



**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2001



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

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**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2001**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disburse- ments	Non-Cash Disburse- ments
UNITED STATES DEPARTMENT OF AGRICULTURE						
<i>Passed through the Ohio Department of Education</i>						
<i>Nutrition Cluster:</i>						
Food Distribution	n/a	10.550		\$115,169		\$112,102
National School Breakfast	05-PU 99	10.553	\$337		\$337	
	05-PU 00		23,189		23,189	
	05-PU 01		119,116		119,116	
Total - National School Breakfast			<u>142,642</u>		<u>142,642</u>	
National School Lunch	LL P1 2000	10.555	87,402		87,402	
	LL P4 2000		16,221		16,221	
	LL P1 2001		459,417		459,417	
	LL P4 2001		81,324		81,324	
Total - National School Lunch			<u>644,364</u>		<u>644,364</u>	
Total Department of Agriculture- Nutrition Cluster			<u>787,006</u>	115,169	<u>787,006</u>	112,102
UNITED STATES DEPARTMENT OF EDUCATION						
<i>Direct Program</i>						
Adult Education Pell Grant	n/a	84.063	66,920		66,920	
<i>Passed through the Ohio Department of Education</i>						
<i>Special Education Cluster:</i>						
Special Education - Grants to States	6B-SF 2000 P	84.027	295,326		307,553	
	6B-SF 2001 P		23,394		65,923	
Total - Special Education Grants to States			<u>318,720</u>		<u>373,476</u>	
Special Education - Preschool Grant	PG-S1 2000 P	84.173	24,118		20,576	
	PG-S1 1999 P		2,976		4,347	
Total - Preschool Grant			<u>27,094</u>		<u>24,923</u>	
Total - Special Education Cluster			<u>345,814</u>		<u>398,399</u>	
Adult Basic Education	AB-S1 2001	84.002	48,786		48,786	
	AB-S1 2000 C		11,467		11,467	
Total - Adult Basic Education			<u>60,253</u>		<u>60,253</u>	
Title I Grants to Local Educational Agencies	C1-S1 2001	84.010	874,422		834,506	
	C1-SD 2001		11,181		10,681	
	C1-S1 2000		232,433		287,149	
	C1-S1 2000 C				80,221	
	C1-S1 1999 C				40,866	
Total - Title I Grants to Local Educational Agencies			<u>1,118,036</u>		<u>1,253,423</u>	
Vocational Education - Basic Grants to States	20-C1 2000	84.048	8,344		27,441	
	20-C1 2001		89,204		92,133	
	20-C2 2000		2,750		2,598	
	20-C2 2001		71,871		79,845	
	20-A4 1999		1,500			
Total - Vocational Education Basic Grants to States			<u>173,669</u>		<u>202,017</u>	
Safe and Drug Free Schools and Communities - State Grants	DR-S1 2001	84.186	45,732		24,571	
	DR-S1 2000		4,834		29,297	
Total - Safe and Drug Free Schools and Communities - State Grants			<u>50,566</u>		<u>53,868</u>	

(Continued)

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2001
(Continued)**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disburse- ments	Non-Cash Disburse- ments
Goals 2000 - State and Local Education Systemic Improvement	G2-S2 2000	84.276	36,000		23,089	
	G2-S2 2001		25,000			
	G2-S1 2001		39,437		32,351	
	G2 S1 1999				32,651	
Total - Goals 2000 - State and Local Education Systemic Imp.			<u>100,437</u>		<u>88,091</u>	
Eisenhower Professional Development State Grant	MS-S1 2001	84.281	25,152		19,488	
	MS-S1 2000		2,397		13,570	
Total - Eisenhower Professional Development State Grant			<u>27,549</u>		<u>33,058</u>	
Innovative Education Program Strategies	C2-S1 2001	84.298	30,893		27,814	
	C2-S1 2000				1,200	
	C2-S1 1999 C				3,214	
Total - Innovative Education Program Strategies			<u>30,893</u>		<u>32,228</u>	
Technical Literacy Challenge	TF-15 1999 P	84.318	25,000		24,855	
	TF-VM 1999 P		4,658		4,658	
Total - Technical Literacy Challenge			<u>29,658</u>		<u>29,513</u>	
Class Size Reduction	CR-S1 2000	84.340	119,329		114,746	
	CR-S1 2001		44,388		39,702	
Total - Class Size Reduction			<u>163,717</u>		<u>154,448</u>	
Total Department of Education			<u>2,167,512</u>		<u>2,372,218</u>	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:						
<i>Passed through the Ohio Department of Education:</i>						
Learn and Serve America	SV-S1 2000	94.004	8,000		7,163	
Total - Learn and Serve America			<u>8,000</u>		<u>7,163</u>	
LIBRARY SERVICES AND TECHNOLOGY ACT:						
<i>Passed through the State Library of Ohio:</i>						
Automation Project LSTA	I-U-9897	45.310			11,488	
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES						
<i>Passed through the Ohio Department of Mental Retardation and Developmental Disabilities</i>						
Title XIX (Medicaid)		93.778			82,327	
TOTALS			<u>\$2,962,518</u>	<u>\$115,169</u>	<u>\$3,260,202</u>	<u>\$112,102</u>

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2001**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2001, the District had no significant food commodities in inventory.

NOTE C – MATCHING REQUIREMENTS

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

NOTE D – ENVIRONMENTAL PROTECTION AGENCY GRANT

The District received an interest free loan in 1988 from the U.S. Environmental Protection Agency under the Asbestos Removal Grant Program (CFDA 66.702). As of June 30, 2001, the District owed \$399,541 on this loan.

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

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

To the Board of Education:

We have audited the financial statements of Sandusky City School District (the District) as of and for the year ended June 30, 2001, and have issued our report thereon dated January 31, 2002, in which we noted the District adopted Governmental Accounting Standards Board Statement 34. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the District in a separate letter dated January 31, 2002.

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 the management of the District in a separate letter dated January 31, 2002.

Sandusky City School District
Erie 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 management, the Board of Education, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

January 31, 2002



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

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

To the Board of Education:

Compliance

We have audited the compliance of Sandusky City School District (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2001. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

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

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

Schedule of Federal Awards Expenditures

We have audited the basic financial statements of the District as of and for the year ended June 30, 2001, and have issued our report thereon dated January 31, 2002, in which we noted the District adopted Governmental Accounting Standards Board Statement 34. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Jim Petro
Auditor of State

January 31, 2002

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2001**

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

SANDUSKY CITY
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2001

PREPARED BY
TREASURER'S DEPARTMENT
A. TROY BOUTS, TREASURER

407 DECATUR STREET

SANDUSKY, OHIO 44870

INTRODUCTORY SECTION

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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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SANDUSKY CITY SCHOOLS

407 DECATUR STREET
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(419) 626-6940

January 31, 2002

Members of the Board of Education and Residents of the
Sandusky City School District

The Comprehensive Annual Financial Report (CAFR) of the Sandusky City School District (the "District") for the fiscal year ended June 30, 2001 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to generally accepted accounting principles (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. **Introductory Section** – This section contains a Table of Contents, Letter of Transmittal, List of Principal Officers, Organizational Chart of the District, Certificate of Achievement for Excellence in Financial Reporting and Certificate of Excellence in Financial Reporting.
2. **Financial Section** – This section begins with the Report of Independent Accountants, the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the District's financial position and operating results, the Combining Statements by Fund Type, and other schedules providing detailed information relative to the Basic Financial Statements.
3. **Statistical Section** – This section presents selected financial and demographic information, generally presented on a multi-year basis.

General Introduction to the District

The District ranks as 85th largest by total enrollment among the 682 public and community school districts in the State and is the largest in Erie County. As of the current school year (2000-01), the average daily membership (ADM) was 4,386 students. Most of these students attend one of the District's thirteen schools, while a number of handicapped students are served by Erie County special education units outside the District. District enrollment is expected to remain at the current level over the next several years.

The District has 606 full and part time employees. The District employs 357 certified staff members and 25 administrators. Additionally, the District employs 13 adult education instructors, 203 full-time and part-time non-teaching staff members and 8 non-certificated administrators.

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

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

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

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

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

Reporting Entity

The District has reviewed its reporting entity definition to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units. A complete discussion of the District's reporting entity is provided in Note 2.A. to the basic financial statements.

Overlapping Governmental Entities

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

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

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

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

Employees

A statewide public employee bargaining law applies generally to public employee relations and collective bargaining. The starting salary (2000-01 school year) for a teacher with a bachelor's degree is \$26,281, and the maximum salary for a teacher with a master's degree plus 24 graduate hours and 23 years of experience is \$55,190.

The District's certificated staff, excluding administration, are members of the Sandusky Education Association (S.E.A.), a labor organization affiliated with the Ohio Education Association. The current contract between the Board of Education and the S.E.A. expires August 31, 2002.

All of the District's support staff employees, including secretarial, custodial, maintenance, transportation, and aides, are represented for bargaining purposes by the Sandusky Non-Teaching Employees Association (S.N.T.E.A.), a labor organization affiliated with the Ohio Education Association. The current S.N.T.E.A. contract expires June 30, 2002.

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

Facilities

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

<u>Facility</u>	<u>Dates of Construction and Addition and/or Major Improvement</u>	<u>Number of Classrooms</u>	<u>Capacity (a)</u>	<u>ADM as of June 2001 (b)</u>	<u>Sound Insurable Value</u>
<u>Elementary Schools</u>					
Campbell	1884/1991	10	250	227	\$ 1,532,634
Hancock	1923/'28/'31/'49/'66	21	525	305	1,667,220
Madison	1939/1991	10	250	257	1,322,067
Mills	1954/1991	19	475	313	1,904,993
Monroe	1894/1903/1991	13	325	198	2,086,848
Ontario	1952/1968	20	500	334	2,070,915
Osborne	1890/1991	15	375	321	2,253,633
Venice Hts.	1970	22	550	350	2,577,709
<u>Junior High Schools</u>					
Adams	1867/1914/1977	20	500	338	4,921,295
Jackson	1898/1927/1937	20	500	340	4,049,941
<u>High School</u>					
Sandusky High	1957/'67/'70/'73	90	2,250	1,275	16,158,517
<u>Alternative Schools</u>					
Barker	1874	7	175	128	853,519
Barker Annex	1924	4	100	N/A	369,789
<u>Non-Classroom Facilities</u>					
Administration	1926	N/A	N/A	N/A	1,515,593
Bus Garage	Unknown	N/A	N/A	N/A	533,321
Stadium	1935	N/A	N/A	N/A	1,390,565
Bonn Bldg.	Unknown	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>82,416</u>
Total		<u>271</u>	<u>6,775</u>	<u>4,386</u>	<u>\$45,290,975</u>

- (a) Capacity of these buildings is based on an average pupil/teacher ratio of 25 to 1.
- (b) Figures shown do not include students with special needs placed outside the District.

Parochial Schools

The District acts as fiscal agent for state funds distributed to parochial schools, with revenue reported in special revenue funds. The following four (4) parochial schools, located within the District, serve students who reside both inside and outside the District. As of June, 2001, approximately 63.7% of the students reside within the District.

<u>Parochial School</u>	2000-01 Enrollment		
	<u>District</u>	<u>Outside</u>	<u>Total</u>
St. Mary's Elementary	200	118	318
Sts. Peter & Paul Elementary	183	98	281
Holy Angels Elementary	82	26	108
St. Mary's Central Catholic High School	<u>136</u>	<u>101</u>	<u>237</u>
	<u>601</u>	<u>343</u>	<u>944</u>

Economic Conditions and Outlook

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

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

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

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

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

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

Major Initiatives for the Year

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

Baldrige in Education Initiative is a partnership of 24 national education and business organizations working to help states, districts and communities accelerate and sustain continuous improvement in student achievement and system performance. The District is one of four pilot districts in Ohio that have been chosen to participate in this program. The Baldrige in Education Initiative (BiE IN) leadership team includes teachers, administrators and school board members.

Student Transportation Department. Thanks to the implementation of a new computer routing system and several policy changes, junior high walking distances were reduced from 2 miles to 1 mile beginning in the 2000-2001 school year. (Elementary students have enjoyed the 1 mile walking distance limit for many years, and now all students in grades K-12 receive the same level of bus service.) As a result of the changes that include reassigning some elementary students to the school building closest to their homes, with available space, an additional 275 Adams and Jackson Junior High School students and some parochial school students now have bus service.

Major Initiatives for the Future

Student Performance. The District vaulted from “Academic Watch” to “Continuous Improvement” as determined by preliminary data from the Ohio Department of Education. The District was informed that it met 13 of 27 state performance standards during the 2000-01 school year, an increase of 6 performance standards over the 1998-99 school year. A district must exceed 13 performance standards to receive a “Continuous Improvement” rating. The new performance rating will be officially designated in the Ohio Department of Education 2002 District Report due out in February, 2002. The students and staff of the District are now setting their sights on meeting additional standards needed to earn an “Effective” rating. The District has responded to state mandated accountability measures that were legislated in 1997. While continuous improvement strategies take time to pay off in results, the early results in the District are encouraging.

Baldrige in Education Initiative. All twelve of the schools within the District have teachers who have voluntarily implemented Baldrige quality improvement tools to continuously improve student performance. District wide, all schools have mission statements aligned to the district mission and goals. Baldrige classrooms have a classroom mission statement and goals aligned with the building and district goals. Students in Baldrige classrooms have developed personal goals and use personal data folders to improve their performance. The District teachers continue to receive Baldrige training from teacher practitioners who are brought into the District from the states of Florida, North Carolina, Indiana and Illinois.

Technology. The District will implement plans to upgrade all areas of technology, beginning in the 2001-02 school year. Administrative staffing for technology will be expanded, and improvements throughout the District will be made through purchases of hardware and software, as well as infrastructure upgrades.

Financial Information

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

Legal Compliance/Independent Audit

State statute requires an annual audit by independent accountants. The Ohio Auditor of State's office conducted the audit. The audit has been conducted in accordance with generally accepted auditing standards including a review of internal controls and tests of compliance with Federal and State laws and regulations. The Report of Independent Accountants is included in this CAFR.

As a part of the District's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the school district has complied with applicable laws and regulations. The results of the District's independent audit for the fiscal year ended June 30, 2001 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

In addition to the internal control structure mentioned above, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function and object of expenditure within an individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at year-end. A complete description of the District's Budgetary Process can be found in Note 2.E. to the basic financial statements.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The general fund balance was \$1,769,140 on June 30, 2001.

Financial Condition

This is the first year the District has prepared financial statements following GASB Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB No. 34 creates new basic financial statements for reporting on the District's financial activities as follows:

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

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

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

As part of this new reporting model, management is also responsible for preparing a Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for 2001 and the outlook for the future. Because that discussion focuses on major funds, the financial highlights provided in this letter focus on certain non major funds of the District.

Financial Highlights

Internal Service Fund – The only internal service fund of the District is the Employee Benefits Self-Insurance fund. The internal service fund had net assets of \$(8,344) at June 30, 2000 and net assets of \$642,915 at June 30, 2001, reflecting an increase of \$651,259.

Fiduciary Funds – The fiduciary funds account for assets held by the District in a trustee capacity, or as an agent, for individuals, other district organizations or other funds. The District maintains a private purpose trust fund and two agency funds. The private purpose trust fund had net assets of \$5,976,775 at June 30, 2001 and the agency funds had net assets of \$388,112 at June 30, 2001.

Cash Management

Cash temporarily idle during the year was invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), demand deposits, certificates of deposit, obligations of the U.S. Treasury and repurchase agreements. The average yield on investments was 4.5 percent. The District earned interest revenue of \$786,778 on all investments for the fiscal year. The District's investment policy is to minimize credit and market risks, while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held by the financial institution's trust department in the District's name. As required under Ohio law, pooled securities have been pledged in an amount equal to 105% of the total deposits, to secure the repayment of all public monies deposited in a financial institution.

Risk Management

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

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Sandusky City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2000. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements.

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

The District has also received a Certificate of Excellence in Financial Reporting in School Districts from the Association of School Business Officials (ASBO) for the District's comprehensive annual financial report for the fiscal year ended June 30, 2000. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

Use of this Report

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

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

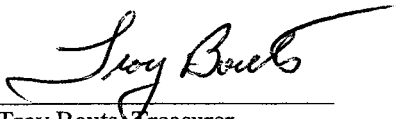
Use of this report by the various departments of the District is encouraged when furnishing information. Copies of this report are being placed in the public library for use by the general public.

Acknowledgments

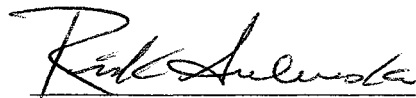
The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated services of the Treasurer's office staff. In addition, we acknowledge the outstanding services of our data processing department in meeting the vast informational requirements. Our consultant,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

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

Sincerely,



A. Troy Bouts, Treasurer



Dr. L. Richard Sulewski, Superintendent

**SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 LIST OF PRINCIPAL OFFICERS
 JUNE 30, 2001**

Board of Education

<u>Name</u>	<u>Began Service as a Board Member January 1</u>	<u>Present Term Expires December 31</u>	<u>Vocation in Private Life</u>
Mrs. Michael A. Lenhart **	1991 (appointed 5/91)	2001	Homemaker
Mr. Clinton Bennett, Jr. *	1994	2001	Retired School Fireman
Mrs. Faith A. Denslow	1999 (appointed 5/99)	2003	Homemaker
Mr. King Baer	2000	2003	Retired Fireman
Mr. Jeffrey Krabill	2000	2003	Businessman

** President
 * Vice President

Superintendent

Dr. L. Richard Sulewski

Treasurer

Mr. A. Troy Bouts

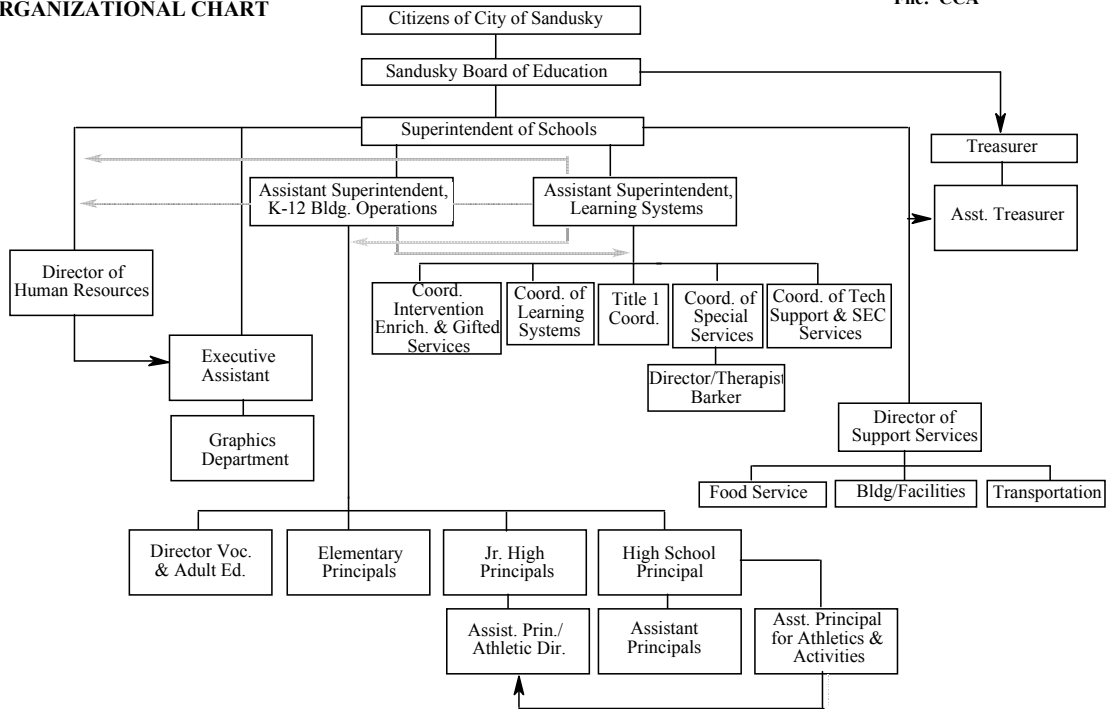
Central Office Administrative Staff

Ms. Jeannette Henson	Coordinator, Learning Systems
Mr. Craig Bickley	Director of Human Resources
Mrs. Heather Kantola	Assistant Supt., Learning Systems
Mr. John Kaszonyi	Assistant Supt., Operations
Ms. Patricia King	Administrative Assistant
Ms. Janet Cramer	Technology Coordinator
Ms. Cece Mees	Assistant Treasurer
Ms. Stephanie Cutlip	Coordinator of Accelerated Studies
Mr. Robert Morrow	Supervisor of Building Services
Ms. Bonnie Pigman	Coordinator of Special Services
Mr. Dan Shepherd	Transportation Supervisor
Mr. Edward Jones	Director of Adult & Vocational Education
Mr. DeWayne Howard	Director of Support Services
Ms. Joy Kear	Coordinator, Title 1

**SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 ORGANIZATIONAL CHART
 JUNE 30, 2001**

ORGANIZATIONAL CHART

File: CCA



Adoption date: November 19, 2001

CROSS REF.: CCB, Staff Relations and Lines of Authority

Sandusky City School District, Sandusky, Ohio

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sandusky City School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

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



Thomas A. Drew
President

Jeffrey L. Esler
Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

SANDUSKY CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2000

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

Linda White
President

Don A. Hargan
Executive Director



FINANCIAL SECTION



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

REPORT OF INDEPENDENT ACCOUNTANTS

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

To the Board of Education:

We have audited the accompanying basic financial statements of Sandusky City School District (the District) as of and for the year ended June 30, 2001, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 basic financial statements referred to above present fairly, in all material respects, the financial position of the Sandusky City School District, Erie County, Ohio, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.


As described in Note 3, during the year ended June 30, 2001, the District adopted Governmental Accounting Standards Board Statement 34.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2001, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

We performed our audit to form an opinion on the basic financial statements of the District taken as a whole. The combining and individual fund statements and schedules listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic 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", written in a cursive style.

Jim Petro
Auditor of State

January 31, 2001

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED

The discussion and analysis of Sandusky City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2001. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2001 are as follows:

- In total, net assets increased \$737,452. Net assets of governmental activities increased \$863,774 which represents a 6.01% increase from 2000. Net assets of business-type activities decreased \$126,322 or 64.68% from 2000.
- General revenues accounted for \$32,507,795 in revenue or 78.31% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$9,006,369 or 21.69% of total revenues of \$41,514,164.
- The District had \$37,717,747 in expenses related to governmental activities; only \$6,146,689 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$32,459,832 were adequate to provide for these programs.
- The District's only major governmental fund is the general fund. The general fund had \$31,576,296 in revenues and other financing sources and \$32,085,575 in expenditures and other financing uses. The general fund's fund balance declined to \$1,769,140 from \$2,355,428.
- Net assets for District's two major enterprise funds decreased significantly. This decline resulted from operating expenses of \$3,058,965 exceeding operating revenues of \$1,405,166. Grants of \$1,388,716 in the Food Service and Adult Education funds reduced the operating loss.

Using this Comprehensive Annual Financial Report (CAFR)

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

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund is by far the most significant fund, and the only governmental fund reported as a major fund.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED

Reporting the District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2001?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

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

Governmental Activities - Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's adult education programs and food service operations are reported as business activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental fund begins on page F17 and the analysis of the District's two major enterprise funds begins on page F23. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's only major governmental fund is the general fund.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED

Proprietary Funds

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

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in two agency funds. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages F27 and F28. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

The District as a Whole

This is the first year for government-wide financial statements using the full accrual basis of accounting, therefore a comparison with prior years is not available. A comparative analysis will be provided in future years when prior year information is available.

The table below provides a summary of the District's net assets for 2001.

	Net Assets		
	Governmental Activities 2001	Business-Type Activities 2001	Total 2001
<u>Assets</u>			
Current Assets	\$26,213,162	\$ 182,495	\$26,395,657
Capital Assets	<u>13,675,092</u>	<u>304,632</u>	<u>13,979,724</u>
Total Assets	<u>39,888,254</u>	<u>487,127</u>	<u>40,375,381</u>
<u>Liabilities</u>			
Current Liabilities	20,818,715	276,535	21,095,250
Long-Term Liabilities	<u>3,845,521</u>	<u>141,598</u>	<u>3,987,119</u>
Total Liabilities	<u>24,664,236</u>	<u>418,133</u>	<u>25,082,369</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Debt	11,725,551	304,632	12,030,183
Restricted	1,603,196	---	1,603,196
Unrestricted (deficit)	<u>1,895,271</u>	<u>(235,638)</u>	<u>1,659,633</u>
Total Net Assets	<u>\$15,224,018</u>	<u>\$ 68,994</u>	<u>\$15,293,012</u>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED

The table below shows the changes in net assets for fiscal year 2001. Since this is the first year the District has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to fiscal year 2000 are not available. A comparative analysis will be provided in future years when prior year information is available.

