

EASTWOOD LOCAL SCHOOL DISTRICT

Audit Report

For the Year Ended June 30, 2003

CHARLES E. HARRIS & ASSOCIATES, INC.
Certified Public Accountants



**Auditor of State
Betty Montgomery**

Board of Education
Eastwood Local School District
Pemberville, Ohio

We have reviewed the Independent Auditor's Report of the Eastwood Local School District, Wood County, prepared by Charles E. Harris & Associates, Inc., for the audit period July 1, 2002 through June 30, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

March 29, 2004

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EASTWOOD LOCAL SCHOOL DISTRICT
Audit Report
For the Year Ended June 30, 2003

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**OPINION ON SUPPLEMENTARY SCHEDULE
OF FEDERAL AWARDS EXPENDITURES**

**Board of Education
Eastwood Local School District
Pemberville, Ohio**

We have audited the accompanying financial statements of the Eastwood Local School District as of and for the year ended June 30, 2003, and have issued our report thereon dated January 28, 2004 in which the District adopted Governmental Accounting Standards Board Statements No. 34 and GASB Interpretation 6. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion 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 conducted in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Eastwood Local School District taken as a whole. The accompanying Schedule of Federal Awards Expenditures is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget, Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Charles E. Harris & Associates, Inc.
January 28, 2004

EASTWOOD LOCAL SCHOOL DISTRICT
Schedule of Federal Awards Expenditures
For the Year Ended June 30, 2003

Federal Grantor/Program Title	Pass Through Entity Number	CFDA Number	Receipts Recognized	Program Expenditures
<u><i>U.S. Department of Agriculture</i></u>				
Passed Through the Ohio Department of Education				
Nutrition Cluster:				
Food Distribution - Commodities - See Note 2	N/A	10.550	\$ 71,370	\$ 71,370
National School Lunch Program	50674-04-PU-03	10.555	96,037	96,037
Total Nutrition Cluster			167,407	167,407
Total U.S. Department of Agriculture			167,407	167,407
<u><i>U.S. Department of Education</i></u>				
Pass through Ohio Department of Education				
Title I - Financial Assistance to Meet Special Education Needs of Disadvantaged Children				
Title I - FY 02	50674-C1-S1-02	84.010	23,790	46,540
Title I - FY 03	50674-C1-S1-03	84.010	80,278	92,224
Total Title I			104,068	138,764
Special Education Cluster				
Special Education Grants to States (IDEA Part B)	47183-6B-SF-03P	84.027	1,597,854	1,692,661
Special Education - Preschool Grants	47183-6B-SF-03P	84.173	-	30,974
Total Special Education Cluster			1,597,854	1,723,635
Drug - Free School Grant				
Drug - Free School Grant - FY01	50674-DR-S1-01	84.186	-	7,954
Drug - Free School Grant - FY02	50674-DR-S1-02	84.186	5,876	7,533
Drug - Free School Grant - FY03	50674-DR-S1-03	84.186	5,694	7,314
Tech Infusion Project	50674-DR-S1-03	84.186	23,677	32,547
Total Drug - Free School Grant			35,247	55,348
Innovative Education Program Strategies				
Innovative Education Program Strategies - FY01	50674-C2-S1-01	84.298	4,862	9,450
Innovative Education Program Strategies - FY02	50674-C2-S1-02	84.298	9,927	9,927
Innovative Education Program Strategies - FY03	50674-C2-S1-03	84.298	10,422	10,422
Total Innovative Education Program Strategies			25,211	29,799
Reducing Class Size				
Reducing Class Size - FY03	50674-CR-S1-03	84.340	24,014	33,371
Improving Teaching Quality - FY03	50674-CR-S1-03	84.340	9,889	55,856
Total Reducing Class Size			33,903	89,227
Migrant Grant				
Migrant Grant - FY01	50674-MS-S1-01	84.011	-	3,596
Migrant Grant - FY03	50674-MS-S1-03	84.011	1,008	5,600
Total Technology Literacy Challenge Grant			1,008	9,196
Education of Economic Security Act - Eisenhower Grant				
Eisenhower Grant - FY02	50674-G2-S4-02	84.281	-	1,594
Total Eisenhower Grant			-	1,594
Total U.S. Department of Education			1,797,291	2,047,563
Total Federal Expenditures			\$ 1,964,698	\$ 2,214,970

See accompanying Notes to the Schedule of Federal Awards Expenditures

Eastwood Local School District
Notes to the Schedule of Federal Awards Expenditures
For the Year Ended June 30, 2003

1. Significant Accounting Policies

The accompanying schedule of federal awards expenditures is a summary of the activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting. Consequently, certain revenues are recognized when received rather than when earned and certain expenditures are recognized when paid rather than the obligation is incurred.

2. Food Distribution

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the schedule at fair market value of the commodities received and disbursed. Monies are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2003, the District had food commodities in inventory recorded in the Enterprise Fund.

3. Matching Requirements

Certain federal programs require that the District contribute non-federal funds (matching funds) to support the federally-funded programs. The expenditure of non-federal funds is not included on this schedule.

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**REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**Board of Education
Eastwood Local School District
Pemberville, Ohio**

We have audited the basic financial statements of the Eastwood Local School District, Wood County, Ohio, (the District) as of and for the year ended June 30, 2003, and have issued our report thereon dated January 28, 2004, wherein we noted the District adopted Government Accounting Standards Board Statement No. 34 and Interpretation No 6 and changed its accounting for capital assets. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Controls Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic 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.

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

Charles E. Harris & Associates, Inc.
January 28, 2004

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Charles E. Harris & Associates, Inc.
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education
Eastwood Local School District
Pemberville, Ohio

Compliance

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

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

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.

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

Charles E. Harris & Associates, Inc.
January 28, 2004

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 SECTION .505**

**EASTWOOD LOCAL SCHOOL DISTRICT
WOOD COUNTY
June 30, 2003**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported material non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any other reportable internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under Section .510</i>	No
(d)(1)(vii)	<i>Major Programs:</i>	Special Education Cluster: Spec. Ed. Grants to States CFDA# 84.027 Spec. Ed. Preschool CFDA# 84.173
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee?</i>	Yes

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (continued)
OMB CIRCULAR A-133 SECTION .505

EASTWOOD LOCAL SCHOOL DISTRICT
WOOD COUNTY
June 30, 2003

**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.

STATUS OF PRIOR AUDIT'S CITATIONS AND RECOMMENDATIONS

The prior audit report, as of June 30, 2002, did not include material citations or recommendations.

Eastwood Local School District

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2003

Issued by:
Dave R. Michel, Treasurer
Treasurer's Office

Introductory Section

Eastwood Local School District
 Comprehensive Annual Financial Report
 For the Year Ended June 30, 2003

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Eastwood Local School District
 Comprehensive Annual Financial Report
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Eastwood Local School District
Comprehensive Annual Financial Report
For the Year Ended June 30, 2003

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David R. Michel
Treasurer
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January 30, 2004

Board of Education Members
Eastwood Local School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Eastwood Local School District for the fiscal year ended June 30, 2003. This CAFR includes an opinion from Charles E. Harris and Associates Inc. and conforms to generally accepted accounting principles as applicable to government entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. This report will provide the taxpayers of the Eastwood Local School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to officials of the Villages of Luckey and Pemberville and Townships of Freedom, Troy, Center, Webster, Perrysburg, Montgomery, and Middleton the Pemberville Public Library, major taxpayers, financial rating services and other interested parties.

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

1. The Introductory Section, which contains a Table of Contents, Letter of Transmittal, List of Principal Officials, and Organizational Chart of the District.
2. The Financial Section which begins with the Report of Independent Accountants and includes the Basic Financial Statements and Notes that provide an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends and fiscal capacity of the District.

The School District

Eastwood Local School District is located in northwestern Ohio, approximately 29 miles south of Toledo. The District includes the Villages of Luckey and Pemberville and Townships of Freedom, Troy, Center, Webster, Perrysburg, Montgomery, and Middleton.

Eastwood is one of nine school districts located in Wood County. Approximately 9,213 people live in Eastwood School District, while over 100,000 reside in surrounding Wood County. When Eastwood was established as a rural community, the pioneers, who mainly came from Germany, modeled their new existence after their heritage. The settlers showed the importance they attached to common school education from which they had received so much benefit. They implemented voluntary associations for district schools wherever a sufficient number of youths and children could be gathered. Classes were held in homes, and schoolhouses were built before any legal organizations were affected. The townships were geographically scattered, and because travel was restrictive, the pioneers created several small primary grade schools in each township and village for the local students. In 1959, Eastwood High School was built in the center of the district and the townships sent their children to this institution for secondary education. At the same time the townships merged their grade schools to become what is currently the Eastwood Local School District. The District consists of one high school, one middle school, four elementary schools, one administration, SERCC center building, and one garage.

Eastwood School District is one of the 612 school districts in the State of Ohio. The District provides education to 1,981 students in grade K-12, including special education services to 230 students.

Statutorily, the District operates under the standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services mandated by the State and Federal agencies.

The Reporting Entity and Services Provided

The Eastwood Local School District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No.14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Eastwood Local School District (the primary government) and its potential component units.

Excluded from the reporting entity because they are fiscally independent of the School District are the Villages of Luckey and Pemberville and Townships of Freedom, Troy, Center, Webster, Perrysburg, Montgomery, and Middleton, the Parent Teacher Organizations and the nonpublic schools.

The School District participates in seven jointly governed organizations and one insurance purchasing pools. These organizations are the NOECA Computer Association, the Wood County Health Conservation, the N.W. Ohio Education Council, Ohio Association of School Business Officials, Ohio Schools Risk Sharing Authority, CRC, WSOS, and Worker's Compensation Group Rating Program. These organizations are presented in Notes 18 and 20 to the basic financial statements.

A complete discussion of the School District's reporting entity is provided in Note 1 to the basic financial statements.

Economic Condition and Outlook

The School District is located near the intersections of Sugar Ridge and Luckey Road about 29 miles south of Toledo. The School District is home to many young families with incomes and housing values that are above state and county averages. Residential property is middle class, and properties are well kept. The Eastwood area also encompasses a diverse and growing mix of commercial and light industrial properties. Major employers include Principle Enterprises, Modine Manufacturing & Henzel Canning.

The School District is very fortunate in that the tax base continues to grow as more and more land is developed for housing and business. The District anticipates the assessed valuations to increase every year. For calendar year 2003, the District’s assessed valuation was \$179,349,585 and for calendar year 2002 it was \$169,656,200.

Contrary to popular belief, the School District does not benefit financially in comparison to the percentage increases to assessed valuation from year to year. Rather, the School District benefits significantly less due to House Bill 920, which was passed in 1976. House Bill 920 prohibits school districts from realizing additional revenue from previously voted millage due to reappraisal of existing property values. Thus, a district must obtain approval of voters for additional revenue through tax levies. Fortunately for the Eastwood Local School District, voters have been extremely supportive of operating levies. This was evident in November of 2001, as voters approved a 5-year operating levy of 8.9 mills. Voters in the District have approved continuing tax levies of 14.4 mills, 6.5 mills, and 6.0 mills in 1977, 1979, and 1997 respectively.

Of the School District’s general fund operations, 33.64 percent of the general fund revenue comes from real estate taxes on residential, commercial and industrial properties and tangible personal property taxpayers with 61.35 percent being received from various forms of State aid including reimbursement of homestead and rollback reductions on property taxes. Investment earnings are 1.85 percent and other revenues are 3.16 percent.

The School District maintains a strategic fiscal plan, which incorporates the State required five-year plan. The current long-term fiscal plan reflects a negative cash balance during the 2006 fiscal year. The School District has a long history of local support. Continued voter support, and a healthy tax base are crucial to the long-term financial health of the School District.

Major Initiatives

The Eastwood Local District is excited about the future. Voters approved a 8.9 mill operating levy in November of 2001. With the success of this issue, the District will be able to accomplish a number of initiatives in the area of curriculum development, programming, and student services. Our Strategic Planning was initiated in September 1992 and is continually being updated every few years. In recent years we have expanded to incorporate strategic planning to the building level.

During the planning stages for the Strategic Plan, major efforts were geared toward developing, improving, and refining educational services to improve students’ academic success.

Specifically:

- Fiscal Responsibility
- Passing Levies
- Troy Energy Donation Allocation of Funds
- Preventive Maintenance Schedules
- Inventory Maintenance Controls
- Development of Transportation Plans
- Long Range Facilities Needs
- Marketing to Business Sector
- Improve Web Sites
- Internal and External Communications
- Result Driven Student School Performance
- Quality Monitoring Program Student Performance thru Data Analysis Staff Training
- Improve Computer Software and Hardware Skills
- Improving Gifted/Talented Programs
- State Proficiencies
- Extended School Day Intervention – Short Term Reading
- Scheduling Options for Student Achievements

Outlook for the Future

For the future, the School District's overall focus will be to continue to improve the educational program for the benefit of students, parents and community residents. The process involves assessing current programs, identifying strengths and weaknesses, developing and implementing new courses of action, and evaluating the results.

Guiding the way will be the School District's Strategic Plan. Initially developed in 1989 with input from more than 200 people, including parents, volunteers, students, school administrators, teachers, classified staff members, representatives from business, industry and the community at large, the plan provides the framework to move the District into the 21st century. Many of the initiatives for this school year are outgrowths of our Strategic Plan. Specific initiatives for 2002-03 were as follows:

- To continue to improve student achievement, including raising proficient scores at all levels – elementary, middle school, and high school.
- To continue to focus on issues related to student behavior, high expectations, a positive school climate, and a productive learning environment.
- To continue to integrate the use of technology into the instructional setting, grades pre-K through 12.
- To develop and implement an aggressive plan to unite our communities in support of our mission and strategic plan.
- To continue to foster a positive working relationship among the certified, classified, and administrative teams, so as to maintain a productive working environment.
- To continue efforts to improve the parent involvement and partnerships throughout the District.
- To plan for our facilities for the future in our community.

Service Efforts

Preparing students to be responsible adults is an important tenet of the School District's mission to prepare students to be good citizens. Students are encouraged to work collaboratively with their communities in a variety of ways. For example, students sponsor food and clothing drives for needy families, perform musical selections for residents of local nursing homes, and create artwork to brighten the rooms of residents at a local hospice. Other examples of students' community service efforts during the last school year are as follows:

- Eagle Card - recognizing Senior Citizens
- Community Blood Drive
- Angel Tree
- Students involved in grounds clean-up
- Veterans Day Activities
- United Way fundraising drive
- Hunger Task Force
- Senior Citizen Luncheon
- Holiday projects for needy - all schools
- Grant School Resources Officer

Financial Information

Internal Accounting and Budgetary Control

The School District's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Reports for general governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

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

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

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

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

The basis of accounting and the various funds and account groups utilized by Eastwood Local Schools are fully described in Note 2 of the financial statements. Additional information on the School District’s budgetary accounting can also be found in Note 2.

Financial Condition

This is the first year the School District had prepared financial statements following GASB Statement 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments.” GASB 34 creates new basic financial statements for reporting on the School District’s financial activities as follows:

Government-wide financial statements These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by 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 than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliations to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

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

As part of this new reporting model, management is responsible for preparing a Discussion and Analysis of the School District. The discussion follows this letter of transmittal, providing an assessment of the School District's finances for 2003. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter,

Financial Highlights - Internal Service Fund

The only internal service fund carried on the financial records is related to field trips and miscellaneous rotary fund. This fund accounts for the revenues and expenses related to the school trips for educational purpose to the School District students. The internal service fund had net assets of \$ 11,746 at June 30, 2003 compared with net assets of \$10,848 at June 30, 2002, reflecting a net gain of \$ 898.

Financial Highlights – Fiduciary Funds

The agency funds on the financial records of the School District are related to the SERCC Center and Student Activities. The SERCC Fund deals with education of school personnel on special education issues that has net assets totaling \$ 899,279 at June 30, 2003. The Student Activities Fund is set up to provide additional reading materials to the various schools libraries in the District and has net assets totaling \$ 49,089 at June 30, 2003.

Cash Management

The Board has established a cash management program that expedites the collection of local and state funds through electronic fund transfer and daily deposits. Funds deposited in local financial institutions are insured by the Federal Deposit Insurance Corporation as well as collateralized by investments in instruments issued by the United States Government or the State of Ohio. The total amount of interest earned for the year ended June 30, 2003 was \$229,635 of which \$229,586 was credited directly to the general fund.

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

Risk Management

The School District manages the medical, dental and prescription drug benefits for its employees on a consortium basis. A third party administrator processes and pays the claims. Unobligated reserves at June 30, 2003 are sufficient to meet claim obligations.

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program.

The School District maintains general liability insurance, professional liability insurance, fleet insurance, and insurance on buildings and contents with Westfield Companies and Indiana Insurance Company.

Pension Plans

All School District employees are covered by the statewide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS) with the exception of Board of Education members who have chosen to participate in Social Security. The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Note 9 to the basic financial statements for complete details.

Independent Audit

State statutes require the School District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent auditor Charles E. Harris & Associates, Inc., was selected to render an opinion on the School District's financial statements for the year ended June 30, 2003. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1981 fiscal year.

Awards

Student Awards

Eastwood Local School District is proud of its students for their accomplishments. In past years, some of our outstanding achievements included:

- Annually handing out Scholarships in excess of millions
- Eastwood Education Foundation
- Franklin B. Walter Award
- Monthly Board Commendations
- Drug Abuse Prevention Calendar
- Recognized as “Effective” school district by the State of Ohio

GFOA Certificate of Achievement

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

A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to the Certificate of Achievement Program requirements and we are submitting it to GFOA.

