



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
COLUMBIANA COUNTY**

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**LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
COLUMBIANA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2002**

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		\$28,452		\$26,853
National School Breakfast Program	2001 05-PU 2002 05-PU	10.553	2,374 <u>16,047</u>		2,374 <u>16,047</u>	
Total National School Breakfast Program			<u>18,421</u>		<u>18,421</u>	
National School Lunch Program	2001 LL-P4 2002 LL-P4	10.555	14,196 <u>106,860</u>		14,196 <u>106,860</u>	
Total National School Lunch Program			<u>121,056</u>		<u>121,056</u>	
Total U.S. Department of Agriculture - Nutrition Cluster			<u>139,477</u>	<u>28,452</u>	<u>139,477</u>	<u>26,853</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed Through Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies	C1-S1 2001 C1-S1 2002	84.010	46,322 <u>123,045</u>		72,152 <u>97,933</u>	
Total Title I Grants to Local Educational Agencies			<u>169,367</u>		<u>170,085</u>	
Title VI Grant	N/A	84.151	6,314		6,314	
Drug Free School Grant	DR-S1 2001 DR-S1 2002	84.186	0 <u>6,742</u>		5,553 <u>5,666</u>	
Total Drug Free School Grant			<u>6,742</u>		<u>11,219</u>	
Eisenhower Professional Development Grant	MS-S1-2001 MS-S1-2002	84.281	585 <u>7,147</u>		4,918 <u>7,147</u>	
Total Eisenhower Professional Development Grant			<u>7,732</u>		<u>12,065</u>	
Class Size Reduction Program	CR-S1 2001 CR-S1 2002	84.340	0 <u>26,747</u>		10,919 <u>19,555</u>	
Total Class Size Reduction Program			<u>26,747</u>		<u>30,474</u>	
Total Department of Education			<u>216,902</u>		<u>230,157</u>	
Total Federal Receipts and Expenditures			<u>\$356,379</u>	<u>\$28,452</u>	<u>\$369,634</u>	<u>\$26,853</u>

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, 2002**

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.



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**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, 2002, and have issued our report thereon dated October 25, 2002, in which we noted the District implemented a new reporting model for the year ended June 30, 2002. 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 deducted within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that did not require inclusion in this report, that we have reported to management of the District in a separate letter dated October 25, 2002.

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, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a cursive "Petro".

Jim Petro
Auditor of State

October 25, 2002



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**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, 2002. 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, 2002.

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 a matter involving the internal control over federal compliance that did not require inclusion in this report, that we have reported to management of the District in a separate letter dated October 25, 2002.

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, 2002, and have issued our report thereon dated October 25, 2002, in which we noted the District implemented a new reporting model for the year ended June 30, 2002. 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.



Jim Petro
Auditor of State

October 25, 2002

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

**LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
COLUMBIANA COUNTY
JUNE 30, 2002**

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):	Title I (CFDA# 84.010)
(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

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Lisbon, Ohio



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2002

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Lisbon Exempted Village School District
Basic Financial Statements
For the Fiscal Year Ended June 30, 2002
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LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Lisbon, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2002

Prepared by

Treasurer's Office
Cynthia L. Altomare
Treasurer

Lisbon Board of Education
431 East Chestnut Street
Lisbon, Ohio 44432
(330)424-7714 FAX: (330)-424-0135

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

October 25, 2002

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, 2002. 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. This report will provide the taxpayers of the Lisbon Exempted Village School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be made available to the Lepper Library, major taxpayers, financial rating services and other interested parties.

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 Report of the Independent Accountants 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 presents social and economic data, financial trends and the fiscal capacity of the Lisbon Exempted Village School District.

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 613 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 Center, the Ohio Mid-Eastern Regional Educational Service Agency and the Ohio School Boards 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 is in the planning stages of a 60 unit small housing development on 22 acres also located in Center Township. An application to the Ohio Community Reinvestment Area Program to

create a Community Reinvestment Area has been made. 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 2001-2002, the enrollment was 1,232 students. Enrollment is projected to decline slightly over the next five years.

Major Initiatives

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 2001-2002 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 2001-02 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 Round #5 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 Parity Funding whose purpose is to support the District's Continuous Improvement Plan to purchase a classroom of computers for the elementary school computer lab 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 Parity Aide funds, the Ohio Reads program recruits and trains adult volunteers to tutor elementary student 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 2002 to invest in its physical plant. These proceeds were used to perform regular maintenance and repair the motorized unit for the gymnasium telescopic seating in order to safely and uniformly expand and retract the unit. The restroom and locker room plumbing and fixtures were upgraded at the football stadium with all these repairs falling under a regular maintenance and repair program. West Roofing Systems was hired to repair the older sections of the High School roof. Repairs to the staff parking lots were made at both buildings. The administration and staff take pride in their District and great care is taken annually to make sure the buildings are clean and well maintained.

In summary, the District continued to move forward in 2002, 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

In May, 2002, the residents of Lisbon Exempted Village School District approved a .5 mil maintenance levy that permitted the District to satisfy its requirements to participate in the Ohio School Facilities Assistance Program. The District will be meeting 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 will be approving the project in August, 2002 and the release of state funds in the amount of \$11,660,612 which will be combined with local funds to facilitate a \$13,718,612 building improvement project. The District is anxiously awaiting the planning and implementation of this project. 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 of cash 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 administrator and 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 limit bond.

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 first 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 2002.

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 2002, the governmental funds earned \$27,724 in interest income. Of that amount \$26,968 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 1991 to the present, the District participated in the Ohio School Boards Association 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 2002, the District contracted with Nationwide Insurance Company through the Hiscox and Weinstock Agency for property, boiler, and inland marine insurance through May, 2002. 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 was protected by the Nationwide Insurance Company with a \$2,000,000 single occurrence limit, a \$5,000,000 aggregate, and no deductible through January, 2002. Beginning in February, the District purchased the identical level of liability coverage through participation in The Ohio School Plan, an insurance purchasing pool. 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 by Nationwide Insurance Company through the same local agency with a \$50 deductible for comprehensive, and a \$100 deductible for 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 Jim Petro, Auditor of State was selected to render an opinion on the School District's financial statements as of and for the fiscal year ended June 30, 2002. 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 School 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, 2001. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform

to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting to GFOA for review.

In addition, the School District will submit its CAFR to the Association of School Business Officials International.

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, 2001. This award certifies that the Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials.

Management believes that the Comprehensive Annual Financial Report for fiscal year ended June 30, 2002, which will be submitted to ASBO for review, will continue to conform to ASBO's principles and standards.

Acknowledgments

The publication of this CAFR enhances the School District's accountability to the citizens of the District. The preparation of this report would not have been possible without the assistance and support of the staff of the Treasurer's office and the staff of both the Local Government Services and Audit Division of the Auditor of State's Office.

Respectfully submitted,



Cynthia L. Altomare
Treasurer



Charles McShane
Superintendent

Lisbon Exempted Village School District

Principal Officials

June 30, 2002

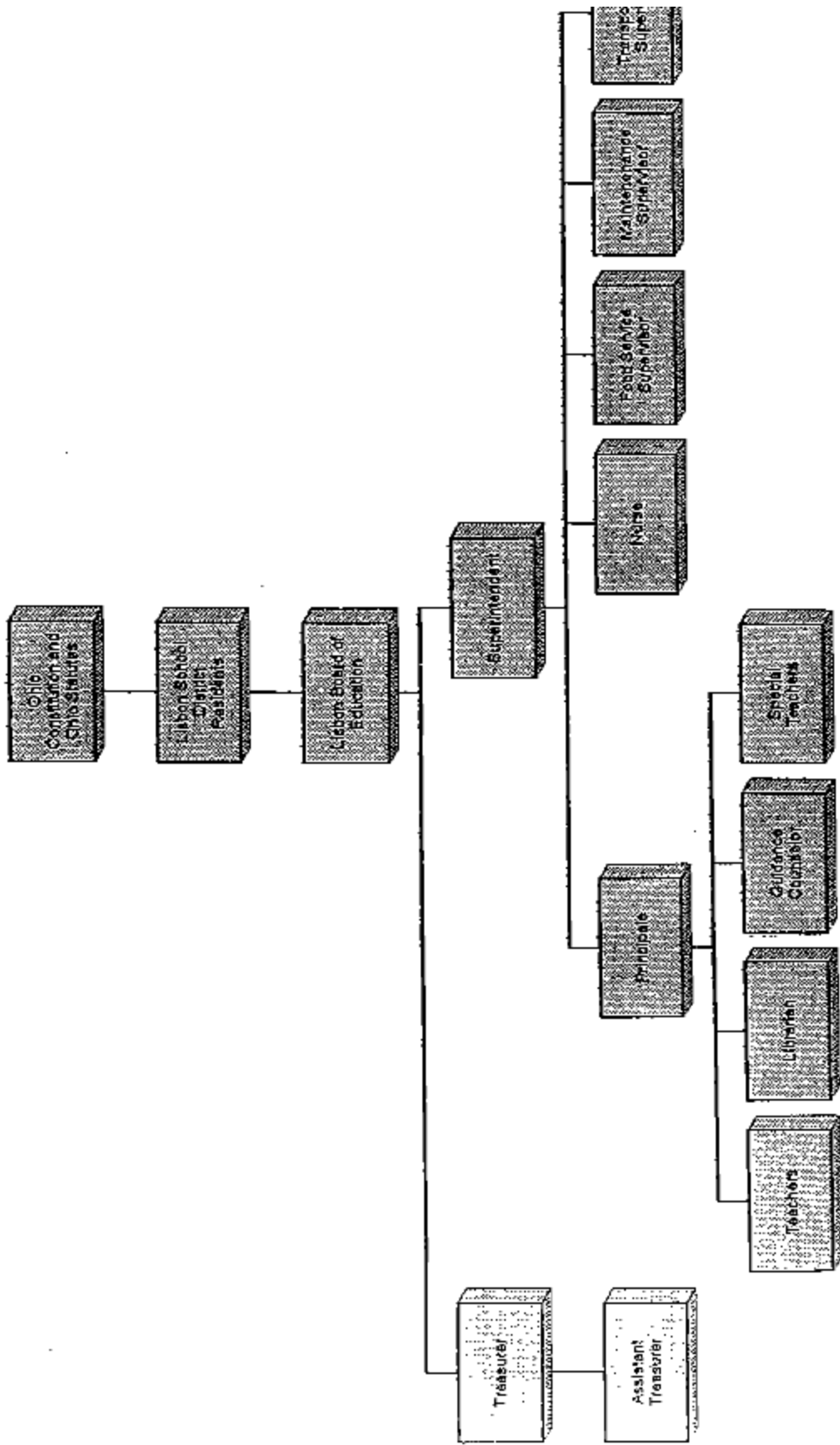
Board of Education

Mr. Eugene GalloPresident
Mr. Gary Peruchetti..... Vice-President
Mr. Jeff ElliottMember
Mr. James SmithMember
Mrs. Kelli RoseMember

Administration

Charles McShane..... Superintendent

Cynthia L. Altomare..... Treasurer



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, 2001

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.



Thomas A. Greave
President

Jeffrey L. Esser
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, 2001

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

Charles J. Schell
President

David P. Kelly
Interim Executive Director

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Financial Section

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West
Suite 302
Youngstown, Ohio 44503
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949
www.auditor.state.oh.us

INDEPENDENT ACCOUNTANTS' 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, each major fund and the aggregate remaining fund information of the Lisbon Exempted Village School District, Columbiana County, (the District) as of and for the year ended June 30, 2002, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Lisbon Exempted Village School District, Columbiana County, as of June 30, 2002, and the respective changes in financial position and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2002, the District implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2002 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 applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

Lisbon Exempted Village School District
Columbiana County
Independent Accountants' 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 and individual nonmajor fund statements and statistical tables are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements to the auditing procedures applied in the audit of 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, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a cursive "Petro".