Change in Net Assets

	Governmental Activities <u>2001</u>	Business-Type Activities <u>2001</u>	Total <u>2001</u>
<u>Revenues</u>			
Program Revenues:			
Charges for Services and Sales	\$ 608,765	\$1,357,203	\$ 1,965,968
Operating Grants and Contributions	4,966,690	1,502,477	6,469,167
Capital Grants and Contributions	571,234	---	571,234
General Revenues:			
Property Taxes	15,998,425	---	15,998,425
Grants and Entitlements	15,494,850	---	15,494,850
Other	<u>966,557</u>	<u>47,963</u>	<u>1,014,520</u>
Total Revenues	<u>38,606,521</u>	<u>2,907,643</u>	<u>41,514,164</u>
<u>Expenses</u>			
Program Expenses:			
Instruction:			
Regular	15,310,959	---	15,310,959
Special	5,580,007	---	5,580,007
Vocational	1,581,925	---	1,581,925
Other	133,531	---	133,531
Support Services:			
Pupil	1,513,446	---	1,513,446
Instructional Staff	1,712,630	---	1,712,630
Board of Education	169,581	---	169,581
Administration	2,691,724	---	2,691,724
Fiscal	608,555	---	608,555
Business	213,928	---	213,928
Operations and Maintenance	3,899,035	---	3,899,035
Pupil Transportation	1,207,351	---	1,207,351
Central	1,223,057	---	1,223,057
Operation of Non-Instructional Services	152,274	---	152,274
Extracurricular Activities	1,087,111	---	1,087,111
Intergovernmental	513,265	---	513,265
Interest and Fiscal Charges	119,368	---	119,368
Food Service	---	1,967,634	1,967,634
Adult Education	---	<u>1,091,331</u>	<u>1,091,331</u>
Total Expenses	<u>37,717,747</u>	<u>3,058,965</u>	<u>40,776,712</u>
Transfers	<u>(25,000)</u>	<u>25,000</u>	<u>0</u>
Change in Net Assets	<u>\$ 863,774</u>	<u>\$ (126,322)</u>	<u>\$ 737,452</u>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED**

Governmental Activities

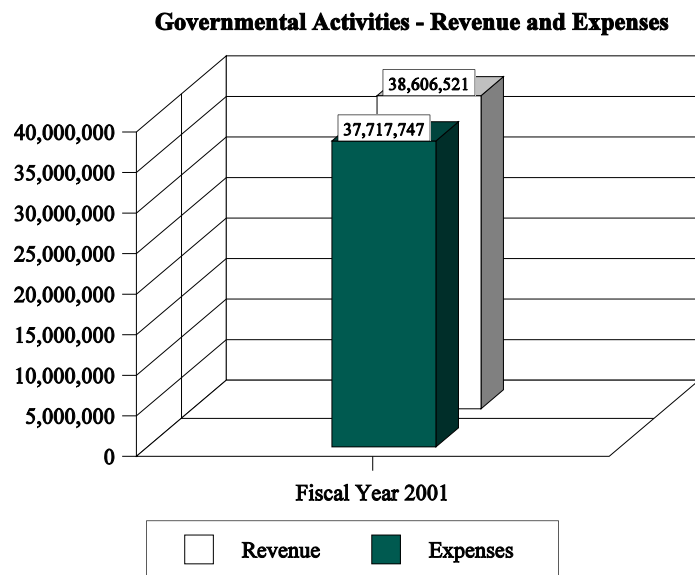
Net assets of the District's governmental activities increased by \$863,774. Total governmental expenses of \$37,717,747 were offset by program revenues of \$6,146,689 and general revenues of \$32,459,832. Program revenues supported 16.29% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements. These two revenue sources represent 81.5% of total governmental revenue. Real estate property is reappraised every six years. As a result of the latest reappraisal by Erie County in 2000, the District's tax valuation increased by 8.5% that year. Although recent growth has had a positive effect on the District's tax base, the full tax revenue impact has not been realized due to H.B. 920. This state law, enacted in 1976, does not allow for revenue increases caused by inflationary growth of real property values. Increases in valuation prompt corresponding annual reductions in the "effective millage", the tax rates applied to real property. Thus, although District tax valuation continues to grow, this built-in revenue limitation requires the District to request additional school operating revenue by placing a levy on the ballot periodically (every three to five years, on average).

Voters approved the last additional 4.9 mill school operating levy in March, 1996. This levy, which generates approximately \$1.8 million per year for a continuing period of time, is expected to provide adequate revenue for general fund operating expenses through the year 2002, with no other local tax revenue increases being necessary. The District plans to place an additional operating levy on the ballot in fiscal year 2002.

The District's financial condition has improved significantly in recent years, primarily due to increased financial support from the State. State support has increased annually by 10% over the last three years, and is expected to grow by only 2.5% in the 2001-2002 fiscal year. The District is projecting annual growth in State support of 4% for 2003 and beyond.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2001.



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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. Comparisons to 2000 have not been presented since they are not available.

Governmental Activities

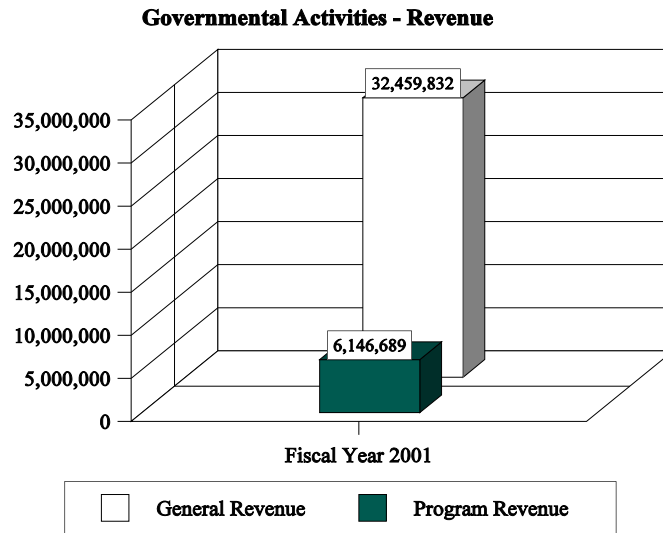
	Total Cost of Services <u>2001</u>	Net Cost of Services <u>2001</u>
Program Expenses:		
Instruction:		
Regular	\$15,310,959	\$13,490,751
Special	5,580,007	3,971,087
Vocational	1,581,925	1,436,380
Other	133,531	(20,632)
Support Services:		
Pupil	1,513,446	1,389,159
Instructional Staff	1,712,630	1,376,339
Board of Education	169,581	169,581
Administration	2,691,724	2,569,391
Fiscal	608,555	590,488
Business	213,928	213,928
Operations and Maintenance	3,899,035	3,837,181
Pupil Transportation	1,207,351	1,085,186
Central	1,223,057	807,155
Operation of Non-Instructional Services	152,274	(30,474)
Extracurricular Activities	1,087,111	530,349
Intergovernmental	513,265	35,821
Interest and Fiscal Charges	<u>119,368</u>	<u>119,368</u>
Total Expenses	<u>\$37,717,747</u>	<u>\$31,571,058</u>

The dependence upon tax revenues for governmental activities is apparent, 83.51% of instruction activities are supported through taxes and other general revenues, for all governmental activities general revenue support is 83.70%. The District's taxpayers, as a whole, is by far the primary support for District's students.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED**

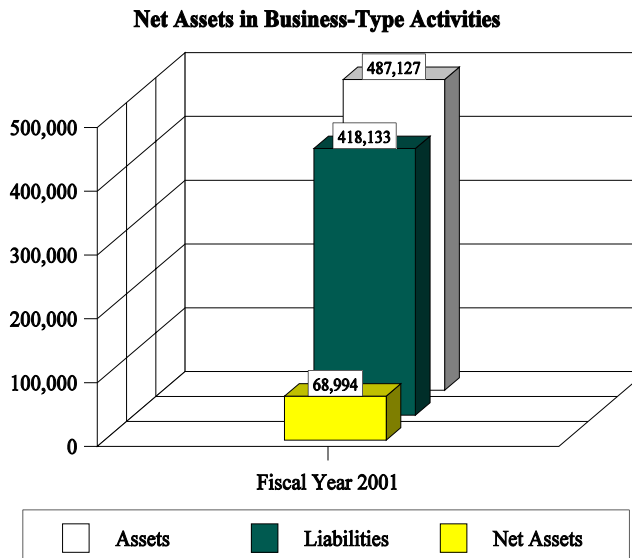
The graph below presents the District's governmental activities revenue for fiscal year 2001.



Business-Type Activities

Business-type activities include adult education and the food service operation. These programs had revenues of \$2,932,643 and expenses of \$3,058,965 for fiscal year 2001. To insure that net assets are not further reduced in fiscal 2002, the District is taking steps to reduce expenses, including renegotiating vendor agreements. In addition, a computerized cafeteria collection system will be implemented in fiscal year 2002, which will increase the efficiency of collections in the food service operation. The District's business activities receive no support from tax revenues.

The following graph shows the net assets in business-type activities for fiscal years 2001 and 2000.



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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED

The District's Funds

The District's governmental funds (as presented on the balance sheet on page F17) reported a combined fund balance of \$3,248,328, which is below last year's total of \$4,448,580. The June 30, 2000 fund balances have been restated as described on page F40. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2001 and 2000.

	<u>Fund Balance June 30, 2001</u>	<u>Fund Balance June 30, 2000</u>	<u>Decrease</u>
General	\$1,769,140	\$2,355,428	\$ (586,288)
Other Governmental	<u>1,479,188</u>	<u>2,093,152</u>	<u>(613,964)</u>
Total	<u>\$3,248,328</u>	<u>\$4,448,580</u>	<u>\$(1,200,252)</u>

General Fund

The District's general fund balance decreased by \$586,288, despite an 8.34% increase in total revenues. The decrease in fund balance can be attributed primarily to the overall increase in salaries, wages and fringe benefits. In addition, in fiscal year 2001 the general fund subsidized other funds of the District with operating transfers of \$243,184 compared to \$632,166 in fiscal year 2000. Note 5.B. to the basic financial statements details the funds which received the operating transfers from the general fund. The table that follows assists in illustrating the financial activities and fund balance of the general fund.

	<u>2001 Amount</u>	<u>2000 Amount</u>	<u>Percentage Change</u>
<u>Revenues</u>			
Taxes	\$15,001,539	\$14,137,384	6.11%
Interest Earnings	522,921	507,028	3.13
Intergovernmental	15,514,998	14,130,945	9.79
Other Revenues	<u>533,223</u>	<u>366,247</u>	45.59
Total	<u>\$31,572,681</u>	<u>\$29,141,604</u>	8.34%
<u>Expenditures</u>			
Instruction	\$19,723,478	\$18,124,349	8.82%
Support Services	11,430,508	10,936,709	4.52
Operation on Non-Instructional Services	8,800	7,464	17.90
Extracurricular Activities	<u>679,605</u>	<u>552,991</u>	22.90
Total	<u>\$31,842,391</u>	<u>\$29,621,513</u>	7.50%

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED

During the course of fiscal 2001, the District amended its general fund budget numerous times, none significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, final budgeted revenues and other financing sources were \$31,850,000, above original budget estimates of \$31,150,000. Of this \$700,000 difference, most was due to conservative tax and intergovernmental estimates in the original budget.

General fund original appropriations of \$32,154,865 were increased to \$33,787,749 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2001 totaled \$32,113,332, which was \$1,674,417 less than the final budget appropriations, primarily because salary costs proved to be lower than anticipated in the original and final budget.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2001, the District had \$13,979,724 invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. Of this total, \$13,675,092 was reported in governmental activities and \$304,632 was reported in business-type activities. The following table shows fiscal 2001 balances compared to 2000:

**Capital Assets at June 30
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Land	\$ 2,285,370	\$ 2,285,370	\$ ---	\$ ---	\$ 2,285,370	\$ 2,285,370
Land Improvements	172,629	148,300	---	---	172,629	148,300
Buildings and Improvements	5,556,246	5,289,970	---	---	5,556,246	5,289,970
Furniture and Equipment	3,203,436	3,158,814	304,632	316,381	3,508,068	3,475,195
Vehicles	1,055,654	1,016,150	---	---	1,055,654	1,016,150
Textbooks	1,401,757	1,337,903	---	---	1,401,757	1,337,903
Totals	<u>\$13,675,092</u>	<u>\$13,236,507</u>	<u>\$304,632</u>	<u>\$316,381</u>	<u>\$13,979,724</u>	<u>\$13,552,888</u>

The primary increase occurred in building improvements which include projects for computer wiring, heating and lighting systems and the installment of a new fire alarm system. The District also acquired \$163,444 in new vehicles during fiscal 2001.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED

Debt Administration

At June 30, 2001 the District had \$1,949,541 in general obligation bonds and a loan outstanding. Of this total, \$216,468 is due within one year and \$1,733,073 is due within greater than one year. The following table summarizes the bonds and loan outstanding.

Outstanding Debt, at Year End

	<u>Governmental Activities 2001</u>	<u>Governmental Activities 2000</u>
General Obligation Bonds:		
Elementary Building Addition	\$1,550,000	\$1,770,000
Asbestos Abatement Loan	<u>399,541</u>	<u>461,009</u>
Total	<u>\$1,949,541</u>	<u>\$2,231,009</u>

The asbestos abatement loan was received in 1988 from the U.S. Environmental Agency for an asbestos project at Sandusky High School. This loan is scheduled to mature in fiscal year 2009 and is interest free as long as the District remains current on repayment.

In 1990 the District passed a bond issue, providing for facility improvements and additions to the District's elementary schools. The general obligation bonds are scheduled to mature in fiscal year 2011 and bear an interest rate of 7.088%.

At June 30, 2001 the District's overall legal debt margin was \$38,325,089 with an unvoted debt margin of \$439,637. The District maintains an A-1 bond rating.

For the Future

Overall, the District is strong financially. As the preceding information shows, the District relies heavily upon grants and entitlements and property taxes. An increase in tax revenue is expected in fiscal year 2002 due to the increased tax valuation of Cedar Point Amusement Park and due to the payment of delinquent taxes made by several local businesses in the fall of 2001. This additional tax revenue will provide the District with the necessary funds to meet its operating expenses in fiscal year 2002. However, the future financial stability of the District is not without challenges.

The first challenge is that although the District will have the resources necessary to meet operating expenses in fiscal year 2002, it is anticipated that an additional operating levy will need to be passed during fiscal year 2002 in order to provide financial stability over the next five years. The District's first attempt at a 4.9 mill operating levy was voted down in November 2001. The District intends to place the levy on the ballot again in May 2002. It has been determined that the 4.9 mill levy would generate the District an additional \$2.2 million per year over the next five years to support operations.

The next challenge is that the District's Management must continue to provide the resources necessary to meet student needs while diligently planning expenses, staying within the five-year plan. The five-year plan is utilized by management to manage resources effectively and efficiently. Additional revenues should not be treated as a windfall to expand programs but as an opportunity to extend the life of the five-year plan.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
UNAUDITED**

The last challenge facing the District is the future of state funding. The State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational system, one that was neither "adequate" nor "equitable." Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan and granted a motion for reconsideration on November 2, 2001. At this time, the District is unable to determine what effect, if any, this decision and the reconsideration will have on its future State funding and on its financial operations.

The District has not anticipated a significant growth in State revenue. The concern is that, to meet the requirements of the court, the State may require redistribution of commercial and industrial property tax. With approximately sixty percent of taxes paid for the District coming from business or industry, this could have a significant impact on the District's residential taxpayers.

The District has committed itself to financial excellence for many years. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the last eight consecutive years and the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the last seven consecutive years.

The District's system of budgeting and internal controls are well regarded. All of the District's financial abilities will be needed to meet the financial challenges of the future.

Contacting the District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact A. Troy Bouts, treasurer at Sandusky City School District, 407 Decatur Street, Sandusky, Ohio, 44870.



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

STATEMENT OF NET ASSETS
JUNE 30, 2001

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$7,962,659	\$227,728	\$8,190,387
Receivables:			
Taxes	17,221,494	0	17,221,494
Accounts	15,990	55,415	71,405
Intergovernmental	557,168	2,309	559,477
Accrued interest	215	0	215
Internal loans	126,000	(126,000)	0
Prepayments	43,058	2,518	45,576
Materials and supplies inventory	286,578	20,525	307,103
Capital assets, net	13,675,092	304,632	13,979,724
Total assets.	<u>39,888,254</u>	<u>487,127</u>	<u>40,375,381</u>
Liabilities:			
Accounts payable	489,007	15,930	504,937
Accrued wages and benefits	3,831,807	175,048	4,006,855
Compensated absences	123,773	1,424	125,197
Pension obligation payable	781,849	67,831	849,680
Intergovernmental payable	165,750	8,950	174,700
Deferred revenue	15,112,069	7,352	15,119,421
Accrued interest payable	9,460	0	9,460
Claims payable	305,000	0	305,000
Long-term liabilities:			
Due within one year	516,468	0	516,468
Due within more than one year	3,329,053	141,598	3,470,651
Total liabilities.	<u>24,664,236</u>	<u>418,133</u>	<u>25,082,369</u>
Net Assets:			
Invested in capital assets, net of related debt	11,725,551	304,632	12,030,183
Restricted for:			
Capital projects	562,546	0	562,546
Debt service	317,092	0	317,092
Other purposes	723,558	0	723,558
Unrestricted (deficit)	1,895,271	(235,638)	1,659,633
Total net assets.	<u>\$15,224,018</u>	<u>\$68,994</u>	<u>\$15,293,012</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Instruction:				
Regular	\$15,310,959	\$65,891	\$1,610,930	\$143,387
Special	5,580,007	0	1,608,920	0
Vocational.	1,581,925	31,123	114,422	0
Other	133,531	0	154,163	0
Support services:				
Pupil.	1,513,446	0	124,287	0
Instructional staff	1,712,630	0	336,291	0
Board of education	169,581	0	0	0
Administration.	2,691,724	0	122,333	0
Fiscal.	608,555	0	18,067	0
Business	213,928	0	0	0
Operations and maintenance.	3,899,035	61,854	0	0
Pupil transportation	1,207,351	0	19,934	102,231
Central.	1,223,057	0	90,286	325,616
Operation of non-instructional				
services	152,274	0	182,748	0
Extracurricular activities.	1,087,111	449,897	106,865	0
Intergovernmental	513,265	0	477,444	0
Interest and fiscal charges	119,368	0	0	0
Total governmental activities	<u>37,717,747</u>	<u>608,765</u>	<u>4,966,690</u>	<u>571,234</u>
Business-type activities:				
Food service.	1,967,634	808,575	930,788	0
Adult education	1,091,331	548,628	571,689	0
Total business-type activities	<u>3,058,965</u>	<u>1,357,203</u>	<u>1,502,477</u>	<u>0</u>
Totals	<u>\$40,776,712</u>	<u>\$1,965,968</u>	<u>\$6,469,167</u>	<u>\$571,234</u>

General Revenues:

Property taxes levied for:
General purposes
Debt service.
Capital outlay.
Grants and entitlements not restricted
to specific programs
Investment earnings
Miscellaneous
Transfers
Total general revenues and transfers
Change in net assets
Net assets at beginning of year.
Net assets at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue
and Changes in Net Assets**

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
(\$13,490,751)		(\$13,490,751)
(3,971,087)		(3,971,087)
(1,436,380)		(1,436,380)
20,632		20,632
(1,389,159)		(1,389,159)
(1,376,339)		(1,376,339)
(169,581)		(169,581)
(2,569,391)		(2,569,391)
(590,488)		(590,488)
(213,928)		(213,928)
(3,837,181)		(3,837,181)
(1,085,186)		(1,085,186)
(807,155)		(807,155)
30,474		30,474
(530,349)		(530,349)
(35,821)		(35,821)
(119,368)		(119,368)
<u>(31,571,058)</u>		<u>(31,571,058)</u>
0	(\$228,271)	(228,271)
0	28,986	28,986
<u>0</u>	<u>(199,285)</u>	<u>(199,285)</u>
<u>(31,571,058)</u>	<u>(199,285)</u>	<u>(31,770,343)</u>
15,139,082	0	15,139,082
283,195	0	283,195
576,148	0	576,148
15,494,850	0	15,494,850
585,070	0	585,070
381,487	47,963	429,450
(25,000)	25,000	0
<u>32,434,832</u>	<u>72,963</u>	<u>32,507,795</u>
863,774	(126,322)	737,452
<u>14,360,244</u>	<u>195,316</u>	<u>14,555,560</u>
<u>\$15,224,018</u>	<u>\$68,994</u>	<u>\$15,293,012</u>

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2001

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in pooled cash and cash equivalents	\$4,550,844	\$2,287,147	\$6,837,991
Receivables:			
Taxes	16,326,152	895,342	17,221,494
Accounts	11,691	4,299	15,990
Intergovernmental	79,887	477,281	557,168
Accrued interest	215	0	215
Interfund loans	173,000	0	173,000
Prepayments	43,058	0	43,058
Materials and supplies inventory	286,578	0	286,578
Restricted assets:			
Equity in pooled cash and cash equivalents	176,753	0	176,753
Total assets	\$21,648,178	\$3,664,069	\$25,312,247
Liabilities:			
Accounts payable	\$314,894	\$174,113	\$489,007
Accrued wages and benefits	3,286,180	545,627	3,831,807
Compensated absences payable	63,063	0	63,063
Pension obligation payable	668,656	58,216	726,872
Intergovernmental payable	125,749	40,001	165,750
Interfund loan payable	0	47,000	47,000
Deferred revenue	15,420,496	1,319,924	16,740,420
Total liabilities	19,879,038	2,184,881	22,063,919
Fund Balances:			
Reserved for encumbrances	326,416	345,968	672,384
Reserved for BWC refunds	176,753	0	176,753
Reserved for materials and supplies inventory	286,578	0	286,578
Reserved for property tax unavailable for appropriation	905,656	54,193	959,849
Reserved for prepayments	43,058	0	43,058
Unreserved, undesignated, reported in:			
General fund	30,679	0	30,679
Special revenue funds	0	586,273	586,273
Debt service fund	0	289,074	289,074
Capital projects funds	0	203,680	203,680
Total fund balances	1,769,140	1,479,188	3,248,328
Total liabilities and fund balances	\$21,648,178	\$3,664,069	\$25,312,247

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2001

Total governmental fund balances	\$3,248,328
---	-------------

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	13,675,092
---	------------

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

Taxes	\$1,151,999	
Intergovernmental revenue	476,352	
	476,352	

Total	1,628,351
-------	-----------

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.

