



**SUGARCREEK LOCAL SCHOOL DISTRICT
GREENE COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED JUNE 30, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

SUGARCREEK LOCAL SCHOOL DISTRICT
GREENE COUNTY

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

Sugarcreek Local School District
Greene County
60 East South Street
Bellbrook, Ohio 45305

To the Board of Education:

We have audited the financial statements of Sugarcreek Local School District, Greene County, (the District) as of and for the year ended June 30, 2000, and have issued our report thereon dated November 6, 2000. 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated November 6, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated November 6, 2000.

Sugarcreek Local School District
Greene County
Report of Independent Accountants on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

November 6, 2000

Comprehensive
Annual
Financial
Report

Sugarcreek Local School District

For the Fiscal Year Ended June 30, 2000

Bellbrook, Ohio



SOARING
TO
EXCELLENCE

2000

INTRODUCTION SECTION

Financial
Statistical



SOARING
TO
EXCELLENCE

SOARING
TO
EXCELLENCE
2000

Sugarcreek Local School District

Bellbrook, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2000

Issued By:
Treasurer's Office

Regina M. Yon, CPA
Treasurer

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**SUGARCREEK LOCAL SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

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SUGARCREEK LOCAL SCHOOL DISTRICT
"Soaring Toward Excellence"

REGINA M. YON
Treasurer

November 6, 2000

To the Citizens and Board of Education of the Sugar Creek Local School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Sugar Creek Local School District. The information reported is for the fiscal year ended June 30, 2000. The report contains financial statements, supplemental statements and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for 1999-2000 fiscal year.

Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects. Our report is designed to present fairly the financial position, results of operation and cash flows of the various funds and account groups of the District.

This report is prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative services, and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District.

The CAFR report is divided into three sections:

The Introductory Section introduces the reader to the report and provides an overview of the district and area. It also includes a table of contents, this transmittal letter, a list of principal officials, District's organizational chart and Ohio Map.

The Financial Section includes the unqualified opinion of our independent auditor, Jim Petro, Auditor of State. It also includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules.

The Statistical Section includes selective financial, economic and demographic information generally presented on a multi-year basis for comparative purposes.

THE REPORTING ENTITY

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

This report includes all funds and account groups of the district. The funds and account groups are used to account for the primary government's assets, liabilities, fund balances, and results of operations (or revenues over/under expenses) for those activities.

ECONOMIC CONDITION AND OUTLOOK

The Sugarcreek Local School District includes the City of Bellbrook and Sugarcreek Township and some parts of residential property located in Warren County. The population of this area is 14,500 residents. Bellbrook and Sugarcreek Township are considered an upscale residential suburb of Dayton. The socioeconomic profile of district residents, as measured by income levels and housing values, is substantially above average for the state.

Sugarcreek Township is situated directly on a major thoroughfare. Interstate 675 runs directly through the Township and connects Interstate 75 and Interstate 70. The City of Bellbrook and Sugarcreek Township comprise mostly residential areas and includes over 700 acres of public parks.

The community has seen recent growth not only in the residential area, but commercially in the form of retail and restaurant development. This growth is expected to continue. There are currently several residential housing areas being developed and a new retail shopping center being constructed north of Interstate 675.

MAJOR INITIATIVES

Primary accomplishments for 2000 were as follows:

Financial

Passed the 9 mill continuing operating levy in November 1999.
Established the Financial Advisory Committee which met twice during the second semester to begin implementation of the Finances strategies and action plans.
Began work to establish alternative sources of funding.

Curriculum and Instruction

Piloted an Extended-day Kindergarten Program for early intervention of identified at-risk kindergarten students.
Established Building Literacy Teams (BLTs) to facilitate early literacy discussion circles for elementary school teachers.
Implemented the Ohio School-to-Work Year 2000 System Grant.
Revised the *Pupil Services Plan for Special Education Services*.
Expanded the Summer Intervention Program for identified students in grades 3-8 and initiated the summer Proficiency Intervention Workshops for high school students.
Developed the state-mandated *Continuous Improvement Plan for Student Academic Achievement*.

Technology

Conducted five Technology Workshops for interested K-12 staff.
Presented the Educational Technology Mentors Academy II which included 60 hours of training/curriculum development to integrate multimedia and the Internet into classroom instruction.
Redesigned the District's Web Site (www.sugarcreek.k12.oh.us).
Develop plans for all third graders to learn keyboarding skills starting with the 2000-2001 school year.
Upgrade our Local Area Networks by replacing file servers at Sugarcreek Elementary and Bellbrook High School.
Acquired 130 new computers and 50 donated 17" monitors to upgrade all five schools.

Facilities Initiatives

Restroom fixture replacement at Stephen Bell Elementary School.

New central air conditioning and gym floor at Sugarcreek Elementary School.

New playground equipment, fenced playground area and parking lot repair at Bellcreek Elementary School.

Parking lot repair at Bellbrook Junior High School.

Upgrade to weight training facility and parking lot repair at Bellbrook High School.

Purchase of three new buses.

Specific goals for 2001 are:

Finance

Receive the Government Finance Officer's Association (GFOA) Certificate of Excellence in Financial Reporting for the District's 2000 Comprehensive Annual Financial Report.

Receive the Government Finance Officer's Associate (GFOA) Award for Outstanding Achievement in Popular Annual Financial Reporting for the District's 2000 Popular Annual Financial Report.

Receive the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the District's 2000 Comprehensive Annual Financial Report.

Continued review of the District's internal control structure through the update of District policy and procedure manuals.

Continued success in monitoring and budgeting District resources.

Curriculum and Instruction

Prepare students to achieve a high level of performance on the Ohio Proficiency Tests – specifically increase the passing rate on the 4th and 6th grade reading proficiency tests by three percentage points, increase the passing rate on the 4th grade mathematics proficiency test by five percentage points, and increase the passing rate on the 4th grade science proficiency test by six percentage points.

Prepare students to achieve a high level of performance on the High School Graduation Qualifying Examination.

Technology

Continued upgrade to instructional equipment including purchase of computers to be installed at Bellbrook Junior High School and Bellcreek Elementary School.

Enhanced communication between District staff, parents and the community through use of Web Site and e-mail.

Facilities

Repair/Upgrade of parking lot at Sugarcreek Elementary School

Repair/Upgrade of playground equipment at all three elementary school buildings.

Purchase of 2-3 new buses.

Purchase of land to accommodate growing student population.

SERVICE EFFORTS

The District has a newly established Financial Advisory Committee which consists of 16 members including District representatives as well as community members. Among the goals of this committee is establishment of a relationship between the community and the District that allows a cooperative effort in the success of our students. Currently, the committee is exploring alternative funding sources to ensure the level of academic service students receive is maintained and enhanced.

Through this committee it is hoped that a separate Education Foundation may be established that will allow a vehicle for obtaining funds that might not otherwise flow to the District in the form of donations.

FINANCIAL INFORMATION

Internal Accounting and Budgetary Control

Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation. The management of the District is responsible for establishing and maintaining an internal control environment that provides reasonable assurance the District's financial statements are reliable, the District complied with applicable laws and regulations and the District is operating effectively and efficiently.

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

The District maintains its accounts and accounting records to facilitate budgetary control as outlined by Ohio Revised Code. Before October 1st of each fiscal year the Board adopts its annual appropriation measure. These appropriations may be amended as needed by Board action. Annual appropriations and any amendments may not exceed the County Budget Commissions official estimate of resources. The County Auditor must certify that the Board's appropriation measures do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the special cost center level (a dimension used to account for individual activities or accounts) within a fund. All purchase order requests must be approved by the building principal, department supervisor, or appropriate central office director and must be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail month and year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished the reports showing the status of the budget accounts for which they are responsible. In addition, an on line inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond. Additional information on the District's budgetary accounts can also be found in notes to the general purpose financial statements.

General Government Functions

The General Fund is the general operating fund of the District, used to account for all revenues and expenditures not required to be accounted for in another fund.

The following schedule presents a summary of the General Fund revenues for the fiscal years ended June 30, 2000 and the amount and percentage of increases and decreases in relation to the 1999 fiscal year.

	2000 Amount	Percent of Total	Increase (Decrease) From 1999	Percent of Increase (Decrease)
Taxes	\$8,649,603	61.1%	\$77,499	0.9%
Intergovernmental	5,075,752	35.9%	292,595	6.1%
Interest	181,610	1.3%	7,560	4.3%
Tuition and Fees	192,324	1.4%	18,002	10.3%
Miscellaneous	41,043	0.3%	(4,731)	-10.3%
TOTAL	<u>\$14,140,332</u>	<u>100.0%</u>	<u>\$390,925</u>	<u>2.8%</u>

The increase in tax revenue was due to voter approval of a 9 mill replacement levy, and new construction in the area. The increase in intergovernmental revenue was due to additional state funding for increased student population in fiscal year's 1998 and 1999. The increase in interest was due to higher interest rates and a consolidation of bank accounts allowing a higher return on pooled funds. The increase in tuition was due to collection of prior year tuition and additional services provided by the District to generate fees.

The following schedule presents a summary of General Fund expenditures for the fiscal year ended June 30, 2000, and the amount and percentage of increase or decrease in relation to the 1999 fiscal year.

	2000 Amount	Percent Of Total	Increase (Decrease) from 1999	Percent of Increase (Decrease)
Regular Instruction	\$6,946,005	48.0%	\$497,766	7.7%
Special Instruction	962,189	6.7%	2,450	0.3%
Vocational Instruction	71	0%	(5)	-6.6%
Pupil Support	595,085	4.1%	(31,088)	-5.0%
Instructional Staff Support	1,309,417	9.1%	369,992	39.4%
Board of Education	30,285	0.2%	(20,424)	-40.3%
School Administration	1,104,583	7.6%	(33,934)	-3.0%
Fiscal	449,158	3.1%	38,863	9.5%
Business	58,874	0.4%	29,556	100.8%
Operations and Maintenance	1,355,651	9.4%	76,522	6.0%
Pupil Transportation	1,124,806	7.8%	99,739	9.7%
Central Support	525	0.0%	(2,316)	-81.5%
Non-Instructional Services	16,211	0.1%	4,429	37.6%
Extracurricular Activities	320,194	2.2%	28,042	9.6%
Capital Outlay	75	0.0%	(57,042)	-99.9%
Principal Retirement	145,858	1.0%	(15,415)	-9.6%
Interest and Fiscal Charges	43,803	0.3%	6,698	17.4%
TOTAL	<u>\$14,462,790</u>	<u>100.0%</u>	<u>\$993,633</u>	<u>7.4%</u>

The increase in expenditures for all functions showing an increase were due to general inflation, and negotiated pay increases for all staff. The increase in interest and fiscal charges was due to the issuance of a computer acquisition bond from which principal and interest are paid out of the general fund.

Special Revenue Funds

Special Revenue funds account for certain revenue sources, primarily program grants and entitlements restricted by law or other formal actions to expend for a specific purpose. In 2000, all Special Revenue Funds on a combined basis operated with \$658,435 in revenues and \$599,922 in expenditures.

Capital Projects Funds

The District's Capital Projects Funds are used to fund major equipment purchases and major capital improvement projects such as parking lots, bus purchases, roofs and heating and air conditioning units. These funds ended fiscal year 2000 with a fund balance of \$(1,047,399). The deficit fund balance resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in this fund and provides operating transfers when cash is required, not when accruals occur. Additional information concerning the fund deficit can be found in Note 18.

Trust and Agency Funds

Trust and Agency Funds require fiduciary relationship in their management of the District. The District's Expendable Trust Fund has a balance of \$ 5,746 at June 30, 2000. The District's Non-Expendable Trust Fund has a balance of \$ 80,030 at June 30, 2000. The Agency fund utilized by the District is used to account for Student Activity Funds. The Student Activity Funds represent a large variety of student groups from the high schools and middle schools. Assets at year-end were \$46,591.

DEBT ADMINISTRATION

The District has seven debt issues outstanding at June 30, 2000: a 1978 Bond Issue, and 1994 School Improvement Issue, a 1999 Computer Acquisition Bond, two Energy Conservation Loans, a 1999 Bond Anticipation Note, and a 1998 Permanent Improvement Tax Anticipation Note. The voted legal debt margin of the District at June 30, 2000 was \$20,347,746 and the unvoted legal debt margin at June 30, 2000 was \$200,051.

CASH MANAGEMENT

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. All investments are spread among available investment options to insure maximum interest rates. The District utilizes the STAR Ohio program investment pool, operated by the Ohio Treasurer of State, for ready cash and yield. Certificates of Deposit, treasury notes, commercial paper and repurchase agreements are utilized for longer term investments. Investment earnings for all funds during the fiscal year were \$193,651.

RISK MANAGEMENT

The District continues to protect its assets through a comprehensive insurance program. Insurance policies for fleet liability, property loss and boiler and machinery are purchased from the Indiana Insurance Company. Insurance for general and excess liability is purchased through the Nationwide Insurance Company.

All employees are covered under the District's liability policy with Nationwide Insurance Company. The Superintendent and Board President are covered with a \$20,000 performance bond from Ohio Casualty Insurance Company. The Treasurer is covered with a \$50,000 performance from Wausau Insurance Company.

The District uses the State Workers' Compensation plan and pays the premium based on a rate per \$100 of salaries. The School District is a member of Ohio School Boards Association Workers' Compensation Group Rating Program.

INDEPENDENT AUDIT

State statutes require the School District to be subjected to an annual examination by an independent auditor. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the School District's financial statements as of June 30, 2000. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Pursuant to statute, the State prescribed a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to governments that publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. The District is submitting this report to GFOA to determine its eligibility for a certificate, which is the highest form of recognition in the area of governmental financial reporting.

The District will also seek the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2000. This award certifies that a Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an extensive review of the report by an expert panel of certified public accountants and practicing school business officials. The District believes our current report meets ASBO requirements.

ACKNOWLEDGEMENTS

The preparation of the 2000 Comprehensive Annual Financial Report was made possible by many, not only through effort but through support. Thanks is extended to the Sugarcreek Board of Education for their support of the Treasurer's office that allows reliable and progressive financial operations and reporting.

Appreciation for the preparation is extended to Clark, Schaefer, Hackett & Company, the Greene County Auditor's Office, Richard Cost, Sharon Cost and Jo Ann Weber.

