



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO



**Auditor of State
Betty Montgomery**

88 East Broad Street
P. O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490
www.auditor.state.oh.us

January 21, 2003

The attached audit was conducted and prepared for release prior to the commencement of my term of office on January 13, 2003. Thus, I am releasing this audit under the signature of my predecessor.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

Table of Contents

| Title | Page |
|--|-------------|
| Schedule of Federal Awards Expenditures | 2 |
| Notes to the Schedule of Federal Awards Expenditures..... | 6 |
| Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> | 7 |
| Independent Accountants' Report on Compliance with Requirements Applicable to Major Federal Programs and Internal Control Over Compliance in Accordance with <i>OMB Circular A-133</i> | 9 |
| Schedule of Findings..... | 11 |

This page intentionally left blank.

This page intentionally left blank.

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

**Schedule of Federal Awards Expenditures
For the Year Ended June 30, 2002**

| FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title | Pass Through Entity Number | Federal CFDA Number |
|--|--|---------------------------|
| UNITED STATES DEPARTMENT OF AGRICULTURE | | |
| <i>Passed through the Ohio Department of Education</i> | | |
| <u>Nutrition Cluster:</u> | | |
| Food Distribution | n/a | 10.550 |
| National School Breakfast | 05-PU 01 05-PU 02 | 10.553 |
| Total - National School Breakfast | | |
| National School Lunch | LL P1 2002 LL P4 2002 LL P1 2001 LL P4 2001 | 10.555 |
| Total - National School Lunch | | |
| Total Department of Agriculture- Nutrition Cluster | | |
| UNITED STATES DEPARTMENT OF EDUCATION | | |
| <i>Direct Program</i> | | |
| Adult Education Pell Grant | n/a | 84.063 |
| <i>Passed through the Ohio Department of Education</i> | | |
| <u>Special Education Cluster:</u> | | |
| Special Education - Grants to States | 6B-SF 2001 P 6B-SF 2002 P | 84.027 |
| Total - Special Education Grants to States | | |
| Special Education - Preschool Grant | PG-SC 2001 P PG-S1 2001 P PG-S1 2002 P | 84.173 |
| Total - Preschool Grant | | |
| Total - Special Education Cluster | | |
| Adult Basic Education | AB-S1 2001 AB-S1 2002 AB-S1 2001 C | 84.002 |
| Total - Adult Basic Education | | |
| Title I Grants to Local Educational Agencies | C1-S1 2001 C1-SD 2002 C1-S1 2002 C1-S1 2001 C C1-SD 2001 C1-S1 2000 C | 84.010 |
| Total - Title I Grants to Local Educational Agencies | | |
| Title I Grants - Osborne School | AK-SI 2002 | 84.348 |
| Total - Title I Grants - Osborne School | | |
| Total - Title I | | |

| Receipts | Non-Cash Receipts | Disbursements | Non-Cash Disbursements |
|-----------|-------------------|---------------|------------------------|
| | \$84,494 | | \$84,936 |
| \$20,197 | | \$20,197 | |
| 105,803 | | 105,803 | |
| 126,000 | | 126,000 | |
| 10,140 | | 10,140 | |
| 491,814 | | 491,814 | |
| 15,692 | | 15,692 | |
| 89,728 | | 89,728 | |
| 607,374 | | 607,374 | |
| 733,374 | 84,494 | 733,374 | 84,936 |
| 53,978 | | 53,978 | |
| 97,885 | | 85,658 | |
| 445,382 | | 352,754 | |
| 543,267 | | 438,412 | |
| 4,032 | | 3,534 | |
| 15,391 | | 18,933 | |
| 37,266 | | 29,647 | |
| 56,689 | | 52,114 | |
| 599,956 | | 490,526 | |
| 8,973 | | 15,956 | |
| 73,310 | | 94,467 | |
| 22,708 | | 22,708 | |
| 104,991 | | 133,131 | |
| 154,596 | | 194,513 | |
| 14,017 | | 13,941 | |
| 857,143 | | 950,497 | |
| 77,845 | | 70,243 | |
| | | 438 | |
| | | 39,286 | |
| 1,103,601 | | 1,268,918 | |
| 45,629 | | 10,454 | |
| 45,629 | | 10,454 | |
| 1,149,230 | | 1,279,372 | |

(Continued)

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

**Schedule of Federal Awards Expenditures
For the Year Ended June 30, 2002
(Continued)**

| FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title | Pass Through Entity Number | Federal CFDA Number |
|--|--|---------------------------|
| Vocational Education - Basic Grants to States | 20-C1 2002 20-C1 2001 20-C2 2002 20-C2 2001 20-A0 2002 | 84.048 |
| Total - Vocational Education Basic Grants to States | | |
| Safe and Drug Free Schools and Communities - State Grants | DR-S1 2001 DR-S1 2002 | 84.186 |
| Total - Safe and Drug Free Schools and Communities - State Grants | | |
| Goals 2000 - State and Local Education Systemic Improvement | G2-S2 2000 G2-S2 2001 G2-S1 2001 G2-SP 2001 G2-S9 2001 | 84.276 |
| Total - Goals 2000 - State & Local Education Systemic Imp. | | |
| Eisenhower Professional Development State Grant | MS-S1 2001 MS-S1 2002 | 84.281 |
| Total - Eisenhower Professional Development State Grant | | |
| Innovative Education Program Strategies | C2-S1 2001 C2-S1 2002 | 84.298 |
| Total - Innovative Education Program Strategies | | |
| Virtual Middle School | TF-V2-2000 TF-V2-2000 | 84.318 |
| Total - Virtual Middle School | | |
| Class Size Reduction | CR-S1 2001 CR-S1 2002 | 84.340 |
| Total - Class Size Reduction | | |
| Total Department of Education | | |
| CORPORATION FOR NATIONAL AND COMMUNITY SERVICE: | | |
| <i>Passed through the Ohio Department of Education:</i> | | |
| Learn and Serve America | SV-S1 2001 SV-S2 2002 | 94.004 |
| Total - Learn and Serve America | | |
| UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES | | |
| <i>Passed through the Ohio Mental Retardation and Developmental Disabilities</i> | | |
| Title XIX (Medicaid) | | 93.778 |
| TOTALS | | |

The accompanying notes are an integral part of this schedule.

| Receipts | Non-Cash Receipts | Disbursements | Non-Cash Disbursements |
|--------------------|-------------------|--------------------|------------------------|
| 35,665 | | 93,574 | |
| 14,542 | | 11,613 | |
| 25,674 | | 83,045 | |
| 8,542 | | 568 | |
| 19,040 | | | |
| 103,463 | | 188,800 | |
| | | 21,048 | |
| 35,013 | | 21,805 | |
| 35,013 | | 42,853 | |
| | | 11,729 | |
| | | 10,726 | |
| 12,538 | | 14,406 | |
| 3,000 | | 2,857 | |
| 48,000 | | 9,517 | |
| 63,538 | | 49,235 | |
| | | 5,062 | |
| 32,839 | | 27,993 | |
| 32,839 | | 33,055 | |
| | | 2,324 | |
| 31,858 | | 30,626 | |
| 31,858 | | 32,950 | |
| 40,000 | | 39,302 | |
| 25,000 | | 24,812 | |
| 65,000 | | 64,114 | |
| 51,030 | | 55,366 | |
| 186,675 | | 165,983 | |
| 237,705 | | 221,349 | |
| 2,477,571 | | 2,589,363 | |
| | | 431 | |
| 3,000 | | 2,988 | |
| 3,000 | | 3,419 | |
| 205,346 | | 205,346 | |
| \$3,419,291 | \$84,494 | \$3,531,502 | \$84,936 |

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

**Notes to the Schedule of Federal Awards Expenditures
Fiscal Year Ended June 30, 1999**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – FOOD DISTRIBUTION

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2002, 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, 2002, the District owed \$338,073 on this loan. This loan is subject to certain compliance requirements imposed by the U.S. Environmental Protection Agency. The initial expenditure of these loan proceeds were reported on the Schedule of Federal Awards expenditures in the year funds were disbursed. No additional financial activity has been incurred other than the District's repayment of the loan. Such activity is not required to be reported in this Schedule.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

**INDEPENDENT ACCOUNTANTS' REPORT 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, 2002, and have issued our report thereon dated December 31, 2002, in which we noted the District modified the capitalization threshold for capital assets. 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 management of the District in a separate letter dated December 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 management of the District in a separate letter dated December 31, 2002.

This report is intended for the information and use of the audit committee, 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.

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

Jim Petro
Auditor of State

December 31, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

**INDEPENDENT ACCOUNTANTS' REPORT 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 each of its major federal programs for the year ended June 30, 2002. The District's major federal programs are 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 each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2002.

Internal Control over Compliance

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

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

Schedule of Federal Awards Expenditures

We have audited the financial statements that collectively comprise the District's basic financial statements as of and for the year ended June 30, 2002, and have issued our report thereon dated December 31, 2002, in which we noted the District modified the capitalization threshold for capital assets. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the audit committee, management, 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

December 31, 2002

**SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY**

**Schedule of Findings
OMB Circular A -133 §.505
June 30, 2002**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|--|
| (d)(1)(i) | Type of Financial Statement Opinion | Unqualified |
| (d)(1)(ii) | Were there any material control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material 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): | Title I (CFDA#84.010) |
| (d)(1)(viii) | Dollar Threshold: Type A\B Programs | Type A: > \$ 300,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee? | Yes |

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

SANDUSKY CITY
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2002

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, 2002**

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

| | |
|--|--------|
| Table of Contents | I 1-3 |
| Letter of Transmittal | I 4-11 |
| List of Principal Officers | I 12 |
| Organizational Chart | I 13 |
| Certificate of Achievement for Excellence in Financial Reporting | I 14 |
| Certificate of Excellence in Financial Reporting. | I 15 |

II. FINANCIAL SECTION

| | |
|--|---------|
| REPORT OF INDEPENDENT ACCOUNTANTS | F 1-2 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS | F 3-12 |
| BASIC FINANCIAL STATEMENTS: | |
| Government-Wide Financial Statements: | |
| Statement of Net Assets | F 13 |
| Statement of Activities | F 14-15 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | F 16 |
| Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities | F 17 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | F 18 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | F 19 |
| Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non GAAP Budgetary Basis) - General Fund | F 20-21 |
| Statement of Net Assets - Proprietary Funds | F 22 |
| Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds | F 23 |
| Statement of Cash Flows - Proprietary Funds | F 24-25 |
| Statement of Fiduciary Net Assets - Fiduciary Funds | F 26 |
| Statement of Changes in Fiduciary Net Assets - Fiduciary Funds | F 27 |
| Notes to the Basic Financial Statements | F 28-54 |

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES:

Combining Statements - Nonmajor Governmental Funds:

| | |
|---|---------|
| Fund Descriptions | F 55-58 |
| Combining Balance Sheet - Nonmajor Governmental Funds | F 59 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds | F 60 |
| Combining Balance Sheet - Nonmajor Special Revenue Funds | F 61-66 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds | F 67-72 |
| Combining Balance Sheet - Nonmajor Capital Projects Funds | F 73 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds | F 74 |

Combining Statements - Agency Funds:

| | |
|---|------|
| Fund Descriptions | F 75 |
| Combining Statement of Changes in Assets and Liabilities - All Agency Funds | F 76 |

Individual Fund Schedules of Revenues, Expenditures/Expenses and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):

| | |
|---|-----------|
| General Fund | F 77-79 |
| Special Trust Fund | F 80 |
| Public School Support | F 81 |
| Other Grant | F 82 |
| District Managed Student Activity | F 83 |
| Auxillary Services | F 84 |
| Career Development | F 85 |
| Post Secondary Vocational Education | F 86 |
| Teacher Development | F 87 |
| Management Information Systems | F 88 |
| Disadvantaged Pupil Impact Aid | F 89 |
| Data Communications | F 90 |
| SchoolNet Professional Development | F 91 |
| Ohio Reads Grant | F 92 |
| Summer Intervention | F 93 |
| Alternative Education Grant | F 94 |
| Able/Jobs Grant | F 95 |
| Adult Basic Education | F 96 |
| Education for Economic Security Act | F 97 |
| Title VI - B | F 98-99 |
| Vocational Education | F 100-101 |

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES (Continued):

| | |
|---|-----------|
| Basic Educational Opportunity Grant | F 102 |
| Title I | F 103-104 |
| Title II | F 105 |
| Drug-Free School Grant | F 106 |
| EHA Preschool Grant | F 107 |
| Youth Involvement Grant | F 108-109 |
| GOALS 2000 | F 110 |
| Debt Service Fund | F 111 |
| Permanent Improvement | F 112 |
| Replacement | F 113 |
| SchoolNet | F 114 |
| Food Service | F 115 |
| Adult Education | F 116 |
| Employee Benefits Self-Insurance | F 117 |
| Scholarship Trust Fund | F 118 |

III. STATISTICAL SECTION

| | |
|---|-------|
| Summary of Expenditures by Function and Other Financing Uses - General Fund - Last Ten Fiscal Years (Table 1) | S 1-2 |
| Summary of Revenues by Source and Other Financing Sources - General Fund - Last Ten Fiscal Years (Table 2) | S 3-4 |
| Property Tax Levies and Collections - Real, Public Utility, and Tangible Personal Property Tax - Last Ten Calendar Years (Table 3) | S 5 |
| Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Tax Years (Table 4) | S 6 |
| Property Tax Rates - Direct and Overlapping Governments - Last Ten Tax Years (Table 5) | S 7 |
| Demographic Statistics 1960 - 2000 (Table 6) | S 8 |
| Percent of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt per Capita - Last Ten Fiscal Years (Table 7) | S 9 |
| Computation of Legal Debt Margin (Table 8) | S 10 |
| Computation of Direct and Overlapping Debt (Table 9) | S 11 |
| Ratio of Annual General Obligation Debt Service to General Fund Expenditures - Last Ten Fiscal Years (Table 10) | S 12 |
| New Construction, Bank Deposits and Property Value - Last Ten Fiscal Years (Table 11) | S 13 |
| Major Taxpayers - 2001 Tax Year (Table 12) | S 14 |
| Attendance Data - Last Ten School Years (Table 13) | S 15 |
| School District Employees (Full and Part-time) as of June 30, 2002 (Table 14) | S 16 |
| Schedule of Property and Casualty Insurance as of June 30, 2002 (Table 15) | S 17 |

THIS PAGE IS INTENTIONALLY LEFT BLANK



SANDUSKY CITY SCHOOLS

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

December 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, 2002 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (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 90th largest by total enrollment among the 705 public and community school districts in the State and is the largest in Erie County. As of the current school year (2001-02), the average daily membership (ADM) was 4,302 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 608 full and part time employees. The District employs 360 certified staff members and 25 administrators. Additionally, the District employs 11 adult education instructors, 203 full-time and part-time non-teaching staff members and 9 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 (26.77%) of Erie County (functions allocated to counties by Ohio law, such as elections, health and human services, and judicial).
2. The City of Sandusky (100%) (municipal corporation responsibilities).

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

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

Employees

A statewide public employee bargaining law applies generally to public employee relations and collective bargaining. The starting salary (2001-02 school year) for a teacher with a bachelor's degree is \$27,332, and the maximum salary for a teacher with a master's degree plus 24 graduate hours and 23 years of experience is \$57,397.

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, 2004.

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, 2005.

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 2002 (b)</u> | <u>Sound Insurable Value (c)</u> |
|---------------------------------|--|-----------------------------|---------------------|--------------------------------|----------------------------------|
| <u>Elementary Schools</u> | | | | | |
| Campbell | 1884/1991 | 10 | 250 | 208 | \$ 1,556,669 |
| Hancock | 1923/'28/'31/'49/'66 | 21 | 525 | 322 | 1,693,365 |
| Madison | 1939/1991 | 10 | 250 | 230 | 1,342,798 |
| Mills | 1954/1991 | 19 | 475 | 314 | 1,934,868 |
| Monroe | 1894/1903/1991 | 13 | 325 | 196 | 2,119,573 |
| Ontario | 1952/1968 | 20 | 500 | 341 | 2,103,392 |
| Osborne | 1890/1991 | 15 | 375 | 298 | 2,288,974 |
| Venice Hts. | 1970 | 22 | 550 | 368 | 2,623,470 |
| <u>Junior High Schools</u> | | | | | |
| Adams | 1867/1914/1977 | 20 | 500 | 303 | 4,998,470 |
| Jackson | 1898/1927/1937 | 20 | 500 | 337 | 4,113,465 |
| <u>High School</u> | | | | | |
| Sandusky High | 1957/'67/'70/'73 | 90 | 2,250 | 1,290 | 16,428,907 |
| <u>Alternative Schools</u> | | | | | |
| Barker | 1874 | 7 | 175 | 46 | 866,905 |
| Barker Annex | 1924 | 4 | 100 | N/A | 375,595 |
| <u>Non-Classroom Facilities</u> | | | | | |
| Administration | 1926 | N/A | N/A | N/A | 1,539,359 |
| Bus Garage | Unknown | N/A | N/A | N/A | 542,952 |
| Stadium | 1935 | N/A | N/A | N/A | 1,413,470 |
| Bonn Bldg. | Unknown | N/A | N/A | N/A | 83,708 |
| Total | | <u>271</u> | <u>6,775</u> | <u>4,253</u> | <u>\$46,036,940</u> |

N/A – “Not applicable”

- (a) Capacity of these buildings is based on an average pupil/teacher ratio of 25 to 1.
- (b) Figures shown do not include students with special needs placed outside the District.
- (c) District property is exempt from ad valorem taxation. Source of the estimated value is the “sound insurance value” of each building or structure and the contents.

Parochial Schools

The District acts as fiscal agent for state funds distributed to parochial schools, with revenue reported in special revenue funds. The following four (4) parochial schools, located within the District, serve students who reside both inside and outside the District. As of June, 2002, approximately 63.4% of the students reside within the District.

| <u>Parochial School</u> | 2001-02 Enrollment | | |
|---|--------------------|----------------|--------------|
| | <u>District</u> | <u>Outside</u> | <u>Total</u> |
| St. Mary’s Elementary | 204 | 113 | 317 |
| Sts. Peter & Paul Elementary | 180 | 106 | 286 |
| Holy Angels Elementary | 89 | 27 | 116 |
| St. Mary’s Central Catholic High School | <u>134</u> | <u>104</u> | <u>238</u> |
| | <u>607</u> | <u>350</u> | <u>957</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 (including Firelands Regional Medical Center in Sandusky).

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.

The District constructed a 9,000 square foot strength room addition to Sandusky High School using funds from a bequest of a longtime Sandusky resident, the late Hilma R. Schwer. Community donations were used to purchase weight lifting equipment for the new strength room.

Major Initiatives for the Future

The District will implement plans to upgrade all areas of technology, beginning in the 2002-03 school year. Plans include the installation of an integrated fiber-optic cable network and IP telephone system in 2003, as well as the purchase of new hardware and software to replace outdated equipment throughout the District over the next several years.

The District will conduct a thorough review of all of its school buildings in the fall of 2002, in conjunction with the Ohio School Facilities Commission. A master plan for future facility needs will be developed following the building survey.

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, 2002 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 \$2,758,454 on June 30, 2002.

Financial Condition

This is the second 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 2002 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 \$642,915 at June 30, 2001 and net assets of \$787,979 at June 30, 2002, reflecting an increase of \$145,064.

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 \$5,261,127 at June 30, 2002 and the agency funds had net assets of \$392,372 at June 30, 2002.

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 2.5 percent. The District earned interest revenue of \$415,924 on all investments for the fiscal year. The District's investment policy is to minimize credit and market risks, while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held by the financial institution's trust department in the District's name. As required under Ohio law, pooled securities have been pledged in an amount equal to 110% of the total deposits, to secure the repayment of all public monies deposited in a financial institution.

Risk Management

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, 2001. 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, 2001. 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.

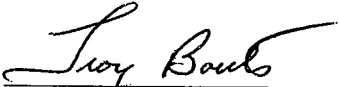
Use of this report by the various departments of the District is encouraged when furnishing information. Copies of this report are being placed in the public library for use by the general public.

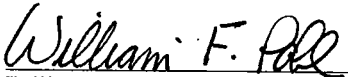
Acknowledgments

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


William F. Pahl, Superintendent

**SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 LIST OF PRINCIPAL OFFICERS
 JUNE 30, 2002**

Board of Education

| <u>Name</u> | Began Service as a Board Member <u>January 1</u> | Present Term Expires <u>December 31</u> | Vocation in Private <u>Life</u> |
|----------------------------|---|--|--|
| Mrs. Faith A. Denslow** | 1999 (appointed 5/99) | 2003 | Homemaker |
| Mr. Clinton Bennett, Jr. * | 1994 | 2005 | Retired School Fireman |
| Mr. King Baer | 2000 | 2003 | Retired Fireman |
| Mr. Jeffrey Krabill | 2000 | 2003 | Businessman |
| Mr. Thomas C. Patterson | 2002 | 2005 | Businessman |

** President
 * Vice President

Superintendent

Dr. L. Richard Sulewski

Treasurer

Mr. A. Troy Bouts

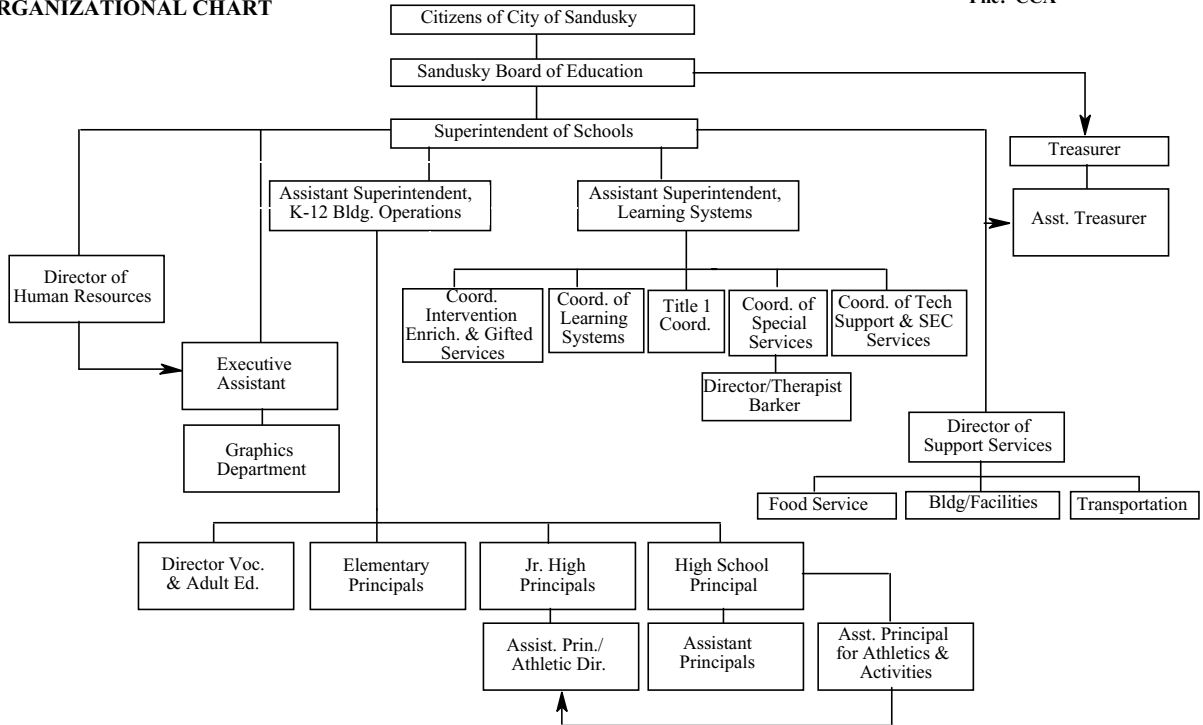
Central Office Administrative Staff

| | |
|----------------------|---|
| Mr. Craig Bickley | Director of Human Resources |
| Ms. Stephanie Cutlip | Coordinator of Intervention, Enrichment & Gifted Services |
| Mr. DeWayne Howard | Director of Support Services |
| Mr. Edward Jones | Director of Adult & Vocational Education |
| Mrs. Heather Kantola | Assistant Supt., Learning Systems |
| Mr. John Kaszonyi | Assistant Supt., Operations |
| Ms. Joy Kear | Coordinator, Title 1 |
| Ms. Patricia King | Administrative Assistant |
| Mr. Brett Kluiber | Coordinator of Network Technology |
| Ms. Cece Mees | Assistant Treasurer |
| Ms. Bonnie Pigman | Coordinator of Special Services |
| Mr. Ted Peters | Transportation Supervisor |
| Mr. Kevin Toms | Supervisor of Building Services |
| Mr. Frank Vidmar | Coordinator of Curricular Technology |

**SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO
 ORGANIZATIONAL CHART
 JUNE 30, 2002**

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, 2001

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



President

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, 2001

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

Charles J. Schell
President

David P. Kelly
Interim Executive Director

FINANCIAL SECTION



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One Government Center
Suite 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 financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Sandusky City School District (the District) as of and for the year ended June 30, 2002, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Sandusky City School District, Erie County, Ohio, as of June 30, 2002, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2002, the District modified the capitalization threshold for capital assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2002 on our consideration of the Government's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a stylized flourish at the end.

