

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999**

Federal Program	CFDA #	Pass-through Agency Awarding Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
UNITED STATES DEPARTMENT OF AGRICULTURE						
<i>Passed through the Ohio Department of Education</i>						
<u>Nutrition Cluster:</u>						
Food Distribution	10.550	n/a		\$112,240		\$112,700
National School Breakfast	10.553	05-PU 98	\$23,983		\$23,983	
		05-PU 99	119,655		119,655	
Total National School Breakfast			143,638		143,638	
National School Lunch	10.555	03-PU 98	14,942		14,942	
		03-PU 99	69,289		69,289	
		04-PU 98	93,184		93,184	
		04-PU 99	442,351		442,351	
Total National School Lunch			619,766		619,766	
Total Department of Agriculture- Nutrition Cluster			763,404	112,240	763,404	112,700
UNITED STATES DEPARTMENT OF LABOR						
School to Work	17.249	WK-BE 99	105,004		117,232	
UNITED STATES DEPARTMENT OF EDUCATION						
<i>Direct Program</i>						
Adult Education Pell Grant	84.063	n/a	24,694		24,694	
<i>Passed through the Ohio Department of Education</i>						
<u>Special Education Cluster:</u>						
Special Education - Grants to States	84.027	6B-SF 97 P	(129)		52,658	
		6B-SF 98 P	224,460		188,701	
Total Special Education - Grants to States			224,331		241,359	
Special Education - Preschool Grant	84.173	PG-S1 97 P	2,797		10,145	
		PG-S1 98 P	35,135		30,423	
Total Preschool Grant			37,932		40,568	
Total Special Education Cluster			262,263		281,927	
Adult Basic Education	84.002	AB-S1 98			13,300	
		AB-S1 98 C			7,940	
		AB-S1 99	46,123		55,742	
Total Adult Basic Education			46,123		76,982	
Title I Grants to Local Educational Agencies	84.010	C1-S1 98	15,000		213,724	
		C1-SD 98	(457)		2,221	
		C1-S1 98 C	74,841		76,909	
		C1-S1 99	779,092		595,603	
		C1-SD 99	20,421		19,529	
Total Title I Grants to Local Educational Agencies			888,897		907,986	

(Continued)

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1999
(Continued)**

Federal Program	CFDA #	Pass-through Agency Awarding Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
Vocational Education - Basic Grants to States	84.048	20-A4 97	2,951		610	
		20-A4 99	43,053		47,609	
		20-C1 98	10,546		22,310	
		20-C1 99	82,885		56,675	
		20-C2 98	3,658		4,623	
		20-C2 99	38,170		32,346	
Total Vocational Education Basic Grants to States			181,263		164,173	
Safe and Drug Free Schools and Communities - State Grants	84.186	DR-S1 97 C			1,431	
		DR-S1 98			14,660	
		DR-S1 98 C			1,477	
		DR-S1- 99	57,138		52,942	
Total Safe and Drug Free Schools and Communities - State Grants			57,138		70,510	
Goals 2000 - State and Local Education Systemic Improvement	84.276	G2-S1 97 P	(1,034)		14,705	
		G2-S1 98 P	69,300		2,695	
Total Goals 2000 - State and Local Education Systemic Improvement			68,266		17,400	
Eisenhower Professional Development State Grant	84.281	MS-S1 97 P	(35)		15,993	
		MS-S1- 98 C			4,635	
		MS-S1 99	24,662		8,222	
Total Eisenhower Professional Development State Grant			24,627		28,850	
Innovative Education Program Strategies	84.298	C2-S1 98	(766)		1,655	
		C2-S1 99	27,812		25,431	
Total Innovative Education Program Strategies			27,046		27,086	
Technical Literacy Challenge	84.318	TF-S1 97 P			14,726	
		TF-S1 98 P	162,500		100,000	
Total Technical Literacy Challenge			162,500		114,726	
Total Department of Education			1,742,817		1,714,334	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE						
<i>Passed through the Ohio Department of Education:</i>						
Learn and Serve America	94.004	SV-S4 98	(56)		143	
		SV-S2 99	3,000		2,567	
Total Learn and Serve America			2,944		2,710	
LIBRARY SERVICES AND TECHNOLOGY ACT						
<i>Passed through the State Library of Ohio:</i>						
Automation Project LSTA	45.310	I-U-9897	(158)		15,000	
Total Federal Financial Assistance			<u>\$2,614,011</u>	<u>\$112,240</u>	<u>\$2,612,680</u>	<u>\$112,700</u>

The notes to the Schedule of Federal Awards Expenditures are an integral part of this schedule.

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 1999**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - FOOD DISTRIBUTION

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

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

NOTE D - ENVIRONMENTAL PROTECTION AGENCY GRANT

The District received a no interest loan in 1988 from the U.S. Environmental Protection Agency under the Asbestos Removal Grant Program (CFDA 66.702). As of June 30, 1999, the District owed \$522,477 on this loan. There are no continuing compliance requirements associated with this loan.

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JIM PETRO, AUDITOR OF STATE

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

Sandusky City School District
Erie County
407 Decatur Street
Sandusky, Ohio 44870-2483

To the Board of Education:

We have audited the financial statements of the Sandusky City School District, Erie County, Ohio, (the District) as of and for the year ended June 30, 1999, and have issued our report thereon dated December 22, 1999. We conducted our audit in accordance with generally accepted auditing standards 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 1999-10522-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 22, 1999.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 22, 1999.

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

Jim Petro
Auditor of State

December 22, 1999



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

Sandusky City School District
Erie County
407 Decatur Street
Sandusky, Ohio 44870-2483

To the Board of Education:

Compliance

We have audited the compliance of Sandusky City School District, Erie County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 1999. 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 generally accepted auditing standards; 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, 1999.

Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 22, 1999.

Schedule of Federal Awards Expenditures

We have audited the general-purpose financial statements of the District as of and for the year ended June 30, 1999, and have issued our report thereon dated December 22, 1999. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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

Jim Petro
Auditor of State

December 22, 1999

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 1999

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 noncompliance at the financial statement level (GAGAS)?	Yes
(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):	<u>Nutrition Cluster</u> Food Distribution Program CFDA #10.550 School Breakfast Program CFDA #10.553 National School Lunch Program CFDA #10.555
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

FINDING NUMBER 1999-10522-001

Noncompliance Citation

Ohio Revised Code § 3319.36(A) states no treasurer of a board of education or educational service center shall draw a check for the payment of a teacher for services until the teacher files with the treasurer such reports as are required by the state board of education, the school district board of education, or the superintendent of schools and a legal educator license or internship certificate or true copy of it, to teach the subjects or grades taught, with the dates of its validity. Ohio Revised Code § 3319.36(C)(2) permits payments to any teacher for services rendered during the first two months of the teacher's initial employment with the school district provided such teacher is the holder of a bachelor's degree or higher and has filed with the state board of education an application for the issuance of a provisional or professional educator license; or any substitute teacher for services rendered while conditionally employed under § 3319.101.

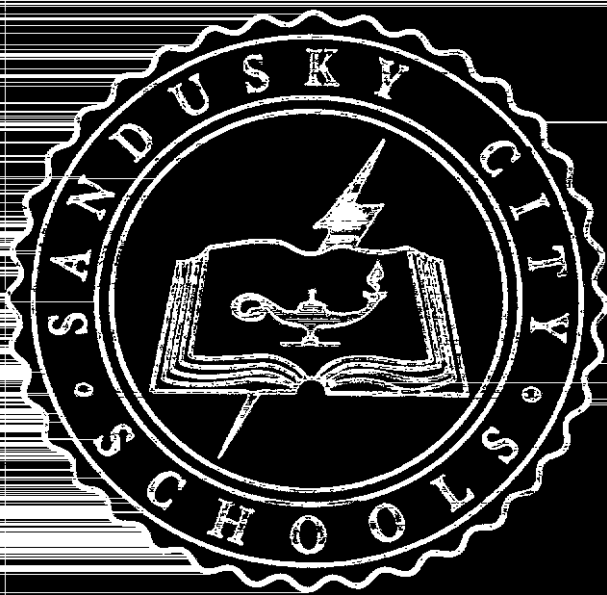
It was noted that a certificated employee of the District was compensated \$9,461.25 for services rendered during fiscal year 1999 as a substitute teacher for the District. The employee did not possess a valid teachers certificate as required by the above section, nor had the employee received a bachelor's degree or higher or filed for a provisional or professional educator license from the state board of education. The District continued to make payments beyond the first two months of the employee's initial employment without obtaining evidence the employee held a legal educator license or internship certificate.

We recommend that the District require sealed transcripts from all newly hired certificated employees in order to verify the degree held by the employee. The District should also implement follow up procedures to determine whether conditionally employed individuals have received a legal educator license or internship certificate within sixty days of initial employment.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**
For the Fiscal Year Ended June 30, 1999



Sandusky City School District
Sandusky, Ohio



**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

OF THE

SANDUSKY

CITY SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 1999

**PREPARED BY
TREASURER'S DEPARTMENT
TROY BOUTS, TREASURER**

407 DECATUR STREET

SANDUSKY, OHIO 44870

**INTRODUCTORY
SECTION**

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF JUNE 30, 1999**

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SANDUSKY CITY SCHOOLS

407 DECATUR STREET
SANDUSKY, OHIO 44870
(419) 626-6940

December 22, 1999

TO THE CITIZENS OF THE SANDUSKY CITY SCHOOL DISTRICT:

The Comprehensive Annual Financial Report (CAFR) of the Sandusky City School District (the "District") for the fiscal Year ended June 30, 1999 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to generally accepted accounting principles (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the school district's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

THE DISTRICT

General Introduction

The District is located in Erie County, in Northwest Ohio, approximately sixty miles west of Cleveland and sixty miles east of Toledo. All of the District is located within Erie County and falls entirely within the corporate boundaries of the City of Sandusky, which lies on the shores of Sandusky Bay and Lake Erie.

The District is served by diversified transportation facilities including immediate access to four State highways and Interstate 80 (Ohio Turnpike). The District is served by Conrail, Norfolk and Southern, and Amtrak Rail Services. Griffing Airport (Commuter Services) is located within the district.

Major commercial banks with offices within the District include National City Bank, Firststar Bank, Key Bank, and The Citizens Banking Company.

Two daily newspapers serve the District. The District falls within the broadcast area of seven television stations and numerous AM/FM radio stations. One television station is located within the city limits as are two AM/FM radio stations. The District has a cable television license and broadcasts school information on cable Channel 27.

Within commuting distance of the District are numerous public and private two and four-year colleges and universities including Firelands College, Ashland University, Cleveland State University, Toledo University, Bowling Green State University, and Lorain Community College. Ashland University and Bowling Green State University utilize District facilities and staff for course offerings to District staff members and other interested residents and students.

The District is served with a wide range of recreational offerings through school and City recreation and park programs. One of the things that makes the District an attractive place to live is its unique location. It is located on both Sandusky Bay and Lake Erie with over twenty-two (22) miles of shoreline within the city limits. The close association with the water and the inherent access to boating, sailing, fishing, and swimming, etc. give this District an atmosphere of a coastal city. Lake freighters, ferry boats, commercial fishing boats and pleasure boats are commonplace. The lake and bay along with Cedar Point Amusement Park, many fine golf courses, restaurants, motels, shops, and business enterprises have resulted in a booming tourist trade and have given the District's area the reputation of being one of the premier places in the country to live. The District offers the advantages of a small town, a reasonable cost of living, and excellent medical facilities (including Providence Hospital and Firelands Hospital in Sandusky).

Reporting Entity

The District has reviewed its reporting entity definition to ensure 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. A complete discussion of the District's reporting entity is provided in Note 2 to the general purpose financial statement.

Overlapping Governmental Entities

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

1. A portion (27.48%) of Erie County (functions allocated to counties by Ohio law, such as elections, health and human services, and judicial).
2. The City of Sandusky (100%) (municipal corporation responsibilities).

Each of these entities operates independently, with its own separate budget, taxing power, and sources of revenue. Both Erie County and the City of Sandusky levy ad valorem property taxes within the ten-mill limitation (subject to available statutory allocation of the 10 mills). The District also acts as fiscal agent for local tax revenues distributed to the Sandusky Library, located within the District's boundaries, with this revenue reported in the agency funds.

The District is an active member of the Enterprise Zone Negotiating Committee, along with the City of Sandusky and Erie County. The Enterprise Zone offers tax abatements for real and personal property improvements and additions to businesses located within the city. A number of local companies have been granted partial tax abatements on additions made during the last several years. The City of Sandusky and the District have also benefited from these expansions through additional tax revenues from the unabated portion of valuation increases on the property and from improved economic conditions resulting from growth in employment of city residents. The previously negotiated partial abatements have brought the City of Sandusky more than \$25 million of industrial growth.

General Information

The District ranks as 80th largest by total enrollment among the 611 school districts in the State and is the largest in Erie County. As of the current school year (1998-99), the average daily membership (ADM) was 4,674 students. Most of these students attend one of the District's thirteen schools, while a number of handicapped students are served by Erie County special

education units outside the District. District enrollment is expected to remain at the current level over the next several years.

The District has 580 full and part time employees. The 383 certificated staff members include 26 administrators. Additionally, the District employs 189 full-time and part-time non-teaching staff members and 8 non-certificated administrators.

The District offers a wide variety of educational programs for all segments of the community. Sandusky High School is one of the few comprehensive high schools in Ohio, containing eighteen (18) vocational programs as well as a wide range of college preparatory offerings. Additionally, the adult continuing education program serves more than 5,000 adults each year. The District provides extensive special education services, which exceeds 47 units of special education, and offers a kindergarten through twelfth grade accelerated and gifted program. All District kindergarten students attend all-day, everyday kindergarten classes, and benefit from a full day of instruction.

A full range of extracurricular programs and activities is available to students beginning with the elementary grades. All District schools have libraries, special purpose rooms, including computer labs and unique curricular offerings designed by the individual building staff and administration.

An active Council of local neighborhood Parent Councils provides for articulation, cooperation, and communication and partnership between parents, community members, and school officials.

The District cooperates with the City of Sandusky Recreation and Parks Department, churches and a number of community and civic organizations in making school facilities available for athletic, recreational and enrichment activities.

Classroom teachers at all levels are supported by specialists in media, guidance, art, instrumental and vocal music, physical education and curriculum development. A comprehensive interscholastic and intramural sports program is offered to students at select grade levels of the District. All elementary schools have full-time media aides and secondary schools are staffed by certified media specialists. Three school nurses, two psychologists, one media coordinator, nine counselors, specific coordinators for Title 1 (a federally funded reading and mathematics program), and gifted programs offer direction, support and coordination of services for all students.

Employees

A statewide public employee bargaining law applies generally to public employee relations and collective bargaining. The starting salary (1998-99 school year) for a teacher with a bachelor's degree is \$24,653, and the maximum salary for a teacher with a master's degree plus 24 graduate hours and 23 years of experience is \$51,771.

The District's certificated staff, excluding administration, are members of the Sandusky Education Association (S.E.A.), a labor organization affiliated with the Ohio Education Association. The present contract between the Board of Education and the S.E.A. expires August 31, 2001.

All of the District's support staff employees, including secretarial, custodial, maintenance, transportation, and aides, are represented for bargaining purposes by the Sandusky Non-Teaching Employees Association (S.N.T.E.A.), a labor organization affiliated with the Ohio Education Association. The current S.N.T.E.A. contract expires June 30, 2001.

The District has never experienced any work stoppage or job actions. In the judgment of the Board and administration, labor relations with all of its employees are excellent.

Facilities

The District's classroom and other facilities are as follows:

<u>Facility</u>	<u>Dates of Construction and Addition and/or Major Improvement</u>	<u>Number of Classrooms</u>	<u>Capacity (a)</u>	<u>ADM as of June 1999 (b)</u>	<u>Estimated Value (c)</u>
Elementary Schools					
Campbell	1884/1991	10	250	236	\$ 3,227,000
Hancock	1923/'28/'31/'49/'66	21	525	353	3,360,000
Madison	1939/1991	10	250	283	2,626,000
Mills	1954/1991	19	475	350	3,556,000
Monroe	1894/1903/1991	13	325	217	4,041,000
Ontario	1952/1968	20	500	367	4,016,000
Osborne	1890/1991	15	375	312	4,369,000
Venice Hts.	1970	22	550	368	3,951,000
Junior High Schools					
Adams	1867/1914/1977	20	500	332	9,742,000
Jackson	1898/1927/1937	20	500	341	7,637,000
High Schools					
Sandusky High	1957/'67/'70/'73	90	2,250	1,317	28,501,000
Alternative Schools					
Barker	1874	7	175	38	1,617,000
Barker Annex	1924	4	100	N/A	717,000
Non-Classroom Facilities					
Administration	1926	N/A	N/A	N/A	2,989,000
Bus Garage	Unknown	N/A	N/A	N/A	405,000
Stadium	1935	N/A	N/A	N/A	2,291,000
Bonn Bldg.	Unknown	N/A	N/A	N/A	159,000
TOTAL		271	6,775	4,514	\$ 83,204,000

N/A - "Not applicable"

(a) Capacity of these buildings is based on an average pupil/teacher ratio of 25 to 1.

(b) Figures shown do not include students with special needs placed outside the District.

(c) District property is exempt from ad valorem taxation. Source of the estimated value is the "sound insurable value" of each building or structure and the contents.

Parochial Schools

The District acts as fiscal agent for state funds distributed to parochial schools, with revenue reported in special revenue funds. The following four (4) parochial schools, located within the District, serve students who reside both inside and outside the District. As of June, 1999, approximately 65% of the students reside within the District.

<u>Parochial School</u>	1998-99 Enrollment		
	District	Outside	Total
St. Mary's Elementary	266	144	410
Sts. Peter & Paul Elementary	186	91	277
Holy Angels Elementary	108	28	136
St. Mary's Central Catholic High School	<u>145</u>	<u>118</u>	<u>263</u>
	<u>705</u>	<u>381</u>	<u>1,086</u>

Economic Conditions and Outlook

Based on current projections, the growth trend in the district's tax valuation is expected to continue at 2% to 3% per year through the year 2000. The Erie County Auditor's triennial update of real property valuation in 1997 reported a 15% increase in the City of Sandusky's residential property values. Although this growth has had a positive effect on the District's tax base, the full tax revenue impact has not been realized due to H.B. 920. This state law, enacted in 1976, does not allow for revenue increases caused by inflationary growth of real property values. Increases in valuation prompt corresponding annual reductions in the "effective millage", the tax rates applied to real property. Thus, although District tax valuation continues to grow, this built-in revenue limitation requires the District to request additional school operating revenue by placing a levy on the ballot periodically (every three to four years, on average).

Voters approved an additional 4.9 mill school operating levy in March, 1996. This levy, which generates approximately \$1.8 million per year for a continuing period of time, is expected to provide adequate revenue for general fund operating expenses through the year 2000, with no other tax revenue increases being necessary.

In a decision rendered on March 24, 1997, the Ohio Supreme Court found certain elements of the Ohio school funding system to be unconstitutional. Although the Ohio Legislature was given one year to remedy the funding system, the issue has not yet been resolved. See Note 16.C. to the general purpose financial statements for further detail on the state school funding decision.

Major Initiatives

For the Year

The District implemented several significant programs during the past year to meet student and community needs.

Curriculum and Instruction improvements include a thorough review of curriculum throughout the District. Four (4) courses of study (K-12) have been written in less than a year, and have been adopted by the Board of Education. These courses of study are in the subject areas of science, mathematics, language arts, and social studies.

Four Block Reading Program (FBRP) is now being piloted in three elementary buildings in grades K-3. The FBRP is a program that allows us to reach all students by teaching the following four methods of learning to read every day: (1) guided reading block, (2) self-selected reading block, (3) writing block, and (4) word block (phonics/spelling block). Research has shown that when the FBRP is used over a number of years, the percentage of students in a class who are reading at or above grade level increases dramatically.

After School Reading Program is now being planned for all elementary schools to help more students improve reading skills and pass proficiency tests. Fourth grade students must pass the reading proficiency test or be retained in the fourth grade beginning in two years, with this year's

second graders. Based on last year's reading test results using the year 2000 standards, 65% of the fourth graders would need to be retained (repeat fourth grade). Staff training in new reading instruction methods are already in progress.

Reading Tutor Services are being provided by Certificated teachers. More tutors can meet the needs of more students. The program is being funded through Federal grants. The after-school reading improvement program, which operates from 2:30 PM to about 4:00 PM, includes alternative activities, snacks and buses will be provided for students who can not walk home. With so many students needing more reading instructional support, we must act now to find ways to reduce the high number of students who are failing reading at the elementary level and will be retained in the fourth grade.

Math Instructional Improvement Programs have been secured with grant funds to support our teachers as they learn to help more students succeed. The District has received approval to participate in a special math grant coordinated by the University of Toledo. The program is designed to help improve elementary math instruction in pilot schools and to test the new methods. If successful, more teachers and students will benefit.

Instructional Aides in Grades K-1 and lower class sizes in Grades K-3 and in Jr. High among changes this year. Lowering the class size involved hiring additional teachers in grades K-3 and changing schedules at the eighth grade to lower class sizes. This year, instructional aides were employed to serve grades Kindergarten and first grade in order to lower the student to staff ratio toward 15 to 1.

FM Sound Field Amplification Units Were Installed in all K-3 Classrooms to help all children hear their teacher and improve language development. Research indicates that the amplified voice of a teacher will produce improved student achievement results. Amplifying the K-3 classrooms has cost approximately \$82,000 and will serve students for many years. Plans call for additional grade levels to be amplified in the elementary schools over the next two years.

All Day / Every Day Kindergarten Is Making A Difference, based on teacher reports. This year we followed through on plans made last spring to provide all kindergarten students with all day, every day kindergarten instruction. The teachers indicate that they now know their students much better than under the half day program and students are adapting very well to the extended time provided to help them learn more.

This important change in the District will help more students become better prepared for the first several years of elementary school. We must now hold even higher expectations in the early grades so that more students can be prepared to pass the fourth grade proficiency test.

Alternative School Programs Explored by the Superintendent's Community Advisory Committee (CAC). In a continuing effort to reduce the high drop out rate and high truancy rate at the high school level, the CAC decided at their October, 1998 meeting to study alternative educational options that are feasible and within our limited resources. The District began an alternative education program for students who are under court monitoring last spring and we continue to learn how to improve that program which is designed to reduce expulsions for nonviolent discipline infractions. More alternative programs are needed as we attempt to help students stay in school and learn to accept help from our teachers.

DISTRICT STUDENT PERFORMANCE GOALS FOR CONTINUOUS IMPROVEMENT

Summary Action Plan Progress
August 1, 1997 through June 30, 1999

Goal #1 -- *To Improve the District's Student Performance on Achievement and Proficiency*

- Data analysis of student performance indicators
- Student performance improvement plans developed monthly for each building
- Reading, Math, Social Studies, and Science staff development programs
- Staff development programs for teachers and administrators to help students learn
- Grades 1-12 Achievement Testing program to provide data on each student
- Employment of Director of Curriculum and Instruction to help improve results
- Expanded Sandusky High School's Summer School program
- Expanded course offerings in Sandusky High School's Summer School Program
- Installed FM Amplification Units in grades K-3 classrooms (grades 4-6 this fall)
- Reduced class size in all kindergarten through third grade classrooms
- Implemented all day, every day kindergarten for all kindergartners
- Employed instructional aides for all grade K-1 classrooms, to add grades 2/3 in fall
- Conducted inservice training for instructional aides to assist student learning
- Revised and expanded Gifted Education programs for 1999-2000 to improve achievement, and better serve identified gifted students and provide enrichment activities for all students
- Implemented Four Block literacy program in three pilot schools, K-3, with full implementation for all elementary grades planned in 1999-2000
- Staff training with Mr. Ako Kambon, identifying strategies to more effectively teach all students and to become more successful and involve more parents in the process
- Awarded a school improvement program grants totaling \$139,000 to assist with school improvement and staff development
- Implemented Distance Learning and a Technology Lab at Sandusky High School with a grant from Parker-Frost Foundation
- Expanded Tech-Prep program at Sandusky High School
- Completed SchoolNet and SchoolNet Plus projects in all K-4 classrooms, wired buildings for internet connection and added computers in all schools
- Increased special education services to meet additional needs of students
- Early Release Days held each year to improve teacher and administrator skills to help improve student achievement results and continuously improve programs
- Implemented Title 1 schoolwide program improvements including emphasis on reading and development of an after school tutor program
- Development of a three week summer school that will be geared for students who are reading below grade level in grades 3,4 and 6 scheduled for July-August 1999
- Development of four courses of study (updated curriculum) for Language Arts, Science, Social studies and Math scheduled for completion summer 1999
- Development underway of a Continuous Improvement Plan (CIP) to guide systemic change and improve student performance, the District's accountability for results and the District's performance rating from the Ohio Department of Education

Goal #2 -- *To Improve the District's Student Attendance Rate, Program Completion Rate, and Dropout Rate*

- Administrative review of District data and policies/procedures that needed to be changed to improve student attendance, reduce the dropout rate and improve the graduation and program completion rate
- Plan developed for a comprehensive program designed to improve student attendance and reduce the dropout rate which will ultimately improve student performance
- Policies and procedures developed to revoke/deny driver's licenses and work permits for excessive unexcused absences with the intention of improving student attendance rates, decrease drop-out rate, and improve contact time with instruction
- A school/court initiative implemented to expedite informal hearings/court referrals addresses student attendance/behavior issues
- Saturday school for students grades 6-12 to provide alternative to suspension for non-violent infractions and improve student performance
- In-school suspension room program implemented in 7th & 8th grades
- Reduced the number of expulsions for non-violent infractions in grades 6-12
- Categorized students as "credit deficient" so they are able to remain with their proper age ranges class at Sandusky High School
- Amended district-wide attendance policy to reflect increased parental notice of students absences after 5, 7 and 12 days with medical documentation required for all absences after a total of 7 school days in a year and court referral after 12 days
- Computerized transportation routing system implemented for greater efficiency
- Purchased 3 additional school buses to expand fleet total to 23. Additionally, 4 more buses were ordered
- Implemented alternative evening school for high school students under Juvenile Court system and at risk of expulsion for non-violent infractions who are under house arrest during the day and may earn their way back to the day school program upon success
- Alternative Education Program for Students with Discipline Challenges under development for Sandusky High School for 1999-2000 school year

Goal #3 -- *To Promote the District's Parental and Community Support to Achieve Higher Levels of Academic Performance*

- Parents and community informed of District Student Performance Goals for Continuous Improvement (on-going process)
- Parent/Teacher Conferences initiated for grades 7-12 for fall and spring
- District newsletter, The Compass, published periodically since December, 1997 to assist with community understanding and communication to promote increased academic performance expectations at school and at home
- Students receive proficiency folders with test expectations, learner outcomes to be covered on the test, and test taking tips for greater success on the tests
- Collaboration with Sandusky Register to provide articles for publication for weekly feature called, MAKING THE GRADE. The column contains area school district contributions designed to assist parents and community with suggestions in the areas of academics, activities, and attitudes that impact education and student success
- Distribution of test results to parents

Goal #4 -- To Promote the District's Parental and Community Support to Develop Students into Responsible Citizens

- Research conducted to review potential programs that may be developed and or redesigned to benefit District students and involve the entire school and community in activity to promote the development of students into responsible citizens who can demonstrate the character traits and career skills that promote success at school, in the community, and in the workplace
- Awarded a School To Work Grant of \$120,000 from Ohio Department of Education for the implementation of CHARACTER, CAREER COUNTS! program in grades K-12
- Increased recognition of student achievements
- A School To Work character development and career building skills program involving Cedar Point as the sponsoring business partner identified and trained community members in the CHARACTER/CAREER COUNTS! program to enable them to present information to involve community businesses, social and governmental agencies, faith community, and parents
- Instituted a summer "Job Fair" with local businesses for our grades 8-12 students
- Implemented an Externship Program for teachers/administrators to work for local businesses and learn what students need for the work place
- Established higher district-wide G.P.A. standards for all athletes

For the Future

Additional Instructional Aides and lower class sizes in Grades K-3 and in Jr. High are among changes implemented in the 1999-00 school year. Lowering the class size involved hiring additional teachers in grades K-3 and changing schedules at the eighth grade to lower class sizes. The instructional aides have been employed to serve grades Kindergarten through third grade this year to lower the student to staff ratio toward 15 to 1.

FM Sound Field Amplification Units will be installed in grade 4, 5, and 6 classrooms before the 1999-00 school year (as they were in K-3 classrooms this year) to help children hear their teacher and improve language development. Research indicates that the amplified voice of a teacher will produce improved student achievement results.