Jim Petro
Auditor of State

October 25, 2002

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

It is an honor to present to you the financial discussion and analysis of Lisbon Exempted Village School District. In these next few 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, 2002. The intent of this discussion and analysis is to look at the District's financial performance as a whole and how 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 2002 are as follows:

- The District's total net assets increased from \$2,073,316 to \$2,709,717 for a gain of \$636,401 during this year's operations. The net assets of Governmental activities increased 30.7 percent.
- Revenues for governmental activities totaled \$8,903,498 in 2002. This total was comprised of General revenues in the amount of \$6,287,926 and program revenues totaling \$2,615,572. 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 3 below, you will find the detailed cost of each program to our District.
- Program expenses totaled \$8,267,097. Instructional expenses made up 59.7 percent of this total while support services accounted for 30.7 percent. Other expenses rounded out the remaining 9.6 percent.
- Outstanding general obligation bonded debt decreased from \$2,505,000 to \$2,415,000 in 2002.

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. 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

The only two reports that display District-wide finances are the Statement of Net Assets and the Statement of Activities. 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.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

- 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. 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. One of the most important issues when analyzing any business enterprise is “How did we do financially during 2002 and are we better off today than we were one year ago?” The two District-wide documents try to provide and support the answer to this particular questions. 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 financials)

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 and the Debt Service 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 School District’s total net assets were up from a year ago. Table 1, shows an increase to \$2,709,717 from \$2,073,316. The increase in Net Assets indicates that the School District was able to improve on an already financially stable condition. The growth in the Net Assets is primarily due to the 8.3 percent increase in the state foundation per pupil basic aid amount. In addition to the per pupil funding increase, the state also distributed parity aid and charge-off supplement funds to the District. You will see this fact presented in a graph and a table during discussion of the change in net assets.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

(Table 1)
Net Assets

	Governmental Activities	
	2002	2001
Assets		
Current and Other Assets	\$3,843,921	\$3,048,665
Capital Assets	5,814,137	6,170,161
Total Assets	9,658,058	9,218,826
Liabilities		
Long-Term Liabilities	(4,088,197)	(4,300,376)
Other Liabilities	(2,860,144)	(2,845,134)
Total Liabilities	(6,948,341)	(7,145,510)
Net Assets		
Invested In Capital		
Assets, Net of Related Debt	2,213,681	2,234,210
Restricted	478,940	329,219
Unrestricted (Deficit)	17,096	(490,113)
Total Net Assets	\$2,709,717	\$2,073,316

Current and Other Assets increased due to the District's revenues exceeding expenses during the current year, which increased cash by \$ 439,231.

Capital Assets overall show a decrease from the previous fiscal year. There was an increase in Capital Assets in the gross amount of \$5,552. Most 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 in Capital Assets, you must subtract this year's depreciation expense of \$361,576.

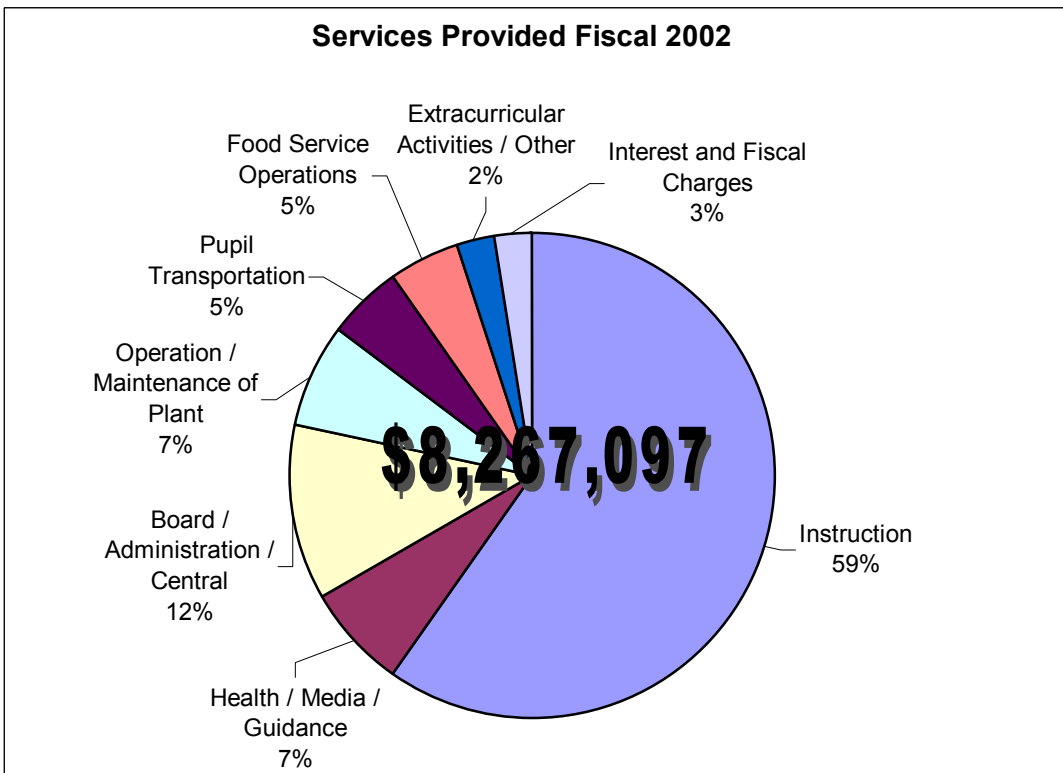
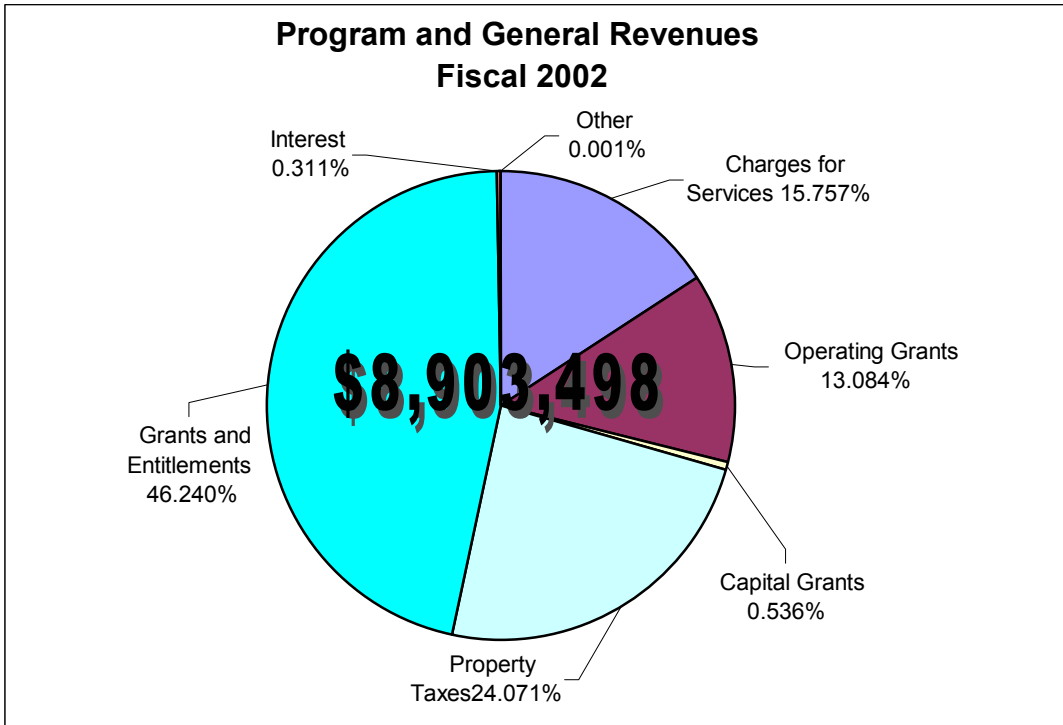
Table 2 highlights the District's revenues and expenses. These two main components are subtracted to yield the change in net assets. This table utilizes the full accrual method of accounting.

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

This is the first year the District has prepared financial statements following GASB Statement 34, so only revenue and expense for fiscal year 2002 are presented. This will provide a different perspective for the reader in developing an opinion about this District's financial status. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

(Chart 1)
Governmental Revenue and Program Expenses
Fiscal 2002



Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

(Table 2)
Governmental Activities

	Governmental Activities 2002
Revenues	
Program Revenues:	
Charges for Services	\$1,402,879
Operating Grants	1,164,936
Capital Grants	47,757
General Revenue:	
Property Taxes	2,143,139
Grants and Entitlements	4,116,947
Interest	27,724
Other	116
Total Revenues	\$8,903,498
 Program Expenses	
Instruction:	
Regular	\$4,146,599
Special	719,988
Vocational	70,180
Support Services:	
Pupils	327,149
Instructional Staff	242,802
Board of Education	16,141
Administration	656,480
Fiscal	211,237
Business	38,695
Operation and Maintenance of Plant	577,969
Pupil Transportation	424,392
Central	41,174
Extracurricular Activities	195,482
Food Service Operations	391,715
Debt Service:	
Interest and Fiscal Charges	207,094
Total Expenses	\$8,267,097
Increase (Decrease) in Net Assets	\$636,401

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
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 Regular and Special Instruction, health and guidance services. Though spending was increased, 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 2002</u>	<u>Net Cost of Services 2002</u>
Instruction	\$4,936,767	\$3,189,809
Support Services:		
Pupils and Instructional Staff	569,951	556,045
Board of Education, Administration, Fiscal and Business Services	922,553	883,596
Operation and Maintenance of Plant	577,969	576,069
Pupil Transportation	424,392	138,622
Central	41,174	36,174
Extracurricular Activities	195,482	74,107
Food Service Operations	391,715	(9,991)
Interest and Fiscal Charges	207,094	207,094
 Total Expenses	 <u>\$8,267,097</u>	 <u>\$5,651,525</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 \$8,880,164 and expenditures of \$9,150,768. The net change in fund balance for the fiscal year was most significant in the General Fund, an increase of \$590,564.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

General Fund Financial Activity

The most significant Governmental Fund is the General Fund. The balance of the General Fund increased by \$590,564, as mentioned previously. Both State Foundation Revenue and Tax Revenue increased, while operational expenditures were controlled to facilitate a cash increase. Cash in the General Fund almost doubled from \$695,444 in fiscal year 2001 to \$1,254,046 in the fiscal year 2002 which is a boost of \$558,602.

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. In this fund, the September, 2001 forecasted receipts and expenditures presented to the Lisbon Exempted Village School District Board of Education finished the reporting period within expectations. The general fund receipts were estimated within two percent of actual revenue and actual expenditures were under the original estimate by less than one percentage point. This meant that it was not necessary to revise the associated five-year forecast required by the State of Ohio.

CAPITAL ASSETS

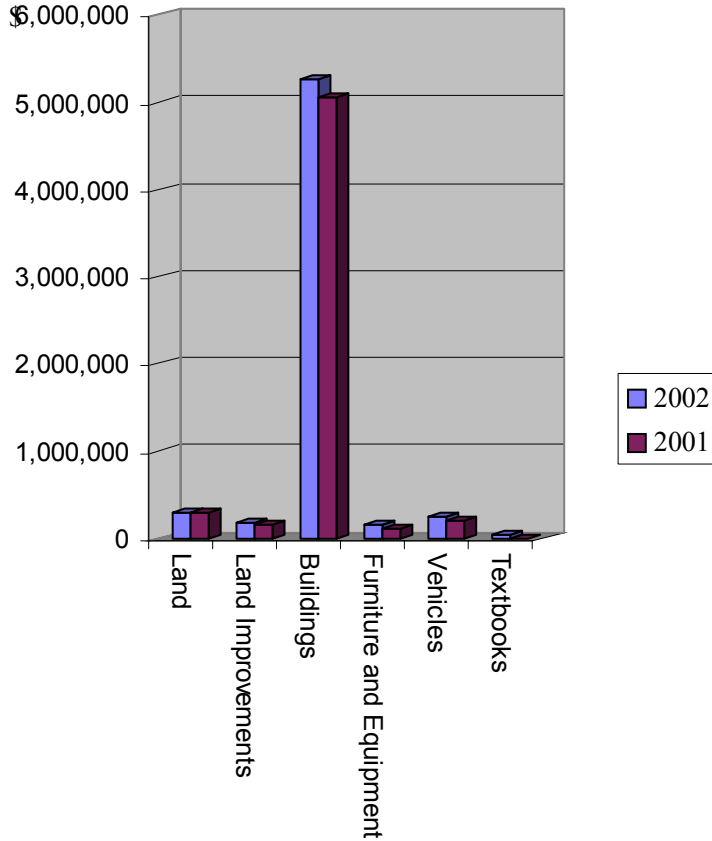
The following table shows ending balances of capital assets invested in various categories. Notice that we are showing a total increase of \$5,552 less the depreciation expense. You may discern from the following table that there was very little investment in capital assets during this accounting period. The District bid for the purchase of a new school handicap bus during this fiscal year. The District had also begun the process of negotiating for the purchase of additional property surrounding the high school in order to facilitate the additions that will be part of the School Facilities Program. Next fiscal year we will report the new bus and the additional land purchases. See Note 9 for further information on capital assets.