Jim Petro
Auditor of State

December 31, 2002

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
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, 2002. 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 2002 are as follows:

- In total, net assets increased \$3,024,890. Net assets of governmental activities increased \$2,770,153, which represents a 19.9% increase from 2001. Net assets of business-type activities increased \$254,737 or 128.36% from 2001.
- General revenues accounted for \$33,903,472 in revenue or 77.1% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$10,160,008 or 22.9% of total revenues of \$44,063,480.
- The District had \$38,270,915 in expenses related to governmental activities; only \$7,288,576 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 \$33,853,844 were adequate to provide for these programs.
- The District's only major governmental fund is the general fund. The general fund had \$33,165,371 in revenues and other financing sources and \$32,174,735 in expenditures and other financing uses. The general fund's fund balance increased from \$1,769,140 to \$2,758,454.
- Net assets for the District's two major enterprise funds increased significantly. This increase resulted from \$76,352 in capital contributions in the Food Service fund and a tighter control over expenses relating to materials and supplies and purchased services in the both of the enterprise funds.

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, 2002
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 2002?" 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 F16 and the analysis of the District's two major enterprise funds begins on page F22. 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, 2002
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 F26 and F27. 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

The Statement of Net Assets provides the perspective of the District as a whole. The table below provides a summary of the District's net assets for 2002 compared to fiscal 2001. Net assets were restated at June 30, 2001 due to a change in the District's capitalization criteria (see Note 3.A. to the basic financial statements for detail).

| | Net Assets | | | |
|---|--------------------------------|---------------------------|---------------------------------|---------------------------|
| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | |
| | <u>2002</u> | (Restated) <u>2001</u> | <u>2002</u> | (Restated) <u>2001</u> |
| <u>Assets</u> | | | | |
| Current assets | \$29,872,563 | \$26,213,162 | \$313,583 | \$ 182,495 |
| Capital assets | <u>9,470,862</u> | <u>9,580,950</u> | <u>105,959</u> | <u>37,197</u> |
| Total assets | <u>39,343,425</u> | <u>35,794,112</u> | <u>419,542</u> | <u>219,692</u> |
| <u>Liabilities</u> | | | | |
| Current liabilities | 21,328,922 | 20,722,635 | 252,404 | 275,111 |
| Long-term liabilities | <u>4,114,474</u> | <u>3,941,601</u> | <u>110,842</u> | <u>143,022</u> |
| Total liabilities | <u>25,443,396</u> | <u>24,664,236</u> | <u>363,246</u> | <u>418,133</u> |
| <u>Net Assets</u> | | | | |
| Invested in capital assets, net of debt | 7,737,789 | 7,631,409 | 105,959 | 37,197 |
| Restricted | 3,091,555 | 1,603,196 | - | - |
| Unrestricted | <u>3,070,685</u> | <u>1,895,271</u> | <u>(49,663)</u> | <u>(235,638)</u> |
| Total net assets | <u>\$13,900,029</u> | <u>\$11,129,876</u> | <u>\$ 56,296</u> | <u>\$(198,441)</u> |

Total assets increased by \$3,749,163 due primarily from an increase in cash and cash equivalents of \$2,848,454 and taxes receivable of \$706,355. Subsequently, the net assets of the District increased \$3,024,890 and restricted assets increased \$1,361,389.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
UNAUDITED

The table below shows the changes in net assets for governmental activities and business-type activities for fiscal year 2002 compared to fiscal year 2001.

| | Change in Net Assets | | | |
|---|--------------------------------|-------------------|---------------------------------|---------------------|
| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | |
| | <u>2002</u> | <u>2001</u> | <u>2002</u> | <u>2001</u> |
| <u>Revenues</u> | | | | |
| Program revenues: | | | | |
| Charges for services and sales | \$ 871,026 | \$ 608,765 | \$1,141,597 | \$1,357,203 |
| Operating grants and contributions | 4,870,600 | 4,966,690 | 1,626,078 | 1,502,477 |
| Capital grants and contributions | 1,546,950 | 571,234 | - | - |
| General revenues: | | | | |
| Property taxes | 17,368,082 | 15,998,425 | - | - |
| Grants and entitlements | 16,209,085 | 15,494,850 | - | - |
| Other | <u>276,677</u> | <u>966,557</u> | <u>49,628</u> | <u>47,963</u> |
| Total revenues | <u>41,142,420</u> | <u>38,606,521</u> | <u>2,817,303</u> | <u>2,907,643</u> |
| <u>Expenses</u> | | | | |
| Program expenses: | | | | |
| Instruction: | | | | |
| Regular | 16,420,485 | 15,310,959 | - | - |
| Special | 6,152,427 | 5,580,007 | - | - |
| Vocational | 1,473,087 | 1,581,925 | - | - |
| Other | 146,898 | 133,531 | - | - |
| Support services: | | | | |
| Pupil | 1,484,322 | 1,513,446 | - | - |
| Instructional staff | 1,538,623 | 1,712,630 | - | - |
| Board of Education | 187,936 | 169,581 | - | - |
| Administration | 2,916,382 | 2,691,724 | - | - |
| Fiscal | 674,661 | 608,555 | - | - |
| Business | 216,076 | 213,928 | - | - |
| Operations and maintenance | 3,743,299 | 3,899,035 | - | - |
| Pupil transportation | 1,269,200 | 1,207,351 | - | - |
| Central | 146,152 | 1,223,057 | - | - |
| Operation of non-instructional services | 226,371 | 152,274 | - | - |
| Extracurricular activities | 1,114,411 | 1,087,111 | - | - |
| Intergovernmental | 454,538 | 513,265 | - | - |
| Interest and fiscal charges | 106,047 | 119,368 | - | - |
| Food service | - | - | 1,722,271 | 1,967,634 |
| Adult education | - | - | <u>941,647</u> | <u>1,091,331</u> |
| Total expenses | <u>38,270,915</u> | <u>37,717,747</u> | <u>2,663,918</u> | <u>3,058,965</u> |
| Capital contributions | (76,352) | - | 76,352 | - |
| Transfers | <u>(25,000)</u> | <u>(25,000)</u> | <u>25,000</u> | <u>25,000</u> |
| Change in net assets | <u>\$ 2,770,153</u> | <u>\$ 863,774</u> | <u>\$ 254,737</u> | <u>\$ (126,322)</u> |

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
UNAUDITED

Governmental Activities

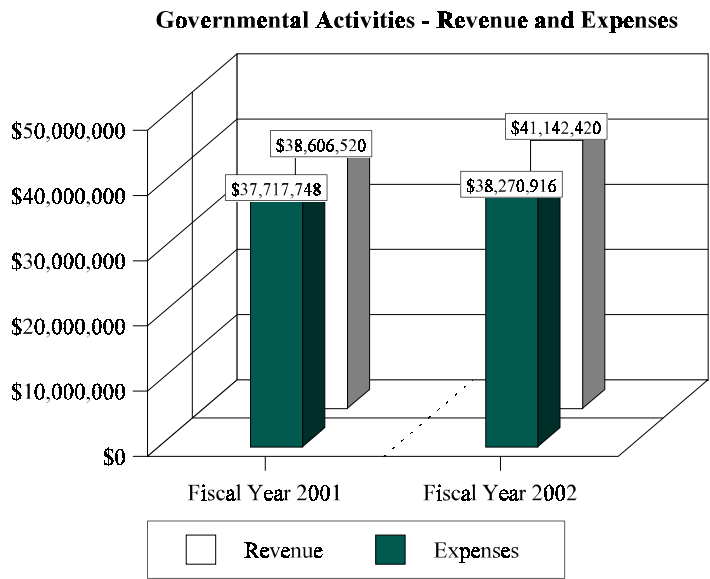
Net assets of the District's governmental activities increased by \$2,770,153. Total governmental expenses of \$38,270,915 were offset by program revenues of \$7,288,576 and general revenues of \$33,853,844. Program revenues supported 19.04% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements. These two revenue sources represent 99.18% 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 2003, with no other local tax revenue increases being necessary. An additional operating levy was voted down in May of 2002. The District plans to place an additional operating levy on the ballot in 2003.

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 6% over the last three years, however it is expected to grow by only 2.5% for 2003 and beyond.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2002 and 2001.



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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
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 for 2002 compared to 2001. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

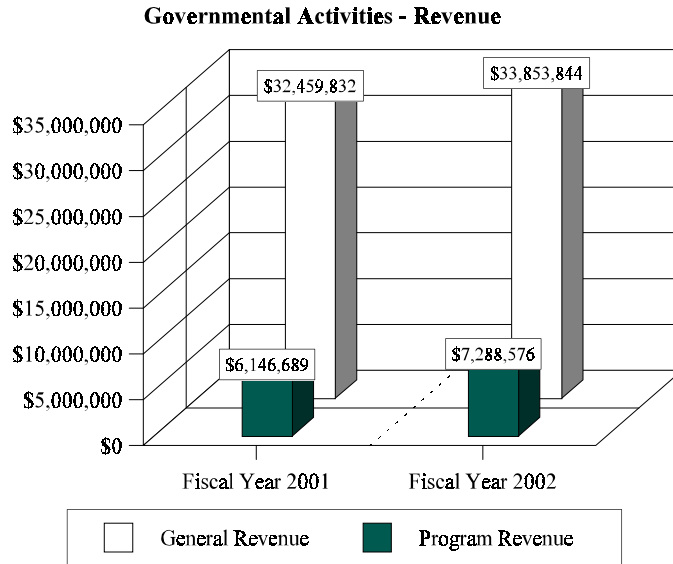
| | Total Cost of Services <u>2002</u> | Net Cost of Services <u>2002</u> | Total Cost of Services <u>2001</u> | Net Cost of Services <u>2001</u> |
|---|--|--|--|--|
| Program expenses: | | | | |
| Instruction: | | | | |
| Regular | \$16,420,485 | \$14,397,393 | \$15,310,959 | \$13,490,751 |
| Special | 6,152,427 | 4,841,070 | 5,580,007 | 3,971,087 |
| Vocational | 1,473,087 | 1,139,820 | 1,581,925 | 1,436,380 |
| Other | 146,898 | 124,502 | 133,531 | (20,632) |
| Support Services: | | | | |
| Pupil | 1,484,322 | 1,308,789 | 1,513,446 | 1,389,159 |
| Instructional staff | 1,538,623 | 1,185,924 | 1,712,630 | 1,376,339 |
| Board of education | 187,936 | 187,936 | 169,581 | 169,581 |
| Administration | 2,916,382 | 2,788,808 | 2,691,724 | 2,569,391 |
| Fiscal | 674,661 | 658,503 | 608,555 | 590,488 |
| Business | 216,076 | 216,076 | 213,928 | 213,928 |
| Operations and maintenance | 3,743,299 | 2,091,869 | 3,899,035 | 3,837,181 |
| Pupil transportation | 1,269,200 | 1,243,767 | 1,207,351 | 1,085,186 |
| Central | 146,152 | 42,090 | 1,223,057 | 807,155 |
| Operation of non-instructional services | 226,371 | 71,402 | 152,274 | (30,474) |
| Extracurricular activities | 1,114,411 | 617,140 | 1,087,111 | 530,349 |
| Intergovernmental | 454,538 | (38,797) | 513,265 | 35,821 |
| Interest and fiscal charges | <u>106,047</u> | <u>106,047</u> | <u>119,368</u> | <u>119,368</u> |
| Total expenses | <u>\$38,270,915</u> | <u>\$30,982,339</u> | <u>\$37,717,747</u> | <u>\$31,571,058</u> |

The dependence upon tax revenues during fiscal year 2002 for governmental activities is apparent, as 84.75% of 2002 instruction activities are supported through taxes and other general revenues. All governmental activities, general revenue support is 80.96% in 2002 as compared to 83.70% in 2001. 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, 2002
UNAUDITED

The graph below presents the District's governmental activities revenue for fiscal years 2002 and 2001.



Business-Type Activities

Business-type activities include adult education and the food service operation. These programs had revenues of \$2,817,303 and expenses of \$2,663,918 for fiscal year 2002. In addition, the business-type activities received \$25,000 in transfers and \$76,352 in capital contributions from governmental activities. During fiscal year 2002, the District took steps to reduce expenses, including renegotiating vendor agreements. In addition, a computerized cafeteria collection system was implemented in fiscal year 2002. This system increased the efficiency of collections in the food service operation. In fiscal 2002, the adult education program decreased overall expenses by \$149,684 or 13.72% from 2001 expenses. The District's business activities receive no support from tax revenues.

The District's Funds

The District's governmental funds (as presented on the balance sheet on page F16) reported a combined fund balance of \$5,774,554, which is above last year's total of \$3,248,328. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2002 and 2001.

| | <u>Fund Balance June 30, 2002</u> | <u>Fund Balance June 30, 2001</u> | <u>Increase</u> |
|--------------------|---------------------------------------|---------------------------------------|--------------------|
| General | \$2,758,454 | \$1,769,140 | \$ 989,314 |
| Other governmental | <u>3,016,100</u> | <u>1,479,188</u> | <u>1,536,912</u> |
| Total | <u>\$5,774,554</u> | <u>\$3,248,328</u> | <u>\$2,526,226</u> |

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
UNAUDITED

General Fund

The District's general fund balance increased by \$989,314, due to an increase in tax revenue and a tighter control on spending during 2002. The table that follows assists in illustrating the financial activities and fund balance of the general fund.

| | <u>2002</u> <u>Amount</u> | <u>2001</u> <u>Amount</u> | <u>Percentage</u> <u>Change</u> |
|---|------------------------------|------------------------------|------------------------------------|
| <u>Revenues</u> | | | |
| Taxes | \$16,278,068 | \$15,001,539 | 8.51 |
| Interest earnings | 235,415 | 522,921 | (54.98) |
| Intergovernmental | 15,993,818 | 15,514,998 | 3.09 |
| Other revenues | <u>644,070</u> | <u>533,223</u> | 20.79 |
| Total | <u>\$33,151,371</u> | <u>\$31,572,681</u> | 5.00 |
| <u>Expenditures</u> | | | |
| Instruction | \$20,064,818 | \$19,723,478 | 1.73 |
| Support services | 11,284,983 | 11,430,508 | (1.27) |
| Operation on non-instructional services | 88,411 | 8,800 | 904.67 |
| Extracurricular activities | <u>711,523</u> | <u>679,605</u> | 4.70 |
| Total | <u>\$32,149,735</u> | <u>\$31,842,391</u> | .97 |

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.

During the course of fiscal 2002, 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 \$33,547,700, above original budget estimates of \$32,112,800. Of this \$1,434,900 difference, most was due to conservative tax and intergovernmental estimates in the original budget.

General fund original appropriations of \$33,286,990 were increased to \$34,578,828 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2002 totaled \$32,803,952, which was \$1,774,876 less than the final budget appropriations, primarily because salary costs proved to be lower than anticipated in the original and final budget.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
UNAUDITED

Capital Assets and Debt Administration

Capital Assets

During fiscal year 2002, the District changed its capitalization threshold from eight hundred dollars to five thousand dollars. This resulted in a restatement of capital assets in the governmental and business-type activities at June 30, 2001 (see Note 3.A. to the basic financial statements for detail). At the end of fiscal 2002, the District had \$9,576,821 invested in land, land improvements, buildings and improvements, furniture and equipment and vehicles. Of this total, \$9,470,862 was reported in governmental activities and \$105,959 was reported in business-type activities. The following table shows fiscal 2002 balances compared to 2001 (as restated):

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

| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------|-------------------------|--------------------|--------------------------|-----------------|--------------------|--------------------|
| | 2002 | 2001 | 2002 | 2001 | 2002 | 2001 |
| Land | \$2,280,969 | \$2,280,969 | \$ - | \$ - | \$2,280,969 | \$2,280,969 |
| Land improvements | 163,978 | 172,629 | - | - | 163,978 | 172,629 |
| Buildings and improvements | 5,474,194 | 5,544,929 | - | - | 5,474,194 | 5,544,929 |
| Furniture and equipment | 490,367 | 534,458 | 105,959 | 37,197 | 596,326 | 571,655 |
| Vehicles | <u>1,061,354</u> | <u>1,047,965</u> | <u>-</u> | <u>-</u> | <u>1,061,354</u> | <u>1,047,965</u> |
| Totals | <u>\$9,470,862</u> | <u>\$9,580,950</u> | <u>\$105,959</u> | <u>\$37,197</u> | <u>\$9,576,821</u> | <u>\$9,618,147</u> |

Debt Administration

At June 30, 2002 the District had \$1,733,073 in general obligation bonds and a loan outstanding. Of this total, \$216,468 is due within one year and \$1,516,605 is due within greater than one year. The following table summarizes the bonds and loan outstanding.

Outstanding Debt, at Year End

| | Governmental Activities 2002 | Governmental Activities 2001 |
|------------------------------|------------------------------------|------------------------------------|
| General obligation bonds: | | |
| Elementary building addition | \$1,395,000 | \$1,550,000 |
| Asbestos abatement loan | <u>338,073</u> | <u>399,541</u> |
| Total | <u>\$1,733,073</u> | <u>\$1,949,541</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.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
UNAUDITED

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, 2002 the District's overall legal debt margin was \$39,445,534 with an unvoted debt margin of \$450,734. The District maintains an A-1 bond rating.

For the Future

As the preceding information shows, the District relies heavily upon grants and entitlements and property taxes. Tax revenue during fiscal year 2002 increased due to the increased tax valuation of Cedar Point Amusement Park. The increase in tax revenue combined with a tighter control of operating expenses allowed the District to end fiscal year 2002 financially strong. The additional tax revenue will provide the District with the necessary funds to meet its operating expenses in fiscal year 2003. 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 2003, it is anticipated that an additional operating levy will need to be passed in the future in order to provide financial stability over the next five years.

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.

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 December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding plan is unconstitutional. At this time, the District is unable to determine what effect, if any, this decision 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'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, 2002

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|---|------------------------------------|-------------------------------------|---------------------|
| Assets: | | | |
| Equity in pooled cash and cash equivalents | \$10,747,736 | \$291,105 | \$11,038,841 |
| Receivables: | | | |
| Taxes | 17,927,849 | 0 | 17,927,849 |
| Accounts | 22,106 | 45,854 | 67,960 |
| Intergovernmental | 636,015 | 112,962 | 748,977 |
| Accrued interest | 25 | 0 | 25 |
| Internal loans | 158,000 | (158,000) | 0 |
| Prepayments | 95,576 | 2,054 | 97,630 |
| Materials and supplies inventory. | 285,256 | 19,608 | 304,864 |
| Capital assets: | | | |
| Land. | 2,280,969 | 0 | 2,280,969 |
| Depreciable capital assets, net | 7,189,893 | 105,959 | 7,295,852 |
| Total capital assets | <u>9,470,862</u> | <u>105,959</u> | <u>9,576,821</u> |
| Total assets. | <u>39,343,425</u> | <u>419,542</u> | <u>39,762,967</u> |
| Liabilities: | | | |
| Accounts payable. | 241,080 | 8,583 | 249,663 |
| Accrued wages and benefits | 3,926,141 | 152,748 | 4,078,889 |
| Pension obligation payable. | 797,387 | 23,798 | 821,185 |
| Intergovernmental payable | 213,995 | 67,275 | 281,270 |
| Deferred revenue | 15,762,304 | 0 | 15,762,304 |
| Accrued interest payable | 8,015 | 0 | 8,015 |
| Claims payable | 380,000 | 0 | 380,000 |
| Long-term liabilities: | | | |
| Due within one year. | 696,045 | 5,514 | 701,559 |
| Due within more than one year | 3,418,429 | 105,328 | 3,523,757 |
| Total liabilities | <u>25,443,396</u> | <u>363,246</u> | <u>25,806,642</u> |
| Net Assets: | | | |
| Invested in capital assets, net of related debt. | 7,737,789 | 105,959 | 7,843,748 |
| Restricted for: | | | |
| Capital projects | 2,094,227 | 0 | 2,094,227 |
| Debt service. | 279,808 | 0 | 279,808 |
| Other purposes | 717,520 | 0 | 717,520 |
| Unrestricted (deficit) | <u>3,070,685</u> | <u>(49,663)</u> | <u>3,021,022</u> |
| Total net assets | <u>\$13,900,029</u> | <u>\$56,296</u> | <u>\$13,956,325</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, 2002

| | Program Revenues | | | |
|---|-------------------------|---|---|---|
| | Expenses | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental activities: | | | | |
| Instruction: | | | | |
| Regular | \$16,420,485 | \$223,095 | \$1,734,477 | \$65,520 |
| Special | 6,152,427 | 0 | 1,311,357 | 0 |
| Vocational. | 1,473,087 | 36,208 | 297,059 | 0 |
| Other | 146,898 | 0 | 22,396 | 0 |
| Support services: | | | | |
| Pupil. | 1,484,322 | 0 | 175,533 | 0 |
| Instructional staff | 1,538,623 | 0 | 352,699 | 0 |
| Board of education | 187,936 | 0 | 0 | 0 |
| Administration. | 2,916,382 | 0 | 127,574 | 0 |
| Fiscal. | 674,661 | 0 | 16,158 | 0 |
| Business | 216,076 | 0 | 0 | 0 |
| Operations and maintenance. | 3,743,299 | 170,000 | 0 | 1,481,430 |
| Pupil transportation | 1,269,200 | 0 | 25,433 | 0 |
| Central. | 146,152 | 0 | 104,062 | 0 |
| Operation of non-instructional services | | | | |
| Extracurricular activities. | 226,371 | 0 | 154,969 | 0 |
| Intergovernmental | 1,114,411 | 441,723 | 55,548 | 0 |
| Interest and fiscal charges | 454,538 | 0 | 493,335 | 0 |
| | 106,047 | 0 | 0 | 0 |
| Total governmental activities | <u>38,270,915</u> | <u>871,026</u> | <u>4,870,600</u> | <u>1,546,950</u> |
| Business-type activities: | | | | |
| Food service. | 1,722,271 | 803,210 | 992,839 | 0 |
| Adult education | 941,647 | 338,387 | 633,239 | 0 |
| Total business-type activities | <u>2,663,918</u> | <u>1,141,597</u> | <u>1,626,078</u> | <u>0</u> |
| Totals | <u>\$40,934,833</u> | <u>\$2,012,623</u> | <u>\$6,496,678</u> | <u>\$1,546,950</u> |

General Revenues:

| |
|---|
| Property taxes levied for: |
| General purposes |
| Debt service. |
| Capital outlay. |
| Grants and entitlements not restricted to specific programs |
| Investment earnings |
| Miscellaneous |
| Total general revenues |
| Transfers |
| Capital contributions |
| Total general revenues, transfers and capital contributions |
| Change in net assets |
| Net assets at beginning of year (restated) |
| 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> |
|------------------------------------|-------------------------------------|---------------------|
| (\$14,397,393) | | (\$14,397,393) |
| (4,841,070) | | (4,841,070) |
| (1,139,820) | | (1,139,820) |
| (124,502) | | (124,502) |
| (1,308,789) | | (1,308,789) |
| (1,185,924) | | (1,185,924) |
| (187,936) | | (187,936) |
| (2,788,808) | | (2,788,808) |
| (658,503) | | (658,503) |
| (216,076) | | (216,076) |
| (2,091,869) | | (2,091,869) |
| (1,243,767) | | (1,243,767) |
| (42,090) | | (42,090) |
| (71,402) | | (71,402) |
| (617,140) | | (617,140) |
| 38,797 | | 38,797 |
| (106,047) | | (106,047) |
| <u>(30,982,339)</u> | | <u>(30,982,339)</u> |
| 0 | \$73,778 | 73,778 |
| 0 | 29,979 | 29,979 |
| 0 | 103,757 | 103,757 |
| <u>(30,982,339)</u> | <u>103,757</u> | <u>(30,878,582)</u> |
| 16,497,807 | 0 | 16,497,807 |
| 267,735 | 0 | 267,735 |
| 602,540 | 0 | 602,540 |
| 16,209,085 | 0 | 16,209,085 |
| 276,677 | 0 | 276,677 |
| 0 | 49,628 | 49,628 |
| <u>33,853,844</u> | <u>49,628</u> | <u>33,903,472</u> |
| (25,000) | 25,000 | 0 |
| (76,352) | 76,352 | 0 |
| <u>33,752,492</u> | <u>150,980</u> | <u>33,903,472</u> |
| 2,770,153 | 254,737 | 3,024,890 |
| 11,129,876 | (198,441) | 10,931,435 |
| <u>\$13,900,029</u> | <u>\$56,296</u> | <u>\$13,956,325</u> |