Continuous Improvement Plan will be developed to serve as a guide for the District over the next three years with the main purpose being to improve student achievement and ultimately improve the District's rating on the District report card. The Continuous Improvement Plan (CIP) includes a School Improvement Plan for each building in the District.

Curriculum and Instruction improvements will continue with the development of nine (9) additional courses of study in the 1999-00 school year.

Baldrige in Education Initiative is a partnership of 24 national education and business organizations working to help states, districts and communities accelerate and sustain continuous improvement in student achievement and system performance. The District is one of four pilot districts in Ohio that have been chosen to participate in this program. Criteria used for selecting the pilot districts include demographics, the district's commitment to the professional development of teachers, and commitment of the local Baldrige in Education Initiative (BiE IN) leadership team that includes teachers, administrators and school board members.

Financial Information

Management of the District is responsible for establishing and maintaining an internal control

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

Legal Compliance/Independent Audit

As a recipient of federal and state financial assistance, the District is responsible for an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District.

As a part of the District's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the school district has complied with applicable laws and regulations. The results of the District's independent audit for the fiscal year ended June 30, 1999 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

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

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The general fund revenues and other financing sources for the year exceeded expenditures and other financing uses by \$191,159, resulting in a fund balance of \$3,354,400 on June 30, 1999.

As with the financial section, all amounts presented in the remainder of this letter are expressed in round dollars.

General Government Functions. The following schedule presents a summary of the general fund revenues and other financing sources for the fiscal year ended June 30, 1999.

	1997-98	Percent	1998-99	Percent	Increase/ (Decrease)	Percent Increase/ (Decrease)
<u>Revenues/Other Fin. Sources</u>	<u>Amount</u>	<u>of Total</u>	<u>Amount</u>	<u>of Total</u>		
Taxes	\$ 15,739,786	54.9	\$ 14,709,239	51.9	\$ (1,030,547)	(6.5)
Tuition	22,975	0.1	33,921	0.1	10,946	47.6
Earning on investments	363,669	1.3	435,601	1.5	71,932	19.8
Other local revenues	531,830	1.8	276,142	1.0	(255,688)	(48.1)
Intergovernmental-State	12,013,693	41.9	12,793,788	45.1	780,095	6.5
Intergovernmental-Federal	4,842	0.0	104,243	0.4	99,401	2,052.9
Other financing sources	275	0.0	1,355	0.0	1,080	392.7
Total	<u>\$ 28,677,070</u>	<u>100.0</u>	<u>\$ 28,354,289</u>	<u>100.0</u>	<u>\$ (322,781)</u>	<u>(1.1)</u>

Tax revenues currently account for approximately 51.9% of total general fund revenues. The wide variance in fiscal 1999 tax revenues compared with the amount shown for fiscal 1998 is due to the fact that the amount of tax revenue reported by the county auditor in fiscal 1998 as "not paid but available for advance at June 30" was significantly higher than that reported for the previous year (which was the first year of collection on a new operating levy), thereby inflating the fiscal 1998 tax revenue figure. State statute requires advances available to be recognized as revenue, whether or not the advance is actually taken. Actual cash receipts for taxes increased from \$14,569,428 in 1998 to \$14,911,770 in 1999.

The largest component of state revenues is the Foundation Program. This program allocates state dollars to the 611 Ohio school districts based upon a basic aid formula calculation which takes into account factors such as: 1) local ability to pay for education (tax base); 2) enrollment; 3) a per pupil allocation (\$3,851 for fiscal 1999). During the past two years, increases in state funding have averaged more than 10%, with significant amounts being designated for specific purposes, including all-day, everyday kindergarten and reduction of class size.

The decrease in other local revenues from 1998 to 1999 is due primarily to a workers' compensation refund in the amount of \$176,753 that was reported in 1998. This refund was used to establish a budget stabilization reserve for the District. See Note 17 to the general purpose financial statements for further detail on statutory reserves.

General fund investment earnings totaled \$435,601 during fiscal 1999 (additional investment earnings of \$183,258 were credited to other funds; \$7,624 in special revenue funds, \$42,014 in expendable trust fund, \$40,296 in internal service funds, and \$93,324 in the nonexpendable trust fund). Management makes an effort to maximize earnings while maintaining safety in all investments.

The following schedule presents a summary of general fund expenditures and other financing uses for the fiscal year ended June 30, 1999.

Expenditures/Other Fin. Uses	1997-98		1998-99		Percent Increase/Decrease	
	Amount	Percent of Total	Amount	Percent of Total	(Decrease)	(Decrease)
Instruction	\$ 16,046,000	62.9	\$ 17,142,857	60.9	\$ 1,096,857	6.8
Pupil support	1,053,955	4.1	1,233,182	4.4	179,227	17.0
Instructional support	1,159,319	4.5	1,272,743	4.5	113,424	9.8
Administration	1,773,819	7.0	2,350,764	8.3	576,945	32.5
Fiscal	542,331	2.1	542,875	1.9	544	0.1
Business	208,783	0.8	234,341	0.8	25,558	12.2
Plant operation & maint.	3,116,272	12.2	3,416,041	12.2	299,769	9.6
Pupil transportation	1,070,937	4.2	1,106,213	4.0	35,276	3.3
Central/community svcs.	60,286	0.2	59,516	0.2	(770)	(1.3)
Extracurricular activities	497,899	2.0	520,326	1.8	22,427	4.5
Other financing uses	0	0.0	284,272	1.0	284,272	100.0
Total	\$ 25,529,601	100.0	\$ 28,163,130	100.0	\$ 2,633,529	10.3

The largest expenditure component in the general fund budget is the instructional/pupil support area. Seventy cents (70¢) of every dollar is spent on activities dealing directly with teaching pupils and support services to supplement the teaching process. Salaries of teachers, counselors, classroom aides, and textbooks and instructional materials are examples of expenditures in this functional area. The increase in instruction expenditures is primarily due to the implementation of all-day, everyday kindergarten and the hiring of additional staff to reduce the student to teacher ratio.

The administrative function includes activities concerned with establishing and administering policy in connection with the school district. Expenditures of the board of education, central office and school building administrators accounted for eight cents (8¢) of every dollar. The increase in administration expenditures is primarily due to the reclassification of certain salary and benefit expenditures to the general fund that were previously recorded in other District funds in 1998.

Fiscal and business services, which accounted for three cents (3¢) of every tax dollar, includes the functions of purchasing, accounts payable, payroll, budgeting and other activities normally associated with this area.

Plant operations and maintenance accounted for twelve cents (12¢) of every general fund dollar spent. In addition to the salary and benefit costs of the maintenance and custodial staff, large expenditures for utilities and repair/maintenance projects are incurred annually. As most major building repairs and maintenance projects are funded by a separate permanent improvement levy, which generates \$570,000 annually for this purpose, general fund expenditures for capital improvements are relatively low. The increase in plant operation and maintenance expenditures is primarily due to the relocation of the District's bus garage.

Pupil transportation is responsible for the daily transportation of 2,800 students and accounts for four cents (4¢) of every dollar.

Other costs include (a) central office and community services, (b) extracurricular activities (athletics, music and other student activities), and (c) other financing uses, each area accounting for three cents (3¢) of every dollar expended. During 1999, the district transferred \$282,500 from the general fund to the permanent improvement fund for purchasing property for a new bus garage.

Special Revenue Funds. The special revenue funds consist primarily of state and federal grant programs to the District. These include Title I, Title VI-B, Disadvantaged Pupil Impact Aid, and other state, federal, and private grants. In addition, "local" funds for athletics/music and fund raising student activities are included in this category. During fiscal 1999, all special revenue funds generated \$4,588,230 in revenue and other financing sources, while expenditures totaled \$4,300,855. The ending special revenue fund balance was \$549,484.

Debt Service Fund. The debt service fund accounts for the accumulation of resources for, and payment of, interest and principal on long-term debt reported in the District's general long-term obligations account group. During fiscal 1999, revenues totaled \$408,517 and expenditures totaled to \$417,012. Principal and interest payments during 1999 were \$261,468 and \$148,670, respectively. At June 30, 1999, the District had an outstanding principal amount of \$1,980,000 in general obligation bonds and \$522,478 in long-term notes. The debt service fund ending balance was \$368,802.

Capital Project Funds. The capital project funds are used to account for all transactions related to the acquiring, constructing or improving of capital assets. The capital project funds revenues totaled \$935,619 during the year. A total of \$1,414,880 was expended in fiscal 1999 for land purchases and building repairs and maintenance, including replacement windows, roof repairs, painting, resealing parking areas, replacement bleachers, etc. The capital projects funds received a \$282,500 transfer from the general fund for purchasing property for a new bus garage, and the capital projects funds received \$122,500 in proceeds from the sale of the old bus garage. The ending fund balance was \$378,949.

Enterprise Operations. The District's enterprise operations are comprised of Food Service and Adult Education programs.

Food Service derives revenue from state and federal subsidies in addition to the sale of lunches.

Adult Education serves more than 5,000 community members annually with a wide variety of evening courses.

During fiscal year 1999, the enterprise funds had operating revenues of \$1,160,774 and nonoperating revenues of \$1,531,332, with operating expenses of \$2,654,337 and nonoperating expenses of \$16,043 during the fiscal year.

Internal Service Funds. The internal service funds account for the financing of goods or services provided by one department of the District to other departments.

The two internal service funds operated by the District in 1999 were the Supplementary Education Center/Planetarium Fund and Health Benefits Self-Insurance Fund. During fiscal 1999, the internal service funds had operating revenues of \$3,016,039 and nonoperating revenues of \$63,670, with operating expenses of \$3,341,601. In addition, the Supplementary Education Center/Planetarium Fund had a \$5,000 operating transfer from the expendable trust fund.

Fiduciary Funds. The fiduciary funds account for assets held by the District in a trustee capacity, or as an agent, for individuals, other district organizations or other funds. The District maintains an expendable trust, a nonexpendable trust and agency funds. The nonexpendable trust fund had operating revenues of \$95,912, with operating expenses of \$71,942 during the fiscal year. Trust and agency fund assets total \$2,645,387.

Debt Administration. On June 30, 1999, the District had one bonded debt issues outstanding: a 1990 issue maturing in 2010. In addition, the District had other long-term debt in the form of a United States E.P.A. loan for asbestos removal. On June 30, 1999, the E.P.A. loan obligation amounted to \$522,477, with remaining payments scheduled through the year 2007. The District maintains an "A3" rating from Moody's Investors Service on general obligation bonds. Under current state statutes, the District's general obligation bonded debt issuances are subject to a legal limitation based on 9 percent of total assessed value of real and personal property. As of June 30, 1999, the District's net general obligation bonded debt of \$1,980,000 was well below the legal limit of \$36,566,198, resulting in a voted debt margin of \$34,955,000 (including debt service fund equity of \$368,802).

Cash Management. Cash temporarily idle during the year was invested in the State Treasury Asset Reserve of Ohio (STAR OHIO), demand deposits, certificates of deposit, obligations of the U.S. Treasury and repurchase agreements. The average yield on investments was 5.0 percent. The District earned interest revenue of \$618,859 on all investments for the fiscal year. The District's investment policy is to minimize credit and market risks, while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held by the financial institution's trust department in the District's name. As required under Ohio law, pooled securities have been pledged in an amount equal to 110% of the total deposits, to secure the repayment of all public monies deposited in a financial institution.

Risk Management. In 1991, the District joined the Ohio School Boards Association Group Rating Program for workers' compensation. As a result, District savings in workers' compensation rates exceed \$40,000 per year. In addition, various risk control techniques, including an employee wellness program and joining a preferred provider organization (PPO), have been implemented to help contain health care costs. The District has previously established a health benefits self-insurance fund as part of the overall risk management program.

OTHER INFORMATION

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Sandusky City Schools for its comprehensive annual financial report for the fiscal year ended June 30, 1998. This was the sixth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District has also received a Certificate of Excellence in Financial Reporting in School Districts from the Association of School Business Officials (ASBO) for the District's comprehensive annual financial report for the fiscal year ended June 30, 1998. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. The District has received a Certificate of Excellence in Financial Reporting in School Districts for the last five (5) consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

Independent Audit. State statutes require an annual audit by independent accountants. The Ohio Auditor of State's office conducted the audit. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

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

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

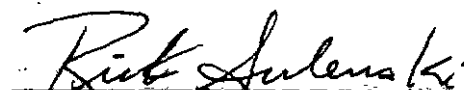
Use of this report by the various departments of the District is encouraged when furnishing information. Copies of this report are being placed in the public library for use by the general public.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated services of the Treasurer's office staff. In addition, we acknowledge the outstanding services of our data processing department in meeting the vast informational requirements. Our consultant, Trimble, Julian & Grube, Inc., provided us with expert technical assistance in all phases of preparing the report. The assistance of the Erie County Auditor's office in providing information is also appreciated. Finally, we wish to acknowledge the cooperation of the team from the Ohio Auditor of State's office, who conducted a thorough audit of our finances.

In closing, without the leadership and support of the Board of Education of the District, preparation of this report would not have been possible.

Sincerely,


A. Troy Bouts, Treasurer


Dr. L. Richard Sulewski, Superintendent

**SANDUSKY CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICERS
As of June 30, 1999**

Board of Education

Name	Began Service as a Board Member January 1	Present Term Expires December 31	Vocation in Private Life
Mrs. Michael A. Lenhart **	1991 (appointed 5/91)	2001	Homemaker
Mr. Clinton Bennett, Jr. *	1994	2001	Retired School Fireman
Mr. James W. Hart	1984	1999	Attorney
Mrs. Judith A. Corso	1984	1999	Businesswoman
Mrs. Faith A. Denslow	1999 (appointed 5/99)	1999	Homemaker

** President

* Vice President

Superintendent

Dr. L. Richard Sulewski

Treasurer

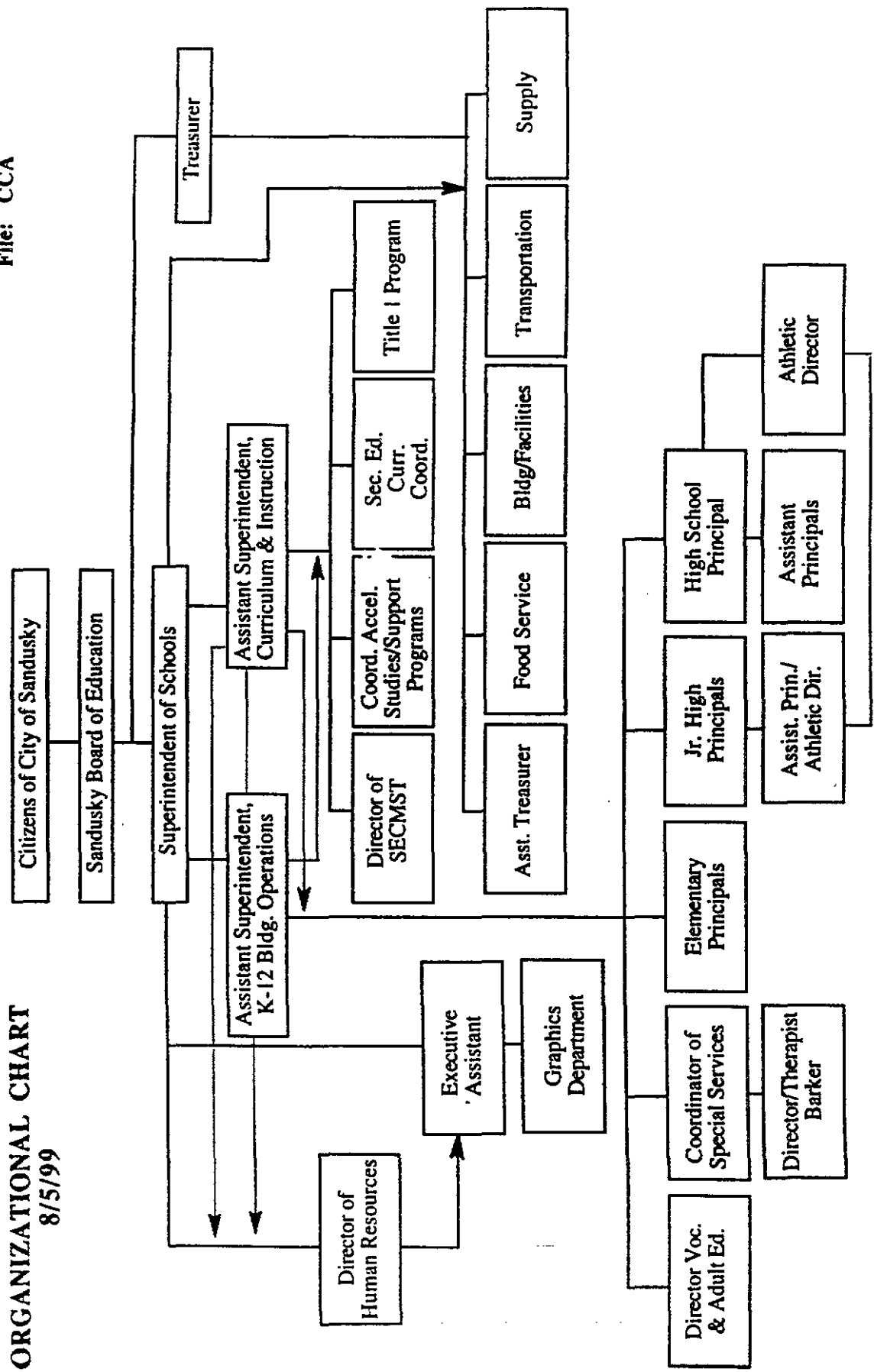
Mr. A. Troy Bouts

Central Office Administrative Staff

Mr. Michael Bailey	Coordinator, Secondary Ed. Curriculum
Ms. Janet Cramer	Director of Human Resources
Mrs. Cynthia Durdel	Ass't Supt., Curriculum & Instruction
Mr. Merlin Dershem	Supply Supervisor
Mr. John Kaszonyi	Ass't Supt., Operations
Ms. Patricia King	Administrative Assistant
Mr. Kevin Lutz	Director of Supplementary Education Center
Ms. Cece Mees	Assistant Treasurer
Mrs. Judy Monaghan	Coordinator of Accelerated Studies
Mr. Robert Morrow	Supervisor of Building Services
Ms. Bonnie Pigman	Coordinator of Special Services
Mr. Dan Shepherd	Transportation Supervisor
Mr. Curt Tyler	Director of Adult & Vocational Education
Mr. Gene Zess	Director of Food Services

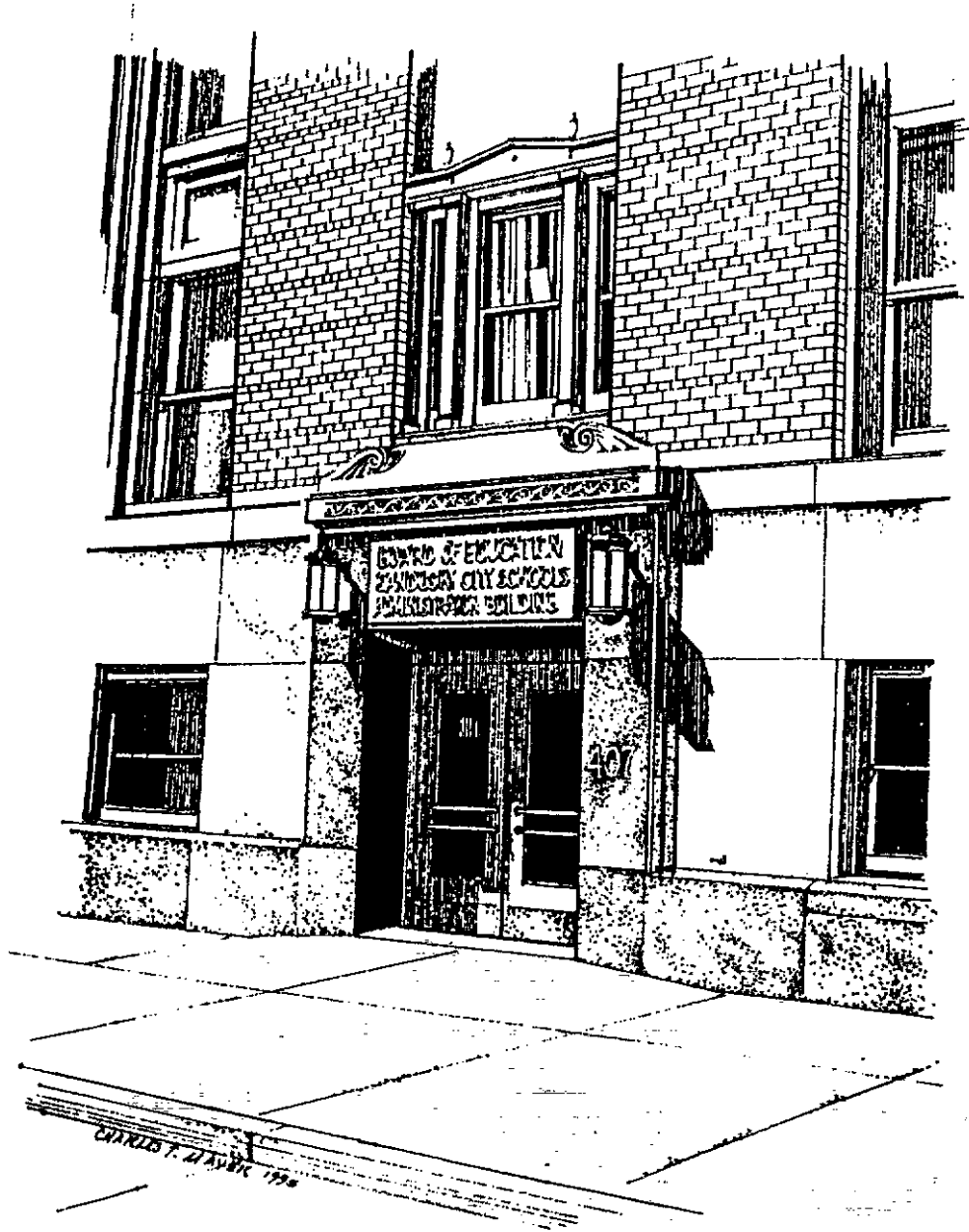
ORGANIZATIONAL CHART
8/5/99

File: CCA



Adopted: Jan. 1988, Amended July 1996, August 4, 1997, Nov. 24, 1997, August 21, 1998, Nov. 23, 1998, June 30, 1999, Aug. 5, 1999

Sandusky City School District, Sandusky, Ohio



Administration Building



Administration Building



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One Government Center
Room 1420
Toledo, Ohio 43604-2246
Telephone 419-245-2811
800-443-9276
Facsimile 419-245-2484
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Sandusky City School District
Erie County
407 Decatur Street
Sandusky, Ohio 44870-2483

To the Board of Education:

We have audited the accompanying general-purpose financial statements of the Sandusky City School District, Erie County, Ohio, (the District) as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 1999 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.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 1999

	General			Special Revenue		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
From local sources:						
Taxes.....	\$14,918,019	\$14,911,769	(\$6,250)	\$ --	\$ --	\$ --
Tuition.....	29,337	29,325	(12)	--	--	--
Earnings on investments.....	435,496	435,314	(182)	\$7,625	\$7,624	(\$1)
Other local revenues.....	287,812	287,691	(121)	260,571	260,692	121
Intergovernmental - State.....	12,799,149	12,793,788	(\$5,361)	2,346,167	2,346,078	(89)
Intergovernmental - Federal.....	109,131	109,085	(46)	1,714,647	1,853,242	138,595
Total revenues.....	28,578,944	28,566,972	(11,972)	4,329,010	4,467,636	138,626
Expenditures:						
Current:						
Instruction:						
Regular.....	12,425,748	11,991,297	434,451	1,635,765	1,635,765	0
Special.....	4,328,504	4,060,726	267,778	1,069,132	1,069,132	0
Vocational.....	1,459,516	1,376,004	83,512	123,517	123,517	0
Other.....	--	--	--	239,605	239,605	0
Support services:						
Pupil.....	1,270,342	1,228,089	42,253	117,311	117,311	0
Instructional staff.....	1,499,957	1,277,188	222,769	257,303	257,303	0
Board of Education.....	236,305	184,139	52,166	--	--	--
Administration.....	2,346,425	2,194,196	152,229	59,044	59,044	0
Fiscal.....	593,915	542,767	51,148	--	--	--
Business.....	250,242	232,484	17,758	--	--	--
Operations and maintenance.....	4,187,300	3,677,586	509,714	--	--	--
Pupil transportation.....	1,289,837	1,190,299	99,538	1,305	1,305	0
Central.....	61,850	55,078	6,772	193,302	196,012	(2,710)
Community services.....	5,770	4,389	1,381	93,826	93,826	0
Extracurricular activities.....	555,176	512,110	43,066	266,688	266,688	0
Intergovernmental pass through.....	--	--	--	570,550	570,550	--
Facilities acquisition and construction.....	--	--	--	--	--	--
Debt service:						
Principal retirement.....	--	--	--	--	--	--
Interest and fiscal charges.....	--	--	--	--	--	--
Total expenditures.....	30,510,887	28,526,352	1,984,535	4,627,348	4,630,058	(2,710)
Excess (deficiency) of revenues over (under) expenditures.....	(1,931,943)	40,620	1,972,563	(298,338)	(162,422)	135,916
Other financing sources (uses):						
Refund of prior year's expenditures.....	10,667	10,663	(4)	--	--	--
Refund of prior year's (receipts).....	--	--	--	(4,468)	(4,468)	0
Operating transfers in.....	--	--	--	62,950	63,232	282
Operating transfers (out).....	(300,000)	(284,272)	15,728	(61,460)	(61,460)	0
Advances in.....	309,033	308,904	(129)	88,040	96,748	8,708
Advances (out).....	0	(184,856)	(184,856)	0	(58,313)	(58,313)
Proceeds of sale of fixed assets.....	1,356	1,355	(1)	--	--	--
Total other financing sources (uses).....	21,056	(148,206)	(169,262)	85,062	35,739	(49,323)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses.....	(1,910,887)	(107,586)	1,803,301	(213,276)	(126,683)	86,593
Fund balances, July 1.....	3,549,913	3,549,913	0	657,359	657,359	0
Prior year encumbrances appropriated.....	315,172	315,172	0	256,745	256,745	0
Fund balances, June 30.....	\$1,954,198	\$3,757,499	\$1,803,301	\$700,828	\$787,421	\$86,593

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**GENERAL PURPOSE FINANCIAL
STATEMENTS**

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>ASSETS AND OTHER DEBITS</u>				
ASSETS:				
Equity in pooled cash and cash equivalents	\$4,249,395	\$1,236,944	\$321,948	\$419,812
Equity in pooled cash and cash equivalents - nonexpendable trust fund	--	--	--	--
Investments	--	--	--	--
Receivables (net of allowances of uncollectibles):				
Taxes - current & delinquent	15,897,966	--	400,680	635,677
Accounts	15,274	5,267	--	--
Accrued interest	469	--	--	--
Interfund loan receivable	184,856	--	--	--
Due from other governments	7,613	15,635	--	--
Prepayments	36,434	--	--	--
Materials and supplies inventory	293,590	--	--	--
Restricted assets:				
Equity in pooled cash and cash equivalents	386,402	--	--	--
Property, plant and equipment (net of accumulated depreciation where applicable)	--	--	--	--
OTHER DEBITS:				
Amount available in debt service fund	--	--	--	--
Amount to be provided for retirement of general long-term obligations	--	--	--	--
Total assets and other debits	<u>\$21,071,999</u>	<u>\$1,257,846</u>	<u>\$722,628</u>	<u>\$1,055,489</u>

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$135,514	\$747,351	\$721,923	\$ --	\$ --	\$7,832,887
--	--	1,378,186	--	--	1,378,186
--	--	287,535	--	--	287,535
--	--	256,331	--	--	17,190,654
52	233	471	--	--	21,297
--	--	333	--	--	802
--	--	--	--	--	184,856
19,362	--	--	--	--	42,610
817	192	--	--	--	37,443
23,256	--	--	--	--	316,846
--	--	--	--	--	386,402
330,632	25,810	608	\$22,854,535	--	23,211,585
--	--	--	--	\$368,802	368,802
--	--	--	--	4,285,827	4,285,827
<u>\$509,633</u>	<u>\$773,586</u>	<u>\$2,645,387</u>	<u>\$22,854,535</u>	<u>\$4,654,629</u>	<u>\$55,545,732</u>

