

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

SYLVANIA, OHIO

CITY SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2002

PREPARED BY
TREASURER'S DEPARTMENT
ARLENE J. WILSON, TREASURER/CFO

6850 MONROE STREET

SYLVANIA, OHIO 43560



**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

Board of Education
Sylvania City School District
Sylvania, Ohio

We have reviewed the Independent Auditor's Report of the Sylvania City School District, Lucas County, prepared by Weber O'Brien, Ltd., for the audit period July 1, 2001 through June 30, 2002. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Sylvania City School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

January 27, 2003

INTRODUCTORY SECTION

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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Office of the Treasurer/CFO

Arlene J. Wilson, Treasurer/CFO



December 11, 2002

Board of Education Members and Citizens of the Sylvania City School District:

As the Superintendent and Treasurer/CFO of the Sylvania City School District (the "District"), we are pleased to submit to you the eleventh Comprehensive Annual Financial Report (CAFR) issued by the District. This report provides full disclosure of the financial operation of the District for the fiscal year ended June 30, 2002. This CAFR, which includes an opinion from Weber O'Brien Ltd., Sylvania, Ohio, who performed the District's audit, conforms to accounting principles generally accepted in the United States of America as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report will provide the taxpayers of the District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be made available to the Chamber of Commerce, major taxpayers, the public library, financial rating services, and other interested parties.

The CAFR is comprised of three distinct sections:

- * The Introductory Section includes the table of contents, letter of transmittal, Government Finance Officers Association (GFOA) Certificate of Achievement, list of principal officials, organizational chart, and management team.
- * The Financial Section includes the independent auditor's report, general purpose financial statements and explanatory notes, and combining and individual fund and account group financial statements and schedules.
- * The Statistical Section includes various tables reflecting social and economic information, financial trends, and the fiscal capacity of the District.

The District is located in Northwestern Ohio on the Michigan-Ohio border and is comprised of the City of Sylvania, Sylvania Township, a portion of the City of Toledo and a portion of the Village of Ottawa Hills, which are all part of Lucas County. As a suburb of Toledo, Sylvania is basically a residential community with a broad service-based economy. Socioeconomic indicators continue to describe Sylvania as an affluent community with housing values and income levels well above state and county norms.

The District provides a full range of educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels, and a broad range of co-curricular and extracurricular activities, adult and community education offerings, and special education services. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a special revenue fund.

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code for the purpose of providing educational services authorized by charter and further mandated by State and/or Federal agencies.

A five member Board of Education (the “Board”) serves as the taxing authority, contracting body and policy maker for the District. The Board adopts the annual operating budget and approves all expenditures of District monies.

The Superintendent is the chief administrative officer of the District, responsible for both education and support operations. The Treasurer/CFO is the chief financial officer of the District, responsible for maintaining records of all financial matters, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing idle funds as specified by Ohio law.

Other Board appointed officials include directors of various educational and support services and building principals.

THE REPORTING ENTITY

The District has reviewed its reporting entity definition in order 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.

The Cities of Sylvania and Toledo, Sylvania Township, and the Village of Ottawa Hills have all been excluded from the accompanying financial statements. The Northwest Ohio Computer Association (NWOCA) and the Sylvania Area Joint Recreation District (SAJRD) are reported as jointly governed organizations.

QUALITY IN EDUCATION

Quality schools not only reflect the philosophy of a community, but help to maintain property values as well. In the District, the emphasis is on the educational program itself, as the District strives to continuously raise its expectations for excellence in our students, staff, and programs.

We feel it is therefore appropriate to briefly review some of the District's quality indicators, because they are the foundation upon which the continued success of our programs is built.

Curriculum Development - The District provides a comprehensive K-12 program; intervention, assessment, and full special-needs programming. Ongoing review, additions, and revisions are an integral part of curriculum development. The District is currently in year three of a five year plan to realign our courses of study to reflect the raising federal and state standards.

Technology - All schools in the District have been wired for networking and Internet access. Computers have been installed in all K-5 classrooms as well as computer labs at several sites to facilitate classroom and group learning. Plans are moving forward on the installation of a fiber optic network to upgrade our existing networking capabilities as part of a Support Services Complex being built. This will also house a District training center to enhance staff development.

Testing - The District's SAT scores continue to remain an average of 50 points higher than the national average and 20 points higher than the State average. Over 86% of the students participating in advance placement testing qualify for college credit. ACT scores for the District also remain points above the State and national average. The District has obtained 20 of the 22 quality indicators, or standards, set by the Ohio Department of Education, moving the District to an "Effective" category, just one point from the level of being named an "Excellent" District in Ohio.

Textbooks - The District's textbooks are selected to mirror state and national standards. Our goal is to maintain a 5-year replacement cycle for all textbooks.

Co-curricular and Extra-curricular - More than 2,400 students are involved in inter-scholastic athletics programs, clubs, honoraries, and contests representing all areas of academics and athletics.

Staff Development - A continuum of multi-faceted opportunities are provided to keep staff current in methodology and technology through District in-service training, university courses, and partnerships with other educational associations and entities.

Comprehensive Support for Special Needs - Through the efforts of many, the District is prepared to meet the needs of all students, but extra attention has been paid to ensuring that the District will continue to provide an outstanding and comprehensive special-needs program.

ECONOMIC CONDITIONS AND OUTLOOK

The District's population continues to grow at a steady pace since its massive growth spurt in the 1960s, which saw double-digit increases. The latest Census shows the combined city and township population to be just over 48,000 people in about 20,000 households.

This growth is carefully managed and controlled without annexations of property, which result in the need to extend the District's services to new areas. All indicators show that there is continued residential development planned and will continue to the west of the City. Fiscal 2002 saw the completion of several residential neighborhoods, as well as two retirement centers/assisted living facilities.

Growth in commercial development continues, also to the west of the City. With the opening of the Meijer's complex in 1994, and the recent opening of new sewer lines, the area around Central Avenue has continued to develop, including both commercial and light industrial businesses. This development led to the construction of a new junior high school on the western border of the District in 1997.

Through diligence and prudence, the economic condition of the District continues to remain somewhat stable. This is due mainly to the fact that the District lies in an affluent community with a small commercial tax base, which eliminates fluctuations in revenue sources due to changes in the business climate. However, the District continues to face problematic economic situations, due in large part to the reliance on property tax revenues. Ohio law prohibits growth in real estate tax revenues which are due simply to appreciation in property value.

The District's financial condition continues to be an area of focus for the Board of Education and Administration. Currently in litigation is the State School Funding issue known as the "DeRolph Case", the Perry County Court of Common Pleas in 1995 declared the State's method of funding school districts to be unconstitutional. On March 24, 1997, the Ohio Supreme Court upheld most of the Perry County ruling by declaring certain portions of the Ohio school funding plan unconstitutional. Declared unconstitutional was the State's 'school foundation program', which provides significant amounts of monetary support to the District.

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

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

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

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

On December 11, 2002, the Ohio Supreme Court, in a 4-3 decision on the aforesaid motion for reconsideration, concluded that the State did not comply with the requirement of providing a “thorough and efficient system of common schools”, even after noting and crediting significant State steps in recent years. The Court directed the General Assembly “to enact a school funding scheme that is thorough and efficient, as is explained in (its prior decisions in 1997 and 2001), and the accompanying concurrences”. The September 2001 decision was vacated, and jurisdiction of the case was not retained.

With particular respect to funding sources, the Supreme Court had concluded in its 1997 and 2000 decisions, and one concurring Justice stated again in the December 2002 decision, that school funding in Ohio over relies on local property taxes.

It is not possible at this time to state what or when the General Assembly’s response will be to the Ohio Supreme Court’s pronouncements. As of the date of these financial statements, the District is unable to determine what effect, if any, these decisions will have on its future state funding and on its financial operations.

In 1995, the District passed a building issue totaling almost \$19 million to build a third junior high school, and to make additions and or upgrades to each of the eleven existing school buildings. Timberstone Junior High was opened to students in the fall of 1997. As part of the addition of a third junior high school, grade levels were realigned, moving the sixth grades to the junior highs, in an attempt to alleviate the overcrowding in the elementary buildings. However, just two short years later, overcrowding again became an issue in the elementary buildings. In response, voters of the District in November, 2000 passed a \$20.75 million dollar bond issue for repair and renovation of all the school buildings in the District.

Soon after the bond issue was approved, the District issued notes for \$8 million in order to begin the various improvement and renovation projects planned for the bond proceeds. On May 8, 2001, the District issued \$8 million of the general obligation bonds; these proceeds were used to retire the bond anticipation note on July 25, 2001.

On September 1, 2001, the District issued general obligation bonds in the amount of \$13.875 million to refund the Series 1995 School Improvement general obligation bonds. This resulted in an extended maturity (December 1, 2022), and lower yearly payment requirements.

On January 31, 2002, the District issued notes for the remaining \$12.75 million authorized by the voters in November 2000, to continue the various improvement and renovation projects started in 2001. These notes will be retired by the issuance of bonds or notes in fiscal 2003.

Also during fiscal year 2002, the District issued \$8.0 million in general obligation bonds to continue improvements and renovations to various school facilities.

SIGNIFICANT ACCOMPLISHMENTS/EVENTS FOR THE YEAR: 2002

Academic Progress and Financial Accountability was the underlying theme for the year. During the fiscal year, the District continues to follow through on the many reports and recommendations from third party “experts” that provided a very thorough and extensive analysis of the operations of the District. These audits and reports encompassed many facets of the District’s daily operations, including: 1) the Corporation for Effective Government study of maintenance and business operations; 2) an audit of the entire curriculum by Phi Delta Kappa, a nationally recognized educational honor society; 3) a master plan of structural needs and repairs; and 4) a very comprehensive facilities’ assessment report conducted by The Ohio School Facility Commission.

The fall brought resounding support - of over 54% - from the community in the passage of an additional 4.9 mills continuing levy. It will generate about \$6 million per year to help the District maintain the current operations and programming of the District.

4.6 mills of the levy will be for general operating expenses such as textbooks and supplies, personnel, and to help offset increasing utility and health costs. The remaining .3 mills will be used for permanent improvements to help support and protect the investment made in the District facilities.

This year, we completed a follow up analysis by the Corporation for Effective Government (CEG). The CEG review stated that the District had effectively and efficiently implemented the tenets of the 116 recommendations as defined in their initial report presented to the Board in 1999. These meetings by the advisory committees established by the Board reviewed the areas of: Technology; Human Resources; Finances; Facilities; Transportation; and Food Service.

Academically, we are in the third year of an aggressive five year curriculum realignment as defined through the Phi Delta Kappa (PDK), a nationally recognized educational honor society. Last year, we adopted new courses of study in mathematics and language arts. The science and social studies teams have been diligently finalizing courses of study for adoption and implementation during the next school year. The remaining disciplines are currently researching best practice and methodology to be implemented in year five.

The District restructured the administrative organization to include the hiring of an Instructional Technology Director. The Director will serve as the liaison between technology and curriculum, teaching and learning, and staff and students. The successful implementation of technological tools in the classroom begin with staff development in best practices and methodology of utilizing these tools to supplement teaching and learning.

Also of note, was the implementation of the second year of performance based compensation for all administrators tied to specific district and building level goals and Board of Education initiatives. This clearly demonstrates the District's alignment toward achieving the desired academic proficiencies and economic efficiencies.

In terms of the District's physical plant, as the fiscal year closed, phase two of the \$20.75 million bond issue improvements has been completed; replacing windows, roofing, paving as well as various safety and growth improvements to many of the school buildings and athletic fields.

Major work will begin in Spring of 2003 as construction of the new Support Services Complex will commence. This complex will house the bus garage and maintenance bays, district warehouse, and serve as the technology hub for the District. The idea for the complex grew out of the CEG recommendations and is funded primarily through the bond issue.

Also in the spring of 2003, a proposal from the Land Use and Facilities Committee will be presented to help advise the Board on the adoption of a Master Plan as part of the Ohio School Facilities Commission (OSFC). This committee of community "experts" formed four subcommittees: Land Use, Facilities, Redistricting, and Programs to facilitate their research and planning. A preliminary proposal is forthcoming in December prior to input from the broader community and final decision by the Board in late spring of 2003.

Upon recommendation of the Superintendent and Chief Financial Officer, the Board in fiscal 2001, implemented a new budgetary process called 'Program-Based Budgeting System'. This system attempts to assess specific programs and needs on a weighted basis and budget dollars accordingly. A key aspect of the system is to invite members of the community and others to become a part of the District's budgeting process, thereby taking away some of the so-called mysticism of school budgeting. It is hoped that this process will enable community members to better understand how and where dollars are used – as well as have a voice in what is and should be part of the school dollars being spent. The District continued this process during fiscal 2002. This process was used to develop a list of cuts required in the event the levy did not pass. This process will continue to be used to build the budget for fiscal 2003.

The Board is in agreement with its certified employees on a labor contract. Negotiators for the District and the Sylvania Education Association used a bargaining process called 'Interest-Based Bargaining' (IBB). The Board is optimistic about future labor negotiations in which the IBB process is used. The current labor contract expires August 31, 2003.

MAJOR INITIATIVES FOR THE FUTURE

The District will continue to implement new courses of study in an ongoing effort to meet the national and State standards and effect student outcomes to achieve all 22 of the indicators of education excellence on the 'Ohio Report Card'. Currently, only a minority of the 705 public and community school districts in the State have attained this goal.

Work on the various bond issue projects will enter Phase Three and the completion of the Support Services Complex and various improvements continue throughout the District. The Board has issued \$12.75 million in notes during fiscal 2002 to begin the various projects.

After careful and deliberate consideration last spring, the Board chose to apply for an extension on the deadline of adoption by the OSFC until the Land Use and Facilities Committee could present their proposal. The Board will review the Master Plan as presented by the Land Use and Facilities Committee in March or April to help advise them before making the decision to comply with the OSFC or withdraw.

FINANCIAL INFORMATION

Internal Accounting and Budgetary Control. The District's accounting system is organized on a "fund" basis. Each fund (and account group) is a distinct self-balancing accounting entity. Reports for general Governmental operations and the Expendable Trust fund are presented on the modified accrual basis, whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the District's proprietary funds and nonexpendable trust fund operations are presented on the accrual basis, whereby revenues are recognized when earned, and expenses when incurred.

In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from the implementation.

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the Director of Business Affairs and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports, which detail year-to-date expenditures and encumbrances versus the original appropriation, plus any additional appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible.

As an additional safeguard, a blanket bond covers all employees, and a separate, higher limit bond covers certain individuals in policy-making roles.

The basis of accounting and the various funds and account groups utilized by the District are fully described in Note 2 of the financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

General Governmental Functions. The governmental funds encompass the general, special revenue, debt service, and capital projects funds of the District.

Revenues for the governmental funds totaled \$64,860,861 in fiscal year 2002. General property taxes produced 59.38 percent of total governmental fund revenues. State and Federal support accounted for 37.21 percent of the revenues. The amount of revenue from various sources and a comparison with the previous year is shown in the following tabulation:

	<u>2001 Amount</u>	<u>2002 Amount</u>	<u>Percent of Total</u>	<u>Amount of Change</u>	<u>Percent Change</u>
Taxes	\$36,748,385	\$38,522,083	59.39%	\$ 1,773,698	4.83%
Intergovernmental	22,168,580	24,141,371	37.22%	1,972,791	8.90%
Interest	1,557,695	948,258	1.46%	(609,437)	(39.12%)
Tuition and fees	137,519	244,887	0.38%	107,368	78.07%
Other local revenues	<u>1,316,633</u>	<u>1,004,262</u>	<u>1.55%</u>	<u>(312,371)</u>	<u>(23.72%)</u>
Total	<u>\$61,928,812</u>	<u>\$64,860,861</u>	<u>100.00%</u>	<u>\$2,932,049</u>	4.73%

Total governmental funds' revenues for fiscal 2002 remained relatively consistent by category with fiscal 2001, and although total revenues increased from 2001, revenues were not sufficient for total expenditures, shown below.

The significant change in tuition and fees revenue is due to out-of-district students who chose to attend Sylvania City Schools. The number of out-of-district students was extraordinarily high. Although the change in tuition revenue from fiscal 2001 is dramatic, tuition represents a very small part of total governmental funds' revenue.

The increase in intergovernmental revenue is due to increased state basic aid and federal grant funding during fiscal year 2002.

Decreased interest earnings resulted from the decrease in available cash to invest after bond anticipation notes were redeemed, and the bonds issued were refunding in nature and did not include new issues. The overall national economic downturn also resulted in lower interest rates available to the District on investments.