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2002

| | General | Other Governmental Funds | Total Governmental Funds |
|--|----------------|---|---|
| Assets: | | | |
| Equity in pooled cash and cash equivalents | \$5,500,443 | \$3,902,561 | \$9,403,004 |
| Receivables: | | | |
| Taxes | 17,012,517 | 915,332 | 17,927,849 |
| Accounts | 21,388 | 718 | 22,106 |
| Intergovernmental | 56,567 | 579,448 | 636,015 |
| Accrued interest | 25 | 0 | 25 |
| Interfund loans | 407,500 | 0 | 407,500 |
| Prepayments | 95,576 | 0 | 95,576 |
| Materials and supplies inventory | 285,256 | 0 | 285,256 |
| Restricted assets: | | | |
| Equity in pooled cash and cash equivalents | 176,753 | 0 | 176,753 |
| Total assets | \$23,556,025 | \$5,398,059 | \$28,954,084 |
| Liabilities: | | | |
| Accounts payable | \$176,909 | \$64,171 | \$241,080 |
| Accrued wages and benefits | 3,451,902 | 474,239 | 3,926,141 |
| Future retirement obligation payable | 235,857 | 63,489 | 299,346 |
| Pension obligation payable | 466,722 | 79,424 | 546,146 |
| Intergovernmental payable | 192,050 | 21,945 | 213,995 |
| Interfund loan payable | 0 | 249,500 | 249,500 |
| Deferred revenue | 16,274,131 | 1,429,191 | 17,703,322 |
| Total liabilities | 20,797,571 | 2,381,959 | 23,179,530 |
| Fund Balances: | | | |
| Reserved for encumbrances | 110,009 | 243,982 | 353,991 |
| Reserved for budget stabilization | 176,753 | 0 | 176,753 |
| Reserved for materials and supplies inventory | 285,256 | 0 | 285,256 |
| Reserved for property tax unavailable for appropriation | 738,386 | 44,359 | 782,745 |
| Reserved for prepayments | 95,576 | 0 | 95,576 |
| Unreserved, undesignated, reported in: | | | |
| General fund | 1,352,474 | 0 | 1,352,474 |
| Special revenue funds | 0 | 560,210 | 560,210 |
| Debt service fund | 0 | 258,895 | 258,895 |
| Capital projects funds | 0 | 1,908,654 | 1,908,654 |
| Total fund balances | 2,758,454 | 3,016,100 | 5,774,554 |
| Total liabilities and fund balances | \$23,556,025 | \$5,398,059 | \$28,954,084 |

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, 2002

| | | |
|--|-------------|---------------------|
| Total governmental fund balances | | \$5,774,554 |
| <i>Amounts reported for governmental activities in the statement of net assets are different because:</i> | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 9,470,862 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. | | |
| Taxes | \$1,384,913 | |
| Interest | 25 | |
| Intergovernmental revenue | 556,080 | |
| Total | | 1,941,018 |
| 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. | | 787,979 |
| 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 | 1,395,000 | |
| Compensated absences | 147,106 | |
| Future retirement obligation | 1,934,949 | |
| Pension obligation payable | 251,241 | |
| Asbestos abatement loan | 338,073 | |
| Accrued interest payable | 8,015 | |
| Total | | (4,074,384) |
| Net assets of governmental activities | | \$13,900,029 |

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, 2002

| | General | Other Governmental Funds | Total Governmental Funds |
|---|--------------------|---|---|
| Revenues: | | | |
| From local sources: | | | |
| Taxes | \$16,278,068 | \$857,100 | \$17,135,168 |
| Tuition | 53,183 | 0 | 53,183 |
| Earnings on investments | 235,415 | 15,149 | 250,564 |
| Extracurricular | 10,610 | 431,198 | 441,808 |
| Other local revenues | 392,393 | 1,567,514 | 1,959,907 |
| Other revenue | 5,858 | 341 | 6,199 |
| Intergovernmental - State | 15,993,818 | 2,276,863 | 18,270,681 |
| Intergovernmental - Federal | 182,026 | 2,503,939 | 2,685,965 |
| Total revenue | 33,151,371 | 7,652,104 | 40,803,475 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 14,185,751 | 1,625,988 | 15,811,739 |
| Special | 4,461,568 | 1,523,799 | 5,985,367 |
| Vocational | 1,417,499 | 36,430 | 1,453,929 |
| Other | 0 | 145,869 | 145,869 |
| Support Services: | | | |
| Pupil | 1,385,608 | 156,230 | 1,541,838 |
| Instructional staff | 1,250,689 | 375,727 | 1,626,416 |
| Board of education | 185,540 | 0 | 185,540 |
| Administration | 2,701,741 | 128,415 | 2,830,156 |
| Fiscal | 621,590 | 39,961 | 661,551 |
| Business | 209,420 | 1,102 | 210,522 |
| Operations and maintenance | 3,622,467 | 0 | 3,622,467 |
| Pupil transportation | 1,253,788 | 26,956 | 1,280,744 |
| Central | 54,140 | 89,446 | 143,586 |
| Operation of non-instructional services | 88,411 | 155,143 | 243,554 |
| Extracurricular activities | 711,523 | 406,871 | 1,118,394 |
| Facilities acquisition and construction | 0 | 610,757 | 610,757 |
| Intergovernmental pass through | 0 | 454,538 | 454,538 |
| Debt service: | | | |
| Principal retirement | 0 | 216,468 | 216,468 |
| Interest and fiscal charges | 0 | 107,492 | 107,492 |
| Total expenditures | 32,149,735 | 6,101,192 | 38,250,927 |
| Excess of revenues under expenditures | 1,001,636 | 1,550,912 | 2,552,548 |
| Other financing sources (uses): | | | |
| Transfers in | 14,000 | 0 | 14,000 |
| Transfers (out) | (25,000) | (14,000) | (39,000) |
| Total other financing sources (uses) | (11,000) | (14,000) | (25,000) |
| Net change in fund balances | 990,636 | 1,536,912 | 2,527,548 |
| Fund balances at beginning of year | 1,769,140 | 1,479,188 | 3,248,328 |
| Decrease in reserve for inventory | (1,322) | 0 | (1,322) |
| Fund balances at end of year | \$2,758,454 | \$3,016,100 | \$5,774,554 |

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, 2002

Net change in fund balances - total governmental funds \$2,527,548

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense (\$405,365) exceeds capital outlays (\$314,690) in the current period. (90,675)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets. (19,413)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 312,667

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 216,468

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 1,445

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. (322,951)

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. 145,064

Change in net assets of governmental activities \$2,770,153

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, 2002

| | <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 | \$15,200,000 | \$16,436,560 | \$16,445,338 | \$8,778 |
| Tuition | 33,000 | 50,827 | 50,854 | 27 |
| Earnings on investments | 500,000 | 235,479 | 235,605 | 126 |
| Extracurricular | 9,700 | 10,148 | 10,525 | 377 |
| Other local revenues | 482,100 | 380,949 | 385,079 | 4,130 |
| Other revenue | 0 | 5,855 | 5,858 | 3 |
| Intergovernmental - State | 15,723,000 | 15,984,540 | 15,993,818 | 9,278 |
| Intergovernmental - Federal | 0 | 205,236 | 205,346 | 110 |
| Total revenue | <u>31,947,800</u> | <u>33,309,594</u> | <u>33,332,423</u> | <u>22,829</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 14,213,670 | 14,547,310 | 14,165,335 | 381,975 |
| Special | 4,627,500 | 4,646,407 | 4,378,266 | 268,141 |
| Vocational | 1,507,900 | 1,488,271 | 1,437,222 | 51,049 |
| Support Services: | | | | |
| Pupil | 1,392,900 | 1,426,511 | 1,376,982 | 49,529 |
| Instructional staff | 1,444,900 | 1,379,831 | 1,285,817 | 94,014 |
| Board of education | 220,800 | 301,261 | 204,400 | 96,861 |
| Administration | 2,762,700 | 2,834,015 | 2,731,919 | 102,096 |
| Fiscal | 638,100 | 663,769 | 620,991 | 42,778 |
| Business | 173,200 | 222,221 | 211,017 | 11,204 |
| Operations and maintenance | 4,067,700 | 4,240,849 | 3,782,741 | 458,108 |
| Pupil transportation | 1,339,400 | 1,456,151 | 1,345,797 | 110,354 |
| Central | 77,200 | 77,832 | 58,057 | 19,775 |
| Operation of non-instructional services | 7,820 | 89,820 | 89,383 | 437 |
| Extracurricular activities | 763,200 | 768,080 | 679,525 | 88,555 |
| Total expenditures | <u>33,236,990</u> | <u>34,142,328</u> | <u>32,367,452</u> | <u>1,774,876</u> |
| Excess of revenues over (under) expenditures | <u>(\$1,289,190)</u> | <u>(\$832,734)</u> | <u>\$964,971</u> | <u>\$1,797,705</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, 2002

| | <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 | \$5,000 | \$47,740 | \$47,765 | \$25 |
| Transfers in | 5,000 | 13,499 | 14,000 | 501 |
| Transfers (out) | (50,000) | (25,000) | (25,000) | 0 |
| Advances in | 150,000 | 176,867 | 177,050 | 183 |
| Advances (out) | 0 | (411,500) | (411,500) | 0 |
| Proceeds from sale of fixed assets | 5,000 | 0 | 0 | 0 |
| Total other financing sources (uses) | <u>115,000</u> | <u>(198,394)</u> | <u>(197,685)</u> | <u>709</u> |
| Net change in fund balance | (1,174,190) | (1,031,128) | 767,286 | 1,798,414 |
| Fund balance at beginning of year | 4,259,253 | 4,259,253 | 4,259,253 | 0 |
| Prior year encumbrances appropriated | 468,344 | 468,344 | 468,344 | 0 |
| Fund balance at end of year | <u>\$3,553,407</u> | <u>\$3,696,469</u> | <u>\$5,494,883</u> | <u>\$1,798,414</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2002

| | <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> | |
| Assets: | | | | |
| Current assets: | | | | |
| Equity in pooled cash and cash equivalents | \$473 | \$290,632 | \$291,105 | \$1,167,979 |
| Receivables: | | | | |
| Accounts | 35 | 45,819 | 45,854 | 0 |
| Intergovernmental | 112,962 | 0 | 112,962 | 0 |
| Prepayments | 2,054 | 0 | 2,054 | 0 |
| Materials and supplies inventory | 19,608 | 0 | 19,608 | 0 |
| Total current assets | <u>135,132</u> | <u>336,451</u> | <u>471,583</u> | <u>1,167,979</u> |
| Noncurrent assets: | | | | |
| Depreciable capital assets, net | 105,959 | 0 | 105,959 | 0 |
| Total assets | <u>241,091</u> | <u>336,451</u> | <u>577,542</u> | <u>1,167,979</u> |
| Liabilities: | | | | |
| Accounts payable | 6,600 | 1,983 | 8,583 | 0 |
| Accrued wages and benefits | 104,863 | 47,885 | 152,748 | 0 |
| Pension obligation payable | 3,985 | 19,813 | 23,798 | 0 |
| Interfund loan payable | 114,000 | 44,000 | 158,000 | 0 |
| Intergovernmental payable | 62,690 | 4,585 | 67,275 | 0 |
| Claims payable | 0 | 0 | 0 | 380,000 |
| Total current liabilities | <u>292,138</u> | <u>118,266</u> | <u>410,404</u> | <u>380,000</u> |
| Long-term liabilities: | | | | |
| Compensated absences | 1,805 | 3,709 | 5,514 | 0 |
| Future retirement obligation | 105,328 | 0 | 105,328 | 0 |
| Total liabilities | <u>399,271</u> | <u>121,975</u> | <u>521,246</u> | <u>380,000</u> |
| Net assets: | | | | |
| Invested in capital assets | 105,959 | 0 | 105,959 | 0 |
| Unrestricted | (264,139) | 214,476 | (49,663) | 787,979 |
| Total net assets (deficit) | <u>(\$158,180)</u> | <u>\$214,476</u> | <u>\$56,296</u> | <u>\$787,979</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, 2002

| | <u>Business-Type Activities - Enterprise Funds</u> | | | <u>Governmental</u> |
|---|--|-------------------------|------------------------|-------------------------|
| | <u>Food</u> | <u>Adult</u> | <u>Total</u> | <u>Activities -</u> |
| | <u>Service</u> | <u>Education</u> | | <u>Internal Service</u> |
| | | | | <u>Fund</u> |
| Operating revenues: | | | | |
| Tuition and fees | \$0 | \$338,387 | \$338,387 | \$0 |
| Sales/charges for services | 803,210 | 0 | 803,210 | 4,005,264 |
| Other | 49,628 | 0 | 49,628 | 0 |
| Total operating revenues | <u>852,838</u> | <u>338,387</u> | <u>1,191,225</u> | <u>4,005,264</u> |
| Operating expenses: | | | | |
| Personal services | 823,337 | 801,191 | 1,624,528 | 0 |
| Purchased services | 7,558 | 82,658 | 90,216 | 3,245,836 |
| Materials and supplies | 883,786 | 57,798 | 941,584 | 0 |
| Depreciation | 4,031 | 0 | 4,031 | 0 |
| Other | 0 | 0 | 0 | 640,642 |
| Total operating expenses | <u>1,718,712</u> | <u>941,647</u> | <u>2,660,359</u> | <u>3,886,478</u> |
| Operating income (loss) | <u>(865,874)</u> | <u>(603,260)</u> | <u>(1,469,134)</u> | <u>118,786</u> |
| Nonoperating revenues (expenses): | | | | |
| Federal donated commodities | 92,027 | 0 | 92,027 | 0 |
| Interest revenue | 0 | 0 | 0 | 26,278 |
| Operating grants | 900,812 | 633,239 | 1,534,051 | 0 |
| Loss on sale of fixed assets | (3,559) | 0 | (3,559) | 0 |
| Total nonoperating revenues (expenses) | <u>989,280</u> | <u>633,239</u> | <u>1,622,519</u> | <u>26,278</u> |
| Income before capital contributions | | | | |
| and transfers | <u>123,406</u> | <u>29,979</u> | <u>153,385</u> | <u>145,064</u> |
| Capital contributions | 76,352 | 0 | 76,352 | 0 |
| Transfers in | 0 | 25,000 | 25,000 | 0 |
| Change in net assets | <u>199,758</u> | <u>54,979</u> | <u>254,737</u> | <u>145,064</u> |
| Net assets (deficit) at beginning of year | | | | |
| (restated) | <u>(357,938)</u> | <u>159,497</u> | <u>(198,441)</u> | <u>642,915</u> |
| Net assets (deficit) at end of year | <u><u>(\$158,180)</u></u> | <u><u>\$214,476</u></u> | <u><u>\$56,296</u></u> | <u><u>\$787,979</u></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, 2002

| | <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> | |
| Cash flows from operating activities: | | | | |
| Cash received from tuition and fees | \$0 | \$365,556 | \$365,556 | \$0 |
| Cash received from sales/charges for services. | 803,175 | 0 | 803,175 | 4,005,264 |
| Cash received from other operations. | 49,628 | 0 | 49,628 | 0 |
| Cash payments for personal services. | (865,075) | (797,006) | (1,662,081) | 0 |
| Cash payments for contractual services | (7,094) | (85,000) | (92,094) | (3,170,836) |
| Cash payments for materials and supplies | (805,242) | (58,390) | (863,632) | 0 |
| Cash payments for other expenses | <u>0</u> | <u>0</u> | <u>0</u> | <u>(640,642)</u> |
| Net cash provided by (used in) operating activities | <u>(824,608)</u> | <u>(574,840)</u> | <u>(1,399,448)</u> | <u>193,786</u> |
| Cash flows from noncapital financing activities: | | | | |
| Cash received from operating grants. | 790,159 | 615,666 | 1,405,825 | 0 |
| Cash received from transfers in | 0 | 25,000 | 25,000 | 0 |
| Cash received from interfund loans | 114,000 | 44,000 | 158,000 | 0 |
| Cash used in repayment of interfund loans. | <u>(81,000)</u> | <u>(45,000)</u> | <u>(126,000)</u> | <u>0</u> |
| Net cash provided by noncapital financing activities. | <u>823,159</u> | <u>639,666</u> | <u>1,462,825</u> | <u>0</u> |
| Cash flows from investing activities: | | | | |
| Interest received | <u>0</u> | <u>0</u> | <u>0</u> | <u>26,278</u> |
| Net cash provided by investing activities | <u>0</u> | <u>0</u> | <u>0</u> | <u>26,278</u> |
| Net increase (decrease) in cash and cash equivalents . . | (1,449) | 64,826 | 63,377 | 220,064 |
| Cash and cash equivalents at beginning of year . . . | <u>1,922</u> | <u>225,806</u> | <u>227,728</u> | <u>947,915</u> |
| Cash and cash equivalents at end of year. | <u><u>\$473</u></u> | <u><u>\$290,632</u></u> | <u><u>\$291,105</u></u> | <u><u>\$1,167,979</u></u> |

(Continued)

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <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> | |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Operating income (loss) | (\$865,874) | (\$603,260) | (\$1,469,134) | \$118,786 |
| Adjustments: | | | | |
| Depreciation | 4,031 | 0 | 4,031 | 0 |
| Federal donated commodities | 92,027 | 0 | 92,027 | 0 |
| Changes in assets and liabilities: | | | | |
| Decrease in materials and supplies inventory | 917 | 0 | 917 | 0 |
| (Increase) decrease in accounts receivable | (35) | 27,169 | 27,134 | 0 |
| Increase in prepayments | 464 | 0 | 464 | 0 |
| Decrease in accounts payable | (7,048) | (299) | (7,347) | 0 |
| Decrease in accrued wages and benefits | (22,010) | (290) | (22,300) | 0 |
| Increase (decrease) in intergovernmental payable | 746 | (1,126) | (380) | 0 |
| Increase in compensated absences payable | 1,805 | 2,285 | 4,090 | 0 |
| Increase in pension obligation payable | 13,991 | 681 | 14,672 | 0 |
| Decrease in future retirement obligation | (36,270) | 0 | (36,270) | 0 |
| Decrease in deferred revenue | (7,352) | 0 | (7,352) | 0 |
| Increase in claims payable | 0 | 0 | 0 | 75,000 |
| Net cash provided by (used in) operating activities | <u>(\$824,608)</u> | <u>(\$574,840)</u> | <u>(\$1,399,448)</u> | <u>\$193,786</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2002

| | Private Purpose Trust | |
|---|----------------------------------|---------------|
| | Scholarship | Agency |
| Assets: | | |
| Equity in pooled cash and cash equivalents | \$2,259,676 | \$84,973 |
| Investments | 3,001,295 | 0 |
| Receivables: | | |
| Taxes. | 0 | 306,984 |
| Accounts | 156 | 415 |
| Total assets | 5,261,127 | 392,372 |
| Liabilities: | | |
| Accounts payable. | 0 | 4,699 |
| Intergovernmental payable | 0 | 308,651 |
| Due to students | 0 | 79,022 |
| Total liabilities | 0 | \$392,372 |
| Net Assets: | | |
| Held in trust for scholarships | 5,261,127 | |
| Total net assets | \$5,261,127 | |

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, 2002

| | Private Purpose Trust |
|---|----------------------------------|
| | Scholarship |
| Additions: | |
| Interest | \$139,082 |
| Gifts and contributions | 76,340 |
| Decrease in fair market value of investments | (729,914) |
| Total additions. | (514,492) |
| Deductions: | |
| Scholarships awarded | 201,156 |
| Change in net assets | (715,648) |
| Net assets at beginning of year. | 5,976,775 |
| Net assets at end of year | \$5,261,127 |

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, 2002**

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 90th largest by total enrollment among the 705 public and community school districts in the state. It currently operates 8 elementary schools, 2 alternative schools, 2 junior high schools, and 1 comprehensive high school. The District employs 203 non-certified employees, 371 certified employees and 34 administrators, to provide services to approximately 4,302 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 accounting principles generally accepted in the United States of America (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, 2002

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 \$59,281 to NOECA in fiscal year 2002 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. Refer to Note 10.C. for further information on this group rating plan.

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, 2002

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 used 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 two classifications: 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. 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, 2002

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.

Private-purpose trust funds are reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

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 donated commodities revenue.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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 2002 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 2002.
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, 2002**

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 2002.
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 2002, 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 2002. 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, 2002.

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 2002 amounted to \$235,415, which includes \$101,461 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, 2002

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 five thousand dollars. The District changed its capitalization criteria during 2002 (see Note 3.A.). 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/improvements | 25 - 50 years | N/A |
| Furniture/equipment | 5 - 20 years | 5 - 20 years |
| Vehicles | 6 - 10 years | N/A |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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, 2002, and reduced to the maximum payment allowed by labor contract and/or statute, plus any 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, 2002**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences and future retirement obligations that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability in the fund financial statements when 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 budget stabilization. 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, 2002

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

P. Sandusky Public Library

The Sandusky Public Library (the "Library") is a private not for profit organization 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 capital 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, 2002

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 2002.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Restatement of Net Assets

During fiscal year 2002, the District restated its capital assets due to the change in policy to no longer capitalize textbooks and an increase in the capitalization threshold from \$800 to \$5,000. This restatement decreased net assets at July 1, 2001, of governmental activities \$4,094,142 from \$15,224,018 to \$11,129,876. This restatement decreased net assets at July 1, 2001, of business-type activities \$241,516 from \$(116,422) to \$(357,938) in the Food Service enterprise fund and \$25,919 from \$185,416 to \$159,497 in the Adult Education enterprise fund.

B. Deficit Fund Balances/Retained Earnings

Fund balances/retained earnings at June 30, 2002 included the following individual fund deficits:

| | <u>Deficit</u> |
|------------------------|----------------|
| <u>Nonmajor Funds</u> | |
| Vocational Education | \$101,688 |
| Title I | 256,061 |
| <u>Enterprise Fund</u> | |
| Food Service | 158,180 |

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, 2002**

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 five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (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, 2002

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 \$(95,099) and the bank balance was \$28,111. 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". The entire bank balance was covered by federal depository insurance.

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.

| | Category | | Reported | Fair |
|----------------------------|--------------------|--------------------|---------------------|---------------------|
| | <u>1</u> | <u>3</u> | <u>Amount</u> | <u>Value</u> |
| Repurchase agreements | \$ - | \$4,068,000 | \$ 4,068,000 | \$ 4,068,000 |
| U.S. Government securities | 41,500 | - | 41,500 | 41,500 |
| Stock | <u>3,001,295</u> | <u>-</u> | <u>3,001,295</u> | <u>3,001,295</u> |
| Total | <u>\$3,042,795</u> | <u>\$4,068,000</u> | 7,110,795 | 7,110,795 |
| Investment in STAR Ohio | | | 9,249,090 | 9,249,090 |
| Mutual funds | | | <u>119,999</u> | <u>119,999</u> |
| Total investments | | | <u>\$16,479,884</u> | <u>\$16,479,884</u> |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

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 | \$13,383,490 | \$ 3,001,295 |
| Investments of the cash management pool: | | |
| Repurchase agreements | (4,068,000) | 4,068,000 |
| Investment in STAR Ohio | (9,249,090) | 9,249,090 |
| U. S. Government securities | (41,500) | 41,500 |
| Mutual funds | <u>(119,999)</u> | <u>119,999</u> |
| GASB Statement No. 3 | <u>\$ (95,099)</u> | <u>\$16,479,884</u> |

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund loans receivable/payable consisted of the following at June 30, 2002, as reported on the fund statement:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|-----------------------------|------------------|
| General Fund | Nonmajor Governmental Funds | \$249,500 |
| | Food Service | 114,000 |
| | Adult Education | <u>44,000</u> |
| Total | | <u>\$407,500</u> |

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received.

B. Interfund transfers for the year ended June 30, 2002, consisted of the following, as reported on the fund statements:

| | | |
|---|--|-----------------|
| Transfers to general fund from: | | |
| Nonmajor Governmental funds | | \$14,000 |
| Transfers to Adult Education fund from: | | |
| General fund | | <u>25,000</u> |
| Total transfers | | <u>\$39,000</u> |

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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 2001 taxes were collected was \$450,734,406. Agricultural/Residential and public utility real estate represented 53.27% or \$240,104,230 of this total; Commercial & Industrial real estate represented 25.97% or \$117,055,230 of this total; public utility tangible represented 3.89% or \$17,532,410 of this total and general tangible property 16.87% or \$76,042,536 of this total. The voted general tax rate for operations at the fiscal year ended June 30, 2002 was \$62.55 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.