--Continued

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)
JUNE 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
LIABILITIES, EQUITY AND OTHER CREDITS				
LIABILITIES:				
Accounts payable	\$312,623	\$56,636	\$ --	\$82,975
Accrued wages and benefits	2,840,048	485,366	--	--
Compensated absences payable	65,840	--	--	--
Pension obligation payable	425,784	63,434	--	--
Claims and judgements payable	--	--	--	--
Interfund loan payable	--	96,748	--	32,000
Deferred revenue	14,052,624	4,078	353,826	561,565
Future retirement obligation	--	--	--	--
Due to other governments	20,680	2,100	--	--
Due to students	--	--	--	--
General obligation bonds payable	--	--	--	--
Asbestos abatement loan payable	--	--	--	--
Total liabilities	17,717,599	708,362	353,826	676,540
EQUITY AND OTHER CREDITS:				
Investment in general fixed assets	--	--	--	--
Contributed capital	--	--	--	--
Retained earnings (accumulated deficit):				
unreserved	--	--	--	--
Fund balances:				
Reserved for encumbrances	684,802	393,839	--	207,569
Reserved for supplies inventory	293,590	--	--	--
Reserved for prepayments	36,434	--	--	--
Reserved for debt service	--	--	321,948	--
Reserved for tax revenue unavailable for appropriation	1,845,342	--	46,854	74,112
Reserved for principal endowment	--	--	--	--
Reserved for budget stabilization	386,402	--	--	--
Unreserved-undesignated	107,830	155,645	--	97,268
Total equity and other credits	3,354,400	549,484	368,802	378,949
Total liabilities, equity and other credits	\$21,071,999	\$1,257,846	\$722,628	\$1,055,489

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$14,574	\$700	\$1,240	\$ --	\$ --	\$468,748
168,292	7,873	--	--	--	3,501,579
4,472	2,144	--	--	51,601	124,057
64,571	--	--	--	215,385	769,174
--	309,834	--	--	--	309,834
55,708	400	--	--	--	184,856
8,899	--	--	--	--	14,980,992
120,202	5,563	--	--	1,885,166	2,010,931
--	--	258,061	--	--	280,841
--	--	64,658	--	--	64,658
--	--	--	--	1,980,000	1,980,000
--	--	--	--	522,477	522,477
<u>436,718</u>	<u>326,514</u>	<u>323,959</u>	<u>--</u>	<u>4,654,629</u>	<u>25,198,147</u>
--	--	--	\$22,854,535	--	22,854,535
191,064	--	--	--	--	191,064
(118,149)	447,072	--	--	--	328,923
--	--	100	--	--	1,286,310
--	--	--	--	--	293,590
--	--	--	--	--	36,434
--	--	--	--	--	321,948
--	--	--	--	--	1,966,308
--	--	1,075,845	--	--	1,075,845
--	--	--	--	--	386,402
--	--	1,245,483	--	--	-1,606,226
<u>72,915</u>	<u>447,072</u>	<u>2,321,428</u>	<u>22,854,535</u>	<u>--</u>	<u>30,347,585</u>
<u>\$509,633</u>	<u>\$773,586</u>	<u>\$2,645,387</u>	<u>\$22,854,535</u>	<u>\$4,654,629</u>	<u>\$55,545,732</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED JUNE 30, 1999

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
From local sources:						
Taxes	\$14,709,239	\$ --	\$361,650	\$542,945	\$ --	\$15,613,834
Tuition	33,921	--	--	--	--	33,921
Earnings on investments	435,601	7,624	--	--	42,014	485,239
Other local revenues	276,142	260,315	--	223,257	30,615	790,329
Intergovernmental - State	12,793,788	2,355,395	46,867	169,417	--	15,365,467
Intergovernmental - Federal	104,243	1,963,124	--	--	--	2,067,367
Total revenue	28,352,934	4,586,458	408,517	935,619	72,629	34,356,157
Expenditures:						
Current:						
Instruction:						
Regular	11,680,570	1,730,028	--	167,652	--	13,578,250
Special	4,125,855	914,498	--	--	--	5,040,353
Vocational	1,336,432	92,295	--	--	--	1,428,727
Other	--	220,641	--	--	--	220,641
Support services:						
Pupil	1,233,182	105,594	--	--	--	1,338,776
Instructional staff	1,272,743	234,455	--	--	--	1,507,198
Board of education	138,754	--	--	--	--	138,754
Administration	2,212,010	65,818	--	--	--	2,277,828
Fiscal	542,875	--	6,874	9,992	--	559,741
Business	234,341	--	--	--	20,889	255,230
Operations and maintenance	3,416,041	--	--	--	--	3,416,041
Pupil transportation	1,106,213	1,305	--	--	--	1,107,518
Central	55,162	120,398	--	6,000	--	181,560
Community services	4,354	83,098	--	--	--	87,452
Extracurricular activities	520,326	248,920	--	--	29,818	799,064
Facilities acquisition and construction	--	--	--	1,231,236	--	1,231,236
Intergovernmental pass through	--	483,805	--	--	--	483,805
Debt service:						
Principal retirement	--	--	261,468	--	--	261,468
Interest and fiscal charges	--	--	148,670	--	--	148,670
Total expenditures	27,878,858	4,300,855	417,012	1,414,880	50,707	34,062,312

--Continued

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 1999

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Excess of revenues over expenditures	474,076	285,603	(8,495)	(479,261)	21,922	293,845
Other financing sources (uses):						
Operating transfers in	--	1,772	--	282,500	--	284,272
Operating transfers out	(284,272)	--	--	--	(5,000)	(289,272)
Proceeds from sale of assets	1,355	--	--	122,500	--	123,855
Total other financing sources (uses)	(282,917)	1,772	--	405,000	(5,000)	118,855
Excess of revenues and other financing sources over expenditures and other financing uses	191,159	287,375	(8,495)	(74,261)	16,922	412,700
Fund balances, July 1	3,096,988	262,109	377,297	453,210	783,564	4,973,168
Increase in reserve for inventory	66,253	--	--	--	--	66,253
Fund balances, June 30	<u>\$3,354,400</u>	<u>\$549,484</u>	<u>\$368,802</u>	<u>\$378,949</u>	<u>\$800,486</u>	<u>\$5,452,121</u>

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 1999

	General			Special Revenue		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
From local sources:						
Taxes.....	\$14,918,019	\$14,911,769	(\$6,250)	\$ --	\$ --	\$ --
Tuition.....	29,337	29,325	(12)	--	--	--
Earnings on investments.....	435,496	435,314	(182)	\$7,625	\$7,624	(\$1)
Other local revenues.....	287,812	287,691	(121)	260,571	260,692	121
Intergovernmental - State.....	12,799,149	12,793,788	(\$5,361)	2,346,167	2,346,078	(89)
Intergovernmental - Federal.....	109,131	109,085	(46)	1,714,647	1,853,242	138,595
Total revenues.....	28,578,944	28,566,972	(11,972)	4,329,010	4,467,636	138,626
Expenditures:						
Current:						
Instruction:						
Regular.....	12,425,748	11,991,297	434,451	1,635,765	1,635,765	0
Special.....	4,328,504	4,060,726	267,778	1,069,132	1,069,132	0
Vocational.....	1,459,516	1,376,004	83,512	123,517	123,517	0
Other.....	--	--	--	239,605	239,605	0
Support services:						
Pupil.....	1,270,342	1,228,089	42,253	117,311	117,311	0
Instructional staff.....	1,499,957	1,277,188	222,769	257,303	257,303	0
Board of Education.....	236,305	184,139	52,166	--	--	--
Administration.....	2,346,425	2,194,196	152,229	59,044	59,044	0
Fiscal.....	593,915	542,767	51,148	--	--	--
Business.....	250,242	232,484	17,758	--	--	--
Operations and maintenance.....	4,187,300	3,677,586	509,714	--	--	--
Pupil transportation.....	1,289,837	1,190,299	99,538	1,305	1,305	0
Central.....	61,850	55,078	6,772	193,302	196,012	(2,710)
Community services.....	5,770	4,389	1,381	93,826	93,826	0
Extracurricular activities.....	555,176	512,110	43,066	266,688	266,688	0
Intergovernmental pass through.....	--	--	--	570,550	570,550	--
Facilities acquisition and construction.....	--	--	--	--	--	--
Debt service:						
Principal retirement.....	--	--	--	--	--	--
Interest and fiscal charges.....	--	--	--	--	--	--
Total expenditures.....	30,510,887	28,526,352	1,984,535	4,627,348	4,630,058	(2,710)
Excess (deficiency) of revenues over (under) expenditures.....	(1,931,943)	40,620	1,972,563	(298,338)	(162,422)	135,916
Other financing sources (uses):						
Refund of prior year's expenditures.....	10,667	10,663	(4)	--	--	--
Refund of prior year's (receipts).....	--	--	--	(4,468)	(4,468)	0
Operating transfers in.....	--	--	--	62,950	63,232	282
Operating transfers (out).....	(300,000)	(284,272)	15,728	(61,460)	(61,460)	0
Advances in.....	309,033	308,904	(129)	88,040	96,748	8,708
Advances (out).....	0	(184,856)	(184,856)	0	(58,313)	(58,313)
Proceeds of sale of fixed assets.....	1,356	1,355	(1)	--	--	--
Total other financing sources (uses).....	21,056	(148,206)	(169,262)	85,062	35,739	(49,323)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses.....	(1,910,887)	(107,586)	1,803,301	(213,276)	(126,683)	86,593
Fund balances, July 1.....	3,549,913	3,549,913	0	657,359	657,359	0
Prior year encumbrances appropriated.....	315,172	315,172	0	256,745	256,745	0
Fund balances, June 30.....	\$1,954,198	\$3,757,499	\$1,803,301	\$700,828	\$787,421	\$86,593

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Debt Service			Capital Projects			Total (Memorandum only)		
Budget Revised	Actual	Variance: Favorable (Unfavorable)	Budget Revised	Actual	Variance: Favorable (Unfavorable)	Budget Revised	Actual	Variance: Favorable (Unfavorable)
\$376,029	\$375,194	(\$835)	\$560,540	\$547,943	(\$12,597)	\$15,854,588	\$15,834,906	(\$19,682)
--	--	--	--	--	--	29,337	29,325	(12)
--	--	--	--	--	--	443,121	442,938	(183)
--	--	--	228,389	223,256	(5,133)	776,772	771,639	(5,133)
46,971	46,867	(104)	174,025	169,416	(4,609)	15,366,312	15,356,149	(10,163)
--	--	--	--	--	--	1,823,778	1,962,327	138,549
<u>423,000</u>	<u>422,061</u>	<u>(939)</u>	<u>962,954</u>	<u>940,615</u>	<u>(22,339)</u>	<u>34,293,908</u>	<u>34,397,284</u>	<u>103,376</u>
--	--	--	167,652	167,652	0	14,229,165	13,794,714	434,451
--	--	--	--	--	--	5,397,636	5,129,858	267,778
--	--	--	--	--	--	1,583,033	1,499,521	83,512
--	--	--	--	--	--	239,605	239,605	0
--	--	--	--	--	--	1,387,653	1,345,400	42,253
--	--	--	--	--	--	1,757,260	1,534,491	222,769
--	--	--	--	--	--	236,305	184,139	52,166
--	--	--	--	--	--	2,405,469	2,253,240	152,229
6,874	6,874	0	9,992	9,992	0	610,781	559,633	51,148
--	--	--	--	--	--	250,242	232,484	17,758
--	--	--	--	--	--	4,187,300	3,677,586	509,714
--	--	--	--	--	--	1,291,142	1,191,604	99,538
--	--	--	6,000	6,000	0	261,152	257,090	4,062
--	--	--	--	--	--	99,596	98,215	1,381
--	--	--	--	--	--	821,864	778,798	43,066
--	--	--	--	--	--	570,550	570,550	0
--	--	--	1,502,346	1,502,346	0	1,502,346	1,502,346	0
261,468	261,468	0	--	--	--	261,468	261,468	0
148,670	148,670	0	--	--	--	148,670	148,670	0
<u>417,012</u>	<u>417,012</u>	<u>0</u>	<u>1,685,990</u>	<u>1,685,990</u>	<u>0</u>	<u>37,241,237</u>	<u>35,259,412</u>	<u>1,981,825</u>
5,988	5,049	(939)	(723,036)	(745,375)	(22,339)	(2,947,329)	(862,128)	2,085,201
--	--	--	--	--	--	10,667	10,663	(4)
--	--	--	--	--	--	(4,468)	(4,468)	0
--	--	--	288,995	282,500	(6,495)	351,945	345,732	(6,213)
--	--	--	--	--	--	(361,460)	(345,732)	15,728
--	--	--	32,736	32,000	(736)	429,809	437,652	7,843
--	--	--	--	--	--	0	(243,169)	(243,169)
--	--	--	125,315	122,500	(2,815)	126,671	123,855	(2,816)
--	--	--	<u>447,046</u>	<u>437,000</u>	<u>(10,046)</u>	<u>553,164</u>	<u>324,533</u>	<u>(228,631)</u>
5,988	5,049	(939)	(275,990)	(308,375)	(32,385)	(2,394,165)	(537,595)	1,856,570
316,899	316,899	0	233,215	233,215	0	4,757,386	4,757,386	0
--	--	--	204,427	204,427	0	776,344	776,344	0
<u>\$322,887</u>	<u>\$321,948</u>	<u>(\$939)</u>	<u>\$161,652</u>	<u>\$129,267</u>	<u>(\$32,385)</u>	<u>\$3,139,565</u>	<u>\$4,996,135</u>	<u>\$1,856,570</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS/FUND BALANCE
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE YEAR ENDED JUNE 30, 1999

	Proprietary Fund Types		Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
Operating revenues:				
Tuition and fees	\$371,514	\$ --	\$ --	\$371,514
Sales/charges for services	738,470	2,914,168	--	3,652,638
Investment earnings	--	--	93,324	93,324
Other operating revenues	50,790	101,871	2,588	155,249
Total operating revenues	1,160,774	3,016,039	95,912	4,272,725
Operating expenses:				
Personal services	1,608,877	93,400	--	1,702,277
Contract services	74,222	2,951,211	--	3,025,433
Materials and supplies	957,081	36,156	--	993,237
Depreciation	14,157	3,254	236	17,647
Other operating expenses	--	257,580	71,706	329,286
Total operating expenses	2,654,337	3,341,601	71,942	6,067,880
Operating income (loss)	(1,493,563)	(325,562)	23,970	(1,795,155)
Nonoperating revenues (expenses):				
Operating grants	1,417,472	18,397	--	1,435,869
Federal commodities	113,300	--	--	113,300
Interest revenue	--	40,296	--	40,296
Loss on sale of assets	(157)	--	--	(157)
Other nonoperating revenues	560	4,977	--	5,537
Other nonoperating expenses	(15,886)	--	--	(15,886)
Total nonoperating revenues (expenses)	1,515,289	63,670	--	1,578,959
Net income (loss) before operating transfers	21,726	(261,892)	23,970	(216,196)
Operating transfer in	--	5,000	--	5,000
Net income (loss)	21,726	(256,892)	23,970	(211,196)
Retained earnings (accumulated deficit)/ fund balance, July 1	(139,875)	703,964	1,496,968	2,061,057
Retained earnings (accumulated deficit)/ fund balance, June 30	(518,149)	5447,072	51,520,938	51,849,861

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE YEAR ENDED JUNE 30, 1999

	Proprietary Fund Types		Fiduciary	Total (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
Cash flows from operating activities:				
Cash received from tuition and fees	\$416,193	\$ --	\$ --	\$416,193
Cash received from sales/service charges	738,520	2,914,152	--	3,652,672
Cash received from other operations	50,790	102,014	2,588	155,392
Cash payments for personal services	(1,576,861)	(85,180)	--	(1,662,041)
Cash payments for contract services	(78,353)	(3,136,942)	--	(3,215,295)
Cash payments for materials and supplies	(844,970)	(4,379)	--	(849,349)
Cash payments for other expenses	--	(255,982)	(71,678)	(327,660)
Net cash used in operating activities	(1,294,681)	(466,317)	(69,090)	(1,830,088)
Cash flows from noncapital financing activities:				
Cash received from operating grants	1,429,469	18,397	--	1,447,866
Cash received from operating transfer in	--	5,000	--	5,000
Cash received from interfund loans	55,708	400	--	56,108
Cash payments used in repayment of interfund loans	(250,591)	--	--	(250,591)
Net cash provided by noncapital financing activities	1,234,586	23,797	--	1,258,383
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(1,945)	--	--	(1,945)
Net cash used in capital and related financing activities	(1,945)	--	--	(1,945)
Cash flows from investing activities:				
Interest received	--	40,296	89,677	129,973
Proceeds from sales and maturities of investments	--	--	195,000	195,000
Net cash provided by investing activities	--	40,296	284,677	324,973
Net increase (decrease) in cash and cash equivalents	(62,040)	(402,224)	215,587	(248,677)
Cash and cash equivalents at beginning of year	197,554	1,149,575	1,162,599	2,509,728
Cash and cash equivalents at end of year	\$135,514	\$747,351	\$1,378,186	\$2,261,051

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1999

	<u>Proprietary Fund Types</u>		<u>Fiduciary</u> <u>Fund Type</u>	<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
	<u>Enterprise</u>	<u>Internal</u> <u>Service</u>	<u>Nonexpendable</u> <u>Trust</u>	
Reconciliation of operating income (loss) to net cash used in operating activities:				
Operating income (loss)	(\$1,493,563)	(\$325,562)	\$23,970	(\$1,795,155)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:				
Depreciation	14,157	3,254	236	17,647
Federal donated commodities	113,300	--	--	113,300
Interest reported as operating income	--	--	(93,324)	(93,324)
Changes in assets and liabilities:				
Increase in materials and supplies inventory	(6,198)	--	--	(6,198)
Decrease in accounts receivable	44,729	127	--	44,856
(Increase) decrease in prepayments	189	(192)	28	25
Increase (decrease) in accounts payable	1,209	(11,615)	--	(10,406)
Increase in accrued wages & benefits	32,764	2,155	--	34,919
Decrease in compensated absences payable	(12,319)	--	--	(12,319)
Increase in pension obligation payable	2,611	502	--	3,113
Increase in future retirement obligation	8,960	5,563	--	14,523
Decrease in claims payable	--	(140,549)	--	(140,549)
Decrease in deferred revenue	(520)	--	--	(520)
Net cash used in operating activities	<u>(\$1,294,681)</u>	<u>(\$466,317)</u>	<u>(\$69,090)</u>	<u>(\$1,830,088)</u>
Noncash investing, capital and financing activities:				
Federal donated commodities	\$113,300	--	--	\$113,300
Contributions of fixed assets from other funds	24,393	--	--	24,393

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Sandusky City School District ("District") is located in northern Erie County and is within the corporate boundaries of the City of Sandusky, which lies on the shores of Sandusky Bay and Lake Erie. The District serves an area of approximately 15 square miles.

The District is organized under Sections 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four year terms.

The District ranks as the 80th largest by total enrollment among the 611 districts in the State. It currently operates 8 elementary schools, 2 alternative school, 2 junior high schools, and 1 comprehensive high school. The District employs 197 non-certified and 383 certified employees, including 33 administrative full-time and part-time employees, to provide services to approximately 4,674 students in grades K through 12, more than 5,000 adult education students, and various community groups.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the 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 proprietary activities provided they do not conflict with or contradict GASB pronouncements. The District's significant accounting policies are described below.

A. Reporting Entity

The District's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity". When applying GASB Statement No. 14, management has considered all potential component units.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

The basic, but not the only, criterion for including a potential component unit within the reporting entity is the District's ability to exercise significant oversight responsibility. The most significant manifestation of this ability is financial interdependence. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing authority, the designation of management, the ability to significantly influence operations, and the accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the District and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, the District has no component units. The following organizations are described due to their relationship with the District:

JOINTLY GOVERNED ORGANIZATIONS

Northern Ohio Educational Computer Association (NOECA)

The District is a participant in the Northern Ohio Educational Computer Association (NOECA), which is a computer consortium. NOECA is an association of thirty-eight public school districts formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The NOECA Board of Directors consists of two representatives from each county in which participating school districts are located, the chairman of each of the operating committees, and a representative from the fiscal agent. The District paid \$53,825 to NOECA in fiscal year 1999 for services. Financial information can be obtained from Betty Schwiefert, who serves as Controller, 2900 South Columbus Avenue, Sandusky, Ohio 44870.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

PUBLIC ENTITY RISK POOL

Ohio School Boards Association Workers' Compensation Group Rating Plan

The District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio School Boards Association Workers' Compensation Group Rating Plan (the Plan) was established through the Ohio School Boards Association (OSBA) as a group purchasing pool.

The Plan'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 Plan. Each year, the participating school districts pay an enrollment fee to the Plan to cover the costs of administering the program.

B. Fund Accounting

The District uses funds and account groups to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the District's governmental fund types:

General Fund - The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - The special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

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

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

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

PROPRIETARY FUNDS

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

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

Internal Service Funds - The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the district, or to other governments, on a cost-reimbursement basis.

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include expendable trust, nonexpendable trust and agency funds. The expendable trust fund is accounted for in the same manner as governmental funds. The nonexpendable trust fund is accounted for in the same manner as proprietary funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

ACCOUNT GROUPS

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of general nature, the following account groups are used:

General Fixed Assets Account Group - This group of accounts is established to account for all fixed assets of the District, other than those accounted for in the proprietary funds and trust funds.

General Long-Term Obligations Account Group - This group of accounts is established to account for all long-term obligations of the District except those accounted for in the proprietary funds and trust funds.

C. Measurement Focus/Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and the expendable trust fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All proprietary funds and the nonexpendable trust fund are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

The modified accrual basis of accounting is followed for governmental, expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period, which for the District is sixty days after the June 30 year end. Revenues accrued at the end of the year include interest, grants, and accounts (student fees and rent). Property taxes measurable as of June 30, 1999 and delinquent property taxes, whose availability is indeterminate and are intended to finance fiscal 1999 operations, have been recorded as deferred revenues, except for that portion which is available from the County Auditor as advances as of June 30.

In proprietary funds, unused donated commodities are reported as deferred revenue since title for these commodities do not pass to the District until the commodities are used.

The District reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Expenditures (decreases in net financial resources) are recognized in the period in which the fund liability is incurred with the following exceptions: general long-term obligation principal and interest are reported only when due; and the costs of accumulated unpaid vacation and sick leave are reported as expenditures in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

The proprietary funds and the nonexpendable trust fund are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Revenues accrued at year end include accounts (billings for user charged services) and intergovernmental grants and entitlements (to the extent they relate to the current fiscal year). The fair value of donated commodities used during the year is reported in the operating statement as an expense and a like amount is reported as donated commodities revenue.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

D. Budgets

The District is required by state statute to adopt an annual appropriated cash basis budget for all funds. The specific timetable for fiscal year 1999 is as follows.

1. Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the board-adopted budget is filed with the Erie County Budget Commission for tax rate determination.
3. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final Amended Certificate issued for fiscal year 1999.
4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.)

Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

5. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All departments/functions and funds completed the year within the amount of their legally authorized cash basis appropriation.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, increased or decreased the original appropriated amounts. Supplemental appropriations were legally enacted by the Board during fiscal 1999, however, none of these amendments were significant.
8. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Cash disbursements plus encumbrances may not legally exceed budgeted appropriations at the fund, function and/or object level.

Encumbrance accounting is utilized with District funds in the normal course of operations, for purchase orders and contract related expenditures. An encumbrance is a reserve on the available spending authority due to commitment for a future expenditure and does not represent a liability. For governmental fund types, encumbrances outstanding at year end, not recognized as accounts payable, appear as a reserve to the fund balance on a GAAP basis and as the equivalent of expenditures on a non-GAAP budgetary basis in order to demonstrate legal compliance. Note 15 provides a reconciliation of the budgetary and GAAP basis of accounting and Note 12 discloses encumbrances outstanding for the enterprise funds at fiscal year end.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

E. Cash and Investments

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

During fiscal year 1999, investments were limited to U.S. government securities, shares of common stock, a repurchase agreement, a U.S. treasury note and investments in the State Asset Treasury Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

The District has invested funds in STAR Ohio during fiscal 1999. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 1999.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during fiscal 1999 amounted to \$435,601, which included \$160,309 assigned from other District funds.

While common stock is not an allowable investment according to Ohio Statute, the District has been endowed with a gift of stock to its nonexpendable trust fund. No public funds were used to acquire the stock.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

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

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

F. Inventory

Inventories for all governmental funds are valued at cost (first-in/first-out method). The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, material amounts of inventories at period end are reported as assets of the respective fund, which are equally offset by a fund balance reserve which indicates they are unavailable for appropriation even though they are a component of reported assets.

Inventories of proprietary funds are valued at the lower of cost (first-in/first-out method) or market and expensed when used rather than when purchased.

G. Fixed Assets and Depreciation

1. General Fixed Assets Account Group

General fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the general fixed assets account group. Donated fixed assets are recorded at their fair market values as of the date donated. The District has a policy of not capitalizing assets with a cost of less than \$800 and a useful life of less than one year. No depreciation is recognized for assets in the general fixed assets account group. The District has not included infrastructure in the general fixed assets account group. Interest on debt issued to construct general fixed assets is not capitalized in the account group.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

2. Proprietary and Nonexpendable Trust Funds

Equipment reflected in these funds are stated at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date donated. Depreciation has been provided, where appropriate, on a straight-line basis over the following estimated useful lives (with an estimated 10% salvage value):

<u>Asset</u>	<u>Life (years)</u>
Furniture, fixtures and minor equipment	5 - 20
Vehicles	4 - 6

H. Intergovernmental Revenues

In governmental funds, entitlements and non-reimbursable grants (to the extent such grants and entitlements relate to the current fiscal year) are recorded as receivables and revenue when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenue when measurable and earned. The District currently participates in various state and federal programs categorized as follows:

Entitlements

General Fund

State Foundation Program
State Property Tax Relief

Special Revenue Funds

Pupil Competency
Vocational Education
Drug-free School Grant

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

Non-Reimbursable Grants

Special Revenue Funds

Teacher Development
Venture Capital
Management Information Systems
Title VI B
Adult Basic Education
Title I
Title VI
Disadvantaged Pupil Impact Aid
Phonics Demonstration
Reading Improvement Grant
VEPD Lead School
Performance Incentive
School to Work
Youth Involvement
Career Development
Auxiliary Services
Post Secondary Vocational Education
Textbook/Instructional Materials
Education for Economic Security Act
EHA Preschool Grant
Raising the Bar

Capital Projects Funds

SchoolNet Plus
Power Up Technologies

Reimbursable Grants

General Fund

School Bus Purchases
Driver Education
Vocational Education Travel/Salary
Community Alternative Funding System

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

Reimbursable Grants - (Continued)

Special Revenue Funds

Basic Educational Opportunity

Highway Safety

Proprietary

National School Lunch Program

National School Breakfast Program

Adult Education

Government Donated Commodities

Grants and entitlements amounted to approximately 47% of the District's operating revenue during the 1999 fiscal year.

I. Interfund Transactions

During the course of normal operations, the District may have numerous transactions between funds. The most significant include:

1. Transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the receiving fund and are recorded as operating transfers, with the exception of agency funds, which do not show transfers of resources as operating transfers.
2. Reimbursements from one fund to another are treated as expenditures/expenses in the reimbursing fund and a reduction in expenditures/expenses in the reimbursed fund. Quasi-external transactions are accounted for as revenues, expenditures or expenses.
3. Short-term interfund loans and accrued interfund reimbursements and accrued operating transfers are reflected as "interfund loans receivable or payable". The District had short-term interfund loans receivable and payable at June 30, 1999.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

4. Long-term interfund loans that will not be repaid within the next year are termed "advances" and are shown as reservations of fund balances on the combined balance sheet for those funds that report advances to other funds as assets because they are not spendable, available resources. The District had no long-term advances receivable or payable at June 30, 1999.

See Note 5 for an analysis of interfund transactions.

J. Compensated Absences

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

In accordance with the provisions of GASB Statement No. 16 "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for severance is based on a policy whereby an employee is compensated for sixty (60) days of severance pay regardless of the employee's sick leave balance. This liability exists for employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future and is reported as a component of "future retirement obligation" on the face of the financial statements.

The District has entered into a First Opportunity Retirement Incentive (FORI) whereby, upon election, an employee reaching their first year of retirement eligibility (with a minimum age of sixty (60) years or thirty (30) or more years of service) is entitled to receive an additional thirty (30) days of severance pay or 12% of their unused sick leave balance, whichever is greater. The corresponding liability for the FORI has been recorded for employees who have elected to retire under the terms of the FORI and is reported as a component of "future retirement obligation" on the face of the financial statements.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

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

Accumulated vacation and severance liability of governmental fund type employees meeting the above requirements have been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be payable within the current available period. The balance of the liability is recorded in the general long-term obligations account group. Vacation and severance liability for employees meeting the above requirements who are paid from proprietary funds is recorded as an expense when earned.