Governmental fund expenditures for fiscal year 2002 totaled \$88,248,766 and are summarized by major function as follows:

	<u>2001</u> <u>Amount</u>	<u>2002</u> <u>Amount</u>	<u>Percent</u> <u>of Total</u>	<u>Amount of</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
<i>Expenditures</i>					
Current:					
Instruction:					
Regular	\$26,947,375	\$27,990,797	31.73%	\$1,043,422	3.87%
Special	5,457,175	6,126,227	6.94%	669,052	12.26%
Vocational	2,042,525	2,018,403	2.29%	(24,122)	(1.18%)
Other	121,822	144,087	0.16%	22,265	18.28%
Support Services:					
Pupil	3,373,929	3,806,556	4.31%	432,627	12.82%
Instructional Staff	3,398,420	3,732,868	4.23%	334,448	9.84%
Board of Education	15,869	12,399	0.01%	(3,470)	(21.87%)
Administration	4,173,953	4,790,061	5.43%	616,108	14.76%
Fiscal	1,071,636	1,043,324	1.18%	(28,312)	(2.64%)
Business	236,723	197,388	0.22%	(39,335)	(16.62%)
Operation and					
Maintenance of Plant	7,584,685	12,768,675	14.47%	5,183,990	68.35%
Pupil Transportation	2,873,063	3,413,093	3.87%	540,030	18.80%
Central	788,965	1,206,998	1.37%	418,033	52.98%
Community Services	749,756	59,276	0.07%	(690,480)	(92.09%)
Extracurricular Activities	1,546,509	1,864,404	2.11%	317,895	20.56%
Facilities Services	1,409,162	1,006,163	1.14%	(402,999)	(28.60%)
Intergovernmental pass through	-	657,658	0.75%	657,658	100.00%
Capital outlay	523,172	336,621	0.38%	(186,551)	(35.66%)
Debt Service:					
Principal Retirement	3,017,868	15,950,755	18.07%	12,932,887	428.54%
Interest & Fiscal Charges	<u>1,430,138</u>	<u>1,123,013</u>	<u>1.27%</u>	<u>(307,125)</u>	(21.48%)
Total	<u>\$66,762,745</u>	<u>\$88,248,766</u>	<u>100.00%</u>	<u>\$21,486,021</u>	32.18%

Total governmental funds' expenditures in fiscal 2002 increased significantly from fiscal 2001, and total expenditures again exceeded total revenues. Of the \$21.48 million increase in expenditures, \$12.9 million can be attributed to the retirement of bond anticipation notes and the refunding of a previous bond issue from 1995, which accounted for 18% of all governmental funds' expenditures.

In addition to the normal wages and benefits expenditure increase for existing staff, the increase in regular instruction is due to the addition of new teaching staff.

The increase in the special instruction function is due largely to the District's continued expansion of services in this area.

The largest component of the increase in the pupil support function is salary and benefit costs.

The instructional staff support expenditure increase is due in part to the increased use of consultants who assisted the District in making curriculum improvements recommended by the PDK audit, as well as the addition of new teachers' aides.

Operations and maintenance of plant function expenditures increased dramatically as the District spent \$12.7 million as part of Phase II of the renovation projects funded by the new bond issue.

The pupil transportation function expenditures increased due to the purchase of new school buses and a temporary but costly period during the fiscal year of dramatically higher fuel costs.

The increase in expenditures for the central support function is due to the purchase of new computers, as well as costs due to personnel changes; i.e., new technology personnel were hired and severance payments for retiring administrative personnel were charged to this function.

The intergovernmental pass through function is used to account for expenditures related to private and parochial schools located within the District's boundaries (see Note 2.N to the financial statements). These funds were previously shown in the community services function in fiscal 2001.

The capital outlay expenditure reported above is due solely to an accounting mechanism to account for a new capital lease for copiers. See Note 9 to the financial statements for a complete description of the District's capital lease obligation.

Debt service expenditures for fiscal 2002 increased dramatically in total from fiscal 2001 due to the refunding of a 1995 bond issue in the amount of \$13.955 million.

General Fund Balance. The General fund concluded fiscal year 2002 with a fund deficit of \$(143,066), a decrease of \$3,635,086 from the June 30, 2001, fund balance of \$3,492,020. The voters of the District approved a 4.6 mill operating levy on November 5, 2002. This levy will assist in eliminating this deficit balance in fiscal 2003.

Financial Highlights - Proprietary Funds. Food Service, Uniform School Supplies, Consumer Services Rotary, and the Natatorium are classified as Enterprise operations, since they resemble those activities found in private industry; management periodically desires to determine the amount of income/loss resulting from operations that are significantly financed from user fees. In total, the enterprise funds reported a net loss of \$(15,318) for the year ended June 30, 2002, compared to net income of \$24,867 for the year ended June 30, 2001. This change is due mainly to the increase in contract services in the Food Service fund. It should be noted that the net loss includes the "non-cash" depreciation expense of \$20,078. The operating loss (before intergovernmental revenue) totaled \$(363,517); thus, the reliance on outside support (primarily federal funding of the National School Lunch and Commodities Program) is apparent. The enterprise funds concluded fiscal year 2002 with an accumulated deficit of \$(633,979). In the past three fiscal years, the District has reduced the Enterprise funds' accumulated deficit by nearly \$100,000.

The principal internal service fund carried on the financial records relates to self-insurance. This fund accounts for the revenues and expenses related to the provision of health and dental benefits to the District employees. The Employees Benefits Self-Insurance fund had retained earnings of \$1,248,428 at June 30, 2002, compared with retained earnings of \$834,648 at June 30, 2001, reflecting net income of \$413,780. Management feels that current reserves are sufficient to service the self-insurance program.

Financial Highlights - Fiduciary Funds. Fiduciary funds are used to account for assets held by the District in a trustee capacity, or as an agent for individuals, other District organizations, other governments, and/or other funds. The fiduciary funds of the District include the expendable trust fund, the nonexpendable trust fund, and agency funds.

The expendable trust fund assets have been donated to the District, and may be spent in their entirety for student scholarships and awards. The fund balance of the expendable trust fund at June 30, 2002 was \$11,197.

The nonexpendable trust fund assets have been endowed in perpetuity to the District; i.e., the principal amount of the endowment may never be expended. Generally, the terms of the endowment specify that interest earnings on the invested corpus may be used to provide student scholarships. Interest earnings in fiscal 2002 totaled \$199. As of June 30, 2002, the endowed principal amount was \$7,000, while \$624 was available for student scholarships.

The District functions as fiscal agent for student-managed activity accounts. Available assets are totally offset by liabilities.

General Fixed Assets. The general fixed assets of the District are used to carry on the main education and support functions of the District, and are not financial resources available for expenditure. The total of general fixed assets at June 30, 2002, was \$71,926,834. Such assets are accounted for at historical cost. Depreciation is not recognized on general fixed assets.

Debt Administration. At June 30, 2002, general obligation bonds outstanding totaled \$37,142,143. During fiscal year 2002, \$15,735,000 of general obligation bonds were retired. There was a bond anticipation note outstanding at June 30, 2002 of \$12,750,000; this note was retired on August 2, 2002. The asbestos loan principal outstanding as of June 30, 2002 was \$29,654. During fiscal year 2002, \$11,862 of the asbestos loan was retired. The District's bond rating from Moody's Investors Service was upgraded from 'A1' to 'Aa3' for its general obligation bond issues. The ratio of net bonded debt to assessed valuation was 2.65 percent, up from 2.19 percent the previous year. The legal debt restriction in the State of Ohio is a limit of 9 percent of assessed valuation for voted debt, and .10 percent for unvoted debt. As of June 30, 2002, the voted debt margin was \$80,474,601 and the unvoted debt margin was \$1,267,554. All existing bond obligations are general obligation debt backed by the full faith and credit of the District, and will be retired fully by fiscal year 2023.

Cash Management. The Board has an aggressive cash management program, which consists of expediting the receipt of revenues and prudently depositing cash, which is insured by the Federal Deposit Insurance Corporation or collateralized by a securities pool. The District invests available cash in instruments issued by the United States Government, the State Treasurer's Investment Pool (STAR Ohio), and other investments authorized by Chapter 135 of the Ohio Revised Code. Except for nonparticipating investment contracts, such as certificates of deposit and repurchase agreements, investments at June 30, 2002 have been reported at fair value, which is based upon quoted market prices. The total amount of interest earned was \$948,592 for the year ended June 30, 2002; \$712,292 of which was credited directly to the general fund. This cash management program is beneficial because of access to daily balances, which enables the Board to maintain minimum balance accounts and invest to the maximum extent.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 110 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Risk Management. The District operates and manages the health and dental benefits for employees on a self-insured basis. A third party administrator processes and pays the claims. The dental benefits liability is limited by a stop-loss of \$1,000 annually per employee. The health benefits liability is limited by a stop-loss of \$75,000 annually per employee and \$2 million annually in aggregate. The advantages of the self-insurance arrangement include retention of reserves by the District, as well as savings on administrative costs. The control of the plan rests with the District.

The District uses the State Worker's Compensation plan and pays the premium based on a rate of \$.7190 per \$100 of salaries. The District contracts with commercial carriers for general liability, property and casualty, vehicle, and various other insurances. See Note 12 to the financial statements for additional risk management information.

Pension Plan. All District employees are covered by the statewide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the District to pay the employer share as determined by each retirement system. The District's 2001 contributions were \$750,753 paid as an employee portion and \$1,167,838 paid as the employer portion (\$1,918,591 total) to SERS, and \$2,889,775 paid as an employee portion and \$4,495,205 as the employer portion (\$7,384,980 total) to STRS. See Notes 14 and 15 to the financial statements for complete details.

INDEPENDENT AUDIT

Provisions of State statute require the District's financial statements to be subjected to an annual audit by an independent auditor. Those provisions have been satisfied and the opinion of the District's independent auditors is included herein.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and has been in conformance with that system effective with its annual financial report for the 1979 fiscal year.

AWARDS

Certificate of Achievement. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Sylvania 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, whose content conforms to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America as applied to governmental units and applicable legal requirements.

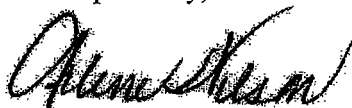
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for review.

ACKNOWLEDGMENTS

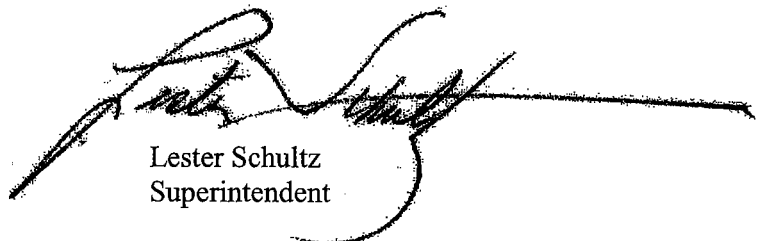
The publication of this report significantly increases the accountability of the District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office and various administrators and employees of the District. Assistance of the County Auditor's office staff and other outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to our consultants, Trimble, Julian and Grube, Inc., who compiled this report, and to the firm of Weber, O'Brien Ltd., who audited this report. Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully,



Arlene Wilson
Treasurer/CFO



Lester Schultz
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sylvania 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.



Thomas A. Drew
President

Jeffrey L. Esser
Executive Director

SYLVANIA CITY SCHOOL DISTRICT, OHIO
List of Principal Officials

MEMBERS OF THE BOARD OF EDUCATION

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The current members of the Board of Education of the Sylvania City School District are:

	<u>Began Service as a Board Member</u>	<u>Present Term Expires</u>
Mark Luetke, President	January, 2000	December 31, 2003
George Gernot III, Vice President	January, 2000	December 31, 2004
Mary Himmelein, Member	January, 1992	December 31, 2003
Pamela Haynam, Member	January, 1998	December 31, 2004
David Spiess, Member	January, 2002	December 31, 2004

SUPERINTENDENT OF SCHOOLS

The superintendent is the executive officer of the District and is responsible for administering policies adopted by the Board of Education. The superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. The Board appointed Lester H. Schultz, Superintendent of the Sylvania City School District effective July 1, 1997. His term of office expires on July 31, 2004.

TREASURER

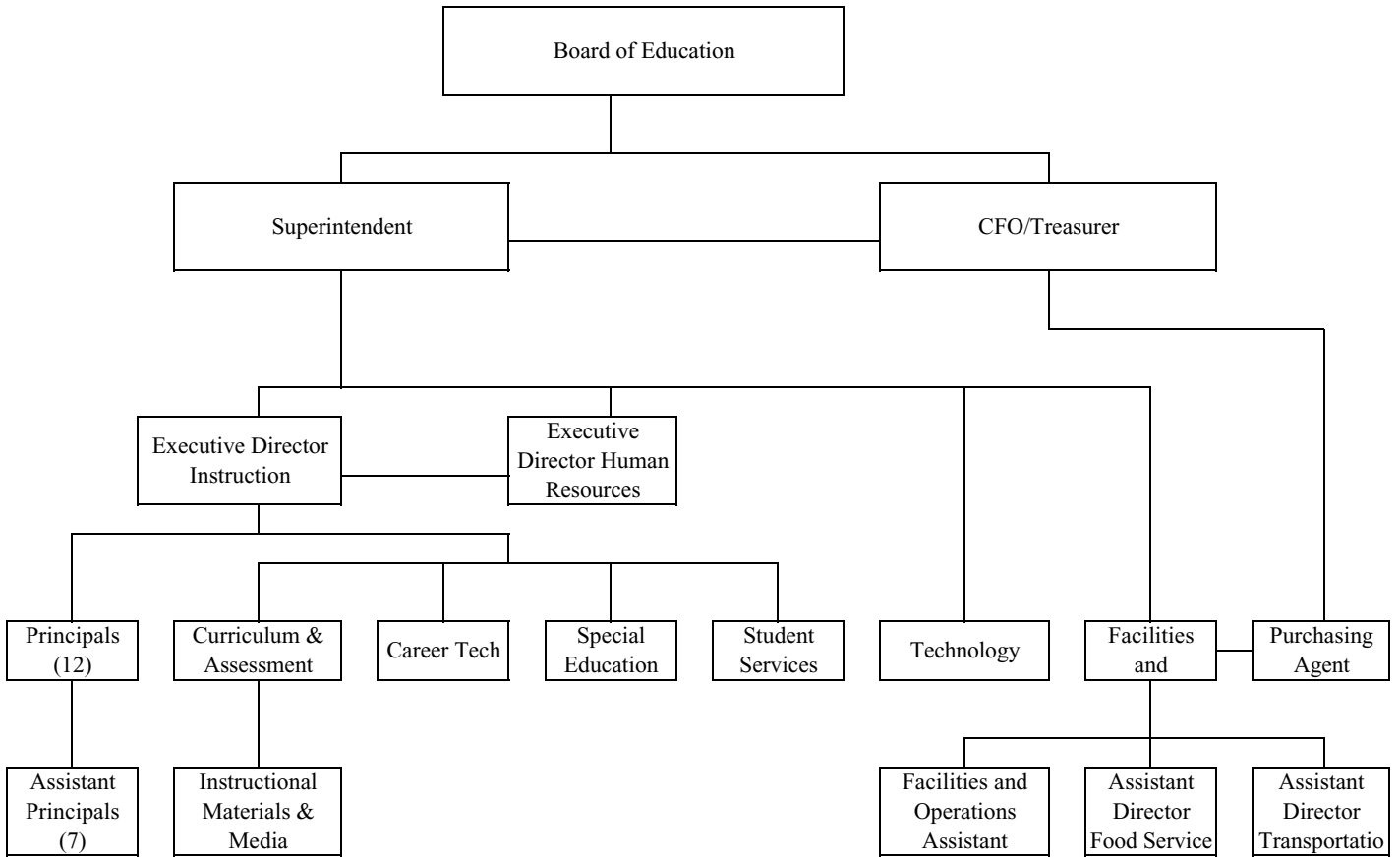
The treasurer serves as the fiscal officer of the District and, with the Board president, executes all conveyances made by the Board of Education. The Treasurer, Arlene J. Wilson, was appointed to the position September 3, 1997. Her term expires at the organizational meeting in January, 2004.