Acknowledgements

The publication of this report continues the School District’s commitment to professionalism in financial reporting. The accomplishment of this report would not have been made possible without the assistance, support and efforts of the School District’s administration, John Phillips, Vice-President, and Chris Ischay, Senior Auditor. They provided quality assistance in a most professional manner. Assistance from the Wood County Auditor’s Office staff, specifically Irma L. Wolf, made possible the fair presentation of the statistical data.

Finally, sincere appreciation is extended to the Board of Education for their support for this project.

Respectfully submitted,



David Michel, MBA
Treasurer

EASTWOOD LOCAL SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2003

ELECTED OFFICIALS

<u>BOARD OF EDUCATION</u>	<u>TITLE</u>	<u>TERM OF EXPIRATION</u>	<u>SURETY</u>
Denis Helm	President	1/1/02 - 12/31/05	(A)
Betty Kahlenberg	Vice-President	1/1/02 - 12/31/05	(A)
David Becker	Member	1/1/02 - 12/31/05	(A)
Tim Meyer	Member	1/1/00 - 12/31/03	(A)
Cathy Miller	Member	1/1/00 - 12/31/03	(A)

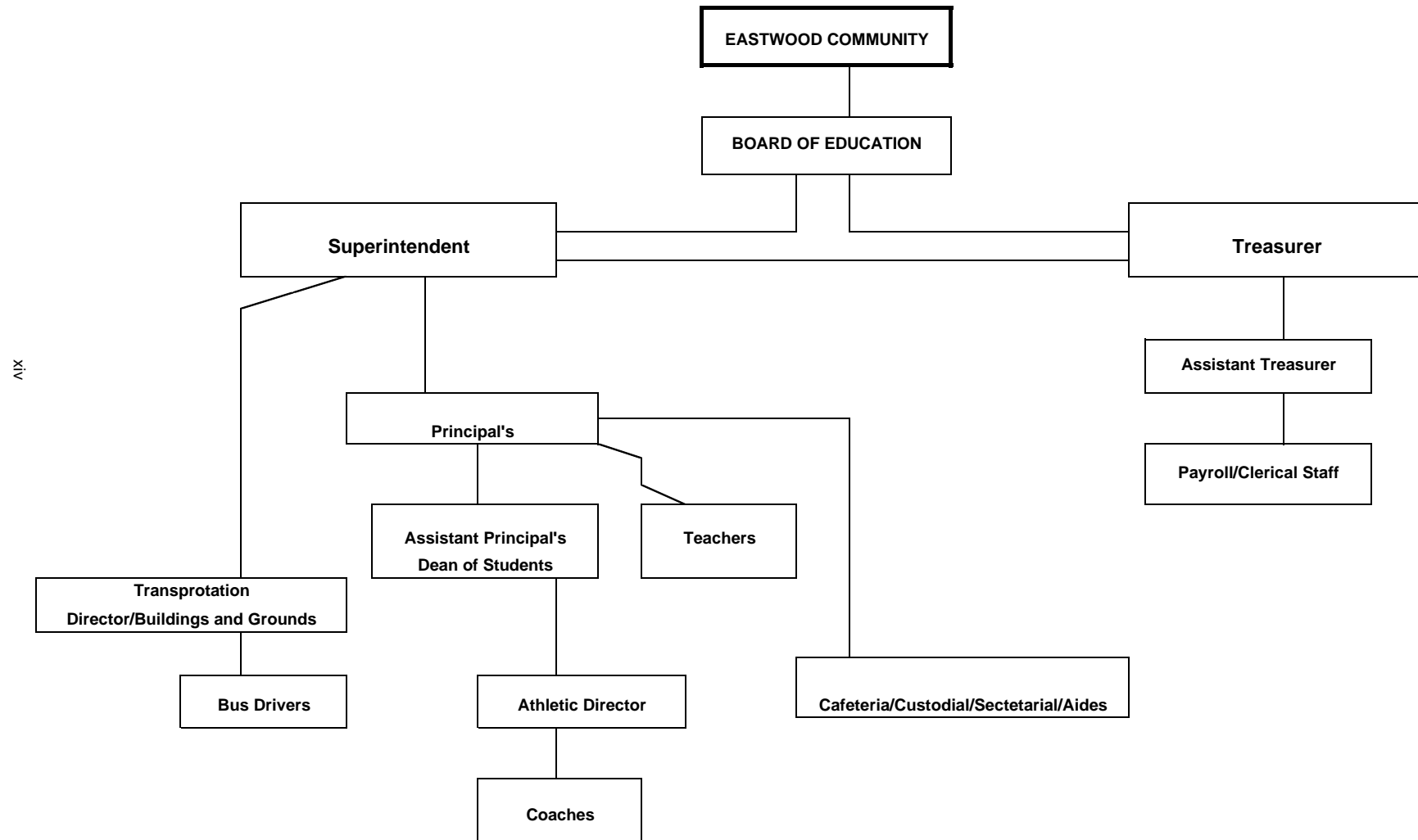
APPOINTED OFFICIALS

David Michel, MBA	Treasurer	1/1/01-12/31/05	(B)
William G. McFarland	Superintendent	8/1/01-07/31/06	(A)

(A) Nationwide Mutual Insurance Company in the amount of \$20,000.

(B) Nationwide Mutual Insurance Company in the amount of \$75,000.

Eastwood Local School District
Organizational Chart
June 30, 2003



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Financial Section

Charles E. Harris & Associates, Inc.
Certified Public Accountants

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education
Eastwood Local School District
Pemberville, Ohio

We have audited the accompanying financial statements of the governmental activities, business type activities, each major fund, and the aggregate remaining fund information of the Eastwood Local School District, Wood 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 an opinion 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Eastwood Local School District, Wood County, Ohio, as of June 30, 2003, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary position for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 19, during the year ended June 30, 2003, the District implemented a new financial reporting model, as required by the provisions of Government Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and Interpretation No. 6 and changed its accounting for capital assets.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally on 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.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 28, 2004 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We conducted our audit to form an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund statements and statistical tables are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements to the auditing procedures applied in the audit of 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 the statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Charles E. Harris & Associates, Inc.
January 28, 2004

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

The discussion and analysis of Eastwood Local School District's 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 transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2003 are as follows:

Overall:

- For governmental activities, net assets decreased \$.029 million, which represents a 2.2 percent decrease from 2002. Net assets of business-type related activities decreased \$27,146 or 30 percent from 2002.
- General revenues accounted for \$13.0 million in revenue or 94 percent of all governmental revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$.836 million or 6 percent of total governmental revenues of \$13.9 million.
- The School District had \$13.9 million in expenses related to governmental activities; only \$.8 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$13.0 million were adequate to provide for these programs.
- Among major funds, the general fund had \$12.3 million in revenues and \$12.3 million in expenditures. The general fund's fund balance decreased \$.032 million from \$2.65 million.
- Net assets for enterprise funds decreased to negative \$117 thousand from negative \$90 thousand. Total enterprise expenditures were \$642 thousand; only \$615 thousand of these expenses were offset by program specific charges for services, grants or contributions. Management increased pricing of food service items, but the increases were insufficient to meet expenses.

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

Using this Comprehensive Annual Financial Report (CAFR)

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

The *Statement of Net Assets* and *Statement of Activities* provides 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 tell how services were financed in the short-term and what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Eastwood Local School District, the general fund is by far the most significant funds.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a 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 and asks the question, "How did we do financially during 2003?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the 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 property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

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

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

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

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 financial statements focus on the School District's most significant funds. The School District's major governmental fund is the general fund.

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 balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual*, 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 governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

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

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

The School District as a Whole

Governmental Activities

Table 1 shows net assets for fiscal year 2003. Since this is the first year the School District has prepared financial statements following GASB Statement 34, net asset comparisons to prior fiscal years are not available.

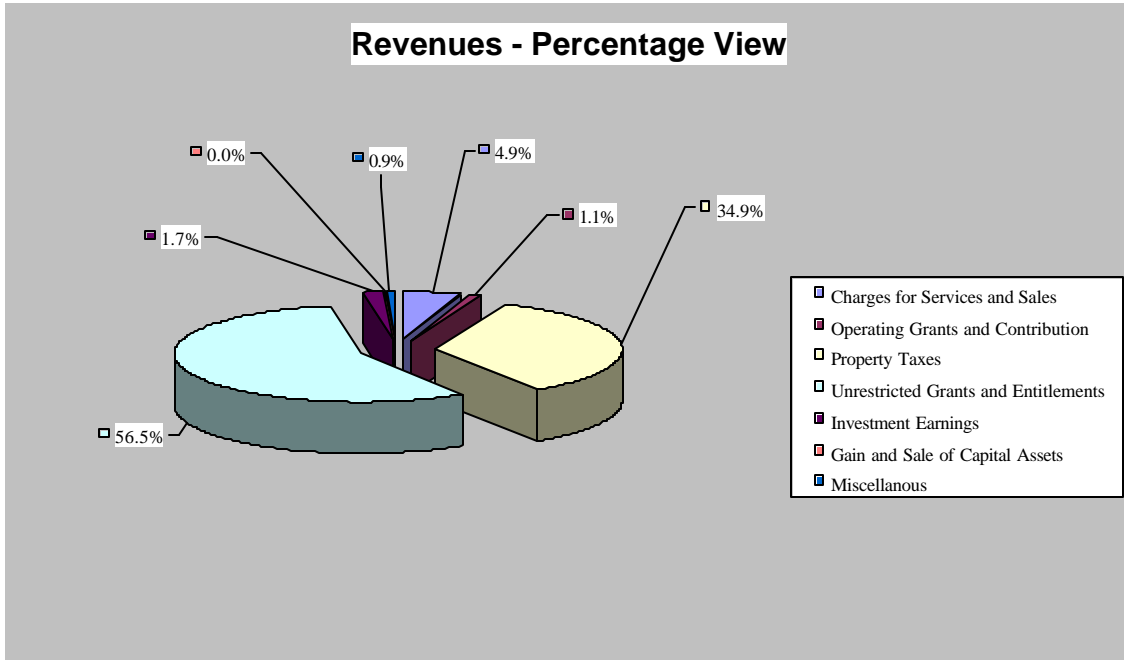
	Table 1	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>				
Current and Other Assets		\$9,016,036	\$(18,234)	\$8,997,802
Capital Assets		<u>1,357,709</u>	<u>-</u>	<u>1,357,709</u>
Total Assets		<u>10,373,745</u>	<u>(18,234)</u>	<u>10,355,511</u>
<u>Liabilities</u>				
Long-Term Liabilities		5,686,255	54,133	5,740,388
Other Liabilities		<u>6,010,060</u>	<u>45,194</u>	<u>6,055,254</u>
Total Liabilities		<u>11,696,315</u>	<u>99,327</u>	<u>11,795,642</u>
<u>Net Assets</u>				
Invested in Capital Assets Net of Debt		(3,446,983)	-	(3,446,983)
Restricted		319,022	-	319,022
Unrestricted (Deficit)		<u>1,805,391</u>	<u>(117,561)</u>	<u>1,687,830</u>
Total Net Assets		<u>\$(1,322,570)</u>	<u>\$(117,561)</u>	<u>\$(1,440,131)</u>

Capital assets, net of related debt reported on the government-wide statements represents a large deficit due to the excess amount of outstanding debt over the depreciated value of capital assets. Capital assets include land, buildings and improvements, furniture, fixtures and equipment and vehicles, and are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

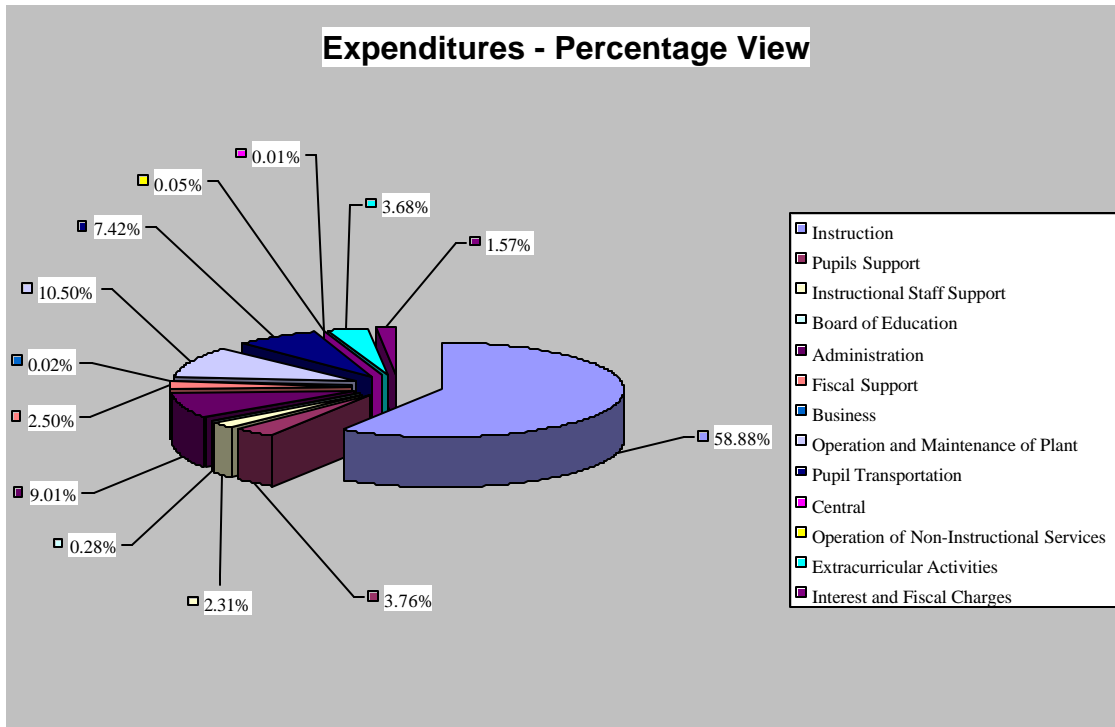
What are the School Districts Revenue Sources?

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

The following pie graph provides a summary of the School District's Governmental Activities revenue sources for 2003.



Where does the School District spend its revenues?



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

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service. Property taxes made up 34.9 percent of revenue for governmental activities for Eastwood Local School District in fiscal year 2003, a slight increase from prior years.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 2 shows, for governmental 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.

Table 2

**Total and Cost of Program Services
Governmental Activities**

	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>
Instruction	\$8,192,157	\$7,742,010
Support Services		
Pupil and Instruction Staff	843,806	843,806
Board of Education, Administration, Fiscal and Business	1,642,963	1,605,934
Operation and Maintenance of Plant	1,460,816	1,415,371
Pupil Transportation	1,032,751	1,032,751
Central	1,890	1,890
Operation of Non-Instructional Services	7,633	7,633
Extracurricular Activities	512,277	208,735
Interest and Fiscal Charges	<u>218,016</u>	<u>218,016</u>
 Total Expenses	 <u>\$13,912,309</u>	 <u>\$13,076,146</u>

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

The dependence upon general tax revenues for governmental activities is apparent. Over 94.5 percent of instruction activities are supported through taxes and other general revenues; for all governmental activities general revenue support is 94.0 percent as shown in the above table. The community, as a whole, is by far the primary support for Eastwood Local School District students.

Business-Type Activities

Business-type activities is the food service fund.

Overall Net (Expense) Revenue for business-type activities (food service), ended on a \$27,146 negative balance. Management anticipates food service income to continue in future fiscal years even though food prices were increased to offset future operating losses. Table 3 provides a revenue and expense summary for the School District's business-type activities.

Table 3
Revenue and Expense for Business Type Activities

	Food Services
Revenues	\$614,730
Expenditures	<u>641,876</u>
Net	27,146

The School District's Funds

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$14.1 million and expenditures of \$14.4 million. The net change in fund balance for the year in the General Fund was \$.032 million for fiscal year 2003.

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.

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

During the course of fiscal year 2003 the School District amended its General Fund budget numerous times. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

During the course of fiscal year 2003, General Fund, final budgeted revenue increased by \$.59 million from the original budget estimate. Total actual expenditures on the budget basis (cash outlays plus encumbrances) increased \$1.07 million from the original estimate.

Capital Assets and Debt Administration

At the end of fiscal year 2003, the School District had \$1.36 million (net) invested in land, buildings, equipment and vehicles.

Table 4 shows fiscal 2003 net fixed asset balances for governmental type activities.

Table 4

Capital Assets
(Net of Accumulated Depreciation)

	<u>Governmental Type Activities</u>	
	<u>2003</u>	<u>2002</u>
Land and Improvements	\$396,459	\$261,067
Buildings	804,531	686,731
Equipment and Vehicles	<u>156,719</u>	<u>197,038</u>
Totals	<u>\$1,357,709</u>	<u>\$1,144,836</u>

The increase in capital assets is due to the School District recognized \$119,478 in depreciation expense for 2003, offset by \$335,131 in acquisitions. These acquisitions were distributed among land improvements and building. The District also retired \$90,800 of fully depreciated assets. The District continued its ongoing commitment to maintaining and improving its fixed assets. Due to an increased threshold from \$1,000 to \$15,000, the District wrote off \$6,276,238 worth of fixed assets at the beginning of the year.

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

In previous years, Ohio law required school districts to set aside two percent of certain revenues for capital improvements and an additional two-percent for textbooks; this law was rescinded for 2003. The School District maintained a \$536,075 budgetary stabilization reserve.

Debt

Currently the District has a bond issue of 1.9 mills and 2.64 mill energy savings bond. There is also a \$250,000 long-term note for anticipated receipts from the permanent improvement levy. The District has no judgments levied against it.

Current Financial Related Activities

Eastwood Local School District is strong financially. As the preceding information shows, the School District heavily depends on its property taxpayers and the State. With the passage of a 8.9 mill renewal in 2001 levy and collection beginning in January 2003, the School District has been able to continue its education programs. However, financially the future is not without challenges.

While the School District was successful in increasing its tax revenue base in 2000, this increase is a one-time increase. State law fixes the amount of this increase, forcing it to remain nearly constant. Thus management must diligently plan expenses, staying carefully within the School District's five-year forecast.