642,915

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

General obligation bonds	1,550,000	
Compensated absences	60,710	
Future retirement obligation	1,895,980	
Pension obligation payable	54,977	
Asbestos abatement loan	399,541	
Accrued interest payable	9,460	
	9,460	

Total	(3,970,668)
-------	-------------

Net assets of governmental activities	\$15,224,018
--	---------------------

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
From local sources:			
Taxes	\$15,001,539	\$860,118	\$15,861,657
Tuition	22,679	0	22,679
Earnings on investments	522,921	33,212	556,133
Extracurricular	9,551	371,947	381,498
Other local revenues	500,993	192,886	693,879
Intergovernmental - State	15,514,998	2,772,002	18,287,000
Intergovernmental - Federal	0	2,170,854	2,170,854
Total revenue	<u>31,572,681</u>	<u>6,401,019</u>	<u>37,973,700</u>
Expenditures:			
Current:			
Instruction:			
Regular	13,835,433	1,665,095	15,500,528
Special	4,439,979	1,384,144	5,824,123
Vocational	1,448,066	138,001	1,586,067
Other	0	143,529	143,529
Support Services:			
Pupil	1,302,670	127,603	1,430,273
Instructional staff	1,327,700	246,727	1,574,427
Board of education	168,475	0	168,475
Administration	2,594,017	104,807	2,698,824
Fiscal	580,039	29,704	609,743
Business	213,822	0	213,822
Operations and maintenance	3,911,341	0	3,911,341
Pupil transportation	1,265,588	17,039	1,282,627
Central	66,856	1,158,246	1,225,102
Operation of non-instructional services	8,800	171,415	180,215
Extracurricular activities	679,605	408,799	1,088,404
Facilities acquisition and construction	0	722,750	722,750
Intergovernmental pass through	0	513,265	513,265
Debt service:			
Principal retirement	0	281,468	281,468
Interest and fiscal charges	0	120,575	120,575
Total expenditures	<u>31,842,391</u>	<u>7,233,167</u>	<u>39,075,558</u>
Excess of revenues under expenditures	<u>(269,710)</u>	<u>(832,148)</u>	<u>(1,101,858)</u>
Other financing sources (uses):			
Operating transfers in	0	223,184	223,184
Operating transfers (out)	(243,184)	(5,000)	(248,184)
Proceeds from sale of fixed assets	3,615	0	3,615
Total other financing sources (uses)	<u>(239,569)</u>	<u>218,184</u>	<u>(21,385)</u>
Net change in fund balances	(509,279)	(613,964)	(1,123,243)
Fund balances at beginning of year			
(restated)	2,355,428	2,093,152	4,448,580
Decrease in reserve for inventory	(77,009)	0	(77,009)
Fund balances at end of year	<u><u>\$1,769,140</u></u>	<u><u>\$1,479,188</u></u>	<u><u>\$3,248,328</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

Net change in fund balances - total governmental funds (\$1,123,243)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$1,100,722) exceeds depreciation expense (\$644,050) in the current period.	456,672
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets.	(18,087)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	600,269
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	281,468
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	1,207
Some expenses reported in the statement of activities, such as compensated absences, future retirement obligations, and pension obligations, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	14,229
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.	<u>651,259</u>

Change in net assets of governmental activities \$863,774

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT IN REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
Revenues:				
From local sources:				
Taxes	\$14,875,347	\$15,211,242	\$15,198,672	(\$12,570)
Tuition.	28,773	29,422	29,398	(24)
Earnings on investments.	512,125	523,689	523,256	(433)
Extracurricular.	9,864	9,864	9,551	(313)
Other local revenues.	507,227	516,108	512,160	(3,948)
Intergovernmental - State	15,110,614	15,451,381	15,438,010	(13,371)
Total revenue	<u>31,043,950</u>	<u>31,741,706</u>	<u>31,711,047</u>	<u>(30,659)</u>
Expenditures:				
Current:				
Instruction:				
Regular	13,698,920	14,015,089	13,601,459	413,630
Special.	4,511,500	4,710,741	4,460,076	250,665
Vocational.	1,440,600	1,492,542	1,435,994	56,548
Support Services:				
Pupil.	1,344,400	1,361,336	1,277,854	83,482
Instructional staff	1,509,600	1,538,802	1,360,991	177,811
Board of education	210,800	291,725	212,874	78,851
Administration.	2,650,750	2,705,071	2,562,494	142,577
Fiscal	623,600	634,041	585,669	48,372
Business	229,400	259,420	211,643	47,777
Operations and maintenance.	3,853,400	4,178,905	3,817,770	361,135
Pupil transportation	1,278,200	1,477,613	1,397,911	79,702
Central.	59,600	80,500	65,103	15,397
Operation of non-instructional services	7,770	7,770	6,963	807
Extracurricular activities.	686,325	784,194	692,736	91,458
Total expenditures	<u>32,104,865</u>	<u>33,537,749</u>	<u>31,689,537</u>	<u>1,848,212</u>
Excess of revenues over (under) expenditures.	<u>(1,060,915)</u>	<u>(1,796,043)</u>	<u>21,510</u>	<u>1,817,553</u>

(Continued)

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

STATEMENT IN REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Refund of prior year expenditure	6,053	6,190	6,185	(5)
Operating transfers in.	5,164	5,164	5,000	(164)
Operating transfers (out)	(50,000)	(250,000)	(248,184)	1,816
Advances in.	91,295	93,322	93,197	(125)
Advances (out)	0	0	(175,611)	(175,611)
Proceeds from sale of fixed assets	3,538	3,618	3,615	(3)
Total other financing sources (uses)	<u>56,050</u>	<u>(141,706)</u>	<u>(315,798)</u>	<u>(174,092)</u>
Net change in fund balance	(1,004,865)	(1,937,749)	(294,288)	1,643,461
Fund balance at beginning of year (restated)	4,330,254	4,330,254	4,330,254	0
Prior year encumbrances appropriated . .	<u>223,287</u>	<u>223,287</u>	<u>223,287</u>	<u>0</u>
Fund balance at end of year	<u><u>\$3,548,676</u></u>	<u><u>\$2,615,792</u></u>	<u><u>\$4,259,253</u></u>	<u><u>\$1,643,461</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2001

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Food Service</u>	<u>Adult Education</u>	<u>Total</u>	<u>Activities - Internal Service Fund</u>
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$1,922	\$225,806	\$227,728	\$947,915
Receivables:				
Accounts	0	55,415	55,415	0
Intergovernmental	2,309	0	2,309	0
Prepayments	2,518	0	2,518	0
Materials and supplies inventory	20,525	0	20,525	0
Total current assets	<u>27,274</u>	<u>281,221</u>	<u>308,495</u>	<u>947,915</u>
Noncurrent assets:				
Capital assets, net	<u>278,713</u>	<u>25,919</u>	<u>304,632</u>	<u>0</u>
Total assets	<u>305,987</u>	<u>307,140</u>	<u>613,127</u>	<u>947,915</u>
Liabilities:				
Accounts payable	13,648	2,282	15,930	0
Accrued wages and benefits	126,873	48,175	175,048	0
Compensated absences	0	1,424	1,424	0
Pension obligation payable	48,699	19,132	67,831	0
Interfund loan payable	81,000	45,000	126,000	0
Intergovernmental payable	3,239	5,711	8,950	0
Deferred revenue	7,352	0	7,352	0
Claims payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>305,000</u>
Total current liabilities	<u>280,811</u>	<u>121,724</u>	<u>402,535</u>	<u>305,000</u>
Long-term liabilities:				
Future retirement obligation	<u>141,598</u>	<u>0</u>	<u>141,598</u>	<u>0</u>
Total liabilities	<u>422,409</u>	<u>121,724</u>	<u>544,133</u>	<u>305,000</u>
Net assets:				
Invested in capital assets	278,713	25,919	304,632	0
Unrestricted	<u>(395,135)</u>	<u>159,497</u>	<u>(235,638)</u>	<u>642,915</u>
Total net assets (deficit)	<u><u>(\$116,422)</u></u>	<u><u>\$185,416</u></u>	<u><u>\$68,994</u></u>	<u><u>\$642,915</u></u>

SEE ACCOMPANYING NOTES TO THE BASIS FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Fund</u>
	<u>Food Service</u>	<u>Adult Education</u>	<u>Total</u>	
Operating revenues:				
Tuition and fees	\$0	\$548,628	\$548,628	\$0
Sales/charges for services	808,575	0	808,575	3,747,925
Other	47,804	159	47,963	0
	<u>856,379</u>	<u>548,787</u>	<u>1,405,166</u>	<u>3,747,925</u>
Operating expenses:				
Personal services	982,516	869,408	1,851,924	0
Purchased services	4,549	139,519	144,068	2,778,378
Materials and supplies	968,790	79,840	1,048,630	0
Depreciation	11,779	2,564	14,343	0
Other	0	0	0	347,225
	<u>1,967,634</u>	<u>1,091,331</u>	<u>3,058,965</u>	<u>3,125,603</u>
Total operating expenses				
Operating income (loss)	<u>(1,111,255)</u>	<u>(542,544)</u>	<u>(1,653,799)</u>	<u>622,322</u>
Nonoperating revenues:				
Federal donated commodities	113,761	0	113,761	0
Interest revenue	0	0	0	28,937
Operating grants	817,027	571,689	1,388,716	0
	<u>930,788</u>	<u>571,689</u>	<u>1,502,477</u>	<u>28,937</u>
Total nonoperating revenues				
Income (loss) before operating transfers	(180,467)	29,145	(151,322)	651,259
Operating transfer in	0	25,000	25,000	0
Change in net assets	(180,467)	54,145	(126,322)	651,259
Net assets (deficit) at beginning of year . .	<u>64,045</u>	<u>131,271</u>	<u>195,316</u>	<u>(8,344)</u>
Net assets (deficit) at end of year	<u>(\$116,422)</u>	<u>\$185,416</u>	<u>\$68,994</u>	<u>\$642,915</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Business-Type Activities - Enterprise Funds</u>			Governmental Activities - Internal Service Fund
	Food Service	Adult Education	Total	
Cash flows from operating activities:				
Cash received from tuition and fees	\$0	\$529,795	\$529,795	\$0
Cash received from sales/charges for services.	810,804	0	810,804	3,747,925
Cash received from other operations.	47,804	0	47,804	0
Cash payments for personal services.	(907,389)	(881,986)	(1,789,375)	0
Cash payments for contractual services	(6,250)	(157,459)	(163,709)	(2,809,556)
Cash payments for materials and supplies	(838,312)	(81,039)	(919,351)	0
Cash payments for other expenses	0	0	0	(347,225)
Net cash provided by (used in) operating activities	<u>(893,343)</u>	<u>(590,689)</u>	<u>(1,484,032)</u>	<u>591,144</u>
Cash flows from noncapital financing activities:				
Cash received from operating grants.	837,410	571,689	1,409,099	0
Cash received from operating transfers in	0	25,000	25,000	0
Cash received from interfund loans	81,000	45,000	126,000	0
Cash used in repayment of interfund loans.	<u>(23,145)</u>	<u>(42,947)</u>	<u>(66,092)</u>	<u>0</u>
Net cash provided by noncapital financing activities.	<u>895,265</u>	<u>598,742</u>	<u>1,494,007</u>	<u>0</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	<u>0</u>	<u>(2,594)</u>	<u>(2,594)</u>	<u>0</u>
Net cash used in capital and related financing activities.	<u>0</u>	<u>(2,594)</u>	<u>(2,594)</u>	<u>0</u>
Cash flows from investing activities:				
Interest received	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,937</u>
Net cash provided by investing activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,937</u>
Net increase in cash and cash equivalents	1,922	5,459	7,381	620,081
Cash and cash equivalents at beginning of year	<u>0</u>	<u>220,347</u>	<u>220,347</u>	<u>327,834</u>
Cash and cash equivalents at end of year.	<u>\$1,922</u>	<u>\$225,806</u>	<u>\$227,728</u>	<u>\$947,915</u>

(Continued)

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service	Adult Education	Total	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	(\$1,111,255)	(\$542,544)	(\$1,653,799)	\$622,322
Adjustments:				
Depreciation	11,779	2,564	14,343	0
Federal donated commodities	113,761	0	113,761	0
Changes in assets and liabilities:				
Decrease in materials and supplies inventory	3,065	0	3,065	0
(Increase) decrease in accounts receivable	2,229	(18,992)	(16,763)	0
Increase in prepayments	(1,701)	0	(1,701)	0
Increase (decrease) in accounts payable	11,573	(21,748)	(10,175)	0
Increase in accrued wages and benefits	35,511	3,863	39,374	0
Increase in intergovernmental payable	3,239	5,685	8,924	0
Decrease in compensated absences payable	0	(4,832)	(4,832)	0
Increase in pension obligation payable	9,194	1,815	11,009	0
Increase (decrease) in future retirement obligation	27,183	(16,500)	10,683	0
Increase in deferred revenue	2,079	0	2,079	0
Decrease in claims payable	0	0	0	(31,178)
Net cash provided by (used in) operating activities	(\$893,343)	(\$590,689)	(\$1,484,032)	\$591,144

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2001

	Private Purpose Trust	
	Scholarship	Agency
Assets:		
Equity in pooled cash and cash equivalents	\$2,254,390	\$69,491
Investments	3,722,317	0
Receivables:		
Taxes	0	318,621
Accounts	151	0
Total assets	5,976,858	388,112
Liabilities:		
Accounts payable	83	2,027
Intergovernmental payable	0	320,547
Due to students	0	65,538
Total liabilities	83	\$388,112
Net Assets:		
Held in trust for scholarships	5,976,775	
Total net assets	\$5,976,775	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Private Purpose Trust
	Scholarship
Additions:	
Interest	\$201,708
Gifts and contributions.	435,238
	636,946
Total additions.	636,946
Deductions:	
Scholarships awarded	151,907
Change in net assets	485,039
Net assets at beginning of year.	5,491,736
Net assets at end of year	\$5,976,775

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

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

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

The District ranks as the 85th largest by total enrollment among the 682 public and community school districts in the State. It currently operates 8 elementary schools, 2 alternative school, 2 junior high schools, and 1 comprehensive high school. The District employs 203 non-certified employees, 370 certified employees and 33 administrators, to provide services to approximately 4,386 students in grades K through 12, more than 5,000 adult education students, and various community groups.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity". When applying GASB Statement No. 14, management has considered all potential component units. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. Based upon the application of this criteria, the District has no component units. The financial statements of the reporting entity include only those of the District (the primary government). The following organizations are described due to their relationship to the District:

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

JOINTLY GOVERNED ORGANIZATION

Northern Ohio Educational Computer Association (NOECA)

The District is a participant in the Northern Ohio Educational Computer Association (NOECA), which is a computer consortium. NOECA is an association of 41 public school districts formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The NOECA Board of Directors consists of two representatives from each county in which participating school districts are located, the chairman of each of the operating committees, and a representative from the fiscal agent. The District paid \$38,574 to NOECA in fiscal year 2001 for services. Financial information can be obtained from Betty Schwiefert, who serves as Controller, 2900 South Columbus Avenue, Sandusky, Ohio 44870.

PUBLIC ENTITY RISK POOL

Ohio School Boards Association Workers' Compensation Group Rating Plan

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

The Plan's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect, and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the Plan. Each year, the participating school districts pay an enrollment fee to the Plan to cover the costs of administering the program.

B. Fund Accounting

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

GOVERNMENTAL FUNDS

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

Other governmental funds of the District are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds; and (c) for grants and other resources whose use is restricted to a particular purpose.

PROPRIETARY FUNDS

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

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

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

Adult Education Fund - This fund accounts for educational opportunities offered on a tuition basis to preschoolers, youths and adults living within the community.

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the district, or to other governments, on a cost-reimbursement basis. The only internal service fund of the District accounts for a self-insurance program which provides medical, dental and vision benefits to employees.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust which accounts for scholarship programs for students. Only the income generated from the investment of the principal is used to support the activities of the trust as requested by the donors of the monies. The District's Board of Education appoints a committee to determine who benefits from the income of the trust. The donated principal and any appreciation must be preserved as capital as required by the trust arrangement. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

C. Basis of Presentation

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

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

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

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

Fiduciary funds are reported using the economic resources measurement focus.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

D. Basis of Accounting

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

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

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

Property taxes for which there is an enforceable legal claim as of June 30, 2001, but which were levied to finance fiscal year 2002 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

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

E. Budgets

The District is required by state statute to adopt an annual appropriated cash basis budget for all funds. The specific timetable for fiscal year 2001 is as follows.

1. Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the board-adopted budget is filed with the Erie County Budget Commission for tax rate determination.
3. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the final budgeted amount in the budgetary statement reflect the amounts set forth in the final Amended Certificate issued for fiscal year 2001.
4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.)

Board adopted appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed appropriations at the legal level of control.

5. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions within a fund must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All departments/functions and funds completed the year within the amount of their legally authorized cash basis appropriation.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, increased or decreased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal 2001.
8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Cash disbursements plus encumbrances may not legally exceed budgeted appropriations at the fund, function and/or object level.

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. On fund financial statements, encumbrances outstanding at year end (not already recorded in accounts payable) are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds. A reserve for encumbrances is not reported on government-wide financial statements.

F. Cash and Investments

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

During fiscal year 2001, investments were limited to U.S. government securities, shares of common stock, a repurchase agreement, investments in the State Asset Treasury Reserve of Ohio (STAR Ohio) and open-ended mutual funds.

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

The District has invested funds in STAR Ohio during fiscal 2001. 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, 2001.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. The Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2001 amounted to \$522,921, which includes \$289,361 assigned from other District funds.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

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

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

G. Inventory

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

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

H. Capital Assets

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

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

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives (with an estimated 10% salvage value):

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	N/A
Buildings and Improvements	25 - 50 years	N/A
Furniture and Equipment	5 - 20 years	5 - 20 years
Vehicles	6 - 10 years	N/A
Textbooks	5 years	N/A

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

I. Interfund Balances

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

J. Compensated Absences

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

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

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

The total liability for vacation and severance payments has been calculated using pay rates in effect at June 30, 2001, and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using 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 noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

K. Accrued Liabilities and Long-Term Obligations

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgements, and the noncurrent portion of the future retirement obligation and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

L. Fund Balance Reserves

The District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, inventories of supplies and materials, prepayments, property taxes unavailable for appropriation and Bureau of Workers Compensation (BWC) refunds. The reserve for property taxes unavailable for appropriation represents taxes recognized as revenue under GAAP but not available for appropriation under State statute.

M. Net Assets

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

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

N. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

O. Parochial Schools

Within the District boundaries, St. Mary's, Sts. Peter and Paul, and Holy Angels Elementaries and St. Mary's Central Catholic High School are operated through the Toledo Catholic Diocese. Current state legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. These activities are reported as a governmental activity of the District.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

P. Sandusky Public Library

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

Q. Estimates

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

R. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets include the amount required by State statute to be set aside to create a reserve for budget stabilization. See Note 15 for details.

S. Operating Revenues and Expenses

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

T. Contributions of Capital

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

U. Interfund Activity

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2001.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Changes in Accounting Principles and Restatement of Fund Balance

For fiscal year 2001, the District has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions"; GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments"; GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues"; GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus"; GASB Statement No. 38, "Certain Financial Statement Note Disclosures"; and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements". At June 30, 2000, there was no effect on fund balance as a result of implementing GASB Statements 33, 36, 37 and 38, or Interpretation No. 6.

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

The government-wide financial statements split the District's programs between business-type and governmental activities. The beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at June 30, 2000, caused by the elimination of the internal service fund and the conversion to the accrual basis of accounting.

Fund Reclassifications: Certain funds have been reclassified to properly reflect their intended purpose in accordance with the standards of GASB No. 34. Certain funds previously reported as internal service funds are now part of the general fund and certain funds previously reported as expendable trust funds are now reported as special revenue funds. These fund reclassifications had the following effects on fund balance of the major and nonmajor funds of the District as they were previously reported.

	<u>General</u>	<u>Nonmajor</u>	<u>Total</u>
Fund Balance			
June 30, 2000	\$2,315,270	\$1,672,432	\$ 3,987,702
Fund Reclassifications	<u>40,158</u>	<u>420,720</u>	<u>460,878</u>
Adjusted Fund Balance,			
June 30, 2000	<u>\$2,355,428</u>	<u>\$2,093,152</u>	<u>\$ 4,448,580</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The transition from governmental fund balance to net assets of the governmental activities is also presented.

	<u>Total</u>
Adjusted Fund Balance, June 30, 2000	\$ 4,448,580
GASB 34 Adjustments:	
Long-Term (Deferred) Assets	1,028,082
Capital Assets	13,236,507
Internal Service Fund	(8,344)
Long-Term Liabilities	<u>(4,344,581)</u>
Governmental Activities	
Net Assets, June 30, 2000	<u>\$14,360,244</u>

B. Deficit Fund Balances/Retained Earnings

Fund balances/retained earnings at June 30, 2001 included the following individual fund deficits:

	<u>Deficit</u>
<u>Nonmajor Funds</u>	
Adult Basic Education	\$ 3,014
Disadvantaged Pupil Impact Aid	75,836
Title VI-B	71,291
Vocational Education	23,311
Title I	78,459
Preschool	1,679
Miscellaneous Federal Grants	24,261
 <u>Enterprise Fund</u>	
Food Service	116,422

These funds complied with Ohio state law, which does not permit a cash basis deficit at year-end. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

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

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

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

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

13. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
14. Bonds, Notes, Debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
15. 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 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
16. Bonds and other obligations of the State of Ohio;
17. 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;
18. The State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days in an amount not to exceed 25% of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt instruments rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

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

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

Deposits: At year-end, the carrying amount of the District's deposits was \$(47,217) and the bank balance was \$197,577. A liability was not recorded for the negative carrying amount of deposits because there was no actual overdraft, due to the "zero-balance" nature of the District's bank accounts. The negative carrying amount of deposits is due to the sweeping of monies into overnight repurchase agreements which are reported as "investments". Of the bank balance:

1. \$100,767 was covered by federal depository insurance; and
2. \$96,810 was uninsured and unregistered as defined by GASB although it was secured by collateral held by third party trustees, pursuant to section 135.181 Ohio Revised Code, in collateralized pools securing all public funds on deposit with specific depository institutions; these securities not being in the name of the District. Although all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements would potentially subject the District to a successful claim by the FDIC.

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

Investments: The District's investments are categorized below to give an indication of the level of custodial credit risk assumed by the entity at fiscal year-end. Category 1 includes investments that are insured or registered or securities held by the District. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department, but not in the District's name. Investments in STAR Ohio and mutual funds are not categorized as they are not evidenced by securities that exist in physical or book entry form.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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

	<u>Category</u>			<u>Reported Amount</u>	<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Repurchase agreements	\$ ---	\$ ---	\$2,250,000	\$ 2,250,000	\$ 2,250,000
U.S. government securities	41,500	---	---	41,500	41,500
Stock	<u>3,722,317</u>	---	---	<u>3,722,317</u>	<u>3,722,317</u>
Total	<u>\$3,763,817</u>	<u>\$ 0</u>	<u>\$2,250,000</u>	6,013,817	6,013,817
Investment in STAR Ohio				8,155,644	8,155,644
Mutual funds				<u>114,341</u>	<u>114,341</u>
Total investments				<u>\$14,283,802</u>	<u>\$14,283,802</u>

The classification of cash and cash equivalents and investments on the basic financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the basic financial statements and the classification per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$10,514,268	\$ 3,722,317
Investments of the cash management pool:		
Repurchase agreements	(2,250,000)	2,250,000
Investment in STAR Ohio	(8,155,644)	8,155,644
U. S. government securities	(41,500)	41,500
Mutual funds	<u>(114,341)</u>	<u>114,341</u>
GASB Statement No. 3	<u>\$ (47,217)</u>	<u>\$14,283,802</u>

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund balances at June 30, 2001 as reported on the fund statements, consist of the following individual interfund loans receivable and payable:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$173,000	\$ ---
<u>Nonmajor Funds</u>		
District Managed Student Activity	---	17,000
Career Development	---	4,000
Post Secondary Vocational Education	---	2,000
Vocational Education	---	11,000
Title VI-B	---	13,000

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
<u>Enterprise Funds</u>		
Food Service	\$ ---	\$ 81,000
Adult Education	<u>---</u>	<u>45,000</u>
Totals	<u>\$173,000</u>	<u>\$173,000</u>

Interfund balances between governmental funds are eliminated on the government-wide financial statements, therefore, the balances at June 30, 2001 reported on the Statement of Net Assets consist of the following receivables and payables:

	<u>Internal Loan Receivable</u>	<u>Internal Loan Payable</u>
General Fund	\$126,000	\$ ---
<u>Enterprise Funds</u>		
Food Service	---	81,000
Adult Education	<u>---</u>	<u>45,000</u>
Totals	<u>\$126,000</u>	<u>\$126,000</u>

The District advanced monies from the general fund to subsidize expenditures incurred by the nonmajor governmental funds. These monies will be repaid once intergovernmental funding is received in accordance with grant agreements. The general fund also subsidized the operations of the Food Service and Adult Education enterprise funds. These monies will be repaid from revenues generated by the enterprise operations. All interfund/internal balances are subject to repayment to the general fund.

- B.** The following is a summarized breakdown of the District's operating transfers for fiscal year 2001 as reported on the fund statements:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ ---	\$243,184
<u>Nonmajor Funds</u>		
Vocational Education	184	---
Special Trust	---	5,000
Permanent Improvement	223,000	---
<u>Enterprise Fund</u>		
Adult Education	<u>25,000</u>	<u>---</u>
Totals	<u>\$248,184</u>	<u>\$248,184</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

Operating transfers between governmental funds are eliminated on the government-wide financial statements, therefore, the following operating transfers are reported on the Statement of Activities:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ - - -	\$25,000
<u>Enterprise Fund</u>		
Adult Education	<u>25,000</u>	<u>- - -</u>
Totals	<u>\$25,000</u>	<u>\$25,000</u>

The District transferred monies from the general fund to subsidize expenditures incurred by the nonmajor governmental funds. The Special Trust fund transferred funds to support the operations of the planetarium. The transfer from the general fund to the Adult Education enterprise fund represents the District's local share matching funds as required by the Adult Education program. Transfers are not subject to repayment.

NOTE 6 - PROPERTY TAXES

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

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

Public utility property taxes are assessed on tangible personal property, as well as land and improvements. Real property is assessed at 35% of market value; tangible personal property is currently assessed at varying percentages of true value.

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

The assessed value upon which the 2000 taxes were collected was \$439,636,946. Agricultural/Residential and public utility real estate represented 54.19% or \$238,238,420 of this total; Commercial & Industrial real estate represented 25.53% or \$112,221,610 of this total; public utility tangible represented 5.38% or \$23,655,510 of this total and general tangible property 14.90% or \$65,521,406 of this total. The voted general tax rate for operations at the fiscal year ended June 30, 2001 was \$63.35 per \$1,000.00 of assessed valuation, \$.65 per \$1,000.00 of assessed valuation for debt retirement, and \$2.00 per \$1,000.00 of assessed valuation for permanent improvements.

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 6 - PROPERTY TAXES - (Continued)

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

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes, which became measurable as of June 30, 2001. Although total property tax collections for the next fiscal year are measurable, they are not (exclusive of advances) intended to finance current year operations. The net receivable (total receivable less amount available intended to finance the current year) is therefore offset by a credit to deferred revenue. A total of \$959,849 was available to the District as an advance at June 30 and is recognized as revenue.

Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2001, are reflected as a reservation of fund balance for future appropriations. The District is prohibited, by law, from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year-end.