SYLVANIA CITY SCHOOL DISTRICT, OHIO

MANAGEMENT TEAM

Lester H. Schultz	Superintendent of Schools
Arlene J. Wilson	Treasurer/CFO
Dallas Jackson	Assistant Superintendent of Schools
William Shunk	Executive Director of Human Resources
Alan Bacho	Facilities and Operations
Suzanne Bond	G.A.T.E.
Amy Buckey	Partners in Education
Elaine Chapman	Special Education
Gwen Clark	Human Resources
Nancy Crandell	Communications
Barb Johnoff	E.M.I.S.
Pat McNichols	Curriculum and Assessment
Sheryl O'Shea	Technology
Kathleen Pollock	G.A.T.E.
Carl Schulz	Student Services
Kevin Gorman	Northview High School Principal
Julie Sanford	Northview Assistant Principal
Teri Schwartz	Northview Assistant Principal
Dean Sandwisch	Northview Assistant Principal
Larry Jones	Northview Athletic Director
Jeff Kurtz	Southview High School Principal
Larry Duwve	Southview Assistant Principal
Mike Bader	Southview Assistant Principal
James Jennings	Southview Assistant Principal
Glen Gillespie	Southview Athletic Director
Scott Nelson	Arbor Hills Junior High School Principal
Jim Carmony, Ph.D.	Arbor Hills Assistant Principal
Jeff Robbins	McCord Junior High School Principal
TBA	McCord Assistant Principal
Jack Smith	Timberstone Principal
Carl Brubaker	Timberstone Assistant Principal
Toni Gerber	Central Elementary Principal
Dale Wiltse	Highland Elementary Principal
Ed Eding	HillView Elementary Principal
Robert Berkowitz	Maplewood Elementary Principal
Robert Biglin	Stranahan Elementary Principal
Randy Grieser	Sylvan Elementary Principal
Jeanette Gilliland	Whiteford Elementary Principal

SYLVANIA CITY SCHOOL DISTRICT, OHIO
ORGANIZATIONAL CHART



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FINANCIAL SECTION



weber • obrien Ltd.

INDEPENDENT AUDITORS' REPORT

Board of Education
Sylvania City School District
6850 Monroe Street
Sylvania, OH 43560

We have audited the accompanying general purpose financial statements of the Sylvania City School District ("District"), as of and for the year ended June 30, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Sylvania City School District as of June 30, 2002, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2002 on our consideration of the Sylvania City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Sylvania City School District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the Introductory and Statistical data included in those sections of this report and, accordingly, express no opinion thereon.

Weber O'Brien, CPAs

December 11, 2002

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GENERAL PURPOSE
FINANCIAL
STATEMENTS

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2002

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
ASSETS:				
Equity in pooled cash and investments	\$ 4,719,713	\$ 978,792	\$ 3,425,204	\$ 22,477,346
Equity in pooled cash and investments - nonexpendable trust fund.	-	-	-	-
Receivables (net of allowances of uncollectibles):				
Property taxes - current & delinquent	39,910,692	-	3,103,990	-
Accounts	51,336	142	-	-
Accrued interest	13,062	-	-	-
Interfund loan receivable	47,608	-	-	-
Due from other governments	-	266,798	-	-
Materials and supplies inventory	-	-	-	-
Prepayments	40,782	-	-	-
Restricted assets:				
Equity in pooled cash and investments.	206,037	-	-	-
Property, plant and equipment (net of accumulated depreciation where applicable).	-	-	-	-
OTHER DEBITS:				
Amount available in debt service fund	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
Total assets and other debits	\$ 44,989,230	\$ 1,245,732	\$ 6,529,194	\$ 22,477,346
LIABILITIES, EQUITY AND OTHER CREDITS				
LIABILITIES:				
Accounts payable	\$ 161,744	\$ 54,457	\$ -	\$ 5,360
Contracts payable.	-	-	-	1,043,339
Retainage payable.	-	-	-	137,587
Accrued wages and benefits.	4,973,101	85,600	-	-
Compensated absences payable.	373,882	-	-	-
Pension obligation payable	954,324	21,197	-	-
Interfund loan payable	-	47,608	-	-
Deferred revenue	38,412,781	112,015	2,991,228	-
Due to other governments	256,464	4,385	1,102	-
Due to students	-	-	-	-
Accrued interest payable	-	-	-	123,250
Claims payable	-	-	-	-
General obligation bonds payable	-	-	-	-
General obligation notes payable	-	-	-	12,750,000
Capital lease obligation payable	-	-	-	-
Total liabilities.	45,132,296	325,262	2,992,330	14,059,536
EQUITY AND OTHER CREDITS:				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained earnings (accumulated deficit): unreserved.	-	-	-	-
Fund balances (deficit):				
Reserved for encumbrances	1,514,897	225,736	-	5,602,877
Reserved for prepayments	40,782	-	-	-
Reserved for debt service	-	-	11,451,426	-
Reserved for tax revenue unavailable for appropriation.	1,053,734	-	85,438	-
Reserved for textbooks.	35,867	-	-	-
Reserved for budget stabilization	52,762	-	-	-
Reserved for school bus purchases	117,408	-	-	-
Reserved for principal endowment	-	-	-	-
Reserved for scholarships	-	-	-	-
Unreserved-undesignated	(2,958,516)	694,734	(8,000,000)	2,814,933
Total equity and other credits	(143,066)	920,470	3,536,864	8,417,810
Total liabilities, equity and other credits.	\$ 44,989,230	\$ 1,245,732	\$ 6,529,194	\$ 22,477,346

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

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$ 66,971	\$ 1,841,959	\$ 126,249	\$ -	\$ -	\$ 33,636,234
-	-	7,624	-	-	7,624
-	-	-	-	-	43,014,682
1,870	24,432	-	-	-	77,780
-	-	-	-	-	13,062
-	-	-	-	-	47,608
29,671	-	-	-	-	296,469
30,678	-	-	-	-	30,678
-	-	-	-	-	40,782
-	-	-	-	-	206,037
121,491	-	-	71,926,834	-	72,048,325
-	-	-	-	3,536,864	3,536,864
-	-	-	-	42,449,081	42,449,081
<u>\$ 250,681</u>	<u>\$ 1,866,391</u>	<u>\$ 133,873</u>	<u>\$ 71,926,834</u>	<u>\$ 45,985,945</u>	<u>\$ 195,405,226</u>
\$ 9,074	\$ 121	\$ -	\$ -	\$ -	\$ 230,756
-	-	-	-	-	1,043,339
-	-	-	-	-	137,587
12,585	-	-	-	-	5,071,286
53,417	-	-	-	7,647,605	8,074,904
42,546	-	-	-	527,649	1,545,716
-	-	-	-	-	47,608
17,285	-	-	-	-	41,533,309
861	-	-	-	-	262,812
-	-	115,052	-	-	115,052
-	-	-	-	-	123,250
-	568,013	-	-	134,000	702,013
-	-	-	-	37,142,143	37,142,143
-	-	-	-	29,654	12,779,654
-	-	-	-	504,894	504,894
<u>135,768</u>	<u>568,134</u>	<u>115,052</u>	<u>-</u>	<u>45,985,945</u>	<u>109,314,323</u>
-	-	-	71,926,834	-	71,926,834
748,892	-	-	-	-	748,892
(633,979)	1,298,257	-	-	-	664,278
-	-	-	-	-	7,343,510
-	-	-	-	-	40,782
-	-	-	-	-	11,451,426
-	-	-	-	-	1,139,172
-	-	-	-	-	35,867
-	-	-	-	-	52,762
-	-	-	-	-	117,408
-	-	7,000	-	-	7,000
-	-	624	-	-	624
-	-	11,197	-	-	(7,437,652)
<u>114,913</u>	<u>1,298,257</u>	<u>18,821</u>	<u>71,926,834</u>	<u>-</u>	<u>86,090,903</u>
<u>\$ 250,681</u>	<u>\$ 1,866,391</u>	<u>\$ 133,873</u>	<u>\$ 71,926,834</u>	<u>\$ 45,985,945</u>	<u>\$ 195,405,226</u>

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SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
From local sources:						
Taxes	\$ 35,746,978	\$ -	\$ 2,775,105	\$ -	\$ -	\$ 38,522,083
Tuition	244,887	-	-	-	-	244,887
Earnings on investments	712,292	4,323	8,024	223,619	135	948,393
Extracurricular	-	657,005	-	-	-	657,005
Other local revenues	317,837	29,420	-	-	12,656	359,913
Intergovernmental - State	21,198,660	1,118,570	367,178	30,042	-	22,714,450
Intergovernmental - Federal	-	1,426,921	-	-	-	1,426,921
Total revenue	<u>58,220,654</u>	<u>3,236,239</u>	<u>3,150,307</u>	<u>253,661</u>	<u>12,791</u>	<u>64,873,652</u>
Expenditures:						
Current:						
Instruction:						
Regular	27,653,481	241,357	-	95,959	-	27,990,797
Special	5,829,449	296,778	-	-	-	6,126,227
Vocational	1,927,985	90,418	-	-	-	2,018,403
Other	62,484	81,603	-	-	-	144,087
Support services:						
Pupil	3,732,759	73,797	-	-	-	3,806,556
Instructional staff	2,936,321	796,547	-	-	-	3,732,868
Board of Education	12,399	-	-	-	-	12,399
Administration	4,772,959	17,102	-	-	-	4,790,061
Fiscal	1,007,411	-	35,913	-	-	1,043,324
Business	191,098	6,290	-	-	-	197,388
Operations and maintenance	7,581,662	-	-	5,187,013	-	12,768,675
Pupil transportation	3,412,093	1,000	-	-	-	3,413,093
Central	1,105,476	54,522	-	47,000	-	1,206,998
Community services	7,441	51,835	-	-	-	59,276
Extracurricular activities	1,120,163	657,950	-	86,291	2,000	1,866,404
Facilities acquisition and construction	175,911	-	-	830,252	-	1,006,163
Intergovernmental pass through	-	657,658	-	-	-	657,658
Capital outlay	336,621	-	-	-	-	336,621
Debt service:						
Principal retirement	203,893	-	15,746,862	-	-	15,950,755
Interest and fiscal charges	36,559	-	966,337	120,117	-	1,123,013
Total expenditures	<u>62,106,165</u>	<u>3,026,857</u>	<u>16,749,112</u>	<u>6,366,632</u>	<u>2,000</u>	<u>88,250,766</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,885,511)</u>	<u>209,382</u>	<u>(13,598,805)</u>	<u>(6,112,971)</u>	<u>10,791</u>	<u>(23,377,114)</u>
Other financing sources (uses):						
Operating transfers in	-	41,135	48,643	228,600	-	318,378
Operating transfers out	(173,305)	(9,733)	(216,200)	-	-	(399,238)
Proceeds from sale of bonds	-	-	13,874,977	8,000,000	-	21,874,977
Premium and accrued interest on bonds sold	-	-	13,365	-	-	13,365
Insurance proceeds from loss of assets	17,219	-	-	-	-	17,219
Proceeds of capital lease transaction	336,621	-	-	-	-	336,621
Proceeds from sale of fixed assets	69,890	-	-	-	-	69,890
Total other financing sources (uses)	<u>250,425</u>	<u>31,402</u>	<u>13,720,785</u>	<u>8,228,600</u>	<u>-</u>	<u>22,231,212</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>(3,635,086)</u>	<u>240,784</u>	<u>121,980</u>	<u>2,115,629</u>	<u>10,791</u>	<u>(1,145,902)</u>
Fund balances (deficit), July 1	<u>3,492,020</u>	<u>679,686</u>	<u>3,414,884</u>	<u>6,302,181</u>	<u>406</u>	<u>13,889,177</u>
Fund balances (deficit), June 30	<u>\$ (143,066)</u>	<u>\$ 920,470</u>	<u>\$ 3,536,864</u>	<u>\$ 8,417,810</u>	<u>\$ 11,197</u>	<u>\$ 12,743,275</u>

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

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 ALL GOVERNMENTAL FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	General			Special Revenue		
	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:						
From local sources:						
Taxes	\$ 35,738,000	\$ 35,795,692	\$ 57,692	\$ -	\$ -	\$ -
Tuition	140,000	244,887	104,887	-	-	-
Earnings on investments	1,372,000	699,355	(672,645)	4,350	4,323	(27)
Extracurricular	-	-	-	709,375	656,863	(52,512)
Other local revenues	269,200	304,982	35,782	57,700	29,420	(28,280)
Intergovernmental - State	20,408,829	21,198,660	789,831	1,121,761	1,115,120	(6,641)
Intergovernmental - Federal	-	-	-	1,622,379	1,390,950	(231,429)
Total revenues	<u>57,928,029</u>	<u>58,243,576</u>	<u>315,547</u>	<u>3,515,565</u>	<u>3,196,676</u>	<u>(318,889)</u>
Expenditures:						
Current:						
Instruction:						
Regular	28,443,016	28,021,349	421,667	426,543	258,355	168,188
Special	5,769,822	5,741,017	28,805	370,908	292,593	78,315
Vocational	1,933,409	1,899,042	34,367	99,157	80,218	18,939
Other	69,772	67,798	1,974	88,155	81,049	7,106
Support services:						
Pupil	3,744,637	3,731,896	12,741	106,009	78,890	27,119
Instructional staff	3,128,912	3,001,015	127,897	879,462	763,387	116,075
Board of Education	20,432	12,839	7,593	-	-	-
Administration	5,111,441	5,010,998	100,443	21,983	18,247	3,736
Fiscal	1,018,001	999,820	18,181	-	-	-
Business	339,169	244,034	95,135	8,710	8,049	661
Operations and maintenance	9,007,912	8,299,976	707,936	-	-	-
Pupil transportation	3,700,003	3,428,059	271,944	1,000	1,000	-
Central	1,172,961	1,153,051	19,910	73,526	73,407	119
Community services	59,000	7,441	51,559	957,611	840,288	117,323
Extracurricular activities	1,185,321	1,145,915	39,406	754,069	690,123	63,946
Facilities acquisition and construction	471,470	459,111	12,359	-	-	-
Debt service:						
Principal retirement	36,862	36,862	-	-	-	-
Interest and fiscal charges	11,781	11,781	-	-	-	-
Total expenditures	<u>65,223,921</u>	<u>63,272,004</u>	<u>1,951,917</u>	<u>3,787,133</u>	<u>3,185,606</u>	<u>601,527</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,295,892)</u>	<u>(5,028,428)</u>	<u>2,267,464</u>	<u>(271,568)</u>	<u>11,070</u>	<u>282,638</u>
Other financing sources (uses):						
Advances in	68,000	87,735	19,735	-	47,608	47,608
Advances out	(99,287)	(99,287)	-	(36,056)	(36,056)	-
Operating transfers in	-	5,058	5,058	32,197	32,620	423
Operating transfers out	(267,161)	(123,971)	143,190	(4,825)	(4,825)	-
Proceeds of sale of notes	-	-	-	-	-	-
Proceeds of sale of bonds	-	-	-	-	-	-
Premium and accrued interest on bonds sold	-	-	-	-	-	-
Proceeds from sale of fixed assets	58,435	69,890	11,455	-	-	-
Refund of prior year's receipts	(2,000)	-	2,000	(5,333)	(5,333)	-
Refund of prior year expenditure	18,000	155,747	137,747	-	-	-
Total other financing sources (uses)	<u>(224,013)</u>	<u>95,172</u>	<u>319,185</u>	<u>(14,017)</u>	<u>34,014</u>	<u>48,031</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>(7,519,905)</u>	<u>(4,933,256)</u>	<u>2,586,649</u>	<u>(285,585)</u>	<u>45,084</u>	<u>330,669</u>
Fund balances, July 1	6,480,538	6,480,538	-	492,542	492,542	-
Prior year encumbrances appropriated	1,708,909	1,708,909	-	201,750	201,750	-
Fund balances, June 30	<u>\$ 669,542</u>	<u>\$ 3,256,191</u>	<u>\$ 2,586,649</u>	<u>\$ 408,707</u>	<u>\$ 739,376</u>	<u>\$ 330,669</u>