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, 2002. 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 \$782,745 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, 2002, are reflected as a reservation of fund balance for future appropriations. The District is prohibited, by law, from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year-end.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 7 - RECEIVABLES

Receivables at June 30, 2002 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 and delinquent | \$17,927,849 |
| Accounts | 22,106 |
| Intergovernmental | 636,015 |
| Accrued interest | 25 |
| Internal loans | 158,000 |

Business-Type Activities

| | |
|-------------------|----------------|
| Accounts | 45,854 |
| Intergovernmental | <u>112,962</u> |

| | |
|-------------------|---------------------|
| Total receivables | <u>\$18,902,811</u> |
|-------------------|---------------------|

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

NOTE 8 - CAPITAL ASSETS

A. The capital asset balances of the governmental activities and business-type activities have been restated due to changes in the District's capital asset policy. (See Note 3.A. for detail).

| | <u>Balance</u> <u>June 30, 2001</u> | <u>Deductions</u> | <u>Restated</u> <u>Balance</u> <u>June 30, 2001</u> |
|---|--|----------------------|---|
| Governmental Activities | | | |
| Capital assets, not being depreciated: | | | |
| Land | \$ 2,285,370 | \$ (4,401) | \$ 2,280,969 |
| Capital assets, being depreciated: | | | |
| Land improvements | 192,255 | - | 192,255 |
| Buildings/improvements | 12,392,790 | (27,797) | 12,364,993 |
| Furniture/equipment | 5,997,139 | (4,513,182) | 1,483,957 |
| Vehicles | 1,875,533 | (15,622) | 1,859,911 |
| Textbooks | <u>1,903,940</u> | <u>(1,903,940)</u> | <u>-</u> |
| Total capital assets, being depreciated | <u>22,361,657</u> | <u>(6,460,541)</u> | <u>15,901,116</u> |
| Less: accumulated depreciation | <u>(10,971,935)</u> | <u>2,370,800</u> | <u>(8,601,135)</u> |
| Governmental activities capital assets, net | <u>\$ 13,675,092</u> | <u>\$(4,094,142)</u> | <u>\$ 9,580,950</u> |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 8 - CAPITAL ASSETS - (Continued)

| | Balance June 30, 2001 | Deductions | Restated Balance June 30, 2001 |
|---------------------------------|--------------------------|--------------------|--------------------------------------|
| Business-Type Activities | | | |
| Furniture/equipment | \$ 658,957 | \$(463,502) | \$ 195,455 |
| Less: accumulated depreciation | <u>(354,325)</u> | <u>196,067</u> | <u>(158,258)</u> |
| Total | <u>\$ 304,632</u> | <u>\$(267,435)</u> | <u>\$ 37,197</u> |

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

| | Restated Balance June 30, 2001 | Additions | Deductions | Balance June 30, 2002 |
|--|--------------------------------------|--------------------|--------------------|--------------------------|
| Governmental Activities | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 2,280,969 | \$ - | \$ - | \$ 2,280,969 |
| Capital assets, being depreciated: | | | | |
| Land improvements | 192,255 | - | - | 192,255 |
| Building/improvements | 12,364,993 | 143,547 | - | 12,508,540 |
| Furniture/equipment | 1,483,957 | 19,670 | (72,443) | 1,431,184 |
| Vehicles | <u>1,859,911</u> | <u>151,473</u> | <u>(103,424)</u> | <u>1,907,960</u> |
| Total capital assets, being depreciated | <u>15,901,116</u> | <u>314,690</u> | <u>(175,867)</u> | <u>16,039,939</u> |
| Less: accumulated depreciation: | | | | |
| Land improvements | (19,626) | (8,651) | - | (28,277) |
| Buildings/improvements | (6,820,064) | (214,282) | - | (7,034,346) |
| Furniture/equipment | (949,499) | (54,690) | 63,372 | (940,817) |
| Vehicles | <u>(811,946)</u> | <u>(127,742)</u> | <u>93,082</u> | <u>(846,606)</u> |
| Total accumulated depreciation | <u>(8,601,135)</u> | <u>(405,365)</u> | <u>156,454</u> | <u>(8,850,046)</u> |
| Governmental activities capital assets, net | <u>\$ 9,580,950</u> | <u>\$ (90,675)</u> | <u>\$ (19,413)</u> | <u>\$ 9,470,862</u> |
| Business-Type Activities | | | | |
| Capital assets, being depreciated: | | | | |
| Furniture/equipment | \$ 195,455 | \$ 76,352 | \$ (8,472) | \$ 263,335 |
| Less: accumulated depreciation | <u>(158,258)</u> | <u>(4,031)</u> | <u>4,913</u> | <u>(157,376)</u> |
| Business-type activities capital assets, net | <u>\$ 37,197</u> | <u>\$ 72,321</u> | <u>\$ (3,559)</u> | <u>\$ 105,959</u> |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 8 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

| | |
|---|------------------|
| <u>Instruction:</u> | |
| Regular | \$126,089 |
| Special | 11,979 |
| Vocational | 32,947 |
| Other | 34 |
| <u>Support Services:</u> | |
| Pupil | 7,850 |
| Instructional staff | 9,881 |
| Board of Education | 44 |
| Administration | 13,515 |
| Fiscal | 155 |
| Business | 1,018 |
| Operation and maintenance of plant | 41,776 |
| Pupil transportation | 125,668 |
| Central | 1,288 |
| Operation of non-instructional services | 29,203 |
| Extracurricular activities | <u>3,918</u> |
| Total depreciation expense | <u>\$405,365</u> |

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, 2002:

| <u>Purpose</u> | <u>Interest Rate</u> | <u>Issue Date</u> | <u>Maturity Date</u> | <u>Bonds Outstanding June 30, 2001</u> | <u>Retired in 2002</u> | <u>Bonds Outstanding June 30, 2002</u> |
|----------------------------------|--------------------------|-----------------------|--------------------------|--|----------------------------|--|
| Elementary building additions | 7.088% | 07/01/90 | 12/01/10 | <u>\$1,550,000</u> | <u>\$(155,000)</u> | <u>\$1,395,000</u> |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

- B.** In 1988, the District received a loan from the U.S. Environmental Protection Agency for an asbestos abatement project at Sandusky High School. The loan is interest free as long as the District remains current on repayment. 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, 2001</u> | <u>Loan Retired in 2002</u> | <u>Outstanding June 30, 2002</u> |
|--------------------|----------------------|-------------------|---------------------------|----------------------------------|-----------------------------|----------------------------------|
| Asbestos Abatement | None | 03/01/88 | 07/31/08 | <u>\$399,541</u> | <u>\$(61,468)</u> | <u>\$338,073</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> |
|----------------------------|------------------------------------|-----------------------------------|--------------------|
| 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 |
| 2007 | 216,468 | 50,917 | 267,385 |
| 2008-2011 | <u>650,733</u> | <u>90,524</u> | <u>741,257</u> |
| Total | <u>\$1,733,073</u> | <u>\$458,259</u> | <u>\$2,191,332</u> |

- D.** The long-term obligations of the governmental activities and business-type activities have been restated to include compensated absences payable as a component. The effect on the long-term obligations of the governmental activities and business-type activities at July 1, 2001, was an increase from \$3,845,521 to \$3,941,601 and \$141,598 to \$143,022, respectively. The changes in the District's long-term obligations during the year consist of the following:

| | <u>Restated Balance June 30, 2001</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance June 30, 2002</u> | <u>Amounts Due in One Year</u> |
|---|---------------------------------------|------------------|--------------------|------------------------------|--------------------------------|
| Governmental Activities | | | | | |
| Future retirement obligation | \$1,895,980 | \$647,795 | \$(309,480) | \$2,234,295 | \$332,471 |
| Compensated absences payable | 96,080 | 177,829 | (126,803) | 147,106 | 147,106 |
| General obligation bonds payable | 1,550,000 | - | (155,000) | 1,395,000 | 155,000 |
| Asbestos loan payable | <u>399,541</u> | <u>-</u> | <u>(61,468)</u> | <u>338,073</u> | <u>61,468</u> |
| Total governmental activities long-term liabilities | <u>\$3,941,601</u> | <u>\$825,624</u> | <u>\$(652,751)</u> | <u>\$4,114,474</u> | <u>\$696,045</u> |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

| | Restated Balance <u>June 30, 2001</u> | <u>Increase</u> | <u>Decrease</u> | Balance <u>June 30, 2002</u> | Amounts Due in <u>One Year</u> |
|---|---|-----------------|--------------------|---------------------------------|--------------------------------------|
| Business-Type Activities | | | | | |
| Compensated absences | \$ 1,424 | \$ 4,090 | \$ - | \$ 5,514 | \$ 5,514 |
| Future retirement obligation | <u>141,598</u> | <u>-</u> | <u>(36,270)</u> | <u>105,328</u> | <u>-</u> |
| Total business-type activities, long-term obligations | <u>\$ 143,022</u> | <u>\$ 4,090</u> | <u>\$ (36,270)</u> | <u>\$ 110,842</u> | <u>\$ 5,514</u> |

Compensated absences and 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, 2002 are a voted debt margin of \$39,445,534 (including available funds of \$274,437) and an unvoted debt margin of \$450,734.

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 2002, 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 | \$ 1,000,000 | \$ 1,000 |
| Aggregate | 5,000,000 | 0 |
| Fleet: | | |
| Comprehensive/collision | 2,000,000 | 200/500 |
| Umbrella liability and fleet | 2,000,000 | 10,000 |
| Building and contents | 84,992,200 | 2,500 |

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 10 - RISK MANAGEMENT - (Continued)

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 \$380,000 reported in the basic financial statements at June 30, 2002, 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 current and previous fiscal year are as follows:

| <u>Fiscal Year</u> | <u>Beginning of Year</u> | <u>Claims</u> | <u>Payments</u> | <u>End of Year</u> |
|--------------------|------------------------------|---------------|-----------------|--------------------|
| 2001 - 2002 | \$305,000 | \$3,245,836 | \$3,170,836 | \$380,000 |
| 2000 - 2001 | 336,178 | 2,168,378 | (2,809,556) | 305,000 |

C. OSBA Group Workers' Compensation Rating Program

For fiscal year 2002, the District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 2.A.). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the state based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP.

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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, 300 East Broad Street, Columbus, Ohio 43215, 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 2002; 5.46% 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, 2002, 2001 and 2000 were \$278,587, \$195,172, and \$246,764, respectively; 43.37% has been contributed for fiscal year 2002 and 100% for the fiscal years 2001 and 2000. \$157,767, represents the unpaid contribution for fiscal year 2002.

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.

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, 2002, 2001, and 2000 were \$1,791,959, \$1,718,914, and \$1,034,824, respectively; 81.49% has been contributed for fiscal year 2002 and 100% for the fiscal years 2001 and 2000. \$331,653, represents the unpaid contribution for fiscal year 2002.

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 partial reimbursement of monthly Medicare Part B 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For this fiscal year, the State Teachers Retirement Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve fund. For the District, this amount equaled \$848,823 during fiscal 2002.

STRS pays health care benefits from the Health Care Reserve fund. The balance in the Health Care Reserve fund was \$3.256 billion at June 30, 2001 (the latest information available). For the fiscal year ended June 30, 2001 (the latest information available), net health care costs paid by STRS were \$300.772 million and STRS had 102,132 eligible benefit recipients.

For SERS, coverage is made available to service retirees with 10 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 percent of the premium.

For this fiscal year, employer contributions to fund health care benefits were 8.54 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2002, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 2001 (the latest information available), were \$161.440 million and the target level was \$242.2 million. At June 30, 2001 (the latest information available), SERS had net assets available for payment of health care benefits of \$315.7 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 \$488,066 during the 2002 fiscal year.

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);

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 13 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

- (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:

| | <u>General Fund</u> |
|---|---------------------|
| Budget basis | \$ 767,286 |
| Net adjustment for revenue accruals | (181,052) |
| Net adjustment for expenditure accruals | 35,404 |
| Net adjustment for other sources/uses | 186,685 |
| Adjustment for encumbrances | <u>182,313</u> |
| GAAP basis | <u>\$ 990,636</u> |

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 14 - CONTINGENCIES - (Continued)

C. State School Funding Decision

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school funding plan is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school funding scheme that is thorough and efficient...". The District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations.

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, 2002, 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, 2001 | \$(422,460) | \$ - | \$176,753 |
| Current year set-aside requirement | 557,009 | 557,009 | - |
| Current year offsets | - | (599,977) | - |
| Qualifying disbursements | <u>(728,450)</u> | <u>(295,630)</u> | <u>-</u> |
| Total | <u>\$(593,901)</u> | <u>\$(338,598)</u> | <u>\$176,753</u> |
| Balance carried forward to FY 2003 | <u>\$(593,901)</u> | <u>\$ -</u> | <u>\$176,753</u> |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

NOTE 15 - STATUTORY RESERVES - (Continued)

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, 2002 follows:

| | |
|--|------------------|
| Amount restricted for budget stabilization | <u>\$176,753</u> |
| Total restricted assets | <u>\$176,753</u> |

NOTE 16 - SIGNIFICANT SUBSEQUENT EVENTS

Superintendent Dr. Richard Sulewski resigned/retired in June 2002 with an effective date of January 1, 2003. In July 2002, the District hired William Pahl as interim superintendent while Dr. Sulewski was consulting with the District and on vacation for the remainder of the calendar year. The District is in the process of selecting a new superintendent.

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.

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;
Pubic Law 92-318; 20 USC 1070a.

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

Title I

P L 97-35; Title I ESEA 1965

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

Title 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)

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

Youth Involvement Fund

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.

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

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2002

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|---|--|--|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$1,576,304 | \$258,895 | \$2,067,362 | \$3,902,561 |
| Receivables | | | | |
| Taxes. | 0 | 286,183 | 629,149 | 915,332 |
| Accounts | 718 | 0 | 0 | 718 |
| Intergovernmental | 579,448 | 0 | 0 | 579,448 |
| Total assets | <u>\$2,156,470</u> | <u>\$545,078</u> | <u>\$2,696,511</u> | <u>\$5,398,059</u> |
| Liabilities: | | | | |
| Accounts payable | \$53,604 | \$0 | \$10,567 | \$64,171 |
| Accrued wages and benefits | 474,239 | 0 | 0 | 474,239 |
| Future retirement obligation. | 63,489 | 0 | 0 | 63,489 |
| Pension obligation payable. | 78,790 | 0 | 634 | 79,424 |
| Intergovernmental payable | 21,945 | 0 | 0 | 21,945 |
| Interfund loan payable | 249,500 | 0 | 0 | 249,500 |
| Deferred revenue. | 558,218 | 270,641 | 600,332 | 1,429,191 |
| Total liabilities. | <u>1,499,785</u> | <u>270,641</u> | <u>611,533</u> | <u>2,381,959</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances. | 96,475 | 0 | 147,507 | 243,982 |
| Reserved for property tax unavailable for appropriation. | 0 | 15,542 | 28,817 | 44,359 |
| Unreserved, undesignated, reported in: | | | | |
| Special revenue funds | 560,210 | 0 | 0 | 560,210 |
| Debt service fund | 0 | 258,895 | 0 | 258,895 |
| Capital projects funds | 0 | 0 | 1,908,654 | 1,908,654 |
| Total fund balances | <u>656,685</u> | <u>274,437</u> | <u>2,084,978</u> | <u>3,016,100</u> |
| Total liabilities and fund balances | <u>\$2,156,470</u> | <u>\$545,078</u> | <u>\$2,696,511</u> | <u>\$5,398,059</u> |

**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, 2002

| | <u>Nonmajor Special Revenue Funds</u> | <u>Nonmajor Debt Service Fund</u> | <u>Nonmajor Capital Projects Funds</u> | <u>Total Nonmajor Governmental Funds</u> |
|---|---|---|--|--|
| Revenues: | | | | |
| From local sources: | | | | |
| Taxes | \$0 | \$263,809 | \$593,291 | \$857,100 |
| Earnings on investments. | 15,149 | 0 | 0 | 15,149 |
| Extracurricular. | 431,198 | 0 | 0 | 431,198 |
| Other local revenues. | 96,248 | 0 | 1,471,266 | 1,567,514 |
| Other revenues | 0 | 99 | 242 | 341 |
| Intergovernmental - State | 2,110,485 | 31,748 | 134,630 | 2,276,863 |
| Intergovernmental - Federal. | 2,503,939 | 0 | 0 | 2,503,939 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenue. | 5,157,019 | 295,656 | 2,199,429 | 7,652,104 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 1,611,926 | 0 | 14,062 | 1,625,988 |
| Special. | 1,523,799 | 0 | 0 | 1,523,799 |
| Vocational. | 36,430 | 0 | 0 | 36,430 |
| Other | 145,869 | 0 | 0 | 145,869 |
| Support services: | | | | |
| Pupil. | 156,230 | 0 | 0 | 156,230 |
| Instructional staff | 375,093 | 0 | 634 | 375,727 |
| Administration. | 128,415 | 0 | 0 | 128,415 |
| Fiscal | 23,599 | 5,023 | 11,339 | 39,961 |
| Business | 1,102 | 0 | 0 | 1,102 |
| Pupil transportation | 26,956 | 0 | 0 | 26,956 |
| Central. | 89,446 | 0 | 0 | 89,446 |
| Operation of non-instructional services | 155,143 | 0 | 0 | 155,143 |
| Extracurricular activities. | 406,871 | 0 | 0 | 406,871 |
| Facilities acquisition and construction | 0 | 0 | 610,757 | 610,757 |
| Intergovernmental pass through | 454,538 | 0 | 0 | 454,538 |
| Debt service: | | | | |
| Principal retirement | 0 | 216,468 | 0 | 216,468 |
| Interest and fiscal charges | 0 | 107,492 | 0 | 107,492 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total expenditures | 5,135,417 | 328,983 | 636,792 | 6,101,192 |
| Excess of revenues over (under) expenditures | <hr/> 21,602 | <hr/> (33,327) | <hr/> 1,562,637 | <hr/> 1,550,912 |
| Other financing uses: | | | | |
| Transfers (out) | (14,000) | 0 | 0 | (14,000) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total other financing uses | (14,000) | 0 | 0 | (14,000) |
| Net change in fund balances. | 7,602 | (33,327) | 1,562,637 | 1,536,912 |
| Fund balances at beginning of year | <hr/> 649,083 | <hr/> 307,764 | <hr/> 522,341 | <hr/> 1,479,188 |
| Fund balances at end of year. | <hr/> <hr/> \$656,685 | <hr/> <hr/> \$274,437 | <hr/> <hr/> \$2,084,978 | <hr/> <hr/> \$3,016,100 |

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002

| | <u>Special Trust</u> | <u>Public School Support</u> | <u>Other Grant</u> | <u>District Managed Student Activity</u> |
|---|--------------------------|----------------------------------|------------------------|--|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$434,103 | \$142,536 | \$13,579 | \$71,704 |
| Receivables | | | | |
| Accounts | 0 | 236 | 0 | 482 |
| Intergovernmental | 0 | 0 | 0 | 0 |
| Total assets | <u>\$434,103</u> | <u>\$142,772</u> | <u>\$13,579</u> | <u>\$72,186</u> |
| Liabilities: | | | | |
| Accounts payable | \$0 | \$2,331 | \$3,556 | \$2,487 |
| Accrued wages and benefits | 0 | 0 | 0 | 0 |
| Future retirement obligation | 0 | 0 | 0 | 0 |
| Pension obligation payable | 0 | 0 | 0 | 0 |
| Intergovernmental payable | 0 | 0 | 11 | 0 |
| Interfund loan payable | 0 | 0 | 0 | 9,000 |
| Deferred revenue | 0 | 0 | 0 | 2,138 |
| Total liabilities | <u>0</u> | <u>2,331</u> | <u>3,567</u> | <u>13,625</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances | 0 | 8,552 | 260 | 4,801 |
| Unreserved, undesignated, reported in: | | | | |
| Special revenue funds | 434,103 | 131,889 | 9,752 | 53,760 |
| Total fund balances | <u>434,103</u> | <u>140,441</u> | <u>10,012</u> | <u>58,561</u> |
| Total liabilities and fund balances | <u>\$434,103</u> | <u>\$142,772</u> | <u>\$13,579</u> | <u>\$72,186</u> |

| <u>Auxilliary Services</u> | <u>Career Development</u> | <u>Post Secondary Vocational Education</u> | <u>Teacher Development</u> | <u>Management Information Systems</u> | <u>Disadvantaged Pupil Impact Aid</u> |
|--------------------------------|-------------------------------|--|--------------------------------|---|---|
| \$116,162 | \$0 | \$1,112 | \$2,242 | \$24,270 | \$280,102 |
| 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>\$116,162</u> | <u>\$0</u> | <u>\$1,112</u> | <u>\$2,242</u> | <u>\$24,270</u> | <u>\$280,102</u> |
| \$14,182 | \$0 | \$0 | \$416 | \$0 | |
| 33,107 | 0 | 0 | 0 | 0 | 199,432 |
| 5,939 | 0 | 0 | 0 | 0 | |
| 5,130 | 0 | 0 | 0 | 0 | 34,228 |
| 1,266 | 0 | 0 | 0 | 0 | 8,827 |
| 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>59,624</u> | <u>0</u> | <u>0</u> | <u>416</u> | <u>0</u> | <u>242,487</u> |
| 4,578 | 0 | 0 | 0 | 0 | 0 |
| <u>51,960</u> | <u>0</u> | <u>1,112</u> | <u>1,826</u> | <u>24,270</u> | <u>37,615</u> |
| <u>56,538</u> | <u>0</u> | <u>1,112</u> | <u>1,826</u> | <u>24,270</u> | <u>37,615</u> |
| <u>\$116,162</u> | <u>\$0</u> | <u>\$1,112</u> | <u>\$2,242</u> | <u>\$24,270</u> | <u>\$280,102</u> |

-- Continued

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2002

| | <u>Data Communications</u> | <u>SchoolNet Professional Development</u> | <u>Ohio Reads Grant</u> | <u>Summer Intervention</u> |
|--|--------------------------------|---|---------------------------------|--------------------------------|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$24,734 | \$6,209 | \$11,811 | \$855 |
| Receivables | | | | |
| Accounts | 0 | 0 | 0 | 0 |
| Intergovernmental | 0 | 0 | 0 | 0 |
| Total assets | <u>\$24,734</u> | <u>\$6,209</u> | <u>\$11,811</u> | <u>\$855</u> |
| Liabilities: | | | | |
| Accounts payable | \$0 | \$0 | \$651 | \$0 |
| Accrued wages and benefits | 0 | 0 | 0 | 0 |
| Future retirement obligation | 0 | 0 | 0 | 0 |
| Pension obligation payable | 0 | 0 | 0 | 0 |
| Intergovernmental payable | 0 | 0 | 0 | 0 |
| Interfund loan payable | 0 | 0 | 0 | 0 |
| Deferred revenue | 0 | 0 | 0 | 0 |
| Total liabilities | <u>0</u> | <u>0</u> | <u>651</u> | <u>0</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances | 0 | 0 | 9,045 | 0 |
| Unreserved, undesignated, reported in: | | | | |
| Special revenue funds | 24,734 | 6,209 | 2,115 | 855 |
| Total fund balances | <u>24,734</u> | <u>6,209</u> | <u>11,160</u> | <u>855</u> |
| Total liabilities and fund balances | <u>\$24,734</u> | <u>\$6,209</u> | <u>\$11,811</u> | <u>\$855</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> | <u>Vocational Education</u> |
|--|----------------------------|--------------------------------------|--|-------------------|---------------------------------|
| \$56,212 | \$66,264 | \$32,050 | \$4,846 | \$92,627 | \$42,260 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>21,248</u> | <u>132,327</u> |
| <u>\$56,212</u> | <u>\$66,264</u> | <u>\$32,050</u> | <u>\$4,846</u> | <u>\$113,875</u> | <u>\$174,587</u> |
| \$7,830 | \$0 | \$7,066 | \$0 | \$2,305 | \$0 |
| 2,140 | 0 | 11,071 | 2,036 | 52,532 | 2,993 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 422 | 0 | 2,320 | 1,134 | 7,510 | 2,182 |
| 332 | 0 | 579 | 133 | 1,943 | 453 |
| 0 | 0 | 0 | 0 | 0 | 138,500 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>21,248</u> | <u>132,327</u> |
| <u>10,724</u> | <u>0</u> | <u>21,036</u> | <u>3,303</u> | <u>85,538</u> | <u>276,455</u> |
| 21,475 | 0 | 6,175 | 0 | 649 | 22,139 |
| <u>24,013</u> | <u>66,264</u> | <u>4,839</u> | <u>1,543</u> | <u>27,688</u> | <u>(124,007)</u> |
| <u>45,488</u> | <u>66,264</u> | <u>11,014</u> | <u>1,543</u> | <u>28,337</u> | <u>(101,868)</u> |
| <u>\$56,212</u> | <u>\$66,264</u> | <u>\$32,050</u> | <u>\$4,846</u> | <u>\$113,875</u> | <u>\$174,587</u> |

