



**Auditor of State
Betty Montgomery**

**LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
COLUMBIANA COUNTY**

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**LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
COLUMBIANA COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program	N/A	10.550		\$43,051		\$43,051
National School Breakfast Program	2002 05-PU 2003 05-PU	10.553	2,525 14,597		2,525 14,597	
Total National School Breakfast Program			17,122		17,122	
National School Lunch Program	2002 LL-P4 2003 LL-P4	10.555	17,213 93,027		17,213 93,027	
Total National School Lunch Program			110,240		110,240	
Total U.S. Department of Agriculture - Nutrition Cluster			127,362	43,051	127,362	43,051
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed Through Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies	C1-S1 2002 C1-S1 2003	84.010	48,961 169,439		74,072 148,388	
Total Title I Grants to Local Educational Agencies			218,400		222,460	
Title V Grant	C2-S1 2003	84.298	27,086		27,086	
Title II-D Grant	TJ-S1 2003	84.318	5,209		5,209	
Drug Free School Grant	DR-S1 2002 DR-S1 2003	84.186	4,889 6,568		5,965 6,568	
Total Drug Free School Grant			11,457		12,533	
Title VI-R Grant	CR-S1 2002	84.340	11,743		18,935	
Assistive Tech Infusion Program	AT-S3 2002	84.352A	4,204		3,545	
Title II-A Grant	TR-S1-2003	84.367	40,161		32,096	
Total Department of Education			318,260		321,864	
Total Federal Receipts and Expenditures			\$445,622	\$43,051	\$449,226	\$43,051

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

**LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
COLUMBIANA COUNTY**

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

NOTE A -- 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.

NOTE B -- FOOD DISTRIBUTION

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants and local receipts. It is assumed federal monies are expended first.



Auditor of State Betty Montgomery

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

Lisbon Exempted Village School District
Columbiana County
431 East Chestnut Street
Lisbon, Ohio 44432

We have audited the financial statements of the Lisbon Exempted Village School District, Columbiana County, (the District) as of and for the year ended June 30, 2003, and have issued our report thereon dated November 7, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated November 7, 2003.

Lisbon Exempted Village School District
Columbiana County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

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

Betty Montgomery
Auditor of State

November 7, 2003



Auditor of State Betty Montgomery

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

Lisbon Exempted Village School District
Columbiana County
431 East Chestnut Street
Lisbon, Ohio 44432

Compliance

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

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to 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. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated November 7, 2003.

Schedule of Federal Awards Expenditures

We have audited the basic financial statements of the Lisbon Exempted Village School District as of and for the year ended June 30, 2003, and have issued our report thereon dated November 7, 2003. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

November 7, 2003

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

**LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
COLUMBIANA COUNTY
JUNE 30, 2003**

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Lisbon, Ohio



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2003

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Lisbon, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2003

Prepared by

Treasurer's Office
Cynthia L. Altomare
Treasurer



Introductory Section

Lisbon Exempted Village School District
Basic Financial Statements
For the Fiscal Year Ended June 30, 2003
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LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
OFFICE OF THE TREASURER
431 East Chestnut Street
Lisbon, Ohio 44432
(330)424-7714
(330)424-0135 FAX

November 7, 2003

Members of the Board of Education and
Residents of the Lisbon Exempted Village School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Lisbon Exempted Village School District for the fiscal year that ended June 30, 2003. This CAFR includes an opinion letter from the State Auditor and conforms to generally accepted accounting principles applicable to all governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The report provides the taxpayers of the Lisbon Exempted Village School District, and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the District's finances. This report is intended to meet the accountability requirements of the District to the public.

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

The Introductory Section contains the Table of Contents, Letter of Transmittal, List of Principal Officials, an Organizational Chart of the District, GFOA Certificate of Achievement and ASBO Certificate of Achievement. This transmittal letter is presented in a less technical manner than the information in the remaining two sections and the reader may find this to be the most reader-friendly section of the report. We recommend, however, that the entire report be reviewed.

The Financial Section begins with the Independent Accountant's Report offered by the Auditor of State's Office and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the District's financial position and operating results, the Combining Statements by Fund Type and other schedules that provide detailed budgetary information.

The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Chamber of Commerce, banks and any other interested parties.

The District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; broad range of co-curricular and extracurricular activities; adult and community education; and special education programs and facilities.

The School District

The District is located in Columbiana County in eastern Ohio, approximately 51 miles southeast of the City of Akron and 35 miles west of the City of Pittsburgh, Pennsylvania. The District's territory encompasses all of the territory of the Village of Lisbon (the Village), a portion (less than thirty-seven percent) of the territory of Elkrun Township and a portion (less than eighty-nine percent) of the territory of Center Township. The Village is the county seat for the County and is the location of the majority of the County-wide social service agencies.

The qualified electors of School Districts number six, seven, eight and nine, including the town of New Lisbon and vicinity, in Center township, Columbiana county, Ohio assembled on Monday, April 16, 1849 at the Court House in New Lisbon and voted by ballot in favor of the adoption in said districts of "An act for better organization of Public Schools in Cities and Towns" as passed by the General Assembly of the State of Ohio. On May 10, 1849 the newly formed Board of Education districted the town of New Lisbon and vicinity, for school purposes, into five primary schools and one secondary school which opened on May 14, 1849 in rooms situated in churches and public buildings throughout the district. In 1856 the first school building was constructed and a high school building was completed in 1919. The District has had several transformations to evolve to its current configuration. A bond issue was approved in 1991 which began the first phase of the district renovations which consolidated the District from three into two buildings. The residents approved a second bond issue in 1996 that added elementary classroom space and an auditorium at the High School.

The Lisbon Exempted Village School District is one of 612 school districts in the State of Ohio and one of 11 school districts in Columbiana County. The School District covers approximately 36 square miles.

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

The Reporting Entity

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

The District is associated with two jointly governed organizations and two insurance purchasing pools. These organizations are the Columbiana County Career and Technical Center, the Ohio Mid-Eastern Regional Educational Service Agency, the Ohio School Business Officials' Association Workers' Compensation Group Rating Program and the Ohio School Plan which are described in Notes 17 and 18, respectively, to the basic financial statements.

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

Economic Condition and Outlook

The District serves approximately 6,099 residents in the Village of Lisbon, a portion of Elkrun Township and a portion of Center Township. The community is primarily residential in nature with a somewhat diverse base of residents working largely in the manufacturing capacities. The Ohio Department of Development reported in the Ohio County Profiles report that in 2000, thirty-three percent of the county labor force was employed in the trade and manufacturing area. The District has experienced sporadic growth in recent years. The primary industrial park within the District is filled to capacity. The majority of the growth within the District has been in Center Township on State Route 45 which is one of the most heavily traveled roads in the District. The new development activity is in the form of smaller retail stores and mini-strip shopping centers, as well as smaller office complexes.

A local developer has begun the construction of a 60 unit small housing development on 22 acres also located in Center Township. The area has been approved to participate in the Community Reinvestment Area Program. A portion of this residential area is targeted to the older population.

The District's economic strength is largely dependent upon the strength of the Northeast Ohio economy. Because Lisbon is home to many trade and manufacturing employees, the stability of tri-county major employers -- including General Motors, American Standard, Inc. and Eljer Manufacturing, Inc. -- is important to the continued vitality of this District. Significant numbers of Lisbon residents also work in the medical, government and educational institutions in the local area.

The District enrollment experienced a slight decline from the prior year. For the fiscal year 2002-2003, the enrollment was 1,195 students. Enrollment is projected to decline slightly over the next five years.

Services Provided

The District provides a wide variety of educational and support services as mandated by the Ohio Revised Code or Board directives. The District provides both regular and special education transportation services to its students. During the 2002-03 fiscal year, the District's fleet of 10 buses traveled 603 miles each day, 107,334 miles annually providing transportation services to all eligible students. The Food Services Department served 775 meals daily for a total of 134,033 meals annually through the District's school lunchrooms.

In addition to transportation and school lunch support services offered to the children in the District, guidance, gifted education, special education (including school psychology and speech services), and health services are available free of charge. Guidance services support the school environment and are designed to help students achieve a well-adjusted social life. Special education services, including school psychology services, are provided for all 13 federal disability categories ranging from preschool-age students through high school. Health services include a full-time Registered Nurse and a part-time nurse's assistant staffing each health office in both buildings.

At the center of the District's services are the instructional programs. The District offers regular instructional programs daily to students in grades pre-kindergarten to twelve. The District served 139 identified students who need specially designed programs. These students received services through the wide array of special education programs offered in the District.

Finally, there are numerous extracurricular clubs and athletic programs for students, providing them with a number of enriching experiences. The programs and activities provide a lifetime of memories for the Lisbon students.

Major Initiative

The staff of the Lisbon Exempted Village School District, in partnership with parents and the community, is responsible for promoting the growth and development of students academically, socially, and emotionally. Regardless of economic background, race, gender, family history, or past performance, we believe each student is able to achieve maximum potential. Through the use of human, technological, and community resources, we continue to strive to enhance the quality of student education in the Lisbon Exempted Village School District. Some of the major initiatives for School Year 2002-2003 were:

In an ongoing effort to enhance the effectiveness and efficiency of the District, as well as to comply with the provisions of Senate Bill 55, staff members reviewed the Continuous Improvement Plan (CIP) for the Lisbon Exempted Village Schools. The CIP is a document used to guide a school district in the process of achieving and measuring substantial improvement in educational performance. It includes mission and vision statements for the School District along with priority areas, performance goals, strategies, individuals responsible, time lines, and funding sources. The Continuous Improvement Plan was reviewed throughout the 2002-03 school year and revisions made to ensure that it is responding to the needs of the District.

Technology improvements district-wide continued with the District receiving Schoolnet Plus funds. These funds were used to purchase additional computers and peripherals that enhanced the educational process. In addition to the Schoolnet Plus funding the District was awarded Tech Equity funds through the Department of Education to upgrade network systems and software. The District used Disadvantaged Pupil Impact Aid (DPIA) funds, whose purpose in part is to fund the District's technology additions in the instructional area, to purchase a classroom of computers for the both the elementary and high school computer labs and to upgrade the systems in some of the elementary classrooms. The extension of technology continues to be an emphasis within the District. Other support technology, including additional scanners, digital cameras and smart boards were added. A web master supplemental position was created to monitor the District's Website and to instruct a high school class after school on web design.

McKinley Elementary was awarded an Ohio Reads continuation grant based on its performance with the original program. With the support of the District's general funds, the Ohio Reads program recruits and trains adult volunteers to tutor elementary students who qualify for assistance in the reading program. This program helped to improve participating students' reading scores on the State Proficiency Test. This program has become an important part of the Continuous Improvement Plan as revised by the District staff and building administrators.

Staff technology training continued through both our own School Net training as well as workshops being held at both buildings, including specialty training specifically targeting the integration of technology into the curriculum. There has been a continued effort to utilize in-service days to improve the staff's ability to map curriculum to established goals. The District contracted for a part-time computer technologist through the County Educational Service Center to provide staff technology support.

The District continued to use general and permanent improvement funds in 2003 to invest in its physical plant. These proceeds were used to perform regular maintenance and replace a large portion of the transportation facility's roof. A portion of the permanent improvement funds was used for the purchase of property adjacent to both of the District's educational buildings in order to better facilitate the expansions planned in the Ohio School Facilities Classroom Facilities Project which was approved during this fiscal year. The District also entered into contracts for the construction of a new administration building that will house the central office staff. The current administration building will be demolished to accommodate the McKinley Elementary building expansion. The staff is proud of the District and great care is taken annually to make sure the buildings are clean and well maintained.

In May, 2002, the residents of Lisbon Exempted Village School District approved a .5 mill maintenance levy that permitted the District to satisfy its requirements to participate in the Ohio School Facilities Commission's Classroom Facilities Program. The District met its local share requirement through the implementation of a lease purchase agreement through the Ohio Association of School Business Officials' Fixed Asset Program administered through Seasongood and Mayer. The School Facilities Commission and the State Controlling Board approved the project in August, 2002 and the partial release of state funds was made during this fiscal year. The District also has its local share of \$2,058,000 available. The Ohio School Facilities Commission requires that a Program of Requirements for both buildings be approved which was accomplished and the project is currently in the design and development phase.

In summary, the District continued to move forward in 2003, maintaining its traditional high standards and challenging curriculum, working to be even more responsive to parents and the community and implementing programs in areas of need - all while continuing to operate within the Board's limits on budgetary growth.

Future Initiatives

The major future initiative is the completion of the \$13,718,612 Classrooms Facilities Project. As stated above the process has begun but it will not be completed until the 2006-2007 School Year. This will complete a ten year facilities plan and will update the facilities to provide educational opportunities to the students well into the future.

Financial Information

Internal Accounting and Budgetary Control

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation measure is first adopted, the permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, 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 between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the site administrator and Superintendent and be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the 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 school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. 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 bond limits.

The basis of accounting and the various funds utilized by Lisbon Exempted Village School District are fully described in Note 2 of the basic financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

Financial Condition

This is the second year the District has 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 District's financial activities as follows:

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

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

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

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion follows the Report of Independent Accountants in the financial section of the report and provides an assessment of the District's finances for 2003.

Cash Management

The District has a comprehensive cash management program, which consists of expediting the receipt of revenues and carefully scheduling the disbursement of funds to maximize short-term investment opportunities. The investment program pursues the following objectives, in order of priority: (1) maintain safety of principal; (2) provide for liquidity; and, (3) obtain a market rate of return.

The available cash of the District's individual funds is combined into a single cash pool and invested according to cash flow projections. The District invests in StarOhio, an investment pool operated by the Ohio State Treasurer. The authorized maximum investment maturity for operating funds is five years from the date of investment. Interest earned on investments is distributed in accordance with Board of Education authorization. During fiscal year 2003, the governmental funds earned \$24,195 in interest income. Of that amount \$19,291 was credited to the general fund.

The District's deposits are protected by the federal deposit insurance corporation, as well as by

qualified securities pledged by the institutions 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 equal at least 105 percent of the funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third-party trustees of the financial institutions.

Risk Management

For calendar years 2002 to the present, the District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP) an insurance purchasing pool. Each year the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the workers' compensation program.

For fiscal year 2003, the District contracted with Holloway Insurance Inc. for the District's property, boiler, and inland marine insurance through May, 2005. This 90 percent co-insurance all-risk policy has a \$1,000 deductible. The same level of coverage was purchased in May from the Cincinnati Insurance Company. General liability coverage was provided to the participants in the Ohio School Plan, an insurance purchasing pool. The District is protected with a \$1,000,000 single occurrence limit, a \$5,000,000 aggregate limit, with a \$1,000 deductible through January, 2004. The Ohio School Plan Board has contracted with Hylant Administrative Services, Inc. to provide insurance administrative services and the Harcum-Hyre Insurance Agency to provide the advertising, sales and marketing of the Plan. Vehicles, including school buses, are covered through the Ohio School Insurance Program through Marsh USA with a \$500 deductible for comprehensive and collision.

Independent Audit

Federal regulations require the District to undergo an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Betty Montgomery, Auditor of State was selected to render an opinion on the District's financial statements as of and for the fiscal year ended June 30, 2003. The Auditor's unqualified opinion has been included in this report at the beginning of the financial section.

Pursuant to State statute, the Auditor of State prescribes a uniform accounting system to standardize accounting classifications and financial reporting for all governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the 1979 fiscal year.

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lisbon Exempted Village School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2002. This was the second consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This 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 continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Lisbon Exempted Village School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2002. This award certifies that the Comprehensive

recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials.

Management believes that the Comprehensive Annual Financial Report for fiscal year ended June 30, 2003, which will be submitted to ASBO for review, will continue to conform to ASBO's principles and standards.

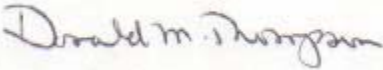
Acknowledgments

The publication of this report significantly increases the accountability of the District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office and various administrators and employees of the District. Assistance of the County Auditor's office staff and other outside agencies made possible the fair presentation of the statistical data.

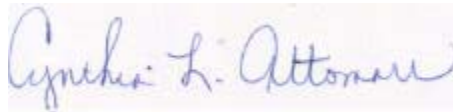
Special appreciation is expressed to the Local Government Services Division of State Auditor Betty Montgomery's office for assistance in planning, designing and reviewing this financial report.

