,559,225	2,585,325	56,561,803	4.57%
1999	931,100	1,855,868	2,786,968	39,981,404	6.97%
1998	191,100	132,416	323,516	71,854,694	0.45%
1997	191,100	146,695	337,795	31,504,468	1.07%
1996	191,100	160,975	352,075	28,099,655	1.25%
1995	191,100	175,254	366,354	27,004,451	1.36%
1994	191,100	62,450	253,550	23,762,095	1.07%

Source: School District Records and School District Audit Reports

Note: Total Governmental Expenditures in 1998 does not include \$32,773,113 of expenditures.

This was the cost of the pay off of notes issued prior to a bond issue.

**Barberton City School District**  
**Demographic Statistics**

Selected Population Characteristic	2000	1990
<u>Gender</u>		
Males	13,018	12,923
Females	14,881	14,700
<u>Age Distribution</u>		
Under 5 years	2,147	1,977
5 to 17 years	3,711	4,988
18 to 20 years	1,716	1,157
21 to 24 years	1,701	1,476
25 to 44 years	7,898	8,262
45 to 54 years	3,574	2,393
55 to 59 years	1,178	1,176
60 to 64 years	1,160	1,526
65 to 74 years	2,358	2,750
75 to 84 years	1,859	1,461
85 years and older	597	457
Percent of population under 18	20.99%	25.20%
Percent of population 65 and older	17.26%	16.90%
<u>Median Age</u>	37.2 years	34.2 years

Source: U.S. Bureau of the Census

**Barberton City School District**  
**Property Value, Bank Deposits and Construction**  
**Last Ten Fiscal Years**

Year	Total Assessed Values	Certified Bank Deposits (in thousands)	Value of Building Permits Issued
2002	\$ 425,994,791	\$ 8,097,304	\$ 21,135,748
2001	372,835,008	7,870,201	15,391,102
2000	360,487,507	7,920,486	23,980,000
1999	329,908,553	7,133,568	26,225,000
1998	314,913,098	4,486,230	46,438,895
1997	301,569,942	4,421,560	25,887,000
1996	266,545,442	4,342,660	17,318,000
1995	260,707,366	4,267,009	11,090,263
1994	254,834,843	4,199,905	20,529,000
1993	232,641,123	3,792,255	11,884,165

Sources:

Total Assessed Value - Summit County Fiscal Officer  
Financial Institution Deposits - Federal Reserve Bank of Cleveland  
Building Permits - City of Barberton

**Barberton City School District**  
Principal Taxpayers

Top Taxpayers	Assessed Valuations				Estimated Actual Valuations				
	Real Property	Tangible Personal	Public Utility	Total	Percent of Total	Real Property	Tangible Personal	Public Utility	Total
Barberton Health System LLC	\$ 10,311,780	\$ -	\$ -	\$ 10,311,780	2.77%	\$ 29,462,229	\$ -	\$ -	\$ 29,462,229
McDermott, Inc.	-	8,758,490	-	8,758,490	2.35%	-	9,952,830	-	9,952,830
B&C Corporation	-	5,127,720	-	5,127,720	1.38%	-	5,826,955	-	5,826,955
Machining Corp of America	-	4,916,720	-	4,916,720	1.32%	-	5,587,182	-	5,587,182
Ohio Edison	-	-	4,514,430	4,514,430	1.21%	-	-	18,057,720	18,057,720
Ohio Bell Telephone	-	-	4,484,440	4,484,440	1.20%	-	-	17,937,760	17,937,760
PPG Industries	-	3,886,550	-	3,886,550	1.04%	-	4,416,534	-	4,416,534
B&C Research, Inc.	-	3,765,570	-	3,765,570	1.01%	-	4,279,057	-	4,279,057
Babcock & Wilcox Company	3,361,530	-	-	3,361,530	0.90%	9,604,371	-	-	9,604,371
Reiter Dairy	-	3,146,160	-	3,146,160	0.84%	-	3,575,182	-	3,575,182
<b>Total Top Ten Taxpayers</b>	<b>\$ 13,673,310</b>	<b>\$ 29,601,210</b>	<b>\$ 8,998,870</b>	<b>\$ 52,273,390</b>	<b>14.02%</b>	<b>\$ 39,066,600</b>	<b>\$ 33,637,740</b>	<b>\$ 35,995,480</b>	<b>\$ 108,699,820</b>