-- Continued

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2002

| | Basic Educational Opportunity Grant | Title I | Title II | Drug-Free School Grant |
|--|--|------------------|-----------------|---------------------------------------|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$0 | \$51,500 | \$1,232 | \$13,208 |
| Receivables | | | | |
| Accounts | 0 | 0 | 0 | 0 |
| Intergovernmental | 0 | 335,068 | 0 | 7,686 |
| Total assets | <u>\$0</u> | <u>\$386,568</u> | <u>\$1,232</u> | <u>\$20,894</u> |
| Liabilities: | | | | |
| Accounts payable | \$0 | \$1,083 | \$692 | \$882 |
| Accrued wages and benefits | 0 | 121,992 | 0 | 0 |
| Future retirement obligation | 0 | 57,550 | 0 | 0 |
| Pension obligation payable | 0 | 18,314 | 0 | 228 |
| Intergovernmental payable | 0 | 6,622 | 0 | 12 |
| Interfund loan payable | 0 | 102,000 | 0 | 0 |
| Deferred revenue | 0 | 335,068 | 0 | 7,686 |
| Total liabilities | <u>0</u> | <u>642,629</u> | <u>692</u> | <u>8,808</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances | 0 | 7,049 | 6 | 1,393 |
| Unreserved, undesignated, reported in: | | | | |
| Special revenue funds | 0 | (263,110) | 534 | 10,693 |
| Total fund balances | <u>0</u> | <u>(256,061)</u> | <u>540</u> | <u>12,086</u> |
| Total liabilities and fund balances | <u>\$0</u> | <u>\$386,568</u> | <u>\$1,232</u> | <u>\$20,894</u> |

| <u>EHA Preschool Grant</u> | <u>Youth Involvement Fund</u> | <u>GOALS 2000</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|------------------------------------|---------------------------------------|-------------------|---|
| \$7,618 | \$20,950 | \$58,118 | \$1,576,304 |
| 4,119 | 47,000 | 32,000 | 718 579,448 |
| <u>\$11,737</u> | <u>\$67,950</u> | <u>\$90,118</u> | <u>\$2,156,470</u> |
| \$420 | \$3,561 | \$6,142 | \$53,604 |
| 3,495 | 34,228 | 11,213 | 474,239 |
| 0 | 0 | 0 | 63,489 |
| 580 | 4,982 | 1,760 | 78,790 |
| 154 | 1,439 | 174 | 21,945 |
| 0 | 0 | 0 | 249,500 |
| <u>4,119</u> | <u>23,632</u> | <u>32,000</u> | <u>558,218</u> |
| <u>8,768</u> | <u>67,842</u> | <u>51,289</u> | <u>1,499,785</u> |
| 43 | 6,237 | 4,073 | 96,475 |
| <u>2,926</u> | <u>(6,129)</u> | <u>34,756</u> | <u>560,210</u> |
| <u>2,969</u> | <u>108</u> | <u>38,829</u> | <u>656,685</u> |
| <u>\$11,737</u> | <u>\$67,950</u> | <u>\$90,118</u> | <u>\$2,156,470</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, 2002

| | <u>Special Trust</u> | <u>Public School Support</u> | <u>Other Grant</u> | <u>District Managed Student Activity</u> |
|--|--------------------------|----------------------------------|------------------------|--|
| Revenues: | | | | |
| From local sources: | | | | |
| Earnings on investments | \$11,663 | \$0 | \$0 | \$0 |
| Extracurricular | 0 | 199,581 | 0 | 231,617 |
| Other local revenues | 808 | 37,680 | 40,700 | 17,060 |
| Intergovernmental - State | 0 | 0 | 0 | 0 |
| Intergovernmental - Federal | 0 | 0 | 0 | 0 |
| Total revenue | <u>12,471</u> | <u>237,261</u> | <u>40,700</u> | <u>248,677</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 0 | 39,392 | 0 |
| Special | 0 | 0 | 0 | 0 |
| Vocational | 0 | 0 | 420 | 0 |
| Other | 0 | 243 | 0 | 0 |
| Support services: | | | | |
| Pupil | 0 | 0 | 0 | 0 |
| Instructional staff | 0 | 0 | 0 | 0 |
| Administration | 0 | 0 | 0 | 0 |
| Fiscal | 0 | 0 | 0 | 0 |
| Business | 1,102 | 0 | 0 | 0 |
| Pupil transportation | 0 | 0 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 |
| Operation of non-instructional services | 0 | 0 | 0 | 0 |
| Extracurricular activities | 4,170 | 193,480 | 0 | 209,221 |
| Intergovernmental pass through | 0 | 0 | 0 | 0 |
| Total expenditures | <u>5,272</u> | <u>193,723</u> | <u>39,812</u> | <u>209,221</u> |
| Excess of revenues over (under) expenditures | <u>7,199</u> | <u>43,538</u> | <u>888</u> | <u>39,456</u> |
| Other financing uses: | | | | |
| Transfers (out) | <u>(14,000)</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total other financing sources (uses) | <u>(14,000)</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net change in fund balances | (6,801) | 43,538 | 888 | 39,456 |
| Fund balances (deficits) at beginning of year | <u>440,904</u> | <u>96,903</u> | <u>9,124</u> | <u>19,105</u> |
| Fund balances (deficits) at end of year | <u><u>\$434,103</u></u> | <u><u>\$140,441</u></u> | <u><u>\$10,012</u></u> | <u><u>\$58,561</u></u> |

| <u>Auxilliary Services</u> | <u>Career Development</u> | <u>Post Secondary Vocational Education</u> | <u>Teacher Development</u> | <u>Management Information Systems</u> | <u>Disadvantaged Pupil Impact Aid</u> |
|--------------------------------|-------------------------------|--|--------------------------------|---|---|
| \$3,486 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 493,335 | 13,481 | 20,000 | 0 | 16,158 | 1,324,856 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>496,821</u> | <u>13,481</u> | <u>20,000</u> | <u>0</u> | <u>16,158</u> | <u>1,324,856</u> |
| 0 | 0 | 0 | 0 | 0 | 1,211,405 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 13,554 | 0 | 0 | 0 | 0 |
| 0 | 0 | 18,889 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 9,123 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 23,599 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 454,538 | 0 | 0 | 0 | 0 | 0 |
| <u>454,538</u> | <u>13,554</u> | <u>18,889</u> | <u>9,123</u> | <u>23,599</u> | <u>1,211,405</u> |
| <u>42,283</u> | <u>(73)</u> | <u>1,111</u> | <u>(9,123)</u> | <u>(7,441)</u> | <u>113,451</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> | <u>0</u> |
| <u>42,283</u> | <u>(73)</u> | <u>1,111</u> | <u>(9,123)</u> | <u>(7,441)</u> | <u>113,451</u> |
| <u>14,255</u> | <u>73</u> | <u>1</u> | <u>10,949</u> | <u>31,711</u> | <u>(75,836)</u> |
| <u>\$56,538</u> | <u>\$0</u> | <u>\$1,112</u> | <u>\$1,826</u> | <u>\$24,270</u> | <u>\$37,615</u> |

-- Continued

**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, 2002

| | <u>Data</u> <u>Communications</u> | <u>SchoolNet</u> <u>Professional</u> <u>Development</u> | <u>Ohio</u> <u>Reads</u> <u>Grant</u> | <u>Summer</u> <u>Intervention</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 | 42,000 | 7,592 | 59,000 | 0 |
| Intergovernmental - Federal | 0 | 0 | 0 | 0 |
| Total revenue | <u>42,000</u> | <u>7,592</u> | <u>59,000</u> | <u>0</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 0 | 47,840 | 57,418 |
| 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 | 4,992 | 0 | 0 |
| Administration | 0 | 0 | 0 | 0 |
| Fiscal | 0 | 0 | 0 | 0 |
| Business | 0 | 0 | 0 | 0 |
| Pupil transportation | 0 | 0 | 0 | 0 |
| Central | 33,218 | 0 | 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>33,218</u> | <u>4,992</u> | <u>47,840</u> | <u>57,418</u> |
| Excess of revenues over (under) expenditures | <u>8,782</u> | <u>2,600</u> | <u>11,160</u> | <u>(57,418)</u> |
| Other financing uses: | | | | |
| 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 | 8,782 | 2,600 | 11,160 | (57,418) |
| Fund balances (deficits) at beginning of year | <u>15,952</u> | <u>3,609</u> | <u>0</u> | <u>58,273</u> |
| Fund balances (deficits) at end of year | <u><u>\$24,734</u></u> | <u><u>\$6,209</u></u> | <u><u>\$11,160</u></u> | <u><u>\$855</u></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> | <u>Vocational Education</u> |
|--|----------------------------|--------------------------------------|--|-------------------|---------------------------------|
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 76,671 | 4,185 | 53,207 | 0 | 0 | 0 |
| <u>0</u> | <u>0</u> | <u>104,991</u> | <u>32,839</u> | <u>543,267</u> | <u>103,464</u> |
| <u>76,671</u> | <u>4,185</u> | <u>158,198</u> | <u>32,839</u> | <u>543,267</u> | <u>103,464</u> |
| 104,742 | 10,456 | 0 | 5,062 | 0 | 0 |
| 0 | 0 | 0 | 0 | 152,308 | 0 |
| 0 | 8,153 | 0 | 0 | 0 | 14,303 |
| 0 | 0 | 124,316 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 38,343 | 100,230 |
| 0 | 169 | 17,550 | 31,899 | 103,423 | 10,459 |
| 0 | 0 | 2,304 | 0 | 80,703 | 4,511 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 3,710 | 0 | 0 | 0 | 52,518 |
| 0 | 0 | 0 | 0 | 68,862 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>104,742</u> | <u>22,488</u> | <u>144,170</u> | <u>36,961</u> | <u>443,639</u> | <u>182,021</u> |
| <u>(28,071)</u> | <u>(18,303)</u> | <u>14,028</u> | <u>(4,122)</u> | <u>99,628</u> | <u>(78,557)</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> | <u>0</u> |
| <u>(28,071)</u> | <u>(18,303)</u> | <u>14,028</u> | <u>(4,122)</u> | <u>99,628</u> | <u>(78,557)</u> |
| <u>73,559</u> | <u>84,567</u> | <u>(3,014)</u> | <u>5,665</u> | <u>(71,291)</u> | <u>(23,311)</u> |
| <u>\$45,488</u> | <u>\$66,264</u> | <u>\$11,014</u> | <u>\$1,543</u> | <u>\$28,337</u> | <u>(\$101,868)</u> |

-- Continued

**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, 2002

| | Basic Educational Opportunity Grant | Title I | Title II | Drug-Free School Grant |
|--|--|--------------------|-----------------|---------------------------------------|
| 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 | 53,978 | 1,149,230 | 31,858 | 35,013 |
| Total revenue | <u>53,978</u> | <u>1,149,230</u> | <u>31,858</u> | <u>35,013</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 0 | 0 | 23,168 |
| Special | 0 | 1,098,393 | 26,881 | 0 |
| Vocational | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Support services: | | | | |
| Pupil | 0 | 0 | 0 | 15,468 |
| Instructional staff | 0 | 148,862 | 0 | 0 |
| Administration | 0 | 27,833 | 0 | 0 |
| Fiscal | 0 | 0 | 0 | 0 |
| Business | 0 | 0 | 0 | 0 |
| Pupil transportation | 0 | 26,956 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 |
| Operation of non-instructional services | 53,978 | 24,788 | 7,515 | 0 |
| Extracurricular activities | 0 | 0 | 0 | 0 |
| Intergovernmental pass through | 0 | 0 | 0 | 0 |
| Total expenditures | <u>53,978</u> | <u>1,326,832</u> | <u>34,396</u> | <u>38,636</u> |
| Excess of revenues over (under) expenditures | <u>0</u> | <u>(177,602)</u> | <u>(2,538)</u> | <u>(3,623)</u> |
| Other financing uses: | | | | |
| Transfers (out) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total other financing sources (uses) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net change in fund balances | 0 | (177,602) | (2,538) | (3,623) |
| Fund balances (deficits) at beginning of year | <u>0</u> | <u>(78,459)</u> | <u>3,078</u> | <u>15,709</u> |
| Fund balances (deficits) at end of year | <u>\$0</u> | <u>(\$256,061)</u> | <u>\$540</u> | <u>\$12,086</u> |

| EHA Preschool Grant | Youth Involvement Fund | GOALS 2000 | Total Nonmajor Special Revenue Funds |
|------------------------------------|---------------------------------------|-------------------|---|
| \$0 | \$0 | \$0 | \$15,149 |
| 0 | 0 | 0 | 431,198 |
| 0 | 0 | 0 | 96,248 |
| 0 | 0 | 0 | 2,110,485 |
| <u>56,688</u> | <u>329,073</u> | <u>63,538</u> | <u>2,503,939</u> |
| <u>56,688</u> | <u>329,073</u> | <u>63,538</u> | <u>5,157,019</u> |
| 3,534 | 64,113 | 44,796 | 1,611,926 |
| 8,761 | 237,456 | 0 | 1,523,799 |
| 0 | 0 | 0 | 36,430 |
| 0 | 2,421 | 0 | 145,869 |
| 1,475 | 714 | 0 | 156,230 |
| 25,206 | 0 | 23,410 | 375,093 |
| 13,064 | 0 | 0 | 128,415 |
| 0 | 0 | 0 | 23,599 |
| 0 | 0 | 0 | 1,102 |
| 0 | 0 | 0 | 26,956 |
| 0 | 0 | 0 | 89,446 |
| 0 | 0 | 0 | 155,143 |
| 0 | 0 | 0 | 406,871 |
| 0 | 0 | 0 | 454,538 |
| <u>52,040</u> | <u>304,704</u> | <u>68,206</u> | <u>5,135,417</u> |
| <u>4,648</u> | <u>24,369</u> | <u>(4,668)</u> | <u>21,602</u> |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>(14,000)</u> |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>(14,000)</u> |
| 4,648 | 24,369 | (4,668) | 7,602 |
| <u>(1,679)</u> | <u>(24,261)</u> | <u>43,497</u> | <u>649,083</u> |
| <u>\$2,969</u> | <u>\$108</u> | <u>\$38,829</u> | <u>\$656,685</u> |

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

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2002

| | Permanent Improvement | Replacement | SchoolNet | Total Nonmajor Capital Projects Funds |
|--|----------------------------------|--------------------|------------------|--|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$1,975,169 | \$26,673 | \$65,520 | \$2,067,362 |
| Receivables | | | | |
| Taxes | 629,149 | 0 | 0 | 629,149 |
| Total assets | \$2,604,318 | \$26,673 | \$65,520 | \$2,696,511 |
| Liabilities: | | | | |
| Accounts payable | \$10,567 | \$0 | \$0 | \$10,567 |
| Pension obligation payable | 0 | 0 | 634 | 634 |
| Deferred revenue | 600,332 | 0 | 0 | 600,332 |
| Total liabilities | 610,899 | 0 | 634 | 611,533 |
| Fund Balances: | | | | |
| Reserved for encumbrances | 147,507 | 0 | 0 | 147,507 |
| Reserved for property tax unavailable for appropriation | 28,817 | 0 | 0 | 28,817 |
| Unreserved, undesignated, reported in: Capital projects funds | 1,817,095 | 26,673 | 64,886 | 1,908,654 |
| Total fund balances | 1,993,419 | 26,673 | 64,886 | 2,084,978 |
| Total liabilities and fund balances | \$2,604,318 | \$26,673 | \$65,520 | \$2,696,511 |

**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, 2002

| | <u>Permanent Improvement</u> | <u>Replacement</u> | <u>SchoolNet</u> | <u>Total Nonmajor Capital Projects Funds</u> |
|---|----------------------------------|--------------------|------------------|--|
| Revenues: | | | | |
| From local sources: | | | | |
| Taxes | \$593,291 | \$0 | \$0 | \$593,291 |
| Other local revenues. | 1,471,266 | 0 | 0 | 1,471,266 |
| Other revenues. | 242 | 0 | 0 | 242 |
| Intergovernmental - State. | 69,110 | 0 | 65,520 | 134,630 |
| Total revenue. | <u>2,133,909</u> | <u>0</u> | <u>65,520</u> | <u>2,199,429</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 0 | 14,062 | 14,062 |
| Support services: | | | | |
| Instructional staff. | 0 | 0 | 634 | 634 |
| Fiscal | 11,339 | 0 | 0 | 11,339 |
| Facilities acquisition and construction | 610,757 | 0 | 0 | 610,757 |
| Total expenditures | <u>622,096</u> | <u>0</u> | <u>14,696</u> | <u>636,792</u> |
| Net change in fund balances | 1,511,813 | 0 | 50,824 | 1,562,637 |
| Fund balances at beginning of year | <u>481,606</u> | <u>26,673</u> | <u>14,062</u> | <u>522,341</u> |
| Fund balances at end of year. | <u>\$1,993,419</u> | <u>\$26,673</u> | <u>\$64,886</u> | <u>\$2,084,978</u> |

COMBINING STATEMENTS - AGENCY FUNDS

Student Managed Activity

Section 3315.062, Revised Code

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

District Agency

Section 5705.12, Revised Code

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

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

COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

| | Beginning Balance July 1, 2001 | Additions | Deletions | Ending Balance June 30, 2002 |
|--|---|------------------|------------------|---|
| District Agency | | | | |
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$1,426 | \$351,072 | \$350,831 | \$1,667 |
| Receivables | | | | |
| Taxes | 318,621 | 306,984 | 318,621 | 306,984 |
| Total assets | <u>\$320,047</u> | <u>\$658,056</u> | <u>\$669,452</u> | <u>\$308,651</u> |
| Liabilities: | | | | |
| Due to other governments | 320,047 | 658,056 | 669,452 | 308,651 |
| Total liabilities | <u>\$320,047</u> | <u>\$658,056</u> | <u>\$669,452</u> | <u>\$308,651</u> |
| Student Managed Activity | | | | |
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$68,065 | \$113,841 | \$98,600 | \$83,306 |
| Receivables | | | | |
| Accounts | 0 | 415 | 0 | 415 |
| Total assets | <u>\$68,065</u> | <u>\$114,256</u> | <u>\$98,600</u> | <u>\$83,721</u> |
| Liabilities: | | | | |
| Accounts payable | \$2,027 | \$4,699 | \$2,027 | \$4,699 |
| Due to other governments | 500 | 0 | 500 | 0 |
| Due to students | 65,538 | 109,557 | 96,073 | 79,022 |
| Total liabilities | <u>\$68,065</u> | <u>\$114,256</u> | <u>\$98,600</u> | <u>\$83,721</u> |
| Total | | | | |
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$69,491 | \$464,913 | \$449,431 | \$84,973 |
| Receivables | | | | |
| Taxes | 318,621 | 306,984 | 318,621 | 306,984 |
| Accounts | 0 | 415 | 0 | 415 |
| Total assets | <u>\$388,112</u> | <u>\$772,312</u> | <u>\$768,052</u> | <u>\$392,372</u> |
| Liabilities: | | | | |
| Accounts payable | \$2,027 | \$4,699 | \$2,027 | \$4,699 |
| Due to other governments | 320,547 | 658,056 | 669,952 | 308,651 |
| Due to students | 65,538 | 109,557 | 96,073 | 79,022 |
| Total liabilities | <u>\$388,112</u> | <u>\$772,312</u> | <u>\$768,052</u> | <u>\$392,372</u> |

This Page is Intentionally Left Blank.

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, 2002

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|---|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Taxes | \$15,200,000 | \$16,436,560 | \$16,445,338 | \$8,778 |
| Tuition | 33,000 | 50,827 | 50,854 | 27 |
| Earnings on investments | 500,000 | 235,479 | 235,605 | 126 |
| Extracurricular | 9,700 | 10,148 | 10,525 | 377 |
| Other local revenues | 482,100 | 380,949 | 385,079 | 4,130 |
| Other revenue | 0 | 5,855 | 5,858 | 3 |
| Intergovernmental-state | 15,723,000 | 15,984,540 | 15,993,818 | 9,278 |
| Intergovernmental-federal | 0 | 205,236 | 205,346 | 110 |
| Total revenues | <u>31,947,800</u> | <u>33,309,594</u> | <u>33,332,423</u> | <u>22,829</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 10,143,000 | 10,267,054 | 10,142,631 | 124,423 |
| Fringe benefits | 3,132,820 | 3,244,460 | 3,172,328 | 72,132 |
| Purchased services | 94,450 | 129,376 | 103,501 | 25,875 |
| Supplies | 715,500 | 764,320 | 623,380 | 140,940 |
| Capital outlay | 126,400 | 141,502 | 123,295 | 18,207 |
| Dues and fees | 1,500 | 598 | 200 | 398 |
| Total instruction-regular | <u>14,213,670</u> | <u>14,547,310</u> | <u>14,165,335</u> | <u>381,975</u> |
| Instruction-special | | | | |
| Salaries and wages | 2,393,200 | 2,374,116 | 2,336,212 | 37,904 |
| Fringe benefits | 803,300 | 819,000 | 778,269 | 40,731 |
| Purchased services | 904,000 | 913,570 | 741,774 | 171,796 |
| Supplies | 28,000 | 33,921 | 16,822 | 17,099 |
| Capital outlay | 4,000 | 2,800 | 2,369 | 431 |
| Dues and fees | 495,000 | 503,000 | 502,820 | 180 |
| Total instruction-special | <u>4,627,500</u> | <u>4,646,407</u> | <u>4,378,266</u> | <u>268,141</u> |
| Instruction-vocational | | | | |
| Salaries and wages | 1,011,200 | 974,200 | 953,070 | 21,130 |
| Fringe benefits | 318,200 | 313,200 | 298,083 | 15,117 |
| Purchased services | 13,000 | 15,304 | 12,524 | 2,780 |
| Supplies | 135,500 | 142,574 | 134,266 | 8,308 |
| Capital outlay | 30,000 | 42,993 | 39,279 | 3,714 |
| Total instruction-vocational | <u>1,507,900</u> | <u>1,488,271</u> | <u>1,437,222</u> | <u>51,049</u> |
| Support services-pupil | | | | |
| Salaries and wages | 991,500 | 1,032,700 | 1,024,283 | 8,417 |
| Fringe benefits | 300,700 | 300,925 | 288,802 | 12,123 |
| Purchased services | 72,700 | 75,786 | 54,548 | 21,238 |
| Supplies | 18,000 | 15,100 | 9,206 | 5,894 |
| Capital outlay | 10,000 | 2,000 | 143 | 1,857 |
| Total support services-pupil | <u>1,392,900</u> | <u>1,426,511</u> | <u>1,376,982</u> | <u>49,529</u> |
| Support services-instructional staff | | | | |
| Salaries and wages | \$763,100 | \$644,700 | \$615,278 | \$29,422 |
| Fringe benefits | 288,900 | 271,400 | 256,919 | 14,481 |
| Purchased services | 206,600 | 227,098 | 203,378 | 23,720 |
| Supplies | 132,300 | 184,513 | 164,725 | 19,788 |
| Capital outlay | 4,000 | 2,120 | 904 | 1,216 |
| Dues and fees | 50,000 | 50,000 | 44,613 | 5,387 |
| Total support services-instructional staff | <u>1,444,900</u> | <u>1,379,831</u> | <u>1,285,817</u> | <u>94,014</u> |

-- Continued

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|--|-------------------------|------------------|------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Support services-board of education | | | | |
| Salaries and wages | \$9,600 | \$9,600 | \$9,280 | \$320 |
| Fringe benefits | 1,000 | 1,000 | 446 | 554 |
| Purchased services | 168,000 | 216,144 | 132,727 | 83,417 |
| Supplies | 3,100 | 3,100 | 135 | 2,965 |
| Dues and fees | 39,100 | 71,417 | 61,812 | 9,605 |
| Total support services-board of education | <u>220,800</u> | <u>301,261</u> | <u>204,400</u> | <u>96,861</u> |
| Support services-administration | | | | |
| Salaries and wages | 1,901,800 | 1,956,100 | 1,916,176 | 39,924 |
| Fringe benefits | 766,400 | 787,900 | 766,669 | 21,231 |
| Purchased services | 38,800 | 36,772 | 10,947 | 25,825 |
| Supplies | 18,000 | 18,493 | 6,585 | 11,908 |
| Capital outlay | 35,000 | 32,050 | 30,615 | 1,435 |
| Dues and fees | 2,700 | 2,700 | 927 | 1,773 |
| Total support services-administration | <u>2,762,700</u> | <u>2,834,015</u> | <u>2,731,919</u> | <u>102,096</u> |
| Support services-fiscal | | | | |
| Salaries and wages | 197,700 | 198,700 | 189,039 | 9,661 |
| Fringe benefits | 77,300 | 74,820 | 69,449 | 5,371 |
| Purchased services | 23,500 | 32,272 | 29,228 | 3,044 |
| Supplies | 5,000 | 5,527 | 3,717 | 1,810 |
| Dues and fees | 334,600 | 352,450 | 329,558 | 22,892 |
| Total support services-fiscal | <u>638,100</u> | <u>663,769</u> | <u>620,991</u> | <u>42,778</u> |
| Support services-business | | | | |
| Salaries and wages | 82,400 | 107,400 | 101,452 | 5,948 |
| Fringe benefits | 34,000 | 38,000 | 36,265 | 1,735 |
| Purchased services | 43,800 | 53,800 | 51,236 | 2,564 |
| Supplies | 9,000 | 9,521 | 8,594 | 927 |
| Capital outlay | 4,000 | 13,500 | 13,470 | 30 |
| Total support services-business | <u>173,200</u> | <u>222,221</u> | <u>211,017</u> | <u>11,204</u> |
| Support services-operations and maintenance | | | | |
| Salaries and wages | 1,593,500 | 1,652,200 | 1,576,695 | 75,505 |
| Fringe benefits | 582,500 | 597,600 | 575,409 | 22,191 |
| Purchased services | 1,711,200 | 1,773,599 | 1,432,888 | 340,711 |
| Supplies | 160,500 | 195,650 | 177,560 | 18,090 |
| Capital outlay | 20,000 | 21,800 | 20,189 | 1,611 |
| Total support services-operations and maintenance | <u>4,067,700</u> | <u>4,240,849</u> | <u>3,782,741</u> | <u>458,108</u> |
| Support services-pupil transportation | | | | |
| Salaries and wages | 692,700 | 732,600 | 709,155 | 23,445 |
| Fringe benefits | 262,700 | 280,900 | 260,799 | 20,101 |
| Purchased services | 36,000 | 42,376 | 17,785 | 24,591 |
| Supplies | 166,000 | 133,800 | 94,377 | 39,423 |
| Capital outlay | 167,000 | 213,475 | 210,981 | 2,494 |
| Dues and fees | 15,000 | 53,000 | 52,700 | 300 |
| Total support services-pupil transportation | <u>1,339,400</u> | <u>1,456,151</u> | <u>1,345,797</u> | <u>110,354</u> |