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

Respectfully submitted,



Donald M. Thompson
Superintendent



Cynthia L. Altomare
Treasurer

Lisbon Exempted Village School District

Principal Officials

June 30, 2003

Board of Education

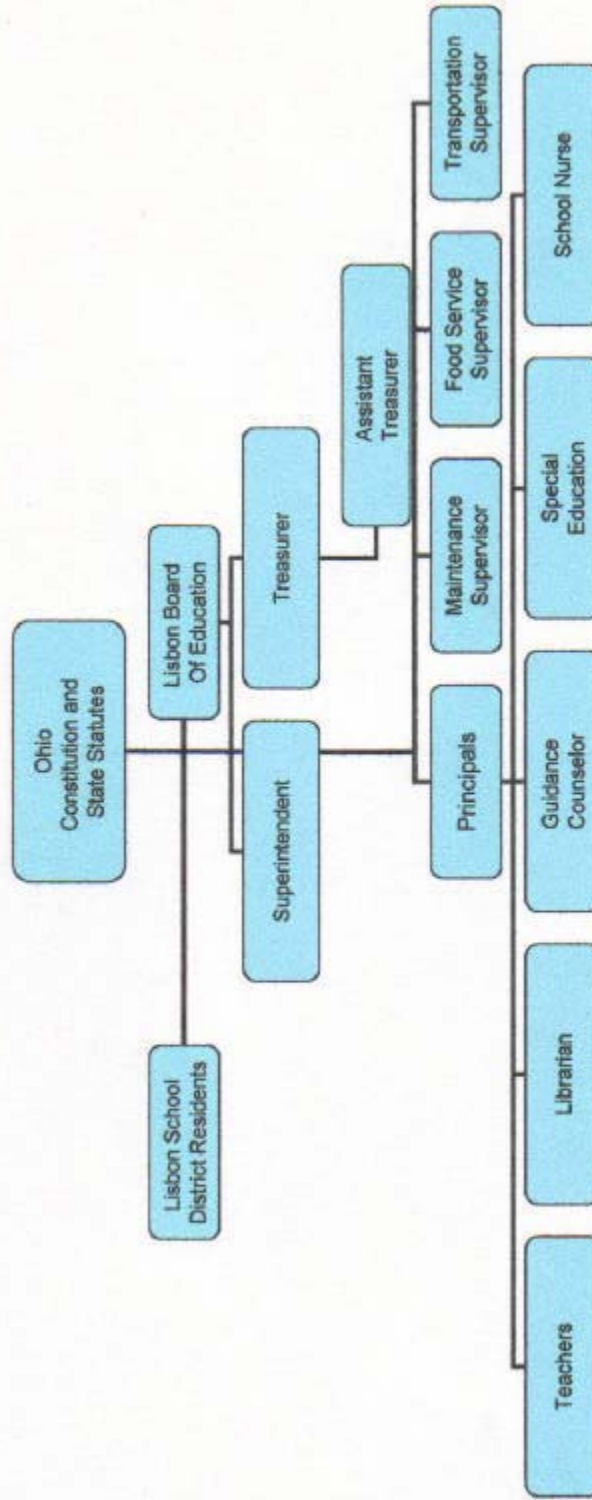
Mr. Eugene Gallo.....President
Mr. Gary Peruchetti..... Vice-President
Mr. Jeff ElliottMember
Mr. James Smith.....Member
Mrs. Kelli RoseMember

Administration

Donald Thompson. Superintendent

Cynthia L. Altomare Treasurer

Lisbon Exempted Village School District Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lisbon Exempted
Village School District,
Ohio

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

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



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2002

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

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Financial Section



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANT'S REPORT

Lisbon Exempted Village School District
Columbiana County
431 East Chestnut Street
Lisbon, Ohio 44432

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2003 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Lisbon Exempted Village School District
Columbiana County
Independent Accountant's Report

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

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

Betty Montgomery
Auditor of State

November 7, 2003

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

As the chief financial officer, it is an honor to present to you the financial discussion and analysis of Lisbon Exempted Village School District. In the following pages, tables and graphic illustrations represent the management's view of the overall performance of the District's financial activities for the fiscal year ended June 30, 2003. The overall intent of this discussion and analysis is to look at the District's financial performance as a whole and how and why some facts may change that performance in the future. This is intended to be a clear presentation to our taxpayers and all others who may be interested in our District. Readers should use our comments along with the accompanying transmittal letter; financial statements and notes to better understand our District's finances.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2003 are as follows:

- The District's total net assets increased from \$2,707,160 to \$4,287,727 for a gain of \$1,580,567 during this year's operations. The net assets of Governmental activities increased 58.4 percent.
- Revenues for governmental activities totaled \$10,041,785 in 2003. This total was comprised of General revenues in the amount of \$6,191,148 and program revenues totaling \$3,850,637. Program revenues are grants, fees and donations; general (non-program) revenue is foundation from the State of Ohio and local taxes charged to residents of the District. In table 2 below, you will find the detailed cost of each program to our District.
- Program expenses totaled \$8,461,218. Instructional expenses made up 59.3 percent of this total while support services accounted for 31.0 percent. Other expenses rounded out the remaining 9.7 percent.
- Outstanding general obligation bonded debt decreased from \$2,415,000 to \$2,320,000 in 2003.

USING THIS ANNUAL REPORT

This annual report is comprised of a series of financial statements and notes pertaining to those statements. These statements are organized so the reader can understand Lisbon Exempted Village School District as a financial whole, or complete operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and the Statement of Activities (on pages 14 and 15) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 16 and provide the next level of detail. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. In the case of Lisbon Exempted Village School District, the general fund by far is the most significant fund. The remaining statements provide financial information about activities for which the District acts solely as an agent for the benefit of those outside the government.

Reporting the School District as a Whole (District-wide)

Statement of Net Assets and the Statement of Activities

While this document contains all the funds used by the District to provide programs and activities, the view of the District as a whole considers all financial transactions and asks the question, "How did we do financially during 2003?" This is one of the most important issues when analyzing any business enterprise.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

The *Statement of Net Assets* and the *Statement of Activities* answers this question. These are the only two reports that display District-wide finances. Within these statements, we show the District divided into two kinds of activities:

- **Governmental Activities** – All of the School District's instructional activities are reported here. Property Taxes, State and Federal Grants and fees finance the majority of activity in this group.
- **Business-Type Activities** – If the Board of Education sets a fee designed to offset the cost of operating a program, then this defines a business-type activity. The District does not have any of this type of activity.

Analysis of the District as a whole begins on page 4. These statements include all assets and liabilities using the accrual basis of accounting, similar to the accounting method used by most private-sector companies. The most important aspect of accrual accounting is that it takes into account all of the current year's revenues and expenses regardless of when cash is received or paid out.

These statements also display the net assets of the District and note any changes that occurred during the year. Net assets are the difference between assets and liabilities and they tend to be the lead indicator of financial health. This change in net assets is important because it tells the reader whether, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Please investigate the financial factors which may include changes in property tax values, tax levies and renewals or State funding issues before reaching a final conclusion about our District's financial status. Non-financial factors may include the District's performance, demographic and socioeconomic factors and willingness of the community to support the District. It could prove helpful in making the analysis to look at the individual fund conditions to show the composition of the changes.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Analysis of the District's major funds begins on page 8. The fund financial statements begin on page 16 and provide detailed information about each significant fund in contrast to the previously described District-wide reporting. Most of the funds are required to be established by State law. Using strict definitions the District's major governmental funds are the General fund, Debt Service fund, Permanent Improvement fund and Ohio School Facilities Commission Project fund.

Governmental Funds

All of the District's funds are reported as governmental funds. These reports focus on how resources flow into and out of these funds and the balances left at year-end that are available for spending in future periods. These reports are done on a *modified accrual basis*, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. There are differences between governmental funds (as reported in this section) and Governmental Activities as reported in the *Statement of Net Assets* and the *Statement of Activities*. The relationships (or differences) are reconciled in the financial statements.

The School District as a Whole

The *Statement of Net Assets* looks at the District as a whole. The District's total net assets were up from a year ago. Table 1, shows an increase to \$1,287,727 from \$2,707,160. The increase in Net Assets

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

indicates that the District was able to improve on an already financially stable condition. There was an increase in the State foundation per pupil funding level, the State distributed parity aid allocation and the charge-off supplement funds provided to the District. You will see this fact presented in a graph and a table during discussion of the change in net assets.

(Table 1)
Net Assets

	Governmental Activities	
	2003	2002
Assets		
Current and Other Assets	\$8,267,381	\$3,843,921
Capital Assets	5,706,371	5,811,580
Total Assets	13,973,752	9,655,501
Liabilities		
Long-Term Liabilities	(6,659,888)	(4,088,197)
Other Liabilities	(3,026,137)	(2,860,144)
Total Liabilities	(9,686,025)	(6,948,341)
Net Assets		
Invested In Capital		
Assets, Net of Related Debt	2,449,013	2,211,124
Restricted	1,556,357	478,940
Unrestricted	282,357	17,096
Total Net Assets	\$4,287,727	\$2,707,160

Current and Other Assets increased due to the District's revenues exceeding expenses during the current year, which increased cash by \$ 4,303,608. The growth in Net Assets is primarily due to the receipt of Ohio School Facilities Commission Project funds. The District's local share and State portion totals \$3,189,985. As of the end of this financial period there were minimal expenditures related to the capital project.

Capital Assets overall show a decrease from the previous fiscal year. There was an increase in Capital Assets in the gross amount of \$225,470. The district invested \$145,000 in the purchase of property for the expansion of the District's facilities. Some of the purchases of instructional equipment did not meet the District's capitalization threshold of \$2,000. The items that fall below the threshold level are tagged and tracked as movable equipment. To arrive at the net decrease of \$125,209 in Capital Assets, you must subtract this year's depreciation expense of \$330,679 offset by additions to Capital Assets of \$225,470.

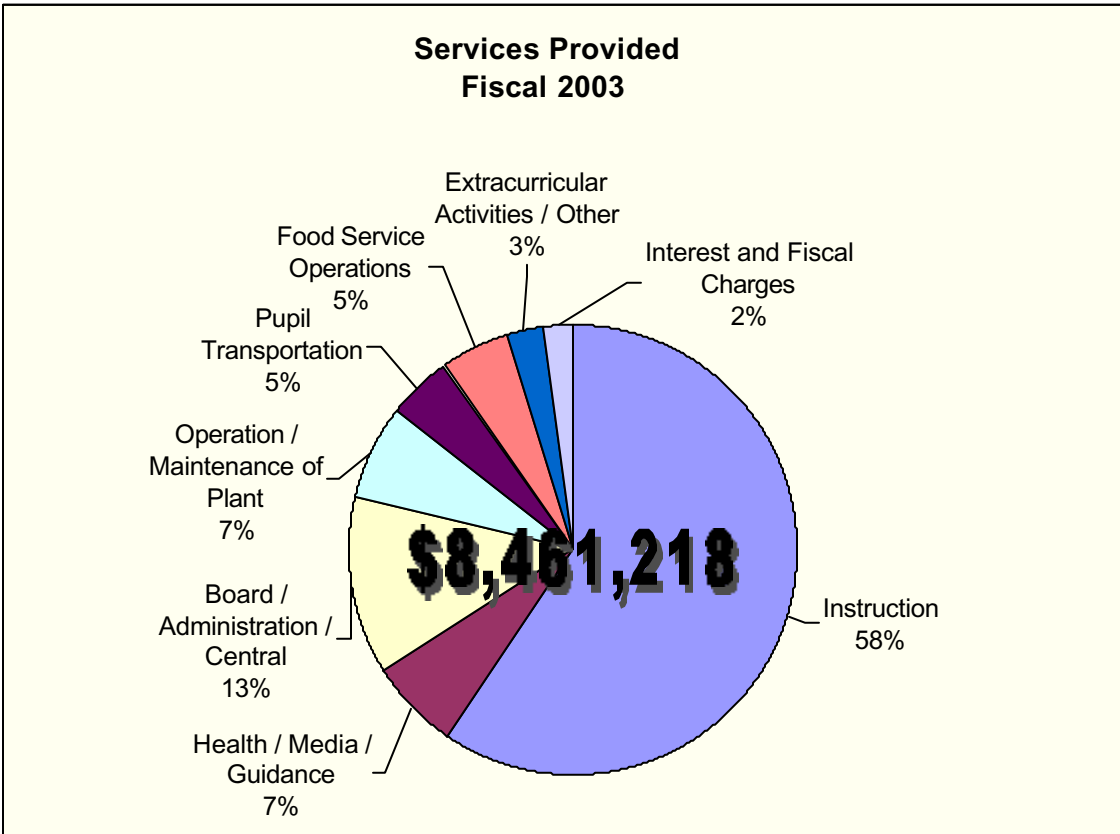
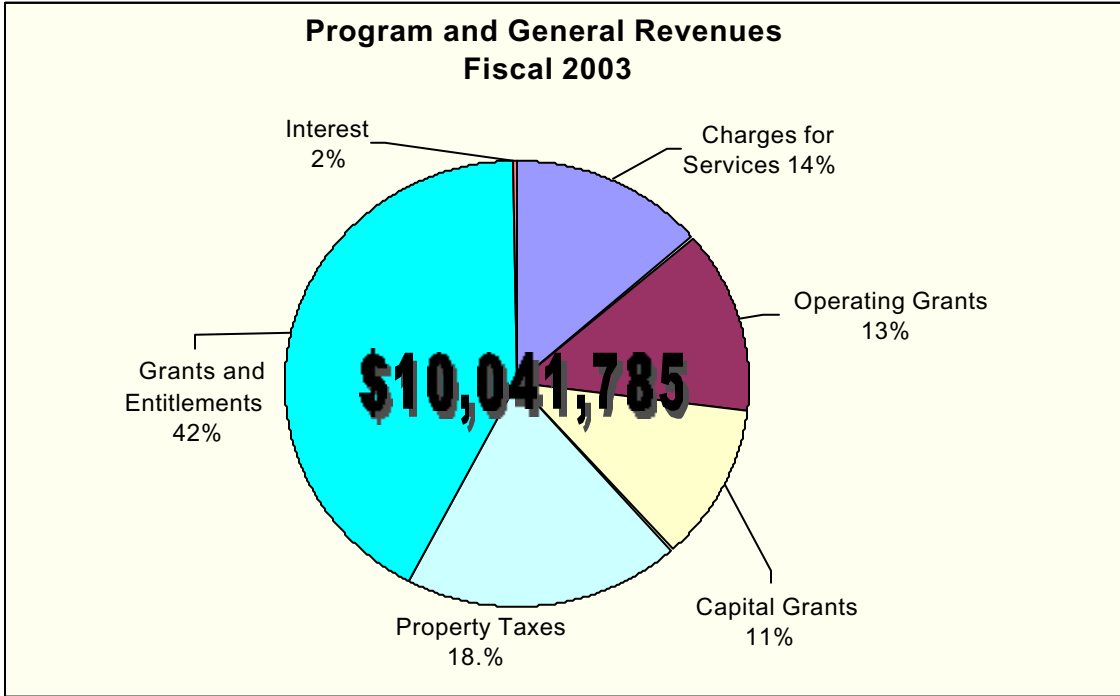
Table 2 highlights the District's revenues and expenses. These two main components are subtracted to yield the change in net assets. This table utilizes the full accrual method of accounting.

Expenses are shown in programs that are easily identifiable utilizing the current Uniform School Accounting System (USAS) coding structure.

A comparative analysis of fiscal year 2003 and 2002 follows:

Lisbon Exempted Village School District
Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2003
 Unaudited

(Chart 1)
Governmental Revenue and Program Expenses
 Fiscal 2003



Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

(Table 2)
Governmental Activities

	Governmental Activities 2003	Governmental Activities 2002
Revenues		
Program Revenues:		
Charges for Services	\$1,378,871	\$1,402,879
Operating Grants	1,328,281	1,164,936
Capital Grants	1,143,485	47,757
Total Program Revenues	3,850,637	2,615,572
General Revenue:		
Property Taxes	1,953,809	2,143,139
Grants and Entitlements	4,217,493	4,116,947
Interest	19,846	27,724
Other	0	116
Total General Revenue	6,191,148	6,287,926
Total Revenues	\$10,041,785	\$8,903,498
Program Expenses		
Instruction:		
Regular	\$4,093,125	\$4,146,599
Special	848,691	719,988
Vocational	77,556	70,180
Adult	1,271	0
Support Services:		
Pupils	380,630	327,149
Instructional Staff	188,847	242,802
Board of Education	27,678	16,141
Administration	753,212	656,480
Fiscal	226,669	211,237
Business	36,871	38,695
Operation and Maintenance of Plant	557,530	577,969
Pupil Transportation	410,775	424,392
Central	37,436	41,174
Extracurricular Activities	216,486	195,482
Food Service Operations	426,201	391,715
Debt Service:		
Interest and Fiscal Charges	178,240	207,094
Total Expenses	\$8,461,218	\$8,267,097
Increase (Decrease) in Net Assets	\$1,580,567	\$636,401

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

Analysis of overall financial position and results of operations

The financial position of the Lisbon Exempted Village School District has improved over the past fiscal year. Net Assets continue to increase showing improving fiscal health. The results of operations were excellent and within parameters established at the beginning of the fiscal year. Management was able to make improvements in services for children by spending more on Special Instruction, health and guidance services. There was a small adult education program started to enhance those services provided to the community. Though spending was increased in some areas, the administration was able to streamline the costs of services in other service areas. The cash balances were preserved and even improved slightly. The District enjoyed a successful financial year and operations improved.

The administration is aware of the fact that the increase in State funding will drop for the District over the next five years as demonstrated with the District's five-year forecast. It will be important that all program expenses are monitored and some planning is used in the growth of program offerings.

In table 3 below the total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. The net costs are program costs that must be covered by unrestricted State aid (State Foundation) or local taxes. The difference in these two columns would represent restricted grants, fees and donations.