Respectfully submitted,

Regina M. Yon, CPA
Treasurer

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2000

Board of Education

Mary Frantz, President
Michael Froning, Vice President
Dr. Timothy Anderson, Member
Elizabeth Beth, Member
Dr. John Harmeyer, Member

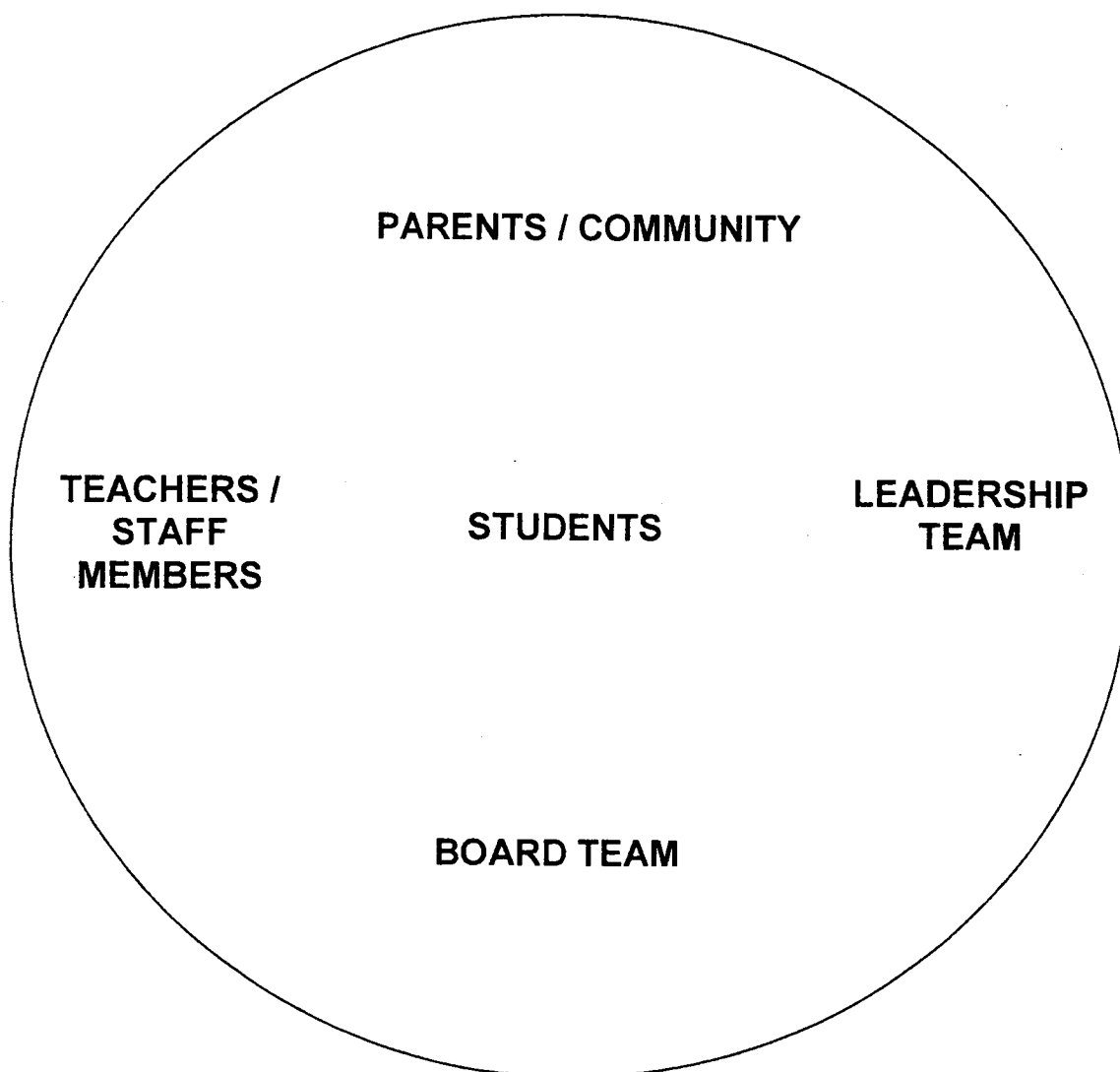
Administration Team

Dr. Keith St. Pierre, Superintendent
Regina M. Yon, Treasurer
William Wright, Business Manager
Katherine Poston, Director of Curriculum
Terry Graves-Monnig, Special Education Supervisor
Charles Birkholtz, Principal, Bellbrook High School
Amy Baldrige, Assistant Principal, Bellbrook High School
Bradley Neavin, Assistant Principal, Bellbrook High School
Jenness Sigman, Principal, Bellbrook Junior High School
Jeff Eckley, Assistant Principal, Bellbrook Junior High School
Patricia Stricker, Principal, Bell Creek Elementary School
Steven Shank, Principal, Sugarcreek Elementary School
Michael Baldrige, Principal, Stephen Bell School

SUGARCREEK SCHOOLS'

LEARNING COMMUNITY

ORGANIZATIONAL CHART



SUGARCREEK LOCAL SCHOOL DISTRICT

State Map



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FINANCIAL SECTION

Introduction

Statistical



SOARING
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EXCELLENCE

2000

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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REPORT OF INDEPENDENT ACCOUNTANTS

Sugarcreek Local School District
Greene County
60 East South Street
Bellbrook, Ohio 45305

To the Board of Education:

We have audited the accompanying general-purpose financial statements of Sugarcreek Local School District, Greene County, (the District) as of and for the year ended June 30, 2000, 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 Sugarcreek Local School District, Greene County, as of June 30, 2000, and the results of its operations and the cash flows of its nonexpendable trust fund 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 November 6, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the District, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are 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 presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro
Auditor of State

November 6, 2000

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 2000

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<u>Assets and Other Debits:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 1,229,099	\$ 300,974	\$ 656,281	\$ 58,859
Restricted Cash and Cash Equivalents	220,926	-	-	-
Receivables:				
Taxes	8,755,854	-	880,968	530,919
Accounts	6,442	-	-	-
Intergovernmental	18,163	22,262	-	-
Interest	17,051	-	-	-
Interfund	7,691	-	-	-
Prepaid Items	9,439	-	-	-
Supplies Inventory	36,656	-	-	-
Fixed Assets	-	-	-	-
Other Debits:				
Amount Available in General Obligation Bond Retirement Fund	-	-	-	-
Amount to be Provided for Retirement of General Long Term Obligations	-	-	-	-
Total Assets and Other Debits	\$ 10,301,321	\$ 323,236	\$ 1,537,249	\$ 589,778
<u>Liabilities, Fund Equity and Other Credits</u>				
Liabilities:				
Accounts Payable	\$ 71,876	\$ 10,674	\$ -	\$ 20,935
Accrued Wages and Benefits	1,197,906	549	-	-
Accrued Interest Payable	-	-	2,351	-
Intergovernmental Payable	334,234	-	-	-
Interfund Payable	-	7,691	-	-
Due to Students	-	-	-	-
Deferred Revenue	7,821,061	14,608	781,478	466,242
Compensated Absences Payable	15,053	-	-	-
Notes Payable	-	-	100,000	1,150,000
Energy Conservation Loan Payable	-	-	-	-
Capital Lease Obligation	-	-	-	-
General Obligation Bonds Payable	-	-	-	-
Total Liabilities	9,440,130	33,522	883,829	1,637,177
Fund Equity and Other Credits:				
Investment in General Fixed Assets	-	-	-	-
Fund Balances:				
Reserved for Encumbrances	152,708	77,544	-	8,758
Reserved for Supplies Inventory	36,656	-	-	-
Reserved for Prepays	9,439	-	-	-
Reserved for Taxes	945,120	-	99,490	64,677
Reserved for Budget Stabilization	220,926	-	-	-
Reserved for Non-Expendable Trust	-	-	-	-
Reserved for Debt Service	-	-	553,930	-
Designated for Budget Stabilization	45,306	-	-	-
Unreserved	(548,964)	212,170	-	(1,120,834)
Total Fund Equity and Other Credits	861,191	289,714	653,420	(1,047,399)
Total Liabilities, Fund Equity and Other Credits	\$ 10,301,321	\$ 323,236	\$ 1,537,249	\$ 589,778

See accompanying notes to the general purpose financial statements

FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	
TRUST AND AGENCY			
\$ 133,521	\$ -	\$ -	\$ 2,378,734
-	-	-	220,926
-	-	-	10,167,741
-	-	-	6,442
-	-	-	40,425
512	-	-	17,563
-	-	-	7,691
-	-	-	9,439
-	-	-	36,656
-	24,962,781	-	24,962,781
-	-	553,930	553,930
-	-	8,215,625	8,215,625
<u>\$ 134,033</u>	<u>\$ 24,962,781</u>	<u>\$ 8,769,555</u>	<u>\$ 46,617,953</u>
\$ 1,666	\$ -	\$ -	\$ 105,151
-	-	-	1,198,455
-	-	-	2,351
-	-	81,132	415,366
-	-	-	7,691
46,591	-	-	46,591
-	-	-	9,083,389
-	-	824,355	839,408
-	-	-	1,250,000
-	-	648,000	648,000
-	-	38,042	38,042
-	-	7,178,026	7,178,026
<u>48,257</u>	<u>-</u>	<u>8,769,555</u>	<u>20,812,470</u>
-	24,962,781	-	24,962,781
1,556	-	-	240,566
-	-	-	36,656
-	-	-	9,439
-	-	-	1,109,287
-	-	-	220,926
80,097	-	-	80,097
-	-	-	553,930
-	-	-	45,306
4,123	-	-	(1,453,505)
<u>85,776</u>	<u>24,962,781</u>	<u>-</u>	<u>25,805,483</u>
<u>\$ 134,033</u>	<u>\$ 24,962,781</u>	<u>\$ 8,769,555</u>	<u>\$ 46,617,953</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2000

	GOVERNMENTAL FUND TYPES				FIDUCIARY	TOTAL (MEMORANDUM ONLY)
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST	
Revenues:						
Taxes	\$ 8,649,603	\$ -	\$ 1,239,933	\$ 247,294	\$ -	\$ 10,136,830
Intergovernmental	5,075,752	234,877	103,582	128,657	-	5,542,868
Interest	181,610	9,331	-	-	260	191,201
Tuition and Fees	192,324	26,554	-	-	-	218,878
Extracurricular Activities	-	331,579	-	-	-	331,579
Miscellaneous	41,043	56,094	-	-	2,305	99,442
Total Revenues	14,140,332	658,435	1,343,515	375,951	2,565	16,520,798
Expenditures:						
Current:						
Instruction:						
Regular	6,946,005	30,408	-	84,079	-	7,060,492
Special	962,189	136,593	-	-	-	1,098,782
Vocational	71	-	-	-	-	71
Support Services:						
Pupils	595,085	20,381	-	3,648	3,899	623,013
Instructional Staff	1,309,417	41,179	-	4,337	-	1,354,933
Board of Education	30,285	-	-	-	-	30,285
Administration	1,104,583	-	-	6,163	-	1,110,746
Fiscal	449,158	-	13,950	9,173	-	472,281
Business	58,874	-	-	-	-	58,874
Plant Operation and Maintenance	1,355,651	2,489	-	190,573	-	1,548,713
Pupil Transportation	1,124,806	-	-	9,100	-	1,133,906
Central	525	3,666	-	-	-	4,191
Non-Instructional Services	16,211	-	-	-	-	16,211
Extracurricular Activities	320,194	365,206	-	8,293	-	693,693
Capital Outlay	75	-	-	20,822	-	20,897
Debt Service:						
Principal Retirement	145,858	-	481,459	-	-	627,317
Interest and Fiscal Charges	43,803	-	335,895	45,048	-	424,746
Total Expenditures	14,462,790	599,922	831,304	381,236	3,899	16,279,151
Excess of Revenues Over(Under)						
Expenditures	(322,458)	58,513	512,211	(5,285)	(1,334)	241,647
Other Financing Sources (Uses):						
Proceeds from Sale of Fixed Assets	70	-	-	-	-	70
Proceeds from Sale of Bonds	150,000	-	-	-	-	150,000
Operating Transfers-In	-	-	-	330,048	-	330,048
Operating Transfers-Out	-	-	(330,048)	-	-	(330,048)
Total Other Financing Sources (Uses)	150,070	-	(330,048)	330,048	-	150,070
Excess of Revenues and Other Financing Sources Over(Under)						
Expenditures and Other Financing Uses	(172,388)	58,513	182,163	324,763	(1,334)	391,717
Fund Balance at Beginning of Year	1,033,132	231,779	471,257	(1,372,160)	7,080	371,088
Residual Equity Transfer In(Out)	580	(578)	-	(2)	-	-
Decrease in Reserve for Inventory	(133)	-	-	-	-	(133)
Fund Balance at End of Year	\$ 861,191	\$ 289,714	\$ 653,420	\$ (1,047,399)	\$ 5,746	\$ 762,672

See accompanying notes to the general purpose financial statements

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	GENERAL FUND		
	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 8,641,125	\$ 8,595,806	\$ (45,319)
Intergovernmental	4,986,727	5,000,440	13,713
Interest	148,069	164,559	16,490
Tuition and Fees	195,970	192,324	(3,646)
Extracurricular Activities	2,188	-	(2,188)
Miscellaneous	8,580	22,120	13,540
Total Revenues	13,982,659	13,975,249	(7,410)
Expenditures:			
Current:			
Instruction:			
Regular	7,023,095	6,993,873	29,222
Special	1,025,672	972,359	53,313
Vocational	75	71	4
Support Services:			
Pupils	648,668	606,183	42,485
Instructional Staff	1,387,115	1,247,753	139,362
Board of Education	61,706	31,289	30,417
Administration	1,133,232	1,107,308	25,924
Fiscal	494,477	468,249	26,228
Business	76,194	73,784	2,410
Plant Operation and Maintenance	1,428,868	1,428,628	240
Pupil Transportation	1,132,032	1,155,180	(23,148)
Central	86,330	13,492	72,838
Non-Instructional Services	11,949	12,965	(1,016)
Extracurricular Activities	309,249	323,147	(13,898)
Capital Outlay	320	395	(75)
Debt Service:			
Principal Retirement	135,500	135,500	-
Interest and Fiscal Charges	40,724	40,723	1
Total Expenditures	14,995,206	14,610,899	384,307
Excess of Revenues Over(Under) Expenditures	(1,012,547)	(635,650)	376,897
Other Financing Sources (Uses):			
Proceeds from Sale of Debt	150,000	150,000	-
Proceeds from Sale of Fixed Assets	1,484	70	(1,414)
Refund of Prior Year Expenditures	16,616	39,924	23,308
Advances-In	-	87,781	87,781
Advances-Out	-	(38,174)	(38,174)
Operating Transfers-In	-	124,323	124,323
Operating Transfers-Out	(12,407)	(123,744)	(111,337)
Total Other Financing Sources (Uses)	155,693	240,180	84,487
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(856,854)	(395,470)	461,384
Fund Balance at Beginning of Year	1,203,597	1,203,597	-
Prior Year Encumbrances Appropriated	339,569	339,569	-
Fund Balance at End of Year	\$ 686,312	\$ 1,147,696	\$ 461,384

(Continued)

See accompanying notes to the general purpose financial statements

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(Continued)

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUNDS		
	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 1,071,711	\$ 1,253,139	\$ 181,428
Intergovernmental	342,937	188,309	(154,628)	108,930	103,582	(5,348)
Interest	5,025	9,331	4,306	-	-	-
Tuition and Fees	26,540	26,554	14	-	-	-
Extracurricular Activities	286,231	331,579	45,348	-	-	-
Miscellaneous	47,397	55,350	7,953	-	-	-
Total Revenues	708,130	611,123	(97,007)	1,180,641	1,356,721	176,080
Expenditures:						
Current:						
Instruction:						
Regular	20,099	19,838	261	-	-	-
Special	138,109	121,218	16,891	-	-	-
Vocational	3,200	-	3,200	-	-	-
Support Services:						
Pupils	16,506	20,700	(4,194)	-	-	-
Instructional Staff	112,460	57,515	54,945	-	-	-
Board of Education	-	-	-	-	-	-
Administration	-	-	-	-	-	-
Fiscal	-	-	-	15,400	13,950	1,450
Business	-	-	-	-	-	-
Plant Operation and Maintenance	2,542	2,489	53	-	-	-
Pupil Transportation	3,100	1,624	1,476	-	-	-
Central	16,600	7,191	9,409	-	-	-
Non-Instructional Services	-	-	-	-	-	-
Extracurricular Activities	469,509	407,426	62,083	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	966,537	966,536	1
Interest and Fiscal Charges	-	-	-	391,433	391,454	(21)
Total Expenditures	782,125	638,001	144,124	1,373,370	1,371,940	1,430
Excess of Revenues Over(Under) Expenditures	(73,995)	(26,878)	47,117	(192,729)	(15,219)	177,510
Other Financing Sources (Uses):						
Proceeds from Sale of Debt	-	-	-	-	100,000	100,000
Proceeds from Sale of Fixed Assets	-	-	-	-	-	-
Refund of Prior Year Expenditures	200	744	544	-	-	-
Advances-In	-	11,288	11,288	-	-	-
Advances-Out	-	(3,597)	(3,597)	-	-	-
Operating Transfers-In	-	204	204	106,776	-	(106,776)
Operating Transfers-Out	(578)	(782)	(204)	-	-	-
Total Other Financing Sources (Uses)	(378)	7,857	8,235	106,776	100,000	(6,776)
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(74,373)	(19,021)	55,352	(85,953)	84,781	170,734
Fund Balance at Beginning of Year	190,423	190,423	-	560,732	560,732	-
Prior Year Encumbrances Appropriated	41,248	41,248	-	2,822	2,822	-
Fund Balance at End of Year	\$ 157,298	\$ 212,650	\$ 55,352	\$ 477,601	\$ 648,335	\$ 170,734