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

	Governmental Activities	
	2002	2001
Land	\$289,800	\$289,800
Land Improvements	156,590	177,292
Buildings and Improvements	5,050,296	5,264,971
Furniture and Equipment	112,762	156,315
Vehicles	202,132	243,412
Textbooks	2,557	38,371
	\$5,814,137	\$6,170,161

Lisbon Exempted Village School District
Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2002
 Unaudited

(Chart 2)
Change in Net Assets



The graph at the left shows the category and depreciated value of our School 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.

DEBT

At June 30th 2002 Lisbon Exempted Village School District had reduced its bonded debt to \$2,415,000. This year we did not issue any new debt. The District paid \$90,000 in bond principal and \$150,742 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 2002	Governmental Activities 2001
General Obligation Bonds: 1992 Building Additions	\$2,415,000	\$2,505,000
Notes Payable: 1997 Building Additions	1,000,000	1,200,000
Capital Lease	185,456	230,951
Total	\$3,600,456	\$3,935,951

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

As of June 30, 2002 the District's legal debt margin was \$3,229,824 with an unvoted debt margin of \$71,911. 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 the outcome of the Ohio Supreme Court case dealing with the unconstitutionality of the State's educational funding system. 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. 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.

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 insurance industry is an area that is outside our control. Management has formed an insurance committee comprised of administrators and staff 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 seven teachers approaching retirement over the next three years. When a veteran teacher retires, they are replaced by staff at a much lower cost. 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.

Lisbon Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

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 period ending June 30, 2001. In addition, the District chose to early implement these new financial reporting standards in order to provide the most current model for financial reporting.

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, 2002

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$1,694,062
Cash and Cash Equivalents	
With Fiscal Agents	1,673
Accounts Receivable	200
Intergovernmental Receivable	76,645
Inventory Held for Resale	11,234
Prepaid Items	19,648
Property Taxes Receivable	2,040,459
Nondepreciable Capital Assets	289,800
Depreciable Capital Assets, Net	5,524,337
<i>Total Assets</i>	9,658,058
Liabilities	
Accounts Payable	24,972
Accrued Wages	741,501
Compensated Absences Payable	82,785
Intergovernmental Payable	171,152
Deferred Revenue	1,801,618
Matured Bonds Payable	1,000
Matured Interest Payable	673
Accrued Interest Payable	36,443
Long-Term Liabilities:	
Due Within One Year	1,216,924
Due In More Than One Year	2,871,273
<i>Total Liabilities</i>	6,948,341
Net Assets	
Invested in Capital Assets, Net of Related Debt	2,213,681
Restricted for:	
Capital Projects	106,617
Debt Service	153,517
Other Purposes	218,806
Unrestricted	17,096
<i>Total Net Assets</i>	\$2,709,717

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District

Statement of Activities

For the Fiscal Year Ended June 30, 2002

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions		Capital Grants and Contributions
Governmental Activities:					
Instruction:					
Regular	\$4,146,599	\$995,091	\$399,132	\$47,757	(\$2,704,619)
Special	719,988	0	304,709	0	(415,279)
Vocational	70,180	269	0	0	(69,911)
Support Services:					
Pupils	327,149	0	6,314	0	(320,835)
Instructional Staff	242,802	0	7,592	0	(235,210)
Board of Education	16,141	0	0	0	(16,141)
Administration	656,480	0	38,957	0	(617,523)
Fiscal	211,237	0	0	0	(211,237)
Business	38,695	0	0	0	(38,695)
Operation and Maintenance of Plant	577,969	1,900	0	0	(576,069)
Pupil Transportation	424,392	57,400	228,370	0	(138,622)
Central	41,174	0	5,000	0	(36,174)
Extracurricular Activities	195,482	116,680	4,695	0	(74,107)
Food Service Operations	391,715	231,539	170,167	0	9,991
Interest and Fiscal Charges	207,094	0	0	0	(207,094)
Totals	\$8,267,097	\$1,402,879	\$1,164,936	\$47,757	(5,651,525)

General Revenues

Property Taxes Levied for:

General Purposes	1,431,147
Debt Service	603,714
Capital Projects	108,278
Grants and Entitlements not Restricted to Specific Programs	4,116,947
Investment Earnings	27,724
Miscellaneous	116

Total General Revenues 6,287,926

Change in Net Assets 636,401

Net Assets Beginning of Year - (See Note 3) 2,073,316

Net Assets End of Year \$2,709,717

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District

Balance Sheet

Governmental Funds

June 30, 2002

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,169,500	\$124,488	\$315,528	\$1,609,516
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	84,546	0	0	84,546
Cash and Cash Equivalents With Fiscal Agent	0	1,673	0	1,673
Taxes Receivable	1,359,342	470,856	210,261	2,040,459
Accounts Receivable	200	0	0	200
Intergovernmental Receivable	467	0	76,178	76,645
Inventory Held for Resale	0	0	11,234	11,234
Prepaid Items	19,648	0	0	19,648
Total Assets	\$2,633,703	\$597,017	\$613,201	\$3,843,921
Liabilities				
Accounts Payable	\$18,741	\$0	\$6,231	\$24,972
Accrued Wages	700,960	0	40,541	741,501
Compensated Absences Payable	82,785	0	0	82,785
Intergovernmental Payable	107,813	0	9,499	117,312
Deferred Revenue	1,241,938	422,552	275,101	1,939,591
Matured Bonds Payable	0	1,000	0	1,000
Matured Interest Payable	0	673	0	673
Total Liabilities	2,152,237	424,225	331,372	2,907,834
Fund Balances				
Reserved for Encumbrances	198,825	0	27,569	226,394
Reserved for Bus Purchases	51,088	0	0	51,088
Reserved for Property Taxes	117,404	48,304	11,339	177,047
Reserved for Budget Stabilization	33,458	0	0	33,458
Unreserved, Undesignated, Reported in:				
General Fund	80,691	0	0	80,691
Debt Service Funds	0	124,488	0	124,488
Special Revenue Funds	0	0	153,636	153,636
Capital Projects Funds	0	0	89,285	89,285
Total Fund Balances	481,466	172,792	281,829	936,087
Total Liabilities and Fund Balances	\$2,633,703	\$597,017	\$613,201	\$3,843,921

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, 2002

Total Governmental Fund Balances	\$936,087
 <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	5,814,137
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	
Property and Other Taxes	61,795
Intergovernmental	<u>76,178</u>
Total	137,973
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.	(53,840)
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	(2,415,000)
Notes Payable	(1,000,000)
Compensated Absences	(487,741)
Capital Lease	(185,456)
Accrued Interest Payable	<u>(36,443)</u>
Total	<u>(4,124,640)</u>
<i>Net Assets of Governmental Activities</i>	<u><u>\$2,709,717</u></u>

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, 2002

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$1,435,044	\$607,575	\$106,457	\$2,149,076
Intergovernmental	4,577,911	73,694	640,147	5,291,752
Charges for Services	0	0	231,539	231,539
Interest	26,968	0	756	27,724
Tuition and Fees	1,030,340	0	0	1,030,340
Extracurricular Activities	0	0	118,100	118,100
Rentals	22,900	0	0	22,900
Contributions and Donations	780	0	7,837	8,617
Miscellaneous	116	0	0	116
<i>Total Revenues</i>	<u>7,094,059</u>	<u>681,269</u>	<u>1,104,836</u>	<u>8,880,164</u>
Expenditures				
Current:				
Instruction:				
Regular	3,544,748	0	238,072	3,782,820
Special	583,782	0	120,483	704,265
Vocational	69,290	0	0	69,290
Support Services:				
Pupils	306,174	0	23,582	329,756
Instructional Staff	189,703	0	9,174	198,877
Board of Education	16,352	0	0	16,352
Administration	530,621	0	113,932	644,553
Fiscal	204,169	0	2,736	206,905
Business	18,843	0	0	18,843
Operation and Maintenance	514,485	0	0	514,485
Pupil Transportation	373,244	0	0	373,244
Central	35,704	0	5,000	40,704
Food Service Operations	0	0	383,337	383,337
Extracurricular Activities	116,380	0	74,559	190,939
Capital Outlay	0	0	110,043	110,043
Debt Service:				
Principal Retirement	0	1,290,000	45,495	1,335,495
Interest and Fiscal Charges	0	219,130	11,730	230,860
<i>Total Expenditures</i>	<u>6,503,495</u>	<u>1,509,130</u>	<u>1,138,143</u>	<u>9,150,768</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	590,564	(827,861)	(33,307)	(270,604)
Other Financing Sources				
Long-Term Notes Issued	0	1,000,000	0	1,000,000
<i>Net Change in Fund Balances</i>	590,564	172,139	(33,307)	729,396
<i>Fund Balances (Deficit)</i>				
<i>Beginning of Year-Restated (See Note 3)</i>	<u>(109,098)</u>	<u>653</u>	<u>315,136</u>	<u>206,691</u>
<i>Fund Balances End of Year</i>	<u>\$481,466</u>	<u>\$172,792</u>	<u>\$281,829</u>	<u>\$936,087</u>

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, 2002*

Net Change in Fund Balances - Total Governmental Funds \$729,396

***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	5,552
Depreciation	(361,576)

Total (356,024)

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	(5,937)
Grants	29,271

Total 23,334

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	(123,316)
Pension Obligation	3,750

Total (119,566)

Long-term note proceeds are recorded as an other financing source in the governmental funds but increase long-term liabilities in the statement of net assets.

(1,000,000)

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	90,000
Long-term Notes	1,200,000
Capital Lease	45,495

Total 1,335,495

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

23,766

Change in Net Assets of Governmental Activities

\$636,401

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, 2002

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$1,308,854	\$1,317,639	\$1,317,640	\$1
Intergovernmental	4,495,394	4,592,465	4,598,317	5,852
Interest	28,000	25,840	26,968	1,128
Tuition and Fees	928,618	1,021,491	1,030,340	8,849
Rentals	22,000	22,700	22,700	0
Contributions and Donations	0	500	780	280
Miscellaneous	0	116	116	0
<i>Total Revenues</i>	<u>6,782,866</u>	<u>6,980,751</u>	<u>6,996,861</u>	<u>16,110</u>
Expenditures				
Current:				
Instruction:				
Regular	3,620,043	4,056,073	3,567,011	489,062
Special	571,746	649,631	587,433	62,198
Vocational	63,580	71,580	67,018	4,562
Support Services:				
Pupils	314,463	356,848	310,610	46,238
Instructional Staff	178,734	194,354	176,797	17,557
Board of Education	26,590	36,650	30,487	6,163
Administration	519,905	587,418	533,433	53,985
Fiscal	212,508	220,723	211,866	8,857
Business	18,995	20,995	19,304	1,691
Operation and Maintenance	576,957	649,211	612,964	36,247
Pupil Transportation	449,210	434,425	393,957	40,468
Central	37,955	38,114	35,579	2,535
Extracurricular Activities	120,940	131,516	115,817	15,699
<i>Total Expenditures</i>	<u>6,711,626</u>	<u>7,447,538</u>	<u>6,662,276</u>	<u>785,262</u>
<i>Net Change in Fund Balance</i>	71,240	(466,787)	334,585	801,372
<i>Fund Balance Beginning of Year</i>	572,528	572,528	572,528	0
Prior Year Encumbrances Appropriated	<u>123,576</u>	<u>123,576</u>	<u>123,576</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$767,344</u>	<u>\$229,317</u>	<u>\$1,030,689</u>	<u>\$801,372</u>

See accompanying notes to the basic financial statements

Lisbon Exempted Village School District
Statement of Fiduciary Net Assets
Fiduciary Fund
June 30, 2002

	<u>Agency</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$29,986</u>
Liabilities	
Due to Students	<u>\$29,986</u>

See accompanying notes to the basic financial statements

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Lisbon Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

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 41 classified employees, 74 certificated full-time teaching personnel and 4 administrators who provide services to 1,232 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 Boards 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, 2002

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.