Declining state foundation payments due to charge-offs by the state provide no significant increase in future revenues. Increases in property tax revenues that do occur are offset by decreases in state foundation payments. With its major source of revenue not keeping pace with expenditure increases, the School District must seek additional tax revenue to continue current operations. However, the School District cannot look to the State of Ohio for increased revenue and must be on the look out for unexpected additional budget reductions initiated by the Governor.

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 it 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 its financial operations. Virtually, no additional state revenue will be available to Eastwood Local School District. Thus, both taxes and state revenue are fixed or declining. The scenario requires management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

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

Eastwood Local School District has committed itself to financial excellence for many years. The School District intends to send this Comprehensive Annual Financial Report to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting program. This report represents the first report using the GFOA requirements.

In addition, the School District's system of budgeting and internal controls is well regarded. All of the School District's financial abilities will be needed to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Dave Michel Treasurer at Eastwood Local School District, 4800 Sugar Ridge Road, Pemberville, OH. 43450.

Eastwood Local School District
Statement of Net Assets
June 30, 2003

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 3,752,098	\$ -	\$ 3,752,098
Receivables:			
Taxes	4,952,241	-	4,952,241
Intergovernmental	-	13,519	13,519
Prepaid Assets	52,101	-	52,101
Inventory Held for Resale	-	25,161	25,161
Internal Balances	259,596	(56,914)	202,682
Non Depreciable Capital Assets, Net	261,067	-	261,067
Depreciable Capital Assets, Net	1,096,642	-	1,096,642
<i>Total Assets</i>	\$ 10,373,745	\$ (18,234)	\$ 10,355,511
Liabilities			
Accounts Payable	\$ 53,715	-	\$ 53,715
Accrued Wages and Benefits	1,174,754	\$ 12,309	1,187,063
Intergovernmental Payable	16,474	525	16,999
Pension Obligation Payable	251,466	15,286	266,752
Deferred Revenue	4,497,001	17,074	4,514,075
Accrued Interest Payable	16,650	-	16,650
Long-Term Liabilities:			
Due Within One Year	569,807	6,235	576,042
Due Within More Than One Year	5,116,448	47,898	5,164,346
<i>Total Liabilities</i>	\$ 11,696,315	\$ 99,327	\$ 11,795,642
Net Assets			
Invested in Capital Assets, Net of Related Debt	\$ (3,446,983)	\$ -	\$ (3,446,983)
Restricted for:			
Capital Projects	49,789	-	49,789
Debt Service	130,173	-	130,173
Other Purposes	139,060	-	139,060
Unrestricted (Deficit)	1,805,391	(117,561)	1,687,830
<i>Total Net Assets</i>	\$ (1,322,570)	\$ (117,561)	\$ (1,440,131)

See accompanying notes to the basic financial statements

Eastwood Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2003

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	
Governmental Activities				
Instruction:				
Regular	\$ 6,257,688	\$ 297,335	\$ 152,812	-
Special	1,630,671	-	-	-
Vocational	137,467	-	-	-
Other	166,331	-	-	-
Support Services:				
Pupils	522,895	-	-	-
Instructional Staff	320,911	-	-	-
Board of Education	38,277	-	-	-
Administration	1,253,963	-	-	-
Fiscal	347,820	37,029	-	-
Business	2,903	-	-	-
Operation and Maintenance of Plant	1,460,816	45,445	-	-
Pupil Transportation	1,032,751	-	-	-
Central	1,890	-	-	-
Operation of Non-Instructional Services	7,633	-	-	-
Extracurricular Activities	512,277	303,542	-	-
Interest and Fiscal Charges	218,016	-	-	-
<i>Total Governmental Activities</i>	<u>13,912,309</u>	<u>683,351</u>	<u>152,812</u>	<u>-</u>
Business-Type Activities				
Food Service	641,876	454,949	159,781	-
<i>Total Business-Type Activities</i>	<u>641,876</u>	<u>454,949</u>	<u>159,781</u>	<u>-</u>
<i>Totals</i>	<u>\$ 14,554,185</u>	<u>\$ 1,138,300</u>	<u>\$ 312,593</u>	<u>-</u>

General Revenues

Property Taxes Levied for:

 General Purposes

 Debt Service

 Capital Projects

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Changes in Net Assets

Net Assets Beginning of Year - (As Restated, See Note 19)

Net Assets End of Year

See accompany notes to the basic financial statements

Net (Expense) Revenue
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (5,807,541)	-	\$ (5,807,541)
(1,630,671)	-	(1,630,671)
(137,467)	-	(137,467)
(166,331)	-	(166,331)
(522,895)	-	(522,895)
(320,911)	-	(320,911)
(38,277)	-	(38,277)
(1,253,963)	-	(1,253,963)
(310,791)	-	(310,791)
(2,903)	-	(2,903)
(1,415,371)	-	(1,415,371)
(1,032,751)	-	(1,032,751)
(1,890)	-	(1,890)
(7,633)	-	(7,633)
(208,735)	-	(208,735)
(218,016)	-	(218,016)
(13,076,146)	-	(13,076,146)
-	\$ (27,146)	(27,146)
-	(27,146)	(27,146)
\$ (13,076,146)	\$ (27,146)	\$ (13,103,292)
\$ 4,148,742	-	\$ 4,148,742
460,180	-	460,180
235,623	-	235,623
7,839,891	-	7,839,891
229,635	-	229,635
133,400	-	133,400
13,047,471	-	13,047,471
(28,675)	(27,146)	(55,821)
(1,293,895)	(90,415)	(1,384,310)
\$ (1,322,570)	\$ (117,561)	\$ (1,440,131)

Eastwood Local School District
Balance Sheet
Governmental Funds
June 30, 2003

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 2,755,373	\$ 448,904	\$ 3,204,277
Receivables:			
Taxes	4,397,279	554,962	4,952,241
Prepaid Items	52,101	-	52,101
Interfund Receivable	371,505	-	371,505
Restricted Assets:			
Cash and Cash Equivalents	536,075	-	536,075
<i>Total Assets</i>	8,112,333	1,003,866	9,116,199
Liabilities			
Accounts Payable	32,174	21,541	53,715
Accrued Wages and Benefits	1,142,607	32,147	1,174,754
Interfund Payable	-	111,909	111,909
Pension Obligation Payable	173,747	1,975	175,722
Intergovernmental Payable	16,167	307	16,474
Deferred Revenue	4,060,620	508,213	4,568,833
<i>Total Liabilities</i>	5,425,315	676,092	6,101,407
Fund Balances			
Reserved for:			
Encumbrances	121,603	34,291	155,894
Prepaid Items	52,101	-	52,101
Debt Principal	-	114,976	114,976
Property Taxes	339,657	47,349	387,006
Budget Stabilization	536,075	-	536,075
Unreserved, Undesignated, Reported in:			
General Fund	1,637,582	-	1,637,582
Special Revenue Funds	-	107,707	107,707
Capital Projects Funds	-	23,451	23,451
<i>Total Fund Balances</i>	2,687,018	327,774	3,014,792
<i>Total Liabilities and Fund Balances</i>	\$ 8,112,333	\$ 1,003,866	\$ 9,116,199

See accompany notes to the basic financial statements

Eastwood Local School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2003*

Total Governmental Fund Balances \$ 3,014,792

***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. 1,357,709

Other long-term assets are not available to pay for current-period
 expenditures and therefore are deferred in the funds.

Taxes 71,832

Total 71,832

In the statement of activities, interest is accrued on outstanding
 bonds and notes, whereas in governmental funds, an
 interest expenditures is reported when due. (16,650)

An internal service fund is used by management to charge the
 cost 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. 11,746

Long-term liabilities, including bonds, payable, are not due and
 payable in the current period and therefore are not reported in
 the funds.

General Obligation Bonds (4,569,692)

Long-Term Notes (250,000)

Pension Obligation (75,744)

Compensated Absences (866,563)

Total (5,761,999)

Net Assets of Governmental Activities \$ (1,322,570)

See accompanying notes to the basic financial statements

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

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 4,123,865	\$ 692,680	\$ 4,816,545
Intergovernmental	7,687,501	387,676	8,075,177
Interest	229,586	49	229,635
Tuition and Fees	148,945	80,802	229,747
Extracurricular Activities	-	341,574	341,574
Classroom Materials and Fees	1,493	-	1,493
Miscellaneous	85,970	10,203	96,173
	<u>12,277,360</u>	<u>1,512,984</u>	<u>13,790,344</u>
<i>Total Revenues</i>			
Expenditures			
Current:			
Instruction:			
Regular	5,856,190	404,177	6,260,367
Special	1,456,531	172,722	1,629,253
Vocational	136,415	1,052	137,467
Other	166,286	-	166,286
Support Services:			
Pupils	456,558	55,967	512,525
Instructional Staff	259,122	40,851	299,973
Board of Education	38,277	-	38,277
Administration	1,111,021	112,306	1,223,327
Fiscal	355,434	5,992	361,426
Business	-	2,868	2,868
Operation and Maintenance of Plant	1,302,745	198,425	1,501,170
Pupil Transportation	960,839	10,203	971,042
Central	-	1,005	1,005
Operation of Non-Instructional Services	-	7,633	7,633
Extracurricular Activities	185,358	303,799	489,157
Capital Outlay	-	346,563	346,563
Debt Service:			
Principal	-	235,000	235,000
Interest	-	219,672	219,672
	<u>12,284,776</u>	<u>2,118,235</u>	<u>14,403,011</u>
<i>Total Expenditures</i>			
<i>Excess of Revenue Over/(Under) Expenditures</i>	<u>(7,416)</u>	<u>(605,251)</u>	<u>(612,667)</u>
Other Financing Sources (Uses)			
Refund of Prior Year Expenditures	39,998	-	39,998
Proceeds of Long-Term Notes	-	250,000	250,000
	<u>39,998</u>	<u>250,000</u>	<u>289,998</u>
<i>Total Other Financing Sources (Uses)</i>			
<i>Net Change in Fund Balances</i>	32,582	(355,251)	(322,669)
<i>Fund Balances Beginning of Year</i>	<u>2,654,436</u>	<u>683,025</u>	<u>3,337,461</u>
<i>Fund Balances End of Year</i>	<u>\$ 2,687,018</u>	<u>\$ 327,774</u>	<u>\$ 3,014,792</u>

See accompany notes to the basic financial statements

Eastwood Local School District
*Reconciliation of the Statement of Revenues, Expenditures
and Changes in the 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 \$ (322,669)

*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 these
assets is allocated over their estimated useful lives as
depreciation expense. This is the amount by which
depreciation exceeded capital outlay in the current period.

Fixed Assets Additions	335,131	
Current Year Depreciation	<u>(119,478)</u>	
Total		215,653

Governmental funds only report the disposal of assets to the
extent proceeds are received from the sale. In the statement
of activities, a gain or loss is reported for each disposal. This
is the amount of the loss on the disposal of fixed assets.

Loss on Disposal of Capital Assets	<u>(2,771)</u>	
Total		(2,771)

Revenues in the statement of activities that do not provide current
financial resources are not reported as revenues in the funds.

Taxes	<u>28,000</u>	
Total		28,000

Repayment of bond principal is an expenditure in the
governmental funds, but the repayment reduces long-term
liabilities in the statement of net assets. Proceeds of long-term
debt is revenue in the governmental funds as opposed to a
liability in the statement of net assets.

Bond Principal Payment	(250,000)	
Long-Term Note Proceeds	<u>235,000</u>	
Total		(15,000)

In the statement of activities, interest is accrued on outstanding
bonds, whereas in governmental funds, an interest expenditure
is reported when due.

(1,656)

Some expenses reported in the statement of activities, such as
compensated absences and intergovernmental payable which
represents contractually required pension contributions, do not
required the use of current financial resources and therefore are
not reported as expenditures in the governmental funds.

Pension Obligation Payable	348	
Compensated Absences Payable	<u>68,522</u>	
Total		68,870

The internal service fund used by management to charge the cost
of insurance to individual funds is not reported in the district-wide
statement of activities. Governmental fund expenditures and
the related internal service fund revenues are eliminated. The
net revenue (expense) of the internal services fund is allocated
amount the governmental activities.

898

Change in Net Assets of Governmental Activities \$ (28,675)

See accompanying notes to the basic financial statements

Eastwood Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amount			Variance with Final Budget Positive/ Negative
	Original	Final	Actual	
Revenues:				
Taxes	\$ 3,965,628	\$ 4,154,286	\$ 4,154,286	\$ -
Intergovernmental	7,491,576	7,687,501	7,687,501	-
Interest	145,600	220,641	229,586	8,945
Tuition	30,360	148,945	148,945	-
Classroom Materials and Fees	1,374	1,493	1,493	-
Miscellaneous	78,516	85,970	85,970	-
Total Revenues	11,713,054	12,298,836	12,307,781	8,945
Expenditures:				
Current:				
Instruction:				
Regular	5,773,480	5,762,368	5,762,368	-
Special	1,151,570	1,457,294	1,457,294	-
Vocational education	134,100	136,465	136,465	-
Other instruction	55,497	166,286	166,286	-
Support Services:				
Pupils	526,489	464,171	464,171	-
Instructional support	268,410	255,268	255,268	-
Board of education	46,935	48,306	48,306	-
Administration	1,086,677	1,116,351	1,116,351	-
Fiscal	293,408	355,645	355,645	-
Operation and maintenance of plant	1,185,671	1,408,445	1,408,445	-
Pupil transportation	593,009	1,008,024	1,008,024	-
Extracurricular activities	176,905	183,240	183,240	-
Total Expenditures	11,292,151	12,361,863	12,361,863	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	<i>420,903</i>	<i>(63,027)</i>	<i>(54,082)</i>	<i>8,945</i>
Other Financing Sources (Uses):				
Proceeds from Sale of Fixed Assets	50	2	2	-
Refund of Prior Year Expenditures	1,500	39,998	39,998	-
Advances Out	-	(308,838)	(308,838)	-
Transfers Out	(20,000)	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<i>(18,450)</i>	<i>(268,838)</i>	<i>(268,838)</i>	<i>-</i>
Net Change in Fund Balance	402,453	(331,865)	(322,920)	8,945
Fund Balance (Deficit) at The Beginning of Year	3,196,976	3,196,976	3,196,976	-
Prior Year Encumbrances Appropriated	263,615	263,615	263,615	-
Fund Balance (Deficit) at The End of Year	\$ 3,863,044	\$ 3,128,726	\$ 3,137,671	\$ 8,945

Eastwood Local School District
Statement of Fund Assets
Proprietary Funds
June 30, 2003

	Business Type Activities- Enterprise Food Service	Governmental Activities - Internal Service Fund
Assets		
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 11,746
Receivables:		
Intergovernmental	13,519	-
Inventory Held For Resale	25,161	-
<i>Total Assets</i>	38,680	11,746
Liabilities		
Accrued Wages	12,309	-
Compensated Absences Payable	6,235	-
Interfund Payable	56,914	-
Intergovernmental Payable	525	-
Deferred Revenue	17,074	-
Pension Obligation Payable	15,286	-
Compensated Absences Payable > 1yr.	47,898	-
<i>Total Current Liabilities</i>	156,241	-
<i>Total Liabilities</i>	156,241	-
Net Assets		
Unrestricted	(117,561)	11,746
<i>Total Net Assets (Deficit)</i>	\$ (117,561)	\$ 11,746

See accompanying notes to the basic financial statements

Eastwood Local School District
*Statement of Revenues,
Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the year ended June 30, 2003*

	<u>Business Type Activities- Enterprise Food Service</u>	<u>Governmental Activities - Internal Service Fund</u>
Operating Revenues		
Food Services	\$ 454,949	\$ -
Extracurricular Activities	-	28,063
	<hr/>	<hr/>
<i>Total Operating Revenues</i>	454,949	28,063
	<hr/>	<hr/>
Operating Expenses		
Salaries	215,312	-
Fringe Benefits	96,588	-
Materials and Supplies	328,962	-
Other	1,014	27,165
	<hr/>	<hr/>
<i>Total Operating Expenses</i>	641,876	27,165
	<hr/>	<hr/>
<i>Operating Income (Loss)</i>	(186,927)	898
	<hr/>	<hr/>
Non-Operating Revenues (Expenses)		
Intergovernmental	71,370	-
Federal Donated Commodities	85,471	-
Contributions and Donations	2,940	-
	<hr/>	<hr/>
<i>Total Non-Operating Revenues</i>	159,781	-
	<hr/>	<hr/>
<i>Change in Net Assets</i>	(27,146)	898
	<hr/>	<hr/>
<i>Net Assets (Deficit) Beginning of Year, (As Restated, See Note 19)</i>	(90,415)	10,848
	<hr/>	<hr/>
<i>Net Assets (Deficit) End of Year</i>	<u>\$ (117,561)</u>	<u>\$ 11,746</u>

See accompanying notes to the basic financial statements

Eastwood Local School District
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2003

	Business Type Activities- Enterprise Food Service	Governmental Activities - Internal Service Fund
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash Received from Customers	\$ 454,949	\$ -
Other Cash Receipts	-	28,063
Cash Payments to Employees for Services	(217,454)	-
Cash Payments for Employees Benefits	(98,830)	-
Cash Payments for Goods and Services	(262,363)	-
Other Cash Payments	(1,014)	(27,165)
	<u>(124,712)</u>	<u>898</u>
<i>Net Cash Provided by (Used in) Operating Activities</i>		
Cash Flows from Noncapital Financing Activities		
Grants Received	83,008	-
Contributions and Donations	2,940	-
Advance In	38,764	-
	<u>124,712</u>	<u>-</u>
<i>Net Cash Provided by (Used by) Noncapital Financing Activities</i>		
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>		
	-	898
<i>Cash and Cash Equivalents Beginning of Year</i>		
	<u>-</u>	<u>10,848</u>
<i>Cash and Cash Equivalents End of Year</i>		
	<u>\$ -</u>	<u>\$ 11,746</u>
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities		
<i>Operating Income (Loss)</i>	\$ (186,927)	\$ 898
<i>Adjustments:</i>		
Donated Commodities	71,370	-
(Increase) Decrease in Assets:		
Inventory Held for Resale	(2,062)	-
Increase (Decrease) in Liabilities:		
Accounts Payable	(4,170)	-
Accrued Wages	(1,709)	-
Compensated Absences Payable	334	-
Pension Obligation Payable	(2,576)	-
Intergovernmental Payable	(434)	-
Deferred Revenue	1,462	-
	<u>62,215</u>	<u>-</u>
<i>Total Adjustments</i>		
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>\$ (124,712)</u>	<u>\$ 898</u>

Noncash Non-Capital Financing Activities:

During the fiscal year ended June 30, 2003, the District received and used \$71,370 of federal donated commodities

See accompanying notes to the basic financial statements

Eastwood Local School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2003

	Agency
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 321,863
Intergovernmental Receivables	626,505
<i>Total Assets</i>	948,368
Liabilities	
Accounts Payable	39,587
Accrued Wages	68,570
Interfund Payable	202,682
Intergovernmental Payable	2,063
Pension Obligation Payable	25,183
Due to Students	49,089
Deferred Revenue	561,194
<i>Total Liabilities</i>	\$ 948,368

See accompanying notes to the basic financial statements

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Eastwood Local School District (the "School District") is organized under Article VI, Sections 2nd of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state statute and/or federal guidelines.