(Table 3)
Total and Net Costs of Program Services
Governmental Activities

<u>Programs</u>	<u>Total Cost of Services 2003</u>	<u>Net Cost of Services 2003</u>
Instruction	\$5,020,643	\$2,198,668
Support Services:		
Pupils and Instructional Staff	569,477	542,391
Board of Education, Administration, Fiscal and Business Services	1,044,430	1,008,745
Operation and Maintenance of Plant	557,530	555,155
Pupil Transportation	410,775	1,617
Central	37,436	32,436
Extracurricular Activities	216,486	81,128
Food Service Operations	426,201	12,201
Interest and Fiscal Charges	178,240	178,240
 Total Expenses	 <u>\$8,461,218</u>	 <u>\$4,610,581</u>

THE DISTRICT'S FUNDS

As previously stated, these funds are accounted for using the modified accrual basis of accounting. All Governmental funds had total revenues of \$10,064,004 and expenditures of \$9,613,302. The net change in fund balance for the fiscal year was most significant in the Ohio School Facilities Commission Project Fund, an increase of \$3,189,985 due to the State's requirement to have the local share of \$2,058,000 available prior to beginning the project along with the receipt of the first distribution from the Commission that had not been used prior to the close of the fiscal year.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

General Fund Financial Activity

The most significant Governmental Fund is the General Fund. The balance of the General Fund increased by \$145,068. Both State Foundation Revenue and Tax Revenue increased, while operational expenditures were controlled to facilitate a cash increase. Cash in the General Fund increased by twelve percent from \$1,254,046 in fiscal year 2002 to \$1,409,559 in the fiscal year 2003 which is a boost of \$155,513.

General Fund Budgetary Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant fund to be budgeted is the main operating fund of the District, the General Fund. During the course of fiscal year 2003, the District amended its general fund budget numerous times. Many of the amendments reflect changes in expenditure priorities at the building level. For the general fund, the final budget basis revenue was \$6,948,750 representing a \$15,938 increase from the original budget estimate of \$6,932,812. Most of this difference was due to conservative estimates of the State foundation distribution and pupil enrollment estimates. The general fund receipts were estimated within three percent of actual revenue. The District's general fund balance at end of year was \$1,289,844 reflecting additional funds budgeted but not expended or encumbered. The State of Ohio requires the District to submit a five-year-forecast on or before October 31st and a revised forecast between April 1st and May 31st regardless of the variance in the estimates versus actual activity. This is an additional process that ensures budgeting accuracies.

The District revises its budget throughout the fiscal year. During fiscal year 2003, the significant increases were made to the operation and maintenance of plant allocations due to increased utility and building repair costs and to the transportation allocations due to the cost of diesel fuel and repairs increasing over the previous year. Modifications to the original budget also included increases in instruction, pupil services, administration retirement and benefit accounts.

The District uses a site-based budgeting system designed to tightly control site budgets but improve flexibility for the building administration. Building principals are given a per pupil allocation for textbook, instructional materials, services and equipment. HB412 requires the District to set aside three percent of certain general fund revenues for the purchase of textbooks and materials related to instruction which site-based budgets help to meet.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

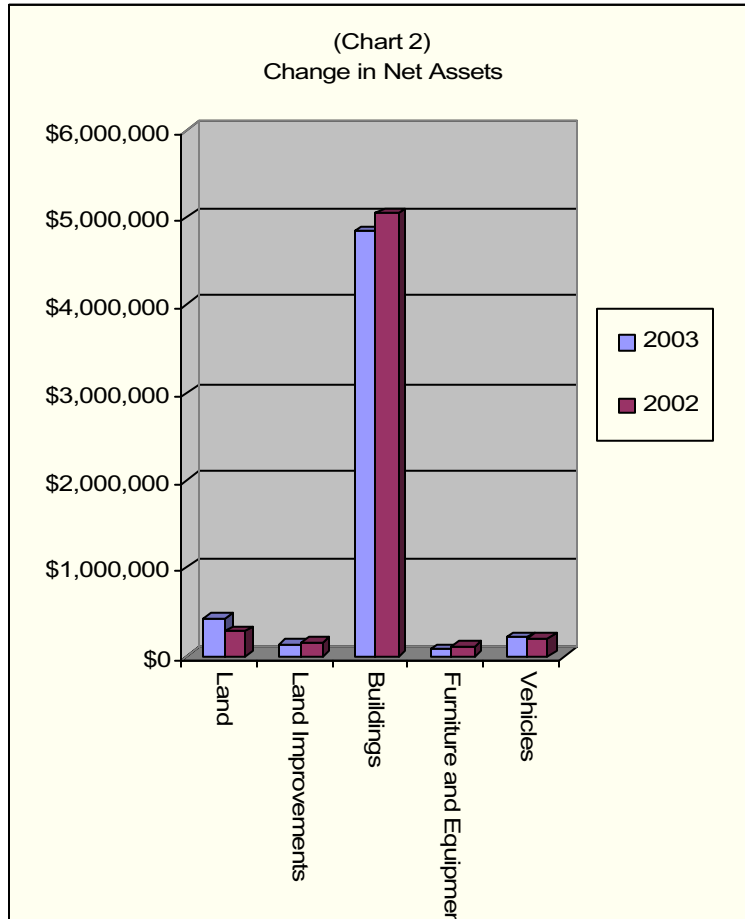
At the end of fiscal year 2003 the District has \$5,706,371 invested in land, land improvements, buildings and improvements, furniture, fixtures and equipment and vehicles. The following table shows ending balances of capital assets invested in various categories. Notice that we are showing a total increase of \$225,470 less the depreciation expense of \$330,679 which is a net decrease of \$105,209. You may discern from the following table that there was a significant investment in capital assets during this accounting period. The District purchased a new school bus during the fiscal year. The District had also purchased additional property surrounding the high school and elementary school in order to facilitate the additions that will be part of the School Facilities Program. There was also an investment in the textbooks at both buildings. See Note 9 for further information on capital assets.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

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

	Governmental Activities	
	2003	2002
Land	\$434,800	\$289,800
Land Improvements	135,888	156,590
Buildings and Improvements	4,842,746	5,050,296
Furniture and Equipment	76,422	112,762
Vehicles	216,515	202,132
Totals	<u>\$5,706,371</u>	<u>\$5,811,580</u>

The graph below shows the category and depreciated value of our District's capital assets. It is apparent by reviewing this graph that the District has been investing heavily over the past in the two educational structures that make up the District along with the purchase of a bus garage facility. The capital asset threshold of the District is set at \$2,000 which eliminates the majority of the computers and other instructional support materials. The assets that fall below the threshold limit are tagged and tracked as movable equipment. This ensures that all assets of the District are being protected from theft or loss.



Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

DEBT

At June 30th 2003 Lisbon Exempted Village School District had reduced its bonded debt to \$2,320,000. This year the District entered into a new lease in the amount of \$2,991,000 for participation in the Ohio School facilities project. The District paid \$95,000 in bond principal and \$145,793 in bond interest as well as reducing its note liability by \$200,000. See Note 14 for further information on debt.

(Table 5)
Outstanding Debt, at June 30

	Governmental Activities 2003	Governmental Activities 2002
General Obligation Bonds:		
1992 Building Additions	\$2,320,000	\$2,415,000
Notes Payable:		
1997 Building Additions	800,000	1,000,000
Capital Lease	3,128,358	185,456
Total	\$6,248,358	\$3,600,456

As of June 30, 2003 the District's legal debt margin was \$3,608,952 with an unvoted debt margin of \$72,712. Capital leases do not count towards the District's legal debt margin. Neither Moody's nor Standard & Poor's currently rate the Lisbon Exempted Village School District.

School District Outlook

Lisbon Exempted Village School District is presently financially strong and trending toward maintaining its fiscal outlook. The Board of Education and administration closely monitor its revenue and expenditures in accordance with its financial forecast and the District Continuous Improvement Plan. The financial future of the District is not without its challenges though. These challenges are internal and external in nature. The internal challenges will continue to exist as the District must rely on local property taxes to fund its operations. External challenges continue to evolve as the State of Ohio determines how it will deal with the decision of the Ohio Supreme Court ruling the current funding system unconstitutional. Many of the changes that have occurred in the state foundation system has begun to limit what options it has in order to generate additional funding on a local level. Management is still optimistic about the future for this District; however the following facts could change this outlook for the better or worse.

The most recently filed five-year forecast shows that this District will not require the passage of any new additional operating millage over the next four years. The District has not requested any additional operating millage locally since 1980 which keeps the millage rate at 20 mills. The laws of Ohio require that voted millage remain above or at a 20 mill floor. Ohio also requires that the county auditor revalue all real estate every six years and an update every three years. The General fund tax collections have risen significantly over the last fourteen years due to the inflationary growth of the real estate tax base. House Bill 920 reduction of millage does not occur due to the fact that the District is at the 20 mill floor. There is no reason not to assume that this pattern of growth in real estate values will not continue into the future. Interestingly, state law exploits this local value increase by automatically decreasing the School Foundation revenue. The District will be in a position to continue to benefit from the real estate tax increases. Open enrollment funding comprises a major portion of the local revenue base. This source of revenue grows with the per pupil allocation. The Board has discussed the fact that it may be necessary to go to the voters for additional operating funds, but hopes to manage within the current financing structure until the District building project has been completed.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

We are dependent on outside factors for our future success. The Ohio School Funding Formula provides sixty percent of the revenue for Lisbon Exempted Village School District. The legislators in Ohio have been working diligently on the formula to provide equitable and adequate education for children throughout our State. Their efforts added some revenue to the Lisbon Exempted Village Schools; however, much of the new revenue has restrictions that begin to inhibit the District's ability to spend for programs outside of the Continuous Improvement Plan objectives. While a significant increase in the State's financial efforts would be welcome, our forecasts do not take this possibility into account. We only anticipate a small increase in State revenue each year.

All insurance premiums and in particular health care premiums are slated to increase drastically. Management negotiated some significant changes in the medical program being offered to our staff and was able to see some savings in the premiums. The District began to self fund the staff insurance program beginning in January, 2003 in order to capture some cost containment in this area. This necessitated the creation of a new internal service fund to account for the premium and claims activity. The insurance industry is an area that is outside our control. Management has formed an insurance committee comprised of administrators, staff and industry experts to regularly analyze the medical program and to attempt to control the costs. Health care cost containment has become a large issue for the future.

Lisbon Exempted Village Schools have six teachers approaching retirement over the next three years. When a veteran teacher retires, they are replaced by staff at a much lower cost if replaced at all. This would have a positive affect on District finances.

As a result of the challenges mentioned above, it is imperative that the District's management continue to carefully and prudently plan in order to provide the resources required to meet student needs over the next several years.

In summary, the Lisbon Exempted Village School District has committed itself to financial and educational excellence for many years to come. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the past two fiscal years.

Contacting the School District's Financial Management

These financial reports and discussions are designed to provide our students, citizens, taxpayers, investors and creditors with a complete disclosure of the School District's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional financial information, please write Cynthia L. Altomare, Treasurer at Lisbon Exempted Village School District, 431 East Chestnut Street, Lisbon, Ohio 44432 or call (330) 424-7714 or E-mail li_cindy@omeresanet.net.



Basic Financial Statements

Lisbon Exempted Village School District
Statement of Net Assets
June 30, 2003

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$5,183,641
Cash and Cash Equivalents	
With Fiscal Agents	889,342
Intergovernmental Receivable	70,465
Interest	3,973
Claims Receivable	1,766
Inventory Held for Resale	12,550
Prepaid Items	21,495
Property Taxes Receivable	2,084,149
Nondepreciable Capital Assets	434,800
Depreciable Capital Assets, Net	5,271,571
 <i>Total Assets</i>	 13,973,752
Liabilities	
Accounts Payable	22,801
Accrued Wages	751,175
Matured Compensated Absences Payable	21,513
Claims Payable	89,617
Intergovernmental Payable	194,053
Deferred Revenue	1,923,681
Matured Bonds Payable	1,000
Matured Interest Payable	673
Accrued Interest Payable	21,624
Long-Term Liabilities:	
Due Within One Year	1,008,833
Due In More Than One Year	5,651,055
 <i>Total Liabilities</i>	 9,686,025
Net Assets	
Invested in Capital Assets, Net of Related Debt	2,449,013
Restricted for:	
Capital Projects	1,200,256
Debt Service	178,537
Other Purposes	177,564
Unrestricted	282,357
 <i>Total Net Assets</i>	 \$4,287,727

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District

Statement of Activities

For the Fiscal Year Ended June 30, 2003

	Program Revenues			Capital Grants, Contributions and Interest	Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants and Contributions		
Governmental Activities:					
Instruction:					
Regular	\$4,093,125	\$961,479	\$317,919	\$1,143,485	(\$1,670,242)
Special	848,691	0	397,065	0	(451,626)
Vocational	77,556	47	0	0	(77,509)
Adult	1,271	1,980	0	0	709
Support Services:					
Pupils	380,630	0	27,086	0	(353,544)
Instructional Staff	188,847	0	0	0	(188,847)
Board of Education	27,678	0	0	0	(27,678)
Administration	753,212	0	35,685	0	(717,527)
Fiscal	226,669	0	0	0	(226,669)
Business	36,871	0	0	0	(36,871)
Operation and Maintenance of Plant	557,530	2,375	0	0	(555,155)
Pupil Transportation	410,775	72,367	336,791	0	(1,617)
Central	37,436	0	5,000	0	(32,436)
Extracurricular Activities	216,486	125,684	9,674	0	(81,128)
Food Service Operations	426,201	214,939	199,061	0	(12,201)
Interest and Fiscal Charges	178,240	0	0	0	(178,240)
Totals	\$8,461,218	\$1,378,871	\$1,328,281	\$1,143,485	(4,610,581)

General Revenues

Property Taxes Levied for:

General Purposes	1,306,777
Debt Service	423,728
Capital Projects	223,304
Grants and Entitlements not Restricted to Specific Programs	4,217,493
Investment Earnings	19,846

Total General Revenues 6,191,148

Change in Net Assets 1,580,567

Net Assets Beginning of Year 2,707,160

Net Assets End of Year \$4,287,727

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District

Balance Sheet

Governmental Funds

June 30, 2003

	General	Debt Service	Permanent Improvement	Ohio School Facilities Commission Project	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$1,333,367	\$170,727	\$87,443	\$3,186,012	\$207,369	\$4,984,918
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	76,192	0	0	0	0	76,192
Cash and Cash Equivalents With Fiscal Agent	0	1,673	887,669	0	0	889,342
Taxes Receivable	1,383,156	363,447	305,756	0	31,790	2,084,149
Interest Receivable	0	0	0	3,973	0	3,973
Intergovernmental Receivable	14,298	0	0	0	56,167	70,465
Inventory Held for Resale	0	0	0	0	12,550	12,550
Prepaid Items	21,495	0	0	0	0	21,495
Total Assets	\$2,828,508	\$535,847	\$1,280,868	\$3,189,985	\$307,876	\$8,143,084
Liabilities						
Accounts Payable	\$22,801	\$0	\$0	\$0	\$0	\$22,801
Accrued Wages	708,269	0	0	0	42,906	751,175
Matured Compensated Absences Payable	21,513	0	0	0	0	21,513
Intergovernmental Payable	120,570	0	0	0	8,787	129,357
Deferred Revenue	1,329,480	349,316	293,582	0	67,057	2,039,435
Matured Bonds Payable	0	1,000	0	0	0	1,000
Matured Interest Payable	0	673	0	0	0	673
Total Liabilities	2,202,633	350,989	293,582	0	118,750	2,965,954
Fund Balances						
Reserved for Encumbrances	83,633	0	10,000	0	18,951	112,584
Reserved for Bus Purchases	42,734	0	0	0	0	42,734
Reserved for Property Taxes	53,676	14,131	12,174	0	0	79,981
Reserved for Budget Stabilization	33,458	0	0	0	0	33,458
Unreserved, Undesignated, Reported in:						
General Fund	412,374	0	0	0	0	412,374
Debt Service Funds	0	170,727	0	0	0	170,727
Special Revenue Funds	0	0	0	0	170,175	170,175
Capital Projects Funds	0	0	965,112	3,189,985	0	4,155,097
Total Fund Balances	625,875	184,858	987,286	3,189,985	189,126	5,177,130
Total Liabilities and Fund Balances	\$2,828,508	\$535,847	\$1,280,868	\$3,189,985	\$307,876	\$8,143,084

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2003*

Total Governmental Fund Balances		\$5,177,130
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		5,706,371
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property and Other Taxes	80,487	
Intergovernmental	35,267	
Total		115,754
An Internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		34,680
Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.		(64,696)
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(2,320,000)	
Notes Payable	(800,000)	
Compensated Absences	(411,530)	
Capital Lease	(3,128,358)	
Accrued Interest Payable	(21,624)	
Total		(6,681,512)
<i>Net Assets of Governmental Activities</i>		\$4,287,727