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 proprietary funds.

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.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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.

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, 2002, but which were levied to finance fiscal year 2003 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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 2002 in repurchase agreements, which are reported at cost, and in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2002.

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 2002 amounted to \$26,968, which includes \$7,192 assigned from other District funds.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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, 2002, 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:

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

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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, property taxes, bus purchases, and budget stabilization.

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

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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 2002.

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 2002, the District has implemented GASB Statement No. 34, “Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments”, GASB Statement No. 37, “Basic Financial Statements for State and Local Governments: Omnibus”, GASB Statement No. 38, “Certain Financial Statement Note Disclosures” and GASB Interpretation No. 6, “Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements”.

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

On the government-wide financial statements, the beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at June 30, 2001 caused by the conversion to the full accrual basis of accounting.

GASB Statement No. 37 clarifies certain provisions of Statement No. 34, including the required content of the Management’s Discussion and Analysis, the classification of program revenues and the criteria for determining major funds. GASB Statement No. 38 modifies, establishes and rescinds certain financial statement note disclosures.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

Restatement of Fund Balance It was determined that deferred revenue was understated last fiscal year. The restatement for deferred revenue and the implementation of the new GASB pronouncements had the following effects on fund balance of the major and nonmajor funds of the District as they were previously reported. The transition from governmental fund balance to net assets of the governmental activities is also presented.

Lisbon Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002*

	Debt			Total
	General	Service	Nonmajor	Governmental Activities
Fund Balance June 30, 2001				
GASB Statement No. 34	(\$119,977)	\$653	\$363,256	\$243,932
Fund Reclassification	659	0	(61,369)	(60,710)
Deferred Revenue	0	0	6,055	6,055
Implementation of Interpretation No. 6	10,220	0	7,194	17,414
Adjusted Fund Balance	<u>(\$109,098)</u>	<u>\$653</u>	<u>\$315,136</u>	206,691
GASB 34 Adjustments:				
Capital Assets				6,170,161
Long-Term Liabilities:				
Bonds				(2,505,000)
Notes				(1,200,000)
Compensated Absences				(364,425)
Capital Leases				(230,951)
Pension Obligation				(57,590)
Accrued Interest Payable				(60,209)
Long-Term (Deferred) Assets				<u>114,639</u>
Governmental Activities Net Assets at June 30, 2001				<u><u>\$2,073,316</u></u>

Note 4 – Accountability and Compliance

A. Accountability

The deficit fund balance in the Title I special revenue fund of \$8,335 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.

B. Compliance

The following funds had original appropriations in excess of estimated resources and carryover balances contrary to Section 5705.39 Revised Code:

<u>Fund</u>	<u>Resource</u>	<u>Appropriations</u>	<u>Excess</u>
Bond Retirement	\$1,590,412	\$1,750,000	(\$159,588)
Special Revenue Funds:			
Food Service	425,819	430,028	(4,209)
Professional Development	12,052	15,000	(2,948)
Schoolnet Training	4,745	7,000	(2,255)
Title VI	6,200	6,310	(110)
Drug Free Schools	17,053	17,264	(211)

Although these budgetary violations were corrected by fiscal year end, management has indicated that appropriations will be closely monitored to ensure no future violations.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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:

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.

GAAP Basis	\$590,564
Net Adjustment for Revenue Accruals	(97,198)
Net Adjustment for Expenditure Accruals	64,576
Adjustment for Encumbrances	(223,357)
Budget Basis	<u>\$334,585</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.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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 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 \$(25,718) and the bank balance was \$50,154. 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

Lisbon Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002*

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.

	Category 3	Carrying Amount	Fair Value
Repurchase Agreement	\$884,199	\$884,199	\$884,199
STAROhio		867,240	867,240
Totals		\$1,751,439	\$1,751,439

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>	\$1,725,721	\$0
Investments which are part of a cash management pool:	0	0
Repurchase Agreement	(884,199)	884,199
STAROhio	(867,240)	867,240
<i>GASB Statement No. 3</i>	(\$25,718)	\$1,751,439

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. Property tax revenue received during calendar 2002 for real and public utility property taxes represents collections of calendar 2001 taxes. Property tax payments received during calendar 2002 for tangible personal property (other than public utility property) are for calendar 2002 taxes. 2002 real property taxes are levied after April 1, 2002, on the assessed value as of January 1, 2002, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

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

2002 tangible personal property taxes are levied after April 1, 2001, on the value as of December 31, 2001. Collections are made in 2002. Tangible personal property assessments are twenty-five percent of true value.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

The assessed values upon which the fiscal year 2002 taxes were collected are:

	2001 Second Half Collections		2002 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$56,037,340	83.73%	\$61,077,260	84.93%
Public Utility	5,732,270	8.56	5,468,980	7.61
Tangible Personal Property	5,153,900	7.71	5,365,230	7.46
Total Assessed Value	<u>\$66,923,510</u>	<u>100.00%</u>	<u>\$71,911,470</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$36.62		\$36.62	

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

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. 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, 2002, are available to finance fiscal year 2002 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding, and real, personal property and public utility taxes which are measurable as of June 30, 2002 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 were levied to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current year operations. On a full accrual basis, collectable delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the remainder of the receivable is deferred.

At June 30, 2002, \$117,404 was available as an advance to the general fund, \$48,304 was available to the permanent improvement fund and \$11,339 was available to the debt service fund.

Note 8 - Receivables

Receivables at June 30, 2002, 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.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
General Fund:	
Ohio Department of Education	<u>\$467</u>
Special Revenue Funds:	
Title I	59,516
Drug-Free Schools	4,889
Title VI-R	<u>11,773</u>
Total Special Revenue Funds	<u>76,178</u>
Total All Funds	<u><u>\$76,645</u></u>

Note 9 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2002, was as follows:

	<u>Balance</u> <u>June 30, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2002</u>
Governmental Activities				
Nondepreciable Capital Assets				
Land	<u>\$289,800</u>	<u>\$0</u>	<u>\$0</u>	<u>\$289,800</u>
Depreciable Capital Assets				
Land Improvements	496,484	0	0	496,484
Buildings and Improvements	7,534,857	0	0	7,534,857
Furniture, Fixtures and Equipment	623,230	2,995	0	626,225
Vehicles	664,244	0	0	664,244
Textbooks	<u>383,713</u>	<u>2,557</u>	<u>0</u>	<u>386,270</u>
Total at Historical Cost	<u>9,702,528</u>	<u>5,552</u>	<u>0</u>	<u>9,708,080</u>
Less Accumulated Depreciation:				
Land Improvements	(319,192)	(20,702)	0	(339,894)
Buildings and Improvements	(2,269,886)	(214,675)	0	(2,484,561)
Furniture, Fixtures and Equipment	(466,915)	(46,548)	0	(513,463)
Vehicles	(420,832)	(41,280)	0	(462,112)
Textbooks	<u>(345,342)</u>	<u>(38,371)</u>	<u>0</u>	<u>(383,713)</u>
Total Accumulated Depreciation	<u>(3,822,167)</u>	<u>(361,576) *</u>	<u>0</u>	<u>(4,183,743)</u>
Depreciable Capital Assets, Net of Accumulated Depreciation	<u>5,880,361</u>	<u>(356,024)</u>	<u>0</u>	<u>5,524,337</u>
Governmental Activities Capital Assets, Net	<u><u>\$6,170,161</u></u>	<u><u>(\$356,024)</u></u>	<u><u>\$0</u></u>	<u><u>\$5,814,137</u></u>

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

- Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$261,431
Vocational	50
Support Services:	
Instructional Staff	27,557
Administration	2,248
Pupil Transportation	50,827
Central	130
Extracurricular Activities	8,164
Food Service Operations	11,169
	<hr/>
Total Depreciation Expenses	<u><u>\$361,576</u></u>

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 2002, the District contracted for the following insurance coverage:

Coverages provided by Cincinnati Insurance Companies:	
Building and Contents-replacement cost (\$1,000 deductible)	\$14,121,599
Inland Marine Coverage (\$250 deductible)	146,064
Crime Insurance (\$100 deductible)	10,000
Coverages provided by Nationwide Insurance as follows:	
Automobile Liability (\$50 deductible on comprehensive) (\$250 deductible on collision)	2,000,000
Auto Medical Payments	5,000
Uninsured Motorists (\$50 deductible)	2,000,000

During fiscal year 2002, the District joined together with other school districts in Ohio to participate in the Ohio School Plan (OSP), a public entity insurance purchasing pool. Each individual school district enters into an agreement with the OSP and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The District pays this annual premium to the OSP (Note 18).

Coverages provided by the Ohio School Plan are as follows:

General Liability (\$1,000 deductible)	
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 Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 18). The intent of the GRP is to achieve the benefit

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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 Gates McDonald & Company provides administrative, cost controls, and actuarial services to the GRP.

Note 11 - Defined Benefit Pension Plans

A. School Employees Retirement System

The Lisbon Exempted Village School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by 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, 45 North Fourth Street, Columbus, Ohio 43215-3634.

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 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, 2002, 2001, and 2000 were \$66,010, \$65,479, and \$63,903 respectively; 40.0 percent has been contributed for fiscal year 2002 and 100 percent for fiscal years 2001 and 2000. \$58,635 representing the unpaid contribution for fiscal year 2002 is recorded as a liability.

B. State Teachers Retirement System

The Lisbon Exempted Village School District contributes to the State Teachers Retirement System of Ohio (STRS), 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. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371.

For the fiscal year ended June 30, 2002, plan members are required to contribute 9.3 percent of their annual covered salaries. The Lisbon Exempted Village School District was required to contribute 14 percent; 9.5 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$498,514, \$510,906, and \$498,445, respectively; 86.9 percent has been contributed for fiscal year 2002 and 100 percent for fiscal years 2001 and 2000. \$65,305 represents the unpaid contribution for fiscal year 2002 and is recorded as a liability.

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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, 2002, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$160,627 for fiscal year 2002.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2001, (the latest information available) the balance in the Fund was \$3.256 billion. For the year ended June 30, 2001, net health care costs paid by STRS were \$300,772,000 and STRS had 102,132 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, 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, 2002, employer contributions to fund health care benefits were 8.54 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2002, the minimum pay has been established at \$12,400. For the District, the amount to fund health care benefits, including surcharge, during the 2002 fiscal year equaled \$81,867.

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, 2001, (the latest information available), were \$161,439,934 and the target level was \$242.2 million. At June 30, 2001, SERS had net assets available for payment of health care benefits of \$315.7 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.

Lisbon Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002*

B. Employee Medical Benefits

The District has a fully insured contract with Medical Mutual of Ohio to provide comprehensive major medical benefits and with Metropolitan Life Insurance to provide dental benefits to all eligible District employees. The District pays 100 percent of the insurance premium costs for 94 percent of the staff. For the fiscal year 2002 the monthly premiums were \$797.96 for family coverage and \$326.98 for single coverage.