K. Long-Term Obligations

Long-term debt is recognized as a liability of a government fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term obligations account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

L. Fund Equity

Contributed capital is recorded in proprietary funds that received capital grants or contributions from other funds. Reserved fund balances indicate that portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, prepayments, tax revenue unavailable for appropriation, debt service, materials and supplies inventory, and budget stabilization. In addition, although the nonexpendable trust fund uses the total economic resources measurement focus, the fund equity is reserved for the amount of the principal endowment. The unreserved portions of fund equity reflected for the governmental funds are available for use within the specific purposes of those funds.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

M. Prepayments

Prepayments represent cash disbursements which have occurred and are therefore not current expendable resources. These items are reported as fund assets on the balance sheet using the allocation method, which amortizes their cost over the periods benefitting from the advance payment. At period end, because prepayments for governmental funds are not available to finance future governmental fund expenditures, the fund balance is reserved by an amount equal to the carrying value of the asset.

N. Parochial Schools

Within the District boundaries, St. Mary's, Sts. Peter and Paul, and Holy Angels Elementaries and St. Mary's Central Catholic High School are operated through the Toledo Catholic Diocese. Current state legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The fiduciary responsibility of the District for these monies is reflected in a special revenue fund for financial reporting purposes.

O. Sandusky Public Library

The Sandusky Public Library ("Library") is a distinct political subdivision of the State of Ohio governed by a board of trustees. The Library provides the community with various educational and literary resources. The District serves as the taxing authority for the Library, but has no ongoing financial responsibility. The District does not appoint a voting majority of the Board and is not involved in the management or operations of the Library. The fiduciary responsibility of collecting and disbursing tax monies for the Library is reflected in an agency fund for financial reporting purposes.

P. Estimates

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

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

Q. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. A fund balance reserve has also been established. See Note 17 for detail of statutory reserves.

R. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "Total (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with GAAP. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Deficit Fund Balances/Retained Earnings

Fund balances/retained earnings at June 30, 1999 included the following individual fund deficits:

	<u>Deficit Balance</u>
<u>Special Revenue Funds</u>	
Career Development	\$ (3,096)
Title VI-B	(9,693)
<u>Enterprise Funds</u>	
Food Service	(140,781)

These funds complied with Ohio state law, which does not permit a cash basis deficit at year end.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The deficit fund balance in the Career Development special revenue fund is due to the reporting of an "advance in" from another fund as an interfund loan payable rather than as an "other financing source". This deficit will be eliminated by intergovernmental revenues and other resources not recognized at June 30.

The deficit fund balance in the Title VI-B special revenue fund are caused by accruing wage, benefit and retirement obligations in accordance with GAAP. This deficit will be eliminated by intergovernmental revenues and other subsidies not recognized at June 30.

The deficit retained earnings in the Food Service enterprise fund is primarily the result of accruing wages and future retirement obligations in accordance with GAAP. This deficit will be eliminated by user charges and intergovernmental revenues not recognized at June 30.

NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Cash Equivalents" and "Investments". Statutes require the classification of monies held by the District into three categories:

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

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

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

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, Notes, Debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 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 Treasury Asset Reserve of Ohio (STAROhio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

8. Under limited circumstances, corporate debt instruments 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 year end, the carrying amount of the District's deposits was \$(91,682) and the bank balance was \$189,799. A liability was not recorded for the negative carrying amount of deposits because there was no actual overdraft, due to the "zero-balance" nature of the District's bank accounts. The negative carrying amount of deposits is due to the sweeping of monies into overnight repurchase agreements which are reported as "investments". Of the bank balance:

1. \$103,165 was covered by federal depository insurance.
2. \$86,634 was uninsured and unregistered because it was secured by collateral held by third party trustees, pursuant to section 135.181 Ohio Revised Code, in collateralized pools securing all public funds on deposit with specific depository institutions; these securities not being in the name of the District. Although all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements would potentially subject the District to a successful claim by the FDIC.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

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

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

	<u>1</u>	<u>2</u>	<u>3</u>	<u>Reported Amount</u>	<u>Fair Value</u>
Repurchase agreements	\$ ---	\$ ---	\$2,229,000	\$2,229,000	\$2,229,000
U.S. government securities	41,500	---	---	41,500	41,500
Stock	45,659	---	---	45,659	45,659
U.S. treasury note	---	---	200,376	200,376	200,376
Investment in STAR Ohio				<u>7,460,157</u>	<u>7,460,157</u>
Total investments				<u>\$9,976,692</u>	<u>\$9,976,692</u>

Investments in STAR Ohio are not categorized as they are not evidenced by securities that exist in physical or book entry form.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

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

The classification of cash and cash equivalents and investments on the combined balance sheet is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting".

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

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$ 9,597,475	\$ 287,535
Investments of the cash management pool:		
Repurchase agreements	(2,229,000)	2,229,000
Investment in STAR Ohio	<u>(7,460,157)</u>	<u>7,460,157</u>
GASB Statement No. 3	<u>\$ (91,682)</u>	<u>\$9,976,692</u>

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund balances at June 30, 1999, consist of the following individual interfund loans receivable and payable:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$184,856	\$ ---
<u>Special Revenue Funds</u>		
District Managed Student Activity	---	8,300
Career Development	---	3,140
Post Secondary Vocational Education	---	2,908
Miscellaneous State Grants	---	20,354
Vocational Education	---	6,966
Title I	---	55,080
<u>Capital Projects Funds</u>		
Permanent Improvement	---	32,000
<u>Enterprise Funds</u>		
Food Service	---	15,000
Adult Education	---	40,708
<u>Internal Service Funds</u>		
Internal Service Rotary	---	400
Totals	<u>\$184,856</u>	<u>\$184,856</u>

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

B. The following is a summarized breakdown of the District's operating transfers for fiscal year 1999:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ ---	\$284,272
<u>Special Revenue Funds</u>		
Vocational Education	1,772	---
<u>Capital Projects Funds</u>		
Permanent Improvement	282,500	---
Expendable Trust Fund	---	5,000
<u>Internal Service Funds</u>		
Internal Service Rotary	<u>5,000</u>	<u>---</u>
Totals	<u>\$289,272</u>	<u>\$289,272</u>

NOTE 6 - PROPERTY TAXES

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

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

Public utility property taxes are assessed on tangible personal property, as well as land and improvements. Real property is assessed at 35% of market value and personal property is assessed at 100% of market value except for the personal property of rural electric companies which is assessed 50% of market and railroads which are assessed at 29%.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 6 - PROPERTY TAXES - (Continued)

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

The assessed value upon which the 1998 taxes were collected was \$406,291,088. Agricultural/Residential and public utility real estate represented 51.98% or \$211,174,180 of this total; Commercial & Industrial real estate represented 25.39% or \$103,189,090 of this total; public utility tangible represented 0.67% or \$2,727,870 of this total and general tangible property 21.96% or \$89,199,948 of this total. The voted general tax rate for operations at the fiscal year ended June 30, 1999 was \$63.80 per \$1,000.00 of assessed valuation, \$1.04 per \$1,000.00 of assessed valuation for debt retirement, and \$2.00 per \$1,000.00 of assessed valuation for permanent improvements.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20.

The Erie County Treasurer collects property tax on behalf of the District. The County Auditor periodically remits to the District its portion of the taxes collected. These tax "advances" are based on statutory cash flow collection rates. Final "settlements" are made each February and August.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 1999. Although total property tax collections for the next fiscal year are measurable, they are not (exclusive of advances) intended to finance current year operations. The net receivable (total receivable less amount available intended to finance the current year) is therefore offset by a credit to deferred revenue. A total of \$1,966,308 was available to the District as an advance at June 30 and is recognized as revenue.

Taxes available for advance and recognized as revenue but not received by the district prior to June 30, 1999, are reflected as a reservation of fund balance for future appropriations. The District is prohibited, by law, from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 7 - RECEIVABLES

Receivables at June 30, 1999 consisted of taxes, accounts (billings for user charged services and student fees), accrued interest, interfund loans and intergovernmental grants and entitlements (to the extent such grants and entitlements relate to the current fiscal year). Intergovernmental receivables have been recorded as "due from other governments" on the combined balance sheet. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of Federal funds. A summary of the principal items of receivables follows:

	<u>Amounts</u>
<u>General Fund</u>	
Taxes - current and delinquent	\$15,897,966
Accounts	15,274
Due from other governments	7,613
Interfund loans	184,856
<u>Special Revenue Funds</u>	
Accounts	5,267
Due from other governments	15,635
<u>Debt Service Fund</u>	
Taxes - current and delinquent	400,680
<u>Capital Project Funds</u>	
Taxes - current and delinquent	635,677
<u>Enterprise Funds</u>	
Due from other governments	19,362
<u>Agency Funds</u>	
Taxes - current and delinquent	256,331

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 8 - FIXED ASSETS

A summary of the changes in the general fixed asset account group during the fiscal year follows:

	<u>Balance</u> <u>July 1, 1998</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 1999</u>
Land/				
improvements	\$ 2,021,398	\$ 278,000	\$ (14,028)	\$ 2,285,370
Buildings	11,605,685	283,500	(22,568)	11,866,617
Furniture/				
equipment	5,109,239	511,409	(332,869)	5,287,779
Vehicles	1,367,517	288,724	---	1,656,241
Books	<u>1,695,971</u>	<u>62,557</u>	<u>---</u>	<u>1,758,528</u>
Total	<u>\$21,799,810</u>	<u>\$1,424,190</u>	<u>\$(369,465)</u>	<u>\$22,854,535</u>

A summary of the proprietary and similar fiduciary funds fixed assets at June 30, 1999 follows:

	<u>Proprietary</u>	<u>Nonexpendable</u> <u>Trust</u>
Furniture and equipment	\$709,688	\$ ---
Musical instruments	---	2,615
Less: accumulated depreciation	<u>(353,246)</u>	<u>(2,007)</u>
Net fixed assets	<u>\$356,442</u>	<u>\$ 608</u>

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 9 - CHANGES IN CONTRIBUTED CAPITAL

Changes in contributed capital for the year ended June 30, 1999 are summarized by source as follows:

	<u>Food Service</u>
Contributed capital, July 1, 1998	\$166,671
Current contributions from other funds	<u>24,393</u>
Contributed capital, June 30, 1999	<u>\$191,064</u>

NOTE 10 - LONG-TERM OBLIGATIONS

A. All current obligation bonds outstanding, issued to provide funds for the acquisition and construction of equipment and facilities, are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations of the District are accounted for in the general long-term obligations account group. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund. The source of payment is derived from a current 1.4 mill bonded debt tax levy.

The following is a description of the District's bonds outstanding as of June 30, 1999:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Bonds Outstanding June 30, 1998</u>	<u>Retired in 1999</u>	<u>Bonds Outstanding June 30, 1999</u>
Elementary Building Additions	7.088%	07/01/90	12/01/10	<u>\$2,180,000</u>	<u>\$(200,000)</u>	<u>\$1,980,000</u>

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

B. In 1988, the District received a loan from the U.S. Environmental Protection Agency for an asbestos abatement project at Sandusky High School. The loan is interest free as long as the District remains current on repayment. The following schedule describes the loan:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Loan Outstanding June 30, 1998</u>	<u>Retired in 1999</u>	<u>Loan Outstanding June 30, 1999</u>
Asbestos Abatement	None	03/01/88	07/31/08	<u>\$ 583,945</u>	<u>\$(61,468)</u>	<u>\$522,477</u>

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds and the EPA loan:

<u>Year Ending June 30</u>	<u>Principal on Bonds/EPA Loan</u>	<u>Interest on Bonds/EPA Loan</u>	<u>Total</u>
2000	\$ 271,468	\$135,035	\$ 406,503
2001	281,468	120,575	402,043
2002	216,468	107,492	323,960
2003	216,468	96,177	312,645
2004	216,468	84,862	301,330
Thereafter	<u>1,300,137</u>	<u>277,220</u>	<u>1,577,357</u>
Total	<u>\$2,502,477</u>	<u>\$821,361</u>	<u>\$3,323,838</u>

C. During the year ended June 30, 1999, the following changes occurred in liabilities reported in the general long-term obligations account groups. Compensated absences and the future retirement obligation are presented net of actual increases and decreases due to the practicality of determining these values. Compensated absences, pension obligation and future retirement obligation will ultimately be paid from the fund from which the employee is paid.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

	Balance <u>June 30, 1998</u>	<u>Increase</u>	<u>Decrease</u>	Balance <u>June 30, 1999</u>
Compensated absences	\$ 73,469	\$ ---	\$ (21,868)	\$ 51,601
Future retirement obligation	1,725,132	160,034	---	1,885,166
General obligation bonds payable	2,180,000	---	(200,000)	1,980,000
Asbestos abatement loan payable	583,945	---	(61,468)	522,477
Pension obligation payable	<u>205,119</u>	<u>215,385</u>	<u>(205,119)</u>	<u>215,385</u>
Total	<u>\$ 4,767,665</u>	<u>\$ 375,419</u>	<u>\$ (488,455)</u>	<u>\$4,654,629</u>

D. Legal Debt Margin

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

The effects of these debt limitations at June 30, 1999 are a voted debt margin of \$34,955,000 (including available funds of \$368,802) and an unvoted debt margin of \$406,291.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 11 - RISK MANAGEMENT

A. Comprehensive

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 1999, the District has contracted with Nationwide/Wausau to provide insurance coverage in the following amounts:

<u>Coverage</u>	<u>Limits of Coverage</u>	<u>Deductible</u>
General liability:		
Each occurrence	\$ 2,000,000	\$ 0
Aggregate	5,000,000	0
Fleet:		
Comprehensive	\$ 1,000,000	\$ 100
Collision	1,000,000	500
Umbrella liability and fleet	\$ 2,000,000	\$ 10,000
Building and contents	\$ 86,039,800	\$ 10,000

Settled claims have not exceeded this commercial coverage in any of the past three years.

B. Health Benefits

The District has established a Risk Management Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Risk Management Fund provides coverage for up to a maximum of \$125,000 for each health benefits claim. The District purchases commercial insurance for claims in excess of coverage provided by the Fund and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 11 - RISK MANAGEMENT - (Continued)

All funds of the District participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay claims and actual amounts needed to pay fixed costs (premiums for stop-loss coverage and medical conversion and administrative fees and services).

The claims liability of \$309,834 reported in the internal service fund at June 30, 1999, is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30, "Risk Financing Omnibus," which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Changes in claims activity for the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning Of Year</u>	<u>Claims</u>	<u>Payments</u>	<u>End of Year</u>
1998 - 1999	\$450,383	\$2,946,053	\$(3,086,602)	\$309,834
1997 - 1998	\$277,222	\$2,679,137	\$(2,505,976)	\$450,383

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 11 - RISK MANAGEMENT - (Continued)

C. OSBA Group Workers Compensation Rating Program

For fiscal year 1999, the District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 2.A.). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts 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 school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 12 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The District maintains two enterprise funds to account for the operations of food service and adult education programs. The table below reflects, in a summarized format, the more significant financial data relating to the enterprise funds of the District as of and for the year ended June 30, 1999.

	<u>Food Service</u>	<u>Adult Education</u>	<u>Total</u>
Operating revenue	\$ 789,260	\$ 371,514	\$ 1,160,774
Depreciation	11,112	3,045	14,157
Operating loss	(903,287)	(590,276)	(1,493,563)
Operating grants	819,989	597,483	1,417,472
Net income	13,959	7,767	21,726
Property, plant and equipment:			
additions	---	1,945	1,945
deletions	1,567	---	1,567
Net working capital	(132,541)	14,055	(118,486)
Total assets	347,581	162,052	509,633
Long-term liabilities payable from fund revenues	104,395	15,807	120,202
Total liabilities	297,298	139,420	436,718
Contributed capital	191,064	---	191,064
Total equity	50,283	22,632	72,915
Encumbrances outstanding as of June 30, 1999	---	12,181	12,181

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 13 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer public employee retirement plan administered by the School Employees Retirement Board. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. 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 14 percent for 1999; 9.02 percent was the portion to fund pension obligations. The contribution rates are not determined actuarially, but are established by the School Employees Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$584,490, \$545,541, and \$522,461, respectively; 46.5 percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$312,882, representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds and the general long-term obligations account group.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

B. State Teachers Retirement System

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

Plan members are required to contribute 9.3 percent of their annual covered salary and the District is required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 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, 1999, 1998, and 1997 were \$2,324,946, \$2,182,873, and \$2,023,396, respectively; 82.4 percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$410,104, representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. The Board's liability is 6.2 percent of wages paid.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 14 - 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.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For this fiscal year, the Board allocated employer contributions equal to eight percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$1,328,540 during fiscal 1999.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2.156 billion at June 30, 1998 (the latest information available). For the year ended June 30, 1998 (the latest information available), net health care costs paid by STRS were \$219.224 million and STRS had 91,999 eligible benefit recipients.

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

For this fiscal year, employer contributions to fund health care benefits were 4.98 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 1999, the minimum pay has been established at \$12,400. 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.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

The target level for the health care reserve is 125 percent of annual health care expenses. Expenses for health care at June 30, 1998 (the latest information available), were \$111.9 million and the target level was \$139.9 million. At June 30, 1998 (the latest information available), SERS had net assets available for payment of health care benefits of \$160.3 million and SERS had approximately 50,000 participants receiving health care benefits. For the District, the amount to fund health care benefits, including surcharge, equaled \$256.654 during the 1999 fiscal year.

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING

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

The Combined Statement of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the governmental funds are as follows:

**Excess of Revenues and Other Financing
Sources Over (Under) Expenditures and Other
Financing Uses**

Governmental Fund Types

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Budget basis	\$(107,586)	\$(126,683)	\$ 5,049	\$(308,375)
Net adjustment for revenue accruals	(214,038)	118,822	(13,544)	(4,996)
Net adjustment for expenditure accruals	(230,803)	(120,321)	---	(19,434)
Net adjustment for other sources/uses	(134,711)	(33,967)	---	(32,000)
Adjustment for encumbrances	<u>878,297</u>	<u>449,524</u>	<u>---</u>	<u>290,544</u>
GAAP basis	<u>\$ 191,159</u>	<u>\$ 287,375</u>	<u>\$ (8,495)</u>	<u>\$ (74,261)</u>

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 16 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 1999.

B. Litigation

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

C. State School Funding Decision

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to this District. During the fiscal year ended June 30, 1999, the District received \$10,972,010 of total school foundation support for its general fund.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 16 - CONTINGENCIES - (Continued)

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. At this time, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas in Perry County has been stayed by the Ohio Supreme Court, and, as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

As of the date of these financial statements, the District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under this program and on its financial operations.

NOTE 17 - STATUTORY RESERVES

The District is required by State law to set-aside certain general fund revenue amounts, as defined by Statute, into various reserves. These reserves are calculated and presented on a cash basis. During the fiscal year ended June 30, 1999, the reserve activity was as follows:

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside cash balance as of June 30, 1998	\$ 0	\$ 0	\$176,753
Current year set-aside requirement	419,298	419,298	209,649
Current year offsets	(61,986)	(952,943)	---
Qualifying disbursements	<u>(945,191)</u>	<u>(536,251)</u>	<u>---</u>
Total	<u>\$(587,879)</u>	<u>\$(1,069,896)</u>	<u>\$386,402</u>
Cash balance carried forward to FY 2000	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$386,402</u>

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 17 - STATUTORY RESERVES - (Continued)

Although the District had offsets and qualifying disbursements during the year that reduced the set-aside amounts below zero, these extra amounts may not be used to reduce the set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year.

A schedule of the restricted assets at June 30, 1999 follows:

Amount restricted for budget stabilization	<u>\$386,402</u>
Total restricted assets	<u>\$386,402</u>

NOTE 18 - YEAR 2000 ISSUE

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the District's operations as early as fiscal year 1999.

The District has completed an inventory of computer systems and other equipment necessary to conducting District operations and has identified such systems as being financial reporting, payroll and employee benefits, fixed assets accounting and educational statistics reporting.

The District uses the State of Ohio Uniform School Accounting System software for its financial reporting, the State of Ohio Uniform School Payroll System software for its payroll and employee benefits, the State of Ohio Equipment Inventory System for its fixed assets accounting and the State of Ohio Education Management and Information System (EMIS) for its education statistics reporting. The State is responsible for remediating these systems.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1999

NOTE 18 - YEAR 2000 ISSUE - (Continued)

The Ohio Department of Education, Division of Information Management Services, State Software Development Team has addressed the status of the OECN State Software in regards to the compliance requirements for the Year 2000. Their assessment is as follows:

- The payroll processing software supported with the OECN State Software is compliant with the Year 2000 beginning with the September 1997 release of USPS V4.0.
- The accounting software supported with the OECN State Software is compliant with the Year 2000 beginning with the June 1998 release of USAS V6.1.
- The equipment inventory and vehicle inventory system software supported with the OECN State Software is compliant with the Year 2000 beginning with the March 1999 release of SAS V2.0.
- The education management information system software supported with the OECN State Software is compliant with the Year 2000 beginning with the September 1998 release of EMIS V1.7.

Erie County collects property taxes for distribution to the District. This County is responsible for remediating their tax collection system.

The State of Ohio distributes a substantial sum of money to the District in the form of basic state aid "school foundation" and federal and state grant payments. Further, the State processes a significant amount of financial and non-financial information about the District through EMIS. The State is responsible for remediating these systems.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that the District is or will be Year 2000 ready, that the District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be Year 2000 ready.

**COMBINING, INDIVIDUAL FUND AND
ACCOUNT GROUP FINANCIAL
STATEMENTS AND SCHEDULES**



Sandusky High School

GENERAL FUND

Section 5705.09 Revised Code

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

SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Taxes	\$14,918,019	\$14,911,769	(\$6,250)
Tuition	29,337	29,325	(12)
Earnings on investments	435,496	435,314	(182)
Other local revenues	287,812	287,691	(121)
Intergovernmental - State	12,799,149	12,793,788	(5,361)
Intergovernmental - Federal	109,131	109,085	(46)
Total revenues	28,578,944	28,566,972	(11,972)
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	8,525,200	8,419,541	105,659
Fringe benefits	2,436,300	2,376,487	59,813
Purchased services	96,908	83,340	13,568
Supplies	1,046,904	851,787	195,117
Capital outlay	320,436	260,142	60,294
Total instruction-regular	12,425,748	11,991,297	434,451
Instruction-special			
Salaries and wages	2,237,000	2,180,483	56,517
Fringe benefits	691,250	648,924	42,326
Purchased services	1,008,054	880,267	127,787
Supplies	42,200	7,782	34,418
Capital outlay	7,000	705	6,295
Dues and fees	343,000	342,565	435
Total instruction-special	4,328,504	4,060,726	267,778
Instruction-vocational			
Salaries and wages	881,300	862,460	18,840
Fringe benefits	271,300	256,043	15,257
Purchased services	12,518	10,086	2,432
Supplies	206,028	170,807	35,221
Capital outlay	88,370	76,608	11,762
Total instruction-vocational	1,459,516	1,376,004	83,512
Support services-pupil			
Salaries and wages	933,000	921,734	11,266
Fringe benefits	253,100	239,779	13,321
Purchased services	52,110	40,248	11,862
Supplies	15,132	10,953	4,179
Capital outlay	17,000	15,375	1,625
Total support services-pupil	1,270,342	1,228,089	42,253

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SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Support services-instructional staff			
Salaries and wages	752,000	705,402	46,598
Fringe benefits	263,800	241,678	22,122
Purchased services	277,980	181,572	96,408
Supplies	159,230	112,197	47,033
Capital outlay	6,800	5,950	850
Dues and fees	40,147	30,389	9,758
Total support services-instructional staff	<u>1,499,957</u>	<u>1,277,188</u>	<u>222,769</u>
Support services-board of education			
Salaries and wages	12,000	9,680	2,320
Fringe benefits	1,400	528	872
Purchased services	171,015	134,900	36,115
Supplies	3,100	16	3,084
Dues and fees	48,790	39,015	9,775
Total support services-board of education	<u>236,305</u>	<u>184,139</u>	<u>52,166</u>
Support services-administration			
Salaries and wages	1,604,000	1,555,729	48,271
Fringe benefits	615,900	576,142	39,758
Purchased services	33,085	24,420	8,665
Supplies	47,940	20,879	27,061
Capital outlay	44,000	16,816	27,184
Dues and fees	1,500	210	1,290
Total support services-administration	<u>2,346,425</u>	<u>2,194,196</u>	<u>152,229</u>
Support services-fiscal			
Salaries and wages	169,000	166,341	2,659
Fringe benefits	65,200	58,931	6,269
Purchased services	37,500	18,507	18,993
Supplies	5,115	4,618	497
Capital outlay	1,000	120	880
Dues and fees	316,100	294,250	21,850
Total support services-fiscal	<u>593,915</u>	<u>542,767</u>	<u>51,148</u>
Support services-business			
Salaries and wages	134,500	129,170	5,330
Fringe benefits	51,700	46,432	5,268
Purchased services	47,800	44,315	3,485
Supplies	11,242	8,126	3,116
Capital outlay	5,000	4,441	559
Total support services-business	<u>250,242</u>	<u>232,484</u>	<u>17,758</u>

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SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Support services-operations and maintenance			
Salaries and wages	1,413,000	1,344,801	68,199
Fringe benefits	491,100	476,124	14,976
Purchased services	1,845,171	1,559,230	285,941
Supplies	264,963	218,698	46,265
Capital outlay	163,066	78,733	84,333
Dues and fees	10,000	0	10,000
Total support services-operations and maintenance	<u>4,187,300</u>	<u>3,677,586</u>	<u>509,714</u>
Support services-pupil transportation			
Salaries and wages	581,500	550,125	31,375
Fringe benefits	201,900	185,993	15,907
Purchased services	30,350	18,440	11,910
Supplies	137,639	110,658	26,981
Capital outlay	323,448	313,793	9,655
Dues and fees	15,000	11,290	3,710
Total support services-pupil transportation	<u>1,289,837</u>	<u>1,190,299</u>	<u>99,538</u>
Support services-central			
Salaries and wages	35,300	34,013	1,287
Fringe benefits	11,850	10,388	1,462
Purchased services	200	158	42
Supplies	3,500	1,686	1,814
Capital outlay	11,000	8,833	2,167
Total support services-central	<u>61,850</u>	<u>55,078</u>	<u>6,772</u>
Community services:			
Salaries and wages	650	347	303
Fringe benefits	120	45	75
Purchased services	4,000	3,059	941
Supplies	1,000	938	62
Total community services	<u>5,770</u>	<u>4,389</u>	<u>1,381</u>
Extracurricular activities:			
Salaries and wages	453,600	434,757	18,843
Fringe benefits	80,650	67,894	12,756
Purchased services	18,500	8,100	10,400
Supplies	2,226	1,359	867
Capital outlay	200	0	200
Total extracurricular activities	<u>555,176</u>	<u>512,110</u>	<u>43,066</u>
Total expenditures	<u>30,510,887</u>	<u>28,526,352</u>	<u>1,984,535</u>

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SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Excess (deficiency) of revenues over under (under) expenditures	(1,931,943)	40,620	1,972,563
Other financing sources (uses):			
Refund of prior year's expenditures	10,667	10,663	(4)
Operating transfers (out)	(300,000)	(284,272)	15,728
Advances in	309,033	308,904	(129)
Advances (out)	0	(184,856)	(184,856)
Proceeds from sale of fixed assets	1,356	1,355	(1)
Total other financing sources (uses)	21,056	(148,206)	(169,262)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(1,910,887)	(107,586)	1,803,301
Fund balance, July 1	3,549,913	3,549,913	0
Prior year encumbrances appropriated	315,172	315,172	0
Fund balance, June 30	<u>\$1,954,198</u>	<u>\$3,757,499</u>	<u>\$1,803,301</u>

SPECIAL REVENUE FUNDS

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

Public School Support

Section 5705.12, Revised Code

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

Other Grant

Sections 5705.09 and 5705.13, Revised Code

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

Venture Capital Grant

Section 3302.07, Revised Code
and Biennial Budget Bill

A fund for professional development activities of Jackson Jr. High School staff members.

District Managed Student Activity

Section 3313.062

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

Auxiliary Services (NPSS)

AM SUB H.B. 291

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

Career Development

Current Budget Bill
appropriation line item 200-514

A fund provided to account for monies received and expended in conjunction with Vocational Education Career Development projects funded by the State of Ohio, Ohio Department of Education, Division of Vocational Education.

Post Secondary Vocational Education

Current Budget Bill
appropriation line item 200-514

A fund provided to account for receipts and expenditures incurred in providing opportunities for adults.