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

Debt Service			Capital Projects			Total (Memorandum only)		
Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
\$ 2,795,400	\$ 2,764,532	\$ (30,868)	\$ -	\$ -	\$ -	\$ 38,533,400	\$ 38,560,224	\$ 26,824
-	-	-	-	-	-	140,000	244,887	104,887
-	8,024	8,024	500,000	223,619	(276,381)	1,876,350	935,321	(941,029)
-	-	-	-	-	-	709,375	656,863	(52,512)
-	-	-	-	-	-	326,900	334,402	7,502
372,000	367,178	(4,822)	30,042	30,042	-	21,932,632	22,711,000	778,368
-	-	-	-	-	-	1,622,379	1,390,950	(231,429)
<u>3,167,400</u>	<u>3,139,734</u>	<u>(27,666)</u>	<u>530,042</u>	<u>253,661</u>	<u>(276,381)</u>	<u>65,141,036</u>	<u>64,833,647</u>	<u>(307,389)</u>
-	-	-	95,959	95,959	-	28,965,518	28,375,663	589,855
-	-	-	-	-	-	6,140,730	6,033,610	107,120
-	-	-	-	-	-	2,032,566	1,979,260	53,306
-	-	-	-	-	-	157,927	148,847	9,080
-	-	-	-	-	-	3,850,646	3,810,786	39,860
-	-	-	-	-	-	4,008,374	3,764,402	243,972
-	-	-	-	-	-	20,432	12,839	7,593
-	-	-	-	-	-	5,133,424	5,029,245	104,179
38,000	35,712	2,288	-	-	-	1,056,001	1,035,532	20,469
-	-	-	-	-	-	347,879	252,083	95,796
-	-	-	6,943,379	6,913,741	29,638	15,951,291	15,213,717	737,574
-	-	-	-	-	-	3,701,003	3,429,059	271,944
-	-	-	456,617	456,617	-	1,703,104	1,683,075	20,029
-	-	-	-	-	-	1,016,611	847,729	168,882
-	-	-	2,172,761	2,172,761	-	4,112,151	4,008,799	103,352
-	-	-	1,710,336	1,621,831	88,505	2,181,806	2,080,942	100,864
23,710,000	23,710,000	-	-	-	-	23,746,862	23,746,862	-
1,321,728	1,177,971	143,757	-	-	-	1,333,509	1,189,752	143,757
<u>25,069,728</u>	<u>24,923,683</u>	<u>146,045</u>	<u>11,379,052</u>	<u>11,260,909</u>	<u>118,143</u>	<u>105,459,834</u>	<u>102,642,202</u>	<u>2,817,632</u>
<u>(21,902,328)</u>	<u>(21,783,949)</u>	<u>118,379</u>	<u>(10,849,010)</u>	<u>(11,007,248)</u>	<u>(158,238)</u>	<u>(40,318,798)</u>	<u>(37,808,555)</u>	<u>2,510,243</u>
-	-	-	-	-	-	68,000	135,343	67,343
-	-	-	-	-	-	(135,343)	(135,343)	-
-	-	-	-	-	-	32,197	37,678	5,481
-	-	-	-	-	-	(271,986)	(128,796)	143,190
-	-	-	22,750,000	12,750,000	(10,000,000)	22,750,000	12,750,000	(10,000,000)
-	21,874,977	21,874,977	-	-	-	-	21,874,977	21,874,977
-	13,365	13,365	-	-	-	-	13,365	13,365
-	-	-	-	-	-	58,435	69,890	11,455
-	-	-	-	-	-	(7,333)	(5,333)	2,000
-	-	-	-	-	-	18,000	155,747	137,747
<u>-</u>	<u>21,888,342</u>	<u>21,888,342</u>	<u>22,750,000</u>	<u>12,750,000</u>	<u>(10,000,000)</u>	<u>22,511,970</u>	<u>34,767,528</u>	<u>12,255,558</u>
(21,902,328)	104,393	22,006,721	11,900,990	1,742,752	(10,158,238)	(17,806,828)	(3,041,027)	14,765,801
11,320,811	11,320,811	-	4,393,030	4,393,030	-	22,686,921	22,686,921	-
-	-	-	2,733,327	2,733,327	-	4,643,986	4,643,986	-
<u>\$(10,581,517)</u>	<u>\$ 11,425,204</u>	<u>\$ 22,006,721</u>	<u>\$ 19,027,347</u>	<u>\$ 8,869,109</u>	<u>\$ (10,158,238)</u>	<u>\$ 9,524,079</u>	<u>\$ 24,289,880</u>	<u>\$ 14,765,801</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN RETAINED EARNINGS/FUND BALANCE
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	Total (Memorandum Only)
	<u>Enterprise</u>	<u>Internal Service</u>	<u>Nonexpendable Trust</u>	
Operating revenues:				
Tuition and fees	\$ 106,209	\$ -	\$ -	\$ 106,209
Sales/charges for services	1,494,015	5,643,194	-	7,137,209
Investment earnings	-	-	199	199
Other	<u>766</u>	<u>6,922</u>	<u>-</u>	<u>7,688</u>
Total operating revenues	<u>1,600,990</u>	<u>5,650,116</u>	<u>199</u>	<u>7,251,305</u>
Operating expenses:				
Personal services	859,805	-	-	859,805
Contract services	858,487	584,141	-	1,442,628
Materials and supplies	212,557	121	-	212,678
Depreciation	20,078	-	-	20,078
Claims expense	-	4,636,040	-	4,636,040
Other	<u>13,580</u>	<u>7,812</u>	<u>600</u>	<u>21,992</u>
Total operating expenses	<u>1,964,507</u>	<u>5,228,114</u>	<u>600</u>	<u>7,193,221</u>
Operating income (loss)	<u>(363,517)</u>	<u>422,002</u>	<u>(401)</u>	<u>58,084</u>
Nonoperating revenues:				
Operating grants	215,296	-	-	215,296
Federal commodities	<u>55,056</u>	<u>-</u>	<u>-</u>	<u>55,056</u>
Total nonoperating revenues	<u>270,352</u>	<u>-</u>	<u>-</u>	<u>270,352</u>
Net income (loss) before operating transfers	(93,165)	422,002	(401)	328,436
Operating transfers in	108,406	3,013	-	111,419
Operating transfers out	<u>(30,559)</u>	<u>-</u>	<u>-</u>	<u>(30,559)</u>
Net income (loss)	(15,318)	425,015	(401)	409,296
Retained earnings (accumulated deficit)/ fund balance, July 1	<u>(618,661)</u>	<u>873,242</u>	<u>8,025</u>	<u>262,606</u>
Retained earnings (accumulated deficit)/ fund balance, June 30	<u>\$ (633,979)</u>	<u>\$ 1,298,257</u>	<u>\$ 7,624</u>	<u>\$ 671,902</u>

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

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Proprietary Fund Types		Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
Cash flows from operating activities:				
Cash received from tuition and fees	\$ 106,209	\$ -	\$ -	\$ 106,209
Cash received from sales/service charges	1,492,911	5,618,762	-	7,111,673
Cash received from other operations	-	6,922	-	6,922
Cash payments for personal services	(838,170)	-	-	(838,170)
Cash payments for contract services	(858,487)	(637,979)	-	(1,496,466)
Cash payments for materials and supplies	(155,080)	-	-	(155,080)
Cash payments for claims expenses	-	(4,652,875)	-	(4,652,875)
Cash payments for other expenses	(13,580)	(7,812)	(600)	(21,992)
Net cash provided by (used in) operating activities	<u>(266,197)</u>	<u>327,018</u>	<u>(600)</u>	<u>60,221</u>
Cash flows from noncapital financing activities:				
Cash received from operating grants	185,625	-	-	185,625
Transfers in from other funds	93,326	-	-	93,326
Transfers out to other funds	(9,149)	-	-	(9,149)
Net cash provided by (used in) noncapital financing activities	<u>269,802</u>	<u>-</u>	<u>-</u>	<u>269,802</u>
Cash flows from investing activities:				
Interest received	-	-	199	199
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>199</u>	<u>199</u>
Net decrease in cash and cash equivalents	3,605	327,018	(401)	330,222
Cash and cash equivalents at beginning of year	63,366	1,514,941	8,025	1,586,332
Cash and cash equivalents at end of year	<u>\$ 66,971</u>	<u>\$ 1,841,959</u>	<u>\$ 7,624</u>	<u>\$ 1,916,554</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (363,517)	\$ 422,002	\$ (401)	\$ 58,084
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	20,078	-	-	20,078
Federal donated commodities	55,056	-	-	55,056
Interest reported as operating income	-	-	(199)	(199)
Changes in assets and liabilities:				
Increase in materials and supplies inventory	(7,867)	-	-	(7,867)
Increase in accounts receivable	(1,870)	(24,432)	-	(26,302)
Increase (decrease) in accounts payable	1,016	(53,717)	-	(52,701)
Increase in accrued wages and benefits	10,627	-	-	10,627
Decrease in compensated absences payable	(4,268)	-	-	(4,268)
Increase in due to other governments	861	-	-	861
Increase in pension obligation payable	14,415	-	-	14,415
Decrease in claims payable	-	(16,835)	-	(16,835)
Increase in deferred revenue	9,272	-	-	9,272
Net cash provided by (used in) operating activities	<u>\$ (266,197)</u>	<u>\$ 327,018</u>	<u>\$ (600)</u>	<u>\$ 60,221</u>
Noncash investing, capital and financing activities:				
Federal donated commodities	<u>\$ 55,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,056</u>

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

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Sylvania City School District (the "District") is located in the greater metropolitan Toledo area of Lucas County in northwestern Ohio. The District encompasses all of the city of Sylvania, and portions of Sylvania township.

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 28th largest by enrollment among the 705 public and community school districts in the state, and the 2nd largest in Lucas County. It currently operates 7 elementary schools, 3 middle schools, and 2 comprehensive high schools. The District employs 271 non-certified and 591 certified full-time and part-time employees to provide services to approximately 7,569 students in grades K through 12 and various community groups.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

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

A. Reporting Entity

The District's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity". A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes for the organization. The financial statements of the reporting entity include only those of the District (the primary government). The District has no component units. The following organizations described due to their relationship to the District.

JOINTLY GOVERNED ORGANIZATIONS

Northwest Ohio Computer Association (NWOCA)

The District is a participant with 28 other school districts in a jointly governed organization to operate NWOCA. NWOCA was formed for the purpose of providing computer services. NWOCA is governed by a board of directors consisting of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the board. The District does not have an ongoing financial interest or responsibility in NWOCA.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

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

Sylvania Area Joint Recreation District (SAJRD)

The District, in conjunction with the City of Sylvania and the Sylvania Township, formed the Sylvania Area Joint Recreation District under the authority of Ohio Revised Code Section 755.14(C). The SAJRD Board of Trustees is composed of twelve members, four of whom are appointed by each of the separate governmental entities identified above. Funding for the SAJRD is provided by a voter-approved tax levy on all real property located within the Sylvania School District. Taxes are collected by the County Auditor and remitted to the SAJRD Board of Trustees.

B. Fund Accounting

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

GOVERNMENTAL FUNDS

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

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

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

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

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

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

PROPRIETARY FUNDS

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

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

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

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

FIDUCIARY FUNDS

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

ACCOUNT GROUPS

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

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

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

C. Measurement Focus/Basis of Accounting

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

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

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

The modified accrual basis of accounting is followed for governmental, expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period, which for the District is sixty days after the June 30 year-end. Revenues accrued at the end of the year include interest, tuition, grants and entitlements (to the extent such grants and entitlements relate to the current fiscal year), and accounts (student fees and rent). Current property taxes measurable as of June 30, 2002, and which are intended to finance fiscal 2003 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year-end. 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.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the modified accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied and the resources are available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been met and the resources are available. 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.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

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

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

Expenditures (decreases in net financial resources) are recognized in the period in which the fund liability is incurred with the following exceptions: general long-term obligation principal and interest are reported only when due; and the costs of accumulated unpaid vacation and sick leave are reported as expenditures in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

The proprietary funds and the nonexpendable trust fund are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The fair value of donated commodities used during the year is reported on the operating statement as an expense, with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenues.

On the accrual basis of accounting, revenue from nonexchange transactions, such as grants, entitlements and donations, is recognized in the fiscal year in which all eligibility requirements have been met. The proprietary funds receive no revenue from property taxes.

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

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

D. Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. 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 Lucas County Budget Commission for tax rate determination.
3. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final Amended Certificate issued for fiscal year 2002.

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

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

4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.) Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures may not exceed the appropriation totals.
5. All funds, other than agency funds, are legally required to be budgeted and appropriated. Short-term interest loans are not required to be budgeted since they represent a temporary cash flow resource, and are intended to be repaid.
6. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions must be approved by the Board of Education.
7. 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.
8. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal 2002.
9. 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.

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

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

Encumbrance accounting is utilized with District funds in the normal course of operations, for purchase orders and contract-related expenditures. An encumbrance is a reserve on the available spending authority due to commitment for a future expenditure and does not represent a liability. For governmental fund types, encumbrances outstanding at year-end (not recognized as accounts payable) appear as a reserve to the fund balance on a GAAP basis and as the equivalent of expenditures on a non-GAAP budgetary basis in order to demonstrate legal compliance. Note 16 provides a reconciliation of the budgetary and GAAP basis of accounting. Encumbrances for enterprise funds are disclosed in Note 13.

E. Cash and Investments

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

During fiscal 2002, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), repurchase agreements, certificates of deposit and federal agency securities.

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

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 except for those required to be assigned to another fund. Interest revenue credited to the general fund during fiscal 2002 amounted to \$712,292, which includes \$504,076 assigned from other District funds.

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

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

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

F. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets represent amounts set aside to create a reserve for budget stabilization amounts restricted for textbooks and amounts restricted for school bus purchases. Fund balance reserves have also been established. See Note 19.

G. Prepaids

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

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

H. Fixed Assets and Depreciation

1. General Fixed Assets Account Group

General fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the general fixed assets account group. Donated fixed assets are recorded at their fair market values as of the date donated. The District has a policy of not capitalizing assets with a cost of less than \$500 and a useful life of less than 5 years with one exception: the cost of computer equipment has been included as fixed assets for reporting purposes. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. No depreciation is recognized for assets in the general fixed assets account group. The District has not included infrastructure in the general fixed assets account group. Interest on debt issued to construct general fixed assets is not capitalized in the account group.

2. Proprietary Funds

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

<u>Asset</u>	<u>Life (years)</u>
Furniture, fixtures and minor equipment	7 - 20

I. Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is closed to contributed capital at year-end. In accordance with GASB Statement No. 33, capital contributions are recorded as revenue and a component of retained earnings at year-end. There were no capital contributions received by the enterprise fund in 2002. The balance of contributed capital in the enterprise fund at June 30, 2002 was \$748,892.

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

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 sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for severance on employees expected to become eligible to retire in the future, all employees age 50 or greater with at least 10 years of service; or 20 years' service at any age were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

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

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

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

K. Long-Term Obligations

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

Bonds, capital leases, and long-term loans are reported as a liability of the general long-term obligations account group until due.

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

L. Fund Equity

Contributed capital is recorded in proprietary funds that received capital grants or contributions from other funds. Reserved fund balances indicate that portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, textbooks, budget stabilization, school bus purchases, prepayments, debt service, and property tax revenue unavailable for appropriation.

In addition, although the nonexpendable trust fund uses the total economic resources measurement focus, the fund equity is reserved for the amount of the principal endowment, and for available cash from which student scholarship awards will be made. The reserve for property taxes represents taxes recognized as revenue under GAAP, but not available for appropriations under state statute. The unreserved portions of fund equity reflected for the governmental funds are available for use within the specific purposes of those funds.

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LUCAS COUNTY, OHIO**

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

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

M. Interfund Transactions

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

1. Transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the receiving fund and are recorded as operating transfers, with the exception of agency funds, which do not report transfers of resources as operating transfers.
2. Reimbursements from one fund to another are treated as expenditures/expenses in the reimbursing fund and a reduction in expenditures/expenses in the reimbursed fund.
3. Short-term interfund loans made pursuant to Board of Education Resolution are reflected as “interfund loans receivable or payable”. Such interfund loans are repaid in the following fiscal year.
4. Quasi-external transactions are similar to the purchase of goods or services from a vendor; i.e., the fund which provides a service records revenue, and the fund, which receives that service records an expenditure/expense.
5. Residual equity transfers are non-recurring or non-routine permanent transfers of equity, generally made when a fund is closed.

Long-term interfund loans that will not be repaid within the next year are termed “advances” and are shown as reservations of fund balances on the combined balance sheet for those funds that report advances to other funds as assets because they are not spendable, available resources.

An analysis of the District’s interfund transactions for fiscal year 2002 is presented in Note 5.

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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

N. Parochial Schools

Within the District boundaries, St. Joseph and St. Francis schools are operated through the Toledo Catholic Diocese; Cathedral Christian and Hebrew Academy are operated as private schools. All of these schools provide instruction for grades K-8. Current state legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The receipt and expenditure of these state monies by the District are reflected in a special revenue fund for financial reporting purposes.

O. Inventory

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

P. Estimates

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

Q. Memorandum Only - Total Columns

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

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Deficit Fund Balances/Retained Earnings

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

	<u>Deficit Balance</u>
General Fund	\$143,066
<u>Enterprise Fund</u>	
Food Service	690,005

These deficits, caused by the application of generally accepted accounting principles, will be funded by anticipated future intergovernmental revenues or other subsidies not recognized and recorded at June 30. The General fund provides transfers for deficit balances; however, transfers are made when cash is needed rather than when accruals occur.

NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS

State statutes classify monies held by the District into three categories.