See accompanying notes to the basic financial statements

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

	General	Debt Service	Permanent Improvement	Ohio School Facilities Commission Project	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$1,278,960	\$425,593	\$214,150	\$0	\$16,414	\$1,935,117
Intergovernmental	4,758,422	65,405	29,453	1,127,636	743,489	6,724,405
Charges for Services	0	0	0	0	214,939	214,939
Interest	19,291	0	0	4,349	555	24,195
Tuition and Fees	1,003,576	0	0	0	0	1,003,576
Extracurricular Activities	0	0	0	0	128,232	128,232
Rentals	20,375	0	0	0	0	20,375
Contributions and Donations	1,721	0	0	0	11,444	13,165
Total Revenues	7,082,345	490,998	243,603	1,131,985	1,115,073	10,064,004
Expenditures						
Current:						
Instruction:						
Regular	3,647,168	0	0	0	267,856	3,915,024
Special	683,371	0	0	0	177,140	860,511
Vocational	77,522	0	0	0	0	77,522
Adult	1,271	0	0	0	0	1,271
Support Services:						
Pupils	360,796	0	0	0	30,344	391,140
Instructional Staff	150,097	0	0	0	14,204	164,301
Board of Education	27,491	0	0	0	0	27,491
Administration	587,478	0	0	0	106,021	693,499
Fiscal	210,612	0	0	0	3,266	213,878
Business	13,013	0	0	0	0	13,013
Operation and Maintenance of Plant	572,330	0	0	0	1,272	573,602
Pupil Transportation	410,610	0	0	0	0	410,610
Central	36,732	0	0	0	0	36,732
Food Service Operations	0	0	0	0	409,108	409,108
Extracurricular Activities	119,170	0	0	0	85,279	204,449
Capital Outlay	39,616	0	198,579	0	46,799	284,994
Debt Service:						
Principal Retirement	0	1,095,000	48,098	0	0	1,143,098
Interest and Fiscal Charges	0	183,932	9,127	0	0	193,059
Total Expenditures	6,937,277	1,278,932	255,804	0	1,141,289	9,613,302
<i>Excess of Revenues Over (Under) Expenditures</i>	145,068	(787,934)	(12,201)	1,131,985	(26,216)	450,702
Other Financing Sources						
Capital Lease Proceeds	0	0	933,000	2,058,000	0	2,991,000
Long-Term Notes Issued	0	800,000	0	0	0	800,000
Total Other Financing Sources	0	800,000	933,000	2,058,000	0	3,791,000
Net Change in Fund Balances	145,068	12,066	920,799	3,189,985	(26,216)	4,241,702
Fund Balances Beginning of Year	480,807	172,792	66,487	0	215,342	935,428
Fund Balances End of Year	\$625,875	\$184,858	\$987,286	\$3,189,985	\$189,126	\$5,177,130

See accompanying notes to the basic financial statements

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

Net Change in Fund Balances - Total Governmental Funds \$4,241,702

***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 those 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.

Capital Outlay	225,470	
Depreciation	(330,679)	
Total		(105,209)

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

Property and Other Local Taxes	18,692	
Grants	(40,911)	
Total		(22,219)

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

Compensated Absences	76,211	
Pension Obligation	(10,856)	
Total		65,355

Other financing sources in the governmental funds increase long-term liabilities in the statement of net assets.

Notes Issued		(800,000)
Capital Lease Proceeds		(2,991,000)

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

General Obligation Bonds	95,000	
Long-term Notes	1,000,000	
Capital Lease	48,098	
Total		1,143,098

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

14,819

The internal service fund used by management to charge the costs 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(expenses) of the internal service fund is allocated among the governmental activities.

34,021

Change in Net Assets of Governmental Activities **\$1,580,567**

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$1,314,111	\$1,317,139	\$1,342,688	\$25,549
Intergovernmental	4,626,010	4,605,210	4,744,591	139,381
Interest	16,000	17,303	19,291	1,988
Tuition and Fees	954,691	988,648	1,003,576	14,928
Rentals	21,000	19,450	20,575	1,125
Contributions and Donations	1,000	1,000	1,721	721
<i>Total Revenues</i>	<u>6,932,812</u>	<u>6,948,750</u>	<u>7,132,442</u>	<u>183,692</u>
Expenditures				
Current:				
Instruction:				
Regular	3,568,748	4,039,525	3,716,865	322,660
Special	1,022,125	1,049,100	697,844	351,256
Vocational	74,112	80,432	79,253	1,179
Adult Education	1,640	1,980	1,271	709
Support Services:				
Pupils	391,887	402,107	352,400	49,707
Instructional Staff	190,115	194,765	172,311	22,454
Board of Education	34,514	38,099	28,188	9,911
Administration	587,195	621,354	583,596	37,758
Fiscal	225,563	232,904	213,344	19,560
Business	18,319	18,944	13,070	5,874
Operation and Maintenance of Plant	759,861	815,488	606,970	208,518
Pupil Transportation	440,570	491,510	434,232	57,278
Central	37,721	40,091	36,459	3,632
Extracurricular Activities	123,835	136,222	120,566	15,656
Capital Outlay	39,616	39,616	39,616	0
<i>Total Expenditures</i>	<u>7,515,821</u>	<u>8,202,137</u>	<u>7,095,985</u>	<u>1,106,152</u>
<i>Net Change in Fund Balance</i>	(583,009)	(1,253,387)	36,457	1,289,844
<i>Fund Balance Beginning of Year</i>	1,030,030	1,030,030	1,030,030	0
Prior Year Encumbrances Appropriated	223,357	223,357	223,357	0
<i>Fund Balance End of Year</i>	<u>\$670,378</u>	<u>\$0</u>	<u>\$1,289,844</u>	<u>\$1,289,844</u>

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District

Statement of Fund Net Assets

Internal Service Fund

June 30, 2003

	<u>Insurance</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$122,531
Claims Receivable	<u>1,766</u>
<i>Total Assets</i>	124,297
Liabilities	
Claims Payable	<u>89,617</u>
Net Assets	
Unrestricted	<u><u>\$34,680</u></u>

See accompanying notes to the basic financial statements

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

	Insurance
Operating Revenues	
Charges for Services	\$396,465
Operating Expenses	
Purchased Services	102,437
Claims	260,007
<i>Total Operating Expenses</i>	362,444
<i>Change in Net Assets</i>	34,021
<i>Net Assets Beginning of Year</i>	659
<i>Net Assets End of Year</i>	\$34,680

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2003

	Insurance
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Interfund Services	\$394,699
Cash Payments for Goods and Services	(102,437)
Cash Payments for Claims	(170,390)
<i>Net Increase in Cash and Cash Equivalents</i>	121,872
<i>Cash and Cash Equivalents Beginning of Year</i>	659
<i>Cash and Cash Equivalents End of Year</i>	\$122,531
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	\$34,021
Adjustments:	
Increase in Claims Receivable	(1,766)
Increase in Claims Payable	89,617
<i>Net Cash Provided by Operating Activities</i>	\$121,872

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
June 30, 2003

	<u>Agency</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$26,938</u>
Liabilities	
Due to Students	<u>\$26,938</u>

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Note 1 - Description of the District and Reporting Entity

Lisbon Exempted Village School District (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District operates under a locally-elected five member Board form of government and provides educational services as authorized by its charter and further mandated by state and federal agencies.

The District is located in Lisbon, Ohio, Columbiana County. The Board of Education controls the District's four instructional/support facilities staffed by 46 classified employees, 72 certificated full-time teaching personnel and 4 administrators who provide services to 1,195 students and other community members.

Reporting Entity

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

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

The District participates in two organizations which are defined as jointly governed organizations and two insurance purchasing pools. These organizations include the Columbiana County Career and Technical Center, the Ohio Mid-Eastern Regional Educational Service Agency (OME-RESA), the Ohio School Business Officials' Association Workers' Compensation Group Rating Program and the Ohio School Plan. These organizations are presented in Notes 17 and 18 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of Lisbon Exempted Village 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 District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

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

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

B. Fund Accounting

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

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

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

Debt Service Fund -The debt service fund receives property taxes for the payment of general obligation bonds issued for additions to both the elementary and high schools.

Permanent Improvement Fund – The permanent improvement fund receives property taxes for the payment of the construction of a new administration building, lease-purchase of a bus garage facility and the rental for District's copier equipment.

Ohio School Facilities Commission Project Fund – The Ohio School Facilities Commission Project fund receives both State and local funds for the payment for the additions to both the elementary and high schools.

The other governmental funds of the District account for grants and other resources whose uses are restricted to a particular purpose.

Proprietary Funds Proprietary funds reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise or internal service. The District has no enterprise funds. The following is a description of the District's internal service fund:

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Internal Service Fund – The only internal service fund carried on the financial records of the District is related to self insurance. This fund accounts for the revenues and expenses related to the provision of medical, surgical, prescription drug and dental benefits to the District employees.

Fiduciary Fund Type - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency fund accounts for student managed activities.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the statement of net assets. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

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

D. Basis of Accounting

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

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

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, grants, interest, tuition, fees and rentals.

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

Property taxes for which there is an enforceable legal claim as of June 30, 2003, but which were levied to finance fiscal year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenditures/Expenses 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.

E. Budgetary Process

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. Budgetary modifications at this level require a resolution of the Board of Education. Budgetary allocations at the function and object level are made by the District Treasurer.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed by the Board of Education.

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

F. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents."

Lisbon Exempted Village School District has invested funds during fiscal year 2003 in repurchase agreements, which are reported at cost, and in the State Treasury Asset Reserve of Ohio (STAROhio).

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2003.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2003 amounted to \$19,291, which includes \$5,787 assigned from other District funds.

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

G. Restricted Assets

Assets are reported as restricted when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets in the general fund represent cash and cash equivalents required by statute to be set-aside by the District for the creation of a reserve for budget stabilization and unexpended revenues restricted to the purchase of school buses. See note 16 for additional information regarding set-asides.

H. Prepaid Items

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

I. Inventory

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

On fund financial statements, inventories of the governmental funds are stated at cost. Cost is determined on a first-in, first-out basis. Inventories in governmental funds consist of purchased and donated food held for resale. The cost of inventory items is recorded as expenditure in the governmental fund types when used.

J. Capital Assets

All of the District's capitalized assets are general capitalized assets resulting from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported on the fund financial statements.

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

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

Lisbon Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Description	Governmental Activities Estimated Lives
Land Improvements	20 years
Buildings and Improvements	50 years
Furniture, Fixtures and Equipment	5 - 20 years
Vehicles	10 years

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

L. Accrued Liabilities and Long-Term Obligations

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

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

M. Net Assets

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

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

N. Fund Balance Reserves

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

Lisbon Exempted Village School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

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

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

O. Interfund Activity

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

P. Extraordinary and Special Items

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

Q. Estimates

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

Note 3 – Changes in Accounting Principles and Restatement of Fund Balance

Changes in Accounting Principles For fiscal year 2003, the District has implemented GASB Statement No. 41, "Budgetary Comparison Schedules – Perspective Differences". GASB Statement No. 41 allows the presentation of budgetary schedules as required supplemental information based on the fund, organization or program structure that the government uses for its legally adopted budget when significant budgetary perspective differences result in the District not being able to present budgetary comparisons for the general and each major special revenue fund.

Note 4 – Accountability

The deficit fund balance in the Title I special revenue fund of \$9,810 resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and will provide operating transfers when cash is required, not when accruals occur.

Note 5 - Budgetary Basis of Accounting

While the 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 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 (modified accrual) basis are as follows:

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

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

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

Net Change in Fund Balance	
GAAP Basis	\$145,068
Net Adjustment for Revenue Accruals	50,097
Net Adjustment for Expenditure Accruals	(38,993)
Adjustment for Encumbrances	(119,715)
Budget Basis	<u>\$36,457</u>

Note 6 - Deposits and Investments

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

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

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

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

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

Interim monies may be 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 payment of principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security 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

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

Deposits At fiscal year-end, the carrying amount of the District's deposits was \$5,924,511 and the bank balance was \$162,405. The entire bank balance was covered by federal depository insurance.

Investments GASB Statement No. 3 requires the District's investments to be categorized to give an indication of the level of risk assumed by the District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District's name. STAROhio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

		Carrying Amount	Fair Value
Repurchase Agreement	\$45,832	\$45,832	\$45,832
STAROhio		129,578	129,578
Totals		\$175,410	\$175,410

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

The classification of cash and cash equivalents, and investments on the combined basic financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting".

A reconciliation between the classifications of cash and investments on the combined financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
<i>GASB Statement No. 9</i>	\$6,099,921	\$0
Repurchase Agreement	(45,832)	45,832
STAROhio	(129,578)	129,578
<i>GASB Statement No. 3</i>	<u>\$5,924,511</u>	<u>\$175,410</u>

Note 7 - Property Taxes

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the District. Real property tax revenue received during calendar 2003 represents collections of calendar year 2002 taxes. Real property taxes received in calendar year 2003 were levied after April 1, 2002, on the assessed value listed as of January 1, 2002, the lien date. Assessed values for real property are established by State law at thirty-five percent of appraised market value. 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 alternative payment dates to be established.

Public utility property tax revenue received in calendar year 2003 represents collections of calendar year 2002 taxes. Public utility real and tangible personal property taxes received in calendar year 2003 became a lien December 31, 2001, were levied after April 1, 2002 and are collected in 2003 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2003 (other than public utility property) represents the collection of 2003 taxes. Tangible personal property taxes received in calendar year 2003 were levied after April 1, 2002, on the value as of December 31, 2002. Tangible personal property is currently assessed as twenty-five percent of true value for capital assets and twenty-four percent of true value for inventory. Payments 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. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

The District receives property taxes from Columbiana County. The County Auditor periodically advances to the 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 received includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2003 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance of real property taxes at June 30, 2003, was \$53,676 in the general fund, \$14,131 in the bond retirement fund, and \$12,174 in the permanent improvement fund. The amount available for advance of personal property taxes at June 30, 2002, was \$24,591 in the general fund, \$5,578 in the bond retirement fund, and \$4,805 in the permanent improvement fund.

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

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

	2002 Second Half Collections		2003 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$61,077,260	84.93%	\$61,458,270	84.52%
Public Utility	5,468,980	7.61	5,476,110	7.53
Tangible Personal Property	5,365,230	7.46	5,777,770	7.95
Total Assessed Value	<u>\$71,911,470</u>	<u>100.00%</u>	<u>\$72,712,150</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$36.62		\$37.12	

Note 8 - Receivables

Receivables at June 30, 2003, consisted of taxes, accounts (rent), interest and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables are expected to be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amounts
General Fund:	
Special Education Transportation	\$14,298
Special Revenue Fund:	
Food Service	20,900
Title I	35,267
Total Special Revenue Funds	<u>56,167</u>
Total All Funds	<u>\$70,465</u>

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Note 9 - Capital Assets

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

	Balance			Balance
	June 30, 2002	Additions	Deletions	June 30, 2003
Governmental Activities				
Nondepreciable Capital Assets				
Land	<u>\$289,800</u>	<u>\$145,000</u>	<u>\$0</u>	<u>\$434,800</u>
Depreciable Capital Assets				
Land Improvements	496,484	0	0	496,484
Buildings and Improvements	7,534,857	7,500	0	7,542,357
Furniture, Fixtures and Equipment	626,225	11,122	0	637,347
Vehicles	<u>664,244</u>	<u>61,848</u>	<u>0</u>	<u>726,092</u>
Total at Historical Cost	<u>9,321,810</u>	<u>80,470</u>	<u>0</u>	<u>9,402,280</u>
Less Accumulated Depreciation:				
Land Improvements	(339,894)	(20,702)	0	(360,596)
Buildings and Improvements	(2,484,561)	(215,050)	0	(2,699,611)
Furniture, Fixtures and Equipment	(513,463)	(47,462)	0	(560,925)
Vehicles	<u>(462,112)</u>	<u>(47,465)</u>	<u>0</u>	<u>(509,577)</u>
Total Accumulated Depreciation	<u>(3,800,030)</u>	<u>(330,679) *</u>	<u>0</u>	<u>(4,130,709)</u>
Depreciable Capital Assets, Net of Accumulated Depreciation	<u>5,521,780</u>	<u>(250,209)</u>	<u>0</u>	<u>5,271,571</u>
Governmental Activities Capital Assets, Net	<u>\$5,811,580</u>	<u>(\$105,209)</u>	<u>\$0</u>	<u>\$5,706,371</u>

- Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$223,678
Vocational	50
Support Services:	
Instructional Staff	27,557
Administration	2,248
Operations and Maintenance of Plant	965
Pupil Transportation	56,422
Central	130
Extracurricular Activities	8,164
Food Service Operations	<u>11,465</u>
Total Depreciation Expenses	<u>\$330,679</u>

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Note 10 - Risk Management

A. Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2003, the District contracted with Holloway Insurance which provided for property insurance coverage through Cincinnati Insurance Companies. The District joined together with other school districts in Ohio to participate in the Ohio School Plan (OSP), a public entity insurance purchasing pool to obtain liability coverage. Each individual school district enters into an agreement with the OSP and its premium is based on the types of coverage and limits of coverage, and deductibles that it selects. The District obtains its automotive coverage through the Ohio School Insurance Program through the Selective Insurance Company of South Carolina. The levels of coverage is listed below :

Type of Coverage	Amount
Building and Contents – replacement costs	17,223,792
Inland Marine Coverage	61,064
Crime Insurance	10,000
Extra Expense	500,000
Automobile Liability	2,000,000
Auto Medical Payments	5,000
Uninsured Motorists	1,000,000
General Liability	
Per Occurrence	1,000,000
Total per year	5,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in insurance coverage from last year.