The School District was established through the consolidation of existing land areas and school districts. The School District serves an area of approximately 27 square miles. It is located in Wood County, and includes the territories of the Villages of Pemberville and Luckey and the Townships of Freedom, Troy, Webster, Middleton, and Perrysburg. It is staffed by 89 non-certificated employees and 101 certificated full-time teaching personnel who provide services to 1,981 students and other community members. The School District currently operates 6 instructional buildings, 1 administrative building, and a garage.

Reporting Entity:

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For the Eastwood Local 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 of the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes.

Based on the above description, there are no component units within the School District.

The School District is involved with two organizations which are defined as jointly governed organizations and an insurance purchasing pool. These organizations are the Maumee Valley & Computer Association, the Penta County Vocational School, and the Ohio School Boards Association Worker's Compensation Group Rating Plan. These organizations are presented in Notes 14 and 15 to the basic financial statements.

The following activities are included within the reporting entity as an agency fund:

Special Education Regional Resource Center (SERRC) - a separate body corporate and politic within the District's boundaries. The federal Department of Education provides funding to the SERRC, which is received and disbursed through the District's financial records, at the direction of the SERRC.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Eastwood Local 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 after November 30, 1989, to its proprietary activities and governmental activities, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

A. Basis Of Presentation - Fund Accounting

The School District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School District functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special restrictions or limitations. An account group is a financial reporting device designed to provide for certain assets and liabilities not recorded in the funds because they do not directly affect net available expendable resources.

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: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types:

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

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.

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

Proprietary Fund Types Proprietary funds focus on the determination of the changes in net assets, financial position and cash flows and are classified as either enterprise or internal service.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

Enterprise Funds Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services. The School District's major enterprise funds are:

Food Service Fund This fund accounts for the financial transactions related to the food service operations of the School District.

Internal Service Fund The only internal service fund carried on the financial records is related to field trips and miscellaneous rotary fund.

Fiduciary Fund Types Fiduciary funds reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trusts, 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 has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

B. Basis Of Presentation

Government-wide Financial Statements The statement of net assets and 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. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are considered business type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relation between the governmental-wide statements and the statements to governmental funds.

The governmental-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School District and 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 are therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods and 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 identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is represented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

EASTWOOD LOCAL SCHOOL DISTRICT

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

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

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

The trust fund is reported using the economic resources measurement focus.

C. Basis of Accounting

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

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 (See Note 5). 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.

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

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

Property taxes for which there is an enforceable legal claim as of June 30, 2003, but which were levied to finance fiscal year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue. On the modified accrual basis, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

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

C. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entail the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund level within each function. Any budgetary modifications at this level may only be made of resolution of the Board of Education.

Advances in and Advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

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 Wood County Budget Commission for rate determination.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

Estimated Resources:

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2003.

Appropriations:

Upon receipt from the County Auditor 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 expenditures, 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 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. The 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.

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 and reported in the notes to the basic financial statements for proprietary 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.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

D. Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the balance sheet. During fiscal year 2003, there were no investments.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2003 amounted to \$229,586 and to the capital projects fund \$49.

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

Restricted assets in the General Fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include amounts required by statute to be set-aside by the School District for the creation of a reserve for budget stabilization. See Note 18 for additional information regarding set-asides.

E. Inventory

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower cost or market. For all funds, cost is determined on a first-in, first-out basis. There was no inventory for governmental funds at June 30, 2003. Inventories of proprietary funds consist of donated food and purchased food held for resale and are expensed when used.

F. Prepaid Items

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

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

G. Capital Assets and Depreciation

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

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

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	N/A
Building and Improvements	20 - 50 years	N/A
Furniture	20 years	20 years
Equipment	5 -15 years	15 years
Fixtures	20 years	20 years
Vehicles	8 years	N/A
Library and Text Books	6 years	N/A

H. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are carried and become measurable.

I. Interfund Assets/Liabilities

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

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

J. Compensated Absences

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

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

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

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

K. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements when due.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

L. Bond Premiums and Discounts

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as “other financing sources,” net of the applicable premium or discounts. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. Interfund Transactions

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

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

N. Fund Balance Reserves

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriations or expenditures. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, prepaid items, property taxes, and budget stabilization.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The reserve for budget stabilization represents money required to be set-aside by statute to protect against cyclical changes in revenues and expenditures.

O. 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 the purposes for which both restricted and unrestricted net assets are available.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

P. Contributions of Capital

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

Q. Extraordinary and Special Items

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

R. Estimates

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

T. Operating Revenues and Expenses

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

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

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

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

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

4. Proceeds from and principal payments on bond and revenue anticipation notes are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

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

Excess of Revenues and Other Financing Sources
Over/(Under) Expenditures and Other Financing Uses -
Major Fund

<u>Net Change in Fund Balance</u>	<u>General</u>
Budget Basis	\$(322,920)
Net Adjustment for Revenue Accruals	(30,423)
Net Adjustment for Expenditure Accruals	232,148
Adjustment for Encumbrances	<u>153,777</u>
GAAP Basis	<u>\$32,582</u>

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond 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;
6. The State Treasurer's investment pool (STAROhio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation 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.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

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

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

Deposits: At fiscal year end, the carrying amount of the School District's deposits was \$4,073,961 and the bank balance was \$4,347,607. Of the bank balance, \$100,000 was covered by federal depository insurance and \$4,247,607 was uninsured, but collateralized with securities held by the pledging financial institution's trust department or agent not in the District's name. Although the securities serving as collateral were held by the pledging financial institution's trust department not in the School District's name and all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements would potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

Investments: At fiscal year end, the School District had no investments classified under GASB 3.

NOTE 5 - PROPERTY TAXES

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

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

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

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

The full tax rate applied to real property for the fiscal year ended June 30, 2003 was \$44.70 per \$1,000 of assessed valuation. After adjustment of the rate for inflationary increases in property values, the effective tax rate was \$26.365768 per \$1,000 of assessed valuation for real property classified as residential/agricultural and \$30.259044 per \$1,000 of assessed valuation for all other real property. Real property owners' tax bills are further reduced by homestead and rollback deductions when applicable. The amount of these homestead and rollback reductions is reimbursed to the District by the State of Ohio.

The rate applied to tangible personal property for the fiscal year ended June 30, 2003 was \$44.70 per \$1,000 of assessed valuation.

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes which became measurable as of June 30, 2003. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2003, was \$339,657 in the General Fund, \$27,405 in the Debt Service Fund, and \$19,944 in the Capital Projects Fund.

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

	<u>2003</u>	<u>2002</u>
Real Property -		
Residential/Agricultural	\$ 133,218,210	\$ 124,493,850
Commercial/Industrial	14,491,360	11,388,850
Public Utility	117,760	111,330
Minerals	650	850
Tangible Personal Property -		
Personal	15,088,435	15,834,930
Public Utilities	<u>16,433,210</u>	<u>17,826,930</u>
Total Valuation	<u>\$ 179,349,585</u>	<u>\$ 169,656,200</u>

NOTE 6 - RECEIVABLES

Receivables at June 30, 2003, consisted of property taxes, accounts (rent, billings for user charged services, and student fees), interfund, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

NOTE 7 – CAPITAL ASSETS

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

	Balance 7/1/2002	Addition	Deletion	Balance 6/30/2003
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 261,067	\$ -	\$ -	\$ 261,067
<i>Total Capital Assets, not being depreciated:</i>	<u>261,067</u>	<u>-</u>	<u>-</u>	<u>261,067</u>
<i>Capital Asset, being depreciated:</i>				
Land Improvements	102,500	142,550	-	245,050
Buildings and Improvements	5,986,841	192,581	-	6,179,422
Furniture, Equipment and Fixtures	90,800	-	(90,800)	-
Vehicles	818,479	-	-	818,479
<i>Total Capital Assets, being depreciated:</i>	<u>6,998,629</u>	<u>335,131</u>	<u>(90,800)</u>	<u>7,242,960</u>
Less Accumulated Depreciation:				
Improvements	(102,500)	(7,158)	-	(109,658)
Building and Improvements	(5,300,110)	(74,781)	-	(5,374,891)
Furniture, Equipment, and Fixtures	(88,029)	-	88,029	-
Vehicles	(624,221)	(37,539)	-	(661,760)
<i>Total Accumulated Depreciation</i>	<u>(6,114,860)</u>	<u>(119,478)</u>	<u>88,029</u>	<u>(6,146,309)</u>
<i>Total Capital Assets being depreciated, net</i>	<u>883,760</u>	<u>215,653</u>	<u>(2,771)</u>	<u>1,096,642</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,144,827</u>	<u>\$ 215,653</u>	<u>\$ (2,771)</u>	<u>\$ 1,357,709</u>

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

Depreciation expense was charged to governmental functions as follows:

Instruction:		
Regular	\$	54,471
Special		1,418
Adult		45
Support Services:		
Pupil		1,680
Instructional Staff		15,136
Administration		4,819
Business		35
Pupil Transportation		37,539
Central		885
Operationg of Non-instructional Services		
Extracurricular Activities		<u>3,450</u>
Total Depreciation Expense	\$	<u>119,478</u>

In fiscal year 2003, the School District performed a physical inventory count on capital assets and discovered an overstatement of the capital assets. Also, the District increased its capital assets threshold from \$500 to \$15,000. The School District reduced the beginning capital assets in the governmental activities by \$6,276,238. Because of the increase in capital assets threshold from \$500 to \$15,000, business-type activities, the beginning balance for the capital assets was decreased by \$181,612, and the accumulated depreciation was reduced by \$146,887.

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2003, the District has entered into contracts with Nationwide Insurance Company for general liability insurance. Professional liability is protected by Nationwide Insurance Company with \$1,000,000 each occurrence, \$5,000,000 aggregate limit.

Vehicles are covered by Indiana Insurance Company and hold a \$100 deductible for comprehensive. Automobile liability has a \$1,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past three years. Also, the District did not reduce the limits of liability significantly in the current year.

All employees of the School District are covered by a blanket bond, while certain individuals in policy making roles are covered by a separate, higher bond coverage.

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

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

NOTE 9 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

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

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS Retirement Board. The School District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$306,660, \$296,388, and \$253,116, respectively; 52 percent has been contributed for fiscal year 2003 and 100 percent for fiscal year 2002 and 2001. \$147,197 represents the unpaid contribution for fiscal year 2003 and is recorded as a liability within the respective funds.

B. State Teachers Retirement System

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

New members have a choice of three retirement plans, a Defined Benefit (DB) plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

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

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District is required to contribute 14 percent, 4.5 percent 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 percent for members and 14 percent for employers. The School District's contributions for pension obligations to STRS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$937,164, \$882,648, and \$783,648, respectively, 83 percent has been contributed for fiscal year 2003 and 100 percent for fiscal year 2002 and 2001. \$159,318 represents the unpaid contributions for fiscal year 2003 and is recorded as a liability within the respective funds.

NOTE 10 - POSTEMPLOYMENT BENEFITS

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

For STRS, most benefit recipients are required to pay a portion of health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. The Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund for which payments for health care benefits are paid. For the District, this amount equaled \$301,231 during the 2003 fiscal year. As of June 2002 (the latest information available) eligible benefit recipients totaled 105,300. For the fiscal year ended June 30, 2003, net health care costs paid by STRS were \$354,697,000.

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

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. At June 30, 2002, the healthcare allocation is 8.54%. The amount contributed for the year was \$187,063. 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 2002, the minimum pay has been established as \$14,500. The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 2002 (the latest information available), were \$204,930,737 and the target level was \$307.4 million. At June 30, 2002, SERS had net assets available for payment of health care benefits of \$303.6 million. SERS has approximately 50,000 participants currently receiving health care benefits.

NOTE 11 - EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn five to twenty days of vacation per year, depending upon length of service and hours worked. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators who are not on a twelve month contracts do not earn vacation time. Full time Certified and Non-Certified employees are entitled to fifteen days sick leave at a rate on one and one-fourth days for each month under contract. This sick leave will either be absorbed by time off due to illness or injury or, within certain limitation, be paid to the employee upon retirement sick leave benefits up to 50 days for all employees.

B. Life Insurance

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Educational Employees' Life Insurance Trust and to classified employees through Core Source.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

NOTE 12 - DEBT OBLIGATIONS

The changes in the School District's debt obligations during fiscal year 2003 were as follows:

	<u>Balance Outstanding 6/30/02</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Outstanding 6/30/03</u>	<u>Due Within One Year</u>
Government Activities					
<u>Long-term Obligations</u>					
General Obligation Bonds					
H.S addition and renovation 5.2792%	\$3,969,692	-	\$ (130,000)	\$3,839,692	\$135,000
Energy Conservation Bonds 4.5611%	835,000	-	(105,000)	730,000	110,000
Long-Term Notes Payable	-	\$250,000	-	250,000	250,000
Total Long-Term Obligations	<u>4,804,692</u>	<u>250,000</u>	<u>(235,000)</u>	<u>4,819,692</u>	<u>495,000</u>
Compensated Absences	<u>1,040,297</u>	<u>580,944</u>	<u>(754,678)</u>	<u>866,563</u>	<u>74,807</u>
Total Long-Term Obligations	<u>\$5,844,989</u>	<u>\$830,944</u>	<u>\$(989,678)</u>	<u>\$5,686,255</u>	<u>\$569,807</u>
Business-Type Activities					
Compensated Absences	<u>\$53,799</u>	<u>\$65,116</u>	<u>\$(64,782)</u>	<u>\$54,133</u>	<u>\$6,235</u>

Compensated absences will be paid from the fund from which the employees' salaries are paid.

The School District's voted legal debt margin was \$11,714,152 with an unvoted debt margin of \$321,731 at June 30, 2003.

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

<u>Fiscal Year June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2004	\$ 495,000	\$ 217,801	\$ 712,801
2005	255,000	188,905	443,905
2006	270,000	178,270	448,270
2007	280,000	166,855	446,855
2008	290,000	175,468	465,468
2009-2013	786,478	897,584	1,684,062
2014-2018	873,214	652,737	1,525,951
2019-2022	1,280,000	232,870	1,512,870
2023-2024	<u>290,000</u>	<u>14,750</u>	<u>304,750</u>
Totals	<u>\$ 4,819,692</u>	<u>\$2,725,240</u>	<u>\$ 7,544,932</u>

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

NOTE 13 INTERFUND ACTIVITY

A. Interfund Payables/Receivables

The interfund payables/receivables consisted of the following at June 30, 2003, as reported on the fund financial statements:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Governmental Fund:		
General	\$371,505	0
Nonmajor Governmental Funds:		
Permanent Improvement	0	10,551
Student Athletics	0	13,238
Safe Schools Help Line	0	703
Migrant Program	0	4,592
Title IV	0	833
Title I	0	32,207
Drug Free Grant	0	2,723
Reducing Class Size Grant	0	45,967
Misc. Federal Grants	0	1,095
Enterprise Fund:		
Lunchroom/Cafeteria	0	56,914
Agency Fund:		
SERRC Center	0	202,682

NOTE 14 - JOINTLY GOVERNED ORGANIZATIONS

The School District is a participant in the Maumee Valley & Computer Association (MAVCA) which is a computer consortium. MAVCA is an association made up of seventeen participating school districts and two county board. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. MAVCA is governed by an assembly consisting of the superintendents, or treasurers, or other designees of the member school districts. The assembly exercises total control over the operation of MAVCA including budgeting, appropriating, contracting and designating management. All the MAVCA revenues are generated from charges for services and state funding. To obtain information write to 30095 Oregon Road, Perrysburg, Ohio 43551.

The Penta County Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the sixteen participating school districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information write to the Penta County Vocational School, Carrie Herringshaw, who serves as Treasurer, at 30095 Oregon Road, Perrysburg, Ohio 43551.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

NOTE 15 - INSURANCE PURCHASING POOL

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

The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP.

The workers compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school district in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates, McDonald & Co. provides administrative, cost control and actuarial services to the GRP. In accordance with the above, the OSBA Group Rating Program has not been included as a component unit of the reporting entity.

NOTE 16 - STATE SCHOOL FUNDING DECISION

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

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

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 June 30, 2003.