See accompanying notes to the general purpose financial statements

CAPITAL PROJECT FUNDS			EXPENDABLE TRUST FUND		
REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 377,908	\$ 203,107	\$ (174,801)	\$ -	\$ -	\$ -
127,477	128,657	1,180	-	-	-
-	-	-	-	261	261
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,000	2,305	(2,695)
505,385	331,764	(173,621)	5,000	2,566	(2,434)
84,087	84,079	8	625	-	625
-	-	-	-	-	-
-	-	-	-	-	-
16,700	3,648	13,052	5,650	5,455	195
26,495	6,952	19,543	-	-	-
-	-	-	-	-	-
10,731	6,163	4,568	-	-	-
9,300	9,173	127	-	-	-
-	-	-	-	-	-
219,784	175,802	43,982	-	-	-
16,500	9,100	7,400	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,082	8,293	2,789	-	-	-
23,501	22,115	1,386	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
418,180	325,325	92,855	6,275	5,455	820
87,205	6,439	(80,766)	(1,275)	(2,889)	(1,614)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
62,408	26,887	(35,521)	-	-	-
(57,318)	(84,185)	(26,867)	-	-	-
-	-	-	-	-	-
(2)	(2)	-	-	-	-
5,088	(57,300)	(62,388)	-	-	-
92,293	(50,861)	(143,154)	(1,275)	(2,889)	(1,614)
36,847	36,847	-	5,330	5,330	-
64,114	64,114	-	3,785	3,785	-
\$ 193,254	\$ 50,100	\$ (143,154)	\$ 7,840	\$ 6,226	\$ (1,614)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCE
NON-EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	<u>NON- EXPENDABLE TRUST</u>
Operating Revenues:	
Gifts and Donations	\$ 23,223
Interest Earnings	<u>2,450</u>
 Total Operating Revenue	 <u>25,673</u>
 Operating Expenses:	
Scholarships	<u>3,690</u>
 Total Operating Expenses	 <u>3,690</u>
 Operating Income	 21,983
 Fund Balance at Beginning of Year	 <u>58,047</u>
 Fund Balance at End of Year	 <u>\$ 80,030</u>

See accompanying notes to the general purpose financial statements

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
NONEXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	NONEXPENDABLE TRUST FUND		
	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Gifts and Donations	\$ 17,900	\$ 23,223	\$ 5,323
Interest Earnings	2,500	2,075	(425)
 Total Operating Revenues	 20,400	 25,298	 4,898
 Expenses:			
Scholarships	6,700	4,690	2,010
 Total Expenditures	 6,700	 4,690	 2,010
 Excess of Revenues Over(Under) Expenses	 13,700	 20,608	 6,908
 Fund Balance at Beginning of Year	 56,910	 56,910	 -
 Fund Balance at End of Year	 \$ 70,610	 \$ 77,518	 \$ 6,908

See accompanying notes to the general purpose financial statements

SUGARCREEK LOCAL SCHOOL DISTRICT
 COMBINED STATEMENT OF CASH FLOWS
 NONEXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	<u>NON- EXPENDABLE TRUST</u>
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities:	
Gifts and Donations	\$ 23,223
Cash Payments for Scholarships	<u>(4,190)</u>
Net Cash Provided by Operating Activities	<u>19,033</u>
Cash Flows from Investing Activities:	
Interest	<u>2,075</u>
Net Cash Provided by Investing Activities	<u>2,075</u>
Net Increase (Decrease) in Cash and Cash Equivalents	21,108
Cash and Cash Equivalents Beginning of Year	<u>58,910</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 80,018</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 21,983
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Interest Reported as Operating Income	(2,450)
Changes in Assets and Liabilities	
Decrease in Accounts Payable	<u>(500)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 19,033</u></u>
Cash and Cash Equivalents per Balance Sheet:	
Expendable Trust Funds	\$ 6,912
Non-Expendable Trust Funds	80,018
Agency Funds	<u>46,591</u>
Total Cash and Cash Equivalents per Combined Balance Sheet	<u><u>\$ 133,521</u></u>

See accompanying notes to the general purpose financial statements

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

1. DESCRIPTION OF THE SCHOOL DISTRICT

Sugarcreek Local School District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The first official body designated as the Sugarcreek Local School District was formed sometime prior to 1930.

The School District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charter and further mandated by state and/or federal agencies. This Board controls the district's instructional/support facilities staffed by a full-time equivalent staff of 252 employees. There are 162 certified employees, including 10 administrators, and 90 classified support staff, who provide services to 2,585 students and other community members.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the School District are not misleading.

The primary government consists of all funds and departments, which provide various services including instruction, student guidance, extracurricular activities, educational media and care and upkeep of grounds and buildings. The operation of each of these activities is directly controlled by the Board of Education.

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

The School District does not have any component units.

The District is associated with three organizations, which are defined as jointly governed. These organizations include the Miami Valley Educational Computer Association, the Southwestern Ohio Educational Purchasing Cooperative and the Greene County Career Center. These organizations are presented in Note 15 to the general-purpose financial statements.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation - Fund Accounting

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

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group 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.

For financial statement presentation purposes, the various funds of the School District are grouped into the following generic fund types under the broad fund categories governmental and fiduciary.

Governmental Fund Types

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

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

Special Revenue Funds - 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 obligation principal, interest, and related costs.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Projects Funds – Capital project funds are used to account for financial resources to be used for major equipment purchases and major capital improvement projects (other than those financed by trust funds).

Proprietary Fund Types

Proprietary funds are used to account for a School District's ongoing activities that are similar to those found in the private sector. The district currently has no proprietary type funds.

Fiduciary Fund Types

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

Account Groups

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

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

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

Measurement Focus and Basis of Accounting

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

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All non-expendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities are associated with the operation of these funds are included on the balance sheet. Non-expendable trust funds' operating statements present increases (e.g. revenues) and decreases (e.g. expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

All governmental fund types, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the School District is sixty days after fiscal year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available as an advance, investment earnings, grants, tuition and student fees.

The School District reports deferred revenues in its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In a subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Current and delinquent property taxes measurable as of June 30, 2000, whose availability is indeterminate and which are not intended to finance current period obligations, have been recorded as a receivable and deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the non-expendable trust fund. Revenues are recognized when they are earned and become measurable and expenses are recognized when incurred, if measurable.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting

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

All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of control is at special cost center level within each fund. A special cost center is a dimension used to account for costs of the accounts or activities within each fund. Any budgetary modifications at this level may only be made by resolution of the Board of Education. As a special cost center may include activity from different functional levels, the level required to be presented in the budgetary comparison within the general purpose financial statements, an unfavorable variance may exist at the functional level presented. However, these unfavorable variances do not indicate the District has violated their legal level of control at the fund and special cost center level.

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

Tax Budget

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

Estimated Resources

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 School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include unencumbered cash balances from the preceding year. The certificate may be further amended during the year if the fiscal officer determines that the revenue collected is greater or less than the current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2000.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Appropriations

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education at the fund and special cost center level of expenditures, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation or alter total special cost center appropriation within a fund must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. The budget figures, which appear in the statements of budgetary comparison, represent the final appropriation amounts, including all amendments and modifications. The School District made nine amendments to appropriations during fiscal year 2000.

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent-year expenditure for governmental funds and reported in the notes to the financial statements for proprietary funds.

Lapsing of Appropriations

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

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is deposited into a central bank account. Monies for all funds are pooled in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented on the balance sheet as "Equity in Pooled Cash and Cash Equivalents".

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

During fiscal year 2000, investments consisted of repurchase agreements, commercial paper, federal government securities and 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 and nonnegotiable certificates of deposit are reported at cost.

The School District has invested funds in the State Treasury Assets Reserves of Ohio (STAR Ohio) during fiscal year 2000. 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, 2000.

For the purposes of the combined balance 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 School District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest credited to the general fund during fiscal year 2000 amounted to \$181,610, which includes the general funds allocation as well as the allocations of all funds not specified in the Board's resolution. Interest was also recorded in the special revenue, expendable trust and non-expendable trust funds in the amounts of \$9,331, \$260 and \$2,450, respectively.

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 or by a two-thirds vote by all members of the Board of Education, if the District is facing a deficit in unreserved fund balance for the current fiscal year. See Note 19 for further discussion.

Supplies Inventory

Inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditures in the governmental fund types when used rather than when purchased. Reported supplies inventory is equally offset by a fund balance reserve in the governmental fund indicating that it does not constitute available expendable resources even though it is a component of net current assets.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2000 are recorded as prepaid items by using the consumption method and recording a current asset for the prepaid amount and reflecting the expenditure in the current year in which services are consumed.

Short-Term Interfund Receivables/Payables

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term loans are classified as "interfund receivables/payables".

For fiscal year 2000, a \$7,691 interfund receivable and payable have been recorded in the General Fund and the Ohio School to Work Grant Special Revenue Fund for an advance made from the general fund for cash flow purposes and will be repaid once grant funds are received in fiscal year 2001.

Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in the governmental funds, and the related assets are reported in the general fixed assets account group. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions or retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$1,000. The District does not have any infrastructure.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Interest incurred during construction of general fixed assets is also not capitalized. Assets in the general fixed asset account group are not depreciated.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A liability for sick leave is accrued using the vesting method which states that the District will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy.

For governmental funds, the District provides a liability for accumulated, unpaid vacation time and sick leave for eligible employees in the period in which the employee becomes eligible to receive payment. The current portion of the unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group.

Accrued Liabilities and Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current available expendable financial resources. Payments made more than sixty days after fiscal year end are considered not to have used current financial resources. Bonds, capital leases, and long-term loans are reported as a liability of the general long-term obligations account group until due.

Under Ohio law, a debt service fund must be created and used for the payment of tax and revenue anticipation notes. Generally accepted accounting principles require the reporting of the liability in the funds that received the proceeds.

Reservations and Designations of Fund Equity

Reservations of fund balances are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current appropriation or expenditure or the portion of fund balance that is legally segregated for a specific future use. Fund balances have been reserved for encumbrances, supplies inventory, prepaids, taxes, non-expendable trust principal, debt service and a budget stabilization reserve.

In addition, during fiscal year 2000, the District transferred monies into the budget stabilization account, which was not legally required to be placed into the account. These additional funds have been classified as a designation of fund balance in the financial statements.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred.

The School District currently participates in several state and federal programs, categorized as follows:

Entitlements

General Fund

- State Foundation Program
- State Property Tax Relief
- School Bus Purchase Program

Non-Reimbursement Grants

Special Revenue Funds

- Teacher Development
- Educational Management Information Systems
- Data Communications
- Ohio Reads
- Summer Intervention
- Safe School Helpline
- Title VI-B
- Title VI
- Title VI-R
- Title I

Capital Project Funds

- Video Distance Learning
- School Net Plus

Reimbursement Grants

Special Revenue Funds

- School to Work Grant

In addition, the School District receives services from the County Educational Service Center, which administers different programs on their behalf. Intergovernmental revenue, and the corresponding expenditure, is recognized when the services are provided by the Service Center. A receivable and corresponding deferred revenue is recorded for the School District's portion of any remaining resources related to these programs.

Grants and entitlements for governmental funds amounted to 34 percent of governmental fund revenue during the 2000 fiscal year.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expense in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions are reported as operating transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers.

Estimates

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

Total Columns on General Purpose Financial Statements

Total columns on the General Purpose Financial Statements overview are captioned "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 generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

3. 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 requires accounting for certain transactions on the basis of cash receipts, disbursements, appropriations and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Budget Basis), All Governmental Fund Types and Expendable Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Equity, Budget and Actual (Budget Basis), Nonexpendable Trust Fund, are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

3. BUDGETARY BASIS OF ACCOUNTING (Continued)

3. Outstanding year-end encumbrances are treated as expenditures/expenses (budget basis) rather than as a reservation of fund balance for governmental fund types or note disclosure for proprietary fund types (GAAP basis).
4. Proceeds from and principal payments on debt obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. The School District repays short-term note debt from the debt service fund (budget basis) as opposed to the fund that received the proceeds (GAAP basis). Debt service fund resources used to pay both principal and interest have been allocated accordingly.

The adjustments necessary to convert the results of operations for the year ended June 30, 2000 on the GAAP basis to the budget basis are as follows:

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

Governmental Fund Types and Expendable Trust Funds

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Project Fund</u>	<u>Expendable Trust Funds</u>
GAAP Basis	\$(172,388)	\$ 58,513	\$ 182,163	\$ 324,763	\$ (1,334)
Revenue accruals	(125,159)	(46,568)	13,206	(44,187)	1
Expenditure accruals	79,229	50,139	(532,690)	64,667	1,166
Encumbrances	(227,338)	(88,218)	(7,946)	(8,758)	(2,722)
Transfers in (out)	579	(578)	330,048	(330,048)	-
Advances in (out)	49,607	7,691	-	(57,298)	-
Note proceeds	-	-	<u>100,000</u>	-	-
Budget Basis	<u>\$(395,470)</u>	<u>\$ (19,021)</u>	<u>\$ 84,781</u>	<u>\$ (50,861)</u>	<u>\$ (2,889)</u>

**SUGARCREEK LOCAL SCHOOL DISTRICT
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2000**

3. BUDGETARY BASIS OF ACCOUNTING (Continued)

Net Income /Excess of Revenues Over
 (Under) Expenses and Operating Transfers

Nonexpendable Trust Fund

	<u>Nonexpendable Trust</u>
GAAP basis (as reported)	\$ 21,983
Adjustments:	
Revenue accruals	(375)
Expense accruals	<u>(1,000)</u>
Budget basis	<u>\$ 20,608</u>

4. DEPOSITS AND INVESTMENTS

State statutes require the classification of monies held by the School District into three categories.

Category 1 consists of "active" monies, those monies required to be kept in a "cash" or "near-cash" status for immediate use by the District. Such monies must be maintained either as cash in the School Treasury, in depository accounts payable, withdrawals on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Category 2 consists of "inactive" monies, those monies not required for use within the current two-year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

Category 3 consists of "interim" monies, 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 the certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

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

In general, investments must mature or be redeemable within two years from the date of purchase. Interim monies may be invested in the following obligations:

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

4. DEPOSITS AND INVESTMENTS (Continued)

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or 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 governmental agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time;

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

Deposits

At fiscal year end, the carrying amount of the School District deposit was \$(165,922) and the bank balance was \$31,435. Of the bank balance \$31,435 was covered by federal deposit insurance.

**SUGARCREEK LOCAL SCHOOL DISTRICT
 NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2000**

4. DEPOSITS AND INVESTMENTS (Continued)

Investments

The School District's investments are categorized to give an indication of the level of risk assumed by the School District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are 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 or agent but not in the District's name. The School District's investment in STAR Ohio, an investment pool operated by the Ohio State Treasurer, is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

At June 30, 2000 the District had investments consisting of overnight repurchase agreements and STAR Ohio. The fair value of the overnight repurchase agreement was \$2,046,378 and was classified as a category 3 investment. The School District's share of STAR Ohio was stated at \$719,204 and is not classified.

The classification of cash and cash equivalents, and investments on the financial statements is based on criteria set forth in GASB Statement No. 9, "Reported Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting." Cash equivalents are defined to include investments with original maturities of three months or less.

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

	Cash and Cash Equivalents	
	<u>Deposits</u>	<u>Investments</u>
GASB Statement 9	\$2,599,660	\$ -
Investments of the Cash Management Pool:		
Repurchase agreements	(2,046,378)	2,046,378
STAR Ohio	<u>(719,204)</u>	<u>719,204</u>
GASB Statement 3	<u>\$ (165,922)</u>	<u>\$2,765,582</u>

5. PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State Law at 35 percent of

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

5. PROPERTY TAXES (Continued)

appraised market value. All property is required to be reevaluated every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by July 20.