C. 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 2002 were as follows:

	Principal Outstanding 6/30/01	Additions	Deductions	Principal Outstanding 6/30/02	Amounts due in One Year
Governmental Activities					
General Obligation Bonds, 1992, 6.25%	\$2,505,000	\$0	\$90,000	\$2,415,000	\$90,000
Bond Anticipation Notes, 2001, 2.89%	1,200,000	1,000,000	1,200,000	1,000,000	1,000,000
Compensated Absences	364,425	284,927	161,611	487,741	78,826
Capital Leases	230,951	0	45,495	185,456	48,098
<i>Total Governmental Activities Long-Term Liabilities</i>	<u>\$4,300,376</u>	<u>\$1,284,927</u>	<u>\$1,497,106</u>	<u>\$4,088,197</u>	<u>\$1,216,924</u>

The \$1,200,000 bond anticipation note was rolled over into another note with a principal balance of \$1,000,000 on August 29, 2001. The new note will be paid from the debt service fund. The note matures on August 28, 2002. The interest payment will be \$28,900.

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 VI-R funds.

The District's overall legal debt margin was \$3,229,824 with an unvoted debt margin of \$71,911 at June 30, 2002.

Principal requirements to retire general obligation bonds outstanding at June 30, 2002, are as follows:

Fiscal year Ending June 30,	Principal	Interest	Total
2003	\$95,000	\$145,792	\$240,792
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
2008-2012	705,000	486,094	1,191,094
2013-2016	740,000	206,875	946,875
2017-2018	445,000	28,281	473,281
<i>Total</i>	<u>\$2,415,000</u>	<u>\$1,392,401</u>	<u>\$3,807,401</u>

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

Note 15 - Capital Leases - Lessee Disclosure

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 \$31,500 leaving a current book value of \$318,500. Principal payments in fiscal year 2002 totaled \$45,495 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, 2002:

	Amount
Fiscal Year Ending June 30, 2003	\$57,225
2004	57,225
2005	57,225
2006	33,381
Total minimum lease payments	205,056
Less: Amount Representing Interest	19,600
Present Value of Minimum Lease Payments	\$185,456

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, 2002, 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.

	Textbooks	Capital Improvements	Budget Stabilization
Set-Aside Reserve Balance as of June 30, 2001	\$0	\$0	\$33,458
Current Year Set-Aside Requirement	144,702	144,702	0
Qualifying Disbursements	(146,103)	(152,786)	
Totals	(\$1,401)	(\$8,084)	\$33,458
Set-Aside Balance Carried Forward to Future Fiscal Years	(\$1,401)	\$0	\$33,458
Set-Aside Reserve Balance as of June 30, 2002	\$0	\$0	\$33,458

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

The District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. Although the District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement for future years. This negative balance is therefore not presented as being carried forward to future years. 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.

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 \$61,849 for various fees associated with the agency's services during the 2002 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 Boards Association Workers' Compensation Group Rating Program - The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, 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

Lisbon Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2002

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 September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.
- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

The State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001. In November, 2001, the Court granted the request for reconsideration, but also ordered the parties to participate in a settlement conference with a court appointed mediator. On March 21, 2002, the mediator issued his final report indicating that the conference was unable to produce a settlement. The case is now under reconsideration by the Court.

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, 2002.

B. Litigation

The District was not a party to any legal proceedings during the 2002 fiscal year.

Note 21 – Subsequent Event

On August 28, 2002 the District issued a long-term bond anticipation note in the amount of \$800,000. The new note has an effective rate of interest of 1.98 percent through Sweeney Cartwright & Company and will mature on August 28, 2003.

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.

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 School 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.

Eisenhower - This fund accounts for Federal monies used to strengthen instruction in science, mathematics, modern foreign languages, English, the arts and computer learning.

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.

(continued)

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds (continued)

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

Title VI - 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 VI-R - This fund accounts for Federal monies received for class size reduction in grades Kindergarten through Grade Three to better serve the at-risk student.

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.

Permanent Improvement - This fund accounts for all transactions related to permanent improvement projects approved by the school board.

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.

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, 2002

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$0	\$106,457	\$106,457
Intergovernmental	580,464	59,683	640,147
Charges for Services	231,539	0	231,539
Interest	756	0	756
Extracurricular Activities	118,100	0	118,100
Contributions and Donations	7,837	0	7,837
<i>Total Revenues</i>	<u>938,696</u>	<u>166,140</u>	<u>1,104,836</u>
Expenditures			
Current:			
Instruction:			
Regular	238,072	0	238,072
Special	120,483	0	120,483
Support Services:			
Pupils	23,582	0	23,582
Instructional Staff	9,174	0	9,174
Administration	113,932	0	113,932
Fiscal	2,736	0	2,736
Central	5,000	0	5,000
Food Service Operations	383,337	0	383,337
Extracurricular Activities	74,559	0	74,559
Capital Outlay	0	110,043	110,043
Debt Service:			
Principal Retirement	0	45,495	45,495
Interest and Fiscal Charges	0	11,730	11,730
<i>Total Expenditures</i>	<u>970,875</u>	<u>167,268</u>	<u>1,138,143</u>
<i>Net Change in Fund Balances</i>	(32,179)	(1,128)	(33,307)
<i>Fund Balances Beginning of Year</i>	<u>211,421</u>	<u>103,715</u>	<u>315,136</u>
<i>Fund Balances End of Year</i>	<u>\$179,242</u>	<u>\$102,587</u>	<u>\$281,829</u>

Lisbon Exempted Village School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2002

	Food Service	Public School Support	Athletics	Professional Development	DPIA
Assets					
Equity in Pooled Cash and Cash Equivalents	\$73,956	\$13,531	\$37,821	\$2,355	\$240
Intergovernmental Receivable	0	0	0	0	0
Inventory Held for Resale	11,234	0	0	0	0
<i>Total Assets</i>	<u>\$85,190</u>	<u>\$13,531</u>	<u>\$37,821</u>	<u>\$2,355</u>	<u>\$240</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$799	\$480	\$0	\$0	\$0
Accrued Wages	7,305	0	0	0	0
Intergovernmental Payable	3,444	0	0	3	7
Deferred Revenue	0	0	0	0	0
<i>Total Liabilities</i>	<u>11,548</u>	<u>480</u>	<u>0</u>	<u>3</u>	<u>7</u>
Fund Balances					
Reserved for Encumbrances	16,575	2,336	3,401	94	240
Unreserved, Undesignated (Deficit)	57,067	10,715	34,420	2,258	(7)
<i>Total Fund Balances(Deficit)</i>	<u>73,642</u>	<u>13,051</u>	<u>37,821</u>	<u>2,352</u>	<u>233</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$85,190</u>	<u>\$13,531</u>	<u>\$37,821</u>	<u>\$2,355</u>	<u>\$240</u>

<u>OneNet</u>	<u>Schoolnet Training</u>	<u>IDVL</u>	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>SDFSC</u>
\$7,000	\$3,450	\$1,200	\$3,340	\$5,965	\$39,747
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$7,000</u>	<u>\$3,450</u>	<u>\$1,200</u>	<u>\$3,340</u>	<u>\$5,965</u>	<u>\$39,747</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	150	3,650	0
0	0	0	25	26	1,255
0	0	0	0	0	0
0	0	0	175	3,676	1,255
0	0	0	1,741	0	0
7,000	3,450	1,200	1,424	2,289	38,492
7,000	3,450	1,200	3,165	2,289	38,492
<u>\$7,000</u>	<u>\$3,450</u>	<u>\$1,200</u>	<u>\$3,340</u>	<u>\$5,965</u>	<u>\$39,747</u>

(continued)

Lisbon Exempted Village School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2002

	Title I	Drug-Free Schools	E-Rate	Title VI-R	Total Nonmajor Special Revenue Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$25,112	\$1,076	\$2,295	\$7,191	\$224,279
Intergovernmental Receivable	59,516	4,889	0	11,773	76,178
Inventory Held for Resale	0	0	0	0	11,234
<i>Total Assets</i>	<u>\$84,628</u>	<u>\$5,965</u>	<u>\$2,295</u>	<u>\$18,964</u>	<u>\$311,691</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$4,952	\$0	\$0	\$0	\$6,231
Accrued Wages	24,820	0	0	4,616	40,541
Intergovernmental Payable	3,675	0	0	1,064	9,499
Deferred Revenue	59,516	4,889	0	11,773	76,178
<i>Total Liabilities</i>	<u>92,963</u>	<u>4,889</u>	<u>0</u>	<u>17,453</u>	<u>132,449</u>
Fund Balances					
Reserved for Encumbrances	149	1,070	0	0	25,606
Unreserved, Undesignated (Deficit)	(8,484)	6	2,295	1,511	153,636
<i>Total Fund Balances(Deficit)</i>	<u>(8,335)</u>	<u>1,076</u>	<u>2,295</u>	<u>1,511</u>	<u>179,242</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$84,628</u>	<u>\$5,965</u>	<u>\$2,295</u>	<u>\$18,964</u>	<u>\$311,691</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, 2002

	Food Service	Public School Support	Athletics	Professional Development
Revenues				
Intergovernmental	\$170,167	\$0	\$0	\$0
Charges for Services	231,539	0	0	0
Interest	756	0	0	0
Extracurricular Activities	0	51,141	66,959	0
Contributions and Donations	0	4,562	3,275	0
<i>Total Revenues</i>	<u>402,462</u>	<u>55,703</u>	<u>70,234</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	0	2,715
Special	0	0	0	0
Support Services:				
Pupils	0	0	0	302
Instructional Staff	0	0	0	0
Administration	0	58,481	0	1,231
Fiscal	0	0	0	0
Central	0	0	0	0
Food Service Operations	383,337	0	0	0
Extracurricular Activities	0	0	74,559	0
<i>Total Expenditures</i>	<u>383,337</u>	<u>58,481</u>	<u>74,559</u>	<u>4,248</u>
<i>Net Change in Fund Balances</i>	19,125	(2,778)	(4,325)	(4,248)
<i>Fund Balances (Deficit)</i>				
<i>Beginning of Year</i>	<u>54,517</u>	<u>15,829</u>	<u>42,146</u>	<u>6,600</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$73,642</u></u>	<u><u>\$13,051</u></u>	<u><u>\$37,821</u></u>	<u><u>\$2,352</u></u>

EMIS	DPIA	OneNet	Schoolnet Training	IDVL	Ohio Reads
\$5,000	\$26,472	\$7,000	\$7,592	\$1,200	\$17,000
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
5,000	26,472	7,000	7,592	1,200	17,000
0	26,636	6,000	4,745	0	8,163
0	0	0	0	0	0
0	249	0	0	0	0
0	0	0	0	0	674
0	0	0	0	0	5,396
0	0	0	0	0	0
5,000	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
5,000	26,885	6,000	4,745	0	14,233
0	(413)	1,000	2,847	1,200	2,767
0	646	6,000	603	0	398
\$0	\$233	\$7,000	\$3,450	\$1,200	\$3,165

(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, 2002

	Summer Intervention	SDFSC	Eisenhower	Title VI-B
Revenues				
Intergovernmental	\$0	\$32,395	\$7,733	\$96,735
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>0</u>	<u>32,395</u>	<u>7,733</u>	<u>96,735</u>
Expenditures				
Current:				
Instruction:				
Regular	4,506	1,196	22	0
Special	0	0	0	96,735
Support Services:				
Pupils	0	0	12,044	0
Instructional Staff	0	7,691	0	0
Administration	6,531	36,913	0	0
Fiscal	0	0	0	0
Central	0	0	0	0
Food Service Operations	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>11,037</u>	<u>45,800</u>	<u>12,066</u>	<u>96,735</u>
<i>Net Change in Fund Balances</i>	(11,037)	(13,405)	(4,333)	0
<i>Fund Balances (Deficit)</i>				
<i>Beginning of Year</i>	<u>13,326</u>	<u>51,897</u>	<u>4,333</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$2,289</u>	<u>\$38,492</u>	<u>\$0</u>	<u>\$0</u>