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

B. Litigation

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

NOTE 18- SET-ASIDE REQUIREMENTS

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

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

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Reserve</u>	<u>Total</u>
Set aside balance as of June 30,2002	--	--	\$530,450	\$530,450
Current year set aside requirement	\$ 246,590	\$246,590	5,625	\$498,805
Qualifying Expenditures	<u>\$(393,364)</u>	<u>\$(282,936)</u>	<u>--</u>	<u>\$(676,300)</u>
Totals	<u>\$(146,774)</u>	<u>\$(36,346)</u>	<u>--</u>	<u>\$(183,120)</u>
Cash balance carried forward to FY2003	<u>--</u>	<u>--</u>	\$ <u>536,075</u>	\$ <u>536,075</u>
Amount restricted for budget stabilization				<u>\$ 536,075</u>
Total restricted assets				<u>\$ 536,075</u>

Although the District had qualifying expenditures during the year that reduced the set-aside amounts below zero, the District chose not to carry-forward these negative balances .

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

Note 19 – Changes in Accounting Principals and Restatement of Fund Balance

Changes in Accounting Principles For the fiscal year 2003, the School District has implemented GASB No. 34, “Basic Financial Statements – and Management 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 No. 41, “Budgetary Comparison Schedules – Perspective Differences – an amendment of GASB Statement No. 34”, and GASB Interpretation No. 6, “Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements.” At June 30, 2002, there was no effect on fund balances as a result of implementing GASB Statements No. 37, 38, and 41.

Restatement of Fund Balances The restatements of fund balance for correction of prior year accrual balances and assets and fund reclassification had the following effect on the fund balances of the major and non-major funds of the School District as they were previously reported.

	General Fund	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Fund Balances at June 30, 2002	\$ 2,630,454	\$ 681,159	\$ 3,311,613
Fund Reclassification	-	1,864	1,864
Restated Assets	-	2	2
GASB Interpretation 6	23,982	-	23,982
	<u> </u>	<u> </u>	<u> </u>
Fund Balances at July 1, 2002	<u>\$ 2,654,436</u>	<u>\$ 683,025</u>	<u>\$ 3,337,461</u>

GASB 34 creates new basic financial statements for reporting on the School District’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements split the School District’s programs between business-type and governmental activities. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental programs reflects the changes in fund balance for governmental funds at June 30, 2002, cause by elimination of the internal service fund and the conversion to the accrual basis of accounting.

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

EASTWOOD LOCAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Year Ended June 30, 2003

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balances at June 30, 2002	\$ 2,654,436	\$ 683,025	\$ 3,337,461
Adjustments:			
GASB 34			
Capital Assets			1,144,836
Compensated Absences			(931,782)
Deferred Revenue			43,832
Pension Obligation Payable			(76,092)
Accrued Interest Payable			(18,306)
Internal Service Fund			10,848
Long-term Liabilities			<u>(4,804,692)</u>
Governmental Activities Net Assets at June 30, 2002			<u>\$ (1,293,895)</u>

The transition from proprietary fund equity to net assets of the business-type activities and governmental activities – internal service fund is presented as followed:

	<u>Enterprise Fund</u>
Fund Equity at June 30, 2002	\$ (55,613)
Fund Reclassification	(77)
Adjustments:	
Capital Assets	<u>(34,725)</u>
Business-type Activities Net Assets at June 30, 2002	<u>\$ (90,415)</u>

Note 20 – Accountability

Fund Balances at June 30, 2003 included the following individual fund deficits: Migrant Program - \$(4,592), Title IV - \$(833), Title I – \$(66,304), Drug Free Grant - \$(2,723), Reducing Class Size Grant - \$(45,967).

Eastwood Local School District

Combining Statements and Individual Fund Schedules

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Eastwood Local School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

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

Public School Support Fund This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs.

Martha Holden Jennings Grant Fund This fund accounts for proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specific purposes.

Student Athletics Fund This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program and transportation of the band to and from athletic events.

Educational Television Grant Fund This fund accounts for funds that provide educational services via television within the School District.

Community Education Grant Fund This fund accounts for funds for which monies are received for educational program for the District's community.

Post Secondary Educational Grant Fund This fund accounts for funds that provide post secondary education.

Teacher Development Fund This fund accounts for State monies in support of locally developed professional development programs.

Educational Management Information Systems Fund This fund accounts for State monies which support the development of hardware and software or other costs associated with the requirements of the management information system.

Head Start Fund This fund accounts for State monies used to assist the School District in paying the cost of head start programs for three and four year olds.

Public School Preschool Fund This fund accounts for State monies used to assist the School District in paying the cost of preschool programs for three and four year olds.

One Net Fund This fund accounts for State monies to assist staff in gaining knowledge of technology.

SchoolNet Technology Training Fund This fund accounts for State monies to assist staff in gaining knowledge of technology.

Eastwood Local School District

Nonmajor Special Revenue Funds

(continued)

Instruction Material Subsidy Fund This fund accounts for monies received to provide instructional material for educational purposes.

Ohio Reads Grant Fund This fund accounts for State monies to improve reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public schools and costs associated with volunteer coordination, for background checks for volunteers, to evaluate the Ohio Reads Program, and for operating expenses associated with administering the program.

Summer Intervention Fund This fund is used to account for monies used for education during summer months.

Vocation Education Fund This fund accounts for monies used to provide students with alternative to college by providing vocational education.

Safe Schools Help Line Fund This fund accounts for monies used for programs for students to report anonymously activity that might be harmful to the School District daily activities.

Migrant Program Fund This fund accounts for monies used for migrant children education for new and existing at risk and delinquent youths.

Title IV Fund This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

OWA Grant Fund This fund accounts for funds received from the State agencies that are used for development of basic educational skills and increase of opportunities for useful employment.

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

Title VI Fund This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Drug Free Schools Grant Fund This fund accounts for Federal monies which support the implementation of programs for drug abuse education and prevention.

Preschool Handicapped Grant Fund This fund accounts for Federal monies which provide for the cost of developing a public school preschool for handicapped and non-handicapped children.

Reducing Class Size Grant Fund This fund accounts for Federal monies used to reduce class sizes in elementary schools.

Eastwood Local School District

Nonmajor Special Revenue Funds

(continued)

Miscellaneous Federal Grants Fund This fund accounts for small miscellaneous grants from the federal governments.

Uniform Schools Supplies Fund This fund accounts for financial activity related to the purchase and sale of school supplies as adopted by the board of education for use within the School District.

Special Trust Fund This fund accounts for monies used for purposes that are beneficial to the overall operation of the School District.

Nonmajor Debt Service Fund

Debt Service Fund is used to account for the accumulation of resources for the payment of long-term debt principal, interest, and fiscal charges. The only debt service fund for the School District is Bond Retirement Fund.

Nonmajor Capital Projects Funds

Capital projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

Permanent Improvement Fund This fund accounts for all transaction related to acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5707, Revised Code.

Building Fund This fund accounts for monies to be used for building improvements.

SchoolNet Plus Fund This fund accounts for State monies to be used to provide wiring to all classrooms that supports the transmission of voice, video and data, and to provide a computer workstation and related technology for every classroom.

Nonmajor Agency Funds

SERRC Center Fund This fund accounts for assets of the special education center.

Student Activities Fund This fund accounts for monies of student organizations.

Eastwood Local School District
Combining Balance Sheet
Nonmajor Governmental Funds
 June 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 289,867	\$ 44,061	\$ 114,976	\$ 448,904
Receivables:				
Taxes	-	241,356	313,606	554,962
<i>Total Assets</i>	<u>\$ 289,867</u>	<u>\$ 285,417</u>	<u>\$ 428,582</u>	<u>\$ 1,003,866</u>
Liabilities				
Accounts Payable	\$ 15,020	\$ 6,521	\$ -	\$ 21,541
Accrued Wages	32,147	-	-	32,147
Pension Obligation Payable	1,975	-	-	1,975
Interfund Payable	101,358	10,551	-	111,909
Intergovernmental Payable	307	-	-	307
Deferred Revenue	-	222,012	286,201	508,213
<i>Total Liabilities</i>	<u>\$ 150,807</u>	<u>\$ 239,084</u>	<u>\$ 286,201</u>	<u>\$ 676,092</u>
Fund Balance				
Reserved for Encumbrances	\$ 31,353	\$ 2,938	\$ -	\$ 34,291
Reserved for Property Taxes	-	19,944	27,405	47,349
Reserved for Debt Service:				
Principal	-	-	114,976	114,976
Unreserved:				
Undesignated	107,707	23,451	-	131,158
<i>Total Fund Balance</i>	<u>\$ 139,060</u>	<u>\$ 46,333</u>	<u>\$ 142,381</u>	<u>\$ 327,774</u>
Total Liabilities and Fund Balance	<u>\$ 289,867</u>	<u>\$ 285,417</u>	<u>\$ 428,582</u>	<u>\$ 1,003,866</u>

Eastwood Local School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ -	\$ 234,302	\$ 458,378	\$ 692,680
Intergovernmental	387,676	-	-	387,676
Interest	-	49	-	49
Tuition and Fees	80,802	-	-	80,802
Extracurricular Activities	341,574	-	-	341,574
Miscellaneous	10,203	-	-	10,203
<i>Total Revenues</i>	820,255	234,351	458,378	1,512,984
Expenditures				
Current:				
Instruction:				
Regular	402,237	1,940	-	404,177
Special	172,722	-	-	172,722
Support Services:				
Pupils	55,967	-	-	55,967
Instructional Staff	40,851	-	-	40,851
Administration	112,007	299	-	112,306
Fiscal	3,311	2,286	395	5,992
Business	-	-	2,868	2,868
Operation and Maintenance of Plant	29,133	169,292	-	198,425
Pupil Transportation	10,203	-	-	10,203
Central	1,005	-	-	1,005
Operation of Non-Instructional Services	7,633	-	-	7,633
Extracurricular Activities	303,799	-	-	303,799
Capital Outlay	-	346,563	-	346,563
Debt Service:				
Principal Retirement	-	-	235,000	235,000
Interest and Fiscal Charges	-	-	219,672	219,672
<i>Total Expenditures</i>	1,139,920	520,380	457,935	2,118,235
<i>Excess of Revenues Over (Under) Expenditures</i>	(319,665)	(286,029)	443	(605,251)
Other Financing Sources (Uses)				
Proceeds of Long-Term Notes	-	250,000	-	250,000
<i>Total Other Financing Sources (Uses)</i>	-	250,000	-	250,000
<i>Net Change in Fund Balances</i>	(319,665)	(36,029)	443	(355,251)
Fund Balance (Deficit) Beginning of Year	458,725	82,362	141,938	683,025
Fund Balance (Deficit) End of Year	<u>\$ 139,060</u>	<u>\$ 46,333</u>	<u>\$ 142,381</u>	<u>\$ 327,774</u>

Eastwood Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2003

	Public School Support	Martha Holden Jennings Grants	Student Athletics
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 35,270	\$ 94	\$ 53,031
<i>Total Assets</i>	<u>\$ 35,270</u>	<u>\$ 94</u>	<u>\$ 53,031</u>
 Liabilities			
Accounts Payable	\$ -	\$ -	\$ 2,209
Accrued Wages	-	-	-
Pension Obligation Payable	-	-	-
Interfund Payable	-	-	13,238
Intergovernmental Payable	-	-	-
<i>Total Liabilities</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,447</u>
 Fund Balance			
Reserved for Encumbrances	\$ 2,843	\$ -	\$ 13,990
Unreserved: Undesignated	32,427	94	23,594
<i>Total Fund Balance (Deficit)</i>	<u>\$ 35,270</u>	<u>\$ 94</u>	<u>\$ 37,584</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 35,270</u>	<u>\$ 94</u>	<u>\$ 53,031</u>

Educational Television Grant	Cummunity Education Grant	Post Secondary Education Grant	Teacher Development Grant	Educational Management Information Systems
\$ 444	\$ 1,007	\$ 4,424	\$ 492	\$ 26,396
<u>\$ 444</u>	<u>\$ 1,007</u>	<u>\$ 4,424</u>	<u>\$ 492</u>	<u>\$ 26,396</u>
\$ - - - - -	\$ - - - - -	\$ - - - - -	\$ - - - - -	\$ - - - - -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ 273	\$ -	\$ -	\$ -
<u>444</u>	<u>734</u>	<u>4,424</u>	<u>492</u>	<u>26,396</u>
<u>\$ 444</u>	<u>\$ 1,007</u>	<u>\$ 4,424</u>	<u>\$ 492</u>	<u>\$ 26,396</u>
<u><u>\$ 444</u></u>	<u><u>\$ 1,007</u></u>	<u><u>\$ 4,424</u></u>	<u><u>\$ 492</u></u>	<u><u>\$ 26,396</u></u>

(Continued)

Eastwood Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds - (Continued)
June 30, 2003

	Head Start	Public School Preschool	One Net
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 10,000	\$ 41,828	\$ 19,766
<i>Total Assets</i>	\$ 10,000	\$ 41,828	\$ 19,766
Liabilities			
Accounts Payable	\$ -	\$ -	\$ 12,811
Accrued Wages	-	-	-
Pension Obligation Payable	-	-	-
Interfund Payable	-	-	-
Intergovernmental Payable	-	-	-
<i>Total Liabilities</i>	\$ -	\$ -	\$ 12,811
Fund Balance			
Reserved for Encumbrances	\$ 10,000	\$ -	\$ 2,234
Unreserved:			
Undesignated	-	41,828	4,721
<i>Total Fund Balance (Deficit)</i>	\$ 10,000	\$ 41,828	\$ 6,955
<i>Total Liabilities and Fund Balance</i>	\$ 10,000	\$ 41,828	\$ 19,766

School Net Technology Training	Instruction Materials Subsidy	Ohio Reads Grant	Summer Intervention	Vocational Education
\$ 1,373	\$ 22,060	\$ 4,000	\$ 41,543	\$ 423
<u>\$ 1,373</u>	<u>\$ 22,060</u>	<u>\$ 4,000</u>	<u>\$ 41,543</u>	<u>\$ 423</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 158	\$ -	\$ -	\$ -	\$ -
<u>1,215</u>	<u>22,060</u>	<u>4,000</u>	<u>41,543</u>	<u>423</u>
<u>\$ 1,373</u>	<u>\$ 22,060</u>	<u>\$ 4,000</u>	<u>\$ 41,543</u>	<u>\$ 423</u>
<u><u>\$ 1,373</u></u>	<u><u>\$ 22,060</u></u>	<u><u>\$ 4,000</u></u>	<u><u>\$ 41,543</u></u>	<u><u>\$ 423</u></u>

(Continued)

Eastwood Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds - (Continued)
June 30, 2003

	Safe Schools Help Line	Migrant Program	Title IV
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 6,480	\$ -	\$ -
<i>Total Assets</i>	<u>\$ 6,480</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Wages	-	-	-
Pension Obligation Payable	-	-	-
Interfund Payable	703	4,592	833
Intergovernmental Payable	-	-	-
<i>Total Liabilities</i>	<u>\$ 703</u>	<u>\$ 4,592</u>	<u>\$ 833</u>
Fund Balance			
Reserved for Encumbrances	\$ 151	\$ -	\$ -
Unreserved:			
Undesignated	<u>5,626</u>	<u>(4,592)</u>	<u>(833)</u>
<i>Total Fund Balance (Deficit)</i>	<u>\$ 5,777</u>	<u>\$ (4,592)</u>	<u>\$ (833)</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 6,480</u>	<u>\$ -</u>	<u>\$ -</u>

OWA Grant	Title I	Title VI	Drug Free Grant	Preschool Handicap Grant
\$ 965	\$ 332	\$ -	\$ -	\$ 10,500
<u>\$ 965</u>	<u>\$ 332</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,500</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	32,147	-	-	-
-	1,975	-	-	-
-	32,207	-	2,723	-
-	307	-	-	-
<u>\$ -</u>	<u>\$ 66,636</u>	<u>\$ -</u>	<u>\$ 2,723</u>	<u>\$ -</u>
\$ -	\$ 333	\$ -	\$ -	\$ -
965	(66,637)	-	(2,723)	10,500
<u>\$ 965</u>	<u>\$ (66,304)</u>	<u>\$ -</u>	<u>\$ (2,723)</u>	<u>\$ 10,500</u>
<u>\$ 965</u>	<u>\$ 332</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,500</u>

(Continued)

Eastwood Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds - (Continued)
June 30, 2003

	Reducing Class Size Grant	Miscellaneous Federal Grants	Uniform School Supplies
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 5,957	\$ 1,695
<i>Total Assets</i>	\$ -	\$ 5,957	\$ 1,695
 Liabilities			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Wages	-	-	-
Pension Obligation Payable	-	-	-
Interfund Payable	45,967	1,095	-
Intergovernmental Payable	-	-	-
<i>Total Liabilities</i>	\$ 45,967	\$ 1,095	\$ -
 Fund Balance			
Reserved for Encumbrances	\$ -	\$ -	\$ -
Unreserved:			
Undesignated	(45,967)	4,862	1,695
<i>Total Fund Balance (Deficit)</i>	\$ (45,967)	\$ 4,862	\$ 1,695
<i>Total Liabilities and Fund Balance</i>	\$ -	\$ 5,957	\$ 1,695

Special Trust	Total Nonmajor Special Revenue Funds
<u>\$ 1,787</u>	<u>\$ 289,867</u>
<u><u>\$ 1,787</u></u>	<u><u>\$ 289,867</u></u>
\$ -	\$ 15,020
-	32,147
-	1,975
-	101,358
<u>-</u>	<u>307</u>
<u>\$ -</u>	<u>\$ 150,807</u>
\$ 1,371	\$ 31,353
<u>416</u>	<u>107,707</u>
<u>\$ 1,787</u>	<u>\$ 139,060</u>
<u><u>\$ 1,787</u></u>	<u><u>\$ 289,867</u></u>

Eastwood Local School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ending June 30, 2003