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Sugarcreek Local School District. The County Auditor periodically remits to the District its portion of the taxes collected. The full tax rate for all District operations for the year ended June 30, 2000 was \$64.24 per \$1,000 of assessed value. The assessed values upon which the fiscal year 2000 taxes were collected are as follows:

	<u>1999 First Half Collections</u>	<u>2000 Second Half Collections</u>
Agricultural/residential		
And other real estate	\$ 258,621,640	\$ 268,625,630
Public utility personal	19,523,770	21,281,240
Tangible personal property	<u>9,188,372</u>	<u>8,685,359</u>
Total	<u>\$ 287,333,782</u>	<u>\$ 298,592,229</u>

Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of June 30, 2000. Although total property tax collections for the next year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30 was \$945,120 in the General Fund, \$99,490 in the Debt Service Fund and \$64,677 in the Permanent Improvement Capital Projects Fund. These amounts have been set aside as a reserve of fund balance.

6. RECEIVABLES

Receivables at June 30, 2000 consisted of taxes, interest and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes and the stable condition of State programs.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

6. RECEIVABLES (Continued)

A summary of the intergovernmental receivables follows:

<u>General Fund</u>	
Miscellaneous Intergovernmental Receivable	\$ 3,885
Dayton City Schools	12,072
Greene County Career Center	<u>2,206</u>
	18,163
<u>Special Revenue Funds</u>	
Greene County ESC	14,608
Ohio School to Work Grant	<u>7,654</u>
	<u>22,262</u>
 Total Intergovernmental Receivable	 <u>\$ 40,425</u>

7. FIXED ASSETS

The July 1, 1999 beginning balance of the general fixed asset accounts have been adjusted to reflect a change in the District's capitalization policy threshold from \$500 to \$1,000 as well as corrections for fixed assets erroneously reported or omitted in prior periods. A summary of these adjustments is as follows:

	Balance at <u>July 1, 1999</u>	Adjustment for Change in <u>Threshold</u>	Correction of Prior Period <u>Fixed Assets</u>	Adjusted Balance at <u>July 1, 1999</u>
Land	\$ 1,094,008	\$ (881)	\$ (5,975)	\$ 1,087,152
Land Improvements	911,551	(561)	3,917	914,907
Buildings	15,683,819	(896)	736,879	16,419,802
Equipment	5,221,647	(782,801)	169,201	4,608,047
Vehicles	<u>1,585,231</u>	<u>-</u>	<u>-</u>	<u>1,585,231</u>
Totals	<u>\$ 24,496,256</u>	<u>\$ (785,139)</u>	<u>\$ 904,022</u>	<u>\$ 24,615,139</u>

Changes in general fixed assets during the fiscal year ended June 30, 2000 were as follows:

	Adjusted Balance at <u>July 1, 1999</u>	Additions	Deletions	Balance at <u>June 30, 2000</u>
Land	\$ 1,087,152	\$ -	\$ -	\$ 1,087,152
Land Improvements	914,907	2,000	-	916,907
Buildings	16,419,802	88,596	-	16,508,398
Equipment	4,608,047	92,737	79,731	4,621,053
Vehicles	<u>1,585,231</u>	<u>244,040</u>	<u>-</u>	<u>1,829,271</u>
Totals	<u>\$ 24,615,139</u>	<u>\$ 427,373</u>	<u>\$ 79,731</u>	<u>\$ 24,962,781</u>

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

8. DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

The Sugarcreek Local School District contributes to the School Employees Retirement System of Ohio (SERS), a cost sharing multiple employer public employee retirement system administered by the School Employees Retirement System 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 43215-3684 or by calling (614) 222-5853.

Plan members are required to contribute 9 percent of their annual covered salary and the Sugarcreek Local School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$237,360, \$235,194, and \$224,186, respectively; 41 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$138,902 represents the unpaid contribution for fiscal year 2000 and is recorded as a liability within the respective funds and the general long-term obligation account group.

State Teachers Retirement System

The Sugarcreek Local School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost sharing multiple employer public employee retirement system administered by the State Teachers Retirement System 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 to STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

Plan members are required to contribute 9.3 percent of their annual covered salary and the Sugarcreek Local School District is required to contribute 14 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employer. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$987,540, \$898,097 and \$859,485, respectively; 82 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$168,580 representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds.

SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

8. DEFINED BENEFIT PENSION PLANS (Continued)

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 SERS/STRS. As of June 30, 2000, one member of the Board of Education has elected social security.

9. POSTEMPLOYMENT BENEFITS

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the 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. The Retirement Board allocates employer contributions equal to two percent of covered payroll to the Health Care Reserve-Fund from which health care benefits are paid. However, for the fiscal year ended June 30, 1999, the board allocated employer contributions equal to 8.0 percent of covered payroll to the Health Care Reserve Fund. The Health Care Reserve Fund allocation for the year ended June 30, 1999 was eight percent of covered payroll. For the School District, this amount equaled \$564,280 during the 2000 fiscal year.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2,783 million at June 30, 1999. For the year ended June 30, 1999, net health care costs paid by STRS were \$249,929,000 and STRS had 95,796 eligible benefit recipients.

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

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. At June 30, 1999, the allocation rate is 6.30%. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the members 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.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

9. POSTEMPLOYMENT BENEFITS (Continued)

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 1999, were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999 SERS had net assets available for payment of health care benefits of \$188.0 million. SERS has approximately 51,000 participants currently receiving health care benefits. For the School District, the amount to fund health care benefits, including surcharge, equaled \$116,275 during the 2000 fiscal year.

10. OTHER EMPLOYEE BENEFITS

Compensated Absences

Accumulated Unpaid Vacation

District classified employees earn vacation leave at varying rates based upon negotiated agreements and State laws. In the case of death or retirement, an employee (or his estate) is paid for his unused vacation leave. The total obligation for vacation leave for the District as a whole amounted to \$60,134 at June 30, 2000.

Accumulated Unpaid Sick Leave/Severance Payments

Sick leave may be accumulated by district employees. Upon retirement, payment is made for one-fourth of the total unused sick leave balance up to a maximum of sixty days for certified and classified employees. The total obligation for sick leave accrual for eligible employees at June 30, 2000 was \$685,950. In addition, the District offered employees, eligible for retirement, additional severance pay if they retired. As of June 30, 2000 the District was responsible for \$68,000 in additional severance pay. Therefore, the total sick leave and additional severance pay for the District as a whole as of June 30, 2000 was \$753,950.

Compensatory Leave

Certain employees are allowed to accumulate hours for time worked up to a maximum of 240 hours. The employee has the option of taking the hours as time off or as paid leave. In the case of death or retirement an employee (or his estate) is paid for unused compensatory leave. The total obligation for compensatory leave for the District as a whole amounted to \$25,324 at June 30, 2000.

11. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts, thefts-of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2000, the School District contracted with Indiana Insurance Company for building and business property insurance. This policy has a limit of insurance in the amount of \$36,962,522 for property and a \$1,000 deductible. Boiler and Crime are included in the policy. Fleet insurance has a \$250,000 limit of liability and a variable deductible between zero and \$1,000.

SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

11. RISK MANAGEMENT (Continued)

General liability insurance is under Nationwide Insurance and has a \$2,000,000 per occurrence and \$5,000,000 aggregate limitation. The superintendent, treasurer and board president are all bonded separately. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District is a member of the Southwestern Ohio Educational Purchasing Cooperative (SOEPC). The cooperative contracts with Accordia, Inc. to provide an insurance purchasing pool for workers compensation. The intent of the pool is to achieve the benefit of a reduced premium for the School District by virtue of its grouping a representation with other participants in the pool. 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 pool. Each participant pays its workers compensation premium to the State based on the rate for the pool 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 pool. A participant will then either receive money from or be required to contribute to the pool. This equity pooling arrangement insures that each participant shares equally in the overall performance of the pool. Participation in the pool is limited to school districts that can meet the pool's selection criteria. Accordia, Inc. provides administrative, cost control and actuarial services to the SOEPC.

The School District has elected to provide employee medical benefits through Anthem PPO. The board picks up ninety percent of the monthly premium for all employees. Classified employees working less than seven hours a day, and certified employees working less than seven and a half hours a day, pay a prorated share of the monthly premium based on the number of hours worked. Dental benefits are provided through CoreSource with the Board picking-up the total cost for employees that work seven hours a day or more. The School District provides life insurance to employees through CoreSource.

12. CAPITALIZED LEASE – LESSEE DISCLOSURE

During fiscal year 1999 the School District had entered into a lease for a copier. The terms of the agreement provide an option to purchase the equipment. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases," which defines a capital lease generally as one, which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service in the Combined Financial Statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis. General fixed assets acquired by lease have been capitalized in the general fixed asset account group in an amount equal to the present value of the future minimum lease payments at the time of acquisition. The copier has a value of \$56,493 and is classified as equipment. A corresponding liability was recorded in the general long-term obligation account group. Principal payments in fiscal year 2000 totaled \$10,358.

SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

12. CAPITALIZED LEASE – LESSEE DISCLOSURE (Continued)

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2000.

	Fiscal Year Ending June 30,	General Long- Term Debt
	2001	\$ 13,439
	2002	13,438
	2003	13,439
	2004	2,240
Total Minimum Lease Payments		42,556
Less: Amount Representing Interest		(4,514)
Present Value of Minimum Lease Payments		\$ 38,042

13. GENERAL LONG-TERM OBLIGATIONS

Long-term obligations at June 30, 2000 were as follows:

	Balance June 30, 1999	Increase	Decrease	Balance June 30, 2000
General Obligation Bonds:				
School Improvement				
1978 5.375%	\$105,000	\$ -	\$35,000	\$70,000
School Improvement				
1994 2.45% - 5.15%	7,404,485	-	395,000	7,009,485
Computer Acquisition				
1999 4.55%	-	150,000	51,459	98,541
Total General Obligation Bonds	7,509,485	150,000	481,459	7,178,026
Energy Conservation Loan	783,500	-	135,500	648,000
Compensated Absences	711,946	112,409	-	824,355
Capital Lease Obligation	48,400	-	10,358	38,042
Intergovernmental Payable	87,216	-	6,084	81,132
Total General Long-Term Obligations	\$ 9,140,547	\$ 262,409	\$ 633,401	\$ 8,769,555

The School District's voted legal debt margin was \$20,347,746 with an unvoted debt margin of \$200,051 at June 30, 2000.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

13. GENERAL LONG-TERM OBLIGATIONS (Continued)

The general obligation bond issues will be paid through the debt service fund from property taxes collected by the County Auditor. In fiscal year 1994 the district issued approximately \$10,000,000 in general obligation bonds for the construction of a new high school. The energy conservation loan will be repaid from the general fund with cost savings generated by the implementation of the measures.

The capital lease obligation will be repaid from the General Fund. Compensated absences will be paid from the fund from which the person is paid if the funds are available, otherwise, from the General Fund.

The intergovernmental payable represents the long-term portion of the pension obligation payable to the School Employees Retirement System.

Principal and interest requirements to retire the District's long-term obligations outstanding at June 30, 2000 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2001	\$629,770	\$331,112	\$960,882
2002	649,771	303,576	953,347
2003	585,500	275,542	861,042
2004	535,500	249,983	785,483
2005	555,500	225,062	780,562
2006 – 10	1,364,985	2,238,798	3,603,783
2011 – 15	2,925,000	541,395	3,466,395
2016	580,000	14,935	594,935
Total	\$7,826,026	\$4,180,403	\$12,006,429

14. SHORT-TERM OBLIGATION

The following is a summary of the note activity for the District at June 30, 2000:

	Balance June 30, 1999	Increase	Decrease	Balance June 30, 2000
School Improvement 4.03% Bond Anticipation Note	\$ 200,000	\$ 100,000	\$ 200,000	\$ 100,000
Tax Anticipation Note	1,435,000	-	285,000	1,150,000

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

14. SHORT-TERM OBLIGATION (Continued)

The first note is issued in anticipation of long-term financing and will be refinanced until such bonds are issued. They are backed by the full faith and credit of the District and mature within one year. These notes are recorded in the Debt Service Fund. The District issued a five-year tax anticipation note for various permanent improvements of the School District's school buildings. The debt will be repaid from proceeds of a tax levy collected by the County Auditor.

15. JOINTLY GOVERNED ORGANIZATIONS

Miami Valley Educational Computer Association

The School District is a participant in the Miami Valley Educational Computer Association (MVECA) which is a computer consortium. MVECA is an association of public schools within the boundaries of Clark, Clinton, Fayette, Greene and Highland Counties and Cities of Springfield, Wilmington, Washington Court House, Xenia and Hillsboro. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts.

The governing board of MVECA consists of five Superintendents and two Treasurers of member school districts, with four of the five Superintendents and both Treasurers elected by a majority vote of all member school districts except the Greene County Career Center. The fifth Superintendent is from the Greene County Career Center. The School District paid MVECA \$24,441 for services provided during the year. Financial information can be obtained from Gary Bosserman, who serves as Director, at 330 East Enon Road, Yellow Springs, Ohio 45387.

Southwestern Ohio Educational Purchasing Cooperative

The School District is a member of the Southwestern Ohio Educational Purchasing Cooperative (SOEPC). The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools within geographical boundaries as defined by the SOEPC and to serve as a resource to member districts on matters related to business operations. The SOEPC elects one of its members as Chairperson and another as Vice-Chairperson. An Executive Committee is comprised of eleven members who include the Chairperson and Vice-Chairperson and a representative from the Fiscal Agent. Each new member pays an initiation fee in addition to the annual membership fee and other appropriate assessments.

Greene County Career Center

The Greene County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the seven participating school districts elected boards, which possesses its own budgeting and taxing authority. To obtain financial information, write to the Greene County Career Center, 2960 West Enon Road, Xenia, Ohio 45385-9545.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

16. CONTINGENT LIABILITIES

Grants

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

Litigation

The School District's attorney estimates that any potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

17. 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 the system. Declared unconstitutional was the State's "school foundation program," which provides a significant amount of monetary support to the School District. During fiscal year ended June 30, 2000, the School District received \$4,052,483 in school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the Ohio General Assembly 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. On May 11, 2000, the Ohio Supreme Court rendered an opinion on this issue. The Court concluded, "...the mandate of the [Ohio] Constitution has not been fulfilled." The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997, decision, however, it found seven "...major areas warrant further attention, study and development by the General Assembly...", including the State's reliance on local property tax funding, the state's basic aid formula, the school foundation program, as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000

17. STATE SCHOOL FUNDING DECISION (Continued)

As of the date of these financial statements, the School 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.

18. ACCOUNTABILITY AND COMPLIANCE

Fund Equity at June 30, 2000, included the following individual fund deficits:

School to Work Grant Special Revenue Fund	\$ 7,882
Permanent Improvement Capital Projects Fund	1,064,676

The deficit fund balances resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

The following funds had deficit fund balances on a budgetary basis due to year-end encumbrances. The deficits are anticipated to be eliminated early in fiscal year 2001 when grant monies are received by the District.

Title I Grant Special Revenue Fund	\$ 632
Ohio School to Work Grant Special Revenue Fund	28,934

19. SET-ASIDE DISCLOSURE

The following table represents the District's set-aside calculations for textbooks, capital acquisition and budget stabilization. Although the School District had offsets and qualifying disbursements during the year that reduced the set-aside amounts below zero for capital acquisitions, these extra amounts may not be used to reduce the set-aside requirements of future years. Excess disbursements related to the textbook reserve may be carried forward from year to year.

Amounts remaining at year-end that have been set-aside to satisfy statutory requirements are represented as a restricted asset on the balance sheet. A corresponding amount is reported as a reserve of fund balance.