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

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

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

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, 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 and 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) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days from the date of purchase in an amount not to exceed 25% of the interim monies available for investment at any one time; and,

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

8. Under limited circumstances, corporate debt instruments rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

Deposits: At year-end, the carrying amount of the District's deposits was \$5,774,530 and the bank balance was \$8,483,994. Of the bank balance:

1. \$200,000 was covered by federal deposit insurance; and
2. \$8,283,994 was uninsured and uncollateralized as defined by GASB although it was secured by collateral held by third party trustees, pursuant to Section 135.81, Ohio Revised Code, in collateralized pools securing all public funds on deposit with specific depository institutions or separately held by the depository institution; these securities not being in the name of the District. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

Investments: The District's investments are required to be categorized to give an indication of the level of risk assumed by the District at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District's name. STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	Category of Risk		Fair Value
	2	3	
Repurchase agreements	\$ -	\$2,333,410	\$ 2,333,410
Federal agency securities	3,026,255	-	3,026,255
Not subject to categorization:			
Investment in state			
treasurer's investment pool	-	-	22,715,700
Total investments	<u>\$3,026,255</u>	<u>\$2,333,410</u>	<u>\$28,075,365</u>

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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

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

A reconciliation between the classifications of cash, cash equivalents, and investments on the combined balance sheet per GASB Statement No. 9, and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	<u>Equity in Pooled Cash/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$ 33,849,895	\$ -
Investments of the cash management pool:		
Federal agency securities	(3,026,255)	3,026,255
Repurchase agreements	(2,333,410)	2,333,410
State treasurer's investment pool	<u>(22,715,700)</u>	<u>22,715,700</u>
GASB Statement No. 3	<u>\$ 5,774,530</u>	<u>\$28,075,365</u>

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund balances at June 30, 2002, consist of the following individual interfund loans receivable and payable:

	<u>Interfund Loans Receivable</u>	<u>Interfund Loans Payable</u>
General Fund	\$47,608	\$ -
<u>Special Revenue Funds</u>		
Adult Basic Education	-	20,648
Vocational Education	<u>-</u>	<u>26,960</u>
Total	<u>\$47,608</u>	<u>\$47,608</u>

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

B. The following is a reconciliation of the District's operating transfers for fiscal year 2002:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$173,305
<u>Special Revenue Funds</u>		
Public School Support	104	628
District Managed Activity	30,819	-
Career Development	5,628	-
Title VI-B	-	5,150
Vocational Education	-	1,455
Title I	4,584	-
Title VI	<u>-</u>	<u>2,500</u>
Total Special Revenue Funds	<u>41,135</u>	<u>9,733</u>
Debt Service Fund	48,643	216,200
<u>Capital Projects Funds</u>		
Permanent Improvement	3,900	-
Building	216,200	-
Power-Up Technologies	<u>8,500</u>	<u>-</u>
Total Capital Projects Funds	<u>228,600</u>	<u>-</u>
<u>Enterprise Funds</u>		
Food Service	83,781	21,410
Uniform School Supplies	15,711	-
Rotary	3,914	9,149
Natatorium	<u>5,000</u>	<u>-</u>
Total Enterprise Funds	<u>108,406</u>	<u>30,559</u>
<u>Internal Service Fund</u>		
Internal Service Rotary	<u>3,013</u>	<u>-</u>
Total	<u>\$429,797</u>	<u>\$429,797</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

NOTES TO GENERAL PURPOSE 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 and personal property is assessed at varying rates 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 first \$10,000 of assessed value is exempt from taxation. The District receives a state subsidy in lieu of tax revenue which would otherwise have been collected.

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

	2001 Second-Half Collections		2002 First-Half Collections	
	Amount	Percent	Amount	Percent
Real Property	\$1,140,109,230	91.92	\$1,165,494,720	91.95
Tangible Personal Property	66,451,695	5.36	79,150,281	6.24
Public Utility Personal	33,826,890	2.72	22,909,220	1.81
	<u>\$1,240,387,815</u>	<u>100.00</u>	<u>\$1,267,554,221</u>	<u>100.00</u>

Full tax rate per \$1,000 of
assessed valuation:

Operations	\$62.70	\$62.70
Debt Service	2.50	2.50

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 6 - PROPERTY TAXES - (Continued)

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

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property, and public utility taxes which became measurable as of June 30, 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.

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. Available tax advances at June 30, 2002 totaled \$1,053,734 in the general fund and \$85,438 in the debt service fund.

NOTE 7 - RECEIVABLES

Receivables at June 30, 2002 consisted of taxes, interfund loans, accrued interest accounts (rent and student fees), and intergovernmental grants and entitlements (to the extent eligibility requirements have been met by fiscal year-end). Intergovernmental receivables have been reported as "Due From Other Governments" on the combined balance sheet. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes and the stable condition of state programs, and the current year guarantee of federal funds. A summary of the principal items of receivables follows:

	<u>Amounts</u>
<u>General Fund</u>	
Taxes - current	\$37,682,511
Taxes - delinquent	2,228,181
Accrued interest	13,062
Accounts	51,336
Interfund loans	47,608

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 7 - RECEIVABLES - (Continued)

	<u>Amounts</u>
<u>Debt Service Funds</u>	
Taxes - current	\$2,954,242
Taxes - delinquent	149,748
 <u>Special Revenue Funds</u>	
Accounts	142
Drug-Free Schools	
Due from other governments	12,404
SchoolNet Professional Development	
Due from other governments	3,450
Eisenhower	
Due from other governments	16,497
Title VI-B	
Due from other governments	44,793
Vocational Education	
Due from other governments	41,844
Miscellaneous Federal Grants	
Due from other governments	45,088
Adult Basic Education	
Due from other governments	31,135
Title I	
Due from other governments	31,841
Title VI	
Due from other governments	39,746
 <u>Enterprise Funds</u>	
Food Service	
Accounts	1,870
Due from other governments	29,671
 <u>Internal Service Funds</u>	
Accounts	24,432

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 8 - FIXED ASSETS

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

	Balance <u>July 1, 2001</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2002</u>
Land/improvements	\$ 5,375,299	\$ -	\$ -	\$ 5,375,299
Buildings	42,912,436	348,979	-	43,261,415
Furniture/equipment	11,394,458	1,311,611	(176,398)	12,529,671
Vehicles	4,214,478	302,764	(68,336)	4,448,906
Construction in progress	<u>682,422</u>	<u>5,629,121</u>	<u>-</u>	<u>6,311,543</u>
Total	<u>\$64,579,093</u>	<u>\$7,592,475</u>	<u>\$(244,734)</u>	<u>\$71,926,834</u>

A summary of the proprietary funds' fixed assets at June 30, 2002 follows:

	<u>Proprietary</u>
Furniture and equipment	\$ 748,892
Less: accumulated depreciation	<u>(627,401)</u>
Net fixed assets	<u>\$ 121,491</u>

NOTE 9 - CAPITALIZED LEASE - LESSEE DISCLOSURE

In a prior fiscal year, the District entered into a capitalized lease for the acquisition of a telephone system. During fiscal 2002, the District entered into a capitalized lease for copiers. These leases meet the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term.

Capital lease payments have been reclassified and are reflected as debt service expenditures in the Combined Financial Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Fund. These expenditures are reflected as program/function expenditures on a budgetary basis. General fixed assets acquired by lease have been capitalized in the general fixed asset account group in the amount of \$859,793, which is equal to the present value of the future minimum lease payments as of the date of their inception. A corresponding liability was recorded in the general long-term obligations account group. Principal payments in the 2002 fiscal year totaled \$203,893. This amount is reflected as debt service principal retirement in the general fund.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 9 - CAPITALIZED LEASE - LESSEE DISCLOSURE - (Continued)

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of June 30, 2002.

General Long-Term Obligations

Year Ending June 30	Equipment
2003	\$277,048
2004	103,634
2005	87,828
2006	87,828
2007	36,595
Total future minimum lease payments	592,933
Less: amount representing interest	(88,039)
Present value of future minimum lease payments	\$504,894

NOTE 10 - LONG-TERM OBLIGATIONS

A. General obligation bonds are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations of the District are accounted for in the general long-term obligations account group. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund. The source of payment is derived from a current 2.50 mill bonded debt tax levy.

B. Series 2001 Refunding General Obligation Bonds

On September 1, 2001, the District issued general obligation bonds (Series 2001 School Improvement Refunding Bonds) to refund the Series 1995 School Improvement General Obligation Bonds (principal \$13,875,000; interest rate 5.85%, stated maturity December 1, 2022).

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The refunding issue is comprised of both current interest bonds, par value \$13,555,000, and capital appreciation bonds par value \$2,955,000. The interest rates on the current interest bonds range from 2.60% - 5.00%. The capital appreciation bonds mature on December 1, 2012, December 1, 2013, and December 1, 2014, at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The effective interest rate on the capital appreciation bonds is 19.117%. The present value (as of issue date) reported in the general long-term obligations account group at June 30, 2002 was \$319,978. Total accreted interest of \$46,026 has been included in the general long-term obligations account group at June 30, 2002. The current interest bonds maturing on or after December 1, 2011 are subject to early redemption at the sole option of the District, at the following redemption prices, plus accrued interest:

<u>Redemption Dates</u>	<u>Redemption Price</u>
December 1, 2011 through November 30, 2012	101% of par
December 1, 2012 and thereafter	100% of par

C. Series 2001 School Improvement General Obligation Bonds

During fiscal 2001, the voters of the District authorized the issuance of \$20,750,000 in general obligation bonds, for the purpose of renovating and otherwise improving school facilities. These bonds will be retired from proceeds of an additional 1.34 (average) mill bonded debt tax levy.

The Series 2001 general obligation bond issue is comprised of both current interest bonds, par value \$7,890,000, and capital appreciation bonds, par value \$425,000. The capital appreciation bonds mature on December 1, 2012 (effective interest 12.0366%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The present value (as of issue date) reported in the general long-term obligations account group at June 30, 2002 was \$109,999. Total accreted interest of \$14,565 has been included in the general long-term obligations account group at June 30, 2002. The current interest bonds maturing on or after December 1, 2011 are subject to early redemption at the sole option of the District, at the following redemption prices, plus accrued interest:

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

<u>Redemption Dates</u>	<u>Redemption Price</u>
December 1, 2011 through November 30, 2012	101% of par
December 1, 2012 and thereafter	100% of par

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2020.

D. Series 1998 Refunding General Obligation Bonds

On February 10, 1998, the District issued general obligation bonds (Series 1998 School Improvement Refunding Bonds) to advance refund the callable portion of the Series 1992 School Improvement General Obligation Bonds (principal \$1,760,000; interest rate 6.60%; stated maturity June 1, 2016). The \$1,922,835 issuance proceeds were used to purchase securities which were placed in an irrevocable trust, which will provide resources for all future debt service payments on the refunded debt, which was called for redemption on June 1, 2002, at a cost of 102% of par value, plus accrued interest.

The refunding issue is comprised of both current interest bonds, par value \$1,670,000, and capital appreciation bonds, par value \$690,000. The average interest rate on the current interest bonds is 4.95%. The capital appreciation bonds mature on June 1, 2012 (effective interest 14.765%) and June 1, 2013 (effective interest 14.818%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The present value (as of issue date) reported in the general long-term obligations account group at June 30, 2002 was \$89,772. Total accreted interest of \$72,727 has been included in the general long-term obligations account group at June 30, 2002. The current interest bonds maturing on or after June 1, 2008 are subject to early redemption at the sole option of the District, at the following redemption prices, plus accrued interest:

<u>Redemption Dates</u>	<u>Redemption Price</u>
June 1, 2008 through May 31, 2009	101% of par
June 1, 2009 and thereafter	100% of par

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is June 1, 2016.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

E. Series 1992 School Improvement General Obligation Bonds

Excluding amounts defeased during 1998, \$8,283,718 remained a general obligation of the District. This amount is comprised of capital appreciation bonds, par value \$11,040,000. The average interest rate on these bonds is 6.225%. The capital appreciation bonds have annual mandatory sinking fund redemption requirements and mature annually beginning June 1, 2003 through June 1, 2011 (average effective interest 6.862%) at a redemption price equal to 100% of the principal, plus accrued interest to date. The present value (as of issue date) reported in the general long-term obligations account group at June 30, 2002 was \$3,084,907. Total accreted interest of \$2,989,169 has been included in the general long-term obligations account group at June 30, 2002. The current interest bonds matured on June 1, 2002. The final principal payment made during fiscal 2002 to retire the current interest bonds was \$1,000,000.

F. During fiscal 2002, the District issued \$8,000,000 in general obligation bonds and \$12,750,000 in bond anticipation notes (see Note 11) to provide financing for renovations and otherwise improving school facilities. Bonds are anticipated to be issued in fiscal 2003 which will be used to repay these notes.

G. In 1986, the District received a loan from the U.S. Environmental Protection Agency for an asbestos abatement project. The loan is interest free provided the District remains current on repayment. This loan is a general obligation of the District for which the full faith and credit of the District is pledged for repayment. The outstanding balance of the loan is reported in the general long-term obligations account group. Payments are recorded as expenditures of the debt service fund; operating transfers from other funds provide the revenue source for repayment.

H. During the year ended June 30, 2002, the following changes occurred in liabilities reported in the general long-term obligations account group. Compensated absences, the pension benefit obligation, and the workers' compensation retrospective claims adjustment will ultimately be paid from the fund from which the employee is paid.

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

	<u>Balance</u> <u>July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2002</u>
<u>General Obligation Bonds:</u>				
Series 1986, Improvement 7.25%, 12/01/07 maturity	\$ 175,000	\$ -	\$ (25,000)	\$ 150,000
Series 1992, Improvement Current Interest Bonds 6.225%, 06/01/02 maturity	1,000,000	-	(1,000,000)	-
Series 1992, Improvement Capital Appreciation Bonds 6.862% (average effective) 06/01/03 to 06/01/11 maturity	3,084,907	-	-	3,084,907
Series 1992, Improvement Capital Appreciation Bonds Accreted interest	2,630,987	358,182		2,989,169
Series 1995, Improvement 5.85%, 12/01/22 maturity	13,995,000	-	(13,995,000)	-
Series 1998, Refunding Current Interest Bonds 4.95%, 06/01/16 maturity	1,535,000	-	(40,000)	1,495,000
Series 1998, Refunding Capital Appreciation Bonds 14.7915% (average effective) 06/01/12 and 06/01/13 maturity	89,772	-	-	89,772
Series 1998, Refunding Capital Appreciation Bonds Accreted interest	52,554	20,173	-	72,727
Series 2001, Improvement 5.30%, 12/01/20 maturity	7,890,000	-	(425,000)	7,465,000

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

	<u>Balance</u> <u>July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2002</u>
<u>General Obligation Bonds (continued):</u>				
Series 2001, Improvement Capital Appreciation Bonds 12.0366% (average effective) 12/01/12 maturity	\$ 109,999	\$ -	\$ -	\$ 109,999
Series 2001, Improvement Capital Appreciation Bonds Accreted interest	1,071	13,494	-	14,565
Series 2001, Refunding Current Interest Bonds 12/01/22 maturity	-	13,555,000	(250,000)	13,305,000
Series 2001, Refunding Capital Appreciation Bonds 19.117% (average effective) 12/01/12 to 12/01/14 maturity	-	319,978	-	319,978
Series 2001, Refunding Capital Appreciation Bonds Accreted interest	-	46,026	-	46,026
Series 2002, Improvement Current Interest Bonds 2.25% - 5.375% 12/01/21 maturity	-	<u>8,000,000</u>	-	<u>8,000,000</u>
Total, general obligation bonds	<u>30,564,290</u>	<u>22,312,853</u>	<u>(15,735,000)</u>	<u>37,142,143</u>
<u>General Obligation Notes:</u>				
Asbestos Abatement, 1986 0%, 12/31/04 maturity	<u>41,516</u>	-	<u>(11,862)</u>	<u>29,654</u>
Total, general obligation notes	<u>41,516</u>	-	<u>(11,862)</u>	<u>29,654</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

	Balance <u>July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2002</u>
<u>Other Obligations:</u>				
Capital Lease	\$ 372,166	\$ 336,621	\$ (203,893)	\$ 504,894
Compensated Absences	7,842,506	-	(194,901)	7,647,605
Pension Benefit Obligation	458,207	527,649	(458,207)	527,649
Workers' Compensation Retrospective claims adjustment	<u>134,000</u>	<u>-</u>	<u>-</u>	<u>134,000</u>
Total, other obligations	<u>8,806,879</u>	<u>864,270</u>	<u>(857,001)</u>	<u>8,814,148</u>
Total, all general long-term liabilities	<u>\$39,412,685</u>	<u>\$23,177,123</u>	<u>\$(16,603,863)</u>	<u>\$45,985,945</u>

I. Principal and interest requirements to retire general obligation bonds, refunding bonds, and general obligation notes outstanding at June 30, 2002, are as follows:

Fiscal Year Ending June 30	Current Interest General Obligation Bonds			Current Interest Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2003	\$ 305,000	\$ 763,655	\$ 1,068,655	\$ 395,000	\$ 637,980	\$ 1,032,980
2004	600,000	716,332	1,316,332	465,000	625,419	1,090,419
2005	620,000	695,104	1,315,104	485,000	610,574	1,095,574
2006	635,000	672,797	1,307,797	515,000	594,042	1,109,042
2007	660,000	648,924	1,308,924	535,000	575,940	1,110,940
2008 - 2012	2,675,000	2,930,192	5,605,192	3,400,000	2,520,694	5,920,694
2013 - 2017	4,240,000	2,155,534	6,395,534	3,065,000	1,947,405	5,012,405
2018 - 2022	5,880,000	729,669	6,609,669	5,560,000	776,251	6,336,251
2023 - 2024	-	-	-	380,000	9,500	389,500
Total	<u>\$15,615,000</u>	<u>\$9,312,207</u>	<u>\$24,927,207</u>	<u>\$14,800,000</u>	<u>\$8,297,805</u>	<u>\$23,097,805</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Fiscal Year Ending June 30	Capital Appreciation General Obligation Bonds			Capital Appreciation Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2003	\$ 1,625,000	\$ -	\$ 1,625,000	\$ -	\$ -	\$ -
2004	1,525,000	-	1,525,000	-	-	-
2005	1,425,000	-	1,425,000	-	-	-
2006	1,325,000	-	1,325,000	-	-	-
2007	1,225,000	-	1,225,000	-	-	-
2008 - 2012	3,915,000	-	3,915,000	345,000	-	345,000
2013	<u>425,000</u>	<u>-</u>	<u>425,000</u>	<u>3,300,000</u>	<u>-</u>	<u>3,300,000</u>
Total	<u>\$11,465,000</u>	<u>\$ -</u>	<u>\$11,465,000</u>	<u>\$3,645,000</u>	<u>\$ -</u>	<u>\$3,645,000</u>

Fiscal Year Ending June 30	Asbestos Abatement General Obligation Notes		
	Principal	Interest	Total
2003	\$11,862	\$ -	\$11,862
2004	11,862	-	11,862
2005	<u>5,930</u>	<u>-</u>	<u>5,930</u>
Total	<u>\$29,654</u>	<u>\$ -</u>	<u>\$29,654</u>

J. 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 \$80,474,601 (including available funds of \$3,536,864) and an unvoted debt margin of \$1,267,554.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 11 - NOTES PAYABLE

During fiscal 2001, the District issued a \$8,000,000 bond anticipation note as a result of the bond issue approved by the voters in the November, 2000 general election (See Note 10). This note was repaid in fiscal 2002 with proceeds from the issuance of bonds. During fiscal 2002, the District issued a \$12,750,000 bond anticipation notes to continue various school improvement projects. The liability for this note has been reported in the Building capital projects fund, the fund which received the proceeds upon issuance.