	Public School Support	Martha Holden Jennings Grants	Student Athletics
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-
Extracurricular Activities	62,325	-	266,148
Miscellaneous	-	-	9,718
<i>Total Revenues</i>	62,325	-	275,866
Expenditures:			
Current:			
Instruction:			
Regular	62,718	1,526	-
Special	-	-	-
Vocational	-	-	-
Support Services:			
Pupils	-	-	-
Instructional Staff	-	-	-
Administration	-	-	-
Fiscal	-	-	-
Operation and Maintenance of Plant	-	-	-
Pupil Transportation	-	-	-
Central	-	-	-
Operation of Non-Instructional Services	-	-	-
Extracurricular Activities	257	-	303,542
<i>Total Expenditures</i>	62,975	1,526	303,542
<i>Excess of Revenues Over (Under) Expenditures</i>	(650)	(1,526)	(27,676)
Fund Balance (Deficit) at Beginning of Year	35,920	1,620	65,260
Fund Balance (Deficit) End of Year	\$ 35,270	\$ 94	\$ 37,584

Educational Television Grant	Cummunity Education Grant	Post Secondary Education Grant	Teacher Development Grant	Educational Management Information Systems
\$ -	\$ -	\$ 476	\$ -	\$ 6,866
-	4,532	-	-	-
-	1,661	-	-	-
-	400	-	-	-
-	6,593	476	-	6,866
-	-	-	254	2,335
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	7,633	-	-	-
-	-	-	-	-
-	7,633	-	254	2,335
-	(1,040)	476	(254)	4,531
444	2,047	3,948	746	21,865
\$ 444	\$ 1,007	\$ 4,424	\$ 492	\$ 26,396

(Continued)

Eastwood Local School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds - (Continued)
For the year ending June 30, 2003

	Head Start	Public School Preschool	One Net
Revenues			
Intergovernmental	\$ 10,000	\$ 114,718	\$ 21,000
Tuition and Fees	-	-	-
Extracurricular Activities	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	10,000	114,718	21,000
Expenditures:			
Current:			
Instruction:			
Regular	-	26,988	16,812
Special	-	-	-
Vocational	-	-	-
Support Services:			
Pupils	-	36,782	-
Instructional Staff	-	19,979	-
Administration	48,094	12,867	-
Fiscal	-	2,164	-
Operation and Maintenance of Plant	-	29,133	-
Pupil Transportation	-	10,203	-
Central	-	1,005	-
Operation of Non-Instructional Services	-	-	-
Extracurricular Activities	-	-	-
<i>Total Expenditures</i>	48,094	139,121	16,812
<i>Excess of Revenues Over (Under) Expenditures</i>	(38,094)	(24,403)	4,188
Fund Balance (Deficit) at Beginning of Year	48,094	66,231	2,767
Fund Balance (Deficit) End of Year	\$ 10,000	\$ 41,828	\$ 6,955

School Net Technology Training	Instruction Materials Subsidy	Ohio Reads Grant	Summer Intervention	Vocational Education
\$ 3,250	\$ -	\$ 60,000	\$ -	\$ 423
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
3,250	-	60,000	-	423
10,890	6,888	70,000	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
10,890	6,888	70,000	-	-
(7,640)	(6,888)	(10,000)	-	423
9,013	28,948	14,000	41,543	-
\$ 1,373	\$ 22,060	\$ 4,000	\$ 41,543	\$ 423

(Continued)

Eastwood Local School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds - (Continued)
For the year ending June 30, 2003

	Safe Schools Help Line	Migrant Program	Title IV
Revenues			
Intergovernmental	\$ 14,810	\$ 1,008	\$ -
Tuition and Fees	-	-	-
Extracurricular Activities	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	14,810	1,008	-
Expenditures:			
Current:			
Instruction:			
Regular	8,403	-	-
Special	-	9,178	-
Vocational	1,052	-	-
Support Services:			
Pupils	-	-	1,594
Instructional Staff	-	-	-
Administration	1,739	-	-
Fiscal	-	-	-
Operation and Maintenance of Plant	-	-	-
Pupil Transportation	-	-	-
Central	-	-	-
Operation of Non-Instructional Services	-	-	-
Extracurricular Activities	-	-	-
<i>Total Expenditures</i>	11,194	9,178	1,594
<i>Excess of Revenues Over (Under) Expenditures</i>	3,616	(8,170)	(1,594)
Fund Balance (Deficit) at Beginning of Year	2,161	3,578	761
Fund Balance (Deficit) End of Year	\$ 5,777	\$ (4,592)	\$ (833)

<u>OWA Grant</u>	<u>Title I</u>	<u>Title VI</u>	<u>Drug Free Grant</u>	<u>Preshool Handicap Grant</u>
\$ -	\$ 59,022	\$ 25,211	\$ 13,313	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	59,022	25,211	13,313	-
-	-	-	-	-
-	153,617	9,927	-	-
-	-	-	-	-
-	-	10,422	7,169	-
-	-	9,450	-	-
-	-	-	18,333	30,974
-	-	-	145	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	153,617	29,799	25,647	30,974
-	(94,595)	(4,588)	(12,334)	(30,974)
965	28,291	4,588	9,611	41,474
<u>\$ 965</u>	<u>\$ (66,304)</u>	<u>\$ -</u>	<u>\$ (2,723)</u>	<u>\$ 10,500</u>

(Continued)

Eastwood Local School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds - (Continued)
For the year ending June 30, 2003

	Reducing Class Size Grant	Miscellaneous Federal Grants	Uniform School Supplies
Revenues			
Intergovernmental	\$ 33,903	\$ 23,676	\$ -
Tuition and Fees	-	-	76,270
Extracurricular Activities	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	33,903	23,676	76,270
Expenditures:			
Current:			
Instruction:			
Regular	88,225	32,546	74,652
Special	-	-	-
Vocational	-	-	-
Support Services:			
Pupils	-	-	-
Instructional Staff	-	-	-
Administration	-	-	-
Fiscal	1,002	-	-
Operation and Maintenance of Plant	-	-	-
Pupil Transportation	-	-	-
Central	-	-	-
Operation of Non-Instructional Services	-	-	-
Extracurricular Activities	-	-	-
<i>Total Expenditures</i>	89,227	32,546	74,652
<i>Excess of Revenues Over (Under) Expenditures</i>	(55,324)	(8,870)	1,618
Fund Balance (Deficit) at Beginning of Year	9,357	13,732	77
Fund Balance (Deficit) End of Year	\$ (45,967)	\$ 4,862	\$ 1,695

Special Trust	Total Nonmajor Special Revenue Funds
\$ -	\$ 387,676
-	80,802
11,440	341,574
<u>85</u>	<u>10,203</u>
11,525	820,255
-	402,237
-	172,722
-	1,052
-	55,967
11,422	40,851
-	112,007
-	3,311
-	29,133
-	10,203
-	1,005
-	7,633
<u>-</u>	<u>303,799</u>
<u>11,422</u>	<u>1,139,920</u>
103	(319,665)
<u>1,684</u>	<u>458,725</u>
<u>\$ 1,787</u>	<u>\$ 139,060</u>

Eastwood Local School District
Combining Balance Sheet
Nonmajor Capital Project Funds
 June 30,2003

	Permanent Improvement	Building	SchoolNet Plus	Total Nonmajor Capital Projects Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 43,951	-	\$ 110	\$ 44,061
Receivables:				
Taxes	241,356	-	-	241,356
<i>Total Assets</i>	<u>\$ 285,307</u>	<u>-</u>	<u>\$ 110</u>	<u>\$ 285,417</u>
Liabilities				
Accounts Payable	\$ 6,521	-	-	\$ 6,521
Interfund Payable	10,551	-	-	10,551
Deferred Revenue	222,012	-	-	222,012
<i>Total Liabilities</i>	<u>239,084</u>	<u>-</u>	<u>-</u>	<u>239,084</u>
Fund Balance				
Reserved for Encumbrances	\$ 2,938	-	-	\$ 2,938
Reserved for Property Taxes	19,944	-	-	19,944
Unreserved:				
Undesignated	23,341	-	\$ 110	23,451
<i>Total Fund Balance</i>	<u>\$ 46,223</u>	<u>-</u>	<u>\$ 110</u>	<u>\$ 46,333</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 285,307</u>	<u>-</u>	<u>\$ 110</u>	<u>\$ 285,417</u>

Eastwood Local School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ending June 30,2003

	Permanent Improvement	Building	SchoolNet Plus	Total Nonmajor Capital Projects Funds
Revenues				
Taxes	\$ 234,302	-	-	\$ 234,302
Interest	-	\$ 49	-	49
<i>Total Revenues</i>	234,302	49	-	234,351
Expenditures				
Current:				
Instruction:				
Regular	-	-	1,940	1,940
Support Services:				
Administration	299	-	-	299
Fiscal	2,286	-	-	2,286
Operation and Maintenance of Plant	169,292	-	-	169,292
Capital Outlay	341,897	4,666	-	346,563
<i>Total Expenditures</i>	513,774	4,666	1,940	520,380
<i>Excess of Revenues Over (Under) Expenditures</i>	(279,472)	(4,617)	(1,940)	(286,029)
Other Financing Sources (Uses):				
Proceeds of Long-Term Notes	250,000	-	-	250,000
<i>Total Other Financing Sources (Uses)</i>	250,000	-	-	250,000
<i>Net Change in Fund Balances</i>	(29,472)	(4,617)	(1,940)	(36,029)
Fund Balance (Deficit) at Beginning of Year	75,695	4,617	2,050	82,362
Fund Balance (Deficit) at End of Year	\$ 46,223	-	\$ 110	\$ 46,333

Eastwood Local School District
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ending June 30, 2003

	Balance July 1, 2002	Additions	Deletions	Balance June 30, 2003
SERRC Center				
Assets:				
Cash and Cash Equivalents	\$ 178,928	93,846	-	\$ 272,774
Intergovernmental Receivable	-	626,505	-	626,505
Total Assets	\$ 178,928	720,351	-	\$ 899,279
Liabilities:				
Accounts Payable	\$ 39,587	39,587	(39,587)	\$ 39,587
Accrued Wages	73,379	68,570	(73,379)	68,570
Interfund Payable	14,039	188,643	-	202,682
Intergovernmental Payable	2,617	2,063	(2,617)	2,063
Deferred Revenue	-	561,194	-	561,194
Pension Obligation Payable	24,134	25,183	(24,134)	25,183
Total Liabilities	\$ 153,756	885,240	(139,717)	\$ 899,279
	Balance July 1, 2002	Additions	Deletions	Balance June 30, 2003
Student Activities				
Assets:				
Cash and Cash Equivalents	\$ 59,435	-	(10,346)	\$ 49,089
Total Assets	\$ 59,435	-	(10,346)	\$ 49,089
Liabilities:				
Intergovernmental Payable Due to Students	\$ 1,928	-	-	\$ 1,928
	57,507	-	(10,346)	47,161
Intergovernmental Payable Due to Students	\$ 219,650	425,784	(447,660)	\$ 197,774
Total Liabilities	\$ 59,435	-	(10,346)	\$ 49,089

Eastwood Local School District

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

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Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Public School Support Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Extracurricular Activities	\$ 63,750	\$ 62,205	\$ 62,326	\$ 121
Total Revenues	63,750	62,205	62,326	121
Expenditures:				
Current:				
Instruction	46,270	65,561	65,561	-
Extracurricular activities	257	257	257	-
Total Expenditures	46,527	65,818	65,818	-
Net Change in Fund Balance	17,223	(3,613)	(3,492)	121
Fund Balance (Deficit) at The Beginning of Year	30,564	30,564	30,564	-
Prior Year Encumbrances Appropriated	5,355	5,355	5,355	-
Fund Balance (Deficit) at The End of Year	<u>\$ 53,142</u>	<u>\$ 32,306</u>	<u>\$ 32,427</u>	<u>\$ 121</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Martha Holden Jennings Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,500	\$ -	\$ -	\$ -
Extracurricular Activities	4,000	-	-	-
Total Revenues	6,500	-	-	-
Expenditures:				
Current:				
Instruction	3,375	1,526	1,526	-
Total Expenditures	3,375	1,526	1,526.00	-
Net Change in Fund Balance	3,125	(1,526)	(1,526)	-
Fund Balance (Deficit) at The Beginning of Year	1,180	1,180	1,180	-
Prior Year Encumbrances Appropriated	440	440	440	-
Fund Balance (Deficit) at The End of Year	\$ 4,745	\$ 94	\$ 94	\$ -

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Student Athletics Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Extracurricular Activities	\$ 277,525	\$ 304,960	\$ 266,146	\$ (38,814)
Miscellaneous	-	-	9,718	9,718
Total Revenues	277,525	304,960	275,864	(29,096)
Expenditures:				
Extracurricular activities	219,950	320,912	320,912	-
Total Expenditures	219,950	320,912	320,912	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	57,575	(15,952)	(45,048)	(29,096)
Other Financing Sources (Uses):				
Advances In	-	13,238	13,238	-
<i>Total Other Financing Sources (Uses)</i>	-	13,238	13,238	-
Net Change in Fund Balance	57,575	(2,714)	(31,810)	(29,096)
Fund Balance (Deficit) at The Beginning of Year	24,461	24,461	24,461	-
Prior Year Encumbrances Appropriated	44,177	44,177	44,177	-
Fund Balance (Deficit) at The End of Year	<u>\$ 126,213</u>	<u>\$ 65,924</u>	<u>\$ 36,828</u>	<u>\$ (29,096)</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Educational Television Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Net Change in Fund Balance	-	-	-	-
Fund Balance (Deficit) at The Beginning of Year	\$ 444	\$ 444	\$ 444	\$ -
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance (Deficit) at The End of Year	<u>\$ 444</u>	<u>\$ 444</u>	<u>\$ 444</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Community Education Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Tuition	\$ 5,100	\$ 4,531	\$ 4,531	\$ -
Extracurricular Activities	800	1,661	1,661	-
Miscellaneous	200	400	400	-
Total Revenues	6,100	6,592	6,592	-
Expenditures:				
Operation of noninstructional services	5,905	7,906	7,906	-
Total Expenditures	5,905	7,906	7,906	-
Net Change in Fund Balance	195	(1,314)	(1,314)	-
Fund Balance (Deficit) at The Beginning of Year	1,652	1,652	1,652	-
Prior Year Encumbrances Appropriated	395	395	395	-
Fund Balance (Deficit) at The End of Year	\$ 2,242	\$ 733	\$ 733	\$ -

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Post Secondary Education Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,500	\$ 476	\$ 476	\$ -
Total Revenues	4,500	476	476	-
Net Change in Fund Balance	4,500	476	476	-
Fund Balance (Deficit) at The Beginning of Year	3,948	3,948	3,948	-
Fund Balance (Deficit) at The End of Year	<u>\$ 8,448</u>	<u>\$ 4,424</u>	<u>\$ 4,424</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Teacher Development Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Expenditures:				
Current:				
Instruction	\$ 4,209	\$ 254	\$ 254	\$ -
Total Expenditures	4,209	254	254	-
Net Change in Fund Balance	(4,209)	(254)	(254)	-
Fund Balance (Deficit) at The Beginning of Year	187	187	187	-
Prior Year Encumbrances Appropriated	559	559	559	-
Fund Balance (Deficit) at The End of Year	<u>\$ (3,463)</u>	<u>\$ 492</u>	<u>\$ 492</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Education Management Information Systems
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 6,865	\$ 6,865	\$ -
Total Revenues	-	6,865	6,865	-
Expenditures:				
Current:				
Instruction	2,273	2,335	2,335	-
Total Expenditures	2,273	2,335	2,335	-
Net Change in Fund Balance	(2,273)	4,530	4,530	-
Fund Balance (Deficit) at The Beginning of Year	21,865	21,865	21,865	-
Fund Balance (Deficit) at The End of Year	<u>\$ 19,592</u>	<u>\$ 26,395</u>	<u>\$ 26,395</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Head Start Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	Variance with Final Budget Positive/ Negative
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 10,000	\$ 10,000	\$ -
Total Revenues	-	10,000	10,000	-
Expenditures:				
Support Services:				
Instructional support	10,000	10,000	10,000	-
Administration	48,094	48,094	48,094	-
Total Expenditures	58,094	58,094	58,094	-
Net Change in Fund Balance	(58,094)	(48,094)	(48,094)	-
Fund Balance (Deficit) at The Beginning of Year	48,094	48,094	48,094	-
Fund Balance (Deficit) at The End of Year	<u>\$ (10,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Public School Preschool Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Intergovernmental	\$ 29,000	\$ 114,719	\$ 114,719	\$ -
Total Revenues	29,000	114,719	114,719	-
Expenditures:				
Current:				
Instruction	16,500	26,988	26,988	-
Support Services:				
Pupils	25,000	36,782	36,782	-
Instructional support	10,200	19,979	19,979	-
Administration	7,900	12,867	12,867	-
Fiscal	1,350	2,164	2,164	-
Operation and maintenance of plant	9,800	29,133	29,133	-
Pupil transportation	13,500	10,203	10,203	-
Central	1,350	1,005	1,005	-
Total Expenditures	85,600	139,121	139,121	-
Net Change in Fund Balance	(56,600)	(24,402)	(24,402)	-
Fund Balance (Deficit) at The Beginning of Year	4,346	4,346	4,346	-
Prior Year Encumbrances Appropriated	61,885	61,885	61,885	-
Fund Balance (Deficit) at The End of Year	<u>\$ 9,631</u>	<u>\$ 41,829</u>	<u>\$ 41,829</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 One Net Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	Variance with Final Budget Positive/ Negative
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 21,000	\$ 21,000	\$ 21,000	\$ -
Total Revenues	21,000	21,000	21,000	-
Expenditures:				
Current:				
Instruction	1,288	19,046	19,046	-
Total Expenditures	1,288	19,046	19,046	-
Net Change in Fund Balance	19,712	1,954	1,954	-
Fund Balance (Deficit) at The Beginning of Year	2,654	2,654	2,654	-
Prior Year Encumbrances Appropriated	113	113	113	-
Fund Balance (Deficit) at The End of Year	<u>\$ 22,479</u>	<u>\$ 4,721</u>	<u>\$ 4,721</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 School Net Technology Training Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 3,250	\$ 3,250	\$ -
Total Revenues	-	3,250	3,250	-
Expenditures:				
Current:				
Instruction	2,880	11,049	11,049	-
Total Expenditures	2,880	11,049	11,049	-
Net Change in Fund Balance	(2,880)	(7,799)	(7,799)	-
Fund Balance (Deficit) at The Beginning of Year	9,013	9,013	9,013	-
Fund Balance (Deficit) at The End of Year	<u>\$ 6,133</u>	<u>\$ 1,214</u>	<u>\$ 1,214</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Instruction Material Subsidy Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Instruction	\$ 6,888	\$ 6,887	\$ 6,887	\$ -
Total Expenditures	<u>6,888</u>	<u>6,887</u>	<u>6,887</u>	<u>-</u>
Net Change in Fund Balance	(6,888)	(6,887)	(6,887)	-
Fund Balance (Deficit) at The Beginning of Year	<u>28,948</u>	<u>28,948</u>	<u>28,948</u>	<u>-</u>
Fund Balance (Deficit) at The End of Year	<u>\$ 22,060</u>	<u>\$ 22,061</u>	<u>\$ 22,061</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Ohio Reads Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 60,000	\$ 60,000	\$ 60,000	\$ -
Total Revenues	60,000	60,000	60,000	-
Expenditures:				
Current:				
Instruction	70,000	70,000	70,000	-
Total Expenditures	70,000	70,000	70,000	-
Net Change in Fund Balance	(10,000)	(10,000)	(10,000)	-
Fund Balance (Deficit) at The Beginning of Year	14,000	14,000	14,000	-
Fund Balance (Deficit) at The End of Year	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Summer Intervention Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Net Change in Fund Balance	-	-	-	-
Fund Balance (Deficit) at The Beginning of Year	\$ 41,543	\$ 41,543	\$ 41,543	\$ -
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance (Deficit) at The End of Year	\$ 41,543	\$ 41,543	\$ 41,543	\$ -