NOTE 7 - RECEIVABLES

Receivables at June 30, 2001 consisted of taxes, accounts (billings for user charged services and student fees), accrued interest, internal loans and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of Federal funds. A summary of the principal items of receivables reported on the Statement of Net Assets follows:

Governmental Activities

Taxes - Current & Delinquent	\$17,221,494
Accounts	15,990
Intergovernmental	557,168
Accrued Interest	215
Internal loans	126,000

Business-Type Activities

Accounts	55,415
Intergovernmental	<u>2,309</u>

Total Receivables	<u>\$17,978,591</u>
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**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 8 - FIXED ASSETS

A. Due to errors and omissions in the amounts previously reported as fixed assets and due to the reclassification of funds as described in Note 3.A., the balances of the Governmental Activities fixed assets have been restated as follows:

	<u>Balance</u> <u>June 30, 2000</u>	<u>Additions</u>	<u>Restated</u> <u>Balance</u> <u>June 30, 2001</u>
Land	\$ 2,285,370	\$ - - -	\$ 2,285,370
Land Improvements	0	160,000	160,000
Buildings and Improvements	11,922,776	- - -	11,922,776
Furniture and Equipment	5,683,033	39,677	5,722,710
Vehicles	1,808,695	- - -	1,808,695
Textbooks	<u>1,827,626</u>	<u>- - -</u>	<u>1,827,626</u>
Total	<u>\$23,527,500</u>	<u>\$199,677</u>	<u>\$23,727,177</u>

Due to the reclassification of funds as described in Note 3.A. the balances of the Business-Type Activities fixed assets have been restated as follows:

	<u>Balance</u> <u>June 30, 2000</u>	<u>Disposals</u>	<u>Restated</u> <u>Balance</u> <u>June 30, 2001</u>
Furniture and Equipment	\$702,540	\$(39,677)	\$662,863
Less: Accumulated Depreciation	<u>(363,603)</u>	<u>17,121</u>	<u>(346,482)</u>
Total	<u>\$338,937</u>	<u>\$(22,556)</u>	<u>\$316,381</u>

B. Capital asset activity for the fiscal year ended June 30, 2001, was as follows:

	<u>Restated</u> <u>Balance</u> <u>June 30, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2001</u>
<u>Governmental Activities</u>				
Land	\$ 2,285,370	\$ - - -	\$ - - -	\$ 2,285,370
Land Improvements	160,000	32,255	- - -	192,255
Buildings and Improvements	11,922,776	470,014	- - -	12,392,790
Furniture and Equipment	5,722,710	358,696	(84,267)	5,997,139
Vehicles	1,808,695	163,443	(96,605)	1,875,533
Textbooks	<u>1,827,626</u>	<u>76,314</u>	<u>- - -</u>	<u>1,903,940</u>
Total at Historical Cost	<u>\$23,727,177</u>	<u>\$1,100,722</u>	<u>\$(180,872)</u>	<u>\$24,647,027</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 8 - FIXED ASSETS - (Continued)

	Restated Balance <u>June 30, 2000</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2001</u>
<u>Governmental Activities</u>				
Less: Accumulated Depreciation				
Land and Improvements	\$ (11,700)	\$ (7,926)	\$ ---	\$ (19,626)
Buildings and Improvements	(6,632,806)	(203,738)	---	(6,836,544)
Furniture and Equipment	(2,563,896)	(305,647)	75,840	(2,793,703)
Vehicles	(792,545)	(114,279)	86,945	(819,879)
Textbooks	<u>(489,723)</u>	<u>(12,460)</u>	<u>---</u>	<u>(502,183)</u>
Total Accumulated Depreciation	<u>(10,490,670)</u>	<u>(644,050)</u>	<u>162,785</u>	<u>(10,971,935)</u>
Governmental Activities Capital Assets, Net	<u>\$13,236,507</u>	<u>\$456,672</u>	<u>\$(18,087)</u>	<u>\$13,675,092</u>

	Restated Balance <u>June 30, 2000</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2001</u>
<u>Business-Type Activities</u>				
Furniture and Equipment	\$662,863	\$ 2,594	\$(6,500)	\$658,957
Less: Accumulated Depreciation	<u>(346,482)</u>	<u>(14,343)</u>	<u>6,500</u>	<u>(354,325)</u>
Business-Type Activities Capital Assets, Net	<u>\$338,937</u>	<u>\$(11,749)</u>	<u>\$ 0</u>	<u>\$304,632</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:

Regular	\$250,690
Special	15,634
Vocational	71,113
Other	2,154

Support Services:

Pupil	12,787
Instructional Staff	46,077
Board of Education Administration	182
Administration	26,012
Fiscal	5,077
Business	2,855
Operation and Maintenance of Plant	40,319
Pupil Transportation	115,732
Central	15,155
Operation of Non-Instructional Services	30,228
Extracurricular Activities	<u>10,035</u>

Total Depreciation Expense \$644,050

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 9 - LONG-TERM OBLIGATIONS

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

The following is a description of the District's bonds outstanding as of June 30, 2001:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Bonds Outstanding June 30, 2000</u>	<u>Retired in 2001</u>	<u>Bonds Outstanding June 30, 2001</u>
Elementary Building Additions	7.088%	07/01/90	12/01/10	<u>\$1,770,000</u>	<u>\$(220,000)</u>	<u>\$1,550,000</u>

- B. In 1988, the District received a loan from the U.S. Environmental Protection Agency for an asbestos abatement project at Sandusky High School. The loan is interest free as long as the District remains current on repayment. Payments relating to the loan are recorded as expenditures in the debt service fund. The following schedule describes the loan:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Loan Maturity Date</u>	<u>Outstanding June 30, 2000</u>	<u>Loan Retired in 2001</u>	<u>Outstanding June 30, 2001</u>
Asbestos Abatement	None	03/01/88	07/31/08	<u>\$461,009</u>	<u>\$(61,468)</u>	<u>\$399,541</u>

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

<u>Year Ending June 30</u>	<u>Principal on Bonds/EPA Loan</u>	<u>Interest on Bonds/EPA Loan</u>	<u>Total</u>
2002	\$ 216,468	\$107,492	\$ 323,960
2003	216,468	96,177	312,645
2004	216,468	84,862	301,330
2005	216,468	73,547	290,015
2006	216,468	62,232	278,700
Thereafter	<u>867,201</u>	<u>141,441</u>	<u>1,008,642</u>
Total	<u>\$1,949,541</u>	<u>\$565,751</u>	<u>\$2,515,292</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

D. The changes in the District's long-term obligations during the year consist of the following:

	Balance <u>June 30, 2000</u>	<u>Increase</u>	<u>Decrease</u>	Balance <u>June 30, 2001</u>	Amounts Due in <u>One Year</u>
<u>Governmental Activities</u>					
Future Retirement Obligation	\$1,795,359	\$456,082	\$(355,461)	\$1,895,980	\$300,000
General Obligation Bonds Payable	1,770,000	---	(220,000)	1,550,000	155,000
Asbestos Loan Payable	<u>461,009</u>	<u>---</u>	<u>(61,468)</u>	<u>399,541</u>	<u>61,468</u>
Total Governmental Activities Long-Term Liabilities	<u>\$4,026,368</u>	<u>\$456,082</u>	<u>\$(636,929)</u>	<u>\$3,845,521</u>	<u>\$516,468</u>
<u>Business-Type Activities</u>					
Future Retirement Obligation	<u>\$ 130,915</u>	<u>\$ 10,683</u>	<u>\$ ---</u>	<u>\$ 141,598</u>	<u>\$ 0</u>
Total Business-Type Activities, Long-term Obligations	<u>\$ 130,915</u>	<u>\$ 10,683</u>	<u>\$ 0</u>	<u>\$ 141,598</u>	<u>\$ 0</u>

The future retirement obligation will be paid from the fund from which the employee is paid. Further detail on the future retirement obligation is provided in Note 2.J.

E. Legal Debt Margin

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

The effects of these debt limitations at June 30, 2001 are a voted debt margin of \$38,325,089 (including available funds of \$307,764) and an unvoted debt margin of \$439,637.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 10 - RISK MANAGEMENT

A. Comprehensive

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2001, the District has contracted with Nationwide/Wausau to provide insurance coverage in the following amounts:

<u>Limits of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
General liability:		
Each occurrence	\$ 2,000,000	\$ 0
Aggregate	5,000,000	0
Fleet:		
Comprehensive	\$ 1,000,000	\$ 100
Collision	1,000,000	500
Umbrella liability and fleet	\$ 2,000,000	\$ 10,000
Building and contents	\$ 84,847,600	\$ 10,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in coverage from the prior year.

B. Health Benefits

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

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

The claims liability of \$305,000 reported in the basic financial statements at June 30, 2001, is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus," which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Changes in claims activity for the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning of Year</u>	<u>Claims</u>	<u>Payments</u>	<u>End of Year</u>
2000 - 2001	\$336,178	\$2,168,378	\$(2,809,556)	\$305,000
1999 - 2000	309,834	3,356,746	(3,330,402)	336,178

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 10 - RISK MANAGEMENT - (Continued)

C. OSBA Group Workers Compensation Rating Program

For fiscal year 2001, the District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 2.A.). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP.

A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the School Employees Retirement Board. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634, or by calling (614) 222-5853.

Plan members are required to contribute 9% of their annual covered salary and the District is required to contribute 14% for 2001; 4.2% was the portion to fund pension obligations. The contribution rates are not determined actuarially, but are established by the School Employees Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The District's required contributions to SERS for the fiscal years ended June 30, 2001, 2000 and 1999 were \$650,576, \$627,899, and \$584,490, respectively; 47.27% has been contributed for fiscal year 2001 and 100% for the fiscal years 2000 and 1999. \$358,896, represents the unpaid contribution for fiscal year 2001.

B. State Teachers Retirement System

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing, multiple-employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan members are required to contribute 9.3% of their annual covered salary and the District is required to contribute 14%; 9.5% was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The District's required contributions to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$2,531,537, \$2,412,178, and \$2,324,946, respectively; 82.68% has been contributed for fiscal year 2001 and 100% for the fiscal years 2000 and 1999. \$438,456, represents the unpaid contribution for fiscal year 2001.

NOTE 12 - POSTEMPLOYMENT BENEFITS

The District provides comprehensive health care benefits to retired teachers and their dependents through STRS, and to retired non-certified employees and their dependents through SERS. Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by STRS and SERS based on authority granted by State statute. Both STRS and SERS 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% of covered payroll. For this fiscal year, the Board allocated employer contributions equal to 4.5% of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$813,708 during fiscal 2001.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Health Care Reserve Fund was \$3.419 billion at June 30, 2000 (the latest information available). For the year ended June 30, 2000 (the latest information available), net health care costs paid by STRS were \$283.137 million and STRS had 99,011 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, and disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than 25 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% of the premium.

For this fiscal year, employer contributions to fund health care benefits were 9.8% of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay was established at \$12,400. The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2000 (the latest information available), were \$140.7 million and the target level was \$211.0 million. At June 30, 2000 (the latest information available), SERS had net assets available for payment of health care benefits of \$252.3 million and SERS had approximately 50,000 participants receiving health care benefits. For the District, the amount to fund health care benefits, including surcharge, equaled \$522,358 during the 2001 fiscal year.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 13 - BUDGETARY BASIS OF ACCOUNTING

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

The Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance	
General Fund	
Budget basis	\$(294,288)
Net adjustment for revenue accruals	(138,366)
Net adjustment for expenditure accruals	(621,198)
Net adjustment for other sources/uses	76,229
Adjustment for encumbrances	<u>468,344</u>
GAAP basis	<u><u>\$(509,279)</u></u>

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 14 - CONTINGENCIES

A. Grants

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

B. Litigation

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

C. State School Funding Decision

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

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

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

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of January 31, 2002, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

NOTE 15 - STATUTORY RESERVES

The District is required by State law to set-aside certain general fund revenue amounts, as defined by Statute, into various reserves. These reserves are calculated and presented on a cash basis. During the fiscal year ended June 30, 2001, the reserve activity was as follows:

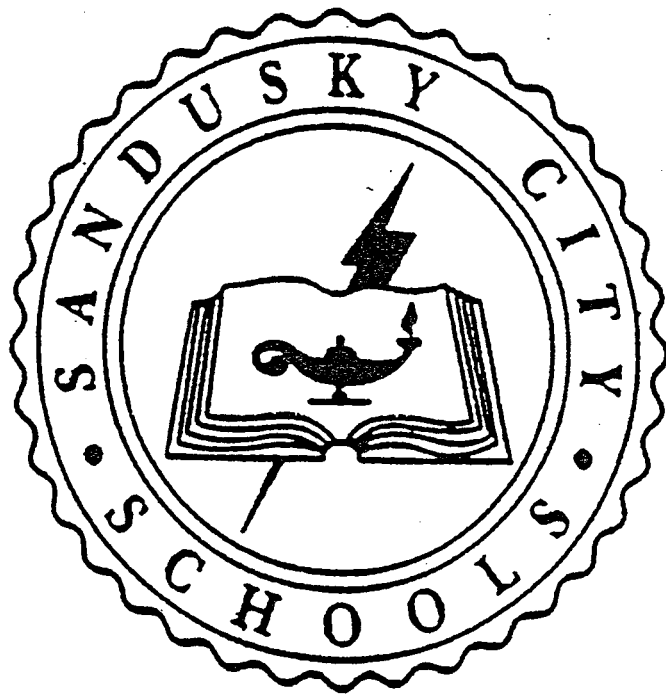
	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside cash balance as of June 30, 2000	\$(336,173)	\$ 0	\$ 614,619
Current year set-aside requirement	684,653	684,653	---
Elimination of budget stabilization reserve	---	---	(437,866)
Current year offsets	---	(558,519)	---
Qualifying disbursements	<u>(770,940)</u>	<u>(159,468)</u>	<u>---</u>
 Total	 <u>\$(422,460)</u>	 <u>\$ (33,334)</u>	 <u>\$176,753</u>
 Balance carried forward to FY 2002	 <u>\$(422,460)</u>	 <u>\$ 0</u>	 <u>\$176,753</u>

Effective April 10, 2001, Am. Sub. Senate Bill 345 amended ORC Section 5705.29 effectively eliminating the requirement for the District to establish and maintain a budget stabilization reserve. Monies representing BWC refunds that were received prior to April 10, 2001, have been shown as a restricted asset and reserved fund balance in the general fund since allowable expenditures are restricted by State statute. The District is still required by state law to maintain the textbook reserve and the capital acquisition reserve.

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

A schedule of the Governmental Fund restricted assets at June 30, 2001 follows:

Amount restricted for BWC refunds	<u>\$176,753</u>
 Total restricted assets	 <u>\$176,753</u>



**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

**SANDUSKY CITY SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Special Revenue Funds

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

Special Trust Fund

A fund which is used to account for trust agreements in which the principal and income is used to support District programs.

Public School Support

Section 5705.12, Revised Code

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

Other Grant

Sections 5705.09 and 5705.13, Revised Code

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

Venture Capital Grant

Section 3302.07, Revised Code
and Biennial Budget Bill

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

District Managed Student Activity

Section 3313.062

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

Auxiliary Services (NPSS)

AM SUB H.B. 291

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

Career Development

Current Budget Bill
appropriation line item 200-514

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

Post Secondary Vocational Education

Current Budget Bill
appropriation line item 200-514

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

Teacher Development

Current Budget Bill
appropriation line item 200-527

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

**SANDUSKY CITY SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Special Revenue Funds - (Continued)

Management Information Systems

Am Sub H B 111

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

Disadvantaged Pupil Impact Aid

Current Budget Bill

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

Data Communications

Section 5705.09, Revised Code

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

SchoolNet Professional Development

Section 5705.09, Revised Code

A fund provided to account for a limited number of professional development subsidy grants.

Ohio Reads Grant

Current Budget Bill
appropriation line item 200-566 and 200-455

A fund intended to improve reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public school buildings, for educational service centers for costs associated with volunteer coordination, for background checks for volunteers, to evaluate the Ohio Reads Program, and for operating expenses associated with administering the program.

Summer Intervention

Current Budget Bill
appropriation line item 200-513

A fund used to account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Revised Code.

Alternative Education Grant

Current Budget Bill
appropriation line item 200-520

A fund used to account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services facility.

Able/Jobs Grant

State of Ohio (4P1 200-629)

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

Adult Basic Education

P L Law 91-230, Title III

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

**SANDUSKY CITY SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Special Revenue Funds - (Continued)

Education for Economic Security

National Defense Education Act, 1958

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

Title VI-B

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

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

Vocational Education

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

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

Basic Educational Opportunity Grant

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

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

Title I

P L 97-35; Title I ESEA 1965

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

Title II

P L 97-35; ESEA 1965

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

Drug-Free School Grant

Catalog of Federal Domestic Assistance #84-166

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

EHA Preschool Grant

Education of the Handicapped Act
Amendments, P.L. 99-457
Catalog of Federal Domestic Assistance #84.173

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

**SANDUSKY CITY SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Special Revenue Funds - (Continued)

Youth Involvement Fund

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

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

GOALS 2000

Catalog of Federal Domestic Assistance #84.276

A fund used to account for monies to support a broad range of education improvement goals. Competitive grants are used to establish a network of schools that have developed a systematic improvement plan. Funding is targeted at school districts where student performance on the fourth and ninth grade State Proficiency test are significantly below the State average. Competitive grants are used to support partnerships between school districts and colleges of education to improve teacher education and school instruction simultaneously.

Nonmajor Debt Service Fund

Section 5705.09, Revised Code

A fund provided for the retirement of serial bonds and short term loans. All revenue derived from general or special levies, either within or exceeding the statutory unvoted ten-mill limitation, which is levied for debt charges on bonds or loans, are paid into this fund. The District maintains only one debt service fund, therefore, combining statements and schedules are not required.

Nonmajor Capital Projects Funds

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

Permanent Improvement

Section 5705.10, Revised Code

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

Replacement

Section 3315.11, Revised Code

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

SchoolNet

Section 5705.09, Revised Code

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

Power Up Technologies

Section 5705.09, Revised Code

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

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2001

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$1,461,761	\$289,074	\$536,312	\$2,287,147
Receivables				
Taxes	0	299,565	595,777	895,342
Accounts	4,299	0	0	4,299
Intergovernmental	477,281	0	0	477,281
Total assets	\$1,943,341	\$588,639	\$1,132,089	\$3,664,069
Liabilities:				
Accounts payable	\$124,639	\$0	\$49,474	\$174,113
Accrued wages and benefits	545,627	0	0	545,627
Pension obligation payable	58,216	0	0	58,216
Intergovernmental payable	40,001	0	0	40,001
Interfund loan payable	47,000	0	0	47,000
Deferred revenue	478,775	280,875	560,274	1,319,924
Total liabilities	1,294,258	280,875	609,748	2,184,881
Fund Balances:				
Reserved for encumbrances	62,810	0	283,158	345,968
Reserved for property tax unavailable for appropriation	0	18,690	35,503	54,193
Unreserved, undesignated, reported in:				
Special revenue funds	586,273	0	0	586,273
Debt service fund	0	289,074	0	289,074
Capital projects funds	0	0	203,680	203,680
Total fund balances	649,083	307,764	522,341	1,479,188
Total liabilities and fund balances	\$1,943,341	\$588,639	\$1,132,089	\$3,664,069

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
From local sources:				
Taxes	\$0	\$299,449	\$560,669	\$860,118
Earnings on investments	33,212	0	0	33,212
Extracurricular	371,947	0	0	371,947
Other local revenues	64,238	2,000	126,648	192,886
Intergovernmental - State	2,200,916	39,766	531,320	2,772,002
Intergovernmental - Federal	2,170,854	0	0	2,170,854
Total revenue	4,841,167	341,215	1,218,637	6,401,019
Expenditures:				
Current:				
Instruction:				
Regular	1,530,727	0	134,368	1,665,095
Special	1,384,144	0	0	1,384,144
Vocational	138,001	0	0	138,001
Other	143,529	0	0	143,529
Support services:				
Pupil	127,603	0	0	127,603
Instructional staff	246,727	0	0	246,727
Administration	104,807	0	0	104,807
Fiscal	13,883	5,785	10,036	29,704
Pupil transportation	17,039	0	0	17,039
Central	81,043	0	1,077,203	1,158,246
Operation of non-instructional services	171,415	0	0	171,415
Extracurricular activities	408,799	0	0	408,799
Facilities acquisition and construction	0	0	722,750	722,750
Intergovernmental pass through	513,265	0	0	513,265
Debt service:				
Principal retirement	0	281,468	0	281,468
Interest and fiscal charges	0	120,575	0	120,575
Total expenditures	4,880,982	407,828	1,944,357	7,233,167
Excess of revenues over (under) expenditures	(39,815)	(66,613)	(725,720)	(832,148)
Other financing sources (uses):				
Operating transfers in	184	0	223,000	223,184
Operating transfers (out)	(5,000)	0	0	(5,000)
Total other financing sources (uses)	(4,816)	0	223,000	218,184
Net change in fund balances	(44,631)	(66,613)	(502,720)	(613,964)
Fund balances at beginning of year (restated)	693,714	374,377	1,025,061	2,093,152
Fund balances at end of year	\$649,083	\$307,764	\$522,341	\$1,479,188

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2001

	Special Trust	Public School Support	Other Grant	Venture Capital Grant
Assets:				
Equity in pooled cash and cash equivalents	\$440,904	\$124,479	\$10,214	\$0
Receivables				
Accounts	0	230	0	0
Intergovernmental	0	0	0	0
Total assets	440,904	124,709	10,214	0
Liabilities:				
Accounts payable	0	27,576	1,090	0
Accrued wages and benefits	0	0	0	0
Pension obligation payable	0	0	0	0
Intergovernmental payable	0	230	0	0
Interfund loan payable	0	0	0	0
Deferred revenue	0	0	0	0
Total liabilities	0	27,806	1,090	0
Fund Balances:				
Reserved for encumbrances	0	3,742	4,467	0
Unreserved, undesignated, reported in:				
Special revenue funds	440,904	93,161	4,657	0
Total fund balances	440,904	96,903	9,124	0
Total liabilities and fund balances	\$440,904	\$124,709	\$10,214	\$0

<u>District Managed Student Activity</u>	<u>Auxilliary Services</u>	<u>Career Development</u>	<u>Post Secondary Vocational Education</u>	<u>Teacher Development</u>	<u>Management Information Systems</u>
\$49,453	\$93,885	\$606	\$1,499	\$21,957	\$31,711
575	0	3,494	0	0	0
0	0	0	929	0	0
<u>50,028</u>	<u>93,885</u>	<u>4,100</u>	<u>2,428</u>	<u>21,957</u>	<u>31,711</u>
11,500	27,820	0	427	9,323	0
0	30,898	0	0	0	0
0	2,996	0	0	1,682	0
0	17,916	27	0	3	0
17,000	0	4,000	2,000	0	0
2,423	0	0	0	0	0
<u>30,923</u>	<u>79,630</u>	<u>4,027</u>	<u>2,427</u>	<u>11,008</u>	<u>0</u>
4,385	13,679	0	35	3,022	0
<u>14,720</u>	<u>576</u>	<u>73</u>	<u>(34)</u>	<u>7,927</u>	<u>31,711</u>
<u>19,105</u>	<u>14,255</u>	<u>73</u>	<u>1</u>	<u>10,949</u>	<u>31,711</u>
<u>\$50,028</u>	<u>\$93,885</u>	<u>\$4,100</u>	<u>\$2,428</u>	<u>\$21,957</u>	<u>\$31,711</u>

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2001

	<u>Disadvantaged Pupil Impact Aid</u>	<u>Data Communications</u>	<u>SchoolNet Professional Development</u>	<u>Ohio Reads Grant</u>
Assets:				
Equity in pooled cash and cash equivalents	\$185,919	\$23,320	\$3,959	\$0
Receivables				
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
Total assets	<u>185,919</u>	<u>23,320</u>	<u>3,959</u>	<u>0</u>
Liabilities:				
Accounts payable	0	0	350	0
Accrued wages and benefits	232,740	0	0	0
Pension obligation payable	22,114	0	0	0
Intergovernmental payable	6,901	7,368	0	0
Interfund loan payable	0	0	0	0
Deferred revenue	0	0	0	0
Total liabilities	<u>261,755</u>	<u>7,368</u>	<u>350</u>	<u>0</u>
Fund Balances:				
Reserved for encumbrances	0	0	0	0
Unreserved, undesignated, reported in:				
Special revenue funds	(75,836)	15,952	3,609	0
Total fund balances	<u>(75,836)</u>	<u>15,952</u>	<u>3,609</u>	<u>0</u>
Total liabilities and fund balances	<u>\$185,919</u>	<u>\$23,320</u>	<u>\$3,959</u>	<u>\$0</u>

<u>Summer Intervention</u>	<u>Alternative Education Grant</u>	<u>Able/Jobs Grant</u>	<u>Adult Basic Education</u>	<u>Education for Economic Security</u>	<u>Title VI-B</u>
\$101,362	\$89,827	\$111,250	\$6,983	\$5,665	\$772
0	0	0	0	0	0
0	0	0	31,681	0	109,390
<u>101,362</u>	<u>89,827</u>	<u>111,250</u>	<u>38,664</u>	<u>5,665</u>	<u>110,162</u>
0	0	14,258	4,007	0	580
38,364	14,481	11,831	3,347	0	52,531
4,496	1,354	500	2,316	0	4,714
229	433	94	327	0	1,238
0	0	0	0	0	13,000
0	0	0	31,681	0	109,390
<u>43,089</u>	<u>16,268</u>	<u>26,683</u>	<u>41,678</u>	<u>0</u>	<u>181,453</u>
0	0	0	1,850	0	0
<u>58,273</u>	<u>73,559</u>	<u>84,567</u>	<u>(4,864)</u>	<u>5,665</u>	<u>(71,291)</u>
<u>58,273</u>	<u>73,559</u>	<u>84,567</u>	<u>(3,014)</u>	<u>5,665</u>	<u>(71,291)</u>
<u>\$101,362</u>	<u>\$89,827</u>	<u>\$111,250</u>	<u>\$38,664</u>	<u>\$5,665</u>	<u>\$110,162</u>