**SUGARCREEK LOCAL SCHOOL DISTRICT
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

19. SET-ASIDE DISCLOSURE (Continued)

	Textbooks	Capital Acquisition	Budget Stabilization	Totals
Set-aside Cash Balance as of June 30, 1999	\$ -	\$ -	\$ 154,895	\$ 154,895
Current Year Set-aside Requirement	334,011	334,011	111,337	779,359
Current Year Offsets	-	(303,107)	(45,306)	(348,413)
Qualifying Disbursements	(561,687)	(411,147)	-	(972,834)
Total	(227,676)	(380,243)	220,926	(386,993)
Balance Carried Forward to FY 2001	\$ (227,676)	\$ -	\$ 220,926	
Amount Restricted for Budget Stabilization				\$ 220,926
Total Restricted Assets				\$ 220,926

20. SUBSEQUENT EVENTS

On September 14, 2000 the District issued \$254,520 in bond anticipation notes in anticipation of issuing school improvement bonds. The interest rate of these notes is 5.08 percent and will mature on September 14, 2001.

In addition, the District has agreed in principal to a lease/purchase agreement to acquire land adjacent to a District school building. The purchase price for the land is set at \$541,328 with the District making principal and interest payments over five years at an interest rate of 5.51 percent per year.

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GENERAL FUND

The General Fund is used to account for government resources not required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of the State of Ohio

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Taxes	8,641,125	8,595,806	(45,319)
Intergovernmental	4,986,727	5,000,440	13,713
Interest	148,069	164,559	16,490
Tuition and Fees	195,970	192,324	(3,646)
Extracurricular Activities	2,188	-	(2,188)
Customer Services	-	-	-
Miscellaneous	8,580	22,120	13,540
Total Revenues	<u>13,982,659</u>	<u>13,975,249</u>	<u>(7,410)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
General Operating	6,841,201	6,854,368	(13,167)
Bell Creek School Supplies	30,703	18,091	12,612
High School School Supplies	42,505	41,753	752
Junior High School Supplies	40,365	32,840	7,525
Sugarcreek School Supplies	19,273	18,742	531
Stephen Bell School Supplies	24,622	16,460	8,162
Industrial Technology Supplies	2,150	611	1,539
Computer Service Fees	22,276	11,008	11,268
Total Regular	<u>7,023,095</u>	<u>6,993,873</u>	<u>29,222</u>
Special:			
General Operating	1,023,372	970,367	53,005
Stephen Bell School Supplies	2,300	1,992	308
Total Special	<u>1,025,672</u>	<u>972,359</u>	<u>53,313</u>
Vocational:			
General Operating	75	71	4
Support Services:			
Pupils			
General Operating	648,668	606,183	42,485
Instructional Staff			
General Operating	1,387,115	1,247,753	139,362
Board of Education			
General Operating	61,706	31,289	30,417
Administration			
General Operating	1,133,232	1,107,308	25,924
Fiscal			
General Operating	494,477	468,249	26,228
Business			
General Operating	76,194	73,784	2,410
Plant Operation and Maintenance			
General Operating	1,428,868	1,428,628	240
Pupil Transportation			
General Operating	1,132,032	1,155,180	(23,148)

(Continued)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2000
 (Continued)

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Central Services			
General Operating	86,330	13,492	72,838
Non-Instructional Services			
General Operating	11,949	12,965	(1,016)
Extracurricular Activities			
General Operating	309,249	323,147	(13,898)
Capital Outlay			
General Operating	320	395	(75)
Debt Service:			
Principal Retirement			
General Operating	135,500	135,500	-
Interest & Fiscal Charges			
General Operating	40,724	40,723	1
Total Expenditures	14,995,206	14,610,899	384,307
Excess of Revenues Over(Under)			
Expenditures	(1,012,547)	(635,650)	376,897
Other Financing Sources(Uses):			
Proceeds from Sale of Notes	150,000	150,000	-
Proceeds from Sale of Assets	1,484	70	(1,414)
Refund of Prior Year Expenditures	16,616	39,924	23,308
Advance-In	-	87,781	87,781
Advance-Out	-	(38,174)	(38,174)
Operating Transfer-In	-	124,323	124,323
Operating Transfer-Out	(12,407)	(123,744)	(111,337)
Total Other Financing Sources(Uses)	155,693	240,180	84,487
Excess of Revenues and Other Financing Sources			
Over(Under) Expenditures and Other Financing Uses	(856,854)	(395,470)	461,384
Fund Balance at Beginning of Year	1,203,597	1,203,597	-
Prior Year Encumbrances Appropriated	339,569	339,569	-
Fund Balance at End of Year	686,312	1,147,696	461,384

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditure for specified purposes. The following are descriptions of each Special Revenue Fund.

Public School Support

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

Foundation Grant

To account for monies received under a local grant to provide educational supplies to disadvantaged students who otherwise could not afford them.

Library Automation

To account for local monies accumulated for the implementation of technology advances in the school libraries throughout the District.

District Managed Student Activities

To account for local funds generated to assist student activities, which are managed by District personnel.

Professional Development

To account for funds received under House Bill 117 to be used for locally held professional development and teacher training activities which are guided by Ohio's model competency based education programming or comparable models to support student achievement, including proficiency test performance.

Management Information Systems

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

Data Communications

To account for revenues received from the State to be used to install and provide support costs for data communication links to connect any school to the local A-site.

Textbook Subsidy

To account for state funds provided for the purchase of textbooks by the District.

Ohio Reads Grant

To account for state funds provided for developing and instituting programs to increase student reading comprehension skills.

Summer Intervention Grant

To account for state funds provided for the implementation of, or expansion of, summer remedial math, reading and science classes.

Safe School Helpline

To account for state funds provided for the establishment and maintenance of a 24 hours, 7 days a week, telephone hotline where students may report unsafe conditions or events.

Title VI-B Grant

To account for monies received under a federal grant to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full education opportunities to handicapped children at the elementary and secondary levels.

Title I Grant

To account for monies received under a federal grant to assist schools in meeting the special needs of educationally deprived children.

Title VI Grant

To account for monies received under a federal grant to assist schools with the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

Title VI-R Grant

To account for monies received under a federal grant to help reduce the teacher-student ration at the elementary school level.

School to Work Grant

To account for monies received under a federal grant to provide career planning and life skills for all students, to bridge from school to careers and family life.

Miscellaneous Federal Grants

To account for the revenue received, and services provided, on behalf of the District by the County Educational Service Center through a variety of federal grant programs. This fund is not maintained on the District's accounting records, nor is the activity of this fund required to be budgeted by the District; therefore, no schedule of revenues, expenditures and changes in fund balance – budget (non-GAAP basis) and Actual is presented for this fund.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 JUNE 30, 2000

	PUBLIC SCHOOL SUPPORT	FOUNDATION GRANTS	LIBRARY AUTOMATION	DISTRICT MANAGED STUDENT ACTIVITIES
<u>Assets:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 61,214	\$ 3,200	\$ -	\$ 179,218
Intergovernmental Receivable	-	-	-	-
Total Assets	\$ 61,214	\$ 3,200	\$ -	\$ 179,218
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	-
Interfund Payable	-	-	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	-	-	-	-
Fund Equity:				
Reserved for Encumbrances	15,123	-	-	27,974
Unreserved	46,091	3,200	-	151,244
Total Fund Equity	\$ 61,214	\$ 3,200	\$ -	\$ 179,218
Total Liabilities and Fund Equity	\$ 61,214	\$ 3,200	\$ -	\$ 179,218

<u>PROFESSIONAL DEVELOPMENT</u>	<u>MANAGEMENT INFORMATION SYSTEMS</u>	<u>DATA COMMUNICATIONS</u>	<u>TEXTBOOK SUBSIDY</u>	<u>OHIO READS GRANT</u>	<u>SUMMER INTERVENTION GRANT</u>
\$ 650	\$ 7,946	\$ 2,144	\$ 1,515	\$ 6,000	\$ 17,090
-	-	-	-	-	-
<u>\$ 650</u>	<u>\$ 7,946</u>	<u>\$ 2,144</u>	<u>\$ 1,515</u>	<u>\$ 6,000</u>	<u>\$ 17,090</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,719
-	549	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	549	-	-	-	2,719
390	-	-	1,262	-	1,433
260	7,397	2,144	253	6,000	12,938
<u>\$ 650</u>	<u>\$ 7,397</u>	<u>\$ 2,144</u>	<u>\$ 1,515</u>	<u>\$ 6,000</u>	<u>\$ 14,371</u>
<u>\$ 650</u>	<u>\$ 7,946</u>	<u>\$ 2,144</u>	<u>\$ 1,515</u>	<u>\$ 6,000</u>	<u>\$ 17,090</u>

(Continued)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2000
(Continued)

	SAFE SCHOOL HELPLINE	TITLE VI-B GRANT	TITLE I GRANT	TITLE VI GRANT
<u>Assets:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 53	\$ 14,160	\$ -	\$ 2,228
Intergovernmental Receivable	-	-	-	-
Total Assets	<u>\$ 53</u>	<u>\$ 14,160</u>	<u>\$ -</u>	<u>\$ 2,228</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$ -	\$ 73	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	-
Interfund Payable	-	-	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>73</u>	<u>-</u>	<u>-</u>
Fund Equity:				
Reserved for Encumbrances	-	9,137	632	504
Unreserved	53	4,950	(632)	1,724
Total Fund Equity	<u>\$ 53</u>	<u>\$ 14,087</u>	<u>\$ -</u>	<u>\$ 2,228</u>
Total Liabilities and Fund Equity	<u>\$ 53</u>	<u>\$ 14,160</u>	<u>\$ -</u>	<u>\$ 2,228</u>

<u>TITLE VI-R GRANT</u>	<u>SCHOOL TO WORK GRANT</u>	<u>MISCELLANEOUS FEDERAL GRANTS</u>	<u>TOTAL</u>
\$ 5,519	\$ 37	\$ -	\$ 300,974
-	7,654	14,608	22,262
<u>\$ 5,519</u>	<u>\$ 7,691</u>	<u>\$ 14,608</u>	<u>\$ 323,236</u>
\$ -	\$ 7,882	\$ -	\$ 10,674
-	-	-	549
-	7,691	-	7,691
-	-	14,608	14,608
-	15,573	14,608	33,522
-	21,089	-	77,544
5,519	(28,971)	-	212,170
<u>\$ 5,519</u>	<u>\$ (7,882)</u>	<u>\$ -</u>	<u>\$ 289,714</u>
<u>\$ 5,519</u>	<u>\$ 7,691</u>	<u>\$ 14,608</u>	<u>\$ 323,236</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	PUBLIC SCHOOL SUPPORT	FOUNDATION GRANTS	LIBRARY AUTOMATION	DISTRICT MANAGED STUDENT ACTIVITIES
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ 6,367
Interest	2,440	-	-	6,891
Tuition and Fees	130	-	-	26,424
Extracurricular Activities	75,067	-	-	256,512
Miscellaneous	30,873	3,200	-	22,021
Total Revenues	108,510	3,200	-	318,215
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Support Services:				
Pupils	11,811	-	-	-
Instructional Staff	1,774	-	-	-
Plant Operation and Maintenance	-	-	-	-
Central	-	-	-	-
Extracurricular Activities	90,008	-	-	275,198
Total Expenditures	103,593	-	-	275,198
Excess of Revenues Over(Under)				
Expenditures	4,917	3,200	-	43,017
Fund Balance at Beginning of Year	56,297	-	578	136,201
Residual Equity Transfer Out	-	-	(578)	-
Fund Balance at End of Year	\$ 61,214	\$ 3,200	\$ -	\$ 179,218

PROFESSIONAL DEVELOPMENT	MANAGEMENT INFORMATION SYSTEMS	DATA COMMUNICATIONS	TEXTBOOK SUBSIDY	OHIO READS GRANT	SUMMER INTERVENTION GRANT
\$ 10,287	\$ 7,284	\$ -	\$ -	\$ 6,000	\$ 17,405
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,287</u>	<u>7,284</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>17,405</u>
-	-	-	18,576	-	-
-	-	-	-	-	3,034
-	8,570	-	-	-	-
9,779	-	-	-	-	-
-	-	-	-	-	-
-	3,341	-	-	-	-
-	-	-	-	-	-
<u>9,779</u>	<u>11,911</u>	<u>-</u>	<u>18,576</u>	<u>-</u>	<u>3,034</u>
508	(4,627)	-	(18,576)	6,000	14,371
142	12,024	2,144	20,091	-	-
-	-	-	-	-	-
<u>\$ 650</u>	<u>\$ 7,397</u>	<u>\$ 2,144</u>	<u>\$ 1,515</u>	<u>\$ 6,000</u>	<u>\$ 14,371</u>

(Continued)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(Continued)

	SAFE SCHOOL HELPLINE	TITLE VI-B GRANT	TITLE I GRANT	TITLE VI GRANT
Revenues:				
Intergovernmental	\$ 2,542	\$ 102,699	\$ 1,673	\$ 14,060
Interest	-	-	-	-
Tuition and Fees	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>2,542</u>	<u>102,699</u>	<u>1,673</u>	<u>14,060</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	11,832
Special	-	92,914	1,673	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	-
Plant Operation and Maintenance	2,489	-	-	-
Central	-	-	-	-
Extracurricular Activities	-	-	-	-
Total Expenditures	<u>2,489</u>	<u>92,914</u>	<u>1,673</u>	<u>11,832</u>
Excess of Revenues Over(Under)				
Expenditures	53	9,785	-	2,228
Fund Balance at Beginning of Year	-	4,302	-	-
Residual Equity Transfer Out	-	-	-	-
Fund Balance at End of Year	<u>\$ 53</u>	<u>\$ 14,087</u>	<u>\$ -</u>	<u>\$ 2,228</u>

TITLE VI-R GRANT	SCHOOL TO WORK GRANT	MISCELLANEOUS FEDERAL GRANTS	TOTAL
\$ 5,519	\$ 22,069	\$ 38,972	\$ 234,877
-	-	-	9,331
-	-	-	26,554
-	-	-	331,579
-	-	-	56,094
<u>5,519</u>	<u>22,069</u>	<u>38,972</u>	<u>658,435</u>
-	-	-	30,408
-	-	38,972	136,593
-	-	-	20,381
-	29,626	-	41,179
-	-	-	2,489
-	325	-	3,666
-	-	-	365,206
<u>-</u>	<u>29,951</u>	<u>38,972</u>	<u>599,922</u>
5,519	(7,882)	-	58,513
-	-	-	231,779
-	-	-	(578)
<u>\$ 5,519</u>	<u>\$ (7,882)</u>	<u>\$ -</u>	<u>\$ 289,714</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PUBLIC SCHOOL SUPPORT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Interest	1,875	2,440	565
Tuition and Fees	100	130	30
Extracurricular Activities	80,575	75,067	(5,508)
Miscellaneous	21,332	30,521	9,189
Total Revenues	103,882	108,158	4,276
Expenditures:			
Current:			
Support Services:			
Pupils:			
High School Guidance Account	14,944	12,604	2,340
Counselor's Medical Account	200	75	125
Total Pupils	15,144	12,679	2,465
Instructional Staff:			
Bell Creek Library Account	1,055	957	98
Junior High Library Account	1,706	823	883
Sugarcreek Library Account	51	-	51
Stephen Library Account	200	-	200
Total Instructional Staff	3,012	1,780	1,232
Extracurricular Activities:			
Bell Creek Principal's Account	25,253	18,688	6,565
High School Principal's Account	8,900	8,519	381
Junior High Principal's Account	39,124	38,886	238
Sugarcreek Principal's Account	19,268	17,857	1,411
Stephen Bell Principal's Account	28,532	20,306	8,226
High School Auditorium Account	3,000	-	3,000
Total Extracurricular Activities	124,077	104,256	19,821
Total Expenditures	142,233	118,715	23,518
Excess of Revenues Over(Under)			
Expenditures	(38,351)	(10,557)	27,794
Other Financing Sources(Uses):			
Refund of Prior Year Expenditures	200	352	152
Advance-In	-	513	513
Advance-Out	-	(513)	(513)
Total Other Financing Sources(Uses)	200	352	152
Excess of Revenues and Other Financing Sources			
Over(Under) Expenditures and Other Financing Uses	(38,151)	(10,205)	27,946
Fund Balance at Beginning of Year	53,575	53,575	-
Prior Year Encumbrances Appropriated	2,726	2,726	-
Fund Balance at End of Year	18,150	46,096	27,946