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Vocation Education Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 423	\$ 423	\$ -
Total Revenues	-	423	423	-
Net Change in Fund Balance	-	423	423	-
Fund Balance (Deficit) at The Beginning of Year	-	-	-	-
Fund Balance (Deficit) at The End of Year	<u>\$ -</u>	<u>\$ 423</u>	<u>\$ 423</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Safe Schools Help Line Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Intergovernmental	\$ 11,100	\$ 14,811	\$ 14,811	\$ -
Total Revenues	11,100	14,811	14,811	-
Expenditures:				
Current:				
Instruction	14,118	13,514	13,514	-
Support Services:				
Administration	-	1,889	1,889	-
Total Expenditures	14,118	15,403	15,403	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	(3,018)	(592)	(592)	-
Other Financing Sources (Uses):				
Advances In	-	703	703	-
<i>Total Other Financing Sources (Uses)</i>	-	703	703	-
Net Change in Fund Balance	(3,018)	111	111	-
Fund Balance (Deficit) at The Beginning of Year	332	332	332	-
Prior Year Encumbrances Appropriated	5,888	5,888	5,888	-
Fund Balance (Deficit) at The End of Year	<u>\$ 3,202</u>	<u>\$ 6,331</u>	<u>\$ 6,331</u>	<u>\$ -</u>

Eastwood Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Migrant Program Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amount</u>			Variance with Final Budget Positive/ Negative
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 1,008	\$ 1,008	\$ 1,008	\$ -
Total Revenues	1,008	1,008	1,008	-
Expenditures:				
Current:				
Instruction	11,358	9,196	9,196	-
Total Expenditures	11,358	9,196	9,196	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	(10,350)	(8,188)	(8,188)	-
Other Financing Sources (Uses):				
Advances In	-	4,592	4,592	-
<i>Total Other Financing Sources (Uses)</i>	-	4,592	4,592	-
Net Change in Fund Balance	(10,350)	(3,596)	(3,596)	-
Fund Balance (Deficit) at The Beginning of Year	2,396	2,396	2,396	-
Prior Year Encumbrances Appropriated	1,200	1,200	1,200	-
Fund Balance (Deficit) at The End of Year	<u>\$ (6,754)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title IV Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Support Services:				
Pupils	\$ 6,000	\$ 1,594	\$ 1,594	\$ -
Total Expenditures	<u>6,000</u>	<u>1,594</u>	<u>1,594</u>	<u>-</u>
<i>Excess of Revenues Over/(Under) Expenditures</i>	(6,000)	(1,594)	(1,594)	-
Other Financing Sources (Uses):				
Advances In	<u>-</u>	<u>833</u>	<u>833</u>	<u>-</u>
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>833</u>	<u>833</u>	<u>-</u>
Net Change in Fund Balance	(6,000)	(761)	(761)	-
Fund Balance (Deficit) at The Beginning of Year	721	721	721	-
Prior Year Encumbrances Appropriated	<u>40</u>	<u>40</u>	<u>40</u>	<u>-</u>
Fund Balance (Deficit) at The End of Year	<u>\$ (5,239)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 OWA Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Net Change in Fund Balance	-	-	-	-
Fund Balance (Deficit) at The Beginning of Year	965	965	965	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance (Deficit) at The End of Year	<u>\$ 965</u>	<u>\$ 965</u>	<u>\$ 965</u>	<u>\$ -</u>

Eastwood Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amount</u>			Variance with Final Budget Positive/ Negative
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 157,458	\$ 104,069	\$ 104,069	\$ -
Total Revenues	157,458	104,069	104,069	-
Expenditures:				
Current:				
Instruction	144,538	139,097	139,097	-
Total Expenditures	144,538	139,097	139,097	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	12,920	(35,028)	(35,028)	-
Other Financing Sources (Uses):				
Advances In	-	12,278	12,278	-
<i>Total Other Financing Sources (Uses)</i>	-	12,278	12,278	-
Net Change in Fund Balance	12,920	(22,750)	(22,750)	-
Fund Balance (Deficit) at The Beginning of Year	22,607	22,607	22,607	-
Prior Year Encumbrances Appropriated	143	143	143	-
Fund Balance (Deficit) at The End of Year	<u>\$ 35,670</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Title VI Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Intergovernmental	\$ 18,163	\$ 25,211	\$ 25,211	\$ -
Total Revenues	18,163	25,211	25,211	-
Expenditures:				
Current:				
Instruction	-	9,927	9,927	-
Support Services:				
Pupils	-	10,422	10,422	-
Instructional support	-	9,450	9,450	-
Total Expenditures	-	29,799	29,799	-
Net Change in Fund Balance	18,163	(4,588)	(4,588)	-
Fund Balance (Deficit) at The Beginning of Year	4,588	4,588	4,588	-
Fund Balance (Deficit) at The End of Year	<u>\$ 22,751</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Drug Free Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Intergovernmental	\$ 7,314	\$ 13,313	\$ 13,313	\$ -
Total Revenues	7,314	13,313	13,313	-
Expenditures:				
Support Services:				
Pupils	-	7,169	7,169	-
Administration	2,073	18,332	18,332	-
Fiscal	-	145	145	-
Total Expenditures	2,073	25,646	25,646	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	5,241	(12,333)	(12,333)	-
Other Financing Sources (Uses):				
Advances In	-	2,722	2,722	-
<i>Total Other Financing Sources (Uses)</i>	-	2,722	2,722	-
Net Change in Fund Balance	5,241	(9,611)	(9,611)	-
Fund Balance (Deficit) at The Beginning of Year	9,611	9,611	9,611	-
Fund Balance (Deficit) at The End of Year	<u>\$ 14,852</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Preschool Handicap Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Support Services:				
Administration	\$ 9,976	\$ 30,974	\$ 30,974	\$ -
Total Expenditures	<u>9,976</u>	<u>30,974</u>	<u>30,974</u>	<u>-</u>
Net Change in Fund Balance	(9,976)	(30,974)	(30,974)	-
Fund Balance (Deficit) at The Beginning of Year	40,955	40,955	40,955	-
Prior Year Encumbrances Appropriated	<u>519</u>	<u>519</u>	<u>519</u>	<u>-</u>
Fund Balance (Deficit) at The End of Year	<u>\$ 31,498</u>	<u>\$ 10,500</u>	<u>\$ 10,500</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Reducing Class Size Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Intergovernmental	\$ 9,889	\$ 33,903	\$ 33,903	\$ -
Total Revenues	9,889	33,903	33,903	-
Expenditures:				
Current:				
Instruction	15,650	88,225	88,225	-
Support Services:				
Fiscal	-	1,002	1,002	-
Total Expenditures	15,650	89,227	89,227	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	(5,761)	(55,324)	(55,324)	-
Other Financing Sources (Uses):				
Advances In	-	45,967	45,967	-
<i>Total Other Financing Sources (Uses)</i>	-	45,967	45,967	-
Net Change in Fund Balance	(5,761)	(9,357)	(9,357)	-
Fund Balance (Deficit) at The Beginning of Year	9,357	9,357	9,357	-
Fund Balance (Deficit) at The End of Year	<u>\$ 3,596</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Misc. Federal Grant Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 18,142	\$ 23,677	\$ 23,677	\$ -
Total Revenues	18,142	23,677	23,677	-
Expenditures:				
Current:				
Instruction	25,917	32,547	32,547	-
Total Expenditures	25,917	32,547	32,547	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	(7,775)	(8,870)	(8,870)	-
Other Financing Sources (Uses):				
Advances In	-	1,095	1,095	-
<i>Total Other Financing Sources (Uses)</i>	-	1,095	1,095	-
Net Change in Fund Balance	(7,775)	(7,775)	(7,775)	-
Fund Balance (Deficit) at The Beginning of Year	13,732	13,732	13,732	-
Fund Balance (Deficit) at The End of Year	<u>\$ 5,957</u>	<u>\$ 5,957</u>	<u>\$ 5,957</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Uniform Schools Supplies Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Classroom Materials and Fees	\$ 75,000	\$ 76,270	\$ 76,270	\$ -
Total Revenues	75,000	76,270	76,270	-
Expenditures:				
Current:				
Instruction	75,000	74,652	74,652	-
Total Expenditures	75,000	74,652	74,652	-
Net Change in Fund Balance	-	1,618	1,618	-
Fund Balance (Deficit) at The Beginning of Year	77	77	77	-
Fund Balance (Deficit) at The End of Year	<u>\$ 77</u>	<u>\$ 1,695</u>	<u>\$ 1,695</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Special Trust Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Revenues:				
Extracurricular Activities	\$ 5,000	\$ 11,440	\$ 11,440	\$ -
Miscellaneous	-	86	86	-
Total Revenues	5,000	11,526	11,526	-
Expenditures:				
Current:				
Instruction	5,000	11,422	11,422	-
Total Expenditures	5,000	11,422	11,422	-
Net Change in Fund Balance	-	104	104	-
Fund Balance (Deficit) at The Beginning of Year	1,694	1,694	1,694	-
Fund Balance (Deficit) at The End of Year	<u>\$ 1,694</u>	<u>\$ 1,798</u>	<u>\$ 1,798</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 451,638	\$ 459,054	\$ 459,054	\$ -
Total Revenues	451,638	459,054	459,054	-
Expenditures:				
Support Services:				
Administration	500	395	395	-
Fiscal	3,000	2,868	2,868	-
Debt Service:				
Principal	235,000	235,000	235,000	-
Interest	211,116	219,672	219,672	-
Total Expenditures	449,616	457,935	457,935	-
Net Change in Fund Balance	2,022	1,119	1,119	-
Fund Balance (Deficit) at The Beginning of Year	113,857	113,857	113,857	-
Fund Balance (Deficit) at The End of Year	<u>\$ 115,879</u>	<u>\$ 114,976</u>	<u>\$ 114,976</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount			Variance with Final Budget Positive/ Negative
	Original	Final	Actual	
Revenues:				
Taxes	\$ 250,000	\$ 236,040	\$ 236,040	\$ -
Total Revenues	250,000	236,040	236,040	-
Expenditures:				
Current:				
Instruction	1,385	1,378	1,378	-
Support Services:				
Administration	127	299	299	-
Fiscal	-	2,286	2,286	-
Operation and maintenance of plant	227,361	173,845	173,845	-
Capital outlay	160,681	341,897	341,897	-
Total Expenditures	389,554	519,705	519,705	-
<i>Excess of Revenues Over/(Under) Expenditures</i>	(139,554)	(283,665)	(283,665)	-
Other Financing Sources (Uses):				
Proceeds of Notes	250,000	250,000	250,000	-
<i>Total Other Financing Sources (Uses)</i>	250,000	250,000	250,000	-
Net Change in Fund Balance	110,446	(33,665)	(33,665)	-
Fund Balance (Deficit) at The Beginning of Year	23,320	23,320	23,320	-
Prior Year Encumbrances Appropriated	44,837	44,837	44,837	-
Fund Balance (Deficit) at The End of Year	<u>\$ 178,603</u>	<u>\$ 34,492</u>	<u>\$ 34,492</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Building Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>			Variance with Final Budget Positive/ Negative
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$ 100	\$ 49	\$ 49	\$ -
Total Revenues	100	49	49	-
Expenditures:				
Capital outlay	4,717	4,666	4,666	-
Total Expenditures	4,717	4,666	4,666	-
Net Change in Fund Balance	(4,617)	(4,617)	(4,617)	-
Fund Balance (Deficit) at The Beginning of Year	3,617	3,617	3,617	-
Prior Year Encumbrances Appropriated	1,000	1,000	1,000	-
Fund Balance (Deficit) at The End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 SchoolNet Plus Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Instruction	\$ -	\$ 2,050	\$ 1,940	\$ 110
Total Expenditures	-	2,050	1,940	110
Net Change in Fund Balance	-	(2,050)	(1,940)	110
Fund Balance (Deficit) at The Beginning of Year	2,050	2,050	2,050	-
Fund Balance (Deficit) at The End of Year	<u>\$ 2,050</u>	<u>\$ -</u>	<u>\$ 110</u>	<u>\$ 110</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Food Service Fund
 For the Fiscal Year Ended June 30, 2003*

	Budgeted Amount		Actual	Variance with Final Budget Positive/ Negative
	Original	Final		
Operating Revenues:				
Food services	\$ 450,000	\$ 454,949	\$ 454,949	\$ -
Total Revenues	450,000	454,949	454,949	-
Operating Expenses:				
Personal services - salaries	200,000	217,455	217,455	-
Employees retirement and insurance	95,000	98,830	98,830	-
Purchased services	2,500	3,020	3,020	-
Supplies and materials	260,000	259,343	259,343	-
Other objects	500	1,014	1,014	-
Total Expenses	558,000	579,662	579,662	-
<i>Excess of Revenues Over/(Under) Expenses</i>	(108,000)	(124,713)	(124,713)	-
Non Operating Revenues				
Donations and contributions	-	2,940	2,940	-
Intergovernmental	-	83,008	83,008	-
Advances In	-	38,765	38,765	-
<i>Total Other Financing Sources (Uses)</i>	-	124,713	124,713	-
Net Change in Fund Balance	(108,000)	-	-	-
Fund Balance (Deficit) at The Beginning of Year	-	-	-	-
Fund Balance (Deficit) at The End of Year	<u>\$ (108,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Eastwood Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Field Trips and Rotary Fund
 For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget Positive/ Negative</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues:				
Extracurricular Activities	\$ 26,000	\$ 28,064	\$ 28,064	\$ -
Total Revenues	26,000	28,064	28,064	-
Operating Expenses:				
Other objects	25,000	27,165	27,165	-
Total Expenses	25,000	27,165	27,165	-
Net Change in Fund Balance	1,000	899	899	-
Fund Balance (Deficit) at The Beginning of Year	10,848	10,848	10,848	-
Fund Balance (Deficit) at The End of Year	<u>\$ 11,848</u>	<u>\$ 11,747</u>	<u>\$ 11,747</u>	<u>\$ -</u>

Statistical Section

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Eastwood Local School District
 General Governmental
 Revenue by Source and Expenses/Expenditures by Function (1)
 Last Ten Fiscal Years

	2003			
	Full	Modified	2002 - (1)	2001 - (1)
	Accrual -(1)	Accrual -(1)		
Program Revenues				
Charges for Services	\$ 683,351	N/A	N/A	N/A
Operating Grants and Contributions	152,812	N/A	N/A	N/A
General Revenues				
Taxes	4,844,545	\$ 4,816,545	\$ 5,123,473	\$ 7,107,027
Intergovernmental	7,839,891	8,075,177	7,690,161	7,092,063
Interest	229,635	229,635	285,973	270,264
Tuition and Fees	-	229,747	58,382	98,436
Classroom Materials and Fees	-	1,493	-	3,199
Extracurricular Activities	-	341,574	409,021	424,318
Proceeds of Notes	-	250,000	-	-
Refund of Prior Year Expenditures	-	39,998	-	3,057
Gain on Sales of Capital Assets	-	-	848	-
Miscellaneous	133,400	96,173	92,599	82,501
Transfer In	-	-	2,475	2,604
<i>Total</i>	<u>\$ 13,883,634</u>	<u>\$ 14,080,342</u>	<u>\$ 13,662,932</u>	<u>\$ 15,083,469</u>
Expenses/Expenditures				
Instructional	\$ 8,192,157	\$ 8,193,373	\$ 7,386,824	\$ 7,291,152
Supporting Services	4,982,226	4,911,613	4,449,437	4,555,453
Operation of Non-Instructional Services	7,633	7,633	-	-
Extracurricular Activities	512,277	489,157	446,539	458,443
Capital Outlay	-	346,563	25,283	974,740
Debt Service	218,016	454,672	441,744	446,750
Transfer Out	-	-	17,295	7,387
Other Uses	-	-	4,795	6,168
<i>Total</i>	<u>\$ 13,912,309</u>	<u>\$ 14,403,011</u>	<u>\$ 12,771,917</u>	<u>\$ 13,740,093</u>

Source: School District Financial Records

(1) Includes General Fund, Special Revenue, Debt Service, and Capital Projects funds for modified accrual and all governmental activities for full accrual.