-- Continued

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|--|---------------------------|---------------------------|---------------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Support services-central | | | | |
| Salaries and wages | \$52,600 | \$52,600 | \$38,534 | \$14,066 |
| Fringe benefits | 17,600 | 18,200 | 14,496 | 3,704 |
| Supplies | 5,000 | 5,032 | 3,346 | 1,686 |
| Capital outlay | 2,000 | 2,000 | 1,681 | 319 |
| Total support services-central | <u>77,200</u> | <u>77,832</u> | <u>58,057</u> | <u>19,775</u> |
| Operation of non-instructional services | | | | |
| Salaries and wages | 700 | 700 | 441 | 259 |
| Fringe benefits | 120 | 120 | 60 | 60 |
| Purchased services | 5,000 | 5,711 | 5,701 | 10 |
| Supplies | 2,000 | 1,289 | 1,289 | 0 |
| Capital outlay | 0 | 82,000 | 81,892 | 108 |
| Total operation of non-instructional services | <u>7,820</u> | <u>89,820</u> | <u>89,383</u> | <u>437</u> |
| Extracurricular activities | | | | |
| Salaries and wages | 629,900 | 634,379 | 574,239 | 60,140 |
| Fringe benefits | 102,450 | 95,861 | 75,102 | 20,759 |
| Purchased services | 25,500 | 32,372 | 29,204 | 3,168 |
| Supplies | 5,100 | 5,218 | 980 | 4,238 |
| Capital outlay | 200 | 200 | 0 | 200 |
| Dues and fees | 50 | 50 | 0 | 50 |
| Total extracurricular activities | <u>763,200</u> | <u>768,080</u> | <u>679,525</u> | <u>88,555</u> |
| Total expenditures | <u>33,236,990</u> | <u>34,142,328</u> | <u>32,367,452</u> | <u>1,774,876</u> |
| Excess of revenues over (under) expenditures | <u>(1,289,190)</u> | <u>(832,734)</u> | <u>964,971</u> | <u>1,797,705</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's expenditures | 5,000 | 47,740 | 47,765 | 25 |
| Transfers in | 5,000 | 13,499 | 14,000 | 501 |
| Transfers (out) | (50,000) | (25,000) | (25,000) | 0 |
| Advances in | 150,000 | 176,867 | 177,050 | 183 |
| Advances (out) | 0 | (411,500) | (411,500) | 0 |
| Proceeds from sale of fixed assets | 5,000 | 0 | 0 | 0 |
| Total other financing sources (uses) | <u>115,000</u> | <u>(198,394)</u> | <u>(197,685)</u> | <u>709</u> |
| Net change in fund balance | <u>(1,174,190)</u> | <u>(1,031,128)</u> | <u>767,286</u> | <u>1,798,414</u> |
| Fund balance at beginning of year | <u>4,259,253</u> | <u>4,259,253</u> | <u>4,259,253</u> | <u>0</u> |
| Prior year encumbrances appropriated | <u>468,344</u> | <u>468,344</u> | <u>468,344</u> | <u>0</u> |
| Fund balance at end of year | <u><u>\$3,553,407</u></u> | <u><u>\$3,696,469</u></u> | <u><u>\$5,494,883</u></u> | <u><u>\$1,798,414</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)
SPECIAL TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Over (Under) |
|--|-------------------------|------------------|------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Earnings on investments | \$24,075 | \$16,868 | \$11,663 | (\$5,205) |
| Other local revenues | 1,700 | 1,169 | 808 | (361) |
| Total revenues | <u>25,775</u> | <u>18,037</u> | <u>12,471</u> | <u>(5,566)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-business | | | | |
| Other | 10,000 | 12,300 | 1,102 | 11,198 |
| Total support services-business | <u>10,000</u> | <u>12,300</u> | <u>1,102</u> | <u>11,198</u> |
| Extracurricular activities | | | | |
| Supplies | 500 | 500 | 0 | 500 |
| Capital outlay | 0 | 5,000 | 3,911 | 1,089 |
| Other | 7,000 | 1,000 | 259 | 741 |
| Total extracurricular activities | <u>7,500</u> | <u>6,500</u> | <u>4,170</u> | <u>2,330</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>48,800</u> | <u>5,272</u> | <u>43,528</u> |
| Excess of revenues over (under) expenditures | <u>(21,725)</u> | <u>(30,763)</u> | <u>7,199</u> | <u>37,962</u> |
| Other financing sources (uses): | | | | |
| Transfers (out) | (15,000) | (15,000) | (14,000) | 1,000 |
| Total other financing sources (uses) | <u>(15,000)</u> | <u>(15,000)</u> | <u>(14,000)</u> | <u>1,000</u> |
| Net change in fund balance | (36,725) | (45,763) | (6,801) | 38,962 |
| Fund balance at beginning of year | 440,904 | 440,904 | 440,904 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance at end of year | <u>\$404,179</u> | <u>\$395,141</u> | <u>\$434,103</u> | <u>\$38,962</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, 2002

| | <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 | \$205,450 | \$199,276 | \$199,575 | \$299 |
| Other local revenues | 26,700 | 37,624 | 37,680 | 56 |
| Total revenues | <u>232,150</u> | <u>236,900</u> | <u>237,255</u> | <u>355</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-other | | | | |
| Supplies | 0 | 243 | 243 | 0 |
| Total instruction-other | <u>0</u> | <u>243</u> | <u>243</u> | <u>0</u> |
| Support services-pupil | | | | |
| Other | 138 | 138 | 70 | 68 |
| Total support services pupil | <u>138</u> | <u>138</u> | <u>70</u> | <u>68</u> |
| Extracurricular activities | | | | |
| Purchased services | 166,450 | 207,433 | 182,326 | 25,107 |
| Supplies | 30,700 | 29,689 | 17,952 | 11,737 |
| Capital outlay | 11,000 | 21,910 | 13,665 | 8,245 |
| Other | 17,500 | 22,122 | 15,825 | 6,297 |
| Total extracurricular activities | <u>225,650</u> | <u>281,154</u> | <u>229,768</u> | <u>51,386</u> |
| Total expenditures | <u>225,788</u> | <u>281,535</u> | <u>230,081</u> | <u>51,454</u> |
| Net change in fund balance | 6,362 | (44,635) | 7,174 | 51,809 |
| Fund balance at beginning of year | 92,931 | 92,931 | 92,931 | 0 |
| Prior year encumbrances appropriated | 31,548 | 31,548 | 31,548 | 0 |
| Fund balance at end of year | <u>\$130,841</u> | <u>\$79,844</u> | <u>\$131,653</u> | <u>\$51,809</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, 2002

| | <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 | \$20,000 | \$40,700 | \$40,700 | \$0 |
| Total revenues | <u>20,000</u> | <u>40,700</u> | <u>40,700</u> | <u>0</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 0 | 2,400 | 1,200 | 1,200 |
| Purchased services | 0 | 1,650 | 1,406 | 244 |
| Supplies | 0 | 31,170 | 28,990 | 2,180 |
| Capital outlay | 0 | 8,560 | 7,993 | 567 |
| Total instruction-regular | <u>0</u> | <u>43,780</u> | <u>39,589</u> | <u>4,191</u> |
| Instruction-vocational | | | | |
| Purchased services | 0 | 144 | 144 | 0 |
| Supplies | 0 | 300 | 276 | 24 |
| Capital outlay | 0 | 922 | 922 | 922 |
| Total instruction-vocational | <u>0</u> | <u>1,366</u> | <u>420</u> | <u>946</u> |
| Total expenditures | <u>0</u> | <u>45,146</u> | <u>40,009</u> | <u>5,137</u> |
| Excess of revenues over (under) expenditures | <u>20,000</u> | <u>(4,446)</u> | <u>691</u> | <u>5,137</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | 0 | (767) | (767) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(767)</u> | <u>(767)</u> | <u>0</u> |
| Net change in fund balance | 20,000 | (5,213) | (76) | 5,137 |
| Fund balance at beginning of year | 4,657 | 4,657 | 4,657 | 0 |
| Prior year encumbrances appropriated | 5,557 | 5,557 | 5,557 | 0 |
| Fund balance at end of year | <u>\$30,214</u> | <u>\$5,001</u> | <u>\$10,138</u> | <u>\$5,137</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 ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <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 | \$198,130 | \$230,630 | \$231,425 | \$795 |
| Other local revenues | 16,000 | 17,001 | 17,060 | 59 |
| Total revenues | <u>214,130</u> | <u>247,631</u> | <u>248,485</u> | <u>854</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Extracurricular activities | | | | |
| Purchased services | 103,200 | 126,998 | 120,107 | 6,891 |
| Supplies | 52,025 | 48,116 | 43,420 | 4,696 |
| Capital outlay | 28,000 | 25,344 | 24,333 | 1,011 |
| Other | 42,325 | 52,380 | 37,654 | 14,726 |
| Total extracurricular activities | <u>225,550</u> | <u>252,838</u> | <u>225,514</u> | <u>27,324</u> |
| Total expenditures | <u>225,550</u> | <u>252,838</u> | <u>225,514</u> | <u>27,324</u> |
| Excess of revenues over (under) expenditures | <u>(11,420)</u> | <u>(5,207)</u> | <u>22,971</u> | <u>28,178</u> |
| Other financing sources (uses): | | | | |
| Advances in | 0 | 8,969 | 9,000 | 31 |
| Advances (out) | 0 | (17,000) | (17,000) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(8,031)</u> | <u>(8,000)</u> | <u>31</u> |
| Net change in fund balance | (11,420) | (13,238) | 14,971 | 28,209 |
| Fund balance at beginning of year | 35,499 | 35,499 | 35,499 | 0 |
| Prior year encumbrances appropriated | 13,954 | 13,954 | 13,954 | 0 |
| Fund balance at end of year | <u>\$38,033</u> | <u>\$36,215</u> | <u>\$64,424</u> | <u>\$28,209</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, 2002

| | <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 | \$10,000 | \$3,484 | \$3,486 | \$2 |
| Intergovernmental-State | 525,000 | 493,116 | 493,335 | 219 |
| Total revenues | <u>535,000</u> | <u>496,600</u> | <u>496,821</u> | <u>221</u> |
| Expenditures: | | | | |
| Intergovernmental pass through | | | | |
| Salaries and wages | 212,000 | 200,078 | 161,343 | 38,735 |
| Fringe benefits | 64,495 | 61,535 | 50,441 | 11,094 |
| Purchased services | 83,350 | 199,389 | 195,413 | 3,976 |
| Supplies | 150,300 | 109,512 | 67,726 | 41,786 |
| Capital outlay | 15,500 | 16,172 | 14,352 | 1,820 |
| Total intergovernmental pass through | <u>525,645</u> | <u>586,686</u> | <u>489,275</u> | <u>97,411</u> |
| Total expenditures | <u>525,645</u> | <u>586,686</u> | <u>489,275</u> | <u>97,411</u> |
| Excess of revenues over (under) expenditures | <u>9,355</u> | <u>(90,086)</u> | <u>7,546</u> | <u>97,632</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | | (3,777) | (3,777) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(3,777)</u> | <u>(3,777)</u> | <u>0</u> |
| Net change in fund balance | 9,355 | (93,863) | 3,769 | 97,632 |
| Fund balance at beginning of year | 35,808 | 35,808 | 35,808 | 0 |
| Prior year encumbrances appropriated | 58,077 | 58,077 | 58,077 | 0 |
| Fund balance at end of year | <u>\$103,240</u> | <u>\$22</u> | <u>\$97,654</u> | <u>\$97,632</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, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|---|-------------------------|--------------------|-------------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Intergovernmental-State | \$25,000 | \$17,000 | \$16,975 | (\$25) |
| Total revenues | <u>25,000</u> | <u>17,000</u> | <u>16,975</u> | <u>(25)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-vocational | | | | |
| Salaries and wages | 25,000 | 11,913 | 11,913 | 0 |
| Fringe benefits | 4,150 | 1,668 | 1,668 | 0 |
| Purchased services | 1,000 | 0 | 0 | 0 |
| Other | 100 | 0 | 0 | 0 |
| Total instruction-vocational | <u>30,250</u> | <u>13,581</u> | <u>13,581</u> | <u>0</u> |
| Total expenditures | <u>30,250</u> | <u>13,581</u> | <u>13,581</u> | <u>0</u> |
| Excess of revenues over (under) expenditures | <u>(5,250)</u> | <u>3,419</u> | <u>3,394</u> | <u>(25)</u> |
| Other financing sources (uses): | | | | |
| Advances (out) | 0 | (4,000) | (4,000) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(4,000)</u> | <u>(4,000)</u> | <u>0</u> |
| Net change in fund balance | (5,250) | (581) | (606) | (25) |
| Fund balance at beginning of year | 606 | 606 | 606 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance (deficit) at end of year | <u><u>(\$4,644)</u></u> | <u><u>\$25</u></u> | <u><u>\$0</u></u> | <u><u>(\$25)</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)
POST SECONDARY VOCATIONAL EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <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 | \$21,000 | \$20,929 | (\$71) |
| Total revenues. | <u>25,000</u> | <u>21,000</u> | <u>20,929</u> | <u>(71)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-other | | | | |
| Purchased services | 22,000 | 17,000 | 15,957 | 1,043 |
| Supplies | 3,000 | 3,427 | 3,359 | 68 |
| Total instruction-other. | <u>25,000</u> | <u>20,427</u> | <u>19,316</u> | <u>1,111</u> |
| Total expenditures | <u>25,000</u> | <u>20,427</u> | <u>19,316</u> | <u>1,111</u> |
| Excess of revenues over (under) expenditures | <u>0</u> | <u>573</u> | <u>1,613</u> | <u>1,040</u> |
| Other financing sources (uses): | | | | |
| Advances in. | | | | 0 |
| Advances (out) | 0 | (2,000) | (2,000) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(2,000)</u> | <u>(2,000)</u> | <u>0</u> |
| Net change in fund balance | 0 | (1,427) | (387) | 1,040 |
| Fund balance at beginning of year | 1,037 | 1,037 | 1,037 | 0 |
| Prior year encumbrances appropriated | 462 | 462 | 462 | 0 |
| Fund balance at end of year. | <u>\$1,499</u> | <u>\$72</u> | <u>\$1,112</u> | <u>\$1,040</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, 2002

| | <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 | \$0 | \$0 | \$0 |
| Total revenues | <u>25,000</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-instructional staff | | | | |
| Salaries and wages | 5,000 | 6,005 | 6,000 | 5 |
| Fringe benefits | 750 | 841 | 840 | 1 |
| Purchased services | 10,500 | 11,896 | 10,698 | 1,198 |
| Supplies | 5,000 | 3,215 | 2,477 | 738 |
| Capital outlay | 650 | 0 | 0 | 0 |
| Total support services-instructional staff | <u>21,900</u> | <u>21,957</u> | <u>20,015</u> | <u>1,942</u> |
| Operation of non-instructional services | | | | |
| Purchased services | 7,000 | 0 | 0 | 0 |
| Total operation of non-instructional services | <u>7,000</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total expenditures | <u>28,900</u> | <u>21,957</u> | <u>20,015</u> | <u>1,942</u> |
| Net change in fund balance | (3,900) | (21,957) | (20,015) | 1,942 |
| Fund balance at beginning of year | 9,612 | 9,612 | 9,612 | 0 |
| Prior year encumbrances appropriated | 12,345 | 12,345 | 12,345 | 0 |
| Fund balance at end of year | <u>\$18,057</u> | <u>\$0</u> | <u>\$1,942</u> | <u>\$1,942</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, 2002

| | <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 | \$16,200 | \$16,158 | (\$42) |
| Total revenues. | <u>15,000</u> | <u>16,200</u> | <u>16,158</u> | <u>(42)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-fiscal | | | | |
| Supplies | 1,000 | 1,000 | 982 | 18 |
| Capital outlay | <u>29,000</u> | <u>29,000</u> | <u>22,617</u> | <u>6,383</u> |
| Total support services-fiscal | <u>30,000</u> | <u>30,000</u> | <u>23,599</u> | <u>6,401</u> |
| Total expenditures | <u>30,000</u> | <u>30,000</u> | <u>23,599</u> | <u>6,401</u> |
| Net change in fund balance | (15,000) | (13,800) | (7,441) | 6,359 |
| Fund balance at beginning of year | 31,711 | 31,711 | 31,711 | 0 |
| Prior year encumbrances appropriated | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund balance at end of year. | <u><u>\$16,711</u></u> | <u><u>\$17,911</u></u> | <u><u>\$24,270</u></u> | <u><u>\$6,359</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|------------------|------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental-State | \$1,400,000 | \$1,324,900 | \$1,324,856 | (\$44) |
| Total revenues | <u>1,400,000</u> | <u>1,324,900</u> | <u>1,324,856</u> | <u>(44)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 1,230,000 | 1,324,664 | 1,079,046 | 245,618 |
| Fringe benefits | 170,000 | 186,111 | 151,627 | 34,484 |
| Total instruction-regular | <u>1,400,000</u> | <u>1,510,775</u> | <u>1,230,673</u> | <u>280,102</u> |
| Total expenditures | <u>1,400,000</u> | <u>1,510,775</u> | <u>1,230,673</u> | <u>280,102</u> |
| Net change in fund balance | 0 | (185,875) | 94,183 | 280,058 |
| Fund balance at beginning of year | 185,919 | 185,919 | 185,919 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance at end of year | <u>\$185,919</u> | <u>\$44</u> | <u>\$280,102</u> | <u>\$280,058</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, 2002

| | <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 | \$42,000 | \$42,000 | \$0 |
| Total revenues | <u>0</u> | <u>42,000</u> | <u>42,000</u> | <u>0</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-central | | | | |
| Purchased services | 40,000 | 65,320 | 40,586 | 24,734 |
| Total support services-central | <u>40,000</u> | <u>65,320</u> | <u>40,586</u> | <u>24,734</u> |
| Total expenditures | <u>40,000</u> | <u>65,320</u> | <u>40,586</u> | <u>24,734</u> |
| Net change in fund balance | (40,000) | (23,320) | 1,414 | 24,734 |
| Fund balance at beginning of year | 23,320 | 23,320 | 23,320 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance (deficit) at end of year | <u>(\$16,680)</u> | <u>\$0</u> | <u>\$24,734</u> | <u>\$24,734</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, 2002

| | <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 | \$4,200 | \$7,592 | \$3,392 |
| Total revenues | <u>25,000</u> | <u>4,200</u> | <u>7,592</u> | <u>3,392</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-instructional staff | | | | |
| Purchased services | 12,000 | 8,101 | 5,342 | 2,759 |
| Total support services-instructional staff | <u>12,000</u> | <u>8,101</u> | <u>5,342</u> | <u>2,759</u> |
| Support services-administration | | | | |
| Purchased services | 2,000 | 0 | 0 | 0 |
| Total support services-administration . . | <u>2,000</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total expenditures | <u>14,000</u> | <u>8,101</u> | <u>5,342</u> | <u>2,759</u> |
| Net change in fund balance | 11,000 | (3,901) | 2,250 | 6,151 |
| Fund balance at beginning of year | 3,609 | 3,609 | 3,609 | 0 |
| Prior year encumbrances appropriated . . | 350 | 350 | 350 | 0 |
| Fund balance (deficit) at end of year | <u>\$14,959</u> | <u>\$58</u> | <u>\$6,209</u> | <u>\$6,151</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
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <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 | \$59,000 | \$59,000 | \$0 |
| Total revenues | <u>10,000</u> | <u>59,000</u> | <u>59,000</u> | <u>0</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 0 | 800 | 0 | 800 |
| Fringe benefits | 0 | 200 | 0 | 200 |
| Purchased services | 14,000 | 33,500 | 33,200 | 300 |
| Supplies | 0 | 24,500 | 23,685 | 815 |
| Total instruction-regular | <u>14,000</u> | <u>59,000</u> | <u>56,885</u> | <u>2,115</u> |
| Total expenditures | <u>14,000</u> | <u>59,000</u> | <u>56,885</u> | <u>2,115</u> |
| Net change in fund balance | (4,000) | 0 | 2,115 | 2,115 |
| 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>(\$4,000)</u> | <u>\$0</u> | <u>\$2,115</u> | <u>\$2,115</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|-------------------|---------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental-State | \$50,000 | \$0 | \$0 | \$0 |
| Total revenues. | <u>50,000</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 85,000 | 40,099 | 40,099 | 0 |
| Fringe benefits | 15,000 | 6,086 | 6,086 | 0 |
| Supplies | 0 | 18,226 | 17,371 | 855 |
| Capital outlay | 0 | 36,951 | 36,951 | 0 |
| Total instruction-regular. | <u>100,000</u> | <u>101,362</u> | <u>100,507</u> | <u>855</u> |
| Total expenditures | <u>100,000</u> | <u>101,362</u> | <u>100,507</u> | <u>855</u> |
| Net change in fund balance | (50,000) | (101,362) | (100,507) | 855 |
| Fund balance at beginning of year | 101,362 | 101,362 | 101,362 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance at end of year. | <u><u>\$51,362</u></u> | <u><u>\$0</u></u> | <u><u>\$855</u></u> | <u><u>\$855</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|------------------------|------------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental-State | \$90,000 | \$76,700 | \$76,671 | (\$29) |
| Total revenues | <u>90,000</u> | <u>76,700</u> | <u>76,671</u> | <u>(29)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 60,000 | 65,597 | 65,597 | 0 |
| Fringe benefits | 24,200 | 16,257 | 16,257 | 0 |
| Purchased services | 7,000 | 221 | 126 | 95 |
| Supplies | 10,000 | 21,902 | 21,868 | 34 |
| Capital outlay | 5,000 | 33,653 | 33,415 | 238 |
| Total instruction-regular | <u>106,200</u> | <u>137,630</u> | <u>137,263</u> | <u>367</u> |
| Total expenditures | <u>106,200</u> | <u>137,630</u> | <u>137,263</u> | <u>367</u> |
| Excess of revenues over (under) expenditures | <u>(16,200)</u> | <u>(60,930)</u> | <u>(60,592)</u> | <u>338</u> |
| Other financing sources (uses): | | | | |
| Refund of prior years (receipts) | 0 | (2,328) | (2,328) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(2,328)</u> | <u>(2,328)</u> | <u>0</u> |
| Net change in fund balance | (16,200) | (63,258) | (62,920) | 338 |
| Fund balance at beginning of year | 89,827 | 89,827 | 89,827 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance at end of year | <u><u>\$73,627</u></u> | <u><u>\$26,569</u></u> | <u><u>\$26,907</u></u> | <u><u>\$338</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|--------------------|------------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental-State | \$65,000 | \$4,200 | \$4,185 | (\$15) |
| Total revenues | <u>65,000</u> | <u>4,200</u> | <u>4,185</u> | <u>(15)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 0 | 7,525 | 0 | 7,525 |
| Purchased services | 3,200 | 25,287 | 4,598 | 20,689 |
| Supplies | 18,000 | 24,922 | 8,682 | 16,240 |
| Capital outlay | 3,000 | 14,278 | 258 | 14,020 |
| Other | 0 | 5,500 | 0 | 5,500 |
| Total instruction-regular | <u>24,200</u> | <u>77,512</u> | <u>13,538</u> | <u>63,974</u> |
| Instruction-vocational | | | | |
| Salaries and wages | 0 | 1,498 | 1,498 | 0 |
| Fringe benefits | 0 | 250 | 250 | 0 |
| Purchased services | 0 | 4,000 | 4,000 | 0 |
| Supplies | 0 | 10,618 | 10,618 | 0 |
| Capital outlay | 0 | 13,211 | 13,211 | 0 |
| Total instruction-vocational | <u>0</u> | <u>29,577</u> | <u>29,577</u> | <u>0</u> |
| Support services-instructional staff | | | | |
| Supplies | 0 | 169 | 169 | 0 |
| Total support services-instructional staff | <u>0</u> | <u>169</u> | <u>169</u> | <u>0</u> |
| Support services-central | | | | |
| Purchased services | 0 | 6,000 | 3,710 | 2,290 |
| Total support services-central | <u>0</u> | <u>6,000</u> | <u>3,710</u> | <u>2,290</u> |
| Total expenditures | <u>24,200</u> | <u>113,258</u> | <u>46,994</u> | <u>66,264</u> |
| Excess of revenues over (under) expenditures | <u>40,800</u> | <u>(109,058)</u> | <u>(42,809)</u> | <u>66,249</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | 0 | (2,177) | (2,177) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(2,177)</u> | <u>(2,177)</u> | <u>0</u> |
| Net change in fund balance | 40,800 | (111,235) | (44,986) | 66,249 |
| Fund balance at beginning of year | 74,961 | 74,961 | 74,961 | 0 |
| Prior year encumbrances appropriated | 36,289 | 36,289 | 36,289 | 0 |
| Fund balance at end of year | <u>\$152,050</u> | <u>\$15</u> | <u>\$66,264</u> | <u>\$66,249</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, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|---|-------------------------|----------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Intergovernmental-State | \$60,000 | \$53,208 | \$53,207 | (\$1) |
| Intergovernmental-Federal | 50,000 | 104,992 | 104,991 | (1) |
| Total revenues | <u>110,000</u> | <u>158,200</u> | <u>158,198</u> | <u>(2)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-other | | | | |
| Salaries and wages | 40,000 | 77,923 | 77,854 | 69 |
| Fringe benefits | 10,970 | 29,018 | 22,177 | 6,841 |
| Purchased services | 2,000 | 637 | 637 | 0 |
| Supplies | 8,000 | 21,288 | 21,139 | 149 |
| Capital outlay | 5,000 | 4,000 | 3,635 | 365 |
| Total instruction-other | <u>65,970</u> | <u>132,866</u> | <u>125,442</u> | <u>7,424</u> |
| Support services-instructional staff | | | | |
| Salaries and wages | 17,500 | 17,407 | 12,194 | 5,213 |
| Fringe benefits | 2,670 | 3,102 | 2,418 | 684 |
| Purchased services | 400 | 3,703 | 2,554 | 1,149 |
| Other | 200 | 1,495 | 1,491 | 4 |
| Total support services-instructional staff | <u>20,770</u> | <u>25,707</u> | <u>18,657</u> | <u>7,050</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>160,871</u> | <u>146,397</u> | <u>14,474</u> |
| Net change in fund balance | 22,070 | (2,671) | 11,801 | 14,472 |
| Fund balance at beginning of year | 1,126 | 1,126 | 1,126 | 0 |
| Prior year encumbrances appropriated | 5,857 | 5,857 | 5,857 | 0 |
| Fund balance at end of year | <u>\$29,053</u> | <u>\$4,312</u> | <u>\$18,784</u> | <u>\$14,472</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, 2002