The following is a description of the District's bond anticipation notes outstanding at June 30, 2002:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	Notes <u>Outstanding 07/01/2001</u>	<u>Additions in 2002</u>	<u>Retired in 2002</u>	Notes <u>Outstanding 06/30/2002</u>
School Improvements Note	4.70%	12/28/00	7/25/01	\$8,000,000	\$ -	\$(8,000,000)	\$ -
School Improvements Note	2.07%	01/31/02	8/02/02	-	12,750,000	-	12,750,000
Total				<u>\$8,000,000</u>	<u>\$12,750,000</u>	<u>\$(8,000,000)</u>	<u>\$12,750,000</u>

NOTE 12 - RISK MANAGEMENT

A. Comprehensive

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2002, the District purchased commercial coverage for property, property and contents with a limit of \$97,135,883 and a \$1,000 deductible.

General liability is protected by the American Alliance Insurance with a \$5,000,000 annual aggregate/\$1,000,000 single occurrence limit and a \$1,000 per claim deductible.

Vehicles are covered by Nationwide Insurance Company and hold a \$500 deductible for comprehensive coverage. Vehicles have been re-insured under an umbrella liability policy, with a \$3,000,000 per occurrence limitation.

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 12 - RISK MANAGEMENT - (Continued)

B. Workers Compensation

In the 1998 fiscal year, the District changed the way it pays for workers' compensation insurance. In policy years (calendar years) 1992 through 1997, the District had elected to be "retrospectively-rated" by the Ohio Bureau of Workers' Compensation. This allowed the District to pay between 33%-46% of the premium which would otherwise have been paid in those years. At the end of each policy year, the Bureau then billed the District for actual claims paid. At the end of a ten-year period, which ended December 31, 2001, the District will be assessed annually through 2007 "final reserves" for actual claims payments made from 1992 to 1997. These reserves are estimated to be 50% of the original claims payment. The District's workers' compensation consultant estimates the first "final reserve" payment due in 2003 to be \$17,842. While the District believes final payment amounts will be in excess of these estimates, a liability for claims payable has nonetheless been recorded in the general long-term obligations account group at June 30, 2002, in the amount of \$134,000.

For the 2002 policy year (calendar year) the District will be assessed the full-rate premium as a merit-rated employer, which has been established at .7190 per \$100 of payroll. A current liability for accrued benefits has been recorded at June 30, 2002 in all funds reporting paid wages for the period January 1, 2002 to June 30, 2002.

C. Employee Health and Dental

The District continues to provide employee dental benefits through a self-insurance program. The District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. This plan provides dental benefits with a \$50 family and \$25 single deductible. A third party administrator, Core Source, reviews all claims, which are then paid by the District. The District has not purchased stop-loss insurance since December 31, 1993, because sufficient reserves have existed since that time, and because the maximum benefit per year per employee (single or family) is limited to \$1,000. The District is considering subsidizing future rate increases with current excess reserves. The District pays into the self-insurance internal service fund \$54.20 per employee per month, which represents the entire premium required. The premium is paid by the fund that pays the salary for the employee and is based on historical cost information.

**SYLVANIA CITY SCHOOL DISTRICT
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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

NOTE 12 - RISK MANAGEMENT - (Continued)

The District provides employee medical/surgical benefits through a self insurance program. The District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. This plan provides employees a choice of an HMO or traditional levels of coverage. A third party administrator, Findley-Davies, Inc., located in Toledo, Ohio, reviews all claims which are then paid by the District. The District purchases stop-loss coverage of \$75,000 per employee per year, and \$2 million group aggregate for fiscal 2002. The District pays into the self-insurance internal service fund \$607 (HMO) and \$892 (traditional) for family coverage or \$230 (HMO) and \$338 (traditional) for individual coverage per month for full-time employees. The premium is paid by the fund that pays the salary for the employee and is based on historical cost information. Employees eligible for coverage who work less than full-time pay a portion of their monthly premium.

The claims liability is \$568,013 reported in the internal service fund at June 30, 2002, is based on an estimate provided by the third party administrators and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Changes in claims activity for the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2002	\$584,848	\$4,546,040	\$(4,562,875)	\$568,013
2001	40,577	3,106,603	(2,562,332)	584,848

Post employment health care is provided to plan participants or their beneficiaries through the respective retirement systems discussed in Note 15. As such, no funding provisions are required by the District.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 13 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The District maintains four enterprise funds to account for the operations of food service, special services rotary, uniform school supplies, and the high school natatorium. The table below reflects, in a summarized format, the more significant financial data relating to the enterprise funds of the District as of and for the fiscal year ended June 30, 2002.

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Special Services Rotary</u>	<u>Natatorium</u>	<u>Total</u>
Operating revenue	\$1,414,415	\$106,209	\$50,167	\$30,199	\$1,600,990
Operating expense before depreciation	1,760,281	113,890	43,239	27,019	1,944,429
Depreciation expense	20,078	-	-	-	20,078
Non-operating revenues:					
Donated federal commodities	55,056	-	-	-	55,056
Operating grants	215,296	-	-	-	215,296
Operating transfers:					
In	83,781	15,711	3,914	5,000	108,406
(Out)	(21,410)	-	(9,149)	-	(30,559)
Net income/(loss)	(33,221)	8,030	1,693	8,180	(15,318)
Net working capital	(9,187)	8,933	43,878	3,259	46,883
Total assets	183,710	15,710	46,175	5,086	250,681
Long-term liabilities payable from fund revenues	53,417	-	-	44	53,461
Contributed capital	748,892	-	-	-	748,892
Total equity	58,887	8,933	43,878	3,215	114,913
Encumbrances outstanding as of 6/30/02	53,355	17,532	5,697	-	76,584

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 14 - 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 at an actuarially determined rate, which was 14% for 2002; 5.46% was the portion to fund pension obligations. The contribution rates of plan members and employers are established and may be amended by the School Employees Retirement Board, up to maximum amounts allowed by state statute. The adequacy of the contribution rates is determined annually. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$1,167,838, \$1,161,575, and \$1,038,366, respectively; 39.37% has been contributed for fiscal year 2002 and 100% for the fiscal years 2001 and 2000. \$708,081, which represents the unpaid contribution for fiscal year 2002, is recorded as a liability within the respective funds and the general long-term obligations account group.

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan members are required to contribute 9.3% of their annual covered salary and the District is required to contribute 14% for 2002; 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 for pension obligations to STRS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$4,495,205, \$3,951,842, and \$3,238,012, respectively; 83.69% has been contributed for fiscal year 2002 and 100% for the fiscal years 2001 and 2000. \$733,027, which represents the unpaid contribution for fiscal year 2002, is recorded as a liability within the respective funds.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by SERS or STRS have an option to choose Social Security or SERS/STRS. As of June 30, 2002, certain members of the Board of Education have elected Social Security. The Board's liability is 6.2% of wages paid.

NOTE 15 - 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.

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 \$1,444,887 during fiscal 2002.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 15 - POSTEMPLOYMENT BENEFITS - (Continued)

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, 2002, were \$182.947 million and the target level was \$274.4 million. At June 30, 2002, SERS had net assets available for payment of health care benefits of \$335.2 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 \$801,554 during the 2002 fiscal year.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 16 - BUDGETARY BASIS OF ACCOUNTING

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

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

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to a reservation of fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).
- (d) Proceeds from and principal payments on bond and revenue anticipation notes are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
- (e) The District repays short-term note debt from the debt service fund (budget basis) as opposed to the fund that received the proceeds (GAAP basis). Debt service fund resources used to pay both principal and interest have been reclassified accordingly.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 16 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

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

	Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses			
	<u>Governmental Fund Types</u>			
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>
Budget basis	\$(4,933,256)	\$ 45,084	\$ 104,393	\$ 1,742,752
Net adjustment for revenue accruals	(22,922)	39,563	10,573	-
Net adjustment for expenditure accruals	(490,955)	(80,667)	8,174,571	(713,960)
Net adjustment for other financing sources/(uses)	155,253	(2,612)	(8,167,557)	(4,521,400)
Adjustment for encumbrances	<u>1,656,794</u>	<u>239,416</u>	<u>-</u>	<u>5,608,237</u>
GAAP basis	<u><u>\$(3,635,086)</u></u>	<u><u>\$240,784</u></u>	<u><u>\$ 121,980</u></u>	<u><u>\$ 2,115,629</u></u>

NOTE 17 - CONTINGENT LIABILITIES

A. Grants

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2002.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 17 - CONTINGENT LIABILITIES - (Continued)

B. Litigation

In the normal course of operations, the District may be subject to litigation and claims. While the outcome of such matters cannot presently be determined, management believes that their ultimate resolution will not have a material effect on the financial statements.

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 18 - OUTSTANDING CONTRACTUAL COMMITMENTS

At June 30, 2002, the District has construction commitments on which work has not been completed, totaling approximately \$4,000,000 which will be funded by existing resources or the issuance of new revenue debt.

NOTE 19 - 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	\$ 168,969	\$ -	\$553,688
Current year set-aside requirement	981,428	981,428	-
Qualifying disbursements	<u>(1,114,530)</u>	<u>(1,631,929)</u>	<u>(500,926)</u>
Total	<u>\$ 35,867</u>	<u>\$ (650,501)</u>	<u>\$ 52,762</u>
Cash balance carried forward to FY 2003	<u>\$ 35,867</u>	<u>\$ -</u>	<u>\$ 52,762</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

NOTE 19 - STATUTORY RESERVES - (Continued)

Monies representing BWC refunds that were received prior to April 10, 2001, have been shown as a restricted asset and reserved fund balance in the general fund since allowable expenditures are restricted by state statute. This amount is reported as budget stabilization.

The District had a qualifying textbook set-aside carryover of \$35,867, which is a carry forward to fiscal 2003.

Although the District had offsets and qualifying disbursements during the year that reduced the set-aside amount below zero for the capital acquisition reserves, this extra amount may not be used to reduce the set-aside requirement for future years.

In addition to the statutory reserves, the District has \$117,408 in monies legally restricted for school bus purchases.

A schedule of the restricted assets at June 30, 2002, follows:

Amount restricted for textbooks	\$ 35,867
Amount restrict for school bus purchases	117,408
Amount restricted for budget stabilization	<u>52,762</u>
Total restricted assets	<u>\$206,037</u>

NOTE 20 - SUBSEQUENT EVENTS

On November 5, 2002, voters approved a 4.6 mill operating levy and a .3 mill permanent improvement levy.

COMBINING, INDIVIDUAL FUND AND
ACCOUNT GROUP
STATEMENTS AND SCHEDULES

GENERAL FUND

Section 5705.09, Revised Code

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Taxes	\$ 35,738,000	\$ 35,795,692	\$ 57,692
Tuition	140,000	244,887	104,887
Earnings on investments	1,372,000	699,355	(672,645)
Other local revenue	269,200	304,982	35,782
Intergovernmental-State	20,408,829	21,198,660	789,831
Total revenues	57,928,029	58,243,576	315,547
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	20,022,436	20,006,776	15,660
Fringe benefits	5,615,960	5,599,583	16,377
Purchased services	622,629	554,322	68,307
Supplies and materials	1,505,857	1,200,715	305,142
Capital outlay	661,340	646,638	14,702
Other	14,794	13,315	1,479
Total instruction-regular	28,443,016	28,021,349	421,667
Instruction-special			
Salaries and wages	4,315,134	4,314,131	1,003
Fringe benefits	1,273,869	1,266,365	7,504
Purchased services	75,653	74,816	837
Supplies and materials	95,754	76,293	19,461
Capital outlay	9,412	9,412	-
Total instruction-special	5,769,822	5,741,017	28,805
Instruction-vocational			
Salaries and wages	1,474,180	1,464,696	9,484
Fringe benefits	389,292	381,049	8,243
Purchased services	48,000	31,360	16,640
Supplies and materials	21,937	21,937	-
Total instruction-vocational	1,933,409	1,899,042	34,367
Instruction-other			
Purchased services	69,772	67,798	1,974
Total instruction-other	69,772	67,798	1,974
Support services-pupil			
Salaries and wages	2,189,455	2,189,275	180
Fringe benefits	533,037	525,670	7,367
Purchased services	456,390	453,390	3,000
Supplies and materials	34,495	32,716	1,779
Capital outlay	1,160	745	415
Other	530,100	530,100	-
Total support services-pupil	3,744,637	3,731,896	12,741
Support services-instructional staff			
Salaries and wages	1,868,260	1,868,218	42
Fringe benefits	688,578	688,578	-
Purchased services	177,959	117,774	60,185
Supplies and materials	300,716	255,057	45,659
Capital outlay	13,333	13,272	61
Other	80,066	58,116	21,950
Total support services-instructional staff	3,128,912	3,001,015	127,897

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Support services-board of education			
Salaries and wages	8,000	8,000	-
Fringe benefits	1,336	1,165	171
Purchased services	10,646	3,628	7,018
Supplies and materials	450	46	404
Total support services-board of education.	<u>20,432</u>	<u>12,839</u>	<u>7,593</u>
Support services-administration			
Salaries and wages	3,134,000	3,133,966	34
Fringe benefits	1,150,196	1,148,520	1,676
Purchased services	588,243	525,966	62,277
Supplies and materials	99,292	75,575	23,717
Capital outlay	18,698	16,656	2,042
Other	121,012	110,315	10,697
Total support services-administration	<u>5,111,441</u>	<u>5,010,998</u>	<u>100,443</u>
Support services-fiscal			
Salaries and wages	290,900	290,837	63
Fringe benefits	121,098	121,072	26
Purchased services	72,527	61,049	11,478
Supplies and materials	8,242	7,255	987
Capital outlay	12,990	12,990	-
Other	512,244	506,617	5,627
Total support services-fiscal.	<u>1,018,001</u>	<u>999,820</u>	<u>18,181</u>
Support services-business			
Salaries and wages	109,500	83,577	25,923
Fringe benefits	32,440	29,107	3,333
Purchased services	126,356	125,554	802
Supplies and materials	69,873	5,190	64,683
Other	1,000	606	394
Total support services-business	<u>339,169</u>	<u>244,034</u>	<u>95,135</u>
Support services-operations and maintenance			
Salaries and wages	2,525,950	2,525,915	35
Fringe benefits	1,090,551	1,090,551	-
Purchased services	4,143,850	3,571,378	572,472
Supplies and materials	772,473	644,344	128,129
Capital outlay	456,642	449,342	7,300
Other	18,446	18,446	-
Total support services-operations and maintenance	<u>9,007,912</u>	<u>8,299,976</u>	<u>707,936</u>
Support services-pupil transportation			
Salaries and wages	1,992,400	1,977,582	14,818
Fringe benefits	792,035	780,137	11,898
Purchased services	174,883	92,639	82,244
Supplies and materials	438,921	275,937	162,984
Capital outlay	301,764	301,764	-
Total support services-pupil transportation	<u>3,700,003</u>	<u>3,428,059</u>	<u>271,944</u>