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FOUNDATION GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Miscellaneous	<u>3,200</u>	<u>3,200</u>	<u>-</u>
Total Revenues	<u>3,200</u>	<u>3,200</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Vocational	<u>3,200</u>	<u>-</u>	<u>3,200</u>
Total Expenditures	<u>3,200</u>	<u>-</u>	<u>3,200</u>
Excess of Revenues Over(Under)			
Expenditures	-	3,200	3,200
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>-</u>	<u>3,200</u>	<u>3,200</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
LIBRARY AUTOMATION FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Total Revenues	-	-	-
Total Expenditures	-	-	-
Excess of Revenues Over(Under) Expenditures	-	-	-
Other Financing Uses: Operating Transfers-Out	(578)	(578)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(578)	(578)	-
Fund Balance at Beginning of Year	578	578	-
Fund Balance at End of Year	-	-	-

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DISTRICT MANAGED STUDENT ACTIVITIES FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernment	1,600	6,367	4,767
Interest	3,150	6,891	3,741
Tuition and Fees	26,440	26,424	(16)
Extracurricular Activities	205,656	256,512	50,856
Miscellaneous	22,865	21,629	(1,236)
Total Revenues	259,711	317,823	58,112
Expenditures:			
Current:			
Extracurricular Activities:			
Athletic Account	146,515	132,411	14,104
Bellcreek Pride Club Account	500	95	405
Theatre Account	26,266	23,182	3,084
Band Account	38,753	33,708	5,045
High School Chorus Account	2,500	666	1,834
High School Cheerleaders Account	4,625	4,205	420
Junior High Yearbook Account	13,551	12,885	666
Junior High Chorus Account	20,174	19,520	654
Junior High Cheerleaders Account	918	779	139
Junior High Bookstore Account	1,500	1,262	238
High School Newspaper Account	350	263	87
High School Peer Connection Account	1,275	536	739
High School Muse Machine Account	1,200	336	864
High School Ski Club Account	14,600	12,721	1,879
Eagle Enterprise Account	2,900	2,191	709
Junior High Drama Club Account	7,000	6,789	211
Junior High Technology Club Account	800	82	718
Winterguard Account	5,015	4,973	42
Boys Soccer Account	4,731	4,728	3
Girls Soccer Account	1,467	570	897
Swimming and Diving Account	700	184	516
Boys Basketball Account	300	230	70
Girls Basketball Account	2,809	1,788	1,021
Volleyball Account	2,793	1,668	1,125
Baseball Account	1,450	808	642
Boys Track Account	304	202	102
Girls Track Account	6,272	3,608	2,664
Football Account	11,657	11,657	-
Boys Tennis Account	100	-	100
Girls Tennis Account	150	-	150
Wrestling Account	2,200	1,515	685
Girls Softball Account	3,524	3,524	-
Junior High Volleyball Account	689	462	227
Junior High Athletics Account	14,844	13,257	1,587
Cross Country Account	3,000	2,365	635
Total Extracurricular Activities	345,432	303,170	42,262
Total Expenditures	345,432	303,170	42,262

(Continued)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DISTRICT MANAGED STUDENT ACTIVITIES FUND
FOR THE YEAR ENDED JUNE 30, 2000

(Continued)

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Excess of Revenues Over(Under)			
Expenditures	(85,721)	14,653	100,374
Other Financing Sources(Uses):			
Refund of Prior Year Expenditures	-	392	392
Operating Transfer-In	-	204	204
Operating Transfer-Out	-	(204)	(204)
Total Other Financing Sources(Uses)	-	392	392
Excess of Revenues and Other Financing Sources			
Over(Under) Expenditures and Other Financing Uses	(85,721)	15,045	100,766
Fund Balance at Beginning of Year	119,953	119,953	-
Prior Year Encumbrances Appropriated	16,136	16,136	-
Fund Balance at End of Year	<u>50,368</u>	<u>151,134</u>	<u>100,766</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PROFESSIONAL DEVELOPMENT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	<u>30,872</u>	<u>10,287</u>	<u>(20,585)</u>
 Total Revenues	 <u>30,872</u>	 <u>10,287</u>	 <u>(20,585)</u>
 Expenditures:			
Current:			
Support Services:			
Instructional Staff	<u>10,428</u>	<u>10,169</u>	<u>259</u>
 Total Expenditures	 <u>10,428</u>	 <u>10,169</u>	 <u>259</u>
 Excess of Revenues Over(Under)			
Expenditures	20,444	118	(20,326)
 Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>142</u>	<u>142</u>	<u>-</u>
 Fund Balance at End of Year	 <u><u>20,586</u></u>	 <u><u>260</u></u>	 <u><u>(20,326)</u></u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
MANAGEMENT INFORMATION SYSTEMS FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	7,000	7,284	284
Total Revenues	<u>7,000</u>	<u>7,284</u>	<u>284</u>
Expenditures:			
Current:			
Support Services:			
Pupils	1,362	8,021	(6,659)
Central	10,000	3,341	6,659
Total Expenditures	<u>11,362</u>	<u>11,362</u>	<u>-</u>
Excess of Revenues Over(Under)			
Expenditures	(4,362)	(4,078)	284
Fund Balance at Beginning of Year	<u>12,024</u>	<u>12,024</u>	<u>-</u>
Fund Balance at End of Year	<u>7,662</u>	<u>7,946</u>	<u>284</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DATA COMMUNICATIONS FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	-	-	-
Fund Balance at Beginning of Year	<u>2,144</u>	<u>2,144</u>	<u>-</u>
Fund Balance at End of Year	<u><u>2,144</u></u>	<u><u>2,144</u></u>	<u><u>-</u></u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TEXTBOOK SUBSIDY FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	40,000	-	(40,000)
Total Revenues	40,000	-	(40,000)
Expenditures:			
Current:			
Instruction:			
Regular	20,099	19,838	261
Total Expenditures	20,099	19,838	261
Excess of Revenues Over(Under)			
Expenditures	19,901	(19,838)	(39,739)
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	20,091	20,091	-
Fund Balance at End of Year	39,992	253	(39,739)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
OHIO READS GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Total Revenues	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Expenditures:			
Current:			
Support Services:			
Instructional Staff	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Total Expenditures	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Excess of Revenues Over(Under)			
Expenditures	-	6,000	6,000
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>-</u>	<u>6,000</u>	<u>6,000</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SUMMER INTERVENTION GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	17,405	17,405	-
Total Revenues	17,405	17,405	-
Expenditures:			
Current:			
Instruction:			
Special	14,685	4,467	10,218
Support Services:			
Instructional Staff	400	-	400
Pupil Transportation	2,320	-	2,320
Total Expenditures	17,405	4,467	12,938
Excess of Revenues Over(Under)			
Expenditures	-	12,938	12,938
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	-	12,938	12,938

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SAFE SCHOOL HELPLINE GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	<u>2,542</u>	<u>2,542</u>	<u>-</u>
Total Revenues	<u>2,542</u>	<u>2,542</u>	<u>-</u>
Expenditures:			
Current:			
Support Services:			
Plant Operation and Maintenance	<u>2,542</u>	<u>2,489</u>	<u>53</u>
Total Expenditures	<u>2,542</u>	<u>2,489</u>	<u>53</u>
Excess of Revenues Over(Under)			
Expenditures	-	53	53
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>-</u>	<u>53</u>	<u>53</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE VI-B GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	<u>102,757</u>	<u>102,757</u>	<u>-</u>
 Total Revenues	 <u>102,757</u>	 <u>102,757</u>	 <u>-</u>
 Expenditures:			
Current:			
Instruction:			
Special:			
Grant Year '99 Account	4,302	4,182	120
Grant Year '00 Account	<u>102,757</u>	<u>97,928</u>	<u>4,829</u>
Total Special	<u>107,059</u>	<u>102,110</u>	<u>4,949</u>
 Total Expenditures	 <u>107,059</u>	 <u>102,110</u>	 <u>4,949</u>
 Excess of Revenues Over(Under)			
Expenditures	(4,302)	647	4,949
 Fund Balance at Beginning of Year	 2,149	 2,149	 -
Prior Year Encumbrances Appropriated	<u>2,153</u>	<u>2,153</u>	<u>-</u>
 Fund Balance at End of Year	 <u>-</u>	 <u>4,949</u>	 <u>4,949</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE I GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	<u>2,305</u>	<u>1,673</u>	<u>(632)</u>
 Total Revenues	 <u>2,305</u>	 <u>1,673</u>	 <u>(632)</u>
 Expenditures:			
Current:			
Instruction:			
Special	<u>2,305</u>	<u>2,305</u>	<u>-</u>
 Total Expenditures	 <u>2,305</u>	 <u>2,305</u>	 <u>-</u>
 Excess of Revenues Over(Under)			
Expenditures	-	(632)	(632)
 Fund Balance at Beginning of Year	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund Balance at End of Year	 <u>-</u>	 <u>(632)</u>	 <u>(632)</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE VI GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	<u>14,060</u>	<u>14,060</u>	<u>-</u>
Total Revenues	<u>14,060</u>	<u>14,060</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Special:			
Grant Year '99 Account	1,642	-	1,642
Grant Year '00 Account	<u>12,418</u>	<u>12,336</u>	<u>82</u>
Total Expenditures	<u>14,060</u>	<u>12,336</u>	<u>1,724</u>
Excess of Revenues Over(Under)			
Expenditures	-	1,724	1,724
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>-</u>	<u>1,724</u>	<u>1,724</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE VI-R GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	<u>18,396</u>	<u>5,519</u>	<u>(12,877)</u>
 Total Revenues	 <u>18,396</u>	 <u>5,519</u>	 <u>(12,877)</u>
 Expenditures:			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
 Excess of Revenues Over(Under)			
Expenditures	18,396	5,519	(12,877)
 Fund Balance at Beginning of Year	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund Balance at End of Year	 <u><u>18,396</u></u>	 <u><u>5,519</u></u>	 <u><u>(12,877)</u></u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SCHOOL TO WORK GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	100,000	14,415	(85,585)
Total Revenues	100,000	14,415	(85,585)
Expenditures:			
Current:			
Support Services:			
Instructional Staff	92,620	45,566	47,054
Pupil Transportation	780	1,624	(844)
Central	6,600	3,850	2,750
Total Expenditures	100,000	51,040	48,960
Excess of Revenues Over(Under)			
Expenditures	-	(36,625)	(36,625)
Other Financing Sources(Uses):			
Advance-In	-	10,775	10,775
Advance-Out	-	(3,084)	(3,084)
Total Other Financing Sources(Uses)	-	7,691	7,691
Excess of Revenues and Other Financing Sources			
Over(Under) Expenditures and Other Financing Uses	-	(28,934)	(28,934)
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	-	(28,934)	(28,934)

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for and the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment.

Since there is only one Debt Service Fund and the level of budgetary control is not greater than that presented in the General Purpose Financial Statements, no additional financial statements are presented here.

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CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects, including equipment purchases other than those financed by the Non-expendable Trust Fund. The following are descriptions of each Capital Projects Fund.

Permanent Improvement

To account for the monies received through the District's two mill, permanent improvement levy that are used for the acquisition, construction or improvement of capital facilities other than those financed by the Non-Expendable Trust Fund.

Building

To account for all transactions related to all special bond funds in the District. Proceeds from the sale of bonds, except premium and accrued interest, and donation related to the projects for which the bonds were issued are paid into this fund.

School Net Plus

To account for monies received through a State grant to help schools obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

Video Distance Learning

To account for monies received through a State grant to provide schools with the necessary equipment to facilitate video and teleconferencing capabilities to allow remote learning opportunities.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS
 JUNE 30, 2000

	PERMANENT IMPROVEMENT	BUILDING	SCHOOL NET PLUS	VIDEO DISTANCE LEARNING	TOTAL
Assets:					
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 41,582	\$ 4,909	\$ 2,427	\$ 9,941	\$ 58,859
Taxes Receivable	530,919	-	-	-	530,919
Total Assets and Other Debits	\$ 572,501	\$ 4,909	\$ 2,427	\$ 9,941	\$ 589,778
Liabilities and Fund Equity:					
Liabilities:					
Accounts Payable	\$ 20,935	\$ -	\$ -	\$ -	\$ 20,935
Deferred Revenue	466,242	-	-	-	466,242
Notes Payable	1,150,000	-	-	-	1,150,000
Total Liabilities	1,637,177	-	-	-	1,637,177
Fund Equity:					
Fund Balances:					
Reserved for Encumbrances	6,144	-	1,427	1,187	8,758
Reserved for Taxes	64,677	-	-	-	64,677
Unreserved	(1,135,497)	4,909	1,000	8,754	(1,120,834)
Total Fund Equity	\$ (1,064,676)	\$ 4,909	\$ 2,427	\$ 9,941	\$ (1,047,399)
Total Liabilities and Fund Equity	\$ 572,501	\$ 4,909	\$ 2,427	\$ 9,941	\$ 589,778

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	PERMANENT IMPROVEMENT	BUILDING	SCHOOL NET PLUS	VIDEO DISTANCE LEARNING	TOTAL
Revenues:					
Taxes	\$ 247,294	\$ -	\$ -	\$ -	\$ 247,294
Intergovernmental	63,890	-	64,699	68	128,657
Total Revenues	311,184	-	64,699	68	375,951
Expenditures:					
Current:					
Instruction:					
Regular	5,688	16,119	62,272	-	84,079
Support Services:					
Pupils	2,648	1,000	-	-	3,648
Instructional Staff	780	-	-	3,557	4,337
Administration	5,012	1,151	-	-	6,163
Fiscal	9,173	-	-	-	9,173
Plant Operation and Maintenance	190,273	300	-	-	190,573
Pupil Transportation	9,100	-	-	-	9,100
Extracurricular Activities	4,275	4,018	-	-	8,293
Capital Outlay	20,822	-	-	-	20,822
Debt Service:					
Interest and Fiscal Charges	45,048	-	-	-	45,048
Total Expenditures	292,819	22,588	62,272	3,557	381,236
Excess of Revenues Over(Under) Expenditures	18,365	(22,588)	2,427	(3,489)	(5,285)
Other Financing Sources (Uses):					
Operating Transfers-In	330,048	-	-	-	330,048
Total Other Financing Sources (Uses)	330,048	-	-	-	330,048
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	348,413	(22,588)	2,427	(3,489)	324,763
Fund Balance at Beginning of Year	(1,413,089)	27,499	-	13,430	(1,372,160)
Residual Equity Transfer Out	-	(2)	-	-	(2)
Fund Balance at End of Year	\$ (1,064,676)	\$ 4,909	\$ 2,427	\$ 9,941	\$ (1,047,399)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PERMANENT IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	377,908	203,107	(174,801)
Intergovernmental	63,710	63,890	180
Total Revenues	441,618	266,997	(174,621)
Expenditures:			
Current:			
Instruction:			
Regular	5,696	5,688	8
Support Services:			
Pupils	15,700	2,648	13,052
Instructional Staff	15,000	780	14,220
Administration	7,000	5,012	1,988
Fiscal	9,300	9,173	127
Plant Operation and Maintenance	218,984	175,502	43,482
Pupil Transportation	16,500	9,100	7,400
Extracurricular Activities	4,275	4,275	-
Capital Outlay	23,501	22,115	1,386
Total Expenditures	315,956	234,293	81,663
Excess of Revenues Over(Under)			
Expenditures	125,662	32,704	(92,958)
Other Financing Sources(Uses):			
Advance-In	62,408	26,887	(35,521)
Advance-Out	(57,318)	(84,185)	(26,867)
Total Other Financing Sources(Uses)	5,090	(57,298)	(62,388)
Excess of Revenues and Other Financing Sources			
Over(Under) Expenditures and Other Financing Uses	130,752	(24,594)	(155,346)
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	60,032	60,032	-
Fund Balance at End of Year	190,784	35,438	(155,346)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
BUILDING FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Total Revenues	-	-	-
Expenditures:			
Current:			
Instruction:			
Regular:			
High School Donations Account	2,150	2,150	-
High School Equipment Account	4,164	4,164	-
Computer Donations Account	8,120	8,120	-
High School Account	62	62	-
Building Donations Account	1,623	1,623	-
Total Regular	16,119	16,119	-
Support Services:			
Pupils			
Building Donations Account	1,000	1,000	-
Administration			
Building Donations Account	3,731	1,151	2,580
Plant Operation and Maintenance			
Building Donations Account	800	300	500
Extracurricular Activities			
Landscaping Donations Account	1,548	1,548	-
High School Equipment Account	477	477	-
Bench Donations Account	1,000	1,000	-
Building Donations Account	3,782	993	2,789
Total Extracurricular Activities	6,807	4,018	2,789
Total Expenditures	28,457	22,588	5,869
Excess of Revenues Over(Under) Expenditures	(28,457)	(22,588)	5,869
Other Financing Sources(Uses): Transfer Out	(2)	(2)	-
Total Other Financing Sources(Uses)	(2)	(2)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(28,459)	(22,590)	5,869
Fund Balance at Beginning of Year	23,417	23,417	-
Prior Year Encumbrances Appropriated	4,082	4,082	-
Fund Balance at End of Year	(960)	4,909	5,869