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2001

	<u>Vocational Education</u>	<u>Basic Educational Opportunity Grant</u>	<u>Title I</u>	<u>Title II</u>
Assets:				
Equity in pooled cash and cash equivalents	\$97	\$0	\$79,702	\$3,078
Receivables				
Accounts	0	0	0	0
Intergovernmental	23,084	0	232,442	0
Total assets	<u>23,181</u>	<u>0</u>	<u>312,144</u>	<u>3,078</u>
Liabilities:				
Accounts payable	0	0	18,228	0
Accrued wages and benefits	11,521	0	123,181	0
Pension obligation payable	568	0	12,698	0
Intergovernmental payable	319	0	4,054	0
Interfund loan payable	11,000	0	0	0
Deferred revenue	23,084	0	232,442	0
Total liabilities	<u>46,492</u>	<u>0</u>	<u>390,603</u>	<u>0</u>
Fund Balances:				
Reserved for encumbrances	0	0	21,739	0
Unreserved, undesignated, reported in:				
Special revenue funds	(23,311)	0	(100,198)	3,078
Total fund balances	<u>(23,311)</u>	<u>0</u>	<u>(78,459)</u>	<u>3,078</u>
Total liabilities and fund balances	<u>\$23,181</u>	<u>\$0</u>	<u>\$312,144</u>	<u>\$3,078</u>

Drug-Free School Grant	EHA Preschool Grant	Youth Involvement Fund	GOALS 2000	Total Nonmajor Special Revenue Funds
\$21,161	\$3,543	\$5,419	\$44,996	\$1,461,761
0	0	0	0	4,299
0	16,079	51,138	12,538	477,281
<u>21,161</u>	<u>19,622</u>	<u>56,557</u>	<u>57,534</u>	<u>1,943,341</u>
5,429	0	4,051	0	124,639
0	4,090	22,643	0	545,627
0	1,062	2,260	1,456	58,216
23	70	726	43	40,001
0	0	0	0	47,000
0	16,079	51,138	12,538	478,775
<u>5,452</u>	<u>21,301</u>	<u>80,818</u>	<u>14,037</u>	<u>1,294,258</u>
9,153	0	738	0	62,810
6,556	(1,679)	(24,999)	43,497	586,273
<u>15,709</u>	<u>(1,679)</u>	<u>(24,261)</u>	<u>43,497</u>	<u>649,083</u>
<u>\$21,161</u>	<u>\$19,622</u>	<u>\$56,557</u>	<u>\$57,534</u>	<u>\$1,943,341</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Special Trust	Public School Support	Other Grant	Venture Capital Grant
Revenues:				
From local sources:				
Earnings on investments.	\$24,514	\$0	\$0	\$0
Extracurricular.	0	196,367	0	0
Other local revenues.	886	30,675	17,276	0
Intergovernmental - State	0	0	0	0
Intergovernmental - Federal.	0	0	0	0
 Total revenue.	25,400	227,042	17,276	0
 Expenditures:				
Current:				
Instruction:				
Regular	0	0	9,967	6,012
Special.	0	0	0	0
Vocational.	0	0	0	0
Other	0	428	0	0
Support services:				
Pupil.	0	10	0	0
Instructional staff	0	0	0	0
Administration.	0	0	0	0
Fiscal	0	0	0	0
Pupil transportation	0	0	0	0
Central.	0	0	0	0
Operation of non-instructional services	216	0	0	0
Extracurricular activities.	0	207,120	0	0
Intergovernmental pass through	0	0	0	0
 Total expenditures	216	207,558	9,967	6,012
 Excess of revenues over (under) expenditures	25,184	19,484	7,309	(6,012)
 Other financing sources (uses):				
Operating transfers in	0	0	0	0
Operating transfers (out)	(5,000)	0	0	0
 Total other financing sources (uses)	(5,000)	0	0	0
 Net change in fund balances	20,184	19,484	7,309	(6,012)
 Fund balances (deficits) at beginning of year (restated).				
	420,720	77,419	1,815	6,012
Fund balances (deficits) at end of year.	\$440,904	\$96,903	\$9,124	\$0

<u>District Managed Student Activity</u>	<u>Auxilliary Services</u>	<u>Career Development</u>	<u>Post Secondary Vocational Education</u>	<u>Teacher Development</u>	<u>Management Information Systems</u>
\$0	\$8,698	\$0	\$0	\$0	\$0
175,580	0	0	0	0	0
15,401	0	0	0	0	0
0	477,444	26,560	20,929	24,522	18,040
0	0	0	0	0	0
<u>190,981</u>	<u>486,142</u>	<u>26,560</u>	<u>20,929</u>	<u>24,522</u>	<u>18,040</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	23,584	0	0	0
0	0	0	18,111	0	0
0	0	0	0	0	0
0	0	0	0	15,360	0
0	0	0	0	0	0
0	0	0	0	0	13,833
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
201,679	0	0	0	0	0
0	513,265	0	0	0	0
<u>201,679</u>	<u>513,265</u>	<u>23,584</u>	<u>18,111</u>	<u>15,360</u>	<u>13,833</u>
<u>(10,698)</u>	<u>(27,123)</u>	<u>2,976</u>	<u>2,818</u>	<u>9,162</u>	<u>4,207</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>(10,698)</u>	<u>(27,123)</u>	<u>2,976</u>	<u>2,818</u>	<u>9,162</u>	<u>4,207</u>
29,803	41,378	(2,903)	(2,817)	1,787	27,504
<u>\$19,105</u>	<u>\$14,255</u>	<u>\$73</u>	<u>\$1</u>	<u>\$10,949</u>	<u>\$31,711</u>

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Disadvantaged Pupil Impact Aid</u>	<u>Data Communications</u>	<u>SchoolNet Professional Development</u>	<u>Ohio Reads Grant</u>
Revenues:				
From local sources:				
Earnings on investments	\$0	\$0	\$0	\$0
Extracurricular	0	0	0	0
Other local revenues	0	0	0	0
Intergovernmental - State	1,324,856	36,000	5,000	10,000
Intergovernmental - Federal	0	0	0	0
Total revenue	<u>1,324,856</u>	<u>36,000</u>	<u>5,000</u>	<u>10,000</u>
Expenditures:				
Current:				
Instruction:				
Regular	1,234,842	12,680	0	10,000
Special	0	0	0	0
Vocational	0	0	0	0
Other	0	0	0	0
Support services:				
Pupil	0	0	0	0
Instructional staff	0	0	391	0
Administration	0	0	1,000	0
Fiscal	0	0	0	0
Pupil transportation	0	0	0	0
Central	0	7,368	0	0
Operation of non-instructional services	0	0	0	0
Extracurricular activities	0	0	0	0
Intergovernmental pass through	0	0	0	0
Total expenditures	<u>1,234,842</u>	<u>20,048</u>	<u>1,391</u>	<u>10,000</u>
Excess of revenues over (under) expenditures	<u>90,014</u>	<u>15,952</u>	<u>3,609</u>	<u>0</u>
Other financing sources (uses):				
Operating transfers in	0	0	0	0
Operating transfers (out)	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	90,014	15,952	3,609	0
Fund balances (deficits) at beginning of year (restated)				
	(165,850)	0	0	0
Fund balances (deficits) at end of year	<u>(75,836)</u>	<u>\$15,952</u>	<u>\$3,609</u>	<u>\$0</u>

<u>Summer Intervention</u>	<u>Alternative Education Grant</u>	<u>Able/Jobs Grant</u>	<u>Adult Basic Education</u>	<u>Education for Economic Security</u>	<u>Title VI-B</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
47,765	87,500	63,067	59,233	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>60,253</u>	<u>27,549</u>	<u>318,720</u>
<u>47,765</u>	<u>87,500</u>	<u>63,067</u>	<u>119,486</u>	<u>27,549</u>	<u>318,720</u>
43,089	101,395	52,612	0	29,877	0
0	0	0	0	0	161,859
0	0	57,406	0	0	0
0	0	0	118,252	0	0
0	0	0	0	0	19,883
0	0	3,387	22,066	0	67,854
0	0	0	2,296	0	69,185
0	0	50	0	0	0
0	0	0	0	0	0
0	0	3,710	0	0	0
0	0	0	0	0	63,511
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>43,089</u>	<u>101,395</u>	<u>117,165</u>	<u>142,614</u>	<u>29,877</u>	<u>382,292</u>
<u>4,676</u>	<u>(13,895)</u>	<u>(54,098)</u>	<u>(23,128)</u>	<u>(2,328)</u>	<u>(63,572)</u>
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
4,676	(13,895)	(54,098)	(23,128)	(2,328)	(63,572)
53,597	87,454	138,665	20,114	7,993	(7,719)
<u>\$58,273</u>	<u>\$73,559</u>	<u>\$84,567</u>	<u>(\$3,014)</u>	<u>\$5,665</u>	<u>(\$71,291)</u>

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SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Vocational Education</u>	<u>Basic Educational Opportunity Grant</u>	<u>Title I</u>	<u>Title II</u>
Revenues:				
From local sources:				
Earnings on investments	\$0	\$0	\$0	\$0
Extracurricular	0	0	0	0
Other local revenues	0	0	0	0
Intergovernmental - State	0	0	0	0
Intergovernmental - Federal	173,669	66,920	1,118,036	30,893
Total revenue	<u>173,669</u>	<u>66,920</u>	<u>1,118,036</u>	<u>30,893</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	0	0	0
Special	0	0	1,037,797	25,607
Vocational	57,011	0	0	0
Other	0	0	0	0
Support services:				
Pupil	59,694	0	0	0
Instructional staff	3,816	0	49,744	0
Administration	4,107	0	27,538	0
Fiscal	0	0	0	0
Pupil transportation	0	0	17,039	0
Central	45,138	0	0	0
Operation of non-instructional services	14,550	66,920	22,224	3,994
Extracurricular activities	0	0	0	0
Intergovernmental pass through	0	0	0	0
Total expenditures	<u>184,316</u>	<u>66,920</u>	<u>1,154,342</u>	<u>29,601</u>
Excess of revenues over (under) expenditures	<u>(10,647)</u>	<u>0</u>	<u>(36,306)</u>	<u>1,292</u>
Other financing sources (uses):				
Operating transfers in	184	0	0	0
Operating transfers (out)	0	0	0	0
Total other financing sources (uses)	<u>184</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	(10,463)	0	(36,306)	1,292
Fund balances (deficits) at beginning of year (restated)	<u>(12,848)</u>	<u>0</u>	<u>(42,153)</u>	<u>1,786</u>
Fund balances (deficits) at end of year	<u><u>(\$23,311)</u></u>	<u><u>\$0</u></u>	<u><u>(\$78,459)</u></u>	<u><u>\$3,078</u></u>

Drug-Free School Grant	EHA Preschool Grant	Youth Involvement Fund	GOALS 2000	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$33,212
0	0	0	0	371,947
0	0	0	0	64,238
0	0	0	0	2,200,916
50,566	27,094	196,717	100,437	2,170,854
50,566	27,094	196,717	100,437	4,841,167
11,457	0	10,441	8,355	1,530,727
0	1,714	157,167	0	1,384,144
0	0	0	0	138,001
0	0	6,738	0	143,529
46,726	581	709	0	127,603
0	23,738	11,786	48,585	246,727
0	681	0	0	104,807
0	0	0	0	13,883
0	0	0	0	17,039
0	0	24,827	0	81,043
0	0	0	0	171,415
0	0	0	0	408,799
0	0	0	0	513,265
58,183	26,714	211,668	56,940	4,880,982
(7,617)	380	(14,951)	43,497	(39,815)
0	0	0	0	184
0	0	0	0	(5,000)
0	0	0	0	(4,816)
(7,617)	380	(14,951)	43,497	(44,631)
23,326	(2,059)	(9,310)	0	693,714
\$15,709	(\$1,679)	(\$24,261)	\$43,497	\$649,083

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2001

	<u>Permanent Improvement</u>	<u>Replacement</u>	<u>SchoolNet</u>	<u>Power Up Technologies</u>
Assets:				
Equity in pooled cash and cash equivalents	\$492,057	\$26,673	\$17,582	\$0
Receivables				
Taxes.	<u>595,777</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total assets	<u><u>1,087,834</u></u>	<u><u>26,673</u></u>	<u><u>17,582</u></u>	<u><u>0</u></u>
Liabilities:				
Accounts payable	45,954	0	3,520	0
Deferred revenue.	<u>560,274</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities.	<u>606,228</u>	<u>0</u>	<u>3,520</u>	<u>0</u>
Fund Balances:				
Reserved for encumbrances	283,100	0	58	0
Reserved for property tax unavailable for appropriation	35,503	0	0	0
Unreserved, undesignated, reported in: Capital projects funds	<u>163,003</u>	<u>26,673</u>	<u>14,004</u>	<u>0</u>
Total fund balances	<u>481,606</u>	<u>26,673</u>	<u>14,062</u>	<u>0</u>
Total liabilities and fund balances	<u><u>\$1,087,834</u></u>	<u><u>\$26,673</u></u>	<u><u>\$17,582</u></u>	<u><u>\$0</u></u>

**Total
Nonmajor
Capital Projects
Funds**

\$536,312

595,777

1,132,089

49,474

560,274

609,748

283,158

35,503

203,680

522,341

\$1,132,089

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Permanent Improvement	Replacement	SchoolNet	Power Up Technologies
Revenues:				
From local sources:				
Taxes	\$560,669	\$0	\$0	\$0
Other local revenues	126,648	0	0	0
Intergovernmental - State	62,317	0	220,155	248,848
Total revenue	749,634	0	220,155	248,848
Expenditures:				
Current:				
Instruction:				
Regular	0	0	134,368	0
Support services:				
Fiscal	10,036	0	0	0
Central	0	0	71,940	1,005,263
Facilities acquisition and construction	722,750	0	0	0
Total expenditures	732,786	0	206,308	1,005,263
Excess of revenues over (under) expenditures	16,848	0	13,847	(756,415)
Other financing sources (uses):				
Operating transfers in	223,000	0	0	0
Total other financing sources (uses)	223,000	0	0	0
Net change in fund balances	239,848	0	13,847	(756,415)
Fund balances at beginning of year	241,758	26,673	215	756,415
Fund balances at end of year	\$481,606	\$26,673	\$14,062	\$0

**Total
Nonmajor
Capital Projects
Funds**

\$560,669

126,648

531,320

1,218,637

134,368

10,036

1,077,203

722,750

1,944,357

(725,720)

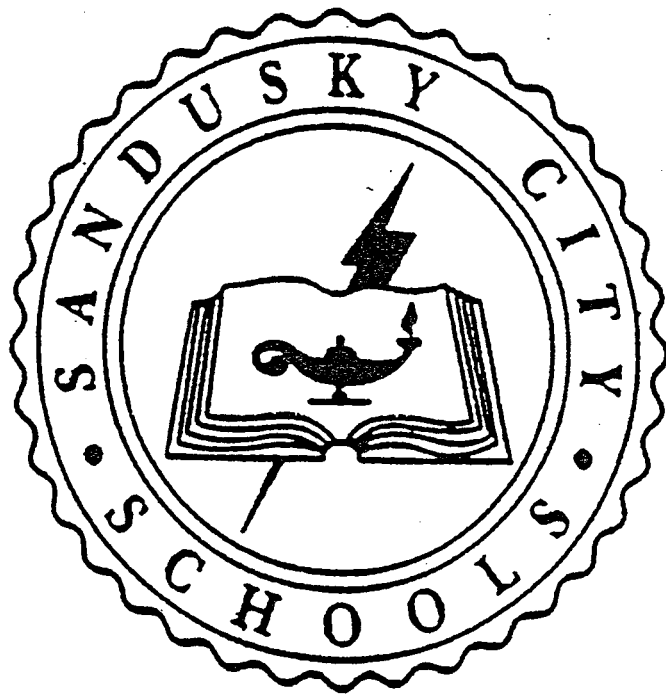
223,000

223,000

(502,720)

1,025,061

\$522,341



**INDIVIDUAL FUND SCHEDULES OF
REVENUES, EXPENDITURES/ EXPENSES AND
CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL (NON-GAAP
BUDGETARY BASIS)**