Title I	Title VI	Drug-Free Schools	E-Rate	Title VI-R	Total Nonmajor Special Revenue Funds
\$169,367	\$6,314	\$6,742	\$0	\$26,747	\$580,464
0	0	0	0	0	231,539
0	0	0	0	0	756
0	0	0	0	0	118,100
0	0	0	0	0	7,837
<u>169,367</u>	<u>6,314</u>	<u>6,742</u>	<u>0</u>	<u>26,747</u>	<u>938,696</u>
146,884	0	6,044	0	31,161	238,072
23,748	0	0	0	0	120,483
1,407	6,314	3,266	0	0	23,582
0	0	809	0	0	9,174
4,280	0	1,100	0	0	113,932
901	0	0	1,835	0	2,736
0	0	0	0	0	5,000
0	0	0	0	0	383,337
0	0	0	0	0	74,559
<u>177,220</u>	<u>6,314</u>	<u>11,219</u>	<u>1,835</u>	<u>31,161</u>	<u>970,875</u>
(7,853)	0	(4,477)	(1,835)	(4,414)	(32,179)
<u>(482)</u>	<u>0</u>	<u>5,553</u>	<u>4,130</u>	<u>5,925</u>	<u>211,421</u>
<u>(\$8,335)</u>	<u>\$0</u>	<u>\$1,076</u>	<u>\$2,295</u>	<u>\$1,511</u>	<u>\$179,242</u>

Lisbon Exempted Village School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2002

	Permanent Improvement	SchoolNet Plus	Total Nonmajor Capital Projects Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$55,149	\$36,100	\$91,249
Taxes Receivable	210,261	0	210,261
<i>Total Assets</i>	<u>\$265,410</u>	<u>\$36,100</u>	<u>\$301,510</u>
Liabilities and Fund Balances			
Liabilities			
Deferred Revenue	\$198,923	\$0	\$198,923
Fund Balances			
Reserved for Encumbrances	1,963	0	1,963
Reserved for Property Taxes	11,339	0	11,339
Unreserved, Undesignated, Capital Project Funds	53,185	36,100	89,285
<i>Total Fund Balances</i>	<u>66,487</u>	<u>36,100</u>	<u>102,587</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$265,410</u>	<u>\$36,100</u>	<u>\$301,510</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, 2002

	Permanent Improvement	SchoolNet Plus	Tech Equity	Total Nonmajor Capital Projects Funds
Revenues				
Taxes	\$106,457	\$0	\$0	\$106,457
Intergovernmental	11,926	36,100	11,657	59,683
<i>Total Revenues</i>	<u>118,383</u>	<u>36,100</u>	<u>11,657</u>	<u>166,140</u>
Expenditures				
Capital Outlay	76,102	20,357	13,584	110,043
Debt Service:				
Principal Retirement	45,495	0	0	45,495
Interest and Fiscal Charges	11,730	0	0	11,730
<i>Total Expenditures</i>	<u>133,327</u>	<u>20,357</u>	<u>13,584</u>	<u>167,268</u>
<i>Net Change in Fund Balances</i>	(14,944)	15,743	(1,927)	(1,128)
<i>Fund Balances</i>				
<i>Beginning of Year</i>	<u>81,431</u>	<u>20,357</u>	<u>1,927</u>	<u>103,715</u>
<i>Fund Balances End of Year</i>	<u><u>\$66,487</u></u>	<u><u>\$36,100</u></u>	<u><u>\$0</u></u>	<u><u>\$102,587</u></u>

Lisbon Exempted Village School District
Statement of Changes in Assets and Liabilities
Agency Fund
For Fiscal Year Ended June 30, 2002

	Beginning Balance 6/30/01	Additions	Deductions	Beginning Balance 6/30/02
Student Activities				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$32,299	\$78,499	\$80,812	\$29,986
Liabilities				
Due to Students	\$32,299	\$78,499	\$80,812	\$29,986

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

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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Taxes	\$1,308,854	\$1,317,639	\$1,317,640	\$1
Intergovernmental	4,495,394	4,592,465	4,598,317	5,852
Interest	28,000	25,840	26,968	1,128
Tuition and Fees	928,618	1,021,491	1,030,340	8,849
Rentals	22,000	22,700	22,700	0
Contributions and Donations	0	500	780	280
Miscellaneous	0	116	116	0
<i>Total Revenues</i>	<u>6,782,866</u>	<u>6,980,751</u>	<u>6,996,861</u>	<u>16,110</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	2,400,810	2,659,029	2,449,019	210,010
Fringe Benefits	844,684	932,524	787,419	145,105
Purchased Services	196,900	185,736	148,067	37,669
Materials and Supplies	167,649	216,678	141,946	74,732
Capital Outlay - New	10,000	62,106	40,560	21,546
Total Regular	<u>3,620,043</u>	<u>4,056,073</u>	<u>3,567,011</u>	<u>489,062</u>
Special:				
Salaries and Wages	302,200	310,310	307,475	2,835
Fringe Benefits	105,600	125,618	108,632	16,986
Purchased Services	157,920	207,677	168,288	39,389
Materials and Supplies	6,026	6,026	3,038	2,988
Total Special	<u>571,746</u>	<u>649,631</u>	<u>587,433</u>	<u>62,198</u>
Vocational:				
Salaries and Wages	51,000	51,000	48,607	2,393
Fringe Benefits	12,280	20,280	18,111	2,169
Purchased Services	300	300	300	0
Total Vocational	<u>63,580</u>	<u>71,580</u>	<u>67,018</u>	<u>4,562</u>
Total Instruction	<u>\$4,255,369</u>	<u>\$4,777,284</u>	<u>\$4,221,462</u>	<u>\$555,822</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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Support Services:				
Pupils:				
Salaries and Wages	\$186,800	\$202,800	\$185,061	\$17,739
Fringe Benefits	60,615	80,640	66,482	14,158
Purchased Services	58,155	59,505	53,820	5,685
Materials and Supplies	8,393	13,403	5,247	8,156
Capital Outlay - New	500	500	0	500
Total Pupils	314,463	356,848	310,610	46,238
Instructional Staff:				
Salaries and Wages	98,250	98,250	96,717	1,533
Fringe Benefits	34,830	39,840	34,492	5,348
Purchased Services	14,454	22,729	15,939	6,790
Materials and Supplies	7,700	7,810	5,454	2,356
Capital Outlay - New	3,500	5,000	3,474	1,526
Other	20,000	20,725	20,721	4
Total Instructional Staff	178,734	194,354	176,797	17,557
Board of Education:				
Salaries and Wages	4,800	4,800	4,800	0
Fringe Benefits	1,390	1,390	832	558
Purchased Services	17,000	27,060	22,059	5,001
Materials and Supplies	800	800	470	330
Other	2,600	2,600	2,326	274
Total Board of Education	26,590	36,650	30,487	6,163
Administration:				
Salaries and Wages	355,050	402,150	366,677	35,473
Fringe Benefits	124,255	135,775	126,445	9,330
Purchased Services	23,350	29,886	23,408	6,478
Materials and Supplies	14,189	15,011	13,436	1,575
Capital Outlay - New	2,000	3,535	2,407	1,128
Other	1,061	1,061	1,060	1
Total Administration	\$519,905	\$587,418	\$533,433	\$53,985

(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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Fiscal :				
Salaries and Wages	\$89,700	\$93,815	\$93,809	\$6
Fringe Benefits	45,560	41,090	38,852	2,238
Purchased Services	18,800	27,685	25,379	2,306
Materials and Supplies	4,345	4,345	3,457	888
Capital Outlay - New	2,000	2,000	147	1,853
Other	52,103	51,788	50,222	1,566
Total Fiscal	212,508	220,723	211,866	8,857
Business :				
Salaries and Wages	8,800	9,210	9,207	3
Fringe Benefits	2,195	2,345	2,007	338
Purchased Services	7,000	6,850	6,778	72
Materials and Supplies	1,000	2,590	1,312	1,278
Total Business	18,995	20,995	19,304	1,691
Operation and Maintenance:				
Salaries and Wages	199,400	201,400	198,392	3,008
Fringe Benefits	77,670	77,080	77,002	78
Purchased Services	240,037	309,509	293,684	15,825
Materials and Supplies	40,550	49,922	41,605	8,317
Capital Outlay - New	19,300	11,300	2,281	9,019
Total Operation and Maintenance	576,957	649,211	612,964	36,247
Pupil Transportation:				
Salaries and Wages	161,400	164,415	163,574	841
Fringe Benefits	102,695	95,245	89,686	5,559
Purchased Services	60,635	53,285	31,454	21,831
Materials and Supplies	71,405	68,405	56,168	12,237
Capital Outlay - Replacement	53,075	53,075	53,075	0
Total Pupil Transportation	\$449,210	\$434,425	\$393,957	\$40,468

(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, 2002

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	
Central:				
Salaries and Wages	\$20,500	\$22,150	\$22,145	\$5
Fringe Benefits	15,555	13,105	12,897	208
Purchased Services	900	1,400	408	992
Materials and Supplies	500	800	129	671
Other	500	659	0	659
Total Central	<u>37,955</u>	<u>38,114</u>	<u>35,579</u>	<u>2,535</u>
Total Support Services	<u>2,335,317</u>	<u>2,538,738</u>	<u>2,324,997</u>	<u>213,741</u>
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	77,730	83,256	78,161	5,095
Fringe Benefits	5,300	5,650	1,535	4,115
Total Sports Oriented Activities	<u>83,030</u>	<u>88,906</u>	<u>79,696</u>	<u>9,210</u>
Academic Oriented Activities:				
Salaries and Wages	14,400	14,400	13,477	923
Fringe Benefits	15,500	20,200	15,468	4,732
Total Academic Oriented Activities	<u>29,900</u>	<u>34,600</u>	<u>28,945</u>	<u>5,655</u>
School and Public Service Activities:				
Salaries and Wages	7,110	7,110	6,456	654
Occupation Oriented Activities:				
Salaries and Wages	900	900	720	180
Total Extracurricular Activities	<u>120,940</u>	<u>131,516</u>	<u>115,817</u>	<u>15,699</u>
<i>Total Expenditures</i>	<u>6,711,626</u>	<u>7,447,538</u>	<u>6,662,276</u>	<u>785,262</u>
<i>Net Change in Fund Balance</i>	71,240	(466,787)	334,585	801,372
<i>Fund Balance Beginning of Year</i>	572,528	572,528	572,528	0
Prior Year Encumbrances Appropriated	<u>123,576</u>	<u>123,576</u>	<u>123,576</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$767,344</u>	<u>\$229,317</u>	<u>\$1,030,689</u>	<u>\$801,372</u>

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Year Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Taxes	\$526,559	\$559,271	\$559,271	\$0
Intergovernmental	63,200	73,694	73,694	0
<i>Total Revenues</i>	589,759	632,965	632,965	0
Expenditures:				
Debt Service:				
Principal Retirement	1,479,757	1,370,169	1,290,000	80,169
Interest and Fiscal Charges	270,243	263,331	219,130	44,201
<i>Total Expenditures</i>	1,750,000	1,633,500	1,509,130	124,370
Excess of Revenues Under Expenditures	(1,160,241)	(1,000,535)	(876,165)	124,370
Other Financing Sources:				
Long-Term Notes Issued	1,000,000	1,000,000	1,000,000	0
<i>Net Change in Fund Balance</i>	(160,241)	(535)	123,835	124,370
<i>Fund Balance Beginning of Year</i>	653	653	653	0
<i>Fund Balance (Deficit) End of Year</i>	(\$159,588)	\$118	\$124,488	\$124,370