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Support services-central			
Salaries and wages	258,550	258,502	48
Fringe benefits	225,089	224,622	467
Purchased services	545,148	533,365	11,783
Supplies and materials	61,213	53,601	7,612
Capital outlay	82,961	82,961	-
Total support services-central	<u>1,172,961</u>	<u>1,153,051</u>	<u>19,910</u>
Community services			
Purchased services	59,000	7,441	51,559
Total community services	<u>59,000</u>	<u>7,441</u>	<u>51,559</u>
Extracurricular activities			
Salaries and wages	719,620	719,608	12
Fringe benefits	190,870	174,026	16,844
Purchased services	167,000	152,379	14,621
Capital outlay	50,003	49,988	15
Other	57,828	49,914	7,914
Total extracurricular activities.	<u>1,185,321</u>	<u>1,145,915</u>	<u>39,406</u>
Facilities acquisition and construction			
Capital outlay	471,470	459,111	12,359
Total facilities acquisition and construction	<u>471,470</u>	<u>459,111</u>	<u>12,359</u>
Debt service:			
Principal retirement.	36,862	36,862	-
Interest and fiscal charges	11,781	11,781	-
Total debt service	<u>48,643</u>	<u>48,643</u>	<u>-</u>
Total expenditures	<u>65,223,921</u>	<u>63,272,004</u>	<u>1,951,917</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,295,892)</u>	<u>(5,028,428)</u>	<u>2,267,464</u>
Other financing sources (uses):			
Operating transfers in.	-	5,058	5,058
Operating transfers out	(267,161)	(123,971)	143,190
Advances in.	68,000	87,735	19,735
Advances out	(99,287)	(99,287)	-
Refund of prior year's receipts	(2,000)	-	2,000
Refund of prior year expenditures	18,000	155,747	137,747
Proceeds from the sale of fixed assets	58,435	69,890	11,455
Total other financing sources (uses)	<u>(224,013)</u>	<u>95,172</u>	<u>319,185</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>(7,519,905)</u>	<u>(4,933,256)</u>	<u>2,586,649</u>
Fund balance, July 1	6,480,538	6,480,538	-
Prior year encumbrances appropriated	1,708,909	1,708,909	-
Fund balance, June 30	<u>\$ 669,542</u>	<u>\$ 3,256,191</u>	<u>\$ 2,586,649</u>

SPECIAL REVENUE FUNDS

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

Public School Support Fund 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 Grants Fund 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 Fund Section 3313.062, Revised Code

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 Fund Current Budget Bill, appropriation line item 200-511

A fund to account for receipts and expenditures incurred in providing services and materials to pupils attending non-public schools within the District.

Career Development Grant Fund Current Budget Bill, appropriation line item 200-524

This fund accounts for State monies intended to support programs encouraging achievement in science and math through teacher in-service and instructional enhancements; to implement mandated competency based instruction in the areas of written expression, math and reading; to support the implementation of energy conservation measures; or to supplement the local acquisition of textbooks, instructional supplies, and computer equipment/software.

Teacher Development Fund 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 for professional staff.

Management Information Systems Fund Am. Sub. HB 111

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

Data Communications for Schools Fund Section 5705.09, Revised Code

A fund provided to account for money appropriated for the costs incurred in connecting schools to the Ohio Educational Computer Network.

SchoolNet Professional Development Fund Section 5705.09, Revised Code

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

Instructional Materials Subsidy Fund Sub. House Bill 412

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

Ohio Reads Fund

State Line Item Appropriation GRF 200-566 and 200-455

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

Summer Intervention Fund

State Line Item Appropriation GRF 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.

Vocational Educational Enhancements

State Line Item Appropriation GRF 200-545

A fund used to account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills, and credentials to present to future employers, universities, and other training institutes and 3) replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

Miscellaneous State Grants Fund

Section 5705.12, Revised Code

A fund used to account for various monies received from State agencies not classified elsewhere.

Adult Basic Education Fund

PL 91-230, Title III

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

Education for Economic Security Act Fund (EESA)

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 Fund

Education of the Handicapped Act, PL 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 Fund

Carl D. Perkins Vocational Education Act of 1984, PL 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.

Title I Fund

PL 97-35; Title I ESEA 1965

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

Title VI Fund

PL 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.

Emergency Immigrant Education Assistance Grant Fund

Emergency Immigrant Education Act of 1984,
Catalog of Federal Domestic Assistance #84-162

To provide financial assistance to state educational agencies for educational services and costs for eligible immigrant children enrolled in elementary and secondary public and non-profit private schools.

Drug-Free School Grant Fund

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.

Pre-school for the Handicapped Fund

Education of the Handicapped Act Amendments, PL 99-457.
Catalog of Federal Domestic Assistance #84-173

The Pre-school Grant Program addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Miscellaneous Federal Grants Fund

Section 5705.12, Revised Code

A fund used to account for various monies received through state agencies from the federal government (or directly from the federal government) which are not classified elsewhere.

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2002

	Public School Support	Other Grants	District Managed Student Activity	Auxiliary Services	Career Development Grant
ASSETS:					
Equity in pooled cash and investments	\$ 206,765	\$ 34,878	\$ 138,896	\$ 211,180	\$ 5,778
Receivables (net of allowances of uncollectibles):					
Accounts	117	-	25	-	-
Due from other governments	-	-	-	-	-
Total assets and other debits	\$ 206,882	\$ 34,878	\$ 138,921	\$ 211,180	\$ 5,778
LIABILITIES, EQUITY AND OTHER CREDITS					
LIABILITIES:					
Accounts payable	\$ 4,273	\$ 47	\$ 27,384	\$ 2,581	\$ -
Accrued wages and benefits	-	842	-	1,541	-
Pension obligation payable	-	145	-	128	-
Interfund loan payable	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to other governments	-	36	-	24	-
Total liabilities	4,273	1,070	27,384	4,274	-
EQUITY AND OTHER CREDITS:					
Fund balances:					
Reserved for encumbrances	35,104	1,759	15,298	120,919	-
Unreserved-undesignated	167,505	32,049	96,239	85,987	5,778
Total equity and other credits	202,609	33,808	111,537	206,906	5,778
Total liabilities, equity and other credits	\$ 206,882	\$ 34,878	\$ 138,921	\$ 211,180	\$ 5,778

<u>Teacher Development</u>	<u>Management Information Systems</u>	<u>Data Communications for Schools</u>	<u>SchoolNet Professional Development</u>	<u>Instructional Materials Subsidy</u>	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Vocational Educational Enhancements</u>
\$ 19,592	\$ 19,162	\$ 42,029	\$ 11,599	\$ 51	\$ 19,313	\$ 25,089	\$ 28,293
-	-	-	-	-	-	-	-
-	-	-	3,450	-	-	-	-
<u>\$ 19,592</u>	<u>\$ 19,162</u>	<u>\$ 42,029</u>	<u>\$ 15,049</u>	<u>\$ 51</u>	<u>\$ 19,313</u>	<u>\$ 25,089</u>	<u>\$ 28,293</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240	\$ -	\$ 815
-	-	-	-	-	2,824	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	72	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,136</u>	<u>-</u>	<u>815</u>
-	18,885	-	-	-	4,867	-	12,385
19,592	277	42,029	15,049	51	11,310	25,089	15,093
<u>19,592</u>	<u>19,162</u>	<u>42,029</u>	<u>15,049</u>	<u>51</u>	<u>16,177</u>	<u>25,089</u>	<u>27,478</u>
<u>\$ 19,592</u>	<u>\$ 19,162</u>	<u>\$ 42,029</u>	<u>\$ 15,049</u>	<u>\$ 51</u>	<u>\$ 19,313</u>	<u>\$ 25,089</u>	<u>\$ 28,293</u>

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Miscellaneous State Grants	Adult Basic Education	Education for Economic Security Act	Title VI-B	Vocational Education
ASSETS:					
Equity in pooled cash and investments	\$ 26,933	\$ 4,706	\$ 6,929	\$ 74,801	\$ 21,402
Receivables (net of allowances of uncollectibles):					
Accounts	-	-	-	-	-
Due from other governments	-	31,135	16,497	44,793	41,844
Total assets and other debits	<u>\$ 26,933</u>	<u>\$ 35,841</u>	<u>\$ 23,426</u>	<u>\$ 119,594</u>	<u>\$ 63,246</u>
LIABILITIES, EQUITY AND OTHER CREDITS					
LIABILITIES:					
Accounts payable	\$ 416	\$ 57	\$ -	\$ -	\$ 16,995
Accrued wages and benefits	3,254	2,585	-	21,282	-
Pension obligation payable	-	670	-	11,399	-
Interfund loan payable	-	20,648	-	-	26,960
Deferred revenue	-	-	-	-	-
Due to other governments	95	135	-	1,893	-
Total liabilities	<u>3,765</u>	<u>24,095</u>	<u>-</u>	<u>34,574</u>	<u>43,955</u>
EQUITY AND OTHER CREDITS:					
Fund balances:					
Reserved for encumbrances	2,898	404	1,106	1,821	7,838
Unreserved-undesignated	20,270	11,342	22,320	83,199	11,453
Total equity and other credits	<u>23,168</u>	<u>11,746</u>	<u>23,426</u>	<u>85,020</u>	<u>19,291</u>
Total liabilities, equity and other credits	<u>\$ 26,933</u>	<u>\$ 35,841</u>	<u>\$ 23,426</u>	<u>\$ 119,594</u>	<u>\$ 63,246</u>

<u>Title I</u>	<u>Title VI</u>	<u>Emergency Immigrant Education Assistance</u>	<u>Drug-Free School Grant</u>	<u>Miscellaneous Federal Grants</u>	<u>Total</u>
\$ 46,137	\$ 12,182	\$ 2,569	\$ 1,311	\$ 19,197	\$ 978,792
-	-	-	-	-	142
31,841	39,746	-	12,404	45,088	266,798
<u>\$ 77,978</u>	<u>\$ 51,928</u>	<u>\$ 2,569</u>	<u>\$ 13,715</u>	<u>\$ 64,285</u>	<u>\$ 1,245,732</u>
\$ -	\$ 865	\$ 784	\$ -	\$ -	\$ 54,457
38,049	-	-	-	15,223	85,600
6,405	-	-	-	2,450	21,197
-	-	-	-	-	47,608
31,841	39,746	-	2,539	37,889	112,015
1,525	-	-	-	605	4,385
<u>77,820</u>	<u>40,611</u>	<u>784</u>	<u>2,539</u>	<u>56,167</u>	<u>325,262</u>
23	980	1,437	-	12	225,736
135	10,337	348	11,176	8,106	694,734
<u>158</u>	<u>11,317</u>	<u>1,785</u>	<u>11,176</u>	<u>8,118</u>	<u>920,470</u>
<u>\$ 77,978</u>	<u>\$ 51,928</u>	<u>\$ 2,569</u>	<u>\$ 13,715</u>	<u>\$ 64,285</u>	<u>\$ 1,245,732</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Public School Support	Other Grants	District Managed Student Activity	Auxiliary Services	Career Development Grant
Revenues:					
From local sources:					
Earnings on investments	\$ -	\$ -	\$ -	\$ 4,323	\$ -
Extracurricular	268,149	-	388,856	-	-
Other local revenues	19,219	10,101	100	-	-
Intergovernmental - State	-	-	-	792,989	27,223
Intergovernmental - Federal	-	-	-	-	-
Total revenue.	<u>287,368</u>	<u>10,101</u>	<u>388,956</u>	<u>797,312</u>	<u>27,223</u>
Expenditures:					
Current:					
Instruction:					
Regular.	48,594	3,791	-	-	-
Special	-	-	-	-	-
Vocational	-	-	-	-	-
Other	-	-	-	-	-
Support services:					
Pupil	-	-	-	-	-
Instructional staff.	-	4,600	-	-	21,595
Administration	-	7,920	-	-	-
Business	-	6,290	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Community services.	-	-	-	-	-
Extracurricular activities	233,774	500	423,676	-	-
Intergovernmental pass through.	-	-	-	657,658	-
Total expenditures	<u>282,368</u>	<u>23,101</u>	<u>423,676</u>	<u>657,658</u>	<u>21,595</u>
Excess (deficiency) of revenues over (under) expenditures	5,000	(13,000)	(34,720)	139,654	5,628
Other financing sources (uses):					
Operating transfers in	104	-	30,819	-	5,628
Operating transfers out.	(628)	-	-	-	-
Total other financing sources (uses)	<u>(524)</u>	<u>-</u>	<u>30,819</u>	<u>-</u>	<u>5,628</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	4,476	(13,000)	(3,901)	139,654	11,256
Fund balances (deficit), July 1	198,133	46,808	115,438	67,252	(5,478)
Fund balances, June 30.	<u>\$ 202,609</u>	<u>\$ 33,808</u>	<u>\$ 111,537</u>	<u>\$ 206,906</u>	<u>\$ 5,778</u>

<u>Teacher Development</u>	<u>Management Information Systems</u>	<u>Data Communications for Schools</u>	<u>SchoolNet Professional Development</u>	<u>Instructional Materials Subsidy</u>	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Vocational Educational Enhancements</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	28,943	42,000	8,592	-	74,000	-	32,850
-	-	-	-	-	-	-	-
<u>-</u>	<u>28,943</u>	<u>42,000</u>	<u>8,592</u>	<u>-</u>	<u>74,000</u>	<u>-</u>	<u>32,850</u>
9,409	-	-	-	-	53,323	-	4,557
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	815
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
25,605	-	-	-	-	10,991	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	18,522	36,000	-	-	-	-	-
26	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>35,040</u>	<u>18,522</u>	<u>36,000</u>	<u>-</u>	<u>-</u>	<u>64,314</u>	<u>-</u>	<u>5,372</u>
(35,040)	10,421	6,000	8,592	-	9,686	-	27,478
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(35,040)	10,421	6,000	8,592	-	9,686	-	27,478
54,632	8,741	36,029	6,457	51	6,491	25,089	-
<u>\$ 19,592</u>	<u>\$ 19,162</u>	<u>\$ 42,029</u>	<u>\$ 15,049</u>	<u>\$ 51</u>	<u>\$ 16,177</u>	<u>\$ 25,089</u>	<u>\$ 27,478</u>

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	<u>Miscellaneous State Grants</u>	<u>Adult Basic Education</u>	<u>Education for Economic Security Act</u>	<u>Title VI-B</u>	<u>Vocational Education</u>
Revenues:					
From local sources:					
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ -
Extracurricular	-	-	-	-	-
Other local revenues	-	-	-	-	-
Intergovernmental - State	72,914	39,059	-	-	-
Intergovernmental - Federal	-	107,723	48,867	682,502	111,409
Total revenue.	<u>72,914</u>	<u>146,782</u>	<u>48,867</u>	<u>682,502</u>	<u>111,409</u>
Expenditures:					
Current:					
Instruction:					
Regular	1,203	-	21,538	-	-
Special	-	-	-	-	-
Vocational	14,995	-	-	-	68,861
Other	-	81,603	-	-	-
Support services:					
Pupil	476	2,383	28,900	-	16,547
Instructional staff.	22,885	54,893	-	582,653	13,895
Administration	7,315	-	-	-	1,867
Business	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Community services.	7,914	-	332	37,994	-
Extracurricular activities	-	-	-	-	-
Intergovernmental pass through.	-	-	-	-	-
Total expenditures	<u>54,788</u>	<u>138,879</u>	<u>50,770</u>	<u>620,647</u>	<u>101,170</u>
Excess (deficiency) of revenues over (under) expenditures	18,126	7,903	(1,903)	61,855	10,239
Other financing sources (uses):					
Operating transfers in	-	-	-	-	-
Operating transfers out.	-	-	-	(5,150)	(1,455)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,150)</u>	<u>(1,455)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	18,126	7,903	(1,903)	56,705	8,784
Fund balances (deficit), July 1	5,042	3,843	25,329	28,315	10,507
Fund balances, June 30.	<u>\$ 23,168</u>	<u>\$ 11,746</u>	<u>\$ 23,426</u>	<u>\$ 85,020</u>	<u>\$ 19,291</u>