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
Revenues:				
From local sources:				
Taxes	\$14,875,347	\$15,211,242	\$15,198,672	(\$12,570)
Tuition	28,773	29,422	29,398	(24)
Earnings on investments	512,125	523,689	523,256	(433)
Extracurricular	9,864	9,864	9,551	(313)
Other local revenues	507,227	516,108	512,160	(3,948)
Intergovernmental-state	15,110,614	15,451,381	15,438,010	(13,371)
Total revenues	<u>31,043,950</u>	<u>31,741,706</u>	<u>31,711,047</u>	<u>(30,659)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	9,667,100	9,855,594	9,655,404	200,190
Fringe benefits	3,087,720	3,086,880	3,006,507	80,373
Purchased services	91,200	104,026	71,275	32,751
Supplies	735,000	821,001	764,918	56,083
Capital outlay	116,400	146,211	101,978	44,233
Dues and fees	1,500	1,377	1,377	0
Total instruction-regular	<u>13,698,920</u>	<u>14,015,089</u>	<u>13,601,459</u>	<u>413,630</u>
Instruction-special				
Salaries and wages	2,398,400	2,319,700	2,251,867	67,833
Fringe benefits	853,100	791,235	748,731	42,504
Purchased services	804,000	1,106,000	987,548	118,452
Supplies	29,000	39,764	18,475	21,289
Capital outlay	2,000	4,042	3,455	587
Dues and fees	425,000	450,000	450,000	0
Total instruction-special	<u>4,511,500</u>	<u>4,710,741</u>	<u>4,460,076</u>	<u>250,665</u>
Instruction-vocational				
Salaries and wages	946,000	990,000	962,742	27,258
Fringe benefits	313,100	314,010	302,779	11,231
Purchased services	13,000	13,026	8,237	4,789
Supplies	130,500	149,280	136,558	12,722
Capital outlay	38,000	26,226	25,678	548
Total instruction-vocational	<u>1,440,600</u>	<u>1,492,542</u>	<u>1,435,994</u>	<u>56,548</u>
Support services-pupil				
Salaries and wages	976,100	971,000	942,108	28,892
Fringe benefits	294,500	297,060	273,975	23,085
Purchased services	57,700	73,963	48,467	25,496
Supplies	15,000	15,693	10,684	5,009
Capital outlay	1,100	3,620	2,620	1,000
Total support services-pupil	<u>1,344,400</u>	<u>1,361,336</u>	<u>1,277,854</u>	<u>83,482</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Support services-instructional staff				
Salaries and wages	792,200	754,309	699,175	55,134
Fringe benefits	310,200	285,490	252,073	33,417
Purchased services	241,600	287,218	225,515	61,703
Supplies	112,600	158,485	138,475	20,010
Capital outlay	3,000	3,300	3,146	154
Dues and fees	50,000	50,000	42,607	7,393
Total support services-instructional staff	<u>1,509,600</u>	<u>1,538,802</u>	<u>1,360,991</u>	<u>177,811</u>
Support services-board of education				
Salaries and wages	9,600	11,600	8,960	2,640
Fringe benefits	1,000	920	524	396
Purchased services	168,000	235,765	167,242	68,523
Supplies	3,100	3,100	168	2,932
Dues and fees	29,100	40,340	35,980	4,360
Total support services-board of education	<u>210,800</u>	<u>291,725</u>	<u>212,874</u>	<u>78,851</u>
Support services-administration				
Salaries and wages	1,831,300	1,843,800	1,794,816	48,984
Fringe benefits	758,900	754,660	715,827	38,833
Purchased services	38,800	54,775	18,934	35,841
Supplies	18,000	22,561	12,303	10,258
Capital outlay	2,000	26,400	17,780	8,620
Dues and fees	1,750	2,875	2,834	41
Total support services-administration	<u>2,650,750</u>	<u>2,705,071</u>	<u>2,562,494</u>	<u>142,577</u>
Support services-fiscal				
Salaries and wages	184,600	191,600	183,613	7,987
Fringe benefits	75,900	76,125	70,813	5,312
Purchased services	23,500	26,500	21,268	5,232
Supplies	5,000	5,616	3,849	1,767
Dues and fees	334,600	334,200	306,126	28,074
Total support services-fiscal	<u>623,600</u>	<u>634,041</u>	<u>585,669</u>	<u>48,372</u>
Support services-business				
Salaries and wages	119,900	79,900	70,621	9,279
Fringe benefits	48,700	33,450	28,369	5,081
Purchased services	48,800	88,820	75,031	13,789
Supplies	9,000	34,250	31,616	2,634
Capital outlay	3,000	23,000	6,006	16,994
Total support services-business	<u>229,400</u>	<u>259,420</u>	<u>211,643</u>	<u>47,777</u>
Support services-operations and maintenance				
Salaries and wages	1,512,800	1,554,540	1,485,287	69,253
Fringe benefits	597,500	573,275	552,077	21,198
Purchased services	1,554,600	1,766,233	1,517,865	248,368
Supplies	158,500	252,757	251,388	1,369
Capital outlay	20,000	22,100	11,153	10,947
Dues and fees	10,000	10,000	0	10,000
Total support services-operations and maintenance	<u>3,853,400</u>	<u>4,178,905</u>	<u>3,817,770</u>	<u>361,135</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Support services-pupil transportation				
Salaries and wages	645,900	681,400	670,075	11,325
Fringe benefits	249,300	259,315	249,346	9,969
Purchased services	37,000	39,996	14,481	25,515
Supplies	156,000	159,315	127,809	31,506
Capital outlay	175,000	322,587	321,430	1,157
Dues and fees	15,000	15,000	14,770	230
Total support services-pupil transportation	<u>1,278,200</u>	<u>1,477,613</u>	<u>1,397,911</u>	<u>79,702</u>
Support services-central				
Salaries and wages	40,900	57,900	44,446	13,454
Fringe benefits	15,200	17,300	15,658	1,642
Supplies	3,500	5,300	4,999	301
Total support services-central	<u>59,600</u>	<u>80,500</u>	<u>65,103</u>	<u>15,397</u>
Operation of non-instructional services				
Salaries and wages	650	650	277	373
Fringe benefits	120	120	37	83
Purchased services	5,000	5,000	4,992	8
Supplies	2,000	2,000	1,657	343
Total operation of non-instructional services	<u>7,770</u>	<u>7,770</u>	<u>6,963</u>	<u>807</u>
Extracurricular activities				
Salaries and wages	556,400	642,900	581,439	61,461
Fringe benefits	99,075	108,320	94,602	13,718
Purchased services	25,550	31,022	15,154	15,868
Supplies	5,100	1,752	1,541	211
Capital outlay	200	200	0	200
Total extracurricular activities.	<u>686,325</u>	<u>784,194</u>	<u>692,736</u>	<u>91,458</u>
Total expenditures	<u>32,104,865</u>	<u>33,537,749</u>	<u>31,689,537</u>	<u>1,848,212</u>
Excess of revenues over (under) expenditures	<u>(1,060,915)</u>	<u>(1,796,043)</u>	<u>21,510</u>	<u>1,817,553</u>
Other financing sources (uses):				
Refund of prior year's expenditures	6,053	6,190	6,185	(5)
Operating transfers in	5,164	5,164	5,000	(164)
Operating transfers (out)	(50,000)	(250,000)	(248,184)	1,816
Advances in	91,295	93,322	93,197	(125)
Advances (out)	0	0	(175,611)	(175,611)
Proceeds from sale of fixed assets	3,538	3,618	3,615	(3)
Total other financing sources (uses)	<u>56,050</u>	<u>(141,706)</u>	<u>(315,798)</u>	<u>(174,092)</u>
Net change in fund balance	(1,004,865)	(1,937,749)	(294,288)	1,643,461
Fund balance at beginning of year (restated)	4,330,254	4,330,254	4,330,254	0
Prior year encumbrances appropriated . . .	223,287	223,287	223,287	0
Fund balance at end of year.	<u>\$3,548,676</u>	<u>\$2,615,792</u>	<u>\$4,259,253</u>	<u>\$1,643,461</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Earnings on investments	\$21,185	\$21,185	\$24,514	\$3,329
Other local revenues	11,350	11,350	886	(10,464)
Total revenues.	<u>32,535</u>	<u>32,535</u>	<u>25,400</u>	<u>(7,135)</u>
Expenditures:				
Current:				
Support services-business				
Other	10,000	10,000	0	10,000
Total support services-business	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Extracurricular activities				
Supplies	500	500	0	500
Other	7,000	7,000	216	6,784
Total extracurricular activities.	<u>7,500</u>	<u>7,500</u>	<u>216</u>	<u>7,284</u>
Facilities acquisition and construction				
Capital outlay	30,000	30,000	0	30,000
Total facilities acquisition and and construction	<u>30,000</u>	<u>30,000</u>	<u>0</u>	<u>30,000</u>
Total expenditures	<u>47,500</u>	<u>47,500</u>	<u>216</u>	<u>47,284</u>
Excess of revenues over (under) expenditures	<u>(14,965)</u>	<u>(14,965)</u>	<u>25,184</u>	<u>40,149</u>
Other financing sources (uses):				
Operating transfers (out)	(15,000)	(15,000)	(5,000)	10,000
Total other financing sources (uses)	<u>(15,000)</u>	<u>(15,000)</u>	<u>(5,000)</u>	<u>10,000</u>
Net change in fund balance	(29,965)	(29,965)	20,184	50,149
Fund balance at beginning of year				
(restated)	420,720	420,720	420,720	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year.	<u>\$390,755</u>	<u>\$390,755</u>	<u>\$440,904</u>	<u>\$50,149</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC SCHOOL SUPPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Extracurricular	\$86,480	\$198,905	\$196,209	(\$2,696)
Other local revenues	13,520	31,095	30,674	(421)
Total revenues	<u>100,000</u>	<u>230,000</u>	<u>226,883</u>	<u>(3,117)</u>
Expenditures:				
Current:				
Instruction-other				
Supplies	0	328	328	0
Capital outlay	0	100	100	0
Total instruction-other	<u>0</u>	<u>428</u>	<u>428</u>	<u>0</u>
Support services-pupil				
Other	0	10	10	0
Total support services-pupil	<u>0</u>	<u>10</u>	<u>10</u>	<u>0</u>
Extracurricular activities				
Purchased services	100,200	152,186	152,186	0
Supplies	20,950	22,816	22,816	0
Capital outlay	7,000	24,886	24,886	0
Other	15,148	12,222	12,222	0
Total extracurricular activities	<u>143,298</u>	<u>212,110</u>	<u>212,110</u>	<u>0</u>
Total expenditures	<u>143,298</u>	<u>212,548</u>	<u>212,548</u>	<u>0</u>
Net change in fund balance	(43,298)	17,452	14,335	(3,117)
Fund balance at beginning of year	75,613	75,613	75,613	0
Prior year encumbrances appropriated	2,983	2,983	2,983	0
Fund balance at end of year	<u><u>\$35,298</u></u>	<u><u>\$96,048</u></u>	<u><u>\$92,931</u></u>	<u><u>(\$3,117)</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OTHER GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Other local revenues	\$10,000	\$18,000	\$17,725	(\$275)
Total revenues	<u>10,000</u>	<u>18,000</u>	<u>17,725</u>	<u>(275)</u>
Expenditures:				
Current:				
Instruction-regular				
Supplies	0	17,284	14,443	2,841
Capital outlay	0	1,863	1,413	450
Total instruction-regular	<u>0</u>	<u>19,147</u>	<u>15,856</u>	<u>3,291</u>
Instruction-vocational				
Capital outlay	0	1,366	0	1,366
Total instruction-vocational	<u>0</u>	<u>1,366</u>	<u>0</u>	<u>1,366</u>
Total expenditures	<u>0</u>	<u>20,513</u>	<u>15,856</u>	<u>4,657</u>
Excess of revenues over (under) expenditures	<u>10,000</u>	<u>(2,513)</u>	<u>1,869</u>	<u>4,382</u>
Other financing sources (uses):				
Refund of prior year's (receipts)	0	(449)	(449)	0
Total other financing sources (uses)	<u>0</u>	<u>(449)</u>	<u>(449)</u>	<u>0</u>
Net change in fund balance	10,000	(2,962)	1,420	4,382
Fund balance at beginning of year	1,658	1,658	1,658	0
Prior year encumbrances appropriated	1,579	1,579	1,579	0
Fund balance at end of year	<u>\$13,237</u>	<u>\$275</u>	<u>\$4,657</u>	<u>\$4,382</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VENTURE CAPITAL GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$25,000	\$10,000	\$0	(\$10,000)
Total revenues	<u>25,000</u>	<u>10,000</u>	<u>0</u>	<u>(10,000)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	500	45	45	0
Fringe benefits	70	0	0	0
Purchased services	700	140	140	0
Supplies	10,000	3,174	3,174	0
Capital outlay	15,000	2,967	2,967	0
Total instruction-regular	<u>26,270</u>	<u>6,326</u>	<u>6,326</u>	<u>0</u>
Total expenditures	<u>26,270</u>	<u>6,326</u>	<u>6,326</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(1,270)</u>	<u>3,674</u>	<u>(6,326)</u>	<u>(10,000)</u>
Other financing sources (uses):				
Refund of prior year's (receipts)	0	(123)	(123)	0
Total other financing sources (uses)	<u>0</u>	<u>(123)</u>	<u>(123)</u>	<u>0</u>
Net change in fund balance	(1,270)	3,551	(6,449)	(10,000)
Fund balance at beginning of year	6,012	6,012	6,012	0
Prior year encumbrances appropriated	437	437	437	0
Fund balance at end of year	<u><u>\$5,179</u></u>	<u><u>\$10,000</u></u>	<u><u>\$0</u></u>	<u><u>(\$10,000)</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DISTRICT MANAGED STUDENT ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Extracurricular	\$164,881	\$186,020	\$177,365	(\$8,655)
Other local revenues	14,316	16,151	15,400	(751)
Total revenues.	<u>179,197</u>	<u>202,171</u>	<u>192,765</u>	<u>(9,406)</u>
Expenditures:				
Current:				
Extracurricular activities				
Purchased services	99,325	90,695	90,695	0
Supplies	53,325	52,850	52,850	0
Capital outlay	28,400	25,511	25,511	0
Other.	32,000	38,576	38,576	0
Total extracurricular activities.	<u>213,050</u>	<u>207,632</u>	<u>207,632</u>	<u>0</u>
Total expenditures	<u>213,050</u>	<u>207,632</u>	<u>207,632</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(33,853)</u>	<u>(5,461)</u>	<u>(14,867)</u>	<u>(9,406)</u>
Other financing sources (uses):				
Advances in.	15,803	17,829	17,000	(829)
Advances (out)	0	(7,731)	(7,731)	0
Total other financing sources (uses)	<u>15,803</u>	<u>10,098</u>	<u>9,269</u>	<u>(829)</u>
Net change in fund balance	(18,050)	4,637	(5,598)	(10,235)
Fund balance at beginning of year	35,867	35,867	35,867	0
Prior year encumbrances appropriated	5,230	5,230	5,230	0
Fund balance at end of year.	<u><u>\$23,047</u></u>	<u><u>\$45,734</u></u>	<u><u>\$35,499</u></u>	<u><u>(\$10,235)</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUXILLARY SERVICES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Earnings on investments	\$7,920	\$8,837	\$8,698	(\$139)
Intergovernmental-State	434,712	485,047	477,444	(7,603)
Total revenues.	<u>442,632</u>	<u>493,884</u>	<u>486,142</u>	<u>(7,742)</u>
Expenditures:				
Intergovernmental pass through				
Salaries and wages.	201,600	194,904	168,169	26,735
Fringe benefits.	61,000	55,000	49,925	5,075
Purchased services.	83,350	142,924	140,205	2,719
Supplies	150,300	172,875	172,119	756
Capital outlay	15,500	12,935	12,935	0
Total intergovernmental pass through	<u>511,750</u>	<u>578,638</u>	<u>543,353</u>	<u>35,285</u>
Total expenditures	<u>511,750</u>	<u>578,638</u>	<u>543,353</u>	<u>35,285</u>
Excess of revenues over (under) expenditures	<u>(69,118)</u>	<u>(84,754)</u>	<u>(57,211)</u>	<u>27,543</u>
Other financing sources (uses):				
Operating transfers in	32,368	36,116	35,550	(566)
Operating transfers (out)	0	(35,550)	(35,550)	0
Total other financing sources (uses)	<u>0</u>	<u>566</u>	<u>0</u>	<u>(566)</u>
Net change in fund balance	(69,118)	(84,188)	(57,211)	26,977
Fund balance at beginning of year	68,764	68,764	68,764	0
Prior year encumbrances appropriated	24,255	24,255	24,255	0
Fund balance at end of year.	<u>\$23,901</u>	<u>\$8,831</u>	<u>\$35,808</u>	<u>\$26,977</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAREER DEVELOPMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$21,305	\$29,827	\$23,066	(\$6,761)
Total revenues	<u>21,305</u>	<u>29,827</u>	<u>23,066</u>	<u>(6,761)</u>
Expenditures:				
Current:				
Instruction-vocational				
Salaries and wages	20,000	20,180	20,180	0
Fringe benefits	3,150	2,825	2,825	0
Purchased services	1,000	750	581	169
Other	100	0	0	0
Total instruction-vocational	<u>24,250</u>	<u>23,755</u>	<u>23,586</u>	<u>169</u>
Total expenditures	<u>24,250</u>	<u>23,755</u>	<u>23,586</u>	<u>169</u>
Excess of revenues over (under) expenditures	<u>(2,945)</u>	<u>6,072</u>	<u>(520)</u>	<u>(6,592)</u>
Other financing sources (uses):				
Advances in	3,695	5,173	4,000	(1,173)
Advances (out)	0	0	(2,875)	(2,875)
Total other financing sources (uses)	<u>3,695</u>	<u>5,173</u>	<u>1,125</u>	<u>(4,048)</u>
Net change in fund balance	750	11,245	605	(10,640)
Fund balance at beginning of year	1	1	1	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u>\$751</u>	<u>\$11,246</u>	<u>\$606</u>	<u>(\$10,640)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POST SECONDARY VOCATIONAL EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$22,727	\$27,273	\$20,000	(\$7,273)
Total revenues	<u>22,727</u>	<u>27,273</u>	<u>20,000</u>	<u>(7,273)</u>
Expenditures:				
Current:				
Instruction-other				
Purchased services	18,200	17,000	15,392	1,608
Supplies	3,000	3,000	2,754	246
Total instruction-other	<u>21,200</u>	<u>20,000</u>	<u>18,146</u>	<u>1,854</u>
Total expenditures	<u>21,200</u>	<u>20,000</u>	<u>18,146</u>	<u>1,854</u>
Excess of revenues over (under) expenditures	<u>1,527</u>	<u>7,273</u>	<u>1,854</u>	<u>(5,419)</u>
Other financing sources (uses):				
Advances in	2,273	2,727	2,000	(727)
Advances (out)	0	0	(2,817)	(2,817)
Total other financing sources (uses)	<u>2,273</u>	<u>2,727</u>	<u>(817)</u>	<u>(3,544)</u>
Net change in fund balance	3,800	10,000	1,037	(8,963)
Fund balance at beginning of year	0	0	0	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u><u>\$3,800</u></u>	<u><u>\$10,000</u></u>	<u><u>\$1,037</u></u>	<u><u>(\$8,963)</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TEACHER DEVELOPMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$30,000	\$30,000	\$24,522	(\$5,478)
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>24,522</u>	<u>(5,478)</u>
Expenditures:				
Current:				
Support services-instructional staff				
Salaries and wages	5,700	6,500	495	6,005
Fringe benefits	50	910	70	840
Purchased services	17,500	14,314	14,312	2
Supplies	5,000	6,652	3,887	2,765
Capital outlay	650	0	0	0
Total support services-instructional staff	<u>28,900</u>	<u>28,376</u>	<u>18,764</u>	<u>9,612</u>
Total expenditures	<u>28,900</u>	<u>28,376</u>	<u>18,764</u>	<u>9,612</u>
Net change in fund balance	1,100	1,624	5,758	4,134
Fund balance at beginning of year	213	213	213	0
Prior year encumbrances appropriated . .	3,641	3,641	3,641	0
Fund balance at end of year	<u><u>\$4,954</u></u>	<u><u>\$5,478</u></u>	<u><u>\$9,612</u></u>	<u><u>\$4,134</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MANAGEMENT INFORMATION SYSTEMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$15,000	\$15,000	\$18,040	\$3,040
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>18,040</u>	<u>3,040</u>
Expenditures:				
Current:				
Support services-fiscal				
Supplies	0	150	112	38
Capital outlay	42,000	25,000	13,721	11,279
Total support services-fiscal	<u>42,000</u>	<u>25,150</u>	<u>13,833</u>	<u>11,317</u>
Total expenditures	<u>42,000</u>	<u>25,150</u>	<u>13,833</u>	<u>11,317</u>
Net change in fund balance	(27,000)	(10,150)	4,207	14,357
Fund balance at beginning of year	27,504	27,504	27,504	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u><u>\$504</u></u>	<u><u>\$17,354</u></u>	<u><u>\$31,711</u></u>	<u><u>\$14,357</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DISADVANTAGED PUPIL IMPACT AID
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$1,500,000	\$1,400,000	\$1,324,856	(\$75,144)
Total revenues	<u>1,500,000</u>	<u>1,400,000</u>	<u>1,324,856</u>	<u>(75,144)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	1,230,000	1,266,583	1,103,917	162,666
Fringe benefits	170,000	177,869	154,615	23,254
Total instruction-regular	<u>1,400,000</u>	<u>1,444,452</u>	<u>1,258,532</u>	<u>185,920</u>
Total expenditures	<u>1,400,000</u>	<u>1,444,452</u>	<u>1,258,532</u>	<u>185,920</u>
Net change in fund balance	100,000	(44,452)	66,324	110,776
Fund balance at beginning of year	119,595	119,595	119,595	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u><u>\$219,595</u></u>	<u><u>\$75,143</u></u>	<u><u>\$185,919</u></u>	<u><u>\$110,776</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DATA COMMUNICATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$0	\$36,000	\$36,000	\$0
Total revenues	<u>0</u>	<u>36,000</u>	<u>36,000</u>	<u>0</u>
Expenditures:				
Current:				
Support services-central				
Purchased services	0	36,000	12,680	23,320
Total support services-central	<u>0</u>	<u>36,000</u>	<u>12,680</u>	<u>23,320</u>
Total expenditures	<u>0</u>	<u>36,000</u>	<u>12,680</u>	<u>23,320</u>
Net change in fund balance	0	0	23,320	23,320
Fund balance at beginning of year	0	0	0	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u>\$0</u>	<u>\$0</u>	<u>\$23,320</u>	<u>\$23,320</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOOLNET PROFESSIONAL DEVELOPMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$0	\$5,000	\$5,000	\$0
Total revenues	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Expenditures:				
Current:				
Support services-instructional staff				
Purchased services	0	4,000	391	3,609
Total support services-instructional staff	<u>0</u>	<u>4,000</u>	<u>391</u>	<u>3,609</u>
Support services-administration				
Purchased services	0	1,000	1,000	0
Total support services-administration . .	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>5,000</u>	<u>1,391</u>	<u>3,609</u>
Net change in fund balance	0	0	3,609	3,609
Fund balance at beginning of year	0	0	0	0
Prior year encumbrances appropriated . .	0	0	0	0
Fund balance at end of year	<u>\$0</u>	<u>\$0</u>	<u>\$3,609</u>	<u>\$3,609</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OHIO READS GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$20,000	\$10,000	\$10,000	\$0
Total revenues	<u>20,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Expenditures:				
Current:				
Instruction-regular				
Purchased services	14,000	10,000	10,000	0
Total instruction-regular	<u>14,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Total expenditures	<u>14,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Net change in fund balance	6,000	0	0	0
Fund balance at beginning of year	0	0	0	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u><u>\$6,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SUMMER INTERVENTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$60,000	\$50,000	\$47,765	(\$2,235)
Total revenues	<u>60,000</u>	<u>50,000</u>	<u>47,765</u>	<u>(2,235)</u>
Net change in fund balance	60,000	50,000	47,765	(2,235)
Fund balance at beginning of year	53,597	53,597	53,597	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u><u>\$113,597</u></u>	<u><u>\$103,597</u></u>	<u><u>\$101,362</u></u>	<u><u>(\$2,235)</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALTERNATIVE EDUCATION GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$100,000	\$90,000	\$87,500	(\$2,500)
Total revenues	<u>100,000</u>	<u>90,000</u>	<u>87,500</u>	<u>(2,500)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	50,000	85,862	58,845	27,017
Fringe benefits	22,500	27,773	23,068	4,705
Purchased services	7,000	2,000	278	1,722
Supplies	10,000	39,954	724	39,230
Capital outlay	5,000	19,365	2,212	17,153
Total instruction-regular	<u>94,500</u>	<u>174,954</u>	<u>85,127</u>	<u>89,827</u>
Total expenditures	<u>94,500</u>	<u>174,954</u>	<u>85,127</u>	<u>89,827</u>
Net change in fund balance	5,500	(84,954)	2,373	87,327
Fund balance at beginning of year	87,454	87,454	87,454	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u><u>\$92,954</u></u>	<u><u>\$2,500</u></u>	<u><u>\$89,827</u></u>	<u><u>\$87,327</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ABLE/JOBS GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$250,000	\$70,000	\$63,067	(\$6,933)
Total revenues	<u>250,000</u>	<u>70,000</u>	<u>63,067</u>	<u>(6,933)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	0	2,500	1,000	1,500
Fringe benefits	0	140	140	0
Purchased services	3,200	18,578	5,930	12,648
Supplies	18,000	80,032	55,508	24,524
Capital outlay	3,000	33,500	4,012	29,488
Other	0	2,864	0	2,864
Total instruction-regular	<u>24,200</u>	<u>137,614</u>	<u>66,590</u>	<u>71,024</u>
Instruction-vocational				
Salaries and wages	0	1,500	0	1,500
Fringe benefits	0	250	0	250
Purchased services	0	6,950	6,950	0
Supplies	0	22,500	22,130	370
Capital outlay	0	48,074	48,074	0
Total instruction-vocational	<u>0</u>	<u>79,274</u>	<u>77,154</u>	<u>2,120</u>
Support services-instructional staff				
Salaries and wages	0	3,000	3,000	0
Supplies	0	400	397	3
Total support services-instructional staff	<u>0</u>	<u>3,400</u>	<u>3,397</u>	<u>3</u>
Support services-fiscal				
Other	0	50	50	0
Total support services-fiscal	<u>0</u>	<u>50</u>	<u>50</u>	<u>0</u>
Support services-central				
Purchased services	0	5,524	3,710	1,814
Total support services-central	<u>0</u>	<u>5,524</u>	<u>3,710</u>	<u>1,814</u>
Total expenditures	<u>24,200</u>	<u>225,862</u>	<u>150,901</u>	<u>74,961</u>
Excess of revenues over (under) expenditures	<u>225,800</u>	<u>(155,862)</u>	<u>(87,834)</u>	<u>68,028</u>
Other financing sources (uses):				
Refund of prior year's (receipts)	0	(2,153)	(2,153)	0
Total other financing sources (uses)	<u>0</u>	<u>(2,153)</u>	<u>(2,153)</u>	<u>0</u>
Net change in fund balance	225,800	(158,015)	(89,987)	68,028
Fund balance at beginning of year	100,299	100,299	100,299	0
Prior year encumbrances appropriated	64,649	64,649	64,649	0
Fund balance at end of year	<u>\$390,748</u>	<u>\$6,933</u>	<u>\$74,961</u>	<u>\$68,028</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ADULT BASIC EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$74,012	\$64,143	\$59,233	(\$4,910)
Intergovernmental-Federal	75,287	65,249	60,253	(4,996)
Total revenues	<u>149,299</u>	<u>129,392</u>	<u>119,486</u>	<u>(9,906)</u>
Expenditures:				
Current:				
Instruction-other				
Salaries and wages	40,000	101,615	80,586	21,029
Fringe benefits	10,970	25,935	20,504	5,431
Purchased services	2,000	2,235	2,164	71
Supplies	8,000	15,978	15,833	145
Capital outlay	5,000	450	445	5
Total instruction-other	<u>65,970</u>	<u>146,213</u>	<u>119,532</u>	<u>26,681</u>
Support services-instructional staff				
Salaries and wages	17,500	21,938	16,980	4,958
Fringe benefits	2,670	3,674	2,556	1,118
Purchased services	400	1,378	1,334	44
Other	200	1,500	1,494	6
Total support services-instructional staff	<u>20,770</u>	<u>28,490</u>	<u>22,364</u>	<u>6,126</u>
Support services-administration				
Salaries and wages	1,000	2,000	2,000	0
Fringe benefits	190	298	298	0
Total support services-administration	<u>1,190</u>	<u>2,298</u>	<u>2,298</u>	<u>0</u>
Total expenditures	<u>87,930</u>	<u>177,001</u>	<u>144,194</u>	<u>32,807</u>
Excess of revenues over (under) expenditures	<u>61,369</u>	<u>(47,609)</u>	<u>(24,708)</u>	<u>22,901</u>
Other financing sources (uses):				
Operating transfers in	701	608	561	(47)
Operating transfers (out)	0	(561)	(561)	0
Total other financing sources (uses)	<u>701</u>	<u>47</u>	<u>0</u>	<u>(47)</u>
Net change in fund balance	62,070	(47,562)	(24,708)	22,854
Fund balance at beginning of year	22,986	22,986	22,986	0
Prior year encumbrances appropriated	2,848	2,848	2,848	0
Fund balance at end of year	<u>\$87,904</u>	<u>(\$21,728)</u>	<u>\$1,126</u>	<u>\$22,854</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EDUCATION FOR ECONOMIC SECURITY ACT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$40,000	\$35,000	\$27,549	(\$7,451)
Total revenues	<u>40,000</u>	<u>35,000</u>	<u>27,549</u>	<u>(7,451)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	20,000	701	701	0
Fringe benefits	2,800	0	0	0
Purchased services	14,200	21,229	21,229	0
Supplies	4,000	16,793	11,128	5,665
Capital outlay	4,000	0	0	0
Total instruction-regular	<u>45,000</u>	<u>38,723</u>	<u>33,058</u>	<u>5,665</u>
Total expenditures	<u>45,000</u>	<u>38,723</u>	<u>33,058</u>	<u>5,665</u>
Net change in fund balance	(5,000)	(3,723)	(5,509)	(1,786)
Fund balance at beginning of year	6,579	6,579	6,579	0
Prior year encumbrances appropriated	4,595	4,595	4,595	0
Fund balance at end of year	<u><u>\$6,174</u></u>	<u><u>\$7,451</u></u>	<u><u>\$5,665</u></u>	<u><u>(\$1,786)</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE VI - B
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$360,304	\$336,284	\$318,720	(\$17,564)
Total revenues	<u>360,304</u>	<u>336,284</u>	<u>318,720</u>	<u>(17,564)</u>
Expenditures:				
Current:				
Instruction-special				
Salaries and wages	100,000	113,808	95,374	18,434
Fringe benefits	23,410	36,308	30,198	6,110
Purchased services	1,200	1,000	418	582
Supplies	17,800	8,423	5,221	3,202
Capital outlay	3,800	29,700	29,674	26
Total instruction-special	<u>146,210</u>	<u>189,239</u>	<u>160,885</u>	<u>28,354</u>
Support services-pupil				
Purchased services	21,700	21,722	15,369	6,353
Supplies	7,000	6,200	4,457	1,743
Total support services-pupil	<u>28,700</u>	<u>27,922</u>	<u>19,826</u>	<u>8,096</u>
Support services-instructional staff				
Salaries and wages	57,000	57,247	39,751	17,496
Fringe benefits	21,335	38,187	26,927	11,260
Purchased services	750	340	40	300
Total support services-instructional staff	<u>79,085</u>	<u>95,774</u>	<u>66,718</u>	<u>29,056</u>
Support services-administration				
Salaries and wages	44,000	56,078	45,290	10,788
Fringe benefits	15,750	22,571	14,850	7,721
Purchased services	800	500	61	439
Supplies	900	500	390	110
Capital outlay	1,250	3,050	2,873	177
Total support services-administration	<u>62,700</u>	<u>82,699</u>	<u>63,464</u>	<u>19,235</u>
Operation of non-instructional services				
Salaries and wages	50,000	55,791	46,706	9,085
Fringe benefits	16,210	18,863	15,690	3,173
Supplies	300	250	187	63
Capital outlay	100	100	0	100
Total operation of non-instructional services	<u>66,610</u>	<u>75,004</u>	<u>62,583</u>	<u>12,421</u>
Total expenditures	<u>383,305</u>	<u>470,638</u>	<u>373,476</u>	<u>97,162</u>
Excess of revenues over (under) expenditures	<u>(23,001)</u>	<u>(134,354)</u>	<u>(54,756)</u>	<u>79,598</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE VI - B (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Advances in	14,696	13,716	13,000	(716)
Total other financing sources (uses)	<u>14,696</u>	<u>13,716</u>	<u>13,000</u>	<u>(716)</u>
Net change in fund balance	(8,305)	(120,638)	(41,756)	78,882
Fund balance at beginning of year	42,134	42,134	42,134	0
Prior year encumbrances appropriated	394	394	394	0
Fund balance at end of year	<u><u>\$34,223</u></u>	<u><u>(\$78,110)</u></u>	<u><u>\$772</u></u>	<u><u>\$78,882</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VOCATIONAL EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$187,900	\$211,387	\$173,668	(\$37,719)
Total revenues	<u>187,900</u>	<u>211,387</u>	<u>173,668</u>	<u>(37,719)</u>
Expenditures:				
Current:				
Instruction-vocational				
Salaries and wages	9,200	6,265	5,278	987
Fringe benefits	1,477	1,996	1,783	213
Purchased services	10,000	21,634	21,473	161
Supplies	10,000	7,423	7,362	61
Capital outlay	20,000	36,018	35,959	59
Total instruction-vocational	<u>50,677</u>	<u>73,336</u>	<u>71,855</u>	<u>1,481</u>
Instruction-other				
Purchased services	3,700	0	0	0
Supplies	750	0	0	0
Total instruction-other	<u>4,450</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support services-pupil				
Salaries and wages	36,480	46,601	36,910	9,691
Fringe benefits	12,369	14,395	13,037	1,358
Purchased services	2,000	1,251	1,197	54
Supplies	2,724	3,033	3,033	0
Capital outlay	0	7,829	7,829	0
Total support services-pupil	<u>53,573</u>	<u>73,109</u>	<u>62,006</u>	<u>11,103</u>
Support services-instructional staff				
Purchased services	1,202	4,273	3,371	902
Supplies	800	500	445	55
Total support services-instructional staff	<u>2,002</u>	<u>4,773</u>	<u>3,816</u>	<u>957</u>
Support services-administration				
Salaries and wages	2,201	2,404	2,404	0
Other	0	1,704	1,704	0
Total support services-administration	<u>2,201</u>	<u>4,108</u>	<u>4,108</u>	<u>0</u>
Support services-central				
Salaries and wages	8,961	5,000	4,992	8
Fringe benefits	803	803	801	2
Purchased services	7,750	13,728	13,270	458
Supplies	1,425	1,019	1,019	0
Other	0	25,445	25,372	73
Total support services-central	<u>18,939</u>	<u>45,995</u>	<u>45,454</u>	<u>541</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VOCATIONAL EDUCATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Operation of non-instructional services				
Salaries and wages	14,300	14,712	11,879	2,833
Fringe benefits	2,250	2,358	1,753	605
Purchased services	1,140	1,125	1,125	0
Supplies	1,400	22	22	0
Total operation of non-instructional services	<u>19,090</u>	<u>18,217</u>	<u>14,779</u>	<u>3,438</u>
Total expenditures	<u>150,932</u>	<u>219,538</u>	<u>202,018</u>	<u>17,520</u>
Excess of revenues over (under) expenditures	<u>36,968</u>	<u>(8,151)</u>	<u>(28,350)</u>	<u>(20,199)</u>
Other financing sources (uses):				
Operating transfers in	199	224	184	(40)
Advances in	11,901	13,389	11,000	(2,389)
Advances (out)	0	0	(4,074)	(4,074)
Total other financing sources (uses)	<u>12,100</u>	<u>13,613</u>	<u>7,110</u>	<u>(6,503)</u>
Net change in fund balance	49,068	5,462	(21,240)	(26,702)
Fund balance at beginning of year	3,890	3,890	3,890	0
Prior year encumbrances appropriated	17,447	17,447	17,447	0
Fund balance at end of year	<u><u>\$70,405</u></u>	<u><u>\$26,799</u></u>	<u><u>\$97</u></u>	<u><u>(\$26,702)</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BASIC EDUCATIONAL OPPORTUNITY GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$30,000	\$67,000	\$66,920	(\$80)
Total revenues	<u>30,000</u>	<u>67,000</u>	<u>66,920</u>	<u>(80)</u>
Expenditures:				
Current:				
Operation of non-instructional services				
Purchased services	25,000	40,075	40,075	0
Other	5,000	26,845	26,845	0
Total operation of non-instructional services	<u>30,000</u>	<u>66,920</u>	<u>66,920</u>	<u>0</u>
Total expenditures	<u>30,000</u>	<u>66,920</u>	<u>66,920</u>	<u>0</u>
Net change in fund balance	0	80	0	(80)
Fund balance at beginning of year	0	0	0	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year	<u>\$0</u>	<u>\$80</u>	<u>\$0</u>	<u>(\$80)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE I
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$1,174,461	\$1,174,461	\$1,118,036	(\$56,425)
Total revenues	<u>1,174,461</u>	<u>1,174,461</u>	<u>1,118,036</u>	<u>(56,425)</u>
Expenditures:				
Current:				
Instruction-special				
Salaries and wages	685,000	776,544	657,883	118,661
Fringe benefits	175,600	255,076	185,949	69,127
Purchased services	16,000	127,775	94,225	33,550
Supplies	70,000	242,173	219,051	23,122
Capital outlay	0	20,962	20,628	334
Total instruction-special	<u>946,600</u>	<u>1,422,530</u>	<u>1,177,736</u>	<u>244,794</u>
Support services-instructional staff				
Salaries and wages	60,000	36,087	30,103	5,984
Fringe benefits	14,060	10,819	7,074	3,745
Purchased services	1,000	700	506	194
Supplies	5,000	1,130	993	137
Capital outlay	0	10,574	10,574	0
Total support services-instructional staff	<u>80,060</u>	<u>59,310</u>	<u>49,250</u>	<u>10,060</u>
Support services-administration				
Salaries and wages	0	24,200	24,200	0
Fringe benefits	0	3,738	3,434	304
Total support services-administration	<u>0</u>	<u>27,938</u>	<u>27,634</u>	<u>304</u>
Support services-pupil transportation				
Salaries and wages	0	16,664	14,810	1,854
Fringe benefits	0	2,533	2,246	287
Total support services-pupil transportation	<u>0</u>	<u>19,197</u>	<u>17,056</u>	<u>2,141</u>
Operation of non-instructional services				
Salaries and wages	35,000	25,295	13,697	11,598
Fringe benefits	12,060	8,981	6,280	2,701
Purchased services	0	500	208	292
Supplies	0	1,817	671	1,146
Total operation of non-instructional services	<u>47,060</u>	<u>36,593</u>	<u>20,856</u>	<u>15,737</u>
Total expenditures	<u>1,073,720</u>	<u>1,565,568</u>	<u>1,292,532</u>	<u>273,036</u>
Excess of revenues over (under) expenditures	<u>100,741</u>	<u>(391,107)</u>	<u>(174,496)</u>	<u>216,611</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE I (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Other financing sources (uses):				
Operating transfers in	125,539	125,539	119,508	(6,031)
Operating transfers (out)	0	(119,508)	(119,508)	0
Refund of prior year's (receipts)	0	(35)	(35)	0
Total other financing sources (uses)	<u>125,539</u>	<u>5,996</u>	<u>(35)</u>	<u>(6,031)</u>
Net change in fund balance	226,280	(385,111)	(174,531)	210,580
Fund balance at beginning of year	100,445	100,445	100,445	0
Prior year encumbrances appropriated	114,682	114,682	114,682	0
Fund balance (deficit) at end of year	<u><u>\$441,407</u></u>	<u><u>(\$169,984)</u></u>	<u><u>\$40,596</u></u>	<u><u>\$210,580</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE II
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$50,000	\$40,000	\$30,893	(\$9,107)
Total revenues	<u>50,000</u>	<u>40,000</u>	<u>30,893</u>	<u>(9,107)</u>
Expenditures:				
Current:				
Instruction-special				
Supplies	28,500	28,263	28,112	151
Total instruction-special	<u>28,500</u>	<u>28,263</u>	<u>28,112</u>	<u>151</u>
Operation of non-instructional services				
Purchased services	3,000	0	0	0
Supplies	7,000	4,990	2,157	2,833
Capital outlay	6,000	1,972	1,960	12
Total operation of non-instructional services	<u>16,000</u>	<u>6,962</u>	<u>4,117</u>	<u>2,845</u>
Total expenditures	<u>44,500</u>	<u>35,225</u>	<u>32,229</u>	<u>2,996</u>
Excess of revenues over (under) expenditures	<u>5,500</u>	<u>4,775</u>	<u>(1,336)</u>	<u>(6,111)</u>
Other financing sources (uses):				
Refund of prior year's (receipts)	0	(587)	(587)	0
Total other financing sources (uses)	<u>0</u>	<u>(587)</u>	<u>(587)</u>	<u>0</u>
Net change in fund balance	5,500	4,188	(1,923)	(6,111)
Fund balance at beginning of year	2,019	2,019	2,019	0
Prior year encumbrances appropriated	2,982	2,982	2,982	0
Fund balance at end of year	<u>\$10,501</u>	<u>\$9,189</u>	<u>\$3,078</u>	<u>(\$6,111)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG-FREE SCHOOL GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$50,000	\$55,000	\$50,566	(\$4,434)
Total revenues	<u>50,000</u>	<u>55,000</u>	<u>50,566</u>	<u>(4,434)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	2,800	6,275	5,020	1,255
Fringe benefits	100	900	703	197
Purchased services	3,500	800	800	0
Supplies	10,000	5,968	5,723	245
Total instruction-regular	<u>16,400</u>	<u>13,943</u>	<u>12,246</u>	<u>1,697</u>
Support services-pupil				
Salaries and wages	17,500	408	408	0
Fringe benefits	2,500	57	57	0
Purchased services	21,000	22,296	20,757	1,539
Supplies	1,000	28,874	28,641	233
Capital outlay	0	9,450	6,340	3,110
Total support services-pupil	<u>42,000</u>	<u>61,085</u>	<u>56,203</u>	<u>4,882</u>
Total expenditures	<u>58,400</u>	<u>75,028</u>	<u>68,449</u>	<u>6,579</u>
Net change in fund balance	(8,400)	(20,028)	(17,883)	2,145
Fund balance at beginning of year	14,525	14,525	14,525	0
Prior year encumbrances appropriated . .	9,937	9,937	9,937	0
Fund balance at end of year	<u>\$16,062</u>	<u>\$4,434</u>	<u>\$6,579</u>	<u>\$2,145</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EHA PRESCHOOL GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$50,000	\$30,000	\$27,095	(\$2,905)
Total revenues	<u>50,000</u>	<u>30,000</u>	<u>27,095</u>	<u>(2,905)</u>
Expenditures:				
Current:				
Instruction-special				
Purchased services	2,200	1,250	1,250	0
Supplies	2,200	1,897	364	1,533
Capital outlay	2,500	200	100	100
Total instruction-special	<u>6,900</u>	<u>3,347</u>	<u>1,714</u>	<u>1,633</u>
Support services-pupil				
Supplies	1,200	866	66	800
Capital outlay	2,350	515	515	0
Total support services-pupil	<u>3,550</u>	<u>1,381</u>	<u>581</u>	<u>800</u>
Support services-instructional staff				
Salaries and wages	18,000	20,479	16,262	4,217
Fringe benefits	6,810	11,767	6,252	5,515
Purchased services	0	100	78	22
Total support services-instructional staff	<u>24,810</u>	<u>32,346</u>	<u>22,592</u>	<u>9,754</u>
Support services-administration				
Salaries and wages	8,000	6,390	0	6,390
Fringe benefits	1,220	931	34	897
Supplies	200	75	0	75
Capital outlay	0	75	0	75
Total support services-administration	<u>9,420</u>	<u>7,471</u>	<u>34</u>	<u>7,437</u>
Total expenditures	<u>44,680</u>	<u>44,545</u>	<u>24,921</u>	<u>19,624</u>
Net change in fund balance	5,320	(14,545)	2,174	16,719
Fund balance at beginning of year	860	860	860	0
Prior year encumbrances appropriated	509	509	509	0
Fund balance (deficit) at end of year	<u>\$6,689</u>	<u>(\$13,176)</u>	<u>\$3,543</u>	<u>\$16,719</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH INVOLVEMENT GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$275,000	\$225,000	\$201,376	(\$23,624)
Total revenues	<u>275,000</u>	<u>225,000</u>	<u>201,376</u>	<u>(23,624)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	20,000	27,119	27,119	0
Fringe benefits	3,000	4,092	4,092	0
Total instruction-regular	<u>23,000</u>	<u>31,211</u>	<u>31,211</u>	<u>0</u>
Instruction-special				
Salaries and wages	30,000	118,237	102,591	15,646
Fringe benefits	4,000	49,306	34,128	15,178
Purchased services	50,000	34,969	16,073	18,896
Supplies	20,000	7,550	2,639	4,911
Total instruction-special	<u>104,000</u>	<u>210,062</u>	<u>155,431</u>	<u>54,631</u>
Instruction-other				
Purchased services	3,600	6,000	5,687	313
Supplies	600	1,200	768	432
Total instruction-other	<u>4,200</u>	<u>7,200</u>	<u>6,455</u>	<u>745</u>
Support services-pupil				
Purchased services	550	550	525	25
Supplies	250	250	184	66
Total support services-pupil	<u>800</u>	<u>800</u>	<u>709</u>	<u>91</u>
Support services-instructional staff				
Purchased services	26,975	14,498	14,498	0
Supplies	2,000	683	683	0
Capital outlay	0	1,958	1,958	0
Other	0	446	446	0
Total support services-instructional staff	<u>28,975</u>	<u>17,585</u>	<u>17,585</u>	<u>0</u>
Support services-central				
Supplies				0
Capital outlay	0	24,855	24,855	0
Total support services-central	<u>0</u>	<u>24,855</u>	<u>24,855</u>	<u>0</u>
Total expenditures	<u>160,975</u>	<u>291,713</u>	<u>236,246</u>	<u>55,467</u>
Excess of revenues over (under) expenditures	<u>114,025</u>	<u>(66,713)</u>	<u>(34,870)</u>	<u>31,843</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH INVOLVEMENT GRANT (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Other financing sources (uses):				
Advances (out)	0	0	(7,046)	(7,046)
Refund of prior year's (receipts)	0	(4,023)	(4,370)	(347)
Total other financing sources (uses)	<u>0</u>	<u>(4,023)</u>	<u>(11,416)</u>	<u>(7,393)</u>
Net change in fund balance	114,025	(70,736)	(46,286)	24,450
Fund balance at beginning of year	30,367	30,367	30,367	0
Prior year encumbrances appropriated	20,356	20,356	20,356	0
Fund balance (deficit) at end of year	<u>\$164,748</u>	<u>(\$20,013)</u>	<u>\$4,437</u>	<u>\$24,450</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GOALS 2000
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-Federal	\$0	\$105,000	\$100,437	(\$4,563)
Total revenues	<u>0</u>	<u>105,000</u>	<u>100,437</u>	<u>(4,563)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	0	18,500	7,291	11,209
Fringe benefits	0	3,200	1,021	2,179
Total instruction-regular	<u>0</u>	<u>21,700</u>	<u>8,312</u>	<u>13,388</u>
Support services-instructional staff				
Salaries and wages	0	17,700	0	17,700
Fringe benefits	0	3,300	0	3,300
Purchased services	0	63,675	46,764	16,911
Supplies	0	6,600	365	6,235
Total support services-instructional staff	<u>0</u>	<u>91,275</u>	<u>47,129</u>	<u>44,146</u>
Total expenditures	<u>0</u>	<u>112,975</u>	<u>55,441</u>	<u>57,534</u>
Net change in fund balance	0	(7,975)	44,996	52,971
Fund balance at beginning of year	0	0	0	0
Prior year encumbrances appropriated . .	0	0	0	0
Fund balance (deficit) at end of year	<u>\$0</u>	<u>(\$7,975)</u>	<u>\$44,996</u>	<u>\$52,971</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Taxes	\$376,457	\$324,196	\$323,893	(\$303)
Other local revenues	2,323	2,001	1,999	(2)
Intergovernmental-State	46,220	39,803	39,766	(37)
Total revenues	<u>425,000</u>	<u>366,000</u>	<u>365,658</u>	<u>(342)</u>
Expenditures:				
Current:				
Support services-fiscal				
Dues and fees	10,000	10,000	5,784	4,216
Total support services-fiscal.	<u>10,000</u>	<u>10,000</u>	<u>5,784</u>	<u>4,216</u>
Debt service:				
Principal retirement.	281,468	281,468	281,468	0
Interest and fiscal charges	69,675	120,575	120,575	0
Total debt service	<u>351,143</u>	<u>402,043</u>	<u>402,043</u>	<u>0</u>
Total expenditures	<u>361,143</u>	<u>412,043</u>	<u>407,827</u>	<u>4,216</u>
Net change in fund balance	63,857	(46,043)	(42,169)	3,874
Fund balance at beginning of year	<u>331,243</u>	<u>331,243</u>	<u>331,243</u>	<u>0</u>
Fund balance at end of year.	<u><u>\$395,100</u></u>	<u><u>\$285,200</u></u>	<u><u>\$289,074</u></u>	<u><u>\$3,874</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Taxes	\$523,039	\$558,817	\$558,520	(\$297)
Other local revenues	118,603	126,715	126,648	(67)
Intergovernmental-State	58,358	62,350	62,317	(33)
Total revenues.	<u>700,000</u>	<u>747,882</u>	<u>747,485</u>	<u>(397)</u>
Expenditures:				
Current:				
Support services-fiscal				
Dues and fees	11,000	11,000	10,036	964
Total support services-fiscal	<u>11,000</u>	<u>11,000</u>	<u>10,036</u>	<u>964</u>
Facilities acquisition and construction				
Purchased services	575,000	922,048	919,914	2,134
Supplies	25,000	7,121	5,290	1,831
Capital outlay	75,000	90,339	88,824	1,515
Total facilities acquisition and construction	<u>675,000</u>	<u>1,019,508</u>	<u>1,014,028</u>	<u>5,480</u>
Total expenditures	<u>686,000</u>	<u>1,030,508</u>	<u>1,024,064</u>	<u>6,444</u>
Excess of revenues over (under) expenditures	<u>14,000</u>	<u>(282,626)</u>	<u>(276,579)</u>	<u>6,047</u>
Other financing sources (uses):				
Operating transfers in	0	223,118	223,000	(118)
Total other financing sources (uses)	<u>0</u>	<u>223,118</u>	<u>223,000</u>	<u>(118)</u>
Net change in fund balance	14,000	(59,508)	(53,579)	5,929
Fund balance at beginning of year	17,645	17,645	17,645	0
Prior year encumbrances appropriated	210,508	210,508	210,508	0
Fund balance at end of year.	<u>\$242,153</u>	<u>\$168,645</u>	<u>\$174,574</u>	<u>\$5,929</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Facilities acquisition and construction				
Capital outlay	\$25,000	\$25,000	\$0	\$25,000
Total facilities acquisition and construction	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Net change in fund balance	(25,000)	(25,000)	0	25,000
Fund balance at beginning of year	26,673	26,673	26,673	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year.	<u><u>\$1,673</u></u>	<u><u>\$1,673</u></u>	<u><u>\$26,673</u></u>	<u><u>\$25,000</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOOLNET
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$10,000	\$225,000	\$220,155	(\$4,845)
Total revenues.	<u>10,000</u>	<u>225,000</u>	<u>220,155</u>	<u>(4,845)</u>
Expenditures:				
Current:				
Instruction-regular				
Salaries and wages	0	5,000	0	5,000
Fringe benefits	0	773	0	773
Purchased services	0	5,000	3,808	1,192
Supplies	0	11,205	5,691	5,514
Capital outlay	10,000	126,393	124,927	1,466
Total instruction-regular.	<u>10,000</u>	<u>148,371</u>	<u>134,426</u>	<u>13,945</u>
Support services-central				
Purchased services	0	72,000	71,940	60
Total support services-central	<u>0</u>	<u>72,000</u>	<u>71,940</u>	<u>60</u>
Total expenditures	<u>10,000</u>	<u>220,371</u>	<u>206,366</u>	<u>14,005</u>
Net change in fund balance	0	4,629	13,789	9,160
Fund balance at beginning of year	215	215	215	0
Prior year encumbrances appropriated	0	0	0	0
Fund balance at end of year.	<u>\$215</u>	<u>\$4,844</u>	<u>\$14,004</u>	<u>\$9,160</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POWER UP TECHNOLOGIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental-State	\$300,000	\$290,000	\$248,848	(\$41,152)
Total revenues	<u>300,000</u>	<u>290,000</u>	<u>248,848</u>	<u>(41,152)</u>
Expenditures:				
Current:				
Support services-central				
Purchased services	1,100,000	1,124,548	1,124,548	0
Total support services-central	<u>1,100,000</u>	<u>1,124,548</u>	<u>1,124,548</u>	<u>0</u>
Total expenditures	<u>1,100,000</u>	<u>1,124,548</u>	<u>1,124,548</u>	<u>0</u>
Net change in fund balance	(800,000)	(834,548)	(875,700)	(41,152)
Fund balance at beginning of year	839,935	839,935	839,935	0
Prior year encumbrances appropriated . .	35,765	35,765	35,765	0
Fund balance at end of year	<u><u>\$75,700</u></u>	<u><u>\$41,152</u></u>	<u><u>\$0</u></u>	<u><u>(\$41,152)</u></u>