Teacher Development

Current Budget Bill
appropriation line item 200-527

A fund provided to account for receipts and expenditures necessary for providing assistance to local school districts for the development of in-service programs.

Management Information Systems

Am Sub H B 111

To account for funds associated with the state-wide requirements of the Education Management System (EMIS).

Disadvantaged Pupil Impact Aid

Current budget bill

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

Data Communications

Section 5705.09, Revised Code

A fund provided to account for money appropriated for Ohio Educational Computer Network Connections.

Textbooks/Instructional Materials Subsidy

Sub. House Bill 412

To account for monies received by the State of Ohio for textbooks, instructional software, instructional materials, and any other materials the district deems to be helpful in providing appropriate instruction to students in the following subject areas: reading, writing, mathematics, science and citizenship.

Able/Jobs Grant

State of Ohio (4P1 200-629)

A fund established to provide assistance to welfare recipients. The school district collaborates with the Department of Human Services in preparing participants for the work force by providing them with skills, development, work experience and placement.

Adult Basic Education

P L Law 91-230, Title III

This fund accounts for Federal monies used to provide programs in reading, writing and math competency for adults who have not earned a high school diploma.

Education for Economic Security

National Defense Education Act, 1958

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

Title VI-B

Education; of the Handicapped Act, P L 91-230

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

Vocational Education

Carl D. Perkins Vocational Education Act
of 1984, Public Law 98-524

Provision of funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects, including sex equity grants. Funds are administered by the Ohio Department of Education, Division of Vocational and Career Education.

Basis Educational Opportunity Grant

Higher Education amendments of
1972, Title IV, Part A, section 411;
Pubic Law 92-318; 20 USC 1070a.

Provision of funds to assist in making available the benefits of post-secondary education to qualified students.

Title I

P L 97-35; Title I ESEA 1965

To account for funds which are to: 1) establish or improve programs designed to meet the special educational need of migratory children of migratory agricultural workers or migratory fishers' and 2) enable State education agencies to coordinate their state migrant education programs and local projects with similar programs and projects in other states, including the transfer of school records of other information about migratory children.

Title VI

P L 97-35; ESEA 1965

To account for Federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, and inservice and staff development.

Drug-Free School Grant

Catalog of Federal Domestic Assistance #84-166

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

Education of the Handicapped Act
Amendments, P.L. 99-457

EHA Preschool Grant

Catalog of Federal Domestic Assistance #84.173

The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for the handicapped children ages three (3) through five (5) years.

Youth Involvement Fund

Head Start - Follow Through Act, P.L. 93-644,
Title V, Part B; 42 U.S.C. 2929

Provision of funds to sustain and augment in primary grades the gains that children from low-income families make in Head Start and other quality preschool programs. Follow through provides special programs of instruction as well as health, nutrition, and other related services which will aid in the continued development of children to their full potential. Active participation of parents is stressed.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINING BALANCE SHEET
 FOR ALL SPECIAL REVENUE FUNDS
 JUNE 30, 1999

	PUBLIC SCHOOL SUPPORT	OTHER GRANT	VENTURE CAPITAL GRANT
ASSETS:			
Equity in pooled cash and cash equivalents	\$70,101	\$31,799	\$14,763
Receivables (net of allowances for uncollectibles):			
Accounts	61	--	--
Due from other governments	--	--	--
Total assets	\$70,162	\$31,799	\$14,763
LIABILITIES:			
Accounts payable	\$315	\$3,161	\$550
Accrued wages and benefits	--	--	776
Pension obligation payable	--	--	210
Interfund loans payable	--	--	--
Deferred revenue	--	--	--
Due to other governments	--	--	--
Total liabilities	315	3,161	1,536
FUND EQUITY:			
Fund balances:			
Reserved for encumbrances	1,955	289	3,904
Unreserved-undesignated (deficit)	67,892	28,349	9,323
Total fund equity	69,847	28,638	13,227
Total liabilities and fund equity	\$70,162	\$31,799	\$14,763

DISTRICT MANAGED STUDENT ACTIVITY	AUXILIARY SERVICES	CAREER DEVELOPMENT	POST SECONDARY VOCATIONAL EDUCATION	TEACHER DEVELOPMENT
\$32,317	\$102,383	\$70	\$3,502	\$6,426
5,141	--	--	--	--
--	--	--	--	--
<u>\$37,458</u>	<u>\$102,383</u>	<u>\$70</u>	<u>\$3,502</u>	<u>\$6,426</u>
\$1,912	\$11,648	\$ --	\$593	\$ --
--	33,459	26	--	2
--	3,432	--	--	--
8,300	--	3,140	2,908	--
4,078	--	--	--	--
--	--	--	--	--
<u>14,290</u>	<u>48,539</u>	<u>3,166</u>	<u>3,501</u>	<u>2</u>
6,380	46,608	71	2,909	6,316
16,788	7,236	(3,167)	(2,908)	108
23,168	53,844	(3,096)	1	6,424
<u>\$37,458</u>	<u>\$102,383</u>	<u>\$70</u>	<u>\$3,502</u>	<u>\$6,426</u>

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING BALANCE SHEET
FOR ALL SPECIAL REVENUE FUNDS
JUNE 30, 1999

	<u>MANAGEMENT INFORMATION SYSTEMS</u>	<u>DISADVANTAGED PUPIL IMPACT AID</u>	<u>DATA COMMUNICATIONS</u>
ASSETS:			
Equity in pooled cash and cash equivalents	\$18,781	\$325,568	\$ --
Receivables (net of allowances for uncollectibles):			
Accounts	--	--	--
Due from other governments	--	--	--
Total assets	<u><u>\$18,781</u></u>	<u><u>\$325,568</u></u>	<u><u>\$ --</u></u>
LIABILITIES:			
Accounts payable	\$ --	\$ --	\$ --
Accrued wages and benefits	--	268,695	--
Pension obligation payable	--	29,720	--
Interfund loans payable	--	--	--
Deferred revenue	--	--	--
Due to other governments	--	--	--
Total liabilities	<u><u>--</u></u>	<u><u>298,415</u></u>	<u><u>--</u></u>
FUND EQUITY:			
Fund balances:			
Reserved for encumbrances	--	--	--
Unreserved-undesignated (deficit)	18,781	27,153	--
Total fund equity	<u><u>18,781</u></u>	<u><u>27,153</u></u>	<u><u>--</u></u>
Total liabilities and fund equity	<u><u>\$18,781</u></u>	<u><u>\$325,568</u></u>	<u><u>\$0</u></u>

TEXTBOOK/ INSTRUCTIONAL MATERIALS	ABLE/JOB GRANT	ADULT BASIC EDUCATION	EDUCATION FOR ECONOMIC SECURITY ACT	TITLE VI - B
\$63,942	\$49,789	\$31,058	\$35,971	\$35,761
--	--	--	--	--
--	15,635	--	--	--
<u>\$63,942</u>	<u>\$65,424</u>	<u>\$31,058</u>	<u>\$35,971</u>	<u>\$35,761</u>
S --	\$4,936	\$89	\$254	\$2,543
--	- 44	2,572	--	38,351
--	--	1,238	--	4,560
--	20,354	--	--	--
--	--	--	--	--
--	--	--	--	--
--	<u>25,334</u>	<u>3,899</u>	<u>254</u>	<u>45,454</u>
63,942	44,366	247	26,327	1,529
--	(4,276)	26,912	9,390	(11,222)
<u>63,942</u>	<u>40,090</u>	<u>27,159</u>	<u>35,717</u>	<u>(9,693)</u>
<u>\$63,942</u>	<u>\$65,424</u>	<u>\$31,058</u>	<u>\$35,971</u>	<u>\$35,761</u>

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING BALANCE SHEET
FOR ALL SPECIAL REVENUE FUNDS
JUNE 30, 1999

	VOCATIONAL EDUCATION	TITLE I	TITLE VI
ASSETS:			
Equity in pooled cash and cash equivalents	\$34,381	\$239,462	\$2,382
Receivables (net of allowances for uncollectibles):			
Accounts	65	--	--
Due from other governments	--	--	--
Total assets	\$34,446	\$239,462	\$2,382
LIABILITIES:			
Accounts payable	\$18,544	\$3,783	\$1,076
Accrued wages and benefits	440	136,575	--
Pension obligation payable	84	13,972	--
Interfund loans payable	6,966	55,080	--
Deferred revenue	--	--	--
Due to other governments	--	--	--
Total liabilities	26,034	209,410	1,076
FUND EQUITY:			
Fund balances:			
Reserved for encumbrances	379	119,787	835
Unreserved-undesignated (deficit)	8,033	(89,735)	471
Total fund equity	8,412	30,052	1,306
Total liabilities and fund equity	\$34,446	\$239,462	\$2,382

1994	1993	1992	1991	1990
\$ 11,005,824	\$ 9,684,255	\$ 10,819,681	\$ 10,459,152	\$ 9,241,325
48,131	34,278	54,688	46,695	41,070
132,682	131,067	185,213	257,274	182,612
<u>202,125</u>	<u>213,609</u>	<u>179,881</u>	<u>206,881</u>	<u>188,770</u>
11,388,762	10,063,209	11,239,463	10,970,002	9,653,777
<u>9,938,131</u>	<u>9,816,075</u>	<u>9,715,561</u>	<u>9,264,545</u>	<u>8,735,274</u>
9,938,131	9,816,075	9,715,561	9,264,545	8,735,274
0	1,614	0	3,925	3,188
<u>0</u>	<u>0</u>	<u>7,551</u>	<u>10,229</u>	<u>23,737</u>
0	1,614	7,551	14,154	26,925
17,904	0	0	5,024	1,256
<u>0</u>	<u>637</u>	<u>2,540</u>	<u>162,359</u>	<u>42,497</u>
<u>\$ 21,344,797</u>	<u>\$ 19,881,535</u>	<u>\$ 20,965,115</u>	<u>\$ 20,416,084</u>	<u>\$ 18,459,729</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	PUBLIC SCHOOL SUPPORT	OTHER GRANT	VENTURE CAPITAL GRANT
Revenues:			
From local sources:			
Earnings on investments	\$ --	\$ --	\$ --
Other local revenues	76,826	23,733	--
Intergovernmental - State	--	--	25,000
Intergovernmental - Federal	--	--	--
Total revenues	<u>76,826</u>	<u>23,733</u>	<u>25,000</u>
Expenditures:			
Current:			
Instruction:			
Regular	--	23,629	22,913
Special	--	--	--
Vocational	--	298	--
Other	185	--	--
Support services:			
Pupil	461	--	--
Instructional staff	--	--	--
Administration	--	--	--
Pupil transportation	--	--	--
Central	--	--	--
Community services	--	--	--
Extracurricular activities	84,043	--	--
Intergovernmental pass through	--	--	--
Total expenditures	<u>84,689</u>	<u>23,927</u>	<u>22,913</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,863)</u>	<u>(194)</u>	<u>2,087</u>
Other financing sources:			
Operating transfers in	--	--	--
Total other financing sources	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(7,863)</u>	<u>(194)</u>	<u>2,087</u>
Fund balance (deficit), July 1	77,710	28,832	11,140
Fund balance (deficit), June 30	<u>\$69,847</u>	<u>\$28,638</u>	<u>\$13,227</u>

DISTRICT MANAGED STUDENT ACTIVITY	AUXILIARY SERVICES	CAREER DEVELOPMENT	POST SECONDARY VOCATIONAL EDUCATION	TEACHER DEVELOPMENT
\$ --	\$7,624	\$ --	\$ --	\$ --
154,143	--	--	--	--
--	462,408	19,083	16,848	29,268
--	--	--	--	--
<u>154,143</u>	<u>470,032</u>	<u>19,083</u>	<u>16,848</u>	<u>29,268</u>
--	--	--	--	--
--	--	--	--	--
--	--	22,143	--	--
--	--	--	16,999	--
--	--	--	--	--
--	--	--	--	28,573
--	--	--	--	--
--	--	--	--	--
--	--	--	--	6,670
164,877	--	--	--	--
--	483,805	--	--	--
<u>164,877</u>	<u>483,805</u>	<u>22,143</u>	<u>16,999</u>	<u>35,243</u>
(10,734)	(13,773)	(3,060)	(151)	(5,975)
--	--	--	--	--
--	--	--	--	--
(10,734)	(13,773)	(3,060)	(151)	(5,975)
33,902	67,617	(36)	152	12,399
<u>\$23,168</u>	<u>\$53,844</u>	<u>(\$3,096)</u>	<u>\$1</u>	<u>\$6,424</u>

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	<u>MANAGEMENT INFORMATION SYSTEMS</u>	<u>DISADVANTAGED PUPIL IMPACT AID</u>	<u>DATA COMMUNICATIONS</u>
Revenues:			
From local sources:			
Earnings on investments	\$ --	\$ --	\$ --
Other local revenues	--	--	--
Intergovernmental - State	13,198	1,586,239	--
Intergovernmental - Federal	--	--	--
Total revenues	<u>13,198</u>	<u>1,586,239</u>	<u>--</u>
Expenditures:			
Current:			
Instruction:			
Regular	--	1,562,070	--
Special	--	--	--
Vocational	--	--	--
Other	--	--	--
Support services:			
Pupil	--	--	--
Instructional staff	--	--	--
Administration	--	--	--
Pupil transportation	--	--	--
Central	--	--	1,897
Community services	--	--	--
Extracurricular activities	--	--	--
Intergovernmental pass through	--	--	--
Total expenditures	<u>--</u>	<u>1,562,070</u>	<u>1,897</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,198</u>	<u>24,169</u>	<u>(1,897)</u>
Other financing sources:			
Operating transfers in	--	--	--
Total other financing sources	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>13,198</u>	<u>24,169</u>	<u>(1,897)</u>
Fund balance (deficit), July 1	5,583	2,984	1,897
Fund balance (deficit), June 30	<u>\$18,781</u>	<u>\$27,153</u>	<u>\$0</u>

TEXTBOOK/ INSTRUCTIONAL MATERIALS	ABLE/JOBS GRANT	ADULT BASIC EDUCATION	EDUCATION FOR ECONOMIC SECURITY ACT	TITLE VI - B
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
61,986	100,687	40,678	--	--
--	--	46,123	24,662	251,496
<u>61,986</u>	<u>100,687</u>	<u>86,801</u>	<u>24,662</u>	<u>251,496</u>
15,930	55,348	--	29,103	--
--	--	--	--	119,492
--	3,835	--	--	--
--	--	44,080	--	--
--	1,414	--	--	13,258
--	--	31,922	--	64,690
--	--	1,155	--	49,873
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>15,930</u>	<u>60,597</u>	<u>77,157</u>	<u>29,103</u>	<u>247,313</u>
46,056	40,090	9,644	(4,441)	4,183
--	--	--	--	--
--	--	--	--	--
46,056	40,090	9,644	(4,441)	4,183
17,886	0	17,515	40,158	(13,876)
<u>\$63,942</u>	<u>\$40,090</u>	<u>\$27,159</u>	<u>\$35,717</u>	<u>(\$9,693)</u>

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	VOCATIONAL EDUCATION	BASIC EDUCATIONAL OPPORTUNITY GRANT	TITLE I
Revenues:			
From local sources:			
Earnings on investments	\$ --	\$ --	\$ --
Other local revenues	5,613	--	--
Intergovernmental - State	--	--	--
Intergovernmental - Federal	167,059	24,694	980,377
Total revenues	<u>172,672</u>	<u>24,694</u>	<u>980,377</u>
Expenditures:			
Current:			
Instruction:			
Regular	--	--	--
Special	--	--	766,411
Vocational	66,019	--	--
Other	52,687	--	--
Support services:			
Pupil	17,928	--	--
Instructional staff	2,385	--	69,402
Administration	2,245	--	--
Pupil transportation	--	--	1,305
Central	15,778	--	--
Community services	17,171	24,694	30,539
Extracurricular activities	--	--	--
Intergovernmental pass through	--	--	--
Total expenditures	<u>174,213</u>	<u>24,694</u>	<u>867,657</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,541)</u>	<u>--</u>	<u>112,720</u>
Other financing sources:			
Operating transfers in	1,772	--	--
Total other financing sources	<u>1,772</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	231	0	112,720
Fund balance (deficit), July 1	8,181	0	(82,668)
Fund balance (deficit), June 30	<u>\$8,412</u>	<u>\$0</u>	<u>\$30,052</u>

TITLE VI	DRUG - FREE SCHOOL GRANT	EHA PRESCHOOL GRANT	YOUTH INVOLVEMENT FUND	TOTAL
\$ --	\$ --	\$ --	\$ --	\$7,624
--	--	--	--	260,315
--	--	--	--	2,355,395
27,812	63,165	37,932	339,804	1,963,124
<u>27,812</u>	<u>63,165</u>	<u>37,932</u>	<u>339,804</u>	<u>4,586,458</u>
--	11,235	--	9,800	1,730,028
23,986	--	4,609	--	914,495
--	--	--	--	92,295
--	--	--	106,690	220,641
--	56,474	1,887	14,172	105,594
--	--	16,885	20,598	234,455
--	--	12,545	--	65,818
--	--	--	--	1,305
--	--	--	102,723	120,398
4,024	--	--	--	83,098
--	--	--	--	248,920
--	--	--	--	483,805
<u>28,010</u>	<u>67,709</u>	<u>35,926</u>	<u>253,983</u>	<u>4,300,855</u>
(198)	(4,544)	2,006	85,821	285,603
--	--	--	--	1,772
--	--	--	--	1,772
(198)	(4,544)	2,006	85,821	287,375
1,504	7,335	(1,628)	25,522	262,109
<u>\$1,306</u>	<u>\$2,791</u>	<u>\$378</u>	<u>\$111,343</u>	<u>\$549,484</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 PUBLIC SCHOOL SUPPORT
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenues	\$80,000	\$76,858	(\$3,142)
Total revenues	<u>80,000</u>	<u>76,858</u>	<u>(3,142)</u>
Expenditures:			
Current:			
Instruction-other			
Purchased services	15	15	0
Supplies	185	185	0
Total instruction-other	<u>200</u>	<u>200</u>	<u>0</u>
Support services-pupil			
Purchased services	461	461	0
Total support services-pupil	<u>461</u>	<u>461</u>	<u>0</u>
Extracurricular activities			
Purchased services	66,246	66,246	0
Supplies	12,918	12,918	0
Capital outlay	3,087	3,087	0
Other	9,840	9,840	0
Total extracurricular activities	<u>92,091</u>	<u>92,091</u>	<u>0</u>
Total expenditures	<u>92,752</u>	<u>92,752</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	(12,752)	(15,894)	(3,142)
Fund balance, July 1	76,925	76,925	0
Prior year encumbrances appropriated	6,798	6,798	0
Fund balance, June 30	<u>\$70,971</u>	<u>\$67,829</u>	<u>(\$3,142)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
OTHER GRANT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenues	\$30,000	\$26,733	(\$3,267)
Total revenues	<u>30,000</u>	<u>26,733</u>	<u>(3,267)</u>
Expenditures:			
Current:			
Instruction-regular			
Supplies	23,560	23,560	0
Capital outlay	3,357	3,357	0
Total instruction-regular	<u>26,917</u>	<u>26,917</u>	<u>0</u>
Instruction-vocational			
Supplies	208	208	0
Capital outlay	90	90	0
Total instruction-vocational	<u>298</u>	<u>298</u>	<u>0</u>
Total expenditures	<u>27,215</u>	<u>27,215</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,785</u>	<u>(482)</u>	<u>(3,267)</u>
Other financing sources (uses):			
Refund of prior year (receipts)	(124)	(124)	0
Total other financing sources (uses)	<u>(124)</u>	<u>(124)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	2,661	(606)	(3,267)
Fund balance, July 1	24,769	24,769	0
Prior year encumbrances appropriated	4,186	4,186	0
Fund balance, June 30	<u>\$31,616</u>	<u>\$28,349</u>	<u>(\$3,267)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
VENTURE CAPITAL GRANT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$25,000	\$25,000	\$0
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	480	480	0
Fringe benefits	67	67	0
Purchased services	1,116	1,116	0
Supplies	12,922	12,922	0
Capital outlay	11,582	11,582	0
Total instruction-regular	<u>26,167</u>	<u>26,167</u>	<u>0</u>
Total expenditures	<u>26,167</u>	<u>26,167</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,167)</u>	<u>(1,167)</u>	<u>0</u>
Other financing sources (uses):			
Refund of prior year (receipts)	(99)	(99)	0
Total other financing sources (uses)	<u>(99)</u>	<u>(99)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(1,266)</u>	<u>(1,266)</u>	<u>0</u>
Fund balance, July 1	10,878	10,878	0
Prior year encumbrances appropriated	697	697	0
Fund balance, June 30	<u>\$10,309</u>	<u>\$10,309</u>	<u>\$0</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 DISTRICT MANAGED STUDENT ACTIVITY
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenue	\$142,049	\$148,276	\$6,227
Total revenues	<u>142,049</u>	<u>148,276</u>	<u>6,227</u>
Expenditures:			
Current:			
Extracurricular activities			
Purchased services	84,371	84,371	0
Supplies	46,082	46,082	0
Capital outlay	24,197	24,197	0
Other	19,947	19,947	0
Total extracurricular activities	<u>174,597</u>	<u>174,597</u>	<u>0</u>
Total expenditures	<u>174,597</u>	<u>174,597</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,548)</u>	<u>(26,321)</u>	<u>6,227</u>
Other financing sources (uses):			
Advances in	7,951	8,300	349
Total other financing sources (uses)	<u>7,951</u>	<u>8,300</u>	<u>349</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(24,597)</u>	<u>(18,021)</u>	<u>6,576</u>
Fund balance, July 1	39,657	39,657	0
Prior year encumbrances appropriated	2,470	2,470	0
Fund balance, June 30	<u>\$17,530</u>	<u>\$24,106</u>	<u>\$6,576</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP FUDGETARY BASIS)
AUXILIARY SERVICES
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	57,625	57,624	(51)
Intergovernmental - State	462,440	462,408	(32)
Total revenues	<u>470,065</u>	<u>470,032</u>	<u>(33)</u>
Expenditures:			
Current:			
Intergovernmental pass through			
Salaries and wages	197,947	197,947	0
Fringe benefits	52,876	52,876	0
Purchased services	56,575	56,575	0
Supplies	248,833	248,833	0
Capital outlay	14,319	14,319	0
Total intergovernmental pass through	<u>570,550</u>	<u>570,550</u>	<u>0</u>
Total expenditures	<u>570,550</u>	<u>570,550</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(100,485)</u>	<u>(100,518)</u>	<u>(33)</u>
Other financing sources (uses):			
Operating transfers in	49,935	49,932	(3)
Operating transfers (out)	(49,932)	(49,932)	0
Total other financing sources (uses)	<u>3</u>	<u>0</u>	<u>(3)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(100,482)</u>	<u>(100,518)</u>	<u>(36)</u>
Fund balance, July 1	100,536	100,536	0
Prior year encumbrances appropriated	44,147	44,147	0
Fund balance, June 30	<u>\$44,201</u>	<u>\$44,165</u>	<u>(\$36)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
CAREER DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$22,803	\$22,400	(\$403)
Total revenues	<u>22,803</u>	<u>22,400</u>	<u>(403)</u>
Expenditures:			
Current:			
Instruction-vocational			
Salaries and wages	16,991	16,991	0
Fringe benefits	2,500	2,500	0
Purchased services	1,773	1,773	0
Supplies	959	959	0
Total instruction-vocational	<u>22,223</u>	<u>22,223</u>	<u>0</u>
Total expenditures	<u>22,223</u>	<u>22,223</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>580</u>	<u>177</u>	<u>(403)</u>
Other financing sources (uses):			
Advances in	3,197	3,140	(57)
Advances (out)	0	(3,317)	(3,317)
Total other financing sources (uses)	<u>3,197</u>	<u>(177)</u>	<u>(3,374)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>3,777</u>	<u>0</u>	<u>(3,777)</u>
Fund balance, July 1	0	0	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	<u>\$3,777</u>	<u>\$0</u>	<u>(\$3,777)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 POST SECONDARY VOCATIONAL EDUCATION
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$17,444	\$19,848	\$2,404
Total revenues	<u>17,444</u>	<u>19,848</u>	<u>2,404</u>
Expenditures:			
Current:			
Instruction-other			
Purchased services	16,999	16,999	0
Supplies	4,934	4,934	0
Total instruction-other	<u>21,933</u>	<u>21,933</u>	<u>0</u>
Total expenditures	<u>21,933</u>	<u>21,933</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,489)</u>	<u>(2,085)</u>	<u>2,404</u>
Other financing sources (uses):			
Advances in	2,556	2,908	352
Advances (out)	0	(2,968)	(2,968)
Total other financing sources (uses)	<u>2,556</u>	<u>(60)</u>	<u>(2,616)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(1,933)</u>	<u>(2,145)</u>	<u>(212)</u>
Fund balance, July 1	0	0	0
Prior year encumbrances appropriated	2,145	2,145	0
Fund balance, June 30	<u>\$212</u>	<u>\$0</u>	<u>(\$212)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
TEACHER DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$30,000	\$29,268	(\$732)
Total revenues	<u>30,000</u>	<u>29,268</u>	<u>(732)</u>
Expenditures:			
Current:			
Support services-instructional staff			
Salaries and wages	1,800	1,800	0
Fringe benefits	262	262	0
Purchased services	25,374	25,374	0
Supplies	9,199	9,199	0
Total instruction-instructional staff	<u>36,635</u>	<u>36,635</u>	<u>0</u>
Community services			
Purchased services	6,670	6,670	0
Total community services	<u>6,670</u>	<u>6,670</u>	<u>0</u>
Total expenditures	<u>43,305</u>	<u>43,305</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,305)</u>	<u>(14,037)</u>	<u>(732)</u>
Other financing sources (uses):			
Refund of prior year (receipts)	(1,611)	(1,611)	0
Total other financing sources (uses)	<u>(1,611)</u>	<u>(1,611)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(14,916)</u>	<u>(15,648)</u>	<u>(732)</u>
Fund balance, July 1	9,213	9,213	0
Prior year encumbrances appropriated	6,546	6,546	0
Fund balance, June 30	<u>\$843</u>	<u>\$111</u>	<u>(\$732)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 MANAGEMENT INFORMATION SYSTEMS
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$15,000	\$13,198	(\$1,802)
Total revenues	<u>15,000</u>	<u>13,198</u>	<u>(1,802)</u>
Excess (deficiency) of revenues over (under) expenditures	15,000	13,198	(1,802)
Fund balance, July 1	5,583	5,583	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	<u>\$20,583</u>	<u>\$18,781</u>	<u>(\$1,802)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
DISADVANTAGED PUPIL IMPACT AID
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$1,590,000	\$1,586,239	(\$3,761)
Total revenues	<u>1,590,000</u>	<u>1,586,239</u>	<u>(3,761)</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	1,160,567	1,160,567	0
Fringe benefits	162,415	162,415	0
Total instruction-regular	<u>1,322,982</u>	<u>1,322,982</u>	<u>0</u>
Total expenditures	<u>1,322,982</u>	<u>1,322,982</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	267,018	263,257	(3,761)
Fund balance, July 1	62,312	62,312	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	<u>\$329,330</u>	<u>\$325,569</u>	<u>(\$3,761)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
DATA COMMUNICATIONS
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Expenditures:			
Current:			
Support services-central			
Capital outlay	-\$1,897	\$1,897	\$0
Total support services - central	1,897	1,897	0
Total expenditures	1,897	1,897	0
Excess (deficiency) of revenues over (under) expenditures	(1,897)	(1,897)	0
Fund balance, July 1	1,897	1,897	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	\$0	\$0	\$0