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 SCHOOL NET PLUS FUND
 FOR THE YEAR ENDED JUNE 30, 2000

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	<u>63,699</u>	<u>64,699</u>	<u>1,000</u>
Total Revenues	<u>63,699</u>	<u>64,699</u>	<u>1,000</u>
Expenditures:			
Current:			
Instruction:			
Regular	62,272	62,272	-
Support Services:			
Instructional Staff	<u>1,427</u>	<u>1,427</u>	<u>-</u>
Total Expenditures	<u>63,699</u>	<u>63,699</u>	<u>-</u>
Excess of Revenues Over(Under)			
Expenditures	-	1,000	1,000
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>-</u>	<u>1,000</u>	<u>1,000</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
VIDEO DISTANCE LEARNING FUND
FOR THE YEAR ENDED JUNE 30, 2000

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	68	68	-
Total Revenues	68	68	-
Expenditures:			
Current:			
Support Services:			
Instructional Staff	10,068	4,745	5,323
Total Expenditures	10,068	4,745	5,323
Excess of Revenues Over(Under)			
Expenditures	(10,000)	(4,677)	5,323
Fund Balance at Beginning of Year	13,430	13,430	-
Fund Balance at End of Year	3,430	8,753	5,323

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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. The District's fiduciary funds include an Expendable Trust Fund, Non-expendable Trust Fund and an Agency Fund. The following are descriptions of each of the District's fiduciary funds.

EXPENDABLE TRUST FUND

Special Trust

To account for donations received by the District in a trustee capacity.

NON-EXPENDABLE TRUST FUND

Scholarship Trust

To account for the principal and interest of donations made to two scholarship trust funds established in memory of individuals to provide scholarship to selected District students.

AGENCY FUND

Student Managed Activities

To account for the resources that belongs to the various student groups in the District. The funds account for sales and other revenue generating activities by student activity programs, which have student involvement in the management of the program.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL FIDUCIARY FUNDS TYPES
 JUNE 30, 2000

	EXPENDABLE TRUST	NON- EXPENDABLE TRUST	AGENCY STUDENT MANAGED ACTIVITIES	TOTAL
	SPECIAL TRUST	SCHOLARSHIP TRUST		
<u>Assets:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 6,912	\$ 80,018	\$ 46,591	\$ 133,521
Interest Receivable	0	512	0	512
Total Assets	<u>\$ 6,912</u>	<u>\$ 80,530</u>	<u>\$ 46,591</u>	<u>\$ 134,033</u>
<u>Liabilities and Fund Equity</u>				
Liabilities:				
Accounts Payable	\$ 1,166	\$ 500	\$ -	\$ 1,666
Due to Students	-	-	46,591	46,591
Total Liabilities	<u>1,166</u>	<u>500</u>	<u>46,591</u>	<u>48,257</u>
Fund Equity:				
Fund Balances:				
Reserved for Encumbrances	1,556	-	-	1,556
Reserved for Non-Expendable Trust	-	80,097	-	80,097
Unreserved	4,190	(67)	-	4,123
Total Fund Equity	<u>\$ 5,746</u>	<u>\$ 80,030</u>	<u>\$ -</u>	<u>\$ 85,776</u>
Total Liabilities and Fund Equity	<u>\$ 6,912</u>	<u>\$ 80,530</u>	<u>\$ 46,591</u>	<u>\$ 134,033</u>

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	EXPENDABLE TRUST FUND		
	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Gifts and Donations	\$ 5,000	\$ 2,305	\$ (2,695)
Interest Earnings	-	261	261
	5,000	2,566	(2,434)
Total Operating Revenues			
Expenses:			
Current:			
Instruction:			
Regular:			
Murphy Trust	625	-	625
Support Services:			
Pupils:			
Holmes Scholarship Trust	2,650	2,565	85
Sharpe Trust	2,000	1,890	110
Canton Scholarship Trust	1,000	1,000	-
Total Pupils	5,650	5,455	195
Total Expenditures	6,275	5,455	820
Excess of Revenues Over(Under) Expenses	(1,275)	(2,889)	(1,614)
Fund Balance at Beginning of Year	5,330	5,330	-
Prior Year Encumbrances Appropriated	3,785	3,785	-
Fund Balance at End of Year	\$ 7,840	\$ 6,226	\$ (1,614)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
NONEXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	NONEXPENDABLE TRUST FUND		
	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Gifts and Donations	\$ 17,900	\$ 23,223	\$ 5,323
Interest Earnings	2,500	2,075	(425)
 Total Operating Revenues	 20,400	 25,298	 4,898
 Expenses:			
Scholarships:			
Herres Living Trust	5,000	3,000	2,000
Nussbaum Scholarship	1,700	1,690	10
Total Scholarships	6,700	4,690	2,010
 Total Expenditures	 6,700	 4,690	 2,010
 Excess of Revenues Over(Under) Expenses	 13,700	 20,608	 6,908
 Fund Balance at Beginning of Year	 56,910	 56,910	 -
 Fund Balance at End of Year	 \$ 70,610	 \$ 77,518	 \$ 6,908

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>ENDING BALANCE</u>
<u>Student Managed Activities:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 40,444	\$ 71,143	\$ 64,996	\$ 46,591
Total Assets	<u>\$ 40,444</u>	<u>\$ 71,143</u>	<u>\$ 64,996</u>	<u>\$ 46,591</u>
Liabilities:				
Due to Students	\$ 40,444	\$ 71,143	\$ 64,996	\$ 46,591
Total Liabilities	<u>\$ 40,444</u>	<u>\$ 71,143</u>	<u>\$ 64,996</u>	<u>\$ 46,591</u>

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GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is used to account for all land and land improvements, building and building improvements, furniture and equipment not purchased by the Non-Expendable Trust Fund. All of the District's assets are reflected in the General Fixed Assets Account Group.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCE
JUNE 30, 2000

General Fixed Assets:	
Land	1,087,152
Land Improvements	916,907
Buildings	16,508,398
Equipment	4,621,053
Vehicles	<u>1,829,271</u>
 Total General Fixed Assets	 <u><u>24,962,781</u></u>
 Investment in General Fixed Assets From:	
General Fund Revenues	228,042
Special Revenue Fund Revenues:	
Public School Support Fund	7,631
District Managed Student Activities Fund	21,471
Title I Grant Fund	1,250
Capital Projects Fund Revenues	
Permanent Improvement Fund	88,476
Building Fund	7,503
Donations and Gifts	73,000
Acquired Before July 1, 1999 *	<u>24,535,408</u>
 Total Investment in General Fixed Assets	 <u><u>24,962,781</u></u>

* Represents older assets for which fund source cannot practically be obtained.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND TYPE
JUNE 30, 2000

FUNCTION	LAND	LAND IMPROVEMENTS	BUILDINGS	EQUIPMENT	VEHICLES	TOTAL
Regular Instruction	\$ -	\$ -	\$ -	\$ 28,511	\$ -	\$ 28,511
Support Services:						
Instructional Staff	-	-	-	39,331	-	39,331
Fiscal Services	-	-	-	1,599	-	1,599
Plant Operation and Maintenance	-	2,000	88,596	1,400	-	91,996
Pupil Transportation	-	-	-	4,241	171,040	175,281
Total Support Services	-	2,000	88,596	46,571	171,040	308,207
Extracurricular Activities:						
Subject Oriented	-	-	-	12,131	-	12,131
Athletics Oriented	-	-	-	5,524	-	5,524
Total Extracurricular Activities	-	-	-	17,655	-	17,655
Acquisitions Prior to July 1, 1999 *	1,087,152	914,907	16,419,802	4,528,316	1,585,231	24,535,408
Donations	-	-	-	-	73,000	73,000
Total General Fixed Assets	<u>\$ 1,087,152</u>	<u>\$ 916,907</u>	<u>\$ 16,508,398</u>	<u>\$ 4,621,053</u>	<u>\$ 1,829,271</u>	<u>\$ 24,962,781</u>

* Represents older assets for which function cannot practically be obtained.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

FUNCTION	GENERAL FIXED ASSETS JULY 1, 1999	INCREASES	DECREASES	GENERAL FIXED ASSETS JUNE 30, 2000
Regular Instruction	\$ -	\$ 28,511	\$ -	\$ 28,511
Support Services:				
Instructional Staff	-	39,331	-	39,331
Fiscal Services	-	1,599	-	1,599
Plant Operation and Maintenance	-	91,996	-	91,996
Pupil Transportation	-	175,281	-	175,281
Total Support Services	-	308,207	-	308,207
Extracurricular Activities:				
Subject Oriented	-	12,131	-	12,131
Athletics Oriented	-	5,524	-	5,524
Total Extracurricular Activities	-	17,655	-	17,655
Acquisitions Prior to July 1, 1999 *	24,615,139	-	79,731	24,535,408
Donations	-	73,000	-	73,000
Total General Fixed Assets	<u>\$ 24,615,139</u>	<u>\$ 427,373</u>	<u>\$ 79,731</u>	<u>\$ 24,962,781</u>

* Represents older assets for which function cannot practically be obtained.

STATISTICAL SECTION

Introduction
Financial



SOARING
TO
EXCELLENCE
2000

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
GENERAL FUND EXPENDITURES BY FUNCTION AND OTHER FINANCING USES
LAST TEN FISCAL YEARS

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Current:										
Instruction:										
Regular	\$ 6,946,005	\$ 6,448,239	\$ 6,246,439	\$ 5,841,743	\$ 5,253,820	\$ 4,846,695	\$ 4,213,767	\$ 3,831,399	\$ 3,697,647	\$ 3,537,042
Special	962,189	959,739	957,649	822,311	709,509	587,638	534,007	470,415	463,780	501,556
Vocational	71	76	434	425	-	466	28,110	178,046	169,316	155,448
Support Services:										
Pupils	595,085	626,173	642,176	476,901	456,071	390,028	373,428	343,119	313,455	241,753
Instructional Staff	1,309,417	939,425	614,943	507,240	397,838	399,296	302,699	272,973	244,277	180,340
Board of Education	30,285	50,709	34,063	28,414	26,006	28,570	26,501	18,213	18,846	44,245
Administration	1,104,583	1,138,517	1,030,712	948,428	744,018	667,565	640,581	589,231	560,557	551,984
Fiscal	449,158	410,295	369,731	342,737	390,376	341,711	323,311	260,387	261,176	291,619
Business	58,874	29,318	36,314	34,863	34,893	36,483	50,280	48,026	49,340	46,686
Plant Operation & Maintenance	1,355,651	1,279,129	1,233,878	1,943,494	944,001	806,968	775,735	678,649	585,461	715,339
Pupil Transportation	1,124,806	1,025,067	912,155	872,803	764,437	802,666	631,451	688,241	469,005	267,250
Central	525	2,841	-	-	53,449	51,151	55,120	44,907	60,692	24,892
Non-Instructional Services	16,211	11,782	17,673	14,688	12,043	12,768	12,172	5,962	5,375	5,166
Extracurricular Activities	320,194	292,152	277,917	250,277	230,317	185,386	195,459	173,170	126,117	112,040
Capital Outlay	75	57,117	16,046	318,528	429,492	246,407	28,826	9,964	-	-
Debt Service	189,661	198,578	204,780	204,447	82,836	78,680	-	-	-	34,791
Other Financing Uses	-	-	-	-	-	-	89,287	84,611	7,634	18,712
Total	\$ 14,462,790	\$ 13,469,157	\$ 12,594,910	\$ 12,607,299	\$ 10,529,106	\$ 9,482,478	\$ 8,280,734	\$ 7,697,313	\$ 7,032,678	\$ 6,728,863

Source: School District Financial Records

(1) Fiscal years 1995 through 2000 are reported on a GAAP basis; fiscal year 1991 through 1994 are reported on a cash basis

(2) For fiscal years on a GAAP basis, Other Financing Uses will not be included.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
GENERAL FUND REVENUES BY SOURCE AND OTHER FINANCING SOURCES
LAST TEN FISCAL YEARS

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Taxes	\$ 8,649,603	\$ 8,572,104	\$ 7,914,530	\$ 7,027,394	\$ 6,581,115	\$ 5,785,944	\$ 5,659,116	\$ 4,856,860	\$ 3,945,371	\$ 2,515,596
Intergovernmental	5,075,752	4,783,157	4,327,200	3,835,891	3,877,285	3,346,398	3,114,712	3,150,887	2,901,973	2,974,592
Interest	181,610	174,050	148,837	73,618	171,619	126,768	59,085	43,635	62,026	146,659
Tuition and Fees	192,324	174,322	153,140	180,684	140,340	111,288	20,989	13,828	13,366	12,528
Extracurricular Activities	-	2,178	1,725	-	-	-	-	-	-	-
Miscellaneous	41,043	45,774	5,899	4,576	4,556	11,042	47,601	2,257	2,440	3,008
Other Financing Sources	-	-	-	-	-	-	34,045	37,583	32,080	1,101,556
Total	\$ 14,140,332	\$ 13,751,585	\$ 12,551,331	\$ 11,122,163	\$ 10,774,915	\$ 9,381,440	\$ 8,935,548	\$ 8,105,050	\$ 6,957,256	\$ 6,753,939

Source: School District Financial Records

- (1) Fiscal years 1995 through 2000 are reported on a GAAP basis; fiscal year 1991 through 1994 are reported on a cash basis
- (2) For fiscal years on a GAAP basis, Other Financing Sources will not be included.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

COLLECTION YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY	ACCUMULATED OUTSTANDING DELINQUENT TAXES	PERCENTAGE OF ACCUMULATED DELINQUENT TAXES TO TOTAL TAX LEVY
2000	\$ 10,991,486	\$ 10,695,712	\$ 265,299	\$ 10,961,011	99.72%	\$ 379,339	3.45%
1999	10,246,421	10,392,977	217,741	10,610,718	103.56%	380,587	3.71%
1998	10,029,358	9,631,742	259,523	9,891,265	98.62%	343,779	3.43%
1997	8,894,553	9,470,087	196,599	9,666,686	108.68%	375,137	4.22%
1996	8,241,812	8,336,176	220,562	8,556,738	103.82%	355,110	4.31%
1995	7,321,683	7,867,545	(B)	7,867,545	107.46%	297,950	4.07%
1994	6,090,503	7,263,139	(B)	7,263,139	119.25%	273,762	4.49%
1993	4,521,293	6,180,751	(B)	6,180,751	136.70%	214,241	4.74%
1992	2,381,203	4,608,345	(B)	4,608,345	193.53%	160,309	6.73%
1991	(A)	4,395,229	(B)	4,395,229	N/A	(A)	N/A

Source: Greene County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

Includes state reimbursements of homestead and rollback exemptions. In addition, the tax levy amounts reported for fiscal years 1992 through 1995 do not include personal property tax as this information could not be practically obtained by the County Auditor's Office.