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

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOOD SERVICE
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Sales/charges for services	\$821,290	\$844,104	\$810,804	(\$33,300)
Other operating revenues.	48,422	49,767	47,804	(1,963)
Total operating revenues	<u>869,712</u>	<u>893,871</u>	<u>858,608</u>	<u>(35,263)</u>
Operating expenses:				
Salaries and wages	574,500	636,398	636,398	0
Fringe benefits	289,350	270,991	270,991	0
Contract services	4,500	6,250	6,250	0
Materials and supplies	925,000	838,238	838,238	0
Capital outlay.	0	74	74	0
Total operating expenses	<u>1,793,350</u>	<u>1,751,951</u>	<u>1,751,951</u>	<u>0</u>
Operating loss	<u>(923,638)</u>	<u>(858,080)</u>	<u>(893,343)</u>	<u>(35,263)</u>
Nonoperating revenues:				
Operating grants	848,240	871,802	837,410	(34,392)
Total nonoperating revenues	<u>848,240</u>	<u>871,802</u>	<u>837,410</u>	<u>(34,392)</u>
Net income (loss) before operating advances	<u>(75,398)</u>	<u>13,722</u>	<u>(55,933)</u>	<u>(69,655)</u>
Operating advances:				
Advances in.	82,048	84,327	81,000	(3,327)
Advances (out)	0	0	(23,145)	(23,145)
Total operating advances	<u>82,048</u>	<u>84,327</u>	<u>57,855</u>	<u>(26,472)</u>
Net income.	6,650	98,049	1,922	(96,127)
Retained earnings at beginning of year	0	0	0	0
Prior year encumbrances appropriated	0	0	0	0
Retained earnings at end of year	<u>\$6,650</u>	<u>\$98,049</u>	<u>\$1,922</u>	<u>(\$96,127)</u>

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

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ADULT EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Tuition and fees	\$500,478	\$500,478	\$529,795	\$29,317
Total operating revenues	<u>500,478</u>	<u>500,478</u>	<u>529,795</u>	<u>29,317</u>
Operating expenses:				
Salaries and wages	672,800	762,772	701,390	61,382
Fringe benefits	191,891	199,008	180,597	18,411
Contract services	78,850	173,514	162,979	10,535
Materials and supplies	65,750	78,647	78,647	0
Capital outlay	3,300	7,035	7,035	0
Total operating expenses	<u>1,012,591</u>	<u>1,220,976</u>	<u>1,130,648</u>	<u>90,328</u>
Operating loss	<u>(512,113)</u>	<u>(720,498)</u>	<u>(600,853)</u>	<u>119,645</u>
Nonoperating revenues:				
Operating grants	253,556	253,556	268,408	14,852
Other nonoperating revenues	286,499	286,499	303,281	16,782
Total nonoperating revenues	<u>540,055</u>	<u>540,055</u>	<u>571,689</u>	<u>31,634</u>
Net income (loss) before operating advances/transfers	<u>27,942</u>	<u>(180,443)</u>	<u>(29,164)</u>	<u>151,279</u>
Operating advances/transfers:				
Transfers in	116,957	116,957	123,808	6,851
Transfers (out)	0	(98,808)	(98,808)	0
Advances in	42,510	42,510	45,000	2,490
Advances (out)	0	(625)	(42,947)	(42,322)
Total operating advances/transfers-net . . .	<u>159,467</u>	<u>60,034</u>	<u>27,053</u>	<u>(32,981)</u>
Net income (loss)	187,409	(120,409)	(2,111)	118,298
Retained earnings at beginning of year . .	212,709	212,709	212,709	0
Prior year encumbrances appropriated . .	7,638	7,638	7,638	0
Retained earnings at end of year	<u>\$407,756</u>	<u>\$99,938</u>	<u>\$218,236</u>	<u>\$118,298</u>