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
ABLE/JOBS GRANT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Intergovernmental - State	\$80,691	\$85,053	\$4,362
Total revenues	<u>80,691</u>	<u>85,053</u>	<u>4,362</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	12,800	12,800	0
Fringe benefits	1,858	1,858	0
Purchased services	9,971	9,971	0
Supplies	44,740	44,740	0
Total instruction-regular	<u>69,369</u>	<u>69,369</u>	<u>0</u>
Instruction-vocational			
Supplies	5,528	5,528	0
Capital outlay	28,608	28,608	0
Total instruction-vocational	<u>34,136</u>	<u>34,136</u>	<u>0</u>
Support services-instructional staff			
Purchased services	1,414	1,414	0
Total support services-instructional staff	<u>1,414</u>	<u>1,414</u>	<u>0</u>
Total expenditures	<u>104,919</u>	<u>104,919</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(24,228)</u>	<u>(19,866)</u>	<u>4,362</u>
Other financing sources (uses):			
Advances in	19,309	20,354	1,045
Total other financing sources (uses)	<u>19,309</u>	<u>20,354</u>	<u>1,045</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(4,919)</u>	<u>488</u>	<u>5,407</u>
Fund balance, July 1	0	0	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	<u>(\$4,919)</u>	<u>\$488</u>	<u>\$5,407</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
ADULT BASIC EDUCATION
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$40,789	\$40,678	(\$111)
Intergovernmental - Federal	46,249	46,123	(126)
Total revenues	87,038	86,801	(237)
Expenditures:			
Current:			
Instruction-other			
Salaries and wages	34,785	34,785	0
Fringe benefits	5,327	5,327	0
Purchased services	754	754	0
Supplies	3,476	3,476	0
Total instruction-other	44,342	44,342	0
Support services-instructional staff			
Salaries and wages	22,340	22,340	0
Fringe benefits	7,715	7,715	0
Purchased services	1,568	1,568	0
Other	198	198	0
Total support services-instructional staff	31,821	31,821	0
Support services-administration			
Salaries and wages	1,000	1,000	0
Fringe benefits	155	155	0
Total support services-administration	1,155	1,155	0
Total expenditures	77,318	77,318	0
Excess (deficiency) of revenues over (under) expenditures	9,720	9,483	(237)
Other financing sources (uses):			
Operating transfers in	7,962	7,940	(\$22)
Operating transfers (out)	(7,940)	(7,940)	0
Total other financing sources (uses)	22	0	(22)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	9,742	9,483	(259)
Fund balance, July 1	20,968	20,968	0
Prior year encumbrances appropriated	271	271	0
Fund balance, June 30	\$30,981	\$30,722	(\$259)

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
EDUCATION FOR ECONOMIC SECURITY ACT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$25,000	\$24,663	(\$337)
Total revenues	<u>25,000</u>	<u>24,663</u>	<u>(337)</u>
Expenditures:			
Current:			
Instruction-regular			
Purchased services	41,649	41,649	0
Supplies	13,746	13,746	0
Total instruction-regular	<u>55,395</u>	<u>55,395</u>	<u>0</u>
Total expenditures	<u>55,395</u>	<u>55,395</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,395)</u>	<u>(30,732)</u>	<u>(337)</u>
Other financing sources (uses):			
Refund of prior year (receipts)	(35)	(35)	0
Total other financing sources (uses)	<u>(35)</u>	<u>(35)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(30,430)</u>	<u>(30,767)</u>	<u>(337)</u>
Fund balance, July 1	25,557	25,557	0
Prior year encumbrances appropriated	14,600	14,600	0
Fund balance, June 30	<u>59,727</u>	<u>59,390</u>	<u>(\$337)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 TITLE VI - B
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$200,000	\$224,460	\$24,460
Total revenues	<u>200,000</u>	<u>224,460</u>	<u>24,460</u>
Expenditures:			
Current:			
Instruction-special			
Salaries and wages	85,925	85,925	0
Fringe benefits	26,048	26,048	0
Supplies	9,062	9,062	0
Total instruction-special	<u>121,035</u>	<u>121,035</u>	<u>0</u>
Support services-pupil			
Purchased services	9,678	9,678	0
Supplies	5,229	5,229	0
Total support services-pupil	<u>14,907</u>	<u>14,907</u>	<u>0</u>
Support services-instructional staff			
Salaries and wages	47,333	47,333	0
Fringe benefits	17,995	17,995	0
Supplies	85	85	0
Total support services-instructional staff	<u>65,413</u>	<u>65,413</u>	<u>0</u>
Support services-administration			
Salaries and wages	29,989	29,989	0
Fringe benefits	10,141	10,141	0
Purchased services	680	680	0
Capital outlay	2,321	2,321	0
Total support services-administration	<u>43,131</u>	<u>43,131</u>	<u>0</u>
Total expenditures	<u>244,486</u>	<u>244,486</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(44,486)</u>	<u>(20,026)</u>	<u>24,460</u>
Other financing sources (uses):			
Refund of prior year (receipts)	(129)	(129)	0
Total other financing sources (uses)	<u>(129)</u>	<u>(129)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(44,615)</u>	<u>(20,155)</u>	<u>24,460</u>
Fund balance, July 1	44,677	44,677	0
Prior year encumbrances appropriated	7,981	7,981	0
Fund balance, June 30	<u>\$8,043</u>	<u>\$32,503</u>	<u>\$24,460</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
VOCATIONAL EDUCATION
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenue	\$8,522	\$8,825	\$303
Intergovernmental - Federal	175,040	181,262	6,222
Total revenues	183,562	190,087	6,525
Expenditures:			
Current:			
Instruction-vocational			
Salaries and wages	1,158	1,158	0
Fringe benefits	162	162	0
Purchased services	7,505	7,505	0
Supplies	9,844	9,844	0
Capital outlay	48,191	48,191	0
Total instruction-vocational	66,860	66,860	0
Instruction-other			
Salaries and wages	21,177	21,177	0
Fringe benefits	9,240	9,240	0
Purchased services	19,316	19,316	0
Supplies	4,099	4,099	0
Total instruction-other	53,832	53,832	0
Support services-pupil			
Salaries and wages	10,972	10,972	0
Fringe benefits	5,187	5,187	0
Purchased services	1,477	1,477	0
Supplies	8,268	8,268	0
Capital outlay	3,399	3,399	0
Total support services-pupil	29,303	29,303	0
Support services-instructional staff			
Purchased services	1,063	1,063	0
Supplies	1,385	1,385	0
Total support services-instructional staff	2,448	2,448	0
Support services-administration			
Salaries and wages	2,245	2,245	0
Total support services-administration	2,245	2,245	0

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
VOCATIONAL EDUCATION
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Support services-central			
Salaries and wages	4,002	4,002	0
Fringe benefits	556	556	0
Purchased services	10,643	10,643	0
Supplies	1,733	1,733	0
Total support services-central	<u>16,934</u>	<u>16,934</u>	<u>0</u>
Community services			
Salaries and wages	10,519	10,519	0
Fringe benefits	1,599	1,599	0
Purchased services	2,476	2,476	0
Supplies	2,493	2,493	0
Total community services	<u>17,087</u>	<u>17,087</u>	<u>0</u>
Total expenditures	<u>188,709</u>	<u>188,709</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,147)</u>	<u>1,378</u>	<u>6,525</u>
Other financing sources (uses):			
Operating transfers in	1,711	1,772	61
Advances in	6,727	6,966	239
Advances (out)	0	(14,398)	(14,398)
Total other financing sources (uses)	<u>8,438</u>	<u>(5,660)</u>	<u>(14,098)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>3,291</u>	<u>(4,282)</u>	<u>(7,573)</u>
Fund balance, July 1	0	0	0
Prior year encumbrances appropriated	19,737	19,737	0
Fund balance, June 30	<u>\$23,028</u>	<u>\$15,455</u>	<u>(\$7,573)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
TEXTBOOK/INSTRUCTIONAL MATERIALS SUBSIDY
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$62,000	\$61,986	(\$14)
Total revenues	<u>62,000</u>	<u>61,986</u>	<u>(14)</u>
Expenditures:			
Current:			
Instruction-regular			
Supplies	119,478	119,478	0
Total instruction-regular	<u>119,478</u>	<u>119,478</u>	<u>0</u>
Total expenditures	<u>119,478</u>	<u>119,478</u>	<u>(14)</u>
Excess (deficiency) of revenues over (under) expenditures	(57,478)	(57,492)	(14)
Fund balance, July 1	1,010	1,010	0
Prior year encumbrances appropriated	56,482	56,482	0
Fund balance, June 30	<u>\$14</u>	<u>\$0</u>	<u>(\$14)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 BASIC EDUCATIONAL OPPORTUNITY GRANT
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$25,000	\$24,694	(\$306)
Total revenues	<u>25,000</u>	<u>24,694</u>	<u>(306)</u>
Expenditures:			
Current:			
Community services			
Purchased services	9,520	9,520	0
Other	15,174	15,174	0
Total community services	<u>24,694</u>	<u>24,694</u>	<u>0</u>
Total expenditures	<u>24,694</u>	<u>24,694</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	306	0	(306)
Fund balance, July 1	0	0	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	<u>\$306</u>	<u>\$0</u>	<u>(\$306)</u>

SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 TITLE I
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$779,887	\$889,354	\$109,467
Total revenues	<u>779,887</u>	<u>889,354</u>	<u>109,467</u>
Expenditures:			
Current:			
Instruction-special			
Salaries and wages	622,767	622,767	0
Fringe benefits	151,618	151,618	0
Purchased services	18,125	18,125	0
Supplies	128,355	128,355	0
Capital outlay	109	109	0
Total instruction-special	<u>920,974</u>	<u>920,974</u>	<u>0</u>
Support services-instructional staff			
Salaries and wages	52,401	52,401	0
Fringe benefits	10,963	10,963	0
Purchased services	979	979	0
Supplies	5,034	5,034	0
Total support services-instructional staff	<u>69,377</u>	<u>69,377</u>	<u>0</u>
Support services-pupil transportation			
Salaries and wages	1,125	1,125	0
Fringe benefits	180	180	0
Total support services-pupil transportation	<u>1,305</u>	<u>1,305</u>	<u>0</u>
Community services			
Salaries and wages	30,397	30,397	0
Fringe benefits	9,043	9,043	0
Total community services	<u>39,440</u>	<u>39,440</u>	<u>0</u>
Total expenditures	<u>1,031,096</u>	<u>1,031,096</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(251,209)</u>	<u>(141,742)</u>	<u>109,467</u>
Other financing sources (uses):			
Advances in	48,300	55,080	6,780
Operating transfers in	1,813	2,068	255
Operating transfers (out)	(2,068)	(2,068)	0
Refund of prior year (receipts)	(457)	(457)	0
Total other financing sources (uses)	<u>47,588</u>	<u>54,623</u>	<u>7,035</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(203,621)</u>	<u>(87,119)</u>	<u>116,502</u>
Fund balance, July 1	199,062	199,062	0
Prior year encumbrances appropriated	3,951	3,951	0
Fund balance, June 30	<u>-\$608</u>	<u>\$115,894</u>	<u>\$116,502</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
TITLE VI
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$28,000	\$27,812	(\$188)
Total revenues	<u>28,000</u>	<u>27,812</u>	<u>(188)</u>
Expenditures:			
Current:			
Instruction-special			
Salaries and wages	175	175	0
Supplies	22,120	22,120	0
Total instruction-special	<u>22,295</u>	<u>22,295</u>	<u>0</u>
Community services			
Purchased services	995	995	0
Supplies	1,625	1,625	0
Capital outlay	3,315	3,315	0
Total community services	<u>5,935</u>	<u>5,935</u>	<u>0</u>
Total expenditures	<u>28,230</u>	<u>28,230</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(230)</u>	<u>(418)</u>	<u>(188)</u>
Other financing sources (uses):			
Refund of prior year (receipts)	(766)	(766)	0
Total other financing sources (uses)	<u>(766)</u>	<u>(766)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(996)</u>	<u>(1,184)</u>	<u>(188)</u>
Fund balance, July 1	1,140	1,140	0
Prior year encumbrances appropriated	514	514	0
Fund balance, June 30	<u>\$658</u>	<u>\$470</u>	<u>(\$188)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
DRUG-FREE SCHOOL GRANT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$57,471	\$57,138	(\$333)
Total revenues	<u>57,471</u>	<u>57,138</u>	<u>(333)</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	2,841	2,841	0
Fringe benefits	150	150	0
Purchased services	3,690	3,690	0
Supplies	8,777	8,777	0
Total instruction-regular	<u>15,458</u>	<u>15,458</u>	<u>0</u>
Support services-pupil			
Salaries and wages	12,281	12,281	0
Fringe benefits	665	665	0
Purchased services	42,404	42,404	0
Supplies	1,143	1,143	0
Total support services-pupil	<u>56,493</u>	<u>56,493</u>	<u>0</u>
Total expenditures	<u>71,951</u>	<u>71,951</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,480)</u>	<u>(14,813)</u>	<u>(333)</u>
Other financing sources (uses):			
Operating transfers in	1,529	1,520	(9)
Operating transfers (out)	(1,520)	(1,520)	0
Total other financing sources (uses)	<u>9</u>	<u>0</u>	<u>(9)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(14,471)</u>	<u>(14,813)</u>	<u>(342)</u>
Fund balance, July 1	10,058	10,058	0
Prior year encumbrances appropriated	7,558	7,558	0
Fund balance, June 30	<u>\$3,145</u>	<u>\$2,803</u>	<u>(\$342)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
EHA PRESCHOOL GRANT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$38,000	\$37,932	(\$68)
Total revenues	<u>38,000</u>	<u>37,932</u>	<u>(68)</u>
Expenditures:			
Current:			
Instruction-special			
Purchased services	1,524	1,524	0
Supplies	3,303	3,303	0
Total instruction-special	<u>4,827</u>	<u>4,827</u>	<u>0</u>
Support services-pupil			
Capital outlay	1,888	1,888	0
Total support services-pupil	<u>1,888</u>	<u>1,888</u>	<u>0</u>
Support services-instructional staff			
Salaries and wages	15,845	15,845	0
Fringe benefits	5,865	5,865	0
Total support services-instructional staff	<u>21,710</u>	<u>21,710</u>	<u>0</u>
Support services-administration			
Salaries and wages	10,166	10,166	0
Fringe benefits	1,939	1,939	0
Supplies	408	408	0
Total support services-administration	<u>12,513</u>	<u>12,513</u>	<u>0</u>
Total expenditures	<u>40,938</u>	<u>40,938</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	(2,938)	(3,006)	(68)
Fund balance, July 1	7,231	7,231	0
Prior year encumbrances appropriated	120	120	0
Fund balance, June 30	<u>\$4,413</u>	<u>\$4,345</u>	<u>(\$68)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
YOUTH INVOLVEMENT GRANT
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$340,000	\$339,804	(\$196)
Total revenues	<u>340,000</u>	<u>339,804</u>	<u>(196)</u>
Expenditures:			
Current:			
<i>Instruction-other</i>			
Salaries and wages	28,266	28,266	0
Fringe benefits	3,957	3,957	0
Purchased services	62,937	62,937	0
Supplies	24,138	24,138	0
Total instruction-other	<u>119,298</u>	<u>119,298</u>	<u>0</u>
<i>Support services-pupil</i>			
Salaries and wages	4,500	4,500	0
Purchased services	9,659	9,659	0
Supplies	100	100	0
Total support services-pupil	<u>14,259</u>	<u>14,259</u>	<u>0</u>
<i>Support services-instructional staff</i>			
Fringe benefits	45	45	0
Purchased services	17,956	17,956	0
Supplies	2,592	2,592	0
Capital outlay	7,892	7,892	0
Total support services-instructional staff	<u>28,485</u>	<u>28,485</u>	<u>0</u>
<i>Support services-central</i>			
Supplies	18,966	18,966	0
Capital outlay	155,505	158,215	(2,710)
Total support services-central	<u>174,471</u>	<u>177,181</u>	<u>(2,710)</u>
Total expenditures	<u>336,513</u>	<u>339,223</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,487</u>	<u>581</u>	<u>(2,906)</u>
Other financing sources (uses):			
Refund of prior year (receipts)	(1,247)	(1,247)	0
Advances (out)	0	(37,630)	(37,630)
Total other financing sources (uses)	<u>(1,247)</u>	<u>(38,877)</u>	<u>(37,630)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>2,240</u>	<u>(38,296)</u>	<u>(40,536)</u>
Fund balance, July 1	15,890	15,890	0
Prior year encumbrances appropriated	78,542	78,542	0
Fund balance, June 30	<u>\$96,672</u>	<u>\$56,136</u>	<u>(\$40,536)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
TOTAL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$7,625	\$7,624	(\$1)
Other local revenue	260,571	260,692	121
Intergovernmental - State	2,346,167	2,346,078	(89)
Intergovernmental - Federal	1,714,647	1,853,242	138,595
Total revenues	4,329,010	4,467,636	138,626
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	1,176,687	1,176,687	0
Fringe benefits	164,490	164,490	0
Purchased services	56,426	56,426	0
Supplies	223,223	223,223	0
Capital outlay	14,939	14,939	0
Total instruction-regular	1,635,765	1,635,765	0
Instruction-special			
Salaries and wages	708,868	708,868	0
Fringe benefits	177,666	177,666	0
Purchased services	19,649	19,649	0
Supplies	162,840	162,840	0
Capital outlay	109	109	0
Total instruction-special	1,069,132	1,069,132	0
Instruction-vocational			
Salaries and wages	18,149	18,149	0
Fringe benefits	2,662	2,662	0
Purchased services	9,278	9,278	0
Supplies	16,539	16,539	0
Capital outlay	76,889	76,889	0
Total instruction-vocational	123,517	123,517	0
Instruction-other			
Salaries and wages	84,228	84,228	0
Fringe benefits	18,524	18,524	0
Purchased services	100,021	100,021	0
Supplies	36,832	36,832	0
Total instruction-other	239,605	239,605	0

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
TOTAL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Support services-pupil			
Salaries and wages	27,753	27,753	0
Fringe benefits	5,852	5,852	0
Purchased services	63,679	63,679	0
Supplies	14,740	14,740	0
Capital outlay	5,287	5,287	0
Total support services-pupil	<u>117,311</u>	<u>117,311</u>	<u>0</u>
Support services-instructional staff			
Salaries and wages	139,719	139,719	0
Fringe benefits	42,845	42,845	0
Purchased services	48,354	48,354	0
Supplies	18,295	18,295	0
Capital outlay	7,892	7,892	0
Other	198	198	0
Total support services-instructional staff	<u>257,303</u>	<u>257,303</u>	<u>0</u>
Support services-administration			
Salaries and wages	43,400	43,400	0
Fringe benefits	12,235	12,235	0
Purchased services	680	680	0
Supplies	408	408	0
Capital outlay	2,321	2,321	0
Total support services-administration	<u>59,044</u>	<u>59,044</u>	<u>0</u>
Support services-pupil transportation			
Salaries and wages	1,125	1,125	0
Fringe benefits	180	180	0
Total support services-pupil transportation	<u>1,305</u>	<u>1,305</u>	<u>0</u>
Support services-central			
Salaries and wages	4,002	4,002	0
Fringe benefits	556	556	0
Purchased services	10,643	10,643	0
Supplies	20,699	20,699	0
Capital outlay	157,402	160,112	(2,710)
Total support services-central	<u>193,302</u>	<u>196,012</u>	<u>(2,710)</u>

-- continued

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
TOTAL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Community services			
Salaries and wages	40,916	40,916	0
Fringe benefits	10,642	10,642	0
Purchased services	19,661	19,661	0
Supplies	4,118	4,118	0
Capital outlay	3,315	3,315	0
Other	15,174	15,174	0
Total community services	<u>93,826</u>	<u>93,826</u>	<u>0</u>
Extracurricular activities			
Purchased services	150,617	150,617	0
Supplies	59,000	59,000	0
Capital outlay	27,284	27,284	0
Other	29,787	29,787	0
Total extracurricular activities	<u>266,688</u>	<u>266,688</u>	<u>0</u>
Intergovernmental pass through			
Salaries and wages	197,947	197,947	0
Fringe benefits	52,876	52,876	0
Purchased services	56,575	56,575	0
Supplies	248,833	248,833	0
Capital outlay	14,319	14,319	0
Total intergovernmental pass through	<u>570,550</u>	<u>570,550</u>	<u>0</u>
Total expenditures	<u>4,627,348</u>	<u>4,630,058</u>	<u>(2,710)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(298,338)</u>	<u>(162,422)</u>	<u>135,916</u>
Other financing sources (uses):			
Operating transfers in	62,950	63,232	282
Operating transfers (out)	(61,460)	(61,460)	0
Advances in	88,040	96,748	8,708
Advances (out)	0	(58,313)	(58,313)
Refund of prior year's (receipts)	(4,468)	(4,468)	0
Total other financing sources (uses)	<u>85,062</u>	<u>35,739</u>	<u>(49,323)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(213,276)</u>	<u>(126,683)</u>	<u>86,593</u>
Fund balances, July 1	657,359	657,359	0
Prior year encumbrances appropriated	256,745	256,745	0
Fund balances, June 30	<u>\$700,828</u>	<u>\$787,421</u>	<u>\$86,593</u>

DEBT SERVICE FUND

Section 5705.09, Revised Code

A fund provided for the retirement of serial bonds and short term loans. All revenue derived from general or special levies, either within or exceeding the statutory unvoted ten-mill limitation, which is levied for debt charges on bonds or loans, are paid into this fund.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 DEBT SERVICE FUND
 FOR YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Taxes	\$376,029	\$375,194	(\$835)
Intergovernmental-State	46,971	46,867	(104)
Total revenues	<u>423,000</u>	<u>422,061</u>	<u>(939)</u>
Expenditures:			
Support services - fiscal			
Dues and fees	6,874	6,874	0
Total support services - fiscal	<u>6,874</u>	<u>6,874</u>	<u>0</u>
Debt service			
Principal retirement	261,468	261,468	0
Interest and fiscal charge	148,670	148,670	0
Total debt service	<u>410,138</u>	<u>410,138</u>	<u>0</u>
Total expenditures	<u>417,012</u>	<u>417,012</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	5,988	5,049	(939)
Fund balance, July 1	316,899	316,899	0
Fund balance, June 30	<u>\$322,887</u>	<u>\$321,948</u>	<u>(\$939)</u>

CAPITAL PROJECTS FUNDS

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

Permanent Improvement Section 5705.10, Revised Code

A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705, Revised Code.

Replacement Section 3315.11, Revised Code

A fund provided to account for monies used in the rebuilding, restoration or improvement of property which has been totally or partially destroyed due to any cause. Such property may have become unfit for use necessitating its demolition in whole or in part, and may require repair or restoration before it can again be used.

SchoolNet Section 5705.09, Revised Code

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

Power Up Technologies Section 5705.09, Revised Code

This fund is used to account for State grant money to provide for electrical upgrades. There is a local matching requirement, which may be transferred to and subsequently expended from this fund.

SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 COMBINING BALANCE SHEET
 FOR ALL CAPITAL PROJECTS FUNDS
 JUNE 30, 1999

	PERMANENT IMPROVEMENT	REPLACEMENT	SCHOOLNET	POWER UP TECHNOLOGIES	TOTAL
ASSETS :					
Equity in pooled cash and cash equivalents	\$291,305	\$26,673	\$1,004	\$100,830	\$419,812
Receivables (net of allowances for uncollectibles):					
Taxes - current & delinquent	635,677	--	--	--	635,677
Total assets	<u>\$926,982</u>	<u>\$26,673</u>	<u>\$1,004</u>	<u>\$100,830</u>	<u>\$1,055,489</u>
LIABILITIES:					
Accounts payable	\$82,975	\$ --	\$ --	\$ --	\$82,975
Interfund loans payable	32,000	--	--	--	32,000
Deferred revenue	561,565	--	--	--	561,565
Total liabilities	<u>676,540</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>676,540</u>
FUND EQUITY:					
Fund balances:					
Reserved for encumbrances	207,569	--	--	--	207,569
Reserved for tax revenue unavailable for appropriation	74,112	--	--	--	74,112
Unreserved-undesignated	(31,239)	26,673	1,004	100,830	97,268
Total fund equity	<u>250,442</u>	<u>26,673</u>	<u>1,004</u>	<u>100,830</u>	<u>378,949</u>
Total liabilities and fund equity	<u>\$926,982</u>	<u>\$26,673</u>	<u>\$1,004</u>	<u>\$100,830</u>	<u>\$1,055,489</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR ALL CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>PERMANENT IMPROVEMENT</u>	<u>REPLACEMENT</u>	<u>SCHOOLNET</u>	<u>POWER UP TECHNOLOGIES</u>	<u>TOTAL</u>
Revenues:					
From local sources:					
Taxes	\$542,945	\$ --	\$ --	\$ --	\$542,945
Other local revenue	223,257	--	--	--	223,257
Intergovernmental - State	62,587	--	--	106,830	169,417
Total revenues	<u>828,789</u>	<u>--</u>	<u>--</u>	<u>106,830</u>	<u>935,619</u>
Expenditures:					
Current:					
Instruction:					
Regular	--	--	167,652	--	167,652
Central	--	--	--	6,000	6,000
Support services:					
Fiscal	9,992	--	--	--	9,992
Facilities aquisition and construction	1,231,236	--	--	--	1,231,236
Total expenditures	<u>1,241,228</u>	<u>--</u>	<u>167,652</u>	<u>6,000</u>	<u>1,414,880</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(412,439)</u>	<u>--</u>	<u>(167,652)</u>	<u>100,830</u>	<u>(479,261)</u>
Other financing sources:					
Operating transfers in	282,500	--	--	--	282,500
Proceeds from sale of assets	122,500	--	--	--	122,500
Total other financing sources	<u>405,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>405,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(7,439)</u>	<u>0</u>	<u>(167,652)</u>	<u>100,830</u>	<u>(74,261)</u>
Fund balance, July 1	257,881	26,673	168,656	0	453,210
Fund balance, June 30	<u>\$250,442</u>	<u>\$26,673</u>	<u>\$1,004</u>	<u>\$100,830</u>	<u>\$378,949</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT
FOR YEAR ENDING JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Taxes	\$560,540	\$547,943	(\$12,597)
Other local revenues	228,389	223,256	(5,133)
Intergovernmental - State	64,025	62,586	(1,439)
Total revenues	852,954	833,785	(19,169)
Expenditures:			
Current:			
Support services-fiscal			
Dues and fees	9,992	9,992	0
Total support services-fiscal	9,992	9,992	0
Facilities acquisition and construction			
Purchased services	718,156	718,156	0
Capital outlay	784,190	784,190	0
Total facilities acquisition & construction	1,502,346	1,502,346	0
Total expenditures	1,512,338	1,512,338	0
Excess (deficiency) of revenues over (under) expenditures	(659,384)	(678,553)	(19,169)
Other financing sources (uses):			
Operating transfers in	288,995	282,500	(6,495)
Advances in	32,736	32,000	(736)
Proceeds from sale of fixed assets	125,315	122,500	(2,815)
Total other financing sources (uses)	447,046	437,000	(10,046)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(212,338)	(241,553)	(29,215)
Fund balance, July 1	37,886	37,886	0
Prior year encumbrances appropriated	204,427	204,427	0
Fund balance, June 30	\$29,975	\$760	(\$29,215)

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 REPLACEMENT
 FOR YEAR ENDING JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Fund balance, July 1	\$26,673	\$26,673	\$0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	<u>\$26,673</u>	<u>\$26,673</u>	<u>\$0</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
SCHOOLNET
FOR YEAR ENDING JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Expenditures:			
Current:			
Instruction - regular			
Capital outlay	\$167,652	\$167,652	\$0
Total instruction - regular	<u>167,652</u>	<u>167,652</u>	<u>0</u>
Total expenditures	<u>167,652</u>	<u>167,652</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	(167,652)	(167,652)	0
Fund balance, July 1	168,656	168,656	0
Prior year encumbrances appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, June 30	<u><u>\$1,004</u></u>	<u><u>\$1,004</u></u>	<u><u>\$0</u></u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 POWER UP TECHNOLOGIES
 FOR YEAR ENDING JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$110,000	\$106,830	(\$3,170)
Total revenues	<u>110,000</u>	<u>106,830</u>	<u>(3,170)</u>
Expenditures:			
Current:			
Support services-central			
Supplies	6,000	6,000	0
Total support services-central	<u>6,000</u>	<u>6,000</u>	<u>0</u>
Total expenditures	<u>6,000</u>	<u>6,000</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>104,000</u>	<u>100,830</u>	<u>(3,170)</u>
Fund balance, July 1	0	0	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	<u>\$104,000</u>	<u>\$100,830</u>	<u>(\$3,170)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
TOTAL CAPITAL PROJECTS FUNDS
FOR YEAR ENDING JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Taxes	\$560,540	\$547,943	(\$12,597)
Other local revenues	228,389	223,256	(5,133)
Intergovernmental - State	174,025	169,416	(4,609)
Total revenues	962,954	940,615	(22,339)
Expenditures:			
Current:			
Instruction-regular			
Capital outlay	167,652	167,652	0
Total instruction-regular	167,652	167,652	0
Support services-fiscal			
Dues and fees	9,992	9,992	0
Total support services-fiscal	9,992	9,992	0
Support services-central			
Supplies	6,000	6,000	0
Total support services-central	6,000	6,000	0
Facilities acquisition and construction			
Purchased services	718,156	718,156	0
Capital outlay	784,190	784,190	0
Total facilities acquisition and construction	1,502,346	1,502,346	0
Total expenditures	1,685,990	1,685,990	0
Excess (deficiency) of revenues over (under) expenditures	(723,036)	(745,375)	(22,339)
Other financing sources (uses):			
Operating transfers in	288,995	282,500	(6,495)
Advances in	32,736	32,000	(736)
Proceeds from sale of fixed assets	125,315	122,500	(2,815)
Total other financing sources (uses)	447,046	437,000	(10,046)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(275,990)	(308,375)	(32,385)
Fund balances, July 1	233,215	233,215	0
Prior year encumbrances appropriated	204,427	204,427	0
Fund balances, June 30	\$161,652	\$129,267	(\$32,385)

ENTERPRISE FUNDS

Section 5705.12 Revised Code

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

Food Services

Section 3313.81, Revised Code

A fund used to record financial transactions related to Food Service Operation.