B. Workers' Compensation

The District participates in the Ohio School Business Officials Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 18). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to participants that can meet the GRP's selection criteria. The firm of Sheakley Uniservice, Inc. provides administrative, cost controls, and actuarial services to the GRP.

C. Other Employee Benefits

The District has elected to provide medical, surgical, prescription drugs and dental benefits through a self-insurance program. A fully insured contract with Medical Mutual of Ohio was converted to a self-funded plan effective January 1, 2003 to these benefits to all eligible District employees. The District contracted with Benefit Services, Inc. to pay all claims incurred beginning January 1, 2003. The District pays 100 percent of the insurance premium costs for 94 percent of the staff. For the fiscal year 2003 the District

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

pays into the self-insurance internal service fund \$815.55 per family coverage per month and \$383.54 per single coverage per month. The premiums are paid by the fund that pays the salary for the employee and are based on historical cost information.

The claims liability of \$89,617 reported in the internal service fund at June 30, 2002 is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustments expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability for 2003 were:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2003	\$0	\$260,007	(\$170,390)	\$89,617

Note 11 - Pension Plans

A. School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2003, 8.17 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2002, 5.46 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS's Retirement Board. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$66,133, \$66,010, and \$65,479 respectively; 35.8 percent has been contributed for fiscal year 2003 and 100 percent for fiscal years 2002 and 2001.

B. State Teachers Retirement System

The District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. STRS issues a publicly available, stand-alone financial report that may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (614)227-4090.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB Plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance base 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 of their member contributions and

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decisions to transfer their account balances from the existing DB Plan into the DC Plan or the combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

For the fiscal year ended June 30, 2003, plan members are required to contribute 9.3 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2002, the portion used to fund pension obligations was 9.5 percent. Contribution rates are established by State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

Contributions to the DC and Combined Plans for fiscal year 2003 were \$1,596 made by the District and \$4,821 made by the plan members. The District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2003, 2002, and 2001 were \$472,576, \$498,514, and \$510,906, respectively; 86.1 percent has been contributed for fiscal year 2003 and 100 percent for fiscal years 2002 and 2001.

Note 12 - Postemployment Benefits

The 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 obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2003, the STRS Board allocated employer contributions equal to 1.0 percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$36,352 for fiscal year 2003.

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

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

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2003, employer contributions to fund health care benefits were 5.83 percent of covered payroll, a decrease of 2.71 percent from fiscal year 2002. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2003, the minimum pay has been established at \$14,500. For the District, the amount to fund health care benefits, including surcharge, during the 2003 fiscal year equaled \$71,967.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2002, (the latest information available), were \$182,946,777 and the target level was \$274.4 million. At June 30, 2002, SERS had net assets available for payment of health care benefits of \$335.2 million. SERS has approximately 50,000 participants currently receiving health care benefits.

Note 13 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and the treasurer earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and the treasurer upon termination of employment. Teachers do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 220 days for both certified and classified employees. Upon retirement, payment is made according to negotiated agreements.

B. Life Insurance

The District provides term life and accidental death and dismemberment insurance to most employees through Sun Life Financial. Both full time certified and classified employees receive \$30,000, and District administrators receive \$50,000.

Note 14 - Long-term Obligations

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

	Principal Outstanding 6/30/02	Additions	Deductions	Principal Outstanding 6/30/03	Amounts due in One Year
Governmental Activities					
General Obligation Bonds, 1992, 6.25%	\$2,415,000	\$0	\$95,000	\$2,320,000	\$100,000
Bond Anticipation Notes, 2002, 2.00%	1,000,000	800,000	1,000,000	800,000	800,000
Compensated Absences	487,741	2,615	78,826	411,530	0
Capital Leases	185,456	2,991,000	48,098	3,128,358	108,833
<i>Total Governmental Activities</i>					
<i>Long-Term Liabilities</i>	<u>\$4,088,197</u>	<u>\$3,793,615</u>	<u>\$1,221,924</u>	<u>\$6,659,888</u>	<u>\$1,008,833</u>

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

The \$1,000,000 bond anticipation note was rolled over into another note with a principal balance of \$800,000 on August 29, 2002. The new note will be paid from the debt service fund. The note matures on August 28, 2003. The interest payment will be \$16,000.

Capital lease obligations will be paid from the permanent improvement fund. The general obligation bonds will be paid from the debt service fund. Proceeds from the bond issue were used to add classrooms at both buildings and an auditorium at the high school. Compensated absences will be paid from the general, food service, Title I and Title II-A funds.

The District's overall legal debt margin was \$3,608,952 with an unvoted debt margin of \$72,712 at June 30, 2003.

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2004	\$100,000	\$140,452	\$240,452
2005	105,000	134,686	239,686
2006	110,000	128,502	238,502
2007	115,000	121,719	236,719
2008	125,000	114,219	239,219
2009-2013	750,000	440,625	1,190,625
2014-2018	1,015,000	166,406	1,181,406
<i>Total</i>	<u>\$2,320,000</u>	<u>\$1,246,609</u>	<u>\$3,566,609</u>

Note 15 - Capital Leases - Lessee Disclosure

A new capital lease obligation recorded in the Permanent Improvement Fund and the Ohio School Facilities Commission Project Fund relates to the local share obligation for Ohio School Facilities Commission Project participation, construction of a new administrative building and the purchase of property. At the time that the District entered into the lease, the buildings had not been constructed nor had the land been purchased. As part of the agreement the District received the \$2,058,000 for the local share obligation and deposited it into the Ohio School Facilities Commission Project Fund and permanent improvement fund lease of \$933,000 was deposited with a fiscal agent through an agreement with National City Investments.

In prior years, the District entered into a capitalized lease for a bus garage. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the combined financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

Capital assets acquired by lease have been originally capitalized in the amount of \$350,000. This amount represents the present value of the minimum lease payments at the time of acquisition. Accumulated depreciation on this lease was \$38,500 leaving a current book value of \$311,500. Principal payments in fiscal year 2003 totaled \$48,098 in the governmental funds.

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

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

	<u>Amount</u>
Fiscal Year Ending June 30, 2004	\$265,233
2005	264,684
2006	241,005
2007	207,480
2008	208,033
2009 - 2013	1,036,415
2014 - 2018	1,033,988
2019 - 2023	1,030,954
2024 - 2028	859,133
2029 - 2032	<u>684,815</u>
Total minimum lease payments	5,831,740
Less: Amount Representing Interest	<u>2,703,382</u>
Present Value of Minimum Lease Payments	<u><u>\$3,128,358</u></u>

Note 16 - Set-Aside Calculations and Fund Reserves

The 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 fiscal year end or offset by similarly restricted resources received during the year must be held in cash at fiscal year end and carried forward to be used for the same purposes in future years. In prior years, the District was also required to set aside money for budget stabilization. At June 30, 2003, only the unspent portion of certain workers' compensation refunds continues to be set aside.

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 Stabilization</u>
Set-Aside Reserve Balance as of June 30, 2003	\$0	\$0	\$33,458
Current Year Set-Aside Requirement	161,756	161,756	0
Qualifying Disbursements	<u>(161,756)</u>	<u>(161,756)</u>	
Totals	<u>\$0</u>	<u>\$0</u>	<u>\$33,458</u>
Set-Aside Balance Carried Forward to Future Fiscal Years	<u>\$0</u>	<u>\$0</u>	<u>\$33,458</u>
Set-Aside Reserve Balance as of June 30, 2003	<u>\$0</u>	<u>\$0</u>	<u>\$33,458</u>

The District had qualifying disbursements during the fiscal year that reduced the textbook and capital improvement set-aside amount to zero. The total reserve balance for the three set-asides at the end of fiscal year was \$33,458.

Note 17 - Jointly Governed Organizations

Columbiana County Career and Technical Center - The Columbiana County Career and Technical Center is a distinct political subdivision of the State of Ohio. The Center is operated under the direction of a Board, consisting of one representative from each of the eight participating Districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information write to the Columbiana County Career and Technical Center, Office of the Treasurer, at 9364 State Route 45, Lisbon, Ohio 44432.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

Ohio Mid-Eastern Regional Educational Service Agency – The Ohio Mid-Eastern Regional Educational Service Agency (OME-RESA) is a computer service agency whose primary function is to provide information technology to its member school districts with the emphasis being placed on accounting, payroll and inventory control services. Other areas of service provided by OME-RESA include pupil scheduling, attendance and grade reporting; career guidance services; special education records; test scoring and EMIS.

OME-RESA is one of twenty-five regional service organizations serving over 600 public school districts in the State of Ohio that make up the Ohio Educational Computer Network (OECN). These service organizations are known as Data Acquisition Sites. The OECN is a collective group of Data Acquisition Sites, authorized pursuant to Section 3301.075 of the Ohio Revised Code and their member school districts.

OME-RESA is owned and operated by forty-five member districts in eleven different counties. The superintendents from each member school district comprise the General Assembly. The General Assembly elects the Board of Directors consisting of a representative from each county within the approved geographic area. The superintendent of the fiscal agent district serves as chairman and the board elects a vice-chair annually. The Jefferson County Educational Service Center, Steubenville, Ohio acts as the fiscal agent for OME-RESA and assumes the budgetary responsibility. The District contributed \$62,660 for various fees associated with the agency's services during the 2003 fiscal year. To obtain financial information write to Jefferson County Educational Service Center, Office of the Treasurer, 2023 Sunset Boulevard, Steubenville, Ohio 43952.

Note 18 - Insurance Purchasing Pools

Ohio School Business Officials Association Workers' Compensation Group Rating Program - The District participates in the Ohio School Business Officials 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 OASBO. The Executive Director of the OASBO, or his designee, serves as coordinator of the program. Each year, the participating Districts pay an enrollment fee to the GRP to cover the costs of administering the program.

Ohio School Plan – The District participates in the Ohio School Plan (OSP), an insurance purchasing pool. The OSP is created and organized pursuant to and as authorized by Section 2744.081 of the Ohio Revised Code. The OSP is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the Plan to provide for a formalized, joint insurance purchasing program to maintain adequate insurance protection, risk management programs and other administrative services. The OSP's business and affairs are conducted by a fifteen member Board of directors consisting of school district superintendents and treasurers, as well as the president of Harcum-Hyre Insurance Agency, Inc. and a partner of the Hylant Group, Inc. Hylant Group Inc. is the Administrator of the OSP and is responsible for processing claims. Harcum-Hyre Insurance Agency, Inc. is the sales and marketing representative, which establishes agreements between OSP and member schools.

Note 19 – 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 system is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding decision scheme that is thorough and efficient..."

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2003

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

Note 20 – Contingencies

A. Grants

The 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 are 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 District at June 30, 2003.

B. Litigation

The District was not a party to any legal proceedings during the 2003 fiscal year.

Note 21 – Subsequent Event

On August 27, 2003 the District issued a long-term bond anticipation note in the amount of \$750,000. The new note has an effective rate of interest of 1.68 percent through Sweeney Cartwright & Company and will mature on August 26, 2004.

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Food Service - This fund purpose is to record financial transactions related to the food service operations in the district.

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

Martha Holden Jennings Grant – This fund accounts for the expenditure as approved by a competitive grant selection process by the Martha Holden Jennings Foundation as submitted by one of the District's third grade teachers.

Ohio School Facilities Commission (OSFC) Maintenance Levy – This fund accounts for the tax revenue received for the future maintenance expenses of the District's school facilities. The passage of a .5 mill levy was a requirement for the participation in the Ohio School Facility Commission's Classroom Facility Project.

Athletics – This fund accounts for funds received from student activity programs which have student participation in the activity but do not have students involved in the management of the program.

Professional Development – This fund accounts for receipts and expenditures necessary for providing assistance to the District for the development of in-service programs.

Education Management Information Systems (EMIS) – 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.

Disadvantaged Pupil Impact Aid (DPIA) - This fund accounts for State monies received for disadvantaged impact aid.

OneNet – This fund accounts for State monies received for the improvement of instructional building network connectivity equal to or greater than 1.5mbs level of bandwidth.

Schoolnet Training – This fund accounts for State monies received to support educational staff training and professional development in the area of technology and its integration into the student learning process.

Interactice Distance Video Learning (IDVL) - This fund accounts for State monies received for the continued advancement of interactive distance learning through video and integration in the classroom setting.

Ohio Reads - This fund accounts for state monies intended to 1) improve reading outcomes, especially on the fourth grade reading proficiency test and 2) for volunteer coordinators in public school buildings, for educational service centers for costs associated with volunteer coordination, for background checks for volunteers, and to evaluate the Ohio Reads Program.

Summer Intervention - This fund accounts for State monies used to provide summer intervention programs to the at-risk students in the elementary grades in order to improve their performance on the proficiency tests.

Safe Drug Free Schools Coordinator (SDFSC) Grant – This fund accounts for the State monies received to provide a full-time coordinator for the supervision and expansion of the safe, drug-free school programs. This fund also incorporated a smaller state *Character Education Grant* which accounted for the State monies received in accordance with H.B. 282 to develop a pilot character education program per application guidelines and approved program. This fund no longer exists.

(continued)

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds (continued)

Title VI-B - This fund accounts for the Federal monies used to assist the District in meeting the special education needs of the handicapped children.

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

Title V - This fund accounts for Federal monies which support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

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

E-Rate - This fund is used to account for Federal monies received for various purposes including improved student achievement and teacher development.

Title II-A - This fund accounts for Federal monies received for improving teacher quality programs which can include hiring additional classroom teachers in grades Kindergarten through Grade Three for class size reductions. Title II-A of the ESEA, Catalog or Domestic Assistance Number 84.367 (formerly Title VI-R).

Title II-D - This fund accounts for Federal monies received for the development of technology in student instructional programs as defined and approved. Title II-D of the ESEA, Catalog or Domestic Assistance Number 84.381.

Nonmajor Capital Projects Funds

The Capital Projects funds account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

SchoolNet Plus - This fund accounts for State monies used to obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

Tech Equity - This fund accounts for State monies received for the purchase of additional computer technology equipment.

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Lisbon Exempted Village School District*Combining Balance Sheet**Nonmajor Governmental Funds**June 30, 2003*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$206,568	\$801	\$207,369
Taxes Receivable	31,790	0	31,790
Intergovernmental Receivable	56,167	0	56,167
Inventory Held for Resale	12,550	0	12,550
<i>Total Assets</i>	<u>\$307,075</u>	<u>\$801</u>	<u>\$307,876</u>
Liabilities and Fund Balances			
Liabilities			
Accrued Wages	\$42,906	\$0	\$42,906
Intergovernmental Payable	8,787	0	8,787
Deferred Revenue	67,057	0	67,057
<i>Total Liabilities</i>	<u>118,750</u>	<u>0</u>	<u>118,750</u>
Fund Balances			
Reserved for Encumbrances	18,150	801	18,951
Reserved for Property Taxes	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	170,175	0	170,175
<i>Total Fund Balances</i>	<u>188,325</u>	<u>801</u>	<u>189,126</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$307,075</u>	<u>\$801</u>	<u>\$307,876</u>

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$16,414	\$0	\$16,414
Intergovernmental	731,989	11,500	743,489
Charges for Services	214,939	0	214,939
Interest	555	0	555
Extracurricular Activities	128,232	0	128,232
Contributions and Donations	11,444	0	11,444
<i>Total Revenues</i>	<u>1,103,573</u>	<u>11,500</u>	<u>1,115,073</u>
Expenditures			
Current:			
Instruction:			
Regular	267,856	0	267,856
Special	177,140	0	177,140
Support Services:			
Pupils	30,344	0	30,344
Instructional Staff	14,204	0	14,204
Administration	106,021	0	106,021
Fiscal	3,266	0	3,266
Operation and Maintenance of Plant	1,272	0	1,272
Food Service Operations	409,108	0	409,108
Extracurricular Activities	85,279	0	85,279
Capital Outlay	0	46,799	46,799
<i>Total Expenditures</i>	<u>1,094,490</u>	<u>46,799</u>	<u>1,141,289</u>
<i>Net Change in Fund Balances</i>	9,083	(35,299)	(26,216)
<i>Fund Balances Beginning of Year</i>	<u>179,242</u>	<u>36,100</u>	<u>215,342</u>
<i>Fund Balances End of Year</i>	<u><u>\$188,325</u></u>	<u><u>\$801</u></u>	<u><u>\$189,126</u></u>