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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$128,400	\$131,988	\$147,756	\$15,768
Charges for Services	229,600	227,262	231,539	4,277
Interest	2,000	750	756	6
<i>Total Revenues</i>	<u>360,000</u>	<u>360,000</u>	<u>380,051</u>	<u>20,051</u>
Expenditures:				
Current:				
Food Service Operations:				
Salaries and Wages	121,409	120,200	119,760	440
Fringe Benefits	61,000	61,000	46,304	14,696
Purchased Services	17,295	17,295	11,130	6,165
Materials and Supplies	230,324	227,324	211,295	16,029
<i>Total Expenditures</i>	<u>430,028</u>	<u>425,819</u>	<u>388,489</u>	<u>37,330</u>
<i>Net Change in Fund Balance</i>	(70,028)	(65,819)	(8,438)	57,381
<i>Fund Balance Beginning of Year</i>	65,791	65,791	65,791	0
Prior Year Encumbrances Appropriated	28	28	28	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$4,209)</u>	<u>\$0</u>	<u>\$57,381</u>	<u>\$57,381</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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Extracurricular Activities	\$43,000	\$48,449	\$51,141	\$2,692
Contributions and Donations	0	4,551	4,562	11
<i>Total Revenues</i>	43,000	53,000	55,703	2,703
Expenditures:				
Current:				
Support Services:				
Administration:				
Purchased Services	4,490	22,045	19,387	2,658
Materials and Supplies	39,175	44,175	38,825	5,350
Other	0	2,605	2,605	0
<i>Total Expenditures</i>	43,665	68,825	60,817	8,008
<i>Net Change in Fund Balance</i>	(665)	(15,825)	(5,114)	10,711
<i>Fund Balance Beginning of Year</i>	11,164	11,164	11,164	0
Prior Year Encumbrances Appropriated	4,665	4,665	4,665	0
<i>Fund Balance End of Year</i>	\$15,164	\$4	\$10,715	\$10,711

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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Extracurricular Activities	\$73,200	\$66,955	\$66,959	\$4
Contributions and Donations	200	3,275	3,275	0
<i>Total Revenues</i>	<u>73,400</u>	<u>70,230</u>	<u>70,234</u>	<u>4</u>
Expenditures:				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Purchased Services	43,215	44,035	39,349	4,686
Materials and Supplies	37,517	34,093	29,518	4,575
Capital Outlay - New	15,216	10,615	6,190	4,425
Capital Outlay - Replacement	0	17,878	2,268	15,610
Other	8,847	0	0	0
Total Sports Oriented Activities	<u>104,795</u>	<u>106,621</u>	<u>77,325</u>	<u>29,296</u>
Academic Oriented Activities:				
Materials and Supplies	888	1,088	0	1,088
School and Public Service Activities:				
Purchased Services	1,500	1,500	211	1,289
Materials and Supplies	3,046	3,046	424	2,622
Total School and Public Service Activities	<u>4,546</u>	<u>4,546</u>	<u>635</u>	<u>3,911</u>
<i>Total Expenditures</i>	<u>110,229</u>	<u>112,255</u>	<u>77,960</u>	<u>34,295</u>
<i>Net Change in Fund Balance</i>	(36,829)	(42,025)	(7,726)	34,299
<i>Fund Balance Beginning of Year</i>	35,424	35,424	35,424	0
Prior Year Encumbrances Appropriated	6,722	6,722	6,722	0
<i>Fund Balance End of Year</i>	<u>\$5,317</u>	<u>\$121</u>	<u>\$34,420</u>	<u>\$34,299</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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$5,450	\$0	\$0	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	7,000	550	0	550
Fringe Benefits	585	585	1	584
Purchased Services	4,000	2,714	2,714	0
Materials and Supplies	500	0	0	0
Total Instruction	12,085	3,849	2,715	1,134
Support Services:				
Pupils:				
Purchased Services	424	424	396	28
Instructional Staff:				
Salaries and Wages	1,000	1,000	403	597
Purchased Services	991	829	828	1
Materials and Supplies	500	500	0	500
Total Instructional Staff	2,491	2,329	1,231	1,098
Total Support Services	2,915	2,753	1,627	1,126
Total Expenditures	15,000	6,602	4,342	2,260
Net Change in Fund Balance	(9,550)	(6,602)	(4,342)	2,260
Fund Balance Beginning of Year	6,602	6,602	6,602	0
Fund Balance (Deficit) End of Year	(\$2,948)	\$0	\$2,260	\$2,260

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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$5,000	\$5,000	\$5,000	\$0
Expenditures:				
Current:				
Central:				
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, 2002

	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	15,000	956	956	0
Fringe Benefits	5,369	269	269	0
Materials and Supplies	6,103	898	898	0
Capital Outlay - New	0	24,599	24,599	0
Total Instruction	26,472	26,722	26,722	0
Support Services:				
Pupils:				
Purchased Services	0	489	489	0
<i>Total Expenditures</i>	26,472	27,211	27,211	0
<i>Net Change in Fund Balance</i>	(2)	(739)	(739)	0
<i>Fund Balance Beginning of Year</i>	739	739	739	0
<i>Fund Balance End of Year</i>	\$737	\$0	\$0	\$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, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Budget</u>		
Revenues:				
Intergovernmental	\$7,000	\$7,000	\$7,000	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	3,000	7,000	0	7,000
Capital Outlay - New	5,998	6,000	6,000	0
<i>Total Expenditures</i>	<u>8,998</u>	<u>13,000</u>	<u>6,000</u>	<u>7,000</u>
<i>Net Change in Fund Balance</i>	(1,998)	(6,000)	1,000	7,000
<i>Fund Balance Beginning of Year</i>	2	2	2	0
Prior Year Encumbrances Appropriated	<u>5,998</u>	<u>5,998</u>	<u>5,998</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,002</u></u>	<u><u>\$0</u></u>	<u><u>\$7,000</u></u>	<u><u>\$7,000</u></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, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Budget</u>		
Revenues:				
Intergovernmental	\$4,142	\$4,142	\$7,592	\$3,450
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	7,000	4,745	4,745	0
<i>Net Change in Fund Balance</i>	(2,858)	(603)	2,847	3,450
<i>Fund Balance Beginning of Year</i>	603	603	603	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$2,255)</u>	<u>\$0</u>	<u>\$3,450</u>	<u>\$3,450</u>

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, 2002

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

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, 2002

	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	0	10,200	9,754	446
Support Services:				
Instructional Staff:				
Purchased Services	0	1,153	0	1,153
Materials and Supplies	402	674	674	0
Total Instructional Staff	402	1,827	674	1,153
Administration:				
Salaries and Wages	2,000	5,375	5,375	0
Total Support Services	2,402	7,202	6,049	1,153
<i>Total Expenditures</i>	2,402	17,402	15,803	1,599
<i>Net Change in Fund Balance</i>	14,598	(402)	1,197	1,599
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	402	402	402	0
<i>Fund Balance End of Year</i>	\$15,000	\$0	\$1,599	\$1,599

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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$0	\$0	\$0	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	4,100	4,108	4,108	0
Fringe Benefits	600	620	620	0
Materials and Supplies	6,690	6,689	724	5,965
Total Regular Instruction	11,390	11,417	5,452	5,965
Support Services:				
Administration:				
Salaries and Wages	5,560	5,560	5,560	0
Fringe Benefits	970	971	971	0
Total Support Services	6,530	6,531	6,531	0
<i>Total Expenditures</i>	17,920	17,948	11,983	5,965
<i>Net Change in Fund Balance</i>	(17,920)	(17,948)	(11,983)	5,965
<i>Fund Balance Beginning of Year</i>	17,528	17,528	17,528	0
Prior Year Encumbrances Appropriated	420	420	420	0
<i>Fund Balance End of Year</i>	\$28	\$0	\$5,965	\$5,965

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
SDFSC
For the Year Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$0	\$32,395	\$32,395	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	1,195	1,196	1,196	0
Support Services:				
Pupils:				
Purchased Services	0	40	40	0
Materials and Supplies	6,223	6,223	6,223	0
Capital Outlay - New	1,428	1,428	1,428	0
Total Pupils	7,651	7,691	7,691	0
Administration:				
Salaries and Wages	31,184	56,184	27,417	28,767
Fringe Benefits	6,124	10,079	6,118	3,961
Purchased Services	1,986	4,686	1,979	2,707
Materials and Supplies	250	250	250	0
Total Administration	39,544	71,199	35,764	35,435
Total Support Services	47,195	78,890	43,455	35,435
Total Expenditures	48,390	80,086	44,651	35,435
Net Change in Fund Balance	(48,390)	(47,691)	(12,256)	35,435
Fund Balance Beginning of Year	50,113	50,113	50,113	0
Prior Year Encumbrances Appropriated	1,890	1,890	1,890	0
Fund Balance End of Year	\$3,613	\$4,312	\$39,747	\$35,435

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Eisenhower Fund
For the Year Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$7,147	\$7,733	\$7,733	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	22	22	22	0
Support Services:				
Pupils:				
Purchased Services	2,000	3,170	3,170	0
Materials and Supplies	2,000	2,332	2,332	0
Capital Outlay - New	0	6,542	6,542	0
Total Support Services	4,000	12,044	12,044	0
<i>Total Expenditures</i>	4,022	12,066	12,066	0
<i>Net Change in Fund Balance</i>	3,125	(4,333)	(4,333)	0
<i>Fund Balance Beginning of Year</i>	4,311	4,311	4,311	0
Prior Year Encumbrances Appropriated	22	22	22	0
<i>Fund Balance End of Year</i>	<u>\$7,458</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 VI-B Fund
 For the Year Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$96,735	\$96,735	\$96,735	\$0
Expenditures:				
Current:				
Instruction:				
Special:				
Purchased Services	96,735	96,735	96,735	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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$196,322	\$169,367	\$169,367	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	135,773	115,762	96,520	19,242
Fringe Benefits	46,890	42,571	42,517	54
Materials and Supplies	11,956	5,728	5,725	3
Total Regular	194,619	164,061	144,762	19,299
Special:				
Salaries and Wages	0	23,748	23,748	0
Total Instruction	194,619	187,809	168,510	19,299
Support Services:				
Pupils:				
Purchased Services	1,400	1,407	1,407	0
Administration:				
Salaries and Wages	3,887	3,887	3,866	21
Fringe Benefits	585	585	570	15
Total Administration	4,472	4,472	4,436	36
Fiscal:				
Salaries and Wages	1,296	1,296	639	657
Fringe Benefits	213	213	194	19
Total Fiscal	1,509	1,509	833	676
Total Support Services	7,381	7,388	6,676	712
Total Expenditures	202,000	195,197	175,186	20,011
Net Change in Fund Balance	(5,678)	(25,830)	(5,819)	20,011
Fund Balance Beginning of Year	25,830	25,830	25,830	0
Fund Balance End of Year	\$20,152	\$0	\$20,011	\$20,011

Lisbon Exempted Village School District
 Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Title VI Fund
 For the Year Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$6,200	\$6,314	\$6,314	\$0
Expenditures:				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	6,310	6,314	6,314	0
<i>Net Change in Fund Balance</i>	(110)	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	(\$110)	\$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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$11,500	\$6,742	\$6,742	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	2,000	1,522	1,522	0
Materials and Supplies	6,631	3,835	3,829	6
Capital Outlay - New	2,000	693	693	0
Total Regular	10,631	6,050	6,044	6
Support Services:				
Pupils:				
Purchased Services	1,286	422	422	0
Materials and Supplies	3,176	2,519	2,519	0
Capital Outlay - New	0	325	325	0
Total Pupils	4,462	3,266	3,266	0
Instructional Staff:				
Materials and Supplies	2,171	809	809	0
Administration:				
Purchased Services	0	1,100	1,100	0
Operation and Maintenance:				
Materials and Supplies	0	1,070	1,070	0
Total Support Services	6,633	6,245	6,245	0
Total Expenditures	17,264	12,295	12,289	6
Net Change in Fund Balance	(5,764)	(5,553)	(5,547)	6
Fund Balance Beginning of Year	3,289	3,289	3,289	0
Prior Year Encumbrances Appropriated	2,264	2,264	2,264	0
Fund Balance (Deficit) End of Year	(\$211)	\$0	\$6	\$6

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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures:				
Current:				
Support Services:				
Fiscal:				
Capital Outlay - New	3,500	4,130	1,835	2,295
<i>Net Change in Fund Balance</i>	(3,500)	(4,130)	(1,835)	2,295
<i>Fund Balance Beginning of Year</i>	4,130	4,130	4,130	0
<i>Fund Balance End of Year</i>	<u>\$630</u>	<u>\$0</u>	<u>\$2,295</u>	<u>\$2,295</u>

Lisbon Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-R Fund
For the Year Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$32,000	\$26,747	\$26,747	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	23,889	24,860	20,698	4,162
Fringe Benefits	7,579	12,806	9,777	3,029
<i>Total Expenditures</i>	31,468	37,666	30,475	7,191
<i>Net Change in Fund Balance</i>	532	(10,919)	(3,728)	7,191
<i>Fund Balance Beginning of Year</i>	10,919	10,919	10,919	0
<i>Fund Balance End of Year</i>	\$11,451	\$0	\$7,191	\$7,191