Adult Education Fund

Section 5705.12, Revised Code

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

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
JUNE 30, 1999

	FOOD SERVICE	ADULT EDUCATION	TOTAL
ASSETS:			
Equity in pooled cash and cash equivalents	\$2,438	\$133,076	\$135,514
Receivables (net of allowances for uncollectibles)			
Accounts	52	--	52
<i>Due from other governments</i>	19,362	--	19,362
Prepayments	817	--	817
Materials and supplies inventory	23,256	--	23,256
Property, plant & equipment	601,637	68,374	670,011
(Accumulated depreciation)	(299,981)	(39,398)	(339,379)
Total assets	\$347,581	\$162,052	\$509,633
LIABILITIES:			
Accounts payable	\$869	\$13,705	\$14,574
Accrued wages and benefits	118,837	49,455	168,292
Compensated absences payable	43	4,429	4,472
Pension obligation payable	49,255	15,316	64,571
Interfund loans payable	15,000	40,708	55,708
Deferred revenue	8,899	--	8,899
Future retirement obligation	104,395	15,807	120,202
Total liabilities	297,298	139,420	436,718
FUND EQUITY:			
Contributed capital	191,064	--	191,064
Retained earnings (accumulated deficit):			
unreserved	(140,781)	22,632	(118,149)
Total fund equity	50,283	22,632	72,915
Total liabilities and fund equity	\$347,581	\$162,052	\$509,633

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	FOOD SERVICE	ADULT EDUCATION	TOTAL
Operating revenues:			
Tuition and fees	\$ --	\$371,514	\$371,514
Sales/charges for services	738,470	--	738,470
Other operating revenues	50,790	--	50,790
Total operating revenues	<u>789,260</u>	<u>371,514</u>	<u>1,160,774</u>
Operating expenses:			
Salaries and wages	545,218	670,265	1,215,483
Fringe benefits	241,002	152,392	393,394
Contract services	4,640	69,582	74,222
Materials and supplies	890,575	66,506	957,081
Depreciation	11,112	3,045	14,157
Total operating expenses	<u>1,692,547</u>	<u>961,790</u>	<u>2,654,337</u>
Operating loss	(903,287)	(590,276)	(1,493,563)
Nonoperating revenues (expenses):			
Operating grants	819,989	597,483	1,417,472
Federal donated commodities	113,300	--	113,300
Loss on sale of fixed assets	(157)	--	(157)
Other nonoperating revenues	--	560	560
Other nonoperating expenses	(15,886)	--	(15,886)
Total nonoperating revenues (expenses)	<u>917,246</u>	<u>598,043</u>	<u>1,515,289</u>
Net income	13,959	7,767	21,726
Retained earnings, July 1	(154,740)	14,865	(139,875)
Retained earnings, June 30	<u>(\$140,781)</u>	<u>\$22,632</u>	<u>(\$118,149)</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOOD SERVICE
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Sales/charges for services	\$745,181	\$738,519	(6,662)
Other operating revenues	51,249	50,791	(458)
Total operating revenues	796,430	789,310	(7,120)
Operating expenses:			
Salaries and wages	560,178	560,178	0
Fringe benefits	235,860	235,860	0
Contract services	4,640	4,640	0
Materials and supplies	785,530	785,530	0
Capital outlay	158	158	0
Total operating expenses	1,586,366	1,586,366	0
Operating loss	(789,936)	(797,056)	(7,120)
Nonoperating revenues (expenses):			
Operating grants	823,570	816,208	(7,362)
Total nonoperating revenues (expenses)	823,570	816,208	(7,362)
Net income before operating advances	33,634	19,152	(14,482)
Operating advances:			
Advances in	0	15,000	15,000
Advances (out)	0	(32,927)	(32,927)
Total operating advances	0	(17,927)	(17,927)
Net income (loss)	33,634	1,225	(32,409)
Retained earnings, July 1	936	936	0
Prior year encumbrances appropriated	275	275	0
Retained earnings, June 30	\$34,845	\$2,436	(32,409)

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
ADULT EDUCATION
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Tuition and fees	\$347,788	\$350,070	\$2,282
Other operating revenues	65,691	66,122	431
Total operating revenues	413,479	416,192	2,713
Operating expenses:			
Salaries and wages	628,383	628,383	0
Fringe benefits	152,440	152,440	0
Contract services	75,940	75,940	0
Materials and supplies	66,764	66,584	180
Capital outlay	4,589	4,589	0
Total operating expenses	928,116	927,936	180
Operating loss	(514,637)	(511,744)	2,893
Nonoperating revenues (expenses):			
Refund of prior year's (receipts)	(8)	(8)	0
Operating grants	262,753	264,477	1,724
Other nonoperating revenues (expenses)	346,510	348,785	2,275
Total nonoperating revenues (expenses)	609,255	613,254	3,999
Net income before operating advances/transfers	94,618	101,510	6,892
Operating advances/transfers:			
Advances in	0	40,708	40,708
Transfers in	237,258	238,815	1,557
Advances (out)	0	(217,665)	(217,665)
Transfers (out)	(238,815)	(238,815)	0
Total operating advances/transfers - net	(1,557)	(176,957)	(175,400)
Net income (loss)	93,061	(75,447)	(168,508)
Retained earnings, July 1	184,854	184,854	0
Prior year encumbrances appropriated	11,489	11,489	0
Retained earnings, June 30	\$289,404	\$120,896	(\$168,508)

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
ALL ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Tuition and fees	\$347,788	\$350,070	\$2,282
Sales/charges for services	745,181	738,519	(6,662)
Other operating revenues	116,940	116,913	(27)
Total operating revenues	<u>1,209,909</u>	<u>1,205,502</u>	<u>(4,407)</u>
Operating expenses:			
Salaries and wages	1,188,561	1,188,561	0
Fringe benefits	388,300	388,300	0
Contract services	80,580	80,580	0
Materials and supplies	852,294	852,114	180
Capital outlay	4,747	4,747	0
Total operating expenses	<u>2,514,482</u>	<u>2,514,302</u>	<u>180</u>
Operating loss	<u>(1,304,573)</u>	<u>(1,308,800)</u>	<u>(4,227)</u>
Nonoperating revenues (expenses):			
Refund of prior year's (receipts)	(8)	(8)	0
Operating grants	1,086,323	1,080,685	(5,638)
Other nonoperating revenues (expenses)	346,510	348,785	2,275
Total nonoperating revenues (expenses)	<u>1,432,825</u>	<u>1,429,462</u>	<u>(3,363)</u>
Net income before operating advances/transfers	<u>128,252</u>	<u>120,662</u>	<u>(7,590)</u>
Operating advances/transfers:			
Advances in	0	55,708	55,708
Transfers in	237,258	238,815	1,557
Advances (out)	0	(250,592)	(250,592)
Transfers (out)	(238,815)	(238,815)	0
Total operating advances/transfers - net	<u>(1,557)</u>	<u>(194,884)</u>	<u>(193,327)</u>
Net income (loss)	126,695	(74,222)	(200,917)
Retained earnings, July 1	185,790	185,790	0
Prior year encumbrances appropriated	11,764	11,764	0
Retained earnings, June 30	<u>\$324,249</u>	<u>\$123,332</u>	<u>(\$200,917)</u>

SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 COMBINING STATEMENT OF CASH FLOWS
 ALL ENTERPRISE FUNDS
 FOR YEAR ENDED JUNE 30, 1999

	FOOD SERVICE	ADULT EDUCATION	TOTAL
Cash flows from operating activities:			
Cash received from tuition and fees	\$ --	\$416,193	\$416,193
Cash received from sales/service charges	738,520	--	738,520
Cash received from other operations	50,790	--	50,790
Cash payments for personal services	(796,037)	(780,824)	(1,576,861)
Cash payments for contract services	(4,640)	(73,713)	(78,353)
Cash payments for materials and supplies	(785,688)	(59,282)	(844,970)
Net cash used in operating activities	<u>(797,055)</u>	<u>(497,626)</u>	<u>(1,294,681)</u>
Cash flows from noncapital financing activities:			
Cash received from operating grants	816,208	613,261	1,429,469
Cash received from interfund loans	15,000	40,708	55,708
Cash payments used in repayment of interfund loans	(32,927)	(217,664)	(250,591)
Net cash provided by noncapital financing activities	<u>798,281</u>	<u>436,305</u>	<u>1,234,586</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	--	(1,945)	(1,945)
Net cash used in capital and related financing activities	<u>--</u>	<u>(1,945)</u>	<u>(1,945)</u>
Net increase (decrease) in cash and cash equivalents	1,226	(63,266)	(62,040)
Cash and cash equivalents at beginning of year	1,212	196,342	197,554
Cash and cash equivalents at end of year	<u>\$2,438</u>	<u>\$133,076</u>	<u>\$135,514</u>
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	(\$903,287)	(\$590,276)	(\$1,493,563)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	11,112	3,045	14,157
Federal donated commodities	113,300	--	113,300
Changes in assets and liabilities:			
Increase in materials and supplies inventory	(6,198)	--	(6,198)
Decrease in accounts receivable	50	44,679	44,729
Decrease in prepayments	--	189	189
Increase (decrease) in accounts payable	(1,695)	2,904	1,209
Increase (decrease) in accrued wages and benefits	(7,867)	40,631	32,764
Increase (decrease) in compensated absences payable	(13,835)	1,516	(12,319)
Increase (decrease) in pension obligation payable	3,617	(1,006)	2,611
Increase in future retirement obligation	8,268	692	8,960
Decrease in deferred revenue	(520)	--	(520)
Net cash used in operating activities	<u>(\$797,055)</u>	<u>(\$497,626)</u>	<u>(\$1,294,681)</u>

INTERNAL SERVICE FUNDS

A fund category used to account for the financing of goods or services provided by one department or agency of the District to other departments or agencies on a cost-reimbursement basis. Charges are intended only to recoup the total cost of such services.

Internal Service Rotary

Section 5705.12, Revised Code

A fund provided to account for operations that provide goods or services to other governmental units on a cost-reimbursement basis. The use of the fund may be applied to situations where the district acts as fiscal agent for a multi-district program.

Employee Benefits Self-Insurance

Section 5705.09, Revised Code

A fund provided to account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision, or any other similar employee benefits. The Employee Benefits Self-Insurance Fund may make payments for services provided to employees, for reimbursements to employees who have paid providers, to third party administrators for claim payment or administration, for stop-loss coverage or for any other reinsurance or other similar purposes.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL INTERNAL SERVICE FUNDS
 JUNE 30, 1999

	INTERNAL SERVICE ROTARY	EMPLOYEE BENEFITS SELF-INSURANCE	TOTAL
ASSETS:			
Equity in pooled cash and cash equivalents	\$52,058	\$695,293	\$747,351
Receivables (net of allowances for uncollectibles):			
Accounts	233	--	233
Prepayments	192	--	192
Property, plant and equipment (Accumulated depreciation)	39,677 (13,867)	--	39,677 (13,867)
Total assets	\$78,293	\$695,293	\$773,586
LIABILITIES:			
Accounts payable	\$700	\$ --	\$700
Accrued wages and benefits	7,873	--	7,873
Pension obligation payable	2,144	--	2,144
Claims payable	--	309,834	309,834
Interfund loan payable	400	--	400
Future retirement obligation	5,563	--	5,563
Total liabilities	16,680	309,834	326,514
FUND EQUITY:			
Retained earnings-unreserved	61,613	385,459	447,072
Total fund equity	61,613	385,459	447,072
Total liabilities and fund equity	\$78,293	\$695,293	\$773,586

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	INTERNAL SERVICE ROTARY	EMPLOYEE BENEFITS SELF-INSURANCE	TOTAL
Operating revenues:			
Sales/charges for services	\$9,324	\$2,904,844	\$2,914,168
Other operating revenues	101,871	--	101,871
Total operating revenues	<u>111,195</u>	<u>2,904,844</u>	<u>3,016,039</u>
Operating expenses:			
Salaries and wages	75,657	--	75,657
Fringe benefits	17,743	--	17,743
Contract services	5,158	2,946,053	2,951,211
Materials and supplies	36,156	--	36,156
Depreciation	3,254	--	3,254
Other operating expenses	1,598	255,982	257,580
Total operating expenses	<u>139,566</u>	<u>3,202,035</u>	<u>3,341,601</u>
Operating loss	(28,371)	(297,191)	(325,562)
Nonoperating revenues:			
Operating grants	18,397	--	18,397
Interest revenue	--	40,296	40,296
Other nonoperating revenues	4,977	--	4,977
Total nonoperating revenues	<u>23,374</u>	<u>40,296</u>	<u>63,670</u>
Net loss before operating transfers	(4,997)	(256,895)	(261,892)
Operating transfer in	<u>5,000</u>	<u>--</u>	<u>5,000</u>
Net income (loss)	3	(256,895)	(256,892)
Retained earnings, July 1	61,610	642,354	703,964
Retained earnings, June 30	<u>\$61,613</u>	<u>\$385,459</u>	<u>\$447,072</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
INTERNAL SERVICE ROTARY
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Sales/charges for services	58,954	59,307	\$353
Other operating revenues	98,150	102,014	3,864
Total operating revenues	<u>107,104</u>	<u>111,321</u>	<u>4,217</u>
Operating expenses:			
Salaries and wages	67,947	67,947	0
Fringe benefits	17,230	17,230	0
Contract services	11,915	11,915	0
Materials and supplies	42,755	42,755	0
Capital outlay	2,742	2,742	0
Other operating expenses	1,636	1,636	0
Total operating expenses	<u>144,225</u>	<u>144,225</u>	<u>0</u>
Operating income loss	<u>(37,121)</u>	<u>(32,904)</u>	<u>4,217</u>
Nonoperating revenues:			
Operating grants	17,700	18,397	697
Total nonoperating revenues	<u>17,700</u>	<u>18,397</u>	<u>697</u>
Net loss before operating advances/transfers	<u>(19,421)</u>	<u>(14,507)</u>	<u>4,914</u>
Operating advances/transfers:			
Advances in	385	400	15
Transfers in	4,811	5,000	189
Total operating advances/transfers - net	<u>5,196</u>	<u>5,400</u>	<u>204</u>
Net loss	<u>(14,225)</u>	<u>(9,107)</u>	<u>5,118</u>
Retained earnings, July 1	44,059	44,059	0
Prior year encumbrances appropriated	12,776	12,776	0
Retained earnings, June 30	<u>\$42,610</u>	<u>\$47,728</u>	<u>\$5,118</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 EMPLOYEE BENEFITS SELF-INSURANCE
 FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Sales/charges for services	\$2,909,638	\$2,904,844	(\$4,794)
Total operating revenues	<u>2,909,638</u>	<u>2,904,844</u>	<u>(4,794)</u>
Operating expenses:			
Contract services	3,286,602	3,086,602	200,000
Other operating expenses	255,984	255,984	0
Total operating expenses	<u>3,542,586</u>	<u>3,342,586</u>	<u>200,000</u>
Operating income loss	<u>(632,948)</u>	<u>(437,742)</u>	<u>195,206</u>
Nonoperating revenues (expenses):			
Interest revenue	40,362	40,296	(66)
Total nonoperating revenues (expenses)	<u>40,362</u>	<u>40,296</u>	<u>(66)</u>
Net loss	(592,586)	(397,446)	195,140
Retained earnings, July 1	1,092,739	1,092,739	0
Prior year encumbrances appropriated	0	0	0
Retained earnings, June 30	<u>\$500,153</u>	<u>\$695,293</u>	<u>\$195,140</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Sales/charges for services	\$2,918,592	\$2,914,151	(\$4,441)
Other operating revenues	98,150	102,014	3,864
Total operating revenues	<u>3,016,742</u>	<u>3,016,165</u>	<u>(577)</u>
Operating expenses:			
Salaries and wages	67,947	67,947	0
Fringe benefits	17,230	17,230	0
Contract services	3,298,517	3,098,517	200,000
Materials and supplies	42,755	42,755	0
Capital outlay	2,742	2,742	0
Other operating expenses	257,620	257,620	0
Total operating expenses	<u>3,686,811</u>	<u>3,486,811</u>	<u>200,000</u>
Operating income loss	<u>(670,069)</u>	<u>(470,646)</u>	<u>199,423</u>
Nonoperating revenues:			
Operating grants	17,700	18,397	697
Interest revenue	40,362	40,296	(66)
Total nonoperating revenues	<u>58,062</u>	<u>58,693</u>	<u>631</u>
Net loss before operating advances/transfers	<u>(612,007)</u>	<u>(411,953)</u>	<u>200,054</u>
Operating advances/transfers:			
Advances in	385	400	15
Transfers in	4,811	5,000	189
Total operating advances/transfers - net	<u>5,196</u>	<u>5,400</u>	<u>204</u>
Net loss	<u>(606,811)</u>	<u>(406,553)</u>	<u>200,258</u>
Retained earnings, July 1	1,136,798	1,136,798	0
Prior year encumbrances appropriated	12,776	12,776	0
Retained earnings, June 30	<u>\$542,763</u>	<u>\$743,021</u>	<u>\$200,258</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR YEAR ENDED JUNE 30, 1999

	INTERNAL SERVICE ROTARY	EMPLOYEE BENEFITS SELF-INSURANCE	TOTAL
Cash flows from operating activities:			
Cash received from sales/service charges	\$9,308	\$2,904,844	\$2,914,152
Cash received from other operations	102,014	--	102,014
Cash payments for personal services	(85,180)	--	(85,180)
Cash payments for contract services	(50,340)	(3,086,602)	(3,136,942)
Cash payments for materials and supplies	(4,379)	--	(4,379)
Cash payments for other expenses	--	(255,982)	(255,982)
Net cash used in operating activities	<u>(28,577)</u>	<u>(437,740)</u>	<u>(466,317)</u>
Cash flows from noncapital financing activities:			
Cash received from operating grants	18,397	--	18,397
Cash received from operating transfer in	5,000	--	5,000
Cash received from interfund loans	400	--	400
Net cash provided by noncapital financing activities	<u>23,797</u>	<u>--</u>	<u>23,797</u>
Cash flows from investing activities:			
Interest received	--	40,296	40,296
Net cash provided by investing activities	<u>--</u>	<u>40,296</u>	<u>40,296</u>
Net decrease in cash and cash equivalents	(4,780)	(397,444)	(402,224)
Cash and cash equivalents at beginning of year	56,838	1,092,737	1,149,575
Cash and cash equivalents at end of year	<u>\$52,058</u>	<u>\$695,293</u>	<u>\$747,351</u>
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	(\$28,371)	(\$297,191)	(\$325,562)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	3,254	--	3,254
Changes in assets and liabilities:			
Decrease in accounts receivable	127	--	127
Increase in prepayments	(192)	--	(192)
Decrease in accounts payable	(11,615)	--	(11,615)
Increase in accrued wages and benefits	2,155	--	2,155
Increase in pension obligation payable	502	--	502
Increase in future retirement obligation	5,563	--	5,563
Increase in claims payable	--	(140,549)	(140,549)
Net cash used in operating activities	<u>(\$28,577)</u>	<u>(\$437,740)</u>	<u>(\$466,317)</u>

FIDUCIARY FUND TYPES

EXPENDABLE TRUST FUND

Section 5705.09, Revised Code

A fund used to account for assets held by a school system in a trustee capacity or as an agent for individuals, private organizations, other governmental and/or other funds.

NONEXPENDABLE TRUST FUND

Section 5705.09, Revised Code

A fund used to account for money, securities or lands which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact. Such funds are also identified as nonexpendable trust funds.

AGENCY FUNDS

Student Managed Activity

Section 3315.062, Revised Code

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor. There are 160 student managed activity groups throughout the district.

District Agency

Section 5705.12, Revised Code

A fund used to account for those assets held by a school district as an agent for individuals, private organization, other governmental units, and/or other funds. agency funds could include a central payroll account, and funds for a teacher or a parent-teacher organization. In an agency fund, assets equal liabilities, and the fund balance is zero.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING BALANCE SHEET
ALL FIDUCIARY FUND TYPES
JUNE 30, 1999

	EXPENDABLE TRUST	NONEXPENDABLE TRUST	TOTAL AGENCY	TOTAL
	SPECIAL TRUST	ENDOWMENT		
ASSETS:				
Equity in pooled cash and cash equivalents	\$654,794	\$ --	\$67,129	\$721,923
Equity in pooled cash and cash equivalents - nonexpendable trust fund	--	1,378,186	--	1,378,186
Investments	145,696	--	--	145,696
Investments - nonexpendable trust fund	--	141,839	--	141,839
Receivables (net of allowances for uncollectibles):				
Taxes - current and delinquent	--	--	256,331	256,331
Accounts	--	--	471	471
Accrued interest	--	333	--	333
Property, plant & equipment	--	2,615	--	2,615
(Accumulated depreciation)	--	(2,007)	--	(2,007)
Total assets	\$800,490	\$1,520,966	\$323,931	\$2,645,387
LIABILITIES:				
Accounts payable	\$ --	28	\$1,212	\$1,240
Due to other governments	--	--	258,061	258,061
Due to students	--	--	64,658	64,658
Total liabilities	--	--	323,931	323,959
FUND EQUITY:				
Fund balance:				
Reserved for encumbrances	100	--	--	100
Reserved for principal endowment	--	1,075,845	--	1,075,845
Unreserved-undesignated	800,390	445,093	--	1,245,483
Total fund equity	800,490	1,520,938	--	2,321,428
Total liabilities and fund equity	\$800,490	\$1,520,966	\$323,931	\$2,645,387

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
EXPENDABLE TRUST FUND
FOR YEAR ENDED JUNE 30, 1999

	SPECIAL TRUST		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$40,145	\$41,320	\$1,175
Other local revenues	29,855	30,729	874
Total revenues	<u>70,000</u>	<u>72,049</u>	<u>2,049</u>
Expenditures:			
Support services-business			
Contract services	200	200	0
Other	20,789	20,789	0
Total support services-business	<u>20,989</u>	<u>20,989</u>	<u>0</u>
Extracurricular activities			
Other	29,815	29,815	0
Total extracurricular activities	<u>29,815</u>	<u>29,815</u>	<u>0</u>
Total expenditures	<u>50,804</u>	<u>50,804</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19,196</u>	<u>21,245</u>	<u>2,049</u>
Other financing sources (uses):			
Operating transfers (out)	(5,000)	(5,000)	0
Total financing sources (uses)	<u>(5,000)</u>	<u>(5,000)</u>	<u>0</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	14,196	16,245	2,049
Fund balance, July 1	783,940	783,940	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	<u>\$798,136</u>	<u>\$800,185</u>	<u>\$2,049</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
NONEXPENDABLE TRUST FUND
FOR YEAR ENDED JUNE 30, 1999

	ENDOWMENT		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Earnings on investments	\$87,017	\$75,530	(\$11,487)
Other operating revenues	2,983	2,589	(394)
Total operating revenues	90,000	78,119	(11,881)
Operating expenses:			
Other operating expenses	71,736	71,736	0
Total operating expenses	71,736	71,736	0
Net income	18,264	6,383	(11,881)
Fund balance, July 1	1,501,389	1,501,389	0
Prior year encumbrances appropriated	0	0	0
Fund balance, June 30	\$1,519,653	\$1,507,772	(\$11,881)

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 1999

	Beginning Balance July 1, 1998	Additions	Deletions	Ending Balance June 30, 1999
<u>DISTRICT AGENCY</u>				
ASSETS:				
Equity in pooled cash and cash equivalents	\$4,788	\$274,176	\$277,234	\$1,730
Taxes - current & delinquent	256,707	256,331	256,707	256,331
Total Assets	\$261,495	\$530,507	\$533,941	\$258,061
LIABILITIES:				
Due to other governments	\$261,377	\$530,507	\$533,823	\$258,061
Accounts payable	118	0	118	0
Total Liabilities	\$261,495	\$530,507	\$533,941	\$258,061
<u>STUDENT MANAGED ACTIVITY</u>				
ASSETS:				
Equity in pooled cash and cash equivalents	\$66,457	\$275,135	\$276,193	\$65,399
Accounts receivable	0	471	0	471
Total Assets	\$66,457	\$275,606	\$276,193	\$65,870
LIABILITIES:				
Due to students	\$66,283	\$274,394	\$276,019	\$64,658
Accounts payable	174	1,212	174	1,212
Total Liabilities	\$66,457	\$275,606	\$276,193	\$65,870
<u>TOTAL</u>				
ASSETS:				
Equity in pooled cash and cash equivalents	\$71,245	\$549,311	\$553,427	\$67,129
Taxes - current & delinquent	256,707	256,331	256,707	256,331
Accounts receivable	0	471	0	471
Total Assets	\$327,952	\$806,113	\$810,134	\$323,931
LIABILITIES:				
Due to students	\$66,283	\$274,394	\$276,019	\$64,658
Due to other governments	261,377	530,507	533,823	258,061
Accounts payable	292	1,212	292	1,212
Total Liabilities	\$327,952	\$806,113	\$810,134	\$323,931

GENERAL FIXED ASSETS ACCOUNT GROUP

General Fixed Assets is a balanced group of accounts used to establish control and accountability for the costs of all real property and movable equipment owned by the School Board. The investment in General Fixed Assets is carried until the disposition of the property and ownership is relinquished. Depreciation on fixed assets is not recorded.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
JUNE 30, 1999

Function and Activity	Land and Improvements	Buildings structures and improvements	Furniture fixtures and equipment	Vehicles	Books	Total
Regular instruction	\$ --	\$ --	\$2,904,148	\$ --	\$713,431	\$3,617,579
Special instruction	--	--	134,684	--	5,260	139,944
Vocational instruction	--	--	861,630	--	--	861,630
Adult/continuing education	--	--	14,759	--	--	14,759
Other instruction	--	--	47,747	--	--	47,747
Pupil support	--	--	106,522	--	--	106,522
Instructional staff support	--	--	216,515	--	986,424	1,202,939
Administration	--	--	228,242	--	--	228,242
Board of education	--	--	2,606	--	--	2,606
Fiscal services	--	--	121,325	--	--	121,325
Business	--	--	42,645	--	--	42,645
Operations and maintenance	--	--	365,338	86,900	53,413	505,651
Pupil transportation	--	--	28,321	1,569,341	--	1,597,662
Central	--	--	106,589	--	--	106,589
Community service	--	--	52,074	--	--	52,074
Extracurricular activities	--	--	54,634	--	--	54,634
Building acquisitions and construction	2,285,370	11,866,617	--	--	--	14,151,987
	<u>\$2,285,370</u>	<u>\$11,866,617</u>	<u>\$5,287,779</u>	<u>\$1,656,241</u>	<u>\$1,758,528</u>	<u>\$22,854,535</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 1999

Function and Activity	Balance at July 1, 1998	Additions and Transfers in	Deletions and Transfers out	Balance at June 30, 1999
Regular instruction	\$3,360,875	\$338,310	\$81,606	\$3,617,579
Special instruction	145,917	--	5,972	139,945
Vocational instruction	815,691	59,967	14,028	861,630
Adult/continuing education	15,578	--	819	14,759
Other instruction	47,747	--	--	47,747
Pupil support	103,964	2,557	--	106,521
Instructional staff support	1,386,060	2,260	185,381	1,202,939
Administration	238,522	11,604	21,885	228,241
Board of education	2,606	--	--	2,606
Fiscal services	122,503	--	1,180	121,323
Business	39,495	3,149	--	42,644
Operations and maintenance	348,802	156,849	--	505,651
Pupil transportation	1,384,209	232,601	19,148	1,597,662
Central	59,647	46,943	--	106,590
Community services	46,476	8,450	2,850	52,076
Extracurricular activities	54,635	--	--	54,635
Building acquisition and construction	13,627,083	561,500	36,596	14,151,987
	<u>\$21,799,810</u>	<u>\$1,424,190</u>	<u>\$369,465</u>	<u>\$22,854,535</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
JUNE 30, 1999

General fixed assets:

Land	\$2,285,370
Buildings, structures and improvements	11,866,617
Furniture, fixtures and equipment	5,287,779
Vehicles	1,656,241
Books	1,758,528
Total general fixed assets at 6/30/99	\$22,854,535

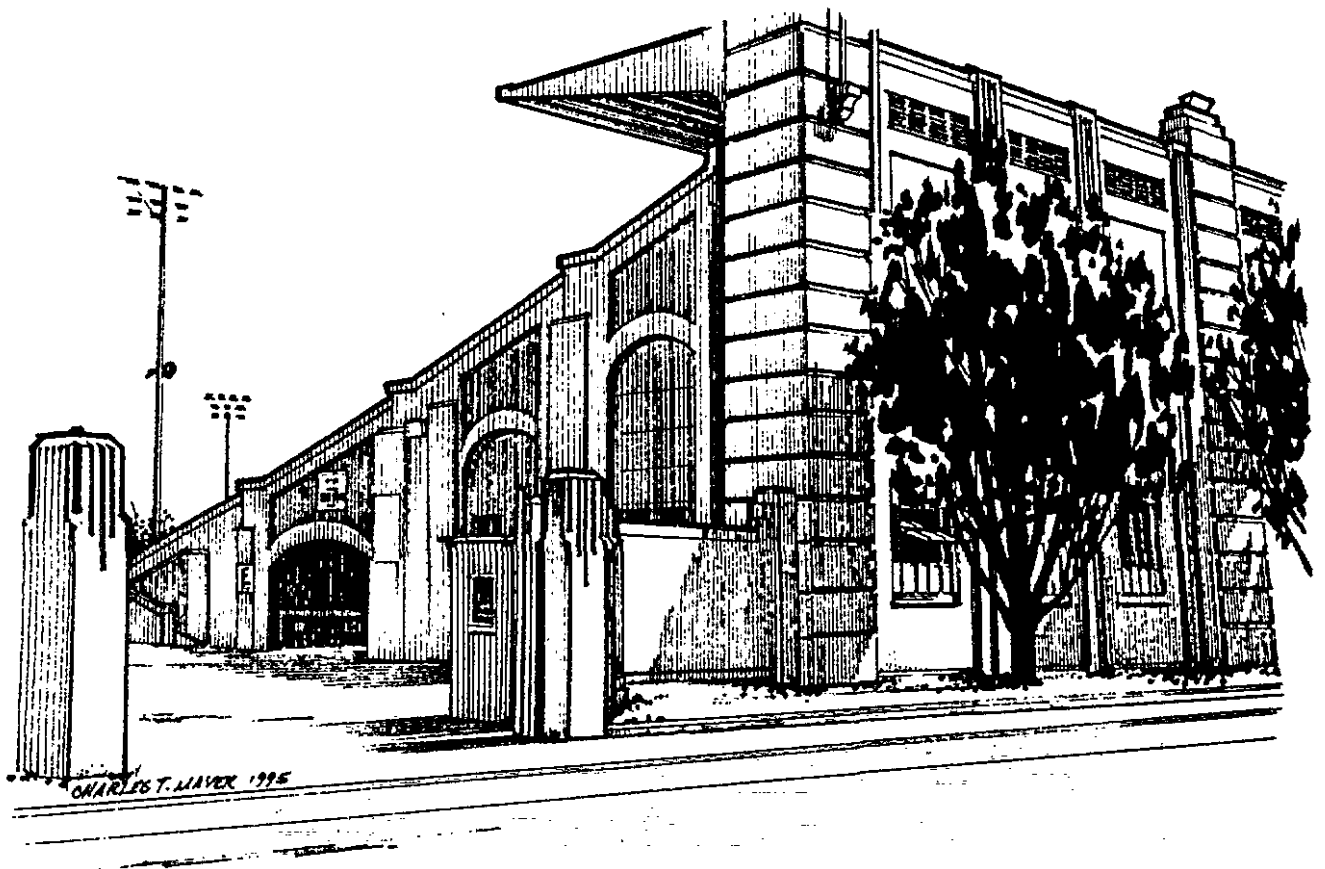
Investment in general fixed assets by source:

Acquired before July 1, 1998

General fund	\$21,935,757	
Permanent Improvement fund	12,115	
District Managed Activity fund	23,675	
Lottery fund	19,322	
Management Information Systems fund	74,633	
Other Grant fund	20,935	
Adult Basic Education fund	9,159	
Highway Safety fund	1,400	
Title VI-B fund	12,847	
Vocational Education fund	155,991	
Title I fund	43,325	
Title II fund	12,339	
EHA Preschool Grant fund	1,271	
Small Business Administration fund	16,014	
Auxillary fund	1,790	
Education for Economic Security Act fund	2,303	
Capital leases	585,136	
Donations	70,096	
Less: deletions	(1,198,298)	
Total general fixed assets at 6/30/98	21,799,810	

Acquired during fiscal 1999

General fund	841,973	
Permanent Improvement fund	561,500	
Auxiliary fund	7,215	
Vocational Education fund	12,267	
Title VI fund	1,235	
Less: deletions	(369,465)	
Net change for fiscal 1999	1,054,725	
Total general fixed assets at 6/30/99	\$22,854,535	



Strobel Field

STATISTICAL SECTION

Table 1

**Sandusky City School District
Erie County, Ohio
Summary of Expenditures and Other Financing Uses by Function-General Fund
Last Ten Fiscal Years**

	1999	1998	1997	1996	1995
Instruction					
Regular	\$ 11,680,570	\$ 11,342,973	\$ 10,625,391	\$ 10,924,168	\$ 10,406,239
Special	4,125,855	3,385,580	3,178,212	3,404,022	3,147,567
Vocational	1,336,432	1,317,447	1,217,649	1,180,848	1,111,370
Other Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	17,142,857	16,046,000	15,021,252	15,509,038	14,665,176
Support Services					
Pupils	1,233,182	1,053,955	1,052,991	981,041	922,710
Instructional Staff	1,272,743	1,159,319	1,003,989	1,116,271	1,016,693
Administration	2,350,764	1,773,819	1,553,788	1,652,476	1,317,804
Fiscal	542,875	542,331	517,298	551,986	497,525
Business	234,341	208,783	191,589	299,103	278,132
Operation and Maintenance	3,416,041	3,116,272	2,906,752	2,960,581	2,703,704
Pupil Transportation	1,106,213	1,070,937	763,828	910,063	664,322
Central/Community	59,516	60,286	42,143	45,090	29,988
Extra-Curricular Activities	<u>520,326</u>	<u>497,899</u>	<u>431,487</u>	<u>464,016</u>	<u>429,801</u>
Total Support Services	10,736,001	9,483,601	8,463,865	8,980,627	7,860,679
Total Capital Outlay	0	0	0	0	0
Total Debt Service	0	0	0	4,823	57,878
Other Financing Uses	<u>284,272</u>	<u>0</u>	<u>0</u>	<u>74</u>	<u>0</u>
Total Expenditures and Other Uses	<u>\$ 28,163,130</u>	<u>\$ 25,529,601</u>	<u>\$ 23,485,117</u>	<u>\$ 24,494,562</u>	<u>\$ 22,583,733</u>

Source: School District Financial Records

1. 1992 through 1999 reflect GAAP reporting; prior years reflect cash basis accounting.

1994	1993	1992	1991	1990
\$ 10,456,085	\$ 10,345,395	\$ 9,763,994	\$ 9,273,983	\$ 9,037,186
2,790,371	2,449,275	2,367,436	2,011,466	1,825,181
1,014,230	894,383	881,693	782,354	848,886
<u>0</u>	<u>1,066</u>	<u>1,701</u>	<u>1,838</u>	<u>1,427</u>
14,260,686	13,690,119	13,014,824	12,069,641	11,712,680
899,156	770,045	806,819	697,467	709,785
994,562	986,502	1,008,292	1,030,459	888,984
1,424,812	1,416,236	1,560,678	1,548,494	1,479,045
375,733	335,229	412,109	413,386	371,135
248,575	227,247	251,092	226,897	214,542
2,692,178	2,586,715	2,469,893	2,217,898	2,161,106
758,634	591,458	587,535	628,630	492,347
29,168	22,216	24,116	29,134	27,185
<u>410,276</u>	<u>421,341</u>	<u>390,714</u>	<u>308,082</u>	<u>298,768</u>
7,833,094	7,356,989	7,511,248	7,100,447	6,642,897
0	0	0	0	0
50,828	57,876	57,876	0	0
<u>0</u>	<u>0</u>	<u>36,472</u>	<u>234,895</u>	<u>154,020</u>
<u>\$ 22,144,608</u>	<u>\$ 21,104,984</u>	<u>\$ 20,620,420</u>	<u>\$ 19,404,983</u>	<u>\$ 18,509,597</u>

Table 2

**Sandusky City School District
Erie County, Ohio
Summary of Revenues by Source and Other Financing Sources-General Fund
Last Ten Fiscal Years**

Revenue from	1999	1998	1997	1996	1995
Local Sources					
Taxes	\$ 14,709,239	\$ 15,739,786	\$ 13,710,665	\$ 12,730,158	\$ 11,961,813
Tuition	33,921	22,975	20,536	25,292	45,341
Earning on Investments	435,601	363,669	316,215	304,071	242,997
Other Local	<u>276,142</u>	<u>531,830</u>	<u>225,009</u>	<u>193,250</u>	<u>208,570</u>
Total Local Sources	15,454,903	16,658,260	14,272,425	13,252,771	12,458,721
Revenue from State Sources					
Unrestricted Grants-In-Aid	<u>12,793,788</u>	<u>12,013,693</u>	<u>10,454,708</u>	<u>10,068,977</u>	<u>9,870,851</u>
Total State Sources	12,793,788	12,013,693	10,454,708	10,068,977	9,870,851
Revenue from Federal Sources					
Unrestricted Grants-In-Aid	0	0	0	0	0
Restricted Grants-In-Aid	<u>104,243</u>	<u>4,842</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Federal Sources	104,243	4,842	0	0	0
Other Revenue	0	0	49,989	16,315	23,240
Other Financing Sources	<u>1,355</u>	<u>275</u>	<u>20</u>	<u>1,255</u>	<u>2,921</u>
Total Revenue and Other Sources	<u>\$ 28,354,289</u>	<u>\$ 28,677,070</u>	<u>\$ 24,777,142</u>	<u>\$ 23,339,318</u>	<u>\$ 22,355,733</u>

Source: School District Financial Records

1. 1992 through 1999 reflect GAAP reporting; prior years reflect cash basis accounting.

1994	1993	1992	1991	1990
\$ 11,005,824	\$ 9,684,255	\$ 10,819,681	\$ 10,459,152	\$ 9,241,325
48,131	34,278	54,688	46,695	41,070
132,682	131,067	185,213	257,274	182,612
<u>202,125</u>	<u>213,609</u>	<u>179,881</u>	<u>206,881</u>	<u>188,770</u>
11,388,762	10,063,209	11,239,463	10,970,002	9,653,777
<u>9,938,131</u>	<u>9,816,075</u>	<u>9,715,561</u>	<u>9,264,545</u>	<u>8,735,274</u>
9,938,131	9,816,075	9,715,561	9,264,545	8,735,274
0	1,614	0	3,925	3,188
<u>0</u>	<u>0</u>	<u>7,551</u>	<u>10,229</u>	<u>23,737</u>
0	1,614	7,551	14,154	26,925
17,904	0	0	5,024	1,256
<u>0</u>	<u>637</u>	<u>2,540</u>	<u>162,359</u>	<u>42,497</u>
<u>\$ 21,344,797</u>	<u>\$ 19,881,535</u>	<u>\$ 20,965,115</u>	<u>\$ 20,416,084</u>	<u>\$ 18,459,729</u>

Table 3

**Sandusky City School District
Erie County, Ohio
Property Tax Levies and Collections
Real & Public Utility Tax (1) & Tangible Personal Property
Last Ten Calendar Years**

Tax Collection Year	Current Levy	Outstanding Delinquent Taxes	Total Levy	Percent of		Delinquent Collection	Delinquent Taxes Receivable As a % Of Total Levy	Total Collection	Total Collection As a % Of Total Levy
				Current Collection	Current Levy Collected				
1989	\$ 10,186,314	\$ 1,137,159	\$ 11,323,473	99.37%	97.56%	\$ 452,700	6.04%	\$ 10,390,323	91.76%
1990	11,826,625	1,065,251	12,891,876	11,889,726	98.84%	382,719	5.29%	12,072,445	93.64%
1991	12,362,622	1,146,067	13,508,689	12,186,206	98.57%	327,994	6.06%	12,514,200	92.64%
1992	12,493,597	1,046,464	13,540,061	12,327,871	98.67%	305,876	5.47%	12,633,747	93.31%
1993	12,589,490	999,241	13,588,731	12,198,447	96.89%	422,805	4.24%	12,621,252	92.88%
1994	14,119,608	1,017,318	15,136,926	13,847,276	98.07%	414,994	3.98%	14,262,270	94.22%
1995	15,985,323	1,372,713	17,358,036	15,529,357	97.15%	648,922	4.17%	16,178,279	93.20%
1996	17,553,553	1,215,150	18,768,703	17,339,352	98.78%	451,143	4.07%	17,790,495	94.79%
1997	17,277,660	1,165,501	18,443,161	17,130,573	99.15%	426,687	4.01%	17,557,260	95.20%
1998	17,517,698	1,582,524	19,100,222	16,968,166	96.86%	506,297	5.63%	17,474,463	91.49%

Source: Erie 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) Includes Homestead/Rollback on real and reimbursement on personal property taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenues.

Table 4

**Sandusky City School District
Erie County, Ohio
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax Years**

Tax Year	Real Property (a)	Public Utility (b)	Personal Property (c)	Total	Total Estimated Actual Value
Assessed Valuation					
1989	\$ 209,091,110	\$ 24,653,090	\$ 55,590,367	\$ 289,334,567	\$ 838,400,272
1990	214,242,280	24,588,520	54,431,951	293,262,751	855,697,665
1991	237,982,950	23,970,110	56,079,749	318,032,809	935,594,280
1992	239,617,470	25,026,790	55,860,713	320,504,973	949,523,819
1993	242,402,870	26,211,960	52,267,043	320,881,873	954,071,721
1994	275,371,410	26,472,300	52,812,280	354,655,990	1,050,969,177
1995	272,559,650	26,597,930	56,443,305	355,600,885	1,057,710,937
1996	280,258,110	26,628,240	60,473,494	367,359,844	1,095,887,913
1997	311,447,790	28,747,840	61,487,103	401,682,733	1,193,294,921
1998	314,363,270	27,572,100	64,355,718	406,291,088	1,210,747,843

Source: Erie County Auditor

- (a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.
- (b) Assumes public utilities are assessed at true value, which is 50% of estimated actual value.
- (c) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 and prior years to 25% in 1993.

Sandusky City School District
Erie County, Ohio
Property Tax Rates - Direct and Overlapping Governments
Last Ten Tax Years
(per \$1,000 of Assessed Valuation)

Tax Year	Overlapping Governments			Sandusky City School District						
	Erie County	City of Sandusky	Sandusky Library *	General Fund	Bond Retire	Capital Improve.	Sandusky Unvoted	Library Total	Effective Rates	
									Ag/Res	Other
1989	7.00	4.25		50.55	0.95	2.00	3.45	56.95	35.31	37.07
1990	7.20	4.25		50.50	1.40	2.00	3.45	57.35	35.71	37.47
1991	7.20	4.25		50.10	1.40	2.00	3.45	56.95	33.00	35.98
1992	8.00	4.25		50.05	1.40	2.00	3.45	0.80 57.70	33.89	36.80
1993	8.00	4.25		55.45	1.40	2.00	3.45	0.80 63.10	39.16	41.83
1994	8.00	4.25		55.45	1.40	2.00	3.45	0.80 63.10	34.69	40.22
1995	7.80	4.25		55.45	1.40	2.00	3.45	0.80 63.10	34.96	40.18
1996	8.30	4.25		59.55	1.40	2.00	3.45	0.80 67.20	39.02	43.66
1997	8.30	4.25		59.55	1.04	2.00	3.45	0.80 66.84	34.72	42.94
1998	8.30	4.25	1.26	59.55	1.04	2.00	3.45	0.80 66.84	34.60	42.92

Source: Erie 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.

* Sandusky Library Bond Issue approved in 1998 under City of Sandusky taxing authority.

Table 6

**City of Sandusky
Demographic Statistics
1950 - 1990**

Calendar Year	Total Population	Total Dwelling Units	Occupied Dwelling Units Households	Persons Per Household	Owner Occupied Units	Median Family Income
1950	29,375	(4)	(4)	(4)	(4)	\$ (4)
1960	31,989	7,291	7,016	4.56	3,783	6,526
1970 (1)	32,674	11,803	10,867	3.01	6,742	8,915
1980 (2)	31,360	13,169	11,932	2.63	7,328	16,046
1990 (3)	29,764	13,416	12,059	2.47	6,931	28,544

- (1) 1968 Figures
- (2) 1979 Figures
- (3) 1989 Figures
- (4) Figures Unavailable

Source: City of Sandusky Finance Department
 City of Sandusky Department of Planning & Development
 U.S. Bureau of the Census

Table 7

**Sandusky City School District
Erie County, Ohio
Percent of Net General Obligation Bonded Debt to
Assessed Value and Net Bonded Debt per Capita
Last Ten Years**

Fiscal Year	(a) Population	(b) Avg. Daily Membership	(c) Assessed Value	(d) Gross Bonded Debt
1990	29,764	4,784	\$ 289,334,567	\$ 580,000
1991	29,764	4,739	293,262,751	3,440,000
1992	29,764	4,734	318,032,809	3,265,000
1993	29,764	4,722	320,504,973	3,120,000
1994	29,764	4,639	320,881,873	2,925,000
1995	29,764	4,667	354,655,990	2,765,000
1996	29,764	4,701	355,600,885	2,585,000
1997	29,764	4,670	367,359,844	2,395,000
1998	29,764	4,582	401,682,733	2,180,000
1999	29,764	4,674	406,291,088	1,980,000

Sources:

- (a) County Auditor
- (b) Per school district records - State Report OCCD-5
- (c) County Auditor
- (d) General Obligation dept outstanding end of fiscal year. (School District Records)
- (e) Balance of General Obligation Bond Retirement fund at end of fiscal year.

	(e) Less Debt Service Funds	Net Bonded Debt	% of Net Bonded Debt To Assessed Value	Net Bonded Debt per Capita	Net Bonded Debt Per ADM
\$	139,431	\$ 440,569	0.15%	\$ 15	\$ 92
	134,433	3,305,567	1.13%	111	698
	96,286	3,168,714	1.00%	106	669
	182,387	2,937,613	0.92%	99	622
	137,594	2,787,406	0.87%	94	601
	175,497	2,589,503	0.73%	87	555
	240,071	2,344,929	0.66%	79	499
	314,284	2,080,716	0.57%	70	446
	377,297	1,802,703	0.45%	61	393
	368,802	1,611,198	0.40%	54	345

Table 8

**Sandusky City School District
Erie County, Ohio
Computation of Legal Debt Margin
June 30, 1999**

A. Voted Debt Margin

Assessed Valuation (Tax Year 1998)	\$ 406,291,088	
		<u>x .09</u>
Bonded Debt Limit - 9% of Assessed Value (1)		36,566,198
Debt Service Fund Equity		368,802
Amount of Debt Applicable to Debt Limit: Bonded Debt		<u>1,980,000</u>
Voted Debt Margin	\$	<u><u>34,955,000</u></u>

B. Unvoted Debt Margin

Bonded Debt Limit - 0.10% of Assessed Value (1)	\$ 406,291	
Amount of Debt Applicable to Debt Limit:		<u>0</u>
Unvoted Debt Margin	\$	<u><u>406,291</u></u>

Source: Erie County Auditor and School District Financial records.

(1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

Note: For purposes of this table, the District's \$1,106,423 interest-free loan from the United States Environmental Protection Agency has been regarded as being exempt from the debt limitation. This 1988 loan was part of a \$1,756,227 asbestos abatement grant/loan award from the E.P.A. The outstanding debt on this loan as of June 30, 1999 was \$522,477.57.

Table 9

**Sandusky City School District
Erie County, Ohio
Computation of Direct and Overlapping Debt
June 30, 1999**

Governmental Unit	Assessed Valuation	General Obligation Debt	Percent Applicable to School District	Amount Applicable to School District
Sandusky City School District	\$ 406,291,088	\$ 1,980,000	100.00%	\$ 1,980,000
City of Sandusky (1)	406,291,088	17,038,117	100.00%	17,038,117
Erie County (2)	1,478,419,405	27,273,000	27.48%	7,495,016
TOTAL	<u>1,478,419,405</u>	<u>46,291,117</u>		

(1) Source: City of Sandusky Finance Department. Excludes special assessment debt.

(2) Source: Erie County Auditor. Includes special assessment debt.

Table 10

Sandusky City School District
Erie County, Ohio
Ratio of Annual General Obligation Debt Service
to General Fund Expenditures
Last Ten Fiscal Years

Fiscal Year	Debt Service On General Obligation Debt			Total	General Fund Expenditures (1)	Debt Service as Percent of General Fund Expenditures
	Principal	Fiscal Charges Interest/				
1990	\$ 230,000	\$ 36,269	\$ 266,269	\$ 18,509,597	1.44%	
1991	40,000	212,934	252,934	19,404,983	1.30%	
1992	175,000	223,958	398,958	20,620,420	1.93%	
1993	145,000	215,471	360,471	21,104,984	1.71%	
1994	195,000	206,358	401,358	22,144,608	1.81%	
1995	160,000	196,310	356,310	22,583,733	1.58%	
1996	180,000	186,030	366,030	24,494,562	1.49%	
1997	190,000	174,670	364,670	23,485,117	1.55%	
1998	215,000	162,033	377,033	25,529,601	1.48%	
1999	200,000	148,670	348,670	27,878,858	1.25%	

(1) Includes Other Financing Uses

Table 11

Sandusky City School District
Erie County, Ohio
New Construction, Bank Deposits, & Property Value
Last Ten Years

Year	New Construction (1)		Permits Issued	Residential/ Agricultural		Bank Deposits (2)	Real Property	Public Utility	Personal Property	Total Property
	Permits Issued	Commercial/Industrial		Permits Issued	Residential/ Agricultural					
1989	82	\$ 22,364,485	314	\$ 2,456,685	\$ 349,704,000	\$ 209,091,110	\$ 24,653,090	\$ 55,590,367	\$ 289,334,567	
1990	111	23,580,205	324	2,822,661	375,925,000	214,242,280	24,588,520	54,431,951	293,262,751	
1991	98	12,062,253	268	2,583,237	388,629,000	237,982,950	23,970,110	56,079,749	318,032,809	
1992	60	8,031,112	446	3,886,818	389,745,000	239,617,470	25,026,790	55,860,713	320,504,973	
1993	104	11,382,543	700	4,909,685	246,542,000	242,402,870	26,211,960	52,267,043	320,881,873	
1994	64	20,704,623	566	4,661,266	246,960,000	275,371,410	26,472,300	52,812,280	354,655,990	
1995	96	13,438,185	584	4,602,110	245,973,000	272,559,650	26,597,930	56,443,305	355,600,885	
1996	112	13,828,609	605	4,917,967	245,161,000	280,258,110	26,628,240	60,473,494	367,359,844	
1997	135	10,170,285	574	4,874,666	268,944,000	311,447,790	28,747,840	61,487,103	401,682,733	
1998	102	26,848,146	425	5,124,026	288,494,000	314,363,270	27,572,100	64,355,718	406,291,088	

(1) Source: City of Sandusky Building Department

(2) Source: Federal Deposit Insurance Corp. and Federal Savings and Loan Insurance Corp. Amounts shown reflect total deposits for Erie County.

(3) Assessed Value From Table 4

Table 12

**Sandusky City School District
Erie County, Ohio
Major Taxpayers
1998 Tax Year**

PERSONAL PROPERTY

Taxpayer	Assessed Valuation	% of Total Assessed Valuation
Cedar Fair, L.P.	\$ 12,599,380	3.10%
Ohio Edison Company	12,046,720	2.97%
Sandusky International, Inc.	6,068,880	1.49%
Ohio Bell Telephone Company	5,471,830	1.35%
Columbia Gas of Ohio	5,469,810	1.35%
Sandusky Plastics, Inc.	3,931,680	0.97%
Norfolk & Western Railway Co.	2,880,090	0.71%
Stein & Associates, Inc.	2,796,678	0.69%
Union Chain Division of U. S. Tsubaki, Inc.	2,264,930	0.56%
Sandusky Limited	2,083,454	0.51%
TOTAL	\$ 55,613,452	13.69%

REAL PROPERTY

Taxpayer	Assessed Valuation	% of Total Assessed Valuation
Cedar Fair, L.P.	\$ 29,168,630	7.18%
S & S Realty	3,195,370	0.79%
Norfolk & Western Railway Co.	2,880,090	0.71%
Sandusky Foundry & Machine Co.	2,430,580	0.60%
Sandusky Housing Trust L.P.	1,994,710	0.49%
Hoty Marine Group	1,985,930	0.49%
Sandusky Limited	1,857,790	0.46%
Harbour Lagoons	1,227,470	0.30%
CP Bridge Co.	1,115,960	0.27%
Sandusky Plastics	990,010	0.24%
TOTAL	\$ 46,846,540	11.53%

Source: Erie County Auditor

Table 13

**Sandusky City School District
Erie County, Ohio
Attendance Data
Last Ten School Years**

School Year Ended	Number of Graduates	Average Daily Membership	Average Daily Attendance	% Incr./ (Decr.) in ADM From Prior Year	Attendance as % of Avg. Daily Membership
1990	313	4,784	4,503	-0.85%	94.13%
1991	256	4,739	4,456	-0.94%	94.03%
1992	277	4,734	4,460	-0.11%	94.21%
1993	256	4,722	4,464	-0.25%	94.54%
1994	212	4,639	4,370	-1.76%	94.20%
1995	222	4,667	4,411	0.60%	94.51%
1996	222	4,701	4,291	0.73%	91.28%
1997	226	4,670	4,398	-0.66%	94.18%
1998	224	4,582	4,026	-1.88%	87.87%
1999	236	4,674	4,410	2.01%	94.35%

Source: EMIS District Summary Report

Table 14

**Sandusky City School District
Erie County, Ohio
School District Employees
(Full and Part Time)
As Of June, 1999**

I. Certificated Staff by Training and Experience

Years of Experience	Non-Deg	B.A.	B.A.+12	B.A.+24	M.A.	M.A.+12	M.A.+24	Total
0 - 5	0	50	13	6	4	0	0	73
6 - 10	1	15	13	12	11	1	2	55
11 - 15	0	7	9	24	5	2	3	50
16 - 20	0	7	5	22	10	10	7	61
21 - 25	0	1	9	23	6	4	10	53
26 - 30	0	1	3	23	3	3	8	41
31+	0	2	1	2	3	0	3	11
TOTAL	1	83	53	112	42	20	33	344

II. Classified Staff

Office Workers	31
Custodial/Maintenance	44
Cafeteria	40
Bus Drivers	29
Bus Aides	4
Teacher Aides	32
Library Aides	<u>9</u>
TOTAL	189

III. Adult Education

Adult Education Instructors	<u>13</u>
TOTAL	13

IV. Administration**Certificated:**

Superintendent	1
Assistant Superintendent	2
Directors	6
Principals	12
Assistant Principals	4
Athletic Director	<u>1</u>
TOTAL	26

Non-Certificated:

Treasurer	1
Assistant Treasurer	1
Dir. of Human Resources	1
Executive Assistant	1
Supervisors	<u>4</u>
TOTAL	8

TOTAL SCHOOL EMPLOYEES: 580

Source: School District Personnel Records

Table 15

**Sandusky City School District
Erie County, Ohio
Schedule of Property and Casualty Insurance
As of June 30, 1999**

Company Policy Number	Policy Period	Coverage	Limits of Coverage	Deductible	Annual Premium
Nationwide EGL 0005303	2/1/99 to 2/1/2000	General Liability Each Occurrence Aggregate	\$2,000,000 \$5,000,000	\$0	\$13,872
Nationwide CA 0005303	2/10/99 to 2/10/2000	Fleet	\$1,000,000	Comprehensive: \$100 Collision: \$500	\$11,290
Nationwide UL 0005303	2/1/99 to 2/1/2000	Umbrella Liability & Fleet	\$2,000,000	\$10,000	\$6,362
Nationwide CPP 0005303	2/10/99 to 2/10/2000	Building & Contents	\$86,039,800	\$10,000	\$25,248

Source: School District Records



Campbell Elementary School



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

SANDUSKY CITY SCHOOL DISTRICT

ERIE 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 13, 2000**