| | <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 | \$32,900 | \$32,839 | (\$61) |
| Total revenues | <u>30,000</u> | <u>32,900</u> | <u>32,839</u> | <u>(61)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 5,000 | 0 | 0 | 0 |
| Fringe benefits | 1,000 | 0 | 0 | 0 |
| Purchased services | 19,000 | 0 | 0 | 0 |
| Supplies | 15,000 | 5,062 | 5,062 | 0 |
| Total instruction-regular | <u>40,000</u> | <u>5,062</u> | <u>5,062</u> | <u>0</u> |
| Support services-instructional staff | | | | |
| Salaries and wages | 0 | 9,540 | 9,463 | 77 |
| Fringe benefits | 0 | 2,498 | 1,315 | 1,183 |
| Purchased services | 0 | 10,117 | 10,117 | 0 |
| Supplies | 0 | 7,099 | 7,099 | 0 |
| Total support services-instructional staff | <u>0</u> | <u>29,254</u> | <u>27,994</u> | <u>1,260</u> |
| Total expenditures | <u>40,000</u> | <u>34,316</u> | <u>33,056</u> | <u>1,260</u> |
| Excess of revenues over (under) expenditures | <u>(10,000)</u> | <u>(1,416)</u> | <u>(217)</u> | <u>1,199</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | 0 | (602) | (602) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(602)</u> | <u>(602)</u> | <u>0</u> |
| Net change in fund balance | (10,000) | (2,018) | (819) | 1,199 |
| Fund balance at beginning of year | 5,665 | 5,665 | 5,665 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance (deficit) at end of year | <u>(\$4,335)</u> | <u>\$3,647</u> | <u>\$4,846</u> | <u>\$1,199</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, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|--|-------------------------|-----------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>(Under)</u> |
| Revenues: | | | | |
| Intergovernmental-Federal | \$475,000 | \$544,000 | \$543,267 | (\$733) |
| Total revenues | <u>475,000</u> | <u>544,000</u> | <u>543,267</u> | <u>(733)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-special | | | | |
| Salaries and wages | 100,000 | 100,049 | 100,049 | 0 |
| Fringe benefits | 31,425 | 32,140 | 32,140 | 0 |
| Purchased services | 1,200 | 882 | 882 | 0 |
| Supplies | 17,800 | 9,099 | 9,099 | 0 |
| Capital outlay | 20,000 | 7,930 | 7,930 | 0 |
| Total instruction-special | <u>170,425</u> | <u>150,100</u> | <u>150,100</u> | <u>0</u> |
| Support services-pupil | | | | |
| Purchased services | 21,700 | 45,890 | 34,303 | 11,587 |
| Supplies | 7,000 | 5,983 | 3,926 | 2,057 |
| Capital outlay | 0 | 2,340 | 0 | 2,340 |
| Total support services-pupil | <u>28,700</u> | <u>54,213</u> | <u>38,229</u> | <u>15,984</u> |
| Support services-instructional staff | | | | |
| Salaries and wages | 62,000 | 82,259 | 58,849 | 23,410 |
| Fringe benefits | 33,335 | 52,516 | 40,083 | 12,433 |
| Purchased services | 750 | 275 | 0 | 275 |
| Total support services-instructional staff | <u>96,085</u> | <u>135,050</u> | <u>98,932</u> | <u>36,118</u> |
| Support services-administration | | | | |
| Salaries and wages | 46,000 | 71,585 | 66,278 | 5,307 |
| Fringe benefits | 17,750 | 25,960 | 19,017 | 6,943 |
| Purchased services | 800 | 500 | 0 | 500 |
| Supplies | 900 | 859 | 555 | 304 |
| Capital outlay | 3,000 | 1,145 | 295 | 850 |
| Total support services-administration | <u>68,450</u> | <u>100,049</u> | <u>86,145</u> | <u>13,904</u> |
| Operation of non-instructional services | | | | |
| Salaries and wages | 50,000 | 58,935 | 50,084 | 8,851 |
| Fringe benefits | 16,210 | 19,939 | 16,797 | 3,142 |
| Purchased services | 0 | 200 | 163 | 37 |
| Supplies | 300 | 297 | 123 | 174 |
| Capital outlay | 100 | 300 | 100 | 200 |
| Total operation of non-instructional services | <u>66,610</u> | <u>79,671</u> | <u>67,267</u> | <u>12,404</u> |
| Total expenditures | <u>430,270</u> | <u>519,083</u> | <u>440,673</u> | <u>78,410</u> |
| Excess of revenues over (under) expenditures | <u>44,730</u> | <u>24,917</u> | <u>102,594</u> | <u>77,677</u> |
| Other financing sources (uses): | | | | |
| Advances (out) | 0 | (13,000) | (13,000) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(13,000)</u> | <u>(13,000)</u> | <u>0</u> |

-- Continued

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE VI - B (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|-----------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Net change in fund balance | \$44,730 | \$11,917 | \$89,594 | \$77,677 |
| Fund balance at beginning of year | 772 | 772 | 772 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance at end of year. | <u>\$45,502</u> | <u>\$12,689</u> | <u>\$90,366</u> | <u>\$77,677</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, 2002

| | <u>Budgeted Amounts</u> | | Actual | Variance with Final Budget Over (Under) |
|---|-------------------------|----------------|----------------|--|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental-Federal | \$220,000 | \$95,355 | \$103,464 | \$8,109 |
| Total revenues | <u>220,000</u> | <u>95,355</u> | <u>103,464</u> | <u>8,109</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-vocational | | | | |
| Salaries and wages | 9,000 | 5,070 | 5,070 | 0 |
| Fringe benefits | 1,189 | 784 | 784 | 0 |
| Purchased services | 20,000 | 6,287 | 6,287 | 0 |
| Supplies | 10,750 | 1,836 | 1,836 | 0 |
| Capital outlay | 20,000 | 22,139 | 22,139 | 0 |
| Other | 0 | 429 | 429 | 0 |
| Total instruction-vocational | <u>60,939</u> | <u>36,545</u> | <u>36,545</u> | <u>0</u> |
| Support services-pupil | | | | |
| Salaries and wages | 33,000 | 45,151 | 45,151 | 0 |
| Fringe benefits | 13,700 | 14,733 | 14,733 | 0 |
| Purchased services | 2,000 | 2,508 | 2,508 | 0 |
| Supplies | 4,000 | 3,886 | 3,886 | 0 |
| Capital outlay | 0 | 30,975 | 30,975 | 0 |
| Other | 0 | 9,918 | 9,918 | 0 |
| Total support services-pupil | <u>52,700</u> | <u>107,171</u> | <u>107,171</u> | <u>0</u> |
| Support services-instructional staff | | | | |
| Salaries and wages | 0 | 7,000 | 7,000 | 0 |
| Fringe benefits | 0 | 994 | 994 | 0 |
| Purchased services | 3,500 | 800 | 800 | 0 |
| Supplies | 800 | 1,648 | 1,648 | 0 |
| Total support services-instructional staff | <u>4,300</u> | <u>10,442</u> | <u>10,442</u> | <u>0</u> |
| Support services-administration | | | | |
| Salaries and wages | 2,500 | 2,482 | 2,482 | 0 |
| Fringe benefits | 0 | 268 | 268 | 0 |
| Other | 0 | 1,775 | 1,775 | 0 |
| Total support services-administration | <u>2,500</u> | <u>4,525</u> | <u>4,525</u> | <u>0</u> |
| Support services-central | | | | |
| Salaries and wages | 6,000 | 19,000 | 19,000 | 0 |
| Fringe benefits | 1,130 | 3,063 | 3,063 | 0 |
| Purchased services | 13,250 | 5,209 | 5,209 | 0 |
| Supplies | 1,725 | 1,598 | 1,598 | 0 |
| Other | 0 | 23,387 | 23,387 | 0 |
| Total support services-central | <u>22,105</u> | <u>52,257</u> | <u>52,257</u> | <u>0</u> |

- continued

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VOCATIONAL EDUCATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|--|-------------------------|-----------------------|------------------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Operation of non-instructional services | | | | |
| Salaries and wages | \$14,000 | \$0 | \$0 | \$0 |
| Fringe benefits | 2,350 | 0 | 0 | 0 |
| Purchased services | 1,500 | 0 | 0 | 0 |
| Supplies | 1,400 | 0 | 0 | 0 |
| Total operation of non-instructional services | <u>19,250</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total expenditures | <u>161,794</u> | <u>210,940</u> | <u>210,940</u> | <u>0</u> |
| Excess of revenues over (under) expenditures | <u>58,206</u> | <u>(115,585)</u> | <u>(107,476)</u> | <u>8,109</u> |
| Other financing sources (uses): | | | | |
| Advances in | 0 | 127,645 | 138,500 | 10,855 |
| Advances (out) | 0 | (11,000) | (11,000) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>116,645</u> | <u>127,500</u> | <u>10,855</u> |
| Net change in fund balance | 58,206 | 1,060 | 20,024 | 18,964 |
| Fund balance at beginning of year | 97 | 97 | 97 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance at end of year | <u><u>\$58,303</u></u> | <u><u>\$1,157</u></u> | <u><u>\$20,121</u></u> | <u><u>\$18,964</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|--|-------------------------|--------------------|-------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental-Federal | \$75,000 | \$54,000 | \$53,978 | (\$22) |
| Total revenues | <u>75,000</u> | <u>54,000</u> | <u>53,978</u> | <u>(22)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Operation of non-instructional services | | | | |
| Purchased services | 45,000 | 29,628 | 29,628 | 0 |
| Other | <u>30,000</u> | <u>24,350</u> | <u>24,350</u> | <u>0</u> |
| Total operation of non-instructional services | <u>75,000</u> | <u>53,978</u> | <u>53,978</u> | <u>0</u> |
| Total expenditures | <u>75,000</u> | <u>53,978</u> | <u>53,978</u> | <u>0</u> |
| Net change in fund balance | 0 | 22 | 0 | (22) |
| 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>\$22</u> | <u>\$0</u> | <u>(\$22)</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, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|--|-------------------------|------------------|------------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Intergovernmental-Federal | \$1,320,000 | \$1,149,937 | \$1,149,230 | (\$707) |
| Total revenues | <u>1,320,000</u> | <u>1,149,937</u> | <u>1,149,230</u> | <u>(707)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-special | | | | |
| Salaries and wages | 685,000 | 722,790 | 722,790 | 0 |
| Fringe benefits | 175,600 | 194,487 | 194,487 | 0 |
| Purchased services | 16,000 | 52,050 | 52,050 | 0 |
| Supplies | 215,000 | 88,674 | 88,673 | 1 |
| Capital outlay | 0 | 5,163 | 5,163 | 0 |
| Total instruction-special | <u>1,091,600</u> | <u>1,063,164</u> | <u>1,063,163</u> | <u>1</u> |
| Support services-instructional staff | | | | |
| Salaries and wages | 60,000 | 66,619 | 66,619 | 0 |
| Fringe benefits | 14,060 | 15,778 | 15,778 | 0 |
| Purchased services | 1,000 | 2,431 | 2,431 | 0 |
| Supplies | 5,000 | 59 | 59 | 0 |
| Capital outlay | 0 | 62,401 | 62,401 | 0 |
| Total support services-instructional staff | <u>80,060</u> | <u>147,288</u> | <u>147,288</u> | <u>0</u> |
| Support services-administration | | | | |
| Salaries and wages | 0 | 24,200 | 24,200 | 0 |
| Fringe benefits | 0 | 3,485 | 3,485 | 0 |
| Total support services-administration | <u>0</u> | <u>27,685</u> | <u>27,685</u> | <u>0</u> |
| Support services-pupil transportation | | | | |
| Salaries and wages | 0 | 23,351 | 23,351 | 0 |
| Fringe benefits | 0 | 3,531 | 3,531 | 0 |
| Total support services-pupil transportation | <u>0</u> | <u>26,882</u> | <u>26,882</u> | <u>0</u> |
| Operation of non-instructional services | | | | |
| Salaries and wages | 35,000 | 18,647 | 13,387 | 5,260 |
| Fringe benefits | 12,060 | 10,808 | 8,465 | 2,343 |
| Purchased services | 0 | 175 | 175 | 0 |
| Supplies | 0 | 457 | 457 | 0 |
| Total operation of non-instructional services | <u>47,060</u> | <u>30,087</u> | <u>22,484</u> | <u>7,603</u> |
| Total expenditures | <u>1,218,720</u> | <u>1,295,106</u> | <u>1,287,502</u> | <u>7,604</u> |
| Excess of revenues over (under) expenditures | <u>101,280</u> | <u>(145,169)</u> | <u>(138,272)</u> | <u>6,897</u> |
| Other financing sources (uses): | | | | |
| Advances in | 0 | 102,063 | 102,000 | (63) |
| Refund of prior year's (receipts) | 0 | (62) | (62) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>102,001</u> | <u>101,938</u> | <u>(63)</u> |

-- Continued

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE I (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Over (Under) |
|---|-------------------------|-----------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Net change in fund balance | \$101,280 | (\$43,168) | (\$36,334) | \$6,834 |
| Fund balance at beginning of year | 40,596 | 40,596 | 40,596 | 0 |
| Prior year encumbrances appropriated | 39,106 | 39,106 | 39,106 | 0 |
| Fund balance at end of year. | <u>\$180,982</u> | <u>\$36,534</u> | <u>\$43,368</u> | <u>\$6,834</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, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|--|-------------------------|----------------|----------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Intergovernmental-Federal | \$35,000 | \$31,900 | \$31,858 | (\$42) |
| Total revenues | <u>35,000</u> | <u>31,900</u> | <u>31,858</u> | <u>(42)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-special | | | | |
| Supplies | 25,000 | 26,129 | 26,126 | 3 |
| Total instruction-special | <u>25,000</u> | <u>26,129</u> | <u>26,126</u> | <u>3</u> |
| Operation of non-instructional services | | | | |
| Purchased services | 6,000 | 807 | 784 | 23 |
| Supplies | 8,000 | 3,568 | 3,567 | 1 |
| Capital outlay | 6,000 | 3,678 | 3,170 | 508 |
| Total operation of non-instructional services | <u>20,000</u> | <u>8,053</u> | <u>7,521</u> | <u>532</u> |
| Total expenditures | <u>45,000</u> | <u>34,182</u> | <u>33,647</u> | <u>535</u> |
| Excess of revenues over (under) expenditures | <u>(10,000)</u> | <u>(2,282)</u> | <u>(1,789)</u> | <u>493</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | 0 | (755) | (755) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(755)</u> | <u>(755)</u> | <u>0</u> |
| Net change in fund balance | (10,000) | (3,037) | (2,544) | 493 |
| Fund balance at beginning of year | 3,078 | 3,078 | 3,078 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance (deficit) at end of year | <u>(\$6,922)</u> | <u>\$41</u> | <u>\$534</u> | <u>\$493</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|-----------------------|------------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental-Federal | \$55,000 | \$35,100 | \$35,013 | (\$87) |
| Total revenues | <u>55,000</u> | <u>35,100</u> | <u>35,013</u> | <u>(87)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 2,800 | 3,775 | 2,532 | 1,243 |
| Fringe benefits | 100 | 1,200 | 355 | 845 |
| Purchased services | 3,500 | 11,814 | 11,141 | 673 |
| Supplies | 10,000 | 11,211 | 10,202 | 1,009 |
| Capital outlay | 0 | 5,850 | 0 | 5,850 |
| Total instruction-regular | <u>16,400</u> | <u>33,850</u> | <u>24,230</u> | <u>9,620</u> |
| Support services-pupil | | | | |
| Salaries and wages | 17,500 | 0 | 0 | 0 |
| Fringe benefits | 7,500 | 0 | 0 | 0 |
| Purchased services | 16,000 | 11,681 | 11,681 | 0 |
| Supplies | 1,000 | 9,217 | 9,217 | 0 |
| Total support services-pupil | <u>42,000</u> | <u>20,898</u> | <u>20,898</u> | <u>0</u> |
| Total expenditures | <u>58,400</u> | <u>54,748</u> | <u>45,128</u> | <u>9,620</u> |
| Excess of revenues over (under) expenditures | <u>(3,400)</u> | <u>(19,648)</u> | <u>(10,115)</u> | <u>9,533</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | 0 | (113) | (113) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(113)</u> | <u>(113)</u> | <u>0</u> |
| Net change in fund balance | (3,400) | (19,761) | (10,228) | 9,533 |
| Fund balance at beginning of year | 6,579 | 6,579 | 6,579 | 0 |
| Prior year encumbrances appropriated | 14,582 | 14,582 | 14,582 | 0 |
| Fund balance at end of year | <u>\$17,761</u> | <u>\$1,400</u> | <u>\$10,933</u> | <u>\$9,533</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, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|---|--------------------------|-----------------------|-----------------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Intergovernmental-Federal | \$30,000 | \$56,700 | \$56,688 | (\$12) |
| Total revenues | <u>30,000</u> | <u>56,700</u> | <u>56,688</u> | <u>(12)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Supplies | 0 | 1,025 | 1,025 | 0 |
| Capital outlay | 0 | 2,509 | 2,509 | 0 |
| Total instruction-regular | <u>0</u> | <u>3,534</u> | <u>3,534</u> | <u>0</u> |
| Instruction-special | | | | |
| Purchased services | 2,200 | 1,600 | 1,426 | 174 |
| Supplies | 2,200 | 4,570 | 4,408 | 162 |
| Capital outlay | 2,500 | 3,039 | 2,927 | 112 |
| Total instruction-special | <u>6,900</u> | <u>9,209</u> | <u>8,761</u> | <u>448</u> |
| Support services-pupil | | | | |
| Supplies | 1,200 | 1,578 | 1,519 | 59 |
| Capital outlay | 2,350 | 0 | 0 | 0 |
| Total support services-pupil | <u>3,550</u> | <u>1,578</u> | <u>1,519</u> | <u>59</u> |
| Support services-instructional staff | | | | |
| Salaries and wages | 18,000 | 17,459 | 17,459 | 0 |
| Fringe benefits | 6,810 | 7,517 | 7,517 | 0 |
| Purchased services | 0 | 83 | 83 | 0 |
| Total support services-instructional staff | <u>24,810</u> | <u>25,059</u> | <u>25,059</u> | <u>0</u> |
| Support services-administration | | | | |
| Salaries and wages | 8,000 | 11,783 | 11,783 | 0 |
| Fringe benefits | 1,220 | 1,680 | 1,680 | 0 |
| Supplies | 200 | 174 | 167 | 7 |
| Capital outlay | 0 | 175 | 75 | 100 |
| Total support services-administration | <u>9,420</u> | <u>13,812</u> | <u>13,705</u> | <u>107</u> |
| Total expenditures | <u>44,680</u> | <u>53,192</u> | <u>52,578</u> | <u>614</u> |
| Excess of revenues over (under) expenditures | <u>(14,680)</u> | <u>3,508</u> | <u>4,110</u> | <u>602</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | 0 | (498) | (498) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(498)</u> | <u>(498)</u> | <u>0</u> |
| Net change in fund balance | (14,680) | 3,010 | 3,612 | 602 |
| Fund balance at beginning of year | 3,543 | 3,543 | 3,543 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance (deficit) at end of year | <u>(\$11,137)</u> | <u>\$6,553</u> | <u>\$7,155</u> | <u>\$602</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, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|---|-------------------------|----------------|----------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Intergovernmental-Federal | \$210,000 | \$305,800 | \$305,705 | (\$95) |
| Total revenues | <u>210,000</u> | <u>305,800</u> | <u>305,705</u> | <u>(95)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 20,000 | 5,250 | 5,250 | 0 |
| Fringe benefits | 3,000 | 750 | 750 | 0 |
| Supplies | 0 | 2,194 | 2,194 | 0 |
| Capital outlay | 0 | 55,919 | 55,919 | 0 |
| Total instruction-regular | <u>23,000</u> | <u>64,113</u> | <u>64,113</u> | <u>0</u> |
| Instruction-special | | | | |
| Salaries and wages | 120,000 | 144,373 | 144,373 | 0 |
| Fringe benefits | 43,000 | 44,853 | 44,853 | 0 |
| Purchased services | 6,000 | 37,091 | 36,926 | 165 |
| Supplies | 5,000 | 4,912 | 4,830 | 82 |
| Total instruction-special | <u>174,000</u> | <u>231,229</u> | <u>230,982</u> | <u>247</u> |
| Instruction-other | | | | |
| Purchased services | 5,000 | 2,284 | 2,284 | 0 |
| Supplies | 1,000 | 422 | 421 | 1 |
| Total instruction-other | <u>6,000</u> | <u>2,706</u> | <u>2,705</u> | <u>1</u> |
| Support services-pupil | | | | |
| Purchased services | 1,000 | 516 | 507 | 9 |
| Supplies | 0 | 210 | 207 | 3 |
| Total support services-pupil | <u>1,000</u> | <u>726</u> | <u>714</u> | <u>12</u> |
| Support services-instructional staff | | | | |
| Purchased services | 20,000 | 0 | 0 | 0 |
| Supplies | 2,000 | 0 | 0 | 0 |
| Total support services-instructional staff | <u>22,000</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total expenditures | <u>226,000</u> | <u>298,774</u> | <u>298,514</u> | <u>260</u> |
| Excess of revenues over (under) expenditures | <u>(16,000)</u> | <u>7,026</u> | <u>7,191</u> | <u>165</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | 0 | (1,292) | (1,292) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(1,292)</u> | <u>(1,292)</u> | <u>0</u> |

-- Continued

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH INVOLVEMENT GRANT (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Over (Under) |
|--|-------------------------|-----------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Net change in fund balance | (\$16,000) | \$5,734 | \$5,899 | \$165 |
| Fund balance at beginning of year | 4,437 | 4,437 | 4,437 | 0 |
| Prior year encumbrances appropriated | 982 | 982 | 982 | 0 |
| Fund balance (deficit) at end of year | <u>(\$10,581)</u> | <u>\$11,153</u> | <u>\$11,318</u> | <u>\$165</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|-----------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental-Federal | \$105,000 | \$63,600 | \$63,538 | (\$62) |
| Total revenues | <u>105,000</u> | <u>63,600</u> | <u>63,538</u> | <u>(62)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Salaries and wages | 10,000 | 13,509 | 13,150 | 359 |
| Fringe benefits | 1,500 | 2,501 | 1,841 | 660 |
| Purchased services | 0 | 16,722 | 16,722 | 0 |
| Supplies | 0 | 388 | 388 | 0 |
| Capital outlay | 0 | 3,000 | 2,857 | 143 |
| Total instruction-regular | <u>11,500</u> | <u>36,120</u> | <u>34,958</u> | <u>1,162</u> |
| Support services-instructional staff | | | | |
| Salaries and wages | 0 | 22,550 | 15,516 | 7,034 |
| Fringe benefits | 0 | 4,679 | 2,173 | 2,506 |
| Purchased services | 55,000 | 9,500 | 4,766 | 4,734 |
| Supplies | 20,000 | 6,235 | 2,036 | 4,199 |
| Total support services-instructional staff | <u>75,000</u> | <u>42,964</u> | <u>24,491</u> | <u>18,473</u> |
| Total expenditures | <u>86,500</u> | <u>79,084</u> | <u>59,449</u> | <u>19,635</u> |
| Excess of revenues over (under) expenditures | <u>18,500</u> | <u>(15,484)</u> | <u>4,089</u> | <u>19,573</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's (receipts) | 0 | (1,182) | (1,182) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(1,182)</u> | <u>(1,182)</u> | <u>0</u> |
| Net change in fund balance | 18,500 | (16,666) | 2,907 | 19,573 |
| Fund balance at beginning of year | 44,996 | 44,996 | 44,996 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance at end of year | <u>\$63,496</u> | <u>\$28,330</u> | <u>\$47,903</u> | <u>\$19,573</u> |