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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Taxes	\$117,532	\$95,119	\$95,119	\$0
Intergovernmental	12,300	11,926	11,926	0
Total Revenues	129,832	107,045	107,045	0
Expenditures:				
Current:				
Support Services:				
Fiscal:				
Other	2,000	2,000	1,952	48
Business:				
Purchased Services	21,655	21,655	21,650	5
Operation and Maintenance:				
Capital Outlay - New	87,776	107,074	53,961	53,113
Capital Outlay - Replacement	0	502	502	0
Total Operation and Maintenance	87,776	107,576	54,463	53,113
Pupil Transportation:				
Purchased Services	57,225	57,225	57,225	0
Total Expenditures	168,656	188,456	135,290	53,166
Net Change in Fund Balance	(38,824)	(81,411)	(28,245)	53,166
Fund Balance Beginning of Year	27,775	27,775	27,775	0
Prior Year Encumbrances Appropriated	53,656	53,656	53,656	0
Fund Balance End of Year	\$42,607	\$20	\$53,186	\$53,166

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, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Budget</u>		
Revenues:				
Intergovernmental	\$0	\$0	\$36,100	\$36,100
Expenditures:				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	20,515	22,412	22,412	0
Support Services:				
Administration:				
Purchased Services	0	345	345	0
<i>Total Expenditures</i>	<u>20,515</u>	<u>22,757</u>	<u>22,757</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(20,515)	(22,757)	13,343	36,100
<i>Fund Balance Beginning of Year</i>	6,487	6,487	6,487	0
Prior Year Encumbrances Appropriated	16,270	16,270	16,270	0
<i>Fund Balance End of Year</i>	<u>\$2,242</u>	<u>\$0</u>	<u>\$36,100</u>	<u>\$36,100</u>

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, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Budget		
Revenues:				
Intergovernmental	\$11,657	\$11,657	\$11,657	\$0
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	1,073	1,605	1,605	0
Capital Outlay - New	1,187	11,239	11,239	0
Total Regular Instruction	2,260	12,844	12,844	0
Support Services:				
Instructional Staff:				
Capital Outlay - New	2,598	2,598	2,598	0
Administration:				
Capital Outlay - New	740	740	740	0
Total Support Services	3,338	3,338	3,338	0
<i>Total Expenditures</i>	5,598	16,182	16,182	0
<i>Net Change in Fund Balance</i>	6,059	(4,525)	(4,525)	0
<i>Fund Balance Beginning of Year</i>	1,927	1,927	1,927	0
Prior Year Encumbrances Appropriated	2,598	2,598	2,598	0
<i>Fund Balance End of Year</i>	\$10,584	\$0	\$0	\$0



Statistical Section

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

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

General Fund

Revenues by Source and Expenditures by Function (1)

Last Ten Fiscal Years

	<u>2002 (2)</u>	<u>2001 (2)</u>	<u>2000 (2)</u>	<u>1999 (2)</u>
Revenue				
Taxes	\$1,435,044	\$1,257,374	\$1,222,991	\$1,224,306
Intergovernmental	4,577,911	4,217,466	4,068,066	4,491,982
Interest	26,968	49,721	46,856	51,295
Tuition and Fees	1,030,340	886,415	760,852	38,993
Rentals	22,900	22,750	18,883	22,896
Contributions and Donations	780	4,350	6,150	1,595
Miscellaneous	116	93	0	0
Other Financing Sources	0	0	0	515
Total	<u>\$7,094,059</u>	<u>\$6,438,169</u>	<u>\$6,123,798</u>	<u>\$5,831,582</u>
Expenditures				
Current:				
Instruction:				
Regular	\$3,544,748	\$3,414,639	\$3,488,908	\$3,211,974
Special	583,782	526,512	578,143	562,652
Vocational	69,290	48,409	0	56
Other	0	0	0	0
Support Services:				
Pupils	306,174	292,043	316,532	268,395
Instructional Staff	189,703	161,228	182,615	171,404
Board of Education	16,352	30,451	16,730	21,660
Administration	530,621	580,925	585,527	524,129
Fiscal	204,169	184,345	192,964	197,222
Business	18,843	26,175	0	0
Operation and Maintenance of Plant	514,485	500,606	496,735	530,680
Pupil Transportation	373,244	376,120	345,229	317,613
Central	35,704	32,207	33,284	26,305
Operation of Non-Instructional Services	0	0	729	3,423
Extracurricular Activities	116,380	107,876	93,225	94,622
Capital Outlay	0	0	0	238
Debt Service	0	0	0	0
Total	<u>\$6,503,495</u>	<u>\$6,281,536</u>	<u>\$6,330,621</u>	<u>\$5,930,373</u>

Source: School District Records

(1) Information is based on modified accrual. Information for full accrual will be presented when there are enough years of information to make comparisons meaningful.

(2) Fiscal years 1996 through 2002 reported on a GAAP Basis; All others on a Cash Basis

1998 (2)	1997 (2)	1996 (2)	1995	1994	1993
\$1,184,404	\$1,117,642	\$1,056,215	\$1,045,323	\$1,050,185	\$1,005,348
4,207,980	3,866,561	3,787,671	3,447,979	3,327,627	3,107,741
90,112	93,202	74,852	61,527	63,574	29,503
44,557	31,860	36,995	23,913	20,431	23,731
200	0	650	0	0	0
1,500	0	2,762	0	0	0
43,412	3,865	521	21,338	16,486	24,844
0	7,422	720	750	135,066	207,339
<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>	<u>\$4,398,506</u>
\$3,125,014	\$2,963,654	\$2,867,481	\$2,713,956	\$2,536,853	\$2,290,028
403,667	401,894	359,353	308,110	297,138	346,448
0	0	0	0	29,218	63,105
0	0	13,071	6,021	11,417	5,544
235,069	134,322	128,578	136,500	130,770	129,020
160,284	98,341	105,413	110,576	108,729	96,978
24,036	33,292	19,751	18,096	20,128	17,608
490,285	475,675	460,083	423,787	438,334	385,256
207,849	161,796	140,695	125,065	120,973	109,180
0	0	0	0	0	0
459,764	390,764	410,483	349,664	393,761	353,312
284,729	221,872	226,360	206,060	210,777	178,322
27,602	21,574	22,385	16,796	9,476	0
52,103	0	0	0	0	0
99,409	106,829	92,976	89,486	86,818	80,240
38,730	29,837	0	0	0	0
0	0	0	0	102,500	0
<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>	<u>\$4,055,041</u>

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Property Tax Levies and Collections
Last Nine Years (3)

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
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	1,899,425	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. 2002 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.
- (3) Information prior to 1993 is not available.

N/A = Not Available

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		Ratio
		Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	
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	152,698,265	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
1993	(2)	37,134,310	106,098,029	8,637,370	9,815,193	5,074,644	20,298,576	50,846,324	136,211,798	37

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) 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 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
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
1993	36.60	8.90	0.40	2.80	2.80	51.50	5.90	0.10	6.00

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>
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
1993 (4)	2,931,336	50,846,324	3,447	5.77	850
1992	231,440	40,670,490	3,447	0.57	67

Sources:

- (1) School District Financial Records.
- (2) Columbiana County Auditor.
- (3) U.S. Census of Population, 2000 Federal Census.
- (4) \$3,085,000 in New Debt was Issued

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Computation of Legal Debt Margin
June 30, 2002

Assessed Valuation	\$71,911,470
Overall Debt Limit - 9% of Assessed Value (1)	\$6,472,032
Amount of Debt Applicable to Debt Limit:	
School Improvement Bonds	(2,415,000)
Bond Anticipation Note	(1,000,000)
Less: Amount Available in Debt Service Fund	172,792
Total Amount of Debt Subject to the Limit	(3,242,208)
Overall Debt Margin	\$3,229,824
Unvoted Debt Limit - .10% of Assessed Value (1)	\$71,911
Amount of Debt Applicable	0
Unvoted Debt Margin	\$71,911

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, 2001

<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>\$2,415,000</u>	<u>100.00%</u>	<u>\$2,415,000</u>
Overlapping:			
Columbiana County	2,056,071	5.08	104,448
Lisbon Village	<u>80,000</u>	100.00	<u>80,000</u>
Total Overlapping	<u>2,136,071</u>		<u>184,448</u>
 Total	 <u><u>\$4,551,071</u></u>		 <u><u>\$2,599,448</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 2001 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)
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
1993	25,000	111,956	136,956	4,055,041	3.38

Source: School District Financial Records.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Demographic Statistics
Last Ten Years

Year	Columbiana County Population	Lisbon EVSD Area Population	School Enrollment	Unemployment Rate (1)
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
1993	108,276	3,447	1,282	9.4
1992	108,276	3,447	1,276	6.9

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
2002	\$61,077,260	\$6,986,725
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
1993	37,134,310	646,011

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, 2001

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Vista Center	\$1,169,150	1.92%
Lincole Estates, Inc.	448,550	0.73
Roseland Commons Ltd.	407,660	0.67
Roseland Ltd. Partnership	373,940	0.61
Rose Family Limited	335,830	0.55
James E. Pastore	275,320	0.45
Mikouis Enterprises	257,230	0.42
Hillyer IGA	243,640	0.40
Orion Development	233,370	0.38
Dickey Sylvester Land	<u>230,300</u>	<u>0.38</u>
Total	<u><u>\$3,974,990</u></u>	<u><u>6.51%</u></u>
Total Real Estate Valuation	<u><u>\$61,077,260</u></u>	

Source: Columbiana County Auditor.

(1) Assessed values are for the 2002 collection year.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Principal Taxpayers
Tangible Personal Property Tax
December 31, 2001

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Columbus-McKinnon Corporation	\$609,360	11.35%
Ohio Pet Foods, Inc.	311,680	5.81
D. W. Dickey & Son Inc.	271,930	5.07
Lisbon Chevrolet Buick	253,610	4.73
Buckeye Publishing	230,570	4.30
Lane Drug Company	197,820	3.69
Albco Foundry, Inc.	187,690	3.50
Village Plaza Sparkle	176,210	3.28
TWFanch One Co.	167,480	3.12
Atlas Gas Products, Inc.	159,640	2.98
Total	<u>\$2,565,990</u>	<u>47.83%</u>
Total Tangible Assessed Valuation	<u><u>\$5,365,230</u></u>	

Source: Columbiana County Auditor.

(1) Assessed values are for the 2002 collection year.

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT

Principal Taxpayers

Public Utilities Tax

December 31, 2001

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Ohio Edison Co.	\$3,027,250	55.35%
Ohio Bell Telephone	730,280	13.35
American Transmission	657,690	12.03
Columbia Gas Transmission	354,620	6.48
Tennessee Gas Pipeline	289,170	5.29
Columbia Gas of Ohio	281,890	5.15
Total	<u>\$5,340,900</u>	<u>97.65%</u>
Total Public Utility Assessed Value	<u>\$5,468,980</u>	

Source: Columbiana County Auditor.

(1) Assessed values are for the 2002 collection year.

LISBON EXEMPTED VILLAGE SCHOOLS
Per Pupil Cost
Last Ten Fiscal Years

Year	General Fund Expenditures	Average Daily Student Enrollment	Per Pupil Cost
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
1993	4,055,041	1,282	3,163

Source: School District Financial Records

LISBON EXEMPTED VILLAGE SCHOOL DISTRICT
Teacher Education and Experience
 June 30, 2002

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	9	9.33%
Bachelor + 15	20	32.00
Master's Degree	10	16.00
Master's Degree +15	<u>35</u>	<u>42.67</u>
Total	<u><u>74</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	16	20.00%
6 - 10	4	4.00
11 and Over	<u>54</u>	<u>76.00</u>
Total	<u><u>74</u></u>	<u><u>100.00%</u></u>

Source: School District Personnel Records.



STATE OF OHIO
OFFICE OF THE AUDITOR

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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 9, 2003**