(2) Information not available.

	<u>2000- (1)</u>	<u>1999 - (1)</u>	<u>1998 - (1)</u>	<u>1997- (1)</u>	<u>1996 - (1)</u>	<u>1995 - (1)</u>	<u>1994 - (1)</u>
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$	5,008,139	\$ 4,480,540	\$ 4,309,690	\$ 3,801,338	\$ 3,949,251	(2)	\$ 3,775,883
	6,482,228	6,028,797	5,581,807	4,491,984	4,445,110	(2)	4,621,401
	340,587	271,834	124,520	118,902	93,502	(2)	80,155
	81,403	66,124	69,355	125,092	78,365	(2)	27,874
	-	-	-	-	-	(2)	-
	354,871	314,548	241,538	241,204	194,302	(2)	153,414
	-	5,454,462	-	-	450,000	(2)	-
	7,219	23,322	8,289	2,881	-	(2)	86
	472	1,107	69	1,333	102	(2)	2,551
	97,256	110,909	132,815	78,955	84,634	(2)	104,459
	<u>2,449</u>	<u>2,071</u>	<u>5,556</u>	<u>2,863</u>	<u>4,419</u>	<u>(2)</u>	<u>66,528</u>
\$	<u>12,374,624</u>	<u>\$ 16,753,714</u>	<u>\$ 10,473,639</u>	<u>\$ 8,864,552</u>	<u>\$ 9,299,685</u>	<u>\$ -</u>	<u>\$ 8,832,351</u>
\$	5,838,303	\$ 6,282,700	\$ 5,087,996	\$ 4,813,854	\$ 4,903,295	(2)	\$ 4,337,772
	5,013,801	4,938,385	3,703,309	3,725,101	3,330,235	(2)	4,840,765
	-	-	-	-	-	(2)	-
	463,521	295,672	332,250	148,428	295,407	(2)	251,364
	3,098,270	300,988	85,395	94,607	29,312	(2)	82,218
	511,276	96,390	37,661	18,551	535,488	(2)	292,137
	2,449	2,071	11,098	2,863	4,419	(2)	111,936
	<u>6,876</u>	<u>6,984</u>	<u>7,383</u>	<u>124,906</u>	<u>11,616</u>	<u>(2)</u>	<u>20,660</u>
\$	<u>14,934,496</u>	<u>\$ 11,923,190</u>	<u>\$ 9,265,092</u>	<u>\$ 8,928,310</u>	<u>\$ 9,109,772</u>	<u>\$ -</u>	<u>\$ 9,936,852</u>

Eastwood Local School District
Property Tax Levies and Collections
Last Ten Calendar Years

<u>Tax Year</u>	<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Collection</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collection</u>	<u>Total Collection</u>	<u>Percent of Collections To Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes To Tax Levy</u>
2002	2003	Not available per Wood County Auditor's Office							
2001	2002	\$ 4,085,575	\$ 3,874,877	94.8%	\$ 86,563	\$ 3,961,440	97.0%	\$ 26,366	0.6%
2000	2001	3,941,684	3,792,247	96.2%	97,688	3,889,935	98.7%	14,377	0.4%
1999	2000	3,971,110	3,811,849	96.0%	104,154	3,916,003	98.6%	16,806	0.4%
1998	1999	4,199,137	4,007,844	95.4%	87,030	4,094,874	97.5%	N/A	-
1997	1998	3,846,778	3,707,195	96.4%	87,892	3,795,087	98.7%	N/A	-
1996	1997	3,570,170	3,405,504	95.4%	120,667	3,526,171	98.8%	N/A	-
1995	1996	3,597,861	3,486,233	96.9%	76,540	3,562,773	99.0%	N/A	-
1994	1995	3,238,221	3,083,426	95.2%	119,146	3,202,572	98.9%	N/A	-
1993	1994	Not available per Wood County Auditor's Office							

Note: The Wood County Treasurer collects property taxes on a calendar-year basis, therefore, the above data has been presented on a calendar-year basis.

Source: Wood County Auditor's Office

Eastwood Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

Collection Year	Real Property		Public Utility/ Personal Property		Tangible Personal Property		Total		Ratio of Assessed Value to Estimated Actual Value
	Assessed Value	Estimated Actual Value(1)	Assessed Value	Estimated Actual Value(1)	Assessed Value	Estimated Actual Value(1)	Assessed Value	Estimated Actual Value(1)	
2003	\$147,827,940	\$422,344,425	\$16,433,210	\$46,949,681	\$15,088,435	\$43,107,659	\$179,349,585	\$512,401,764	35.0%
2002	135,882,700	388,216,874	17,938,570	51,250,494	15,834,930	45,240,395	169,656,200	484,707,763	33.5
2001	133,259,490	380,722,363	22,774,190	65,065,861	15,609,853	44,597,350	171,643,533	490,385,574	33.7
2000	130,331,630	372,357,467	24,032,280	68,660,224	14,449,032	41,280,884	168,812,942	482,298,575	33.9
1999	99,537,330	284,378,152	23,032,280	67,981,715	11,882,492	33,948,280	135,214,612	386,308,146	33.9
1998	96,010,170	274,301,056	23,794,790	69,597,779	10,600,414	30,285,383	130,960,524	374,154,217	34.0
1997	92,863,010	265,309,620	24,349,940	71,129,043	9,942,156	28,404,740	127,701,576	364,843,403	34.0
1996	82,599,300	235,986,200	24,896,410	71,274,808	10,039,609	28,683,163	117,586,339	335,944,171	34.3
1995	80,465,930	229,891,162	31,674,900	90,495,189	9,506,080	27,158,871	121,646,910	347,545,222	34.5
1994	79,386,950	226,808,516	30,348,750	86,706,379	9,250,519	26,428,733	118,986,219	339,943,628	34.2

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

- (1) This amount is calculated based on the following percentages:
Real property is assessed at 35 percent of actual value.
Public utility/personal property is assessed at 88 percent of actual value.
Tangible personal property is assessed at 25 percent of actual value.

Eastwood Local School District
Property Tax Rates – Direct and Overlapping Governments
(per \$1,000 of Assessed Valuation)
Last Ten Calendar Years

Tax Year	Collection Year	Eastwood School Levy	Wood County Levy	Pemberville Village Levy	Luckey Village Levy	Center Township Levy	Freedon Township Levy	Middleton Township Levy	Montgomery Township Levy	Mid Co. Ambulance District Levy	Penta JVSD Levy	Troy Township Levy	Webster Township Levy	Perrysburg Township Levy	Total Levy
2002	2003	44.70	14.40	2.40	6.50	6.80	6.80	9.70	6.90	2.00	2.20	7.40	2.60	10.93	123.33
2001	2002	44.70	14.10	2.40	6.50	7.80	6.80	9.70	6.90	2.50	2.20	7.40	2.60	10.95	124.55
2000	2001	44.70	12.80	2.40	6.50	7.80	6.80	9.70	6.90	2.50	2.20	7.40	2.60	10.95	123.25
1999	2000	44.70	10.80	2.40	6.50	7.80	6.80	9.70	6.90	2.50	2.20	5.60	2.60	10.95	119.45
1998	1999	45.25	12.10	2.70	6.50	7.80	3.80	10.70	6.90	2.50	2.20	5.60	2.60	5.95	114.60
1997	1998	42.80	11.90	2.70	6.50	5.80	3.80	10.70	6.90	2.50	2.20	5.60	2.60	5.95	109.95
1996	1997	42.80	11.90	2.70	6.50	5.80	3.80	10.70	6.90	2.50	2.20	4.60	2.60	5.95	108.95
1995	1996	42.80	11.90	2.80	3.50	5.80	6.10	10.70	6.90	2.50	2.20	4.60	2.60	6.00	108.40
1994	1995	42.80	11.90	2.90	3.50	5.80	6.10	10.70	6.90	2.50	2.20	4.60	2.60	5.98	108.48
1993	1994	42.80	11.70	2.50	3.50	6.60	6.10	8.70	6.90	2.00	2.20	4.60	2.60	5.98	106.18

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

Eastwood Local School District
Ratio of Net Obligation Bonded Debt to
Assessed Value and Net Bonded Debt Per Capita
June 30, 2003

<u>Year</u>	<u>Eastwood Local SD Area Population (1)</u>	<u>Assessed Value (2)</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Debt Service Funds Available (1)</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
2003	9,213	\$ 179,349,585	\$ 4,574,692	\$ 142,252	\$ 4,432,440	2.47%	\$ 481.11
2002	9,213	169,656,200	4,804,692	141,938	4,662,754	2.75%	506.11
2001	9,213	171,643,533	5,024,692	385,943	4,638,749	2.70%	503.50
2000	9,124	168,812,942	5,244,692	164,996	5,079,696	3.01%	556.74
1999	9,124	135,214,612	5,449,692	164,441	5,285,251	3.91%	579.27
1998	9,124	130,960,524	-	-	-	0.00%	-
1997	9,124	127,701,573	-	-	-	0.00%	-
1996	9,124	117,586,339	-	-	-	0.00%	-
1995	9,124	121,646,910	-	-	-	0.00%	-
1994	9,124	118,986,219	-	-	-	0.00%	-

Source:

- (1) School District Financial Records
- (2) Wood County, Ohio; County Auditor

Eastwood Local School District
 Computation of Direct and Overlapping
 General Obligation Bonded Debt
 June 30, 2003

Jurisdiction	Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Direct:			
Eastwood Local School District	\$ 4,569,692	100.00%	\$ 4,569,692
Overlapping:			
Wood County	<u>12,890,144</u>	7.08%	<u>912,622</u>
Total Overlapping	<u>12,890,144</u>		<u>912,622</u>
Totals:	\$ <u><u>17,459,836</u></u>		\$ <u><u>5,482,314</u></u>

Source: Wood County Auditor and Eastwood Local School District

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2002 collection year.

Eastwood Local School District
Computation of Legal Debt Margin
June 30, 2003

Assessed Valuation	<u>\$ 179,349,585</u>
Debt Limit – 9% of Assessed Value (1)	\$16,141,463
Less: Amount of Debt Applicable	(4,569,692)
Amount Available in Debt Service Fund	<u>142,381</u>
Overall Debt Margin	<u>\$11,714,152</u>
Debt Limit – 0.10% of Assessed Value (1)	\$179,350
Less: Amount of Debt Applicable	-
Amount Available in Debt Service Fund	<u>142,381</u>
Unvoted Debt Margin	<u>\$321,731</u>

Source: Wood County Auditor and School District Financial Records

(1) Ohio Bond Law sets an overall limit of 9% for total debt and 1/10 of 1% for unvoted debt.

Eastwood Local School District
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to General Government Expenditures
Last Ten Fiscal Years

Year	Principal	Interest and Fiscal Charges	Total Debt Service	Total Governmental Expenditures	Ratio of Debt Service Expenditures To Total Governmental Expenditures
2003	\$ 235,000	\$ 219,672	\$ 454,672	\$ 14,403,011	3.16%
2002	220,000	221,744	441,744	12,771,917	3.46%
2001	220,000	226,750	446,750	13,740,093	3.25%
2000	205,000	261,672	466,672	14,934,496	3.12%
1999	-	-	-	11,923,190	0.00%
1998	-	-	-	9,265,092	0.00%
1997	-	-	-	8,932,427	0.00%
1996	-	-	-	9,109,772	0.00%
1995	(a)	(a)	(a)	(a)	(a)
1994	-	-	-	9,936,852	0.00%

Source: School District Financial Records
Includes expenditures from the General Fund, Special Revenue, Debt Service, and Capital
Projects Funds.

(a): information not available for fiscal year ended June 30, 1995

Eastwood Local School District
Demographic Statistics
Last Ten Years

Year	ELSD Area Population (1)	School Enrollment (1)	Wood County Unemployment Rate (2)
2003	9,213	1,981	4.6
2002	9,213	1,900	4.8
2001	9,213	1,919	3.5
2000	9,124	1,924	3.2
1999	9,124	1,905	3.5
1998	9,124	1,900	3.3
1997	9,124	1,887	3.5
1996	9,124	1,843	3.7
1995	9,124	1,821	3.9
1994	9,124	1,760	4.4

Source:

- (1) Eastwood Local School District
- (2) Ohio Bureau of Employment Services

Eastwood Local School District
 Financial Institution Deposits, Property Value and New Construction
 Last Ten Years

Tax Year	Collection Year	Property Values Estimated Actual Value (1)	Financial Institution Bank Deposits (2)	New Construction Assessed Value (1)
2002	2003	\$ 512,401,764	\$ 593,492,000	\$ 2,882,450
2001	2002	484,707,763	533,034,000	2,309,730
2000	2001	490,385,574	483,871,000	2,736,870
1999	2000	482,298,575	444,974,000	3,305,150
1998	1999	386,308,146	920,050,000	3,298,510
1997	1998	374,154,217	1,329,795,000	2,799,920
1996	1997	364,843,403	1,237,991,000	1,882,900
1995	1996	335,944,171	1,254,166,000	1,901,080
1994	1995	347,545,222	1,170,581,000	1,146,000
1993	1994	339,943,628	Information not available prior to 1994	

Sources: (1) Wood County Auditor
 (2) Federal Reserve Bank of Cleveland

Eastwood Local School District
Principal Taxpayers
Real Property Tax
December 31, 2003

Taxpayer	Assessed Value (1)	Percentage of Total Real Property Tax Assessed Value
Troy Villa Limited	\$ 1,696,000	1.15%
Otterbien Homes	1,510,140	1.02%
Modine Manufacturing Co.	1,281,740	0.87%
USF Holland Inc.	882,010	0.60%
County of Wood	735,000	0.50%
Libbe William H.	209,210	0.14%
Stickel Dale	196,500	0.13%
Schimmoeller Daniel	152,700	0.10%
Meier Sally H.	152,590	0.10%
Schuerman Faye A.	153,020	0.10%
	\$ <u>6,968,910</u>	<u>4.71%</u>
Total Real Property Tax Assessed Valuation	\$ <u>147,827,940</u>	

Sources: Wood County Auditor

(1) Assessed values are for the 2003 collection year

Eastwood Local School District
Principal Taxpayers
Tangible Personal Property Tax
December 31, 2003

Taxpayer	Assessed Value(1)	Percentage of Total Tangible Personal Property Tax Assessed Value
Modine Manufacturing Co.	\$ 2,025,570	13.42%
Principle Business Enterprise Inc.	1,601,850	10.62%
Helena Chemical	1,545,680	10.24%
Rouen Group Inc.	1,165,310	7.72%
Hirzel Canning	851,830	5.65
Blako Industries Inc.	814,050	5.40
Universal Metal Products	808,770	5.36%
Toledo Molding & Die Inc.	500,210	3.32%
Cantwell Machinery	419,590	2.78%
Michelin North America Inc.	215,800	1.43%
	\$ <u>9,948,660</u>	<u>65.94%</u>
Total Tangible Personal Property Tax Assessed Valuation	\$ <u>15,088,435</u>	

Sources: Wood County Auditor

(1) Assessed values are for the 2003 collection year

Eastwood Local School District
Principal Taxpayers
Public Utilities Tangible Property Tax
December 31, 2003

Taxpayer	Assessed Value(1)	Percentage of Total Public Utility Tangible Property Tax Assessed Value
Toledo Edison	\$ 4,587,280	27.91%
American Transmission	4,089,590	24.89%
MCI Telecommunications	1,724,440	10.49%
United Telephone	871,650	5.30%
CSX	757,650	4.61%
Columbia Gas	601,940	3.66%
East Ohio Gas Co	560,510	3.41%
Mid Valley Pipeline	539,280	3.28%
Ohio Telephone	433,890	2.64%
Ohio Power	431,110	2.63%
	<u>\$ 14,596,720</u>	<u>88.82%</u>
Total Public Utility Tangible Property Tax Assessed Valuation	<u>\$ 16,433,210</u>	

Sources: Wood County Auditor

(1) Assessed values are for the 2003 collection year

Eastwood Local School District
Miscellaneous Statistics
June 30, 2003

Form of Government	Board of Education
Enrollment	1,981
Superintendent of Schools	William G. McFarland
Treasurer	Dave R. Michael
School Buildings:	
Eastwood High School	William Workman
Eastwood Middle School	John Obrock
Lemoyne Elementary	Gary Joe Morgan
Pemberville Elementary	Thomas Lingenfelder
Luckey Elementary	Gary Joe Morgan
Webster Elementary	Thomas Lingenfelder

Sources: School District Financial Records

Eastwood Local School District
 Teacher Education and Experience
 June 30, 2003

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	13	12.87%
Bachelor + 18 hours	5	4.95%
Bachelor + 30 hours	9	8.91%
Master's Degree	42	41.58%
Master's + 18 Hours	18	17.82%
Master's + 30 Hours	14	13.86%
Master's + 45 Hours	0	0.00%
PHD's	<u>0</u>	<u>0.00%</u>
Total	<u><u>101</u></u>	<u><u>100.00%</u></u>

<u>Year of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	24	24%
6 - 10	19	19%
11 and Over	<u>58</u>	<u>57%</u>
Total	<u><u>101</u></u>	<u><u>100%</u></u>

Source: School District Personnel Records

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**Auditor of State
Betty Montgomery**

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800-282-0370
Facsimile 614-466-4490

EASTWOOD LOCAL SCHOOL DISTRICT

WOOD 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 20, 2004**