Lisbon Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2003

	Food Service	Public School Support	OSFC Maintenance Levy	Athletics
Assets				
Equity in Pooled Cash and Cash Equivalents	\$57,684	\$14,319	\$18,001	\$32,708
Taxes Receivable	0	0	31,790	0
Intergovernmental Receivable	20,900	0	0	0
Inventory Held for Resale	12,550	0	0	0
<i>Total Assets</i>	<u>\$91,134</u>	<u>\$14,319</u>	<u>\$49,791</u>	<u>\$32,708</u>
 Liabilities and Fund Balances				
Liabilities				
Accrued Wages	\$7,579	\$0	\$0	\$0
Intergovernmental Payable	4,466	0	0	0
Deferred Revenue	0	0	31,790	0
<i>Total Liabilities</i>	<u>12,045</u>	<u>0</u>	<u>31,790</u>	<u>0</u>
 Fund Balances				
Reserved for Encumbrances	1,467	111	0	730
Unreserved, Undesignated (Deficit)	77,622	14,208	18,001	31,978
<i>Total Fund Balances(Deficit)</i>	<u>79,089</u>	<u>14,319</u>	<u>18,001</u>	<u>32,708</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$91,134</u>	<u>\$14,319</u>	<u>\$49,791</u>	<u>\$32,708</u>

DPIA	IDVL	Ohio Reads	Summer Intervention	SDFSC Grant	Title I
\$9,435	\$1,200	\$3,709	\$1,686	\$35,756	\$21,051
0	0	0	0	0	0
0	0	0	0	0	35,267
0	0	0	0	0	0
<u>\$9,435</u>	<u>\$1,200</u>	<u>\$3,709</u>	<u>\$1,686</u>	<u>\$35,756</u>	<u>\$56,318</u>
\$0	\$0	\$0	\$1,050	\$2,062	\$27,246
11	0	32	7	298	3,615
0	0	0	0	0	35,267
11	0	32	1,057	2,360	66,128
9,433	1,200	3,709	0	0	875
(9)	0	(32)	629	33,396	(10,685)
9,424	1,200	3,677	629	33,396	(9,810)
<u>\$9,435</u>	<u>\$1,200</u>	<u>\$3,709</u>	<u>\$1,686</u>	<u>\$35,756</u>	<u>\$56,318</u>

(continued)

Lisbon Exempted Village School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2003

	E-Rate	Title II-A	Title II-D	Total Nonmajor Special Revenue Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,295	\$8,065	\$659	\$206,568
Taxes Receivable	0	0	0	31,790
Intergovernmental Receivable	0	0	0	56,167
Inventory Held for Resale	0	0	0	12,550
<i>Total Assets</i>	<u>\$2,295</u>	<u>\$8,065</u>	<u>\$659</u>	<u>\$307,075</u>
Liabilities and Fund Balances				
Liabilities				
Accrued Wages	\$0	\$4,969	\$0	\$42,906
Intergovernmental Payable	0	358	0	8,787
Deferred Revenue	0	0	0	67,057
<i>Total Liabilities</i>	<u>0</u>	<u>5,327</u>	<u>0</u>	<u>118,750</u>
Fund Balances				
Reserved for Encumbrances	0	625	0	18,150
Unreserved, Undesignated (Deficit)	2,295	2,113	659	170,175
<i>Total Fund Balances(Deficit)</i>	<u>2,295</u>	<u>2,738</u>	<u>659</u>	<u>188,325</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,295</u>	<u>\$8,065</u>	<u>\$659</u>	<u>\$307,075</u>

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

	Food Service	Public School Support	Martha Holden Jennings Grant	OSFC Maintenance Levy
Revenues				
Taxes	\$0	\$0	\$0	\$16,414
Intergovernmental	199,061	0	3,000	1,922
Charges for Services	214,939	0	0	0
Interest	555	0	0	0
Extracurricular Activities	0	55,192	0	0
Contributions and Donations	0	4,318	0	0
<i>Total Revenues</i>	<u>414,555</u>	<u>59,510</u>	<u>3,000</u>	<u>18,336</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	3,000	0
Special	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	58,242	0	0
Fiscal	0	0	0	335
Operation and Maintenance of Plant	0	0	0	0
Food Service Operations	409,108	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>409,108</u>	<u>58,242</u>	<u>3,000</u>	<u>335</u>
<i>Net Change in Fund Balances</i>	5,447	1,268	0	18,001
<i>Fund Balances (Deficit)</i>				
<i>Beginning of Year</i>	<u>73,642</u>	<u>13,051</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$79,089</u></u>	<u><u>\$14,319</u></u>	<u><u>\$0</u></u>	<u><u>\$18,001</u></u>

Athletics	Professional Development	EMIS	DPIA	OneNet	Schoolnet Training	IDVL
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	5,000	26,472	7,000	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
73,040	0	0	0	0	0	0
7,126	0	0	0	0	0	0
80,166	0	5,000	26,472	7,000	0	0
0	2,096	0	12,397	14,000	0	0
0	0	0	0	0	0	0
0	0	0	2,608	0	0	0
0	256	0	38	0	3,450	0
0	0	5,000	2,238	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
85,279	0	0	0	0	0	0
85,279	2,352	5,000	17,281	14,000	3,450	0
(5,113)	(2,352)	0	9,191	(7,000)	(3,450)	0
37,821	2,352	0	233	7,000	3,450	1,200
<u>\$32,708</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,424</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,200</u>

(continued)

Lisbon Exempted Village School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2003

	Ohio Reads	Summer Intervention	SDFSC Grant	Title VI-B
Revenues				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental	17,000	0	29,367	124,908
Charges for Services	0	0	0	0
Interest	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
<i>Total Revenues</i>	<u>17,000</u>	<u>0</u>	<u>29,367</u>	<u>124,908</u>
Expenditures				
Current:				
Instruction:				
Regular	8,724	1,660	1,063	0
Special	0	0	0	124,908
Support Services:				
Pupils	1,283	0	0	0
Instructional Staff	832	0	4,000	0
Administration	5,649	0	29,400	0
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Food Service Operations	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>16,488</u>	<u>1,660</u>	<u>34,463</u>	<u>124,908</u>
<i>Net Change in Fund Balances</i>	512	(1,660)	(5,096)	0
<i>Fund Balances (Deficit)</i>				
<i>Beginning of Year</i>	<u>3,165</u>	<u>2,289</u>	<u>38,492</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$3,677</u></u>	<u><u>\$629</u></u>	<u><u>\$33,396</u></u>	<u><u>\$0</u></u>

Title I	Title V	Drug Free Schools	E-Rate	Title II-A	Title II-D	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$16,414
218,399	27,086	11,457	0	51,904	9,413	731,989
0	0	0	0	0	0	214,939
0	0	0	0	0	0	555
0	0	0	0	0	0	128,232
0	0	0	0	0	0	11,444
<u>218,399</u>	<u>27,086</u>	<u>11,457</u>	<u>0</u>	<u>51,904</u>	<u>9,413</u>	<u>1,103,573</u>
153,803	20,000	4,064	0	45,049	2,000	267,856
48,687	0	0	0	0	3,545	177,140
8,961	7,086	7,197	0	0	3,209	30,344
0	0	0	0	5,628	0	14,204
5,492	0	0	0	0	0	106,021
2,931	0	0	0	0	0	3,266
0	0	1,272	0	0	0	1,272
0	0	0	0	0	0	409,108
0	0	0	0	0	0	85,279
<u>219,874</u>	<u>27,086</u>	<u>12,533</u>	<u>0</u>	<u>50,677</u>	<u>8,754</u>	<u>1,094,490</u>
(1,475)	0	(1,076)	0	1,227	659	9,083
<u>(8,335)</u>	<u>0</u>	<u>1,076</u>	<u>2,295</u>	<u>1,511</u>	<u>0</u>	<u>179,242</u>
<u>(\$9,810)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,295</u>	<u>\$2,738</u>	<u>\$659</u>	<u>\$188,325</u>

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

	SchoolNet Plus	Tech Equity	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental	\$0	\$11,500	\$11,500
Expenditures			
Capital Outlay	36,100	10,699	46,799
<i>Net Change in Fund Balances</i>	(36,100)	801	(35,299)
<i>Fund Balances</i>			
<i>Beginning of Year</i>	36,100	0	36,100
<i>Fund Balances End of Year</i>	\$0	\$801	\$801

Lisbon Exempted Village School District
Statement of Changes in Assets and Liabilities
Agency Fund
For Fiscal Year Ended June 30, 2003

	Beginning Balance 6/30/02	Additions	Deductions	Beginning Balance 6/30/03
Student Activities				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$29,986	\$92,467	\$95,515	\$26,938
Liabilities				
Due to Students	\$29,986	\$92,467	\$95,515	\$26,938

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Budget	Actual	
Revenues:				
Taxes	\$1,314,111	\$1,317,139	\$1,342,688	\$25,549
Intergovernmental	4,626,010	4,605,210	4,744,591	139,381
Interest	16,000	17,303	19,291	1,988
Tuition and Fees	954,691	988,648	1,003,576	14,928
Rentals	21,000	19,450	20,575	1,125
Contributions and Donations	1,000	1,000	1,721	721
<i>Total Revenues</i>	<u>6,932,812</u>	<u>6,948,750</u>	<u>7,132,442</u>	<u>183,692</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	2,366,614	2,683,361	2,555,818	127,543
Fringe Benefits	867,611	876,077	772,750	103,327
Purchased Services	158,319	267,837	210,041	57,796
Materials and Supplies	129,052	165,098	135,447	29,651
Capital Outlay - New	47,152	47,152	42,809	4,343
<i>Total Regular</i>	<u>3,568,748</u>	<u>4,039,525</u>	<u>3,716,865</u>	<u>322,660</u>
Special:				
Salaries and Wages	334,350	360,400	314,788	45,612
Fringe Benefits	123,147	123,747	88,777	34,970
Purchased Services	561,228	561,228	292,759	268,469
Materials and Supplies	3,400	3,725	1,520	2,205
<i>Total Special</i>	<u>1,022,125</u>	<u>1,049,100</u>	<u>697,844</u>	<u>351,256</u>
Vocational:				
Salaries and Wages	50,500	51,000	50,981	19
Fringe Benefits	23,221	23,231	22,492	739
Purchased Services	391	6,201	5,780	421
<i>Total Vocational</i>	<u>74,112</u>	<u>80,432</u>	<u>79,253</u>	<u>1,179</u>
Adult:				
Salaries and Wages	890	1,240	900	340
Purchased Services	750	740	371	369
<i>Total Adult</i>	<u>1,640</u>	<u>1,980</u>	<u>1,271</u>	<u>709</u>
<i>Total Instruction</i>	<u>\$4,666,625</u>	<u>\$5,171,037</u>	<u>\$4,495,233</u>	<u>\$675,804</u>

(continued)

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Support Services:				
Pupils:				
Salaries and Wages	\$235,600	\$239,065	\$216,943	\$22,122
Fringe Benefits	76,374	77,269	71,992	5,277
Purchased Services	61,100	65,800	55,011	10,789
Materials and Supplies	18,813	19,973	8,454	11,519
Total Pupils	391,887	402,107	352,400	49,707
Instructional Staff:				
Salaries and Wages	111,110	111,605	104,191	7,414
Fringe Benefits	24,392	25,342	23,190	2,152
Purchased Services	17,500	20,500	14,152	6,348
Materials and Supplies	10,913	11,118	7,644	3,474
Capital Outlay - New	2,200	2,200	900	1,300
Other	24,000	24,000	22,234	1,766
Total Instructional Staff	190,115	194,765	172,311	22,454
Board of Education:				
Salaries and Wages	4,800	4,800	4,800	0
Fringe Benefits	1,100	1,400	947	453
Purchased Services	25,364	28,414	19,283	9,131
Materials and Supplies	650	650	484	166
Other	2,600	2,835	2,674	161
Total Board of Education	34,514	38,099	28,188	9,911
Administration:				
Salaries and Wages	397,050	407,500	396,898	10,602
Fringe Benefits	148,246	149,956	140,202	9,754
Purchased Services	26,485	46,185	32,086	14,099
Materials and Supplies	12,242	14,541	11,642	2,899
Capital Outlay - New	1,962	1,962	1,592	370
Other	1,210	1,210	1,176	34
Total Administration	\$587,195	\$621,354	\$583,596	\$37,758

(continued)

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Fiscal :				
Salaries and Wages	\$94,800	\$95,625	\$94,883	\$742
Fringe Benefits	42,726	42,976	40,424	2,552
Purchased Services	26,642	30,662	21,224	9,438
Materials and Supplies	2,500	4,400	4,038	362
Other	58,895	59,241	52,775	6,466
Total Fiscal	225,563	232,904	213,344	19,560
Business :				
Salaries and Wages	10,000	10,425	9,619	806
Fringe Benefits	2,260	2,460	2,121	339
Purchased Services	4,000	4,000	56	3,944
Materials and Supplies	2,059	2,059	1,274	785
Total Business	18,319	18,944	13,070	5,874
Operation and Maintenance:				
Salaries and Wages	194,100	201,600	194,712	6,888
Fringe Benefits	84,432	84,633	77,821	6,812
Purchased Services	308,516	340,682	265,275	75,407
Materials and Supplies	43,299	64,769	55,761	9,008
Capital Outlay - New	129,514	123,804	13,401	110,403
Total Operation and Maintenance	759,861	815,488	606,970	208,518
Pupil Transportation:				
Salaries and Wages	170,900	176,900	168,706	8,194
Fringe Benefits	102,333	103,283	93,771	9,512
Purchased Services	48,892	69,142	47,289	21,853
Materials and Supplies	62,522	86,262	68,543	17,719
Capital Outlay - Replacement	55,923	55,923	55,923	0
Total Pupil Transportation	\$440,570	\$491,510	\$434,232	\$57,278

(continued)

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Central:				
Salaries and Wages	\$22,000	\$24,020	\$23,972	\$48
Fringe Benefits	14,321	14,321	11,672	2,649
Purchased Services	1,250	1,350	418	932
Materials and Supplies	150	400	397	3
Total Central	<u>37,721</u>	<u>40,091</u>	<u>36,459</u>	<u>3,632</u>
Total Support Services	<u>2,685,745</u>	<u>2,855,262</u>	<u>2,440,570</u>	<u>414,692</u>
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	81,545	89,431	80,073	9,358
Fringe Benefits	3,450	4,300	1,740	2,560
Total Sports Oriented Activities	<u>84,995</u>	<u>93,731</u>	<u>81,813</u>	<u>11,918</u>
Academic Oriented Activities:				
Salaries and Wages	14,490	14,991	14,387	604
Fringe Benefits	16,800	17,450	14,484	2,966
Total Academic Oriented Activities	<u>31,290</u>	<u>32,441</u>	<u>28,871</u>	<u>3,570</u>
School and Public Service Activities:				
Salaries and Wages	6,800	8,300	8,165	135
Occupation Oriented Activities:				
Salaries and Wages	750	1,750	1,717	33
Total Extracurricular Activities	<u>123,835</u>	<u>136,222</u>	<u>120,566</u>	<u>15,656</u>
Capital Outlay:				
Site Acquisition Services:				
Capital Outlay - New	39,616	39,616	39,616	0
Total Expenditures	<u>7,515,821</u>	<u>8,202,137</u>	<u>7,095,985</u>	<u>1,106,152</u>
Net Change in Fund Balance	(583,009)	(1,253,387)	36,457	1,289,844
Fund Balance Beginning of Year	1,030,030	1,030,030	1,030,030	0
Prior Year Encumbrances Appropriated	223,357	223,357	223,357	0
Fund Balance End of Year	<u>\$670,378</u>	<u>\$0</u>	<u>\$1,289,844</u>	<u>\$1,289,844</u>

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Taxes	\$429,525	\$459,766	\$459,766	\$0
Intergovernmental	74,100	63,761	65,405	1,644
<i>Total Revenues</i>	503,625	523,527	525,171	1,644
Expenditures:				
Debt Service:				
Principal Retirement	1,229,420	1,229,420	1,095,000	134,420
Interest and Fiscal Charges	198,693	198,581	183,932	14,649
<i>Total Expenditures</i>	1,428,113	1,428,001	1,278,932	149,069
Excess of Revenues Under Expenditures	(924,488)	(904,474)	(753,761)	150,713
Other Financing Sources:				
Long-Term Notes Issued	800,000	800,000	800,000	0
<i>Net Change in Fund Balance</i>	(124,488)	(104,474)	46,239	150,713
<i>Fund Balance Beginning of Year</i>	124,488	124,488	124,488	0
<i>Fund Balance End of Year</i>	\$0	\$20,014	\$170,727	\$150,713

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Taxes	\$217,188	\$213,314	\$213,314	\$0
Intergovernmental	13,000	28,188	29,453	1,265
Total Revenues	230,188	241,502	242,767	1,265
Expenditures:				
Current:				
Support Services:				
Fiscal:				
Purchased Services	0	6,470	6,470	0
Other	4,350	4,350	4,344	6
Total Fiscal	4,350	10,820	10,814	6
Business:				
Purchased Services	23,628	23,628	23,625	3
Pupil Transportation:				
Purchased Services	57,226	57,226	57,225	1
Total Support Services	85,204	91,674	91,664	10
Capital Outlay:				
Site Acquisition Services	166,477	166,478	103,595	62,883
Architecture and Engineering Services	20,000	20,000	20,000	0
Building Construction Services	11,692	10,000	5,214	4,786
Total Capital Outlay	198,169	196,478	128,809	67,669
Total Expenditures	283,373	288,152	220,473	67,679
Net Change in Fund Balance	(53,185)	(46,650)	22,294	68,944
Fund Balance Beginning of Year	53,186	53,186	53,186	0
Prior Year Encumbrances Appropriated	1,963	1,963	1,963	0
Fund Balance End of Year	\$1,964	\$8,499	\$77,443	\$68,944