Total All Assessed Valuations \$ 294,410,990 \$ 64,631,388 \$ 13,792,630 \$ 372,835,008 100.00%

Sources: Summit County Fiscal Officer

**Barberton City School District**  
**Computation of Direct and Overlapping Bonded Debt**  
**June 30, 2003**

	<u>Assessed Valuation</u>	<u>Net General Tax Supported Debt</u>	<u>Percent Overlapping</u>	<u>Amount Applicable to Barberton CSD</u>
Direct:				
Barberton City School District	\$ 425,994,791	<u>\$ 3,107,327</u>	100.00%	<u>\$ 3,107,327</u>
Overlapping:				
City of Barberton	421,648,115	16,753,137	98.43%	16,490,113
City of Norton	250,092,087	3,615,000	4.37%	157,976
Coventry Township	240,003,467	-	0.59%	-
Summit County	11,922,128,807	72,400,000	3.49%	2,526,760
Metro Transit	11,051,276,210	<u>1,515,000</u>	3.49%	<u>52,874</u>
Total overlapping:		<u>94,283,137</u>		<u>19,227,722</u>
Total direct and overlapping debt:		<u>\$ 97,390,464</u>		<u>\$ 22,335,049</u>

Sources: School District's records, Summit County Fiscal Officer, City of Barberton, City of Norton, and Coventry Township

**Barberton City School District**

**Miscellaneous Statistics**

**Last Ten Fiscal Years (1)**

	<u>Fiscal Year Ended June 30, 2002</u>	<u>Fiscal Year Ended June 30, 2001</u>	<u>Fiscal Year Ended June 30, 2000</u>	<u>Fiscal Year Ended June 30, 1999</u>
Fall Enrollment	4,270	4,402	4,634	4,323
<u>Demographic Data:</u>				
Average Income	\$ 24,398	24,263	27,135	26,811
Property Valuation/Pupil	\$ 90,586	83,175	77,689	74,859
<u>Fiscal Data:</u>				
Effective Mills	25.14	29	27.91	28.17
Average Teacher Salary	\$ 43,359	42,608	44,317	42,007
<u>Staff Data:</u>				
Percent of Teachers With No Degree	0.00%	-	0.53	0.19
Percent of Teachers With Bachelor Degree	47.41%	43.00	52.27	51.43
Percent of Teachers With Masters Degree	52.59%	57.00	47.20	48.38
Average Teacher Experience (yrs.)	13.00	13.63	15.75	15.20
<u>Output:</u>				
Pupil Attendance Rate	93.80%	93.30	93.00	93.00
Staff Attendance Rate	95.90%	95.30	95.80	95.70
Graduation Rate	79.30%	71.60	88.00	82.00

Sources: Ohio Department of Education, School District Records and School District Report Card

(1) Information not available for 2003

<u>Fiscal Year Ended June 30, 1998</u>	<u>Fiscal Year Ended June 30, 1997</u>	<u>Fiscal Year Ended June 30, 1996</u>	<u>Fiscal Year Ended June 30, 1995</u>	<u>Fiscal Year Ended June 30, 1994</u>	<u>Fiscal Year Ended June 30, 1993</u>
3,892	4,375	4,313	4,450	4,419	4,460
26,811	25,619	24,881	23,380	23,324	22,298
77,489	59,745	59,759	56,700	53,302	52,491
28.16	32.71	32.78	32.77	38.16	29.21
41,153	39,443	39,280	38,125	38,062	36,758
-	-	-	1.24	1.60	1.22
54.94	55.51	55.90	58.56	55.04	64.31
45.06	44.49	44.10	40.20	43.36	34.47
16.30	16.40	15.70	15.60	15.10	15.10
92.50	92.53	92.68	92.37	92.99	93.20
94.80	95.41	95.77	95.81	94.76	94.98
87.50	84.70	82.51	80.00	80.00	80.00

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**Auditor of State  
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**BARBERTON CITY SCHOOL DISTRICT**

**SUMMIT 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  
APRIL 15, 2004**