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

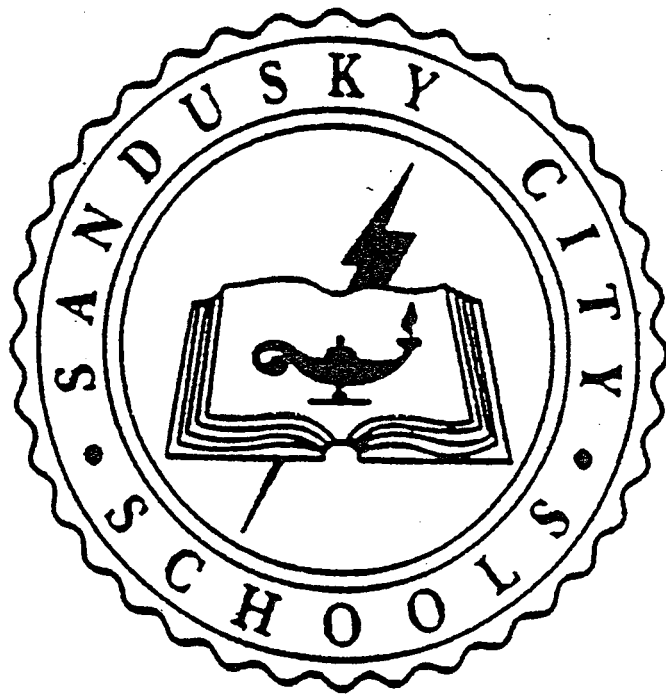
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMPLOYEE BENEFITS SELF-INSURANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Sales/charges for services	\$3,969,353	\$3,770,886	\$3,747,925	(\$22,961)
Total operating revenues	<u>3,969,353</u>	<u>3,770,886</u>	<u>3,747,925</u>	<u>(22,961)</u>
Operating expenses:				
Contract services	4,100,000	3,100,000	2,809,556	290,444
Other operating expenses.	300,000	360,000	347,225	12,775
Total operating expenses	<u>4,400,000</u>	<u>3,460,000</u>	<u>3,156,781</u>	<u>303,219</u>
Operating income (loss)	<u>(430,647)</u>	<u>310,886</u>	<u>591,144</u>	<u>280,258</u>
Nonoperating revenues:				
Interest revenue.	30,647	29,114	28,937	(177)
Total nonoperating revenues	<u>30,647</u>	<u>29,114</u>	<u>28,937</u>	<u>(177)</u>
Net income (loss)	(400,000)	340,000	620,081	280,081
Retained earnings at beginning of year . .	327,834	327,834	327,834	0
Prior year encumbrances appropriated . .	0	0	0	0
Retained earnings at end of year	<u><u>(\$72,166)</u></u>	<u><u>\$667,834</u></u>	<u><u>\$947,915</u></u>	<u><u>\$280,081</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOLARSHIP TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Earnings on investments	\$68,917	\$87,589	\$201,708	\$114,119
Gifts and contributions	98,548	159,876	435,224	275,348
Total revenues.	<u>167,465</u>	<u>247,465</u>	<u>636,932</u>	<u>389,467</u>
Expenditures:				
Support services-business				
Purchased services	500	500	180	320
Other	149,250	148,173	126,996	21,177
Total support services-business	<u>149,750</u>	<u>148,673</u>	<u>127,176</u>	<u>21,497</u>
Extracurricular activities				
Other.	36,770	36,770	24,737	12,033
Total extracurricular activities.	<u>36,770</u>	<u>36,770</u>	<u>24,737</u>	<u>12,033</u>
Total expenditures	<u>186,520</u>	<u>185,443</u>	<u>151,913</u>	<u>33,530</u>
Net change in fund balance	(19,055)	62,022	485,019	422,997
Fund balance at beginning of year (restated)	5,490,599	5,490,599	5,490,599	0
Prior year encumbrances appropriated . .	1,000	1,000	1,000	0
Fund balance at end of year.	<u><u>\$5,472,544</u></u>	<u><u>\$5,553,621</u></u>	<u><u>\$5,976,618</u></u>	<u><u>\$422,997</u></u>



STATISTICAL SECTION

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

SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES - GENERAL FUND
LAST TEN FISCAL YEARS

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Instruction:					
Regular	\$13,835,433	\$12,703,473	\$11,680,570	\$11,342,973	\$10,625,391
Special	4,439,979	4,070,659	4,125,855	3,385,580	3,178,212
Vocational	1,448,066	1,350,217	1,336,432	1,317,447	1,217,649
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total instruction.	<u>19,723,478</u>	<u>18,124,349</u>	<u>17,142,857</u>	<u>16,046,000</u>	<u>15,021,252</u>
Support Services:					
Pupil	1,302,670	1,220,212	1,233,182	1,053,955	1,052,991
Instructional staff	1,327,700	1,315,569	1,272,743	1,159,319	1,003,989
Administration/Board of education	2,762,492	2,574,798	2,350,764	1,773,819	1,553,788
Fiscal.	580,039	566,370	542,875	542,331	517,298
Business	213,822	209,849	234,341	208,783	191,589
Operations and maintenance	3,911,341	3,781,643	3,416,041	3,116,272	2,906,752
Pupil transportation	1,265,588	1,211,973	1,106,213	1,070,937	763,828
Central/Non-instructional services	75,656	63,759	59,516	60,286	42,143
Extracurricular activities.	<u>679,605</u>	<u>552,991</u>	<u>520,326</u>	<u>497,899</u>	<u>431,487</u>
Total support services	<u>12,118,913</u>	<u>11,497,164</u>	<u>10,736,001</u>	<u>9,483,601</u>	<u>8,463,865</u>
Total debt service	0	0	0	0	0
Other financing uses	<u>243,184</u>	<u>632,166</u>	<u>284,272</u>	<u>0</u>	<u>0</u>
Total expenditures and other uses.	<u><u>\$32,085,575</u></u>	<u><u>\$30,253,679</u></u>	<u><u>\$28,163,130</u></u>	<u><u>\$25,529,601</u></u>	<u><u>\$23,485,117</u></u>

Source: School District Financial Records

<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
\$10,924,168	\$10,406,239	\$10,456,085	\$10,345,395	\$9,763,994
3,404,022	3,147,567	2,790,371	2,449,275	2,367,436
1,180,848	1,111,370	1,014,230	894,383	881,693
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,066</u>	<u>1,701</u>
<u>15,509,038</u>	<u>14,665,176</u>	<u>14,260,686</u>	<u>13,690,119</u>	<u>13,014,824</u>
981,041	922,710	899,156	770,045	806,819
1,116,271	1,016,693	994,562	986,502	1,008,292
1,652,476	1,317,804	1,424,812	1,416,236	1,560,678
551,986	497,525	375,733	335,229	412,109
299,103	278,132	248,575	227,247	251,092
2,960,581	2,703,704	2,692,178	2,586,715	2,469,893
910,063	664,322	758,634	591,458	587,535
45,090	29,988	29,168	22,216	24,116
<u>464,016</u>	<u>429,801</u>	<u>410,276</u>	<u>421,341</u>	<u>390,714</u>
<u>8,980,627</u>	<u>7,860,679</u>	<u>7,833,094</u>	<u>7,356,989</u>	<u>7,511,248</u>
4,823	57,878	50,828	57,876	57,876
<u>74</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>36,472</u>
<u>\$24,494,562</u>	<u>\$22,583,733</u>	<u>\$22,144,608</u>	<u>\$21,104,984</u>	<u>\$20,620,420</u>

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

SUMMARY OF REVENUES BY SOURCE AND OTHER FINANCING SOURCES - GENERAL FUND
LAST TEN FISCAL YEARS

Revenue from	2001	2000	1999	1998	1997
Local Sources:					
Taxes	\$15,001,539	\$14,137,384	\$14,709,239	\$15,739,786	\$13,710,665
Tuition	22,679	49,891	33,921	22,975	20,536
Earning on investments	522,921	507,028	435,601	363,669	316,215
Other local revenues	510,544	316,356	276,142	531,830	225,009
Total local sources	<u>16,057,683</u>	<u>15,010,659</u>	<u>15,454,903</u>	<u>16,658,260</u>	<u>14,272,425</u>
Revenue from					
State Sources:					
Unrestricted grants-in-aid	15,514,998	14,120,083	12,793,788	12,013,693	10,454,708
Total state sources	<u>15,514,998</u>	<u>14,120,083</u>	<u>12,793,788</u>	<u>12,013,693</u>	<u>10,454,708</u>
Revenue from					
Federal Sources:					
Unrestricted grants-in-aid.	0	0	0	0	0
Restricted grants-in-aid.	0	10,862	104,243	4,842	0
Total federal sources	<u>0</u>	<u>10,862</u>	<u>104,243</u>	<u>4,842</u>	<u>0</u>
Other revenue.	0	0	0	0	49,989
Other financing sources.	3,615	2,948	1,355	275	20
Total revenue and other sources	<u>\$31,576,296</u>	<u>\$29,144,552</u>	<u>\$28,354,289</u>	<u>\$28,677,070</u>	<u>\$24,777,142</u>

Source: School District Financial Records

<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
\$12,730,158	\$11,961,813	\$11,005,824	\$9,684,255	\$10,819,681
25,292	45,341	48,131	34,278	54,688
304,071	242,997	132,682	131,067	185,213
193,250	208,570	202,125	213,609	179,881
<u>13,252,771</u>	<u>12,458,721</u>	<u>11,388,762</u>	<u>10,063,209</u>	<u>11,239,463</u>
<u>10,068,977</u>	<u>9,870,851</u>	<u>9,938,131</u>	<u>9,816,075</u>	<u>9,715,561</u>
<u>10,068,977</u>	<u>9,870,851</u>	<u>9,938,131</u>	<u>9,816,075</u>	<u>9,715,561</u>
0	0	0	1,614	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,551</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,614</u>	<u>7,551</u>
16,315	23,240	17,904	0	0
<u>1,255</u>	<u>2,921</u>	<u>0</u>	<u>637</u>	<u>2,540</u>
<u>\$23,339,318</u>	<u>\$22,355,733</u>	<u>\$21,344,797</u>	<u>\$19,881,535</u>	<u>\$20,965,115</u>

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
REAL, PUBLIC UTILITY, AND TANGIBLE PERSONAL PROPERTY TAX (1)
LAST TEN CALENDAR YEARS

Tax Collection Year	Current Levy	Outstanding Delinquent Taxes	Total Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Taxes Receivable As a % Of Total Levy	Total Collection	Total Collection As a % Of Total Levy
1991	\$12,362,622	\$1,146,067	\$13,508,689	\$12,186,206	98.57%	\$327,994	6.06%	\$12,514,200	92.64%
1992	12,493,597	1,046,464	13,540,061	12,327,871	98.67%	305,876	5.47%	12,633,747	93.31%
1993	12,589,490	999,241	13,588,731	12,198,447	96.89%	422,805	4.24%	12,621,252	92.88%
1994	14,119,608	1,017,318	15,136,926	13,847,276	98.07%	414,994	3.98%	14,262,270	94.22%
1995	15,985,323	1,372,713	17,358,036	15,529,357	97.15%	648,922	4.17%	16,178,279	93.20%
1996	17,553,553	1,215,150	18,768,703	17,339,352	98.78%	451,143	4.07%	17,790,495	94.79%
1997	17,277,660	1,165,501	18,443,161	17,130,573	99.15%	426,687	4.01%	17,557,260	95.20%
1998	17,517,698	1,582,524	19,100,222	16,968,166	96.86%	506,297	5.63%	17,474,463	91.49%
1999	17,604,120	1,394,282	18,998,402	17,095,970	97.11%	527,908	4.56%	17,623,878	92.77%
2000	18,574,729	1,485,583	20,060,312	17,937,542	96.57%	499,639	8.66%	18,437,181	91.91%

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

- (1) Includes Homestead/Rollback on real and reimbursement on personal property taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN TAX YEARS

Tax Year	Real Property (a)	Public Utility (b)	Personal Property (c)	Total	Total Estimated Actual Value
Assessed Valuation					
1991	\$237,982,950	\$23,970,110	\$56,079,749	\$318,032,809	\$914,892,821
1992	239,617,470	25,026,790	55,860,713	320,504,973	927,909,773
1993	242,402,870	26,211,960	52,267,043	320,881,873	931,434,119
1994	275,371,410	26,472,300	52,812,280	354,655,990	1,028,106,736
1995	272,559,650	26,597,930	56,443,305	355,600,885	1,034,739,998
1996	280,258,110	26,628,240	60,473,494	367,359,844	1,072,890,797
1997	311,447,790	28,747,840	61,487,103	401,682,733	1,168,467,241
1998	314,363,270	27,572,100	64,355,718	406,291,088	1,186,935,575
1999	315,366,380	25,835,010	64,159,264	405,360,654	1,187,041,822
2000	347,783,620	26,331,920	65,521,406	439,636,946	1,285,675,746

Source: Erie County Auditor

- (a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.
- (b) Assumes public utilities are assessed at 88% of estimated actual value.
- (c) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 and prior years to 25% in 1993.

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

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

Tax Year	Overlapping Governments			Sandusky City School District							
	Erie County	City of Sandusky	Sandusky Library *	General Fund	Bond Retire.	Capital Improve.	Unvoted	Sandusky Library	Effective Rates		
									Total	Ag/Res	Other
1991	7.20	4.25	--	50.10	1.40	2.00	3.45	--	56.95	33.00	35.98
1992	8.00	4.25	--	50.05	1.40	2.00	3.45	0.80	57.70	33.89	36.80
1993	8.00	4.25	--	55.45	1.40	2.00	3.45	0.80	63.10	39.16	41.83
1994	8.00	4.25	--	55.45	1.40	2.00	3.45	0.80	63.10	34.69	40.22
1995	7.80	4.25	--	55.45	1.40	2.00	3.45	0.80	63.10	34.96	40.18
1996	8.30	4.25	--	59.55	1.40	2.00	3.45	0.80	67.20	39.02	43.66
1997	8.30	4.25	--	59.55	1.04	2.00	3.45	0.80	66.84	34.72	42.94
1998	8.30	4.25	1.26	59.55	1.04	2.00	3.45	0.80	66.84	34.60	42.92
1999	8.30	4.25	1.26	59.55	1.04	2.00	3.45	0.80	66.84	34.60	42.87
2000	8.30	4.25	1.26	59.10	0.65	2.00	3.45	0.80	66.00	31.50	41.40

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

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

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 DEMOGRAPHIC STATISTICS
 1960-2000

Calendar Year	Total Population	Total Dwelling Units	Occupied Dwelling Units Households	Persons Per Household	Owner Occupied Units	Median Family Income
1960	31,989	7,291	7,016	4.56	3,783	\$6,526
1970	32,674	11,803	10,867	3.01	6,742	8,915
1980	31,360	13,169	11,932	2.63	7,328	16,046
1990	29,764	13,416	12,059	2.47	6,931	28,544
2000	27,844	13,323	11,851	2.31	6,692	(1)

(1) Figures Unavailable

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

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 PERCENT OF NET GENERAL OBLIGATION BONDED DEBT TO
 ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS

Fiscal Year	(a) Population	(b) Avg. Daily Membership	(c) Assessed Value	(d) Gross Bonded Debt	(e) Less Debt Service Funds	Net Bonded Debt	% of Net Bonded Debt To Assessed Value	Net Bonded Debt per Capita	Net Bonded Debt Per ADM
1992	29,764	4,734	\$318,032,809	\$3,265,000	\$96,286	\$3,168,714	1.00%	\$106	\$669
1993	29,764	4,722	320,504,973	3,120,000	182,387	2,937,613	0.92%	99	622
1994	29,764	4,639	320,881,873	2,925,000	137,594	2,787,406	0.87%	94	601
1995	29,764	4,667	354,655,990	2,765,000	175,497	2,589,503	0.73%	87	555
1996	29,764	4,701	355,600,885	2,585,000	240,071	2,344,929	0.66%	79	499
1997	29,764	4,670	367,359,844	2,395,000	314,284	2,080,716	0.57%	70	446
1998	29,764	4,582	401,682,733	2,180,000	377,297	1,802,703	0.45%	61	393
1999	29,764	4,674	406,291,088	1,980,000	368,802	1,611,198	0.40%	54	345
2000	29,764	4,555	405,360,654	1,770,000	374,377	1,395,623	0.34%	47	306
2001	27,844	4,386	439,636,946	1,550,000	307,764	1,242,236	0.28%	45	283

Sources:

- (a) County Auditor
- (b) Per school district records - State Report OCCD-5
- (c) County Auditor
- (d) General obligation debt outstanding end of fiscal year. (School District Records)
- (e) Balance of general obligation bond retirement fund at end of fiscal year.

**SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 COMPUTATION OF LEGAL DEBT MARGIN
 JUNE 30, 2001**

Voted Debt Margin

Assessed Valuation (Tax Year 2000)	\$439,636,946
	<u> x .09</u>
Bonded Debt Limit - 9% of Assessed Value (1).	39,567,325
Debt Service Fund Equity.	307,764
Amount of Debt Applicable to Debt Limit:	
Bonded Debt	<u>(1,550,000)</u>
Voted Debt Margin	<u><u>\$38,325,089</u></u>

Unvoted Debt Margin

Bonded Debt Limit - 0.10% of Assessed Value (1)	\$439,637
Amount of Debt Applicable to Debt Limit	<u>0</u>
Unvoted Debt Margin	<u><u>\$439,637</u></u>

Source: Erie County Auditor and School District Financial records.

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

Note: For purposes of this table, the District's \$1,106,423 interest-free loan from the United States Environmental Protection Agency has been regarded as being exempt from the debt limitation. The 1988 loan was part of a \$1,756,227 asbestos abatement grant/loan award from the E.P.A. The outstanding debt on this loan as of June 30, 2000 was \$399,541.69.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 JUNE 30, 2001

<u>Governmental Unit</u>	<u>Assessed Valuation</u>	<u>General Obligation Debt</u>	<u>Percent Applicable to School District</u>	<u>Amount Applicable to School District</u>
Direct:				
Sandusky City School District	\$439,636,946	\$1,550,000	100.00%	\$1,550,000
Total Direct	<u>439,636,946</u>	<u>1,550,000</u>		<u>1,550,000</u>
Overlapping:				
City of Sandusky	439,636,946	19,383,300	100.00%	19,383,300
Erie County.	1,660,278,053	38,076,500	26.48%	10,082,657
Total Overlapping	<u>2,099,914,999</u>	<u>57,459,800</u>		<u>29,465,957</u>
Grand Total Direct and Overlapping . . .	<u><u>\$2,539,551,945</u></u>	<u><u>\$59,009,800</u></u>		<u><u>\$31,015,957</u></u>

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

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

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

**RATIO OF ANNUAL GENERAL OBLIGATION DEBT SERVICE
TO GENERAL FUND EXPENDITURES
LAST TEN FISCAL YEARS**

Fiscal Year	Debt Service On General Obligation Debt			General Fund Expenditures (1)	Debt Service as Percent of General Fund Expenditures
	Principal	Interest/ Fiscal Charges	Total		
1992	\$175,000	\$223,958	\$398,958	\$20,620,420	1.93%
1993	145,000	215,471	360,471	21,104,984	1.71%
1994	195,000	206,358	401,358	22,144,608	1.81%
1995	160,000	196,310	356,310	22,583,733	1.58%
1996	180,000	186,030	366,030	24,494,562	1.49%
1997	190,000	174,670	364,670	23,485,117	1.55%
1998	215,000	162,033	377,033	25,529,601	1.48%
1999	200,000	148,670	348,670	28,163,130	1.24%
2000	210,000	135,035	345,035	30,253,679	1.14%
2001	220,000	120,575	340,575	32,085,575	1.06%

(1) Includes Other Financing Uses

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

**NEW CONSTRUCTION, BANK DEPOSITS, AND PROPERTY VALUE
LAST TEN FISCAL YEARS**

Year	New Construction (1)				Bank Deposits (2)	Assessed Valuation (3)			
	Permits Issued	Commercial/ Industrial	Permits Issued	Residential/ Agricultural		Real Property	Public Utility	Personal Property	Total Property
1991	98	\$12,062,253	268	\$2,583,237	\$388,629,000	\$237,982,950	\$23,970,110	\$56,079,749	\$318,032,809
1992	60	8,031,112	446	3,886,818	389,745,000	239,617,470	25,026,790	55,860,713	320,504,973
1993	104	11,382,543	700	4,909,685	246,542,000	242,402,870	26,211,960	52,267,043	320,881,873
1994	64	20,704,623	566	4,661,266	246,960,000	275,371,410	26,472,300	52,812,280	354,655,990
1995	96	13,438,185	584	4,602,110	245,973,000	272,559,650	26,597,930	56,443,305	355,600,885
1996	112	13,828,609	605	4,917,967	245,161,000	280,258,110	26,628,240	60,473,494	367,359,844
1997	135	10,170,285	574	4,874,666	268,944,000	311,447,790	28,747,840	61,487,103	401,682,733
1998	102	26,848,146	425	5,124,026	288,494,000	314,363,270	27,572,100	64,355,718	406,291,088
1999	109	34,400,988	491	7,184,258	283,288,000	315,366,380	25,835,010	64,159,264	405,360,654
2000	121	17,186,521	587	7,336,081	279,070,000	347,783,620	26,331,920	65,521,406	439,636,946

(1) Source: City of Sandusky Building Department

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

(3) Assessed Value From Table 4

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
MAJOR TAXPAYERS
2000 TAX YEAR**

Personal Property

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Cedar Fair, L.P.	\$19,577,430	4.45%
First Energy	10,979,800	2.50%
Columbia Gas of Ohio	5,725,870	1.30%
Sandusky Limited	5,325,621	1.21%
Sandusky International, Inc.	5,122,300	1.17%
Georgia-Pacific.	5,076,400	1.15%
SBC Communications	3,939,630	0.90%
U.S. Tsubaki, Inc.	2,798,850	0.64%
FMC Corporation.	2,734,970	0.62%
Industrial Nut Corporation	1,736,520	0.39%
Dixon Ticonderoga.	1,407,230	0.32%
G&C Foundry	1,176,860	0.27%
TOTAL	<u>\$65,601,481</u>	<u>14.92%</u>

Real Property

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Cedar Fair, L.P.	\$33,344,970	7.58%
Norfolk & Western Railway Co	3,867,110	0.88%
S & S Realty	3,585,950	0.82%
Sandusky International, Inc.	2,134,770	0.49%
Hoty Marine Group.	2,128,460	0.48%
Sandusky Limited.	1,910,360	0.44%
Decatur Street Facility, Inc.	1,777,910	0.40%
Georgia-Pacific	1,464,730	0.33%
RB Manufacturing Co.	1,146,940	0.26%
Stein & Associates, Inc	1,027,020	0.23%
TOTAL	<u>\$52,388,220</u>	<u>11.91%</u>

Source: Erie County Auditor

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO**
ATTENDANCE DATA
LAST TEN SCHOOL YEARS

School Year Ended	Number of Graduates	Average Daily Membership	Average Daily Attendance	% Increase (Decrease) in ADM From Prior Year	Attendance as % of Average Daily Membership
1992	277	4,734	4,460	-0.11%	94.21%
1993	256	4,722	4,464	-0.25%	94.54%
1994	212	4,639	4,370	-1.76%	94.20%
1995	222	4,667	4,411	0.60%	94.51%
1996	222	4,701	4,291	0.73%	91.28%
1997	226	4,670	4,398	-0.66%	94.18%
1998	224	4,582	4,026	-1.88%	87.87%
1999	236	4,674	4,410	2.01%	94.35%
2000	290	4,555	4,499	-2.55%	98.77%
2001	230	4,386	4,022	-3.71%	91.70%

Source: EMIS District Summary Report

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHOOL DISTRICT EMPLOYEES
 (FULL AND PART-TIME)
 AS OF JUNE 30, 2001

I. Certificated Staff by Training and Experience

Years of Experience	Non-Deg	B.A.	B.A.+12	B.A.+24	M.A.	M.A.+12	M.A.+24	Total
0 - 5	0	58	11	8	10	5	0	92
6 - 10	0	14	14	16	9	1	0	54
11 - 15	1	9	8	23	12	3	5	61
16 - 20	0	4	2	17	6	6	6	41
21 - 25	0	2	9	23	6	5	15	60
26 - 30	0	0	0	18	7	5	6	36
31+	0	0	1	5	4	0	3	13
TOTAL	<u>1</u>	<u>87</u>	<u>45</u>	<u>110</u>	<u>54</u>	<u>25</u>	<u>35</u>	<u>357</u>

II. Classified Staff

Office Workers	32
Custodial/Maintenance	46
Cafeteria	41
Bus Drivers	26
Bus Aides	4
Teacher Aides	44
Library Aides	10
Total Classified Staff	<u>203</u>

III. Adult Education

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

IV. Administration

Certificated:		Non-Certificated:	
Superintendent	1	Treasurer	1
Assistant Superintendent	2	Assistant Treasurer	1
Directors	5	Director of Human Resources	1
Principals	12	Executive Assistant	1
Assistant Principals	4	Supervisors	4
Athletic Director	1	Total Non-Certificated	<u>8</u>
Total Certificated	<u>25</u>		

Total School Employees606

Source: School District Personnel Records

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF PROPERTY AND CASUALTY INSURANCE
 AS OF JUNE 30, 2001

Company Policy Number	Policy Period	Coverage	Limits of Coverage	Deductible	Annual Premium
Nationwide EGL 0005303	02/01/01 to 02/01/02	General Liability Each Occurrence Aggregate	\$2,000,000 \$5,000,000	\$0	\$13,872
Nationwide CA 0005303	02/10/01 to 02/10/02	Fleet	\$1,000,000	Comprehensive: \$100 Collision: \$500	\$14,770
Nationwide EUL 0005303	02/1/01 to 02/01/02	Umbrella Liability & Fleet	\$2,000,000	\$10,000	\$6,362
Nationwide CPP 0005303	2/10/01 to 02/10/02	Building & Contents	\$84,847,600	\$10,000	\$30,477

Source: School District Records



STATE OF OHIO
OFFICE OF THE AUDITOR

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SANDUSKY CITY SCHOOL DISTRICT

ERIE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MARCH 12, 2002**