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio School Facilities Commission Project Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$0	\$0	\$1,127,636	\$1,127,636
Interest			376	376
Total Revenues	0	0	1,128,012	1,128,012
Expenditures:	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	<i>0</i>	<i>0</i>	<i>1,128,012</i>	<i>1,128,012</i>
Other Financing Sources:				
Capital Lease Proceeds	2,058,000	2,058,000	2,058,000	0
<i>Net Change in Fund Balance</i>	<i>2,058,000</i>	<i>2,058,000</i>	<i>3,186,012</i>	<i>1,128,012</i>
<i>Fund Balance Beginning of Year</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Fund Balance End of Year</i>	<i>\$2,058,000</i>	<i>\$2,058,000</i>	<i>\$3,186,012</i>	<i>\$1,128,012</i>

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$145,100	\$134,024	\$135,223	\$1,199
Charges for Services	229,300	213,939	214,939	1,000
Interest	600	550	555	5
<i>Total Revenues</i>	<u>375,000</u>	<u>348,513</u>	<u>350,717</u>	<u>2,204</u>
Expenditures:				
Current:				
Food Service Operations:				
Salaries and Wages	125,135	125,135	123,698	1,437
Fringe Benefits	48,886	51,890	48,851	3,039
Purchased Services	9,141	11,426	8,970	2,456
Materials and Supplies	249,219	220,418	186,937	33,481
<i>Total Expenditures</i>	<u>432,381</u>	<u>408,869</u>	<u>368,456</u>	<u>40,413</u>
<i>Net Change in Fund Balance</i>	(57,381)	(60,356)	(17,739)	42,617
<i>Fund Balance Beginning of Year</i>	57,381	57,381	57,381	0
Prior Year Encumbrances Appropriated	<u>16,575</u>	<u>16,575</u>	<u>16,575</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,575</u></u>	<u><u>\$13,600</u></u>	<u><u>\$56,217</u></u>	<u><u>\$42,617</u></u>

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Extracurricular Activities	\$49,700	\$52,537	\$55,192	\$2,655
Contributions and Donations	2,300	4,314	4,318	4
<i>Total Revenues</i>	52,000	56,851	59,510	2,659
Expenditures:				
Current:				
Support Services:				
Administration:				
Purchased Services	15,236	13,531	13,066	465
Materials and Supplies	43,713	44,363	43,120	1,243
Other	2,647	2,647	2,647	0
<i>Total Expenditures</i>	61,596	60,541	58,833	1,708
<i>Net Change in Fund Balance</i>	(9,596)	(3,690)	677	4,367
<i>Fund Balance Beginning of Year</i>	10,715	10,715	10,715	0
Prior Year Encumbrances Appropriated	2,816	2,816	2,816	0
<i>Fund Balance End of Year</i>	\$3,935	\$9,841	\$14,208	\$4,367

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$3,000	\$3,000	\$3,000	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	3,000	3,000	3,000	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OSFC Maintenance Levy Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Taxes	\$16,209	\$16,414	\$16,414	\$0
Intergovernmental	0	1,922	1,922	0
<i>Total Revenues</i>	16,209	18,336	18,336	0
Expenditures:				
Current:				
Support Services:				
Fiscal:				
Other	16,209	16,209	335	15,874
<i>Net Change in Fund Balance</i>	0	2,127	18,001	15,874
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$2,127</u>	<u>\$18,001</u>	<u>\$15,874</u>

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Athletics Fund
For the Year Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Budget</u>		
Revenues:				
Extracurricular Activities	\$70,000	\$73,040	\$73,040	\$0
Contributions and Donations	200	7,126	7,126	0
<i>Total Revenues</i>	<u>70,200</u>	<u>80,166</u>	<u>80,166</u>	<u>0</u>
Expenditures:				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Purchased Services	43,562	57,803	42,098	15,705
Materials and Supplies	52,536	47,785	37,717	10,068
Other	6,226	6,591	5,140	1,451
<i>Total Sports Oriented Activities</i>	<u>102,324</u>	<u>112,179</u>	<u>84,955</u>	<u>27,224</u>
Academic Oriented Activities:				
Purchased Services	27	27	27	0
Materials and Supplies	1,261	1,261	332	929
<i>Total Academic Oriented Activities</i>	<u>1,288</u>	<u>1,288</u>	<u>359</u>	<u>929</u>
School and Public Service Activities:				
Purchased Services	341	391	120	271
Materials and Supplies	3,570	3,520	575	2,945
<i>Total School and Public Service Activities</i>	<u>3,911</u>	<u>3,911</u>	<u>695</u>	<u>3,216</u>
<i>Total Expenditures</i>	<u>107,523</u>	<u>117,378</u>	<u>86,009</u>	<u>31,369</u>
<i>Net Change in Fund Balance</i>	(37,323)	(37,212)	(5,843)	31,369
<i>Fund Balance Beginning of Year</i>	34,420	34,420	34,420	0
Prior Year Encumbrances Appropriated	3,401	3,401	3,401	0
<i>Fund Balance End of Year</i>	<u>\$498</u>	<u>\$609</u>	<u>\$31,978</u>	<u>\$31,369</u>

Lisbon Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Professional Development Fund
 For the Year Fiscal Year Ended June 30, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	2,099	2,099	2,099	0
Support Services:				
Instructional Staff:				
Salaries and Wages	256	256	256	0
<i>Total Expenditures</i>	2,355	2,355	2,355	0
<i>Net Change in Fund Balance</i>	(2,355)	(2,355)	(2,355)	0
<i>Fund Balance Beginning of Year</i>	2,261	2,261	2,261	0
<i>Prior Year Encumbrances Appropriated</i>	94	94	94	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
EMIS Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$5,000	\$5,000	\$5,000	\$0
Expenditures:				
Current:				
Administration:				
Purchased Services	5,000	5,000	5,000	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
DPIA Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$26,470	\$26,472	\$26,472	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	5,734	5,898	5,898	0
Fringe Benefits	7	7	7	0
Materials and Supplies	8,277	6,360	6,360	0
Capital Outlay - New	9,562	9,561	9,561	0
Total Instruction	23,580	21,826	21,826	0
Support Services:				
Pupils:				
Purchased Services	240	2,608	2,608	0
Instructional Staff:				
Salaries and Wages	250	38	38	0
Administration:				
Salaries and Wages	2,400	2,238	2,238	0
Total Support Services	2,890	4,884	4,884	0
<i>Total Expenditures</i>	26,470	26,710	26,710	0
<i>Net Change in Fund Balance</i>	0	(238)	(238)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	240	240	240	0
<i>Fund Balance End of Year</i>	\$240	\$2	\$2	\$0

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OneNet Fund
For the Year Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$7,000	\$7,000	\$7,000	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	14,000	14,000	14,000	0
<i>Net Change in Fund Balance</i>	(7,000)	(7,000)	(7,000)	0
<i>Fund Balance Beginning of Year</i>	7,000	7,000	7,000	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Schoolnet Training Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	3,450	3,450	3,450	0
<i>Net Change in Fund Balance</i>	(3,450)	(3,450)	(3,450)	0
<i>Fund Balance Beginning of Year</i>	3,450	3,450	3,450	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
IDVL Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	1,200	1,200	1,200	0
<i>Net Change in Fund Balance</i>	(1,200)	(1,200)	(1,200)	0
<i>Fund Balance Beginning of Year</i>	1,200	1,200	1,200	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$17,000	\$17,000	\$17,000	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	11,429	12,583	12,583	0
Support Services:				
Pupils:				
Purchased Services	883	1,283	1,283	0
Instructional Staff:				
Purchased Services	632	632	632	0
Materials and Supplies	380	200	200	0
Total Instructional Staff	1,012	832	832	0
Administration:				
Salaries and Wages	4,825	4,941	4,941	0
Fringe Benefits	200	550	550	0
Materials and Supplies	250	151	151	0
Total Administration	5,275	5,642	5,642	0
Total Support Services	7,170	7,757	7,757	0
<i>Total Expenditures</i>	18,599	20,340	20,340	0
<i>Net Change in Fund Balance</i>	(1,599)	(3,340)	(3,340)	0
<i>Fund Balance Beginning of Year</i>	1,599	1,599	1,599	0
Prior Year Encumbrances Appropriated	1,741	1,741	1,741	0
<i>Fund Balance End of Year</i>	\$1,741	\$0	\$0	\$0

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:	\$0	\$0	\$0	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	5,886	5,886	4,200	1,686
Fringe Benefits	79	79	79	0
<i>Total Expenditures</i>	5,965	5,965	4,279	1,686
<i>Net Change in Fund Balance</i>	(5,965)	(5,965)	(4,279)	1,686
<i>Fund Balance Beginning of Year</i>	5,965	5,965	5,965	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$1,686	\$1,686

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
SDFSC Grant Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$29,367	\$29,367	\$29,367	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	1,063	1,063	1,063	0
Support Services:				
Instructional Staff:				
Salaries and Wages	1,484	1,484	1,484	0
Fringe Benefits	161	161	161	0
Purchased Services	1,755	1,187	1,187	0
Materials and Supplies	600	1,168	1,168	0
Total Pupils	4,000	4,000	4,000	0
Administration:				
Salaries and Wages	57,321	57,321	23,971	33,350
Fringe Benefits	3,946	4,060	3,773	287
Purchased Services	2,000	1,886	107	1,779
Materials and Supplies	784	784	444	340
Total Administration	64,051	64,051	28,295	35,756
Total Support Services	68,051	68,051	32,295	35,756
<i>Total Expenditures</i>	69,114	69,114	33,358	35,756
<i>Net Change in Fund Balance</i>	(39,747)	(39,747)	(3,991)	35,756
<i>Fund Balance Beginning of Year</i>	39,747	39,747	39,747	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$35,756	\$35,756

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$124,908	\$124,908	\$124,908	\$0
Expenditures:				
Current:				
Instruction:				
Special:				
Purchased Services	124,908	124,908	124,908	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$204,516	\$199,377	\$218,399	\$19,022
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	113,280	113,229	113,227	2
Fringe Benefits	46,119	46,120	46,118	2
Purchased Services	1,693	1,693	1,693	0
Materials and Supplies	5,967	5,957	5,957	0
Total Regular	167,059	166,999	166,995	4
Special:				
Salaries and Wages	38,229	38,229	38,226	3
Total Instruction	205,288	205,228	205,221	7
Support Services:				
Pupils:				
Purchased Services	9,981	9,981	8,936	1,045
Materials and Supplies	1,000	1,000	900	100
Total Pupils	10,981	10,981	9,836	1,145
Administration:				
Salaries and Wages	4,756	4,756	4,756	0
Fringe Benefits	639	591	591	0
Total Administration	5,395	5,347	5,347	0
Fiscal:				
Salaries and Wages	2,542	2,542	2,541	1
Fringe Benefits	321	391	390	1
Total Fiscal	2,863	2,933	2,931	2
Total Support Services	19,239	19,261	18,114	1,147
<i>Total Expenditures</i>	224,527	224,489	223,335	1,154
<i>Net Change in Fund Balance</i>	(20,011)	(25,112)	(4,936)	20,176
<i>Fund Balance Beginning of Year</i>	20,011	20,011	20,011	0
<i>Prior Year Encumbrances Appropriated</i>	5,101	5,101	5,101	0
<i>Fund Balance End of Year</i>	\$5,101	\$0	\$20,176	\$20,176

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title V Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$27,086	\$27,086	\$27,086	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	20,000	16,082	16,082	0
Capital Outlay - New	0	3,918	3,918	0
Total Instruction	20,000	20,000	20,000	0
Support Services:				
Pupils:				
Salaries and Wages	7,086	7,086	7,086	0
Total Expenditures	27,086	27,086	27,086	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Schools Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$12,673	\$11,457	\$11,457	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	219	219	219	0
Materials and Supplies	3,845	3,845	3,845	0
Total Regular	4,064	4,064	4,064	0
Support Services:				
Pupils:				
Purchased Services	2,879	2,654	2,654	0
Materials and Supplies	4,464	4,543	4,543	0
Total Pupils	7,343	7,197	7,197	0
Operation and Maintenance of Plant:				
Materials and Supplies	1,272	1,272	1,272	0
Total Support Services	8,615	8,469	8,469	0
<i>Total Expenditures</i>	12,679	12,533	12,533	0
<i>Net Change in Fund Balance</i>	(6)	(1,076)	(1,076)	0
<i>Fund Balance Beginning of Year</i>	6	6	6	0
Prior Year Encumbrances Appropriated	1,070	1,070	1,070	0
<i>Fund Balance End of Year</i>	\$1,070	\$0	\$0	\$0

Lisbon Exempted Village School District
 Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
E-Rate Fund
 For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures:				
Current:				
Support Services:				
Fiscal:				
Capital Outlay - New	2,295	2,295	0	2,295
<i>Net Change in Fund Balance</i>	(2,295)	(2,295)	0	2,295
<i>Fund Balance Beginning of Year</i>	2,295	2,295	2,295	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$2,295	\$2,295

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title II-A Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$44,883	\$51,904	\$51,904	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	28,178	35,199	28,544	6,655
Fringe Benefits	17,643	17,643	16,858	785
Total Regular Instruction	45,821	52,842	45,402	7,440
Support Services:				
Instructional Staff:				
Purchased Services	5,628	5,628	5,628	0
Materials and Supplies	625	625	625	0
Total Instructional Staff	6,253	6,253	6,253	0
<i>Total Expenditures</i>	52,074	59,095	51,655	7,440
<i>Net Change in Fund Balance</i>	(7,191)	(7,191)	249	7,440
<i>Fund Balance Beginning of Year</i>	7,191	7,191	7,191	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$7,440	\$7,440

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title II-D
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$9,413	\$9,413	\$9,413	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	2,000	2,000	2,000	0
Special:				
Capital Outlay - New	4,204	4,204	3,545	659
Total Instruction	6,204	6,204	5,545	659
Support Services:				
Pupils:				
Purchased Services	1,500	1,500	1,500	0
Materials and Supplies	1,709	1,709	1,709	0
Total Support Services	3,209	3,209	3,209	0
<i>Total Expenditures</i>	9,413	9,413	8,754	659
<i>Net Change in Fund Balance</i>	0	0	659	659
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$659	\$659

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:	\$0	\$0	\$0	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	6,320	6,320	6,320	0
Capital Outlay - New	29,780	29,780	29,780	0
<i>Total Expenditures</i>	36,100	36,100	36,100	0
<i>Net Change in Fund Balance</i>	(36,100)	(36,100)	(36,100)	0
<i>Fund Balance Beginning of Year</i>	36,100	36,100	36,100	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tech Equity Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$11,500	\$11,500	\$11,500	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	11,500	11,500	10,699	801
<i>Net Change in Fund Balance</i>	0	0	801	801
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$801</u>	<u>\$801</u>

Lisbon Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Employee Benefits Fund
For the Year Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Charges for Services	0	393,541	394,699	1,158
Expenses:				
Purchased Services	659	148,403	102,437	45,966
Claims	0	245,797	170,390	75,407
Total Expenses	659	394,200	272,827	121,373
<i>Net Change in Fund Balance</i>	(659)	(659)	121,872	122,531
<i>Fund Equity Beginning of Year</i>	659	659	659	0
<i>Fund Equity End of Year</i>	\$0	\$0	\$122,531	\$122,531



Statistical Section

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

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LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

Governmental Activities

Revenues by Source and Expenses by Function

Last Two Fiscal Years

	<u>2003</u>	<u>2002</u>
Program Revenues		
Charges for Services and Sales	\$1,378,871	\$1,402,879
Operating Grants and Contributions	1,328,281	1,164,936
Capital Grants, Contributions and Interest	1,143,485	47,757
Revenue		
Taxes	1,953,809	2,143,139
Intergovernmental	4,217,493	4,116,947
Interest	19,846	27,724
Miscellaneous	0	116
	<u>0</u>	<u>116</u>
<i>Total</i>	<u><u>\$10,041,785</u></u>	<u><u>\$8,903,498</u></u>
Expenses		
Current:		
Instruction:		
Regular	\$4,093,125	\$4,146,599
Special	848,691	719,988
Vocational	77,556	70,180
Adult	1,271	0
Support Services:		
Pupils	380,630	327,149
Instructional Staff	188,847	242,802
Board of Education	27,678	16,141
Administration	753,212	656,480
Fiscal	226,669	211,237
Business	36,871	38,695
Operation and Maintenance of Plant	557,530	577,969
Pupil Transportation	410,775	424,392
Central	37,436	41,174
Extracurricular Activities	216,486	195,482
Food Service	426,201	391,715
Interest and Fiscal Charges	178,240	207,094
	<u>178,240</u>	<u>207,094</u>
<i>Total</i>	<u><u>\$8,461,218</u></u>	<u><u>\$8,267,097</u></u>

Source: School District Records

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

General Fund

Revenues by Source and Expenditures by Function (1)

Last Ten Fiscal Years

	<u>2003 (2)</u>	<u>2002 (2)</u>	<u>2001 (2)</u>	<u>2000 (2)</u>
Revenue				
Taxes	\$1,278,960	\$1,435,044	\$1,257,374	\$1,222,991
Intergovernmental	4,758,422	4,577,911	4,217,466	4,068,066
Interest	19,291	26,968	49,721	46,856
Tuition and Fees	1,003,576	1,030,340	886,415	760,852
Rentals	20,375	22,900	22,750	18,883
Contributions and Donations	1,721	780	4,350	6,150
Miscellaneous	0	116	93	0
Other Financing Sources	0	0	0	0
<i>Total</i>	<u>\$7,082,345</u>	<u>\$7,094,059</u>	<u>\$6,438,169</u>	<u>\$6,123,798</u>
Expenditures				
Current:				
Instruction:				
Regular	\$3,647,168	\$3,544,748	\$3,414,639	\$3,488,908
Special	683,371	583,782	526,512	578,143
Vocational	77,522	69,290	48,409	0
Adult	1,271	0	0	0
Other	0	0	0	0
Support Services:				
Pupils	360,796	306,174	292,043	316,532
Instructional Staff	150,097	189,703	161,228	182,615
Board of Education	27,491	16,352	30,451	16,730
Administration	587,478	530,621	580,925	585,527
Fiscal	210,612	204,169	184,345	192,964
Business	13,013	18,843	26,175	0
Operation and Maintenance of Plant	572,330	514,485	500,606	496,735
Pupil Transportation	410,610	373,244	376,120	345,229
Central	36,732	35,704	32,207	33,284
Operation of Non-Instructional Services	0	0	0	729
Extracurricular Activities	119,170	116,380	107,876	93,225
Capital Outlay	39,616	0	0	0
Debt Service	0	0	0	0
<i>Total</i>	<u>\$6,937,277</u>	<u>\$6,503,495</u>	<u>\$6,281,536</u>	<u>\$6,330,621</u>

Source: School District Records

(1) Information is based on modified accrual.