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

| | <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 | \$290,000 | \$267,132 | \$266,957 | (\$175) |
| Other local revenues | 0 | 99 | 99 | 0 |
| Intergovernmental-State | 32,000 | 31,769 | 31,748 | (21) |
| Total revenues | <u>322,000</u> | <u>299,000</u> | <u>298,804</u> | <u>(196)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-fiscal | | | | |
| Dues and fees | 11,000 | 11,000 | 5,023 | 5,977 |
| Total support services-fiscal. | <u>11,000</u> | <u>11,000</u> | <u>5,023</u> | <u>5,977</u> |
| Debt service: | | | | |
| Principal retirement. | 216,468 | 216,468 | 216,468 | 0 |
| Interest and fiscal charges | 107,492 | 107,492 | 107,492 | 0 |
| Total debt service | <u>323,960</u> | <u>323,960</u> | <u>323,960</u> | <u>0</u> |
| Total expenditures | <u>334,960</u> | <u>334,960</u> | <u>328,983</u> | <u>5,977</u> |
| Net change in fund balance | (12,960) | (35,960) | (30,179) | 5,781 |
| Fund balance at beginning of year | <u>289,074</u> | <u>289,074</u> | <u>289,074</u> | <u>0</u> |
| Fund balance at end of year. | <u>\$276,114</u> | <u>\$253,114</u> | <u>\$258,895</u> | <u>\$5,781</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, 2002

| | <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 | \$575,000 | \$600,091 | \$599,977 | (\$114) |
| Other local revenues | 30,000 | 1,471,545 | 1,471,266 | (279) |
| Other revenue | 0 | 242 | 242 | 0 |
| Intergovernmental-State | 65,000 | 69,123 | 69,110 | (13) |
| Total revenues | <u>670,000</u> | <u>2,141,001</u> | <u>2,140,595</u> | <u>(406)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-fiscal | | | | |
| Dues and fees | 12,000 | 12,000 | 11,339 | 661 |
| Total support services-fiscal | <u>12,000</u> | <u>12,000</u> | <u>11,339</u> | <u>661</u> |
| Facilities acquisition and construction | | | | |
| Purchased services | 550,000 | 984,833 | 781,694 | 203,139 |
| Supplies | 25,000 | 5,000 | 0 | 5,000 |
| Capital outlay | 75,000 | 77,650 | 22,524 | 55,126 |
| Total facilities acquisition and construction | <u>650,000</u> | <u>1,067,483</u> | <u>804,218</u> | <u>263,265</u> |
| Total expenditures | <u>662,000</u> | <u>1,079,483</u> | <u>815,557</u> | <u>263,926</u> |
| Net change in fund balance | 8,000 | 1,061,518 | 1,325,038 | 263,520 |
| Fund balance at beginning of year | 174,574 | 174,574 | 174,574 | 0 |
| Prior year encumbrances appropriated | 317,483 | 317,483 | 317,483 | 0 |
| Fund balance at end of year | <u>\$500,057</u> | <u>\$1,553,575</u> | <u>\$1,817,095</u> | <u>\$263,520</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, 2002

| | <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 | 25,000 | 25,000 | 0 | 25,000 |
| Total expenditures | 25,000 | 25,000 | 0 | 25,000 |
| 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>\$1,673</u> | <u>\$1,673</u> | <u>\$26,673</u> | <u>\$25,000</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|-----------------|-----------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental-State | \$150,000 | \$65,600 | \$65,520 | (\$80) |
| Total revenues | <u>150,000</u> | <u>65,600</u> | <u>65,520</u> | <u>(80)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Purchased services | 55,000 | 0 | 0 | 0 |
| Supplies | 10,000 | 0 | 0 | 0 |
| Capital outlay | 130,000 | 3,520 | 3,520 | 0 |
| Total instruction-regular | <u>195,000</u> | <u>3,520</u> | <u>3,520</u> | <u>0</u> |
| Total expenditures | <u>195,000</u> | <u>3,520</u> | <u>3,520</u> | <u>0</u> |
| Excess of revenues over (under) expenditures | <u>(45,000)</u> | <u>62,080</u> | <u>62,000</u> | <u>(80)</u> |
| Other financing sources (uses): | | | | |
| Refund of prior years (receipts) | 0 | (14,062) | (14,062) | 0 |
| Total other financing sources (uses) | <u>0</u> | <u>(14,062)</u> | <u>(14,062)</u> | <u>0</u> |
| Net change in fund balance | (45,000) | 48,018 | 47,938 | (80) |
| Fund balance at beginning of year | 14,004 | 14,004 | 14,004 | 0 |
| Prior year encumbrances appropriated | 3,578 | 3,578 | 3,578 | 0 |
| Fund balance (deficit) at end of year | <u>(\$27,418)</u> | <u>\$65,600</u> | <u>\$65,520</u> | <u>(\$80)</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, 2002

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|-------------------------|--------------------------|---------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Operating revenues: | | | | |
| Sales/charges for services | \$847,200 | \$803,193 | \$803,175 | (\$18) |
| Other operating revenues | 50,000 | 49,629 | 49,628 | (1) |
| Total operating revenues | <u>897,200</u> | <u>852,822</u> | <u>852,803</u> | <u>(19)</u> |
| Operating expenses: | | | | |
| Salaries and wages | 574,500 | 601,250 | 592,734 | 8,516 |
| Fringe benefits | 289,350 | 276,240 | 272,341 | 3,899 |
| Contract services | 4,500 | 10,000 | 7,094 | 2,906 |
| Materials and supplies | 925,000 | 808,200 | 804,522 | 3,678 |
| Capital outlay | 0 | 720 | 720 | 0 |
| Total operating expenses | <u>1,793,350</u> | <u>1,696,410</u> | <u>1,677,411</u> | <u>18,999</u> |
| Operating loss | <u>(896,150)</u> | <u>(843,588)</u> | <u>(824,608)</u> | <u>18,980</u> |
| Nonoperating revenues: | | | | |
| Operating grants | 892,000 | 790,176 | 790,159 | (17) |
| Total nonoperating revenues | <u>892,000</u> | <u>790,176</u> | <u>790,159</u> | <u>(17)</u> |
| Net income (loss) before advances | <u>(4,150)</u> | <u>(53,412)</u> | <u>(34,449)</u> | <u>18,963</u> |
| Advances: | | | | |
| Advances in | 0 | 114,002 | 114,000 | (2) |
| Advances (out) | 0 | (81,000) | (81,000) | 0 |
| Total advances | <u>0</u> | <u>33,002</u> | <u>33,000</u> | <u>(2)</u> |
| Net change in fund balance | <u>(4,150)</u> | <u>(20,410)</u> | <u>(1,449)</u> | <u>18,961</u> |
| Fund balance at beginning of year | 1,922 | 1,922 | 1,922 | 0 |
| Prior year encumbrances appropriated | 0 | 0 | 0 | 0 |
| Fund balance at end of year | <u>(\$2,228)</u> | <u>(\$18,488)</u> | <u>\$473</u> | <u>\$18,961</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, 2002

| | <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 | \$539,500 | \$355,339 | \$365,556 | \$10,217 |
| Total operating revenues | <u>539,500</u> | <u>355,339</u> | <u>365,556</u> | <u>10,217</u> |
| Operating expenses: | | | | |
| Salaries and wages | 768,500 | 692,218 | 622,238 | 69,980 |
| Fringe benefits | 218,290 | 196,242 | 174,767 | 21,475 |
| Contract services | 85,900 | 110,346 | 86,796 | 23,550 |
| Materials and supplies | 97,250 | 63,149 | 59,515 | 3,634 |
| Capital outlay | 7,000 | 7,120 | 5,367 | 1,753 |
| Total operating expenses | <u>1,176,940</u> | <u>1,069,075</u> | <u>948,683</u> | <u>120,392</u> |
| Operating loss | <u>(637,440)</u> | <u>(713,736)</u> | <u>(583,127)</u> | <u>130,609</u> |
| Nonoperating revenues: | | | | |
| Operating grants | 634,300 | 598,459 | 615,666 | 17,207 |
| Total nonoperating revenues | <u>634,300</u> | <u>598,459</u> | <u>615,666</u> | <u>17,207</u> |
| Net income (loss) before advances/transfers | <u>(3,140)</u> | <u>(115,277)</u> | <u>32,539</u> | <u>147,816</u> |
| Advances/transfers: | | | | |
| Transfers in | 75,000 | 117,432 | 120,808 | 3,376 |
| Transfers (out) | (75,900) | (96,733) | (95,809) | 924 |
| Advances in | 0 | 42,770 | 44,000 | 1,230 |
| Advances (out) | 0 | (45,000) | (45,000) | 0 |
| Total advances/transfers-net | <u>(900)</u> | <u>18,469</u> | <u>23,999</u> | <u>5,530</u> |
| Net change in fund balance | <u>(4,040)</u> | <u>(96,808)</u> | <u>56,538</u> | <u>153,346</u> |
| Fund balance at beginning of year | 218,236 | 218,236 | 218,236 | 0 |
| Prior year encumbrances appropriated | 7,570 | 7,570 | 7,570 | 0 |
| Fund balance at end of year | <u>\$221,766</u> | <u>\$128,998</u> | <u>\$282,344</u> | <u>\$153,346</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, 2002

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Over (Under) |
|---|-------------------------|------------------|--------------------|--|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Operating revenues: | | | | |
| Sales/charges for services | \$3,975,000 | \$4,003,732 | \$4,005,264 | \$1,532 |
| Total operating revenues | <u>3,975,000</u> | <u>4,003,732</u> | <u>4,005,264</u> | <u>1,532</u> |
| Operating expenses: | | | | |
| Contract services | 4,100,000 | 3,350,000 | 3,174,184 | 175,816 |
| Other operating expenses | 300,000 | 800,000 | 640,642 | 159,358 |
| Total operating expenses | <u>4,400,000</u> | <u>4,150,000</u> | <u>3,814,826</u> | <u>335,174</u> |
| Operating income (loss) | <u>(425,000)</u> | <u>(146,268)</u> | <u>190,438</u> | <u>336,706</u> |
| Nonoperating revenues: | | | | |
| Interest revenue | 25,000 | 26,268 | 26,278 | 10 |
| Total nonoperating revenues | <u>25,000</u> | <u>26,268</u> | <u>26,278</u> | <u>10</u> |
| Net income (loss) | <u>(400,000)</u> | <u>(120,000)</u> | <u>216,716</u> | <u>336,716</u> |
| Retained earnings at beginning of year . . | 947,915 | 947,915 | 947,915 | 0 |
| Prior year encumbrances appropriated . . | 0 | 0 | 0 | 0 |
| Retained earnings at end of year | <u>\$547,915</u> | <u>\$827,915</u> | <u>\$1,164,631</u> | <u>\$336,716</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, 2002

| | <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 | \$198,675 | \$28,707 | \$139,082 | \$110,375 |
| Gifts and contributions. | 76,000 | 15,756 | 76,335 | 60,579 |
| Decrease in fair market value of investments | 0 | 0 | (729,914) | (729,914) |
| Total revenues. | <u>274,675</u> | <u>44,463</u> | <u>(514,497)</u> | <u>(558,960)</u> |
| Expenditures: | | | | |
| Support services-business | | | | |
| Purchased services | 500 | 500 | 0 | 500 |
| Other | 149,250 | 200,555 | 175,856 | 24,699 |
| Total support services-business | <u>149,750</u> | <u>201,055</u> | <u>175,856</u> | <u>25,199</u> |
| Extracurricular activities | | | | |
| Other. | 36,770 | 26,934 | 25,442 | 1,492 |
| Total extracurricular activities. | <u>36,770</u> | <u>26,934</u> | <u>25,442</u> | <u>1,492</u> |
| Total expenditures | <u>186,520</u> | <u>227,989</u> | <u>201,298</u> | <u>26,691</u> |
| Net change in fund balance | 88,155 | (183,526) | (715,795) | (532,269) |
| Fund balance at beginning of year | 5,976,618 | 5,976,618 | 5,976,618 | 0 |
| Prior year encumbrances appropriated | 89 | 89 | 89 | 0 |
| Fund balance at end of year. | <u>\$6,064,862</u> | <u>\$5,793,181</u> | <u>\$5,260,912</u> | <u>(\$532,269)</u> |

This Page is Intentionally Left Blank.

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>2002</u> | <u>2001</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Instruction: | | | | | |
| Regular | \$14,185,751 | \$13,835,433 | \$12,703,473 | \$11,680,570 | \$11,342,973 |
| Special | 4,461,568 | 4,439,979 | 4,070,659 | 4,125,855 | 3,385,580 |
| Vocational | 1,417,499 | 1,448,066 | 1,350,217 | 1,336,432 | 1,317,447 |
| Other | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total instruction. | <u>20,064,818</u> | <u>19,723,478</u> | <u>18,124,349</u> | <u>17,142,857</u> | <u>16,046,000</u> |
| Support Services: | | | | | |
| Pupil | 1,385,608 | 1,302,670 | 1,220,212 | 1,233,182 | 1,053,955 |
| Instructional staff | 1,250,689 | 1,327,700 | 1,315,569 | 1,272,743 | 1,159,319 |
| Administration/Board of education | 2,887,281 | 2,762,492 | 2,574,798 | 2,350,764 | 1,773,819 |
| Fiscal | 621,590 | 580,039 | 566,370 | 542,875 | 542,331 |
| Business | 209,420 | 213,822 | 209,849 | 234,341 | 208,783 |
| Operations and maintenance | 3,622,467 | 3,911,341 | 3,781,643 | 3,416,041 | 3,116,272 |
| Pupil transportation | 1,253,788 | 1,265,588 | 1,211,973 | 1,106,213 | 1,070,937 |
| Central/Non-instructional services | 142,551 | 75,656 | 63,759 | 59,516 | 60,286 |
| Extracurricular activities. | <u>711,523</u> | <u>679,605</u> | <u>552,991</u> | <u>520,326</u> | <u>497,899</u> |
| Total support services | <u>12,084,917</u> | <u>12,118,913</u> | <u>11,497,164</u> | <u>10,736,001</u> | <u>9,483,601</u> |
| Total debt service | 0 | 0 | 0 | 0 | 0 |
| Other financing uses | <u>25,000</u> | <u>243,184</u> | <u>632,166</u> | <u>284,272</u> | <u>0</u> |
| Total expenditures and other uses. | <u><u>\$32,174,735</u></u> | <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> |

Source: School District Financial Records

| <u>1997</u> | <u>1996</u> | <u>1995</u> | <u>1994</u> | <u>1993</u> |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$10,625,391 | \$10,924,168 | \$10,406,239 | \$10,456,085 | \$10,345,395 |
| 3,178,212 | 3,404,022 | 3,147,567 | 2,790,371 | 2,449,275 |
| 1,217,649 | 1,180,848 | 1,111,370 | 1,014,230 | 894,383 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,066</u> |
| 15,021,252 | 15,509,038 | 14,665,176 | 14,260,686 | 13,690,119 |
| 1,052,991 | 981,041 | 922,710 | 899,156 | 770,045 |
| 1,003,989 | 1,116,271 | 1,016,693 | 994,562 | 986,502 |
| 1,553,788 | 1,652,476 | 1,317,804 | 1,424,812 | 1,416,236 |
| 517,298 | 551,986 | 497,525 | 375,733 | 335,229 |
| 191,589 | 299,103 | 278,132 | 248,575 | 227,247 |
| 2,906,752 | 2,960,581 | 2,703,704 | 2,692,178 | 2,586,715 |
| 763,828 | 910,063 | 664,322 | 758,634 | 591,458 |
| 42,143 | 45,090 | 29,988 | 29,168 | 22,216 |
| <u>431,487</u> | <u>464,016</u> | <u>429,801</u> | <u>410,276</u> | <u>421,341</u> |
| 8,463,865 | 8,980,627 | 7,860,679 | 7,833,094 | 7,356,989 |
| <u>0</u> | <u>4,823</u> | <u>57,878</u> | <u>50,828</u> | <u>57,876</u> |
| <u>0</u> | <u>74</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>\$23,485,117</u> | <u>\$24,494,562</u> | <u>\$22,583,733</u> | <u>\$22,144,608</u> | <u>\$21,104,984</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 | 2002 | 2001 | 2000 | 1999 | 1998 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Local Sources: | | | | | |
| Taxes | \$16,278,068 | \$15,001,539 | \$14,137,384 | \$14,709,239 | \$15,739,786 |
| Tuition | 53,183 | 22,679 | 49,891 | 33,921 | 22,975 |
| Earning on investments | 235,415 | 522,921 | 507,028 | 435,601 | 363,669 |
| Other local revenues | 408,861 | 510,544 | 316,356 | 276,142 | 531,830 |
| Total local sources | <u>16,975,527</u> | <u>16,057,683</u> | <u>15,010,659</u> | <u>15,454,903</u> | <u>16,658,260</u> |
| Revenue from State Sources: | | | | | |
| Unrestricted grants-in-aid | <u>15,993,818</u> | <u>15,514,998</u> | <u>14,120,083</u> | <u>12,793,788</u> | <u>12,013,693</u> |
| Total state sources | <u>15,993,818</u> | <u>15,514,998</u> | <u>14,120,083</u> | <u>12,793,788</u> | <u>12,013,693</u> |
| Revenue from Federal Sources: | | | | | |
| Unrestricted grants-in-aid. | 0 | 0 | 0 | 0 | 0 |
| Restricted grants-in-aid. | <u>182,026</u> | <u>0</u> | <u>10,862</u> | <u>104,243</u> | <u>4,842</u> |
| Total federal sources | <u>182,026</u> | <u>0</u> | <u>10,862</u> | <u>104,243</u> | <u>4,842</u> |
| Other revenue. | 0 | 0 | 0 | 0 | 0 |
| Other financing sources. | <u>14,000</u> | <u>3,615</u> | <u>2,948</u> | <u>1,355</u> | <u>275</u> |
| Total revenue and other sources | <u><u>\$33,165,371</u></u> | <u><u>\$31,576,296</u></u> | <u><u>\$29,144,552</u></u> | <u><u>\$28,354,289</u></u> | <u><u>\$28,677,070</u></u> |

Source: School District Financial Records

| <u>1997</u> | <u>1996</u> | <u>1995</u> | <u>1994</u> | <u>1993</u> |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$13,710,665 | \$12,730,158 | \$11,961,813 | \$11,005,824 | \$9,684,255 |
| 20,536 | 25,292 | 45,341 | 48,131 | 34,278 |
| 316,215 | 304,071 | 242,997 | 132,682 | 131,067 |
| 225,009 | 193,250 | 208,570 | 202,125 | 213,609 |
| <u>14,272,425</u> | <u>13,252,771</u> | <u>12,458,721</u> | <u>11,388,762</u> | <u>10,063,209</u> |
| <u>10,454,708</u> | <u>10,068,977</u> | <u>9,870,851</u> | <u>9,938,131</u> | <u>9,816,075</u> |
| <u>10,454,708</u> | <u>10,068,977</u> | <u>9,870,851</u> | <u>9,938,131</u> | <u>9,816,075</u> |
| 0 | 0 | 0 | 0 | 1,614 |
| 0 | 0 | 0 | 0 | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,614</u> |
| 49,989 | 16,315 | 23,240 | 17,904 | 0 |
| 20 | 1,255 | 2,921 | 0 | 637 |
| <u>\$24,777,142</u> | <u>\$23,339,318</u> | <u>\$22,355,733</u> | <u>\$21,344,797</u> | <u>\$19,881,535</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 |
|------------------------------------|-------------------------|---|-----------------------|-------------------------------|--|----------------------------------|--|-----------------------------|--|
| 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 | 4.91% | 18,437,181 | 91.91% |
| 2001 | 18,508,626 | 1,922,074 | 20,430,700 | 17,883,528 | 96.62% | 637,845 | 6.29% | 18,521,373 | 90.65% |

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 | | | | | |
| 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 |
| 2001 | 354,750,740 | 19,941,130 | 76,042,536 | 450,734,406 | 1,340,404,062 |

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 |
| 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 |
| 2001 | 8.30 | 4.25 | 1.26 | 59.10 | 0.65 | 2.00 | 3.45 | 0.80 | 66.00 | 31.55 | 41.41 |

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 | 37,749 |

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 |
|--------------------|---------------------------|--|-----------------------------------|--------------------------------------|--|--------------------------------|---|---|--|
| 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 |
| 2002 | 27,844 | 4,302 | 450,734,406 | 1,395,000 | 274,434 | 1,120,566 | 0.25% | 40 | 260 |

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, 2002

Voted Debt Margin

| | |
|--|----------------------------|
| Assessed Valuation (Tax Year 2001) | \$450,734,406 |
| | <u> x .09</u> |
| Bonded Debt Limit - 9% of Assessed Value (1) | 40,566,097 |
| Debt Service Fund Equity | 274,437 |
| Amount of Debt Applicable to Debt Limit: | |
| Bonded Debt | <u>(1,395,000)</u> |
| Voted Debt Margin | <u><u>\$39,445,534</u></u> |

Unvoted Debt Margin

| | |
|---|-------------------------|
| Bonded Debt Limit - 0.10% of Assessed Value (1) | \$450,734 |
| Amount of Debt Applicable to Debt Limit | <u>0</u> |
| Unvoted Debt Margin | <u><u>\$450,734</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, 2002 was \$338,073.

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 JUNE 30, 2002

| Governmental Unit | Assessed Valuation | General Obligation Debt | Percent Applicable to School District | Amount Applicable to School District |
|---|-------------------------------|--|--|---|
| Direct: | | | | |
| Sandusky City School District | \$450,734,406 | \$1,395,000 | 100.00% | \$1,395,000 |
| Total Direct | <u>450,734,406</u> | <u>1,395,000</u> | | <u>1,395,000</u> |
| Overlapping: | | | | |
| City of Sandusky | 450,734,406 | 22,106,450 | 100.00% | 22,106,450 |
| Erie County. | <u>1,683,615,055</u> | <u>35,377,000</u> | 26.77% | <u>9,470,423</u> |
| Total Overlapping | <u>2,134,349,461</u> | <u>57,483,450</u> | | <u>31,576,873</u> |
| Grand Total Direct and Overlapping . . | <u><u>\$2,585,083,867</u></u> | <u><u>\$58,878,450</u></u> | | <u><u>\$32,971,873</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 | | |
| 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% |
| 2002 | 155,000 | 107,493 | 262,493 | 32,174,735 | 0.82% |

(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 |
| 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 |
| 2001 | 206 | 28,269,740 | 1063 | 8,121,450 | 29,853,000 | 354,750,740 | 19,941,130 | 76,042,536 | 450,734,406 |

(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
2001 TAX YEAR

Personal Property

| <u>Taxpayer</u> | <u>Assessed Valuation</u> | <u>% of Total Assessed Valuation</u> |
|--------------------------------------|-------------------------------|--|
| Cedar Fair, L.P. | \$18,836,560 | 4.18% |
| Sandusky International, Inc. | 4,912,760 | 1.09% |
| Fort James Operating Co. | 3,481,380 | 0.77% |
| Sandusky Limited | 3,453,399 | 0.77% |
| U.S. Tsubaki, Inc. | 2,688,480 | 0.60% |
| Industrial Nut Corporation | 1,697,350 | 0.38% |
| Dixon Ticonderoga. | 1,275,500 | 0.28% |
| G&C Foundry | 1,238,220 | 0.27% |
| Glidden Inc. | 1,169,500 | 0.26% |
| Thankar Aluminum | 955,154 | 0.21% |
| TOTAL | <u>\$39,708,303</u> | <u>8.81%</u> |

Real Property

| <u>Taxpayer</u> | <u>Assessed Valuation</u> | <u>% of Total Assessed Valuation</u> |
|--|-------------------------------|--|
| Cedar Fair, L.P. | \$35,236,470 | 7.82% |
| Ohio Edison | 7,595,770 | 1.69% |
| Ameritech | 3,978,050 | 0.88% |
| Norfolk & Western Railway Co | 3,470,390 | 0.77% |
| S & S Realty | 3,422,450 | 0.76% |
| Hoty Marine Group. | 2,128,460 | 0.47% |
| Sandusky Foundry & Machine | 2,059,330 | 0.46% |
| Sandusky Housing Trust Lmt. Part | 1,994,040 | 0.44% |
| Decatur Street Facility, Inc. | 1,902,230 | 0.42% |
| Sandusky Limited. | 1,850,670 | 0.41% |
| TOTAL | <u>\$63,637,860</u> | <u>14.12%</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 |
|--------------------------|----------------------------|---------------------------------|---------------------------------|---|--|
| 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% |
| 2002 | 226 | 4,302 | 4,045 | -1.92% | 94.03% |

Source: EMIS District Summary Report

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHOOL DISTRICT EMPLOYEES
 (FULL AND PART-TIME)
 AS OF JUNE 30, 2002

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 | 61 | 16 | 8 | 15 | 2 | 0 | 102 |
| 6 - 10 | 0 | 12 | 17 | 11 | 11 | 3 | 2 | 56 |
| 11 - 15 | 1 | 7 | 7 | 17 | 11 | 4 | 5 | 52 |
| 16 - 20 | 0 | 3 | 2 | 23 | 6 | 6 | 5 | 45 |
| 21 - 25 | 0 | 3 | 7 | 23 | 5 | 5 | 15 | 58 |
| 26 - 30 | 0 | 0 | 1 | 17 | 6 | 4 | 7 | 35 |
| 31+ | 0 | 0 | 0 | 5 | 2 | 1 | 4 | 12 |
| TOTAL | <u>1</u> | <u>86</u> | <u>50</u> | <u>104</u> | <u>56</u> | <u>25</u> | <u>38</u> | <u>360</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 | <u>11</u> |
| Total Adult Education Instructors | <u>11</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 | Director of Support Services | 1 |
| Assistant Principals | 4 | Executive Assistant | 1 |
| Athletic Director | 1 | Supervisors | 4 |
| Total Certificated | <u>25</u> | Total Non-Certificated | <u>9</u> |

Total School Employees608

Source: School District Personnel Records

SANDUSKY CITY SCHOOL DISTRICT
ERIE COUNTY, OHIO
 SCHEDULE OF PROPERTY AND CASUALTY INSURANCE
 AS OF JUNE 30, 2002

| Company Policy Number | Policy Period | Coverage | Limits of Coverage | Deductible | Annual Premium |
|--------------------------------------|---------------------------|---|----------------------------|--|-------------------|
| Great American OS 5915260-00 | 02/01/2002 to 02/01/03 | General Liability Each Occurrence Aggregate | \$1,000,000 \$5,000,000 | \$1,000 | \$20,385 |
| Indiana Insurance Co. BA 9561857 | 02/10/2002 to 02/10/03 | Fleet | \$2,000,000 | Comprehensive: \$200 Collision: \$500 | \$52,591 |
| Great American TC 5915261-00 | 02/1/2002 to 02/01/03 | Umbrella Liability & Fleet | \$2,000,000 | \$10,000 | \$8,200 |
| Indiana Insurance Co. CBP 9567856 | 2/10/2002 to 02/10/03 | Building & Contents | \$84,992,200 | \$2,500 | \$71,680 |

Source: School District Records



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

SANDUSKY CITY SCHOOL DISTRICT

ERIE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 25, 2003**