(A) Information could not practically be obtained.

(B) Delinquent tax collection amount could not be practically obtained, however, the total tax collection amount includes both current and delinquent taxes collected in the respective year.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
LAST TEN YEARS

COLLECTION YEAR	Real Estate		Public Utility Real and Personal		Tangible Personal		Total		Assessed Value Ratio
	Assessed Value	Actual Value (1)	Assessed Value	Actual Value (1)	Assessed Value	Actual Value (1)	Assessed Value	Actual Value (1)	
2000	\$ 268,625,630	\$ 767,501,800	\$ 21,281,240	\$ 24,183,227	\$ 8,685,359	\$ 34,741,436	\$ 298,592,229	\$ 826,426,463	36.13%
1999	258,621,640	738,918,971	19,523,770	22,186,102	9,188,372	36,753,488	287,333,782	797,858,562	36.01%
1998	249,639,990	713,257,114	19,168,390	21,782,261	8,718,782	34,875,128	277,527,162	769,914,503	36.05%
1997	202,844,950	579,557,000	12,099,710	13,749,670	7,759,100	31,036,400	222,703,760	624,343,070	35.67%
1996	187,338,790	535,253,686	13,705,290	15,574,193	4,456,999	17,827,996	205,501,079	568,655,875	36.14%
1995	176,062,680	503,036,229	13,265,100	15,073,977	5,239,103	20,956,412	194,566,883	539,066,618	36.09%
1994	152,906,290	436,875,114	13,180,740	14,978,114	5,063,777	20,255,108	171,150,807	472,108,336	36.25%
1993	145,529,960	415,799,886	12,227,110	13,894,443	4,790,193	19,160,772	162,547,263	448,855,101	36.21%
1992	136,894,920	391,128,343	11,496,310	13,063,989	2,464,057	9,856,228	150,855,287	414,048,560	36.43%
1991	100,432,970	286,951,343	11,210,770	12,739,511	2,263,444	9,053,776	113,907,184	308,744,630	36.89%

Source: Greene County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(1) This amount is calculated based on the following percentages:

- Real Estate is assessed at 35 percent of actual value
- Public Utility Real is assessed at 35 percent of actual value
- Tangible Personal Property is assessed at 25 percent of actual value
- Public Utility Personal is assessed at 88 percent of true value (with certain exceptions)

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN YEARS

COLLECTION YEAR	SCHOOL LEVY	COUNTY LEVY	JVS LEVY	TOWNSHIP LEVY	TOTAL LEVY	DEBT SERVICE INCLUDED IN TOTAL LEVY			
						SCHOOL	COUNTY	TOWNSHIP	
2000	\$ 64.24	\$ 9.38	\$ 3.45	\$ 20.90	\$ 97.97	\$ 2.94	\$ 0.71	\$ -	\$ 3.65
1999	64.70	9.08	3.45	20.90	98.13	3.40	0.55	-	3.95
1998	63.35	9.08	3.45	20.90	96.78	4.05	0.07	-	4.12
1997	63.35	9.08	3.45	20.90	96.78	4.05	0.07	-	4.12
1996	64.30	9.08	3.45	19.30	96.13	5.00	0.10	-	5.10
1995	63.50	9.08	3.45	19.30	95.33	5.20	0.20	-	5.40
1994	63.20	9.08	3.45	19.30	95.03	4.90	0.07	-	4.97
1993	58.50	9.08	3.45	19.30	90.33	0.20	0.12	-	0.32
1992	50.60	9.08	3.70	19.30	82.68	0.50	0.32	-	0.82
1991	50.80	9.08	3.70	19.30	82.88	0.70	0.31	-	1.01

Source: Greene County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
LAST FISCAL TEN YEARS

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	TOTAL GENERAL FUND EXPENDITURES(1)	RATIO OF DEBT SERVICE TO GENERAL FUND EXPENDITURES (PERCENTAGE)
2000	\$ 481,459	\$ 380,943	\$ 862,402	\$ 14,462,790	5.96%
1999	735,000	420,366	1,155,366	13,469,157	8.58%
1998	660,000	407,581	1,067,581	12,594,910	8.48%
1997	590,000	430,006	1,020,006	12,607,299	8.09%
1996	990,000	395,450	1,385,450	10,529,106	13.16%
1995	460,000	409,270	869,270	9,482,478	9.17%
1994	40,000	16,663	56,663	8,280,734	0.68%
1993	80,000	19,863	99,863	7,697,313	1.30%
1992	75,000	23,981	98,981	7,032,678	1.41%
1991	80,000	28,100	108,100	6,728,863	1.61%

Source: School District Financial Records

(1) - Fiscal years 1995 through 2000 are reported on a GAAP basis; fiscal years 1991 through 1994 are reported on a cash basis and include other financing sources.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 1999

<u>JURISDICTION</u>	<u>NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING (1)</u>	<u>PERCENTAGE APPLICABLE TO SCHOOL DISTRICT</u>	<u>AMOUNT APPLICABLE TO SCHOOL DISTRICT</u>
Sugarcreek Local School District	\$ 6,624,096	100.00%	\$ 6,624,096
Greene County	54,072,600	12.30% (2)	<u>6,649,824</u>
			<u>\$ 13,273,920</u>

Source: Greene County Auditor; Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(1) - Includes all general obligation bonded debt less fund balance in debt service fund

(2) - Percentage of County's valuation within the School District compared to the total valuation of the County

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2000

Assessed Value	<u>\$ 298,592,229</u>
Bonded Debt Limit - 9% of Assessed Value (1)	<u>26,873,301</u>
Amount of Debt Applicable to Debt Limit: Bonded Debt	(7,079,485)
Amount Available in Debt Service Fund	<u>553,930</u>
Net Bonded Debt	<u>(6,525,555)</u>
Overall Debt Margin	<u>20,347,746</u>
Energy Conservation Debt Limit - 9/10% of 1% of Assessed Value (1)	2,687,330
Amount of Debt Applicable	<u>(648,000)</u>
Energy Conservation Debt Margin	<u>2,039,330</u>
Unvoted Debt Limit - .10% of Assessed Value (1)	298,592
Amount of Debt Applicable	<u>(98,541)</u>
Unvoted Debt Margin	<u>200,051</u>

Source: County Auditor and School District's financial records

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

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
LAST TEN YEARS

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	TOTAL GENERAL FUND EXPENDITURES(1)	RATIO OF DEBT SERVICE TO GENERAL FUND EXPENDITURES (PERCENTAGE)
2000	\$ 481,459	\$ 380,943	\$ 862,402	\$ 14,462,790	5.96%
1999	735,000	420,366	1,155,366	13,469,157	8.58%
1998	660,000	407,581	1,067,581	12,594,910	8.48%
1997	590,000	430,006	1,020,006	12,607,299	8.09%
1996	990,000	395,450	1,385,450	10,529,106	13.16%
1995	460,000	409,270	869,270	9,482,478	9.17%
1994	40,000	16,663	56,663	8,280,734	0.68%
1993	80,000	19,863	99,863	7,697,313	1.30%
1992	75,000	23,981	98,981	7,032,678	1.41%
1991	80,000	28,100	108,100	6,728,863	1.61%

Source: School District Financial Records

(1) - Fiscal years 1995 through 2000 are reported on a GAAP basis; fiscal years 1991 through 1994 are reported on a cash basis and include other financing sources.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
STUDENT ENROLLMENT DATA
LAST TEN FISCAL YEARS/TEN YEAR PROJECTION

ACTUAL ENROLLMENT

<u>FISCAL YEAR</u>	<u>SCHOOL ENROLLMENT</u>
2000	2,585
1999	2,579
1998	2,558
1997	2,486
1996	2,335
1995	2,170
1994	1,915
1993	1,920
1992	1,990
1991	1,874

TEN YEAR ENROLLMENT PROJECTION (1)

<u>FISCAL YEAR</u>	<u>SCHOOL ENROLLMENT</u>
2001	2,714
2002	2,819
2003	2,898
2004	2,989
2005	3,065
2006	3,154
2007	3,245
2008	3,340
2009	3,440
2010	3,537

(1) The ten year enrollment projection is required by Ohio law. The process of predicting enrollment is difficult at best, and should be considered only a judgement based on present information. The degree of potential error becomes greater each year into the future, particularly after the point at which predictions are made concerning children not yet born.

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

FISCAL YEAR	POPULATION (1)	AVERAGE FEDERAL ADJUSTED GROSS INCOME (2)	SCHOOL ENROLLMENT (3)	UNEMPLOYMENT RATE (4)
2000	14,500	(5)	2,585	3.60%
1999	10,703	61,704	2,579	3.60%
1998	10,703	56,368	2,558	3.60%
1997	11,336	53,818	2,486	3.50%
1996	11,336	51,529	2,335	4.20%
1995	10,897	49,217	2,170	3.80%
1994	10,897	45,516	1,915	4.80%
1993	10,479	44,337	1,920	4.60%
1992	10,479	41,644	1,990	6.00%
1991	9,911	40,173	1,874	5.00%

Source:

- (1) Fiscal years 1991 to 1999: U.S. Bureau of the Census, Population Estimates Branch.
 Fiscal year 2000: Estimates by City of Bellbrook, Ohio and Sugarcreek Township.
- (2) Ohio Department of Taxation
 Information reported on calendar year basis as of December 31 in the respective fiscal year.
- (3) School District Records
- (4) U.S. Department Labor Statistics
 Estimated unemployment rate for civilian labor force in Greene County.
- (5) Information not available

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
PROPERTY VALUE, CONSTRUCTION PERMITS AND BANK DEPOSITS
LAST TEN YEARS

YEAR	NUMBER OF BUILDING PERMITS ALL TYPE (1)	VALUATION OF CONSTRUCTION (1)	CERTIFIED BANK DEPOSITS (1)	ASSESSED PROPERTY VALUE (2)
2000	4,763	\$ 57,987,970	(3)	\$ 298,592,229
1999	6,513	47,421,370	(3)	287,333,782
1998	3,740	47,173,330	166,034,000	277,527,162
1997	2,554	64,407,740	268,999,000	222,703,760
1996	3,985	66,259,180	277,545,000	205,501,079
1995	4,335	68,740,800	247,816,000	194,566,883
1994	3,440	39,963,400	257,906,000	171,150,807
1993	3,273	32,135,790	398,710,000	162,547,263
1992	2,651	35,264,770	372,830,000	150,855,287
1991	2,713	30,718,320	343,469,000	113,907,184

(1) Source: Greene County, Ohio Annual Comprehensive Financial Report. Amount reported are for Greene County as information specific to the District was not available. Information is presented on a calendar basis, the manner in which it is maintained by the County.

(2) Source: Greene County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(3) Information not available

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
PRINCIPAL TAXPAYERS - REAL PROPERTY
DECEMBER 31, 1999

<u>NAME OF TAXPAYER</u>	<u>ASSESSED VALUE (1)</u>	<u>PERCENT OF TOTAL ASSESSED VALUE</u>
Dayton Power and Light Company	\$ 18,246,670	6.29%
Papock Herbert	3,650,360	1.26%
Lofino Properties LLC	3,159,700	1.09%
Mill Pond Limited Partnership	2,847,760	0.98%
Ohio Bell Telephone Company	2,558,850	0.88%
Sunset Development - Sugarcreek	2,200,560	0.76%
Sugarcreek Associates	2,088,060	0.72%
Five Seasons Sports Country Club	1,988,820	0.69%
Briggs Road Associates	1,613,220	0.56%
Spears Wendell Enterprises	<u>1,550,080</u>	<u>0.53%</u>
Subtotal	39,904,080	13.76%
All Other Taxpayers	<u>250,002,790</u>	<u>86.24%</u>
Total Assessed Valuation	<u>\$ 289,906,870</u>	<u>100.00%</u>

Source: Greene County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(1) Assessed Values are for collection year 2000

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
PRINCIPAL TAXPAYERS - TANGIBLE PERSONAL PROPERTY
DECEMBER 31, 1999

NAME OF TAXPAYER	ASSESSED VALUE (1)	PERCENT OF TOTAL ASSESSED VALUE
Wal Mart Stores Est Inc.	\$ 1,286,140	14.81%
Kohls Department Stores Inc.	690,030	7.94%
Mediaone of Ohio Inc.	556,000	6.40%
Dayton Foods LTD Partnership	382,390	4.40%
Drug Emporium	317,220	3.65%
Caprine Estates Inc.	215,410	2.48%
Split Decisions Enterprises Inc.	177,650	2.05%
Sugar Valley Country Club	103,070	1.19%
TD&M Construction Company Inc.	95,320	1.10%
Mainstreet Equipment Leasing Inc.	<u>83,410</u>	<u>0.96%</u>
Subtotal	3,906,640	44.98%
All Other Taxpayers	<u>4,778,719</u>	<u>55.02%</u>
Total Assessed Valuation	<u>\$ 8,685,359</u>	<u>100.00%</u>

Source: Greene County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(1) Assessed Values are for collection year 2000

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
COST PER PUPIL
LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>GENERAL FUND EXPENDITURES (1)</u>	<u>AVERAGE DAILY MEMBERSHIP</u>	<u>PER PUPIL COST</u>
2000	\$ 14,462,790	2,585	\$ 5,595
1999	13,469,157	2,579	5,223
1998	12,594,910	2,558	4,924
1997	12,607,299	2,486	5,071
1996	10,529,106	2,335	4,509
1995	9,482,478	2,170	4,370
1994	8,280,734	1,915	4,324
1993	7,697,313	1,920	4,009
1992	7,032,678	1,990	3,534
1991	6,728,863	1,874	3,591

Source: School District Financial Records

- (1) 1995 - 2000 are reported on a GAAP basis; 1991 - 1994 are on a cash basis.
Years reported on a GAAP basis do not include other financing sources.
- (2) Information for these fiscal years was not available

SUGARCREEK LOCAL SCHOOL DISTRICT, OHIO
LEVY HISTORY
LAST TEN YEARS

<u>DATE</u>	<u>MILLAGE</u>	<u>FOR</u>	<u>AGAINST</u>	<u>PERCENT FOR LEVY</u>	<u>PURPOSE</u>
05/07/1991	6.90	1,291	1,433	47.39%	Bond issue for construction of new high school
11/05/1991	5.60	1,308	2,094	38.45%	Bond issue for construction of new high school
08/05/1991	4.80	1,531	1,885	44.82%	Three year current operating levy
06/02/1992	8.00	2,201	1,444	60.38%	Three year current operating levy
11/02/1993	4.90	2,297	1,996	53.51%	Bond issue for construction of new high school
05/02/1995	9.00	1,315	1,437	47.78%	Replacement of current operating levy for continuing time period.
08/08/1995	9.00	1,668	1,227	57.62%	Replacement of current operating levy for five years.
08/05/1997	1.90	769	1,227	38.53%	Five year school improvement
11/04/1997	1.90	1,829	2,192	45.49%	Five year school improvement
02/03/1998	2.00	(A)	(A)	N/A	Continuing permanent improvement levy
11/02/1999	9.00	2,000	1,264	61.27%	Replacement of current operating levy for five years.

Source: Greene County Board of Elections.

(A) Official results could not be provided.



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60 East South Street
Bellbrook, Ohio 45305*



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OFFICE OF THE AUDITOR

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SUGARCREEK LOCAL SCHOOL DISTRICT

GREENE 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
FEBRUARY 8, 2001**