(2) Fiscal years 1996 through 2003 reported on a GAAP Basis; All others on a Cash Basis

1999 (2)	1998 (2)	1997 (2)	1996 (2)	1995	1994
\$1,224,306	\$1,184,404	\$1,117,642	\$1,056,215	\$1,045,323	\$1,050,185
4,491,982	4,207,980	3,866,561	3,787,671	3,447,979	3,327,627
51,295	90,112	93,202	74,852	61,527	63,574
38,993	44,557	31,860	36,995	23,913	20,431
22,896	200	0	650	0	0
1,595	1,500	0	2,762	0	0
0	43,412	3,865	521	21,338	16,486
515	0	7,422	720	750	135,066
<u>\$5,831,582</u>	<u>\$5,572,165</u>	<u>\$5,120,552</u>	<u>\$4,960,386</u>	<u>\$4,600,830</u>	<u>\$4,613,369</u>
\$3,211,974	\$3,125,014	\$2,963,654	\$2,867,481	\$2,713,956	\$2,536,853
562,652	403,667	401,894	359,353	308,110	297,138
56	0	0	0	0	29,218
0	0	0	0	0	0
0	0	0	13,071	6,021	11,417
268,395	235,069	134,322	128,578	136,500	130,770
171,404	160,284	98,341	105,413	110,576	108,729
21,660	24,036	33,292	19,751	18,096	20,128
524,129	490,285	475,675	460,083	423,787	438,334
197,222	207,849	161,796	140,695	125,065	120,973
0	0	0	0	0	0
530,680	459,764	390,764	410,483	349,664	393,761
317,613	284,729	221,872	226,360	206,060	210,777
26,305	27,602	21,574	22,385	16,796	9,476
3,423	52,103	0	0	0	0
94,622	99,409	106,829	92,976	89,486	86,818
238	38,730	29,837	0	0	0
0	0	0	0	0	102,500
<u>\$5,930,373</u>	<u>\$5,608,541</u>	<u>\$5,039,850</u>	<u>\$4,846,629</u>	<u>\$4,504,117</u>	<u>\$4,496,892</u>

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property		Public Utility Property		Tangible Personal Property		Total		
	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	\$61,458,270	\$175,595,057	\$5,476,110	\$6,222,862	\$5,777,770	\$23,111,080	\$72,712,150	\$204,928,989	35%
2002 (3)	61,077,260	174,506,457	5,468,980	6,214,750	5,365,230	21,460,920	71,911,470	202,182,127	36
2001	56,037,340	160,106,686	5,732,270	6,513,943	5,153,900	20,615,600	66,923,510	187,236,229	36
2000	55,494,060	158,554,457	5,088,830	5,782,761	4,963,480	19,853,920	65,546,370	184,191,139	36
1999 (2)	55,103,130	157,437,514	5,574,540	6,334,705	5,198,800	20,795,200	65,876,470	184,567,419	36
1998	46,454,250	132,726,429	7,746,130	8,802,420	5,209,900	20,839,600	59,410,280	162,368,449	37
1997	45,043,060	128,694,457	7,701,560	8,751,773	5,518,850	22,075,400	58,263,470	159,521,630	37
1996 (3)	44,118,760	126,053,600	8,018,300	9,111,705	4,383,240	17,532,960	56,520,300	152,688,265	37
1995	37,276,140	106,503,257	8,138,340	9,248,114	4,918,695	19,674,780	50,333,175	135,426,151	37
1994	36,580,420	104,515,486	8,487,610	9,645,011	4,721,410	18,885,640	49,789,440	133,046,137	37

Sources: Columbiana 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 estate is assessed at 35 percent of actual value.
Public utility personal is assessed at 88 percent of actual value.
Tangible personal property is assessed at 25 percent of actual value.

(2) Reappraisal of property values.

(3) Triennial update of property values.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Years

Year (1)	Total Tax Levy	Current Collections	Percent of Current Taxes Collected	Delinquent Collections	Total Collections	Percent of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes (2)	Percent of Outstanding Delinquent Taxes to Total Tax Levy
2002	\$2,066,006	\$1,741,299	84.20%	\$38,870	\$1,830,169	88.50%	\$158,881	7.68%
2001	1,948,386	1,860,896	95.51	67,034	1,927,929	98.95	122,209	6.27
2000	2,043,476	1,846,632	90.37	52,793	1,898,425	92.95	126,069	6.17
1999	2,048,977	1,871,869	91.36	61,285	1,933,154	94.35	95,089	4.64
1998	1,694,255	1,560,164	92.09	51,321	1,611,485	95.11	93,788	5.54
1997	1,712,489	1,546,408	90.30	68,019	1,614,427	94.27	88,196	5.15
1996	1,646,624	N/A	N/A	N/A	1,367,076	83.02	115,245	7.00
1995	1,458,305	N/A	N/A	N/A	1,225,728	84.05	98,834	6.78
1994	1,373,175	N/A	N/A	N/A	1,151,444	83.85	102,230	7.44
1993	N/A	N/A	N/A	N/A	1,130,025	N/A	122,147	N/A

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

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

N/A = Not Available

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

Year	School Levy	County Levy	Township Levy	Village Levy	CCCC*	Total Levy	Debt Service Included in Total Levy		
							School	County	Total
2003	\$37.12	\$9.25	\$0.40	\$5.80	\$2.80	\$55.37	\$5.92	\$0.20	\$6.12
2002	36.62	9.25	0.40	5.80	2.80	54.87	8.52	0.20	8.72
2001	36.62	9.25	0.40	5.80	2.80	54.87	9.52	0.00	9.52
2000	36.62	10.50	0.40	5.80	2.80	56.12	8.52	0.20	8.72
1999	36.62	10.50	0.40	5.80	3.55	56.87	8.52	0.20	8.72
1998	36.62	8.90	0.40	5.80	3.55	55.27	7.42	0.20	7.62
1997	36.62	8.90	0.40	5.80	3.55	55.27	7.42	0.20	7.62
1996	36.60	8.90	0.40	5.80	3.55	55.25	7.40	0.20	7.60
1995	36.60	8.90	0.40	5.80	3.55	55.25	6.90	0.20	7.10
1994	36.60	8.90	0.40	5.80	2.80	54.50	5.90	0.20	6.10

Source: Columbiana 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

* CCCC - Columbiana County Career Center

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
*Ratio of Net General Obligation Bonded Debt to
 Assessed Value and Net Bonded Debt Per Capita
 Last Ten Years*

<u>Year</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Assessed Value (2)</u>	<u>Population (3)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
2003	\$2,135,142	\$72,712,150	6,099	2.94%	\$350
2002	2,242,208	71,911,470	6,099	3.12	368
2001	2,504,347	66,923,510	6,099	3.74	411
2000	2,553,706	65,546,370	6,099	3.90	419
1999	2,546,732	65,876,470	3,447	3.87	739
1998	2,536,555	59,410,280	3,447	4.27	736
1997	2,385,022	58,263,470	3,447	4.09	692
1996	2,623,302	56,520,300	3,447	4.64	761
1995	2,811,398	50,333,175	3,447	5.59	816
1994	2,887,271	49,789,440	3,447	5.80	838

Sources:

- (1) School District Financial Records.
- (2) Columbiana County Auditor.
- (3) U.S. Census of Population, 2000 Federal Census.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

Computation of Legal Debt Margin

June 30, 2003

Assessed Valuation	\$72,712,150
Overall Debt Limit - 9% of Assessed Value (1)	\$6,544,094
Amount of Debt Applicable to Debt Limit:	
School Improvement Bonds	(2,320,000)
Bond Anticipation Note	(800,000)
Less: Amount Available in Debt Service Fund	<u>184,858</u>
Total Amount of Debt Subject to the Limit	<u>(2,935,142)</u>
Overall Debt Margin	<u><u>\$3,608,952</u></u>
Unvoted Debt Limit - .10% of Assessed Value (1)	\$72,712
Amount of Debt Applicable	<u>0</u>
Unvoted Debt Margin	<u><u>\$72,712</u></u>

Source: Columbiana County Auditor and School District Financial Records.

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

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Computation of Direct and Overlapping General Obligation Bonded Debt
 December 31, 2002

<u>Overlapping Units</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount of Overlapping Debt</u>
Direct:			
Lisbon Exempted Village School District	<u>\$2,320,000</u>	<u>100.00%</u>	<u>\$2,320,000</u>
Overlapping:			
Columbiana County	1,984,047	5.07	100,591
Lisbon Village	<u>70,000</u>	100.00	<u>70,000</u>
Total Overlapping	<u>2,054,047</u>		<u>170,591</u>
 Total	 <u><u>\$4,374,047</u></u>		 <u><u>\$2,490,591</u></u>

Source: Columbiana County Auditor - Data is presented on a calendar year basis (Including School District) because that is the manner in which information is maintained by the County Auditor.

(1) Percentages were determined by dividing the assessed valuation of the political subdivisions 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.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
*Ratio of Annual Debt Service Expenditures For
 General Obligation Bonded Debt to General Fund Expenditures
 Last Ten Fiscal Years*

Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (Percentage)
2003	\$95,000	\$145,793	\$240,793	\$6,937,277	3.47%
2002	90,000	150,742	240,742	6,503,495	3.70
2001	85,000	155,316	240,316	6,281,536	3.83
2000	80,000	159,485	239,485	6,330,621	3.78
1999	75,000	163,246	238,246	5,930,373	4.02
1998	75,000	170,653	245,653	5,608,541	4.38
1997	70,000	181,528	251,528	5,039,850	4.99
1996	65,000	191,653	256,653	4,846,629	5.30
1995	65,000	201,403	266,403	4,504,117	5.91
1994	90,000	212,465	302,465	4,496,892	6.73

Source: School District Financial Records.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

Demographic Statistics

Last Ten Years

<u>Year</u>	<u>Columbiana County Population</u>	<u>Lisbon EVSD Area Population</u>	<u>School Enrollment</u>	<u>Unemployment Rate (1)</u>
2003	112,075	6,099	1,195	6.9%
2002	112,075	6,099	1,232	6.9
2001	112,075	6,099	1,244	5.1
2000	112,075	6,099	1,303	5.8
1999	108,276	3,447	1,304	5.5
1998	108,276	3,447	1,336	5.8
1997	108,276	3,447	1,343	6.1
1996	108,276	3,447	1,360	5.5
1995	108,276	3,447	1,338	7.4
1994	108,276	3,447	1,264	8.3

Source: Columbiana County, School District Records, and the Village of Lisbon

(1) Represents Columbiana County.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Property Value and Financial Institution Deposits
Last Ten Years

Year	Property Value (1) (Real Estate Only)	Financial Institution Deposits (000's) Banks	
2003	\$61,458,270	\$8,945,725	(2)
2002	61,077,260	6,986,725	(2)
2001	56,037,340	3,517,884	
2000	55,494,060	3,368,509	
1999	55,103,130	1,463,405	
1998	46,454,250	1,073,636	(2)
1997	45,043,060	767,061	
1996	44,118,760	682,021	
1995	32,276,140	590,232	
1994	36,580,420	597,931	

Source: Columbiana County Auditor and Federal Reserve Bank of Cleveland

(1) Represents assessed value.

(2) Large increase in deposits is due to acquisitions of Sky Bank

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

*Principal Taxpayers
Real Estate Tax
December 31, 2002*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Vista Center	\$723,500	1.19%
Lincole Estates, Inc.	447,150	0.73
Roseland Commons Ltd.	407,660	0.66
Roseland Ltd. Partnership	373,940	0.61
James E. Pastore	344,270	0.56
Rose Family Limited	298,790	0.49
Mikouis Enterprises	257,230	0.42
Hillyer S.I.G.A.	243,640	0.40
Orion Development RA	233,370	0.38
Dickey Sylvester Land	<u>230,300</u>	<u>0.37</u>
Total	<u>\$3,559,850</u>	<u>5.81%</u>
Total Real Estate Valuation	<u>\$61,458,270</u>	

Source: Columbiana County Auditor.

(1) Assessed values are for the 2003 collection year.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

*Principal Taxpayers
Tangible Personal Property Tax
December 31, 2002*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Columbus-McKinnon-Chester Hoist	\$568,800	9.83%
Ohio Pet Foods, Inc.	378,990	6.56
Buckeye Publishing Co. Inc.	360,930	6.25
D. W. Dickey & Son Inc.	317,080	5.49
Lisbon Chevrolet Buick, Inc.	224,440	3.88
Lane Drug, Inc.	184,930	3.20
Albco Foundry, Inc.	165,990	2.87
Atlas Gas Products Inc.	159,310	2.76
TWFanch One Co.	142,230	2.46
Carter Jones Lumber Co.	<u>131,110</u>	<u>2.27</u>
Total	<u>\$2,633,810</u>	<u>45.57%</u>
Total Tangible Assessed Valuation	<u>\$5,777,770</u>	

Source: Columbiana County Auditor.

(1) Assessed values are for the 2003 collection year.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

*Principal Taxpayers
Public Utilities Tax
December 31, 2002*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Ohio Edison Co.	\$2,996,730	54.72%
Ohio Bell Telephone	723,500	13.35
American Transmission	625,510	12.03
Columbia Gas Transmission	393,560	6.48
Tennessee Gas Pipeline	283,870	5.29
Columbia Gas of Ohio	<u>272,450</u>	<u>5.15</u>
Total	<u>\$5,295,620</u>	<u>97.02%</u>
Total Public Utility Assessed Value	<u>\$5,476,110</u>	

Source: Columbiana County Auditor.

(1) Assessed values are for the 2003 collection year.

LISBON EXEMPTED VILLAGE SCHOOLS

*Per Pupil Cost
Last Ten Fiscal Years*

<u>Year</u>	<u>General Fund Expenditures</u>	<u>Average Daily Student Enrollment</u>	<u>Per Pupil Cost</u>
2003	\$6,937,277	1,195	\$5,805
2002	6,503,495	1,232	5,279
2001	6,281,536	1,244	5,049
2000	6,330,621	1,303	4,858
1999	5,930,373	1,304	4,548
1998	5,608,541	1,336	4,198
1997	5,039,850	1,343	3,753
1996	4,846,629	1,360	3,564
1995	4,504,117	1,338	3,366
1994	4,496,892	1,264	3,558

Source: School District Financial Records

LISBON EXEMPTED VILLAGE 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	10	13.88
Bachelor + 150	19	26.38
Master's Degree	9	12.50
Master's Degree +15	<u>34</u>	<u>47.24</u>
Total	<u><u>72</u></u>	<u><u>100.00%</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	14	19.44
6 - 10	15	20.83
11 and Over	<u>43</u>	<u>59.73</u>
Total	<u><u>72</u></u>	<u><u>100.00%</u></u>

Source: School District Personnel Records.

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**Auditor of State
Betty Montgomery**

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Facsimile 614-466-4490

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

COLUMBIANA 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
JANUARY 8, 2004**