<u>Title I</u>	<u>Title VI</u>	<u>Emergency Immigrant Education Assistance</u>	<u>Drug-Free School Grant</u>	<u>Pre-school for the Handicapped</u>	<u>Miscellaneous Federal Grants</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,323
-	-	-	-	-	-	657,005
-	-	-	-	-	-	29,420
-	-	-	-	-	-	1,118,570
293,028	14,135	3,500	40,200	50,114	75,443	1,426,921
<u>293,028</u>	<u>14,135</u>	<u>3,500</u>	<u>40,200</u>	<u>50,114</u>	<u>75,443</u>	<u>3,236,239</u>
-	21,528	4,696	3,925	-	68,793	241,357
296,778	-	-	-	-	-	296,778
-	-	-	-	-	5,747	90,418
-	-	-	-	-	-	81,603
-	-	-	25,491	-	-	73,797
-	10,649	-	-	48,781	-	796,547
-	-	-	-	-	-	17,102
-	-	-	-	-	-	6,290
-	-	-	1,000	-	-	1,000
-	-	-	-	-	-	54,522
-	4,841	287	441	-	-	51,835
-	-	-	-	-	-	657,950
-	-	-	-	-	-	657,658
<u>296,778</u>	<u>37,018</u>	<u>4,983</u>	<u>30,857</u>	<u>48,781</u>	<u>74,540</u>	<u>3,026,857</u>
(3,750)	(22,883)	(1,483)	9,343	1,333	903	209,382
4,584	-	-	-	-	-	41,135
-	(2,500)	-	-	-	-	(9,733)
<u>4,584</u>	<u>(2,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,402</u>
834	(25,383)	(1,483)	9,343	1,333	903	240,784
(676)	36,700	3,268	1,833	(1,333)	7,215	679,686
<u>\$ 158</u>	<u>\$ 11,317</u>	<u>\$ 1,785</u>	<u>\$ 11,176</u>	<u>\$ -</u>	<u>\$ 8,118</u>	<u>\$ 920,470</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Extracurricular	\$ 285,875	\$ 268,032	\$ (17,843)
Other local revenue	51,300	19,219	(32,081)
Total revenues	<u>337,175</u>	<u>287,251</u>	<u>(49,924)</u>
Expenditures:			
Current:			
Instruction-regular			
Purchased services	25,671	23,481	2,190
Supplies and materials	23,117	9,734	13,383
Capital outlay	4,710	4,710	-
Other	54,414	19,863	34,551
Total instruction-regular.	<u>107,912</u>	<u>57,788</u>	<u>50,124</u>
Extracurricular activities			
Purchased services	31,423	17,800	13,623
Supplies and materials	50,337	41,999	8,338
Capital outlay	682	660	22
Other	203,013	201,389	1,624
Total extracurricular activities.	<u>285,455</u>	<u>261,848</u>	<u>23,607</u>
Total expenditures	<u>393,367</u>	<u>319,636</u>	<u>73,731</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(56,192)</u>	<u>(32,385)</u>	<u>23,807</u>
Other financing sources (uses):			
Operating transfers in.	-	104	104
Operating transfers out	(628)	(628)	-
Total other financing sources (uses)	<u>(628)</u>	<u>(524)</u>	<u>104</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>(56,820)</u>	<u>(32,909)</u>	<u>23,911</u>
Fund balance, July 1	154,393	154,393	-
Prior year encumbrances appropriated	47,041	47,041	-
Fund balance, June 30	<u>\$ 144,614</u>	<u>\$ 168,525</u>	<u>\$ 23,911</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenue	\$ 6,400	\$ 10,101	\$ 3,701
Total revenues	<u>6,400</u>	<u>10,101</u>	<u>3,701</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	800	800	-
Fringe benefits	112	112	-
Supplies and materials	6,954	5,191	1,763
Capital outlay	4,050	4,050	-
Total instruction-regular.	<u>11,916</u>	<u>10,153</u>	<u>1,763</u>
Instruction-special			
Purchased services	4,000	-	4,000
Total instruction-special.	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Support services-instructional staff			
Purchased services	140	140	-
Supplies and materials	4,579	4,576	3
Total support services-instructional staff	<u>4,719</u>	<u>4,716</u>	<u>3</u>
Support services-administration			
Salaries and wages	5,150	5,147	3
Fringe benefits	850	815	35
Purchased services	276	249	27
Supplies and materials	5,000	2,725	2,275
Total support services-administration	<u>11,276</u>	<u>8,936</u>	<u>2,340</u>
Support services-business			
Purchased services	8,710	8,049	661
Total support services-business	<u>8,710</u>	<u>8,049</u>	<u>661</u>
Extracurricular activities			
Purchased services	500	500	-
Total extracurricular activities.	<u>500</u>	<u>500</u>	<u>-</u>
Total expenditures	<u>41,121</u>	<u>32,354</u>	<u>8,767</u>
Excess (deficiency) of revenues over (under) expenditures	(34,721)	(22,253)	12,468
Fund balance, July 1	46,835	46,835	-
Prior year encumbrances appropriated	8,490	8,490	-
Fund balance, June 30	<u>\$ 20,604</u>	<u>\$ 33,072</u>	<u>\$ 12,468</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Extracurricular	\$ 423,500	\$ 388,831	\$ (34,669)
Other local revenue	-	100	100
Total revenues	<u>423,500</u>	<u>388,931</u>	<u>(34,569)</u>
Expenditures:			
Current:			
Extracurricular activities			
Capital outlay	1,059	1,059	-
Other	467,055	426,716	40,339
Total extracurricular activities.	<u>468,114</u>	<u>427,775</u>	<u>40,339</u>
Total expenditures	<u>468,114</u>	<u>427,775</u>	<u>40,339</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(44,614)</u>	<u>(38,844)</u>	<u>5,770</u>
Other financing sources:			
Operating transfers in.	<u>28,000</u>	<u>28,319</u>	<u>319</u>
Total other financing sources	<u>28,000</u>	<u>28,319</u>	<u>319</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(16,614)	(10,525)	6,089
Fund balance, July 1	96,340	96,340	-
Prior year encumbrances appropriated	31,634	31,634	-
Fund balance, June 30	<u>\$ 111,360</u>	<u>\$ 117,449</u>	<u>\$ 6,089</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$ 4,350	\$ 4,323	\$ (27)
Intergovernmental-State	797,930	792,989	(4,941)
Total revenues	802,280	797,312	(4,968)
Expenditures:			
Current:			
Community services			
Salaries and wages	24,367	23,428	939
Fringe benefits	13,961	13,857	104
Purchased services	506,814	493,899	12,915
Supplies and materials	209,732	140,660	69,072
Capital outlay	86,372	77,412	8,960
Other	36,171	32,699	3,472
Total community services	877,417	781,955	95,462
Total expenditures	877,417	781,955	95,462
Excess (deficiency) of revenues over (under) expenditures	(75,137)	15,357	90,494
Other financing sources (uses):			
Refund of prior year's receipts	(2,203)	(2,203)	-
Total other financing sources (uses)	(2,203)	(2,203)	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(77,340)	13,154	90,494
Fund balance, July 1	22	22	-
Prior year encumbrances appropriated	75,099	75,099	-
Fund balance, June 30	\$ (2,219)	\$ 88,275	\$ 90,494

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$ 27,223	\$ 27,223	\$ -
Total revenues	<u>27,223</u>	<u>27,223</u>	<u>-</u>
Expenditures:			
Current:			
Support services-instructional staff			
Salaries and wages	20,000	20,000	-
Fringe benefits	1,595	1,595	-
Total support services-instructional staff	<u>21,595</u>	<u>21,595</u>	<u>-</u>
Total expenditures	<u>21,595</u>	<u>21,595</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	5,628	5,628	-
Fund balance, July 1	150	150	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 5,778</u>	<u>\$ 5,778</u>	<u>\$ -</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Expenditures:			
Current:			
Instruction-regular			
Purchased services	9,791	9,409	382
Total instruction-regular.	<u>9,791</u>	<u>9,409</u>	<u>382</u>
Support services-instructional staff			
Salaries and wages	20,920	20,920	-
Fringe benefits	1,650	1,650	-
Supplies and materials	3,059	3,034	25
Total support services-instructional staff	<u>25,629</u>	<u>25,604</u>	<u>25</u>
Community services			
Supplies and materials	164	26	138
Total community services	<u>164</u>	<u>26</u>	<u>138</u>
Total expenditures	<u>35,584</u>	<u>35,039</u>	<u>545</u>
Excess (deficiency) of revenues over (under) expenditures	(35,584)	(35,039)	545
Fund balance, July 1	54,601	54,601	-
Prior year encumbrances appropriated	30	30	-
Fund balance, June 30	<u>\$ 19,047</u>	<u>\$ 19,592</u>	<u>\$ 545</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$ 28,943	\$ 28,943	\$ -
Total revenues	<u>28,943</u>	<u>28,943</u>	<u>-</u>
Expenditures:			
Support services-central			
Purchased services	17,943	17,943	-
Capital outlay	19,474	19,464	10
Total support services-central	<u>37,417</u>	<u>37,407</u>	<u>10</u>
Total expenditures	<u>37,417</u>	<u>37,407</u>	<u>10</u>
Excess (deficiency) of revenues over (under) expenditures	(8,474)	(8,464)	10
Fund balance, July 1	8,741	8,741	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 267</u>	<u>\$ 277</u>	<u>\$ 10</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$ 42,000	\$ 42,000	\$ -
Total revenues	<u>42,000</u>	<u>42,000</u>	<u>-</u>
Expenditures:			
Current:			
Support services-central			
Purchased services	36,000	36,000	-
Total support services-central	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Total expenditures	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	6,000	6,000	-
Fund balance, July 1	36,029	36,029	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 42,029</u>	<u>\$ 42,029</u>	<u>\$ -</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$ 5,142	\$ 5,142	\$ -
Total revenues	<u>5,142</u>	<u>5,142</u>	<u>-</u>
Excess of revenues over expenditures	5,142	5,142	-
Fund balance, July 1	6,457	6,457	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 11,599</u>	<u>\$ 11,599</u>	<u>\$ -</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Fund balance, July 1	\$ 51	\$ 51	\$ -
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	\$ 51	\$ 51	\$ -

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$ 75,300	\$ 74,000	\$ (1,300)
Total revenues	<u>75,300</u>	<u>74,000</u>	<u>(1,300)</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	13,974	12,475	1,499
Fringe benefits	1,063	662	401
Purchased services	11,899	11,242	657
Supplies and materials	38,300	35,965	2,335
Total instruction-regular.	<u>65,236</u>	<u>60,344</u>	<u>4,892</u>
Support services-instructional staff			
Salaries and wages	19,311	10,201	9,110
Fringe benefits	938	413	525
Other	632	632	-
Total support services-instructional staff	<u>20,881</u>	<u>11,246</u>	<u>9,635</u>
Support services-administration			
Salaries and wages	979	-	979
Total support services-administration	<u>979</u>	<u>-</u>	<u>979</u>
Total expenditures	<u>87,096</u>	<u>71,590</u>	<u>15,506</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,796)</u>	<u>2,410</u>	<u>14,206</u>
Other financing sources (uses):			
Refund of prior year's receipts	(663)	(663)	-
Total other financing sources (uses)	<u>(663)</u>	<u>(663)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(12,459)	1,747	14,206
Fund balance, July 1	6,386	6,386	-
Prior year encumbrances appropriated	6,073	6,073	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ 14,206</u>	<u>\$ 14,206</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Fund balance, July 1	\$ 25,089	\$ 25,089	\$ -
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 25,089</u>	<u>\$ 25,089</u>	<u>\$ -</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental-State	\$ 33,250	\$ 32,850	\$ (400)
Total revenues	<u>33,250</u>	<u>32,850</u>	<u>(400)</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	1,500	1,500	-
Fringe benefits	500	500	-
Purchased services	5,940	2,144	3,796
Supplies and materials	1,560	1,489	71
Capital outlay	19,350	11,309	8,041
Total instruction-regular.	<u>28,850</u>	<u>16,942</u>	<u>11,908</u>
Total expenditures	<u>28,850</u>	<u>16,942</u>	<u>11,908</u>
Excess (deficiency) of revenues over (under) expenditures	4,400	15,908	11,508
Fund balance, July 1	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 4,400</u>	<u>\$ 15,908</u>	<u>\$ 11,508</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$ 72,914	\$ 72,914	\$ -
Total revenues	<u>72,914</u>	<u>72,914</u>	<u>-</u>
Expenditures:			
Current:			
Instruction-regular			
Supplies and materials	1,301	1,203	98
Total instruction-regular	<u>1,301</u>	<u>1,203</u>	<u>98</u>
Instruction-vocational			
Salaries and wages	10,025	2,005	8,020
Fringe benefits	1,680	309	1,371
Purchased services	13,632	10,859	2,773
Supplies and materials	2,572	2,572	-
Total instruction-vocational	<u>27,909</u>	<u>15,745</u>	<u>12,164</u>
Support services-pupil			
Salaries and wages	417	417	-
Fringe benefits	64	59	5
Total support services-pupil	<u>481</u>	<u>476</u>	<u>5</u>
Support services-instructional staff			
Salaries and wages	8,790	6,550	2,240
Fringe benefits	1,477	112	1,365
Purchased services	13,961	11,843	2,118
Supplies and materials	3,834	3,157	677
Total support services-instructional staff	<u>28,062</u>	<u>21,662</u>	<u>6,400</u>
Support services-administration			
Salaries and wages	400	55	345
Fringe benefits	62	43	19
Purchased services	7,399	7,346	53
Total support services-administration	<u>7,861</u>	<u>7,444</u>	<u>417</u>
Community services			
Purchased services	7,914	7,914	-
Total community services	<u>7,914</u>	<u>7,914</u>	<u>-</u>
Total expenditures	<u>73,528</u>	<u>54,444</u>	<u>19,084</u>
Excess (deficiency) of revenues over (under) expenditures	(614)	18,470	19,084
Fund balance, July 1	4,536	4,536	-
Prior year encumbrances appropriated	613	613	-
Fund balance, June 30	<u>\$ 4,535</u>	<u>\$ 23,619</u>	<u>\$ 19,084</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$ 39,059	\$ 39,059	\$ -
Intergovernmental-Federal	119,415	84,084	(35,331)
Total revenues	<u>158,474</u>	<u>123,143</u>	<u>(35,331)</u>
Expenditures:			
Current:			
Instruction-other			
Salaries and wages	58,641	57,428	1,213
Fringe benefits	11,688	6,650	5,038
Purchased services	2,680	2,330	350
Supplies and materials	10,171	10,041	130
Capital outlay	4,975	4,600	375
Total instruction-other	<u>88,155</u>	<u>81,049</u>	<u>7,106</u>
Support services-pupil			
Salaries and wages	1,958	1,958	-
Fringe benefits	303	229	74
Purchased services	2,056	-	2,056
Other	200	196	4
Total support services-pupil	<u>4,517</u>	<u>2,383</u>	<u>2,134</u>
Support services-instructional staff			
Salaries and wages	48,905	47,647	1,258
Fringe benefits	12,534	5,562	6,972
Purchased services	2,542	1,296	1,246
Other	1,279	1,250	29
Total support services-instructional staff	<u>65,260</u>	<u>55,755</u>	<u>9,505</u>
Total expenditures	<u>157,932</u>	<u>139,187</u>	<u>18,745</u>
Excess (deficiency) of revenues over (under) expenditures	<u>542</u>	<u>(16,044)</u>	<u>(16,586)</u>
Other financing sources (uses):			
Operating transfers in	4,197	4,197	-
Operating transfers out	(4,197)	(4,197)	-
Advances in	-	20,648	20,648
Advances out	(359)	(359)	-
Total other financing sources (uses)	<u>(359)</u>	<u>20,289</u>	<u>20,648</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	183	4,245	4,062
Fund balance, July 1	(713)	(713)	-
Prior year encumbrances appropriated	713	713	-
Fund balance, June 30	<u>\$ 183</u>	<u>\$ 4,245</u>	<u>\$ 4,062</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-Federal	\$ 50,889	\$ 32,370	\$ (18,519)
Total revenues	<u>50,889</u>	<u>32,370</u>	<u>(18,519)</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	14,189	14,189	-
Fringe benefits	1,957	1,957	-
Purchased services	5,200	5,200	-
Supplies and materials	192	192	-
Total instruction-regular	<u>21,538</u>	<u>21,538</u>	<u>-</u>
Support services-pupil			
Salaries and wages	36,802	18,783	18,019
Fringe benefits	5,011	2,693	2,318
Purchased services	8,566	7,101	1,465
Supplies and materials	1,448	1,429	19
Total support services-pupil	<u>51,827</u>	<u>30,006</u>	<u>21,821</u>
Community services			
Purchased services	413	332	81
Supplies and materials	2,440	-	2,440
Total community services	<u>2,853</u>	<u>332</u>	<u>2,521</u>
Total expenditures	<u>76,218</u>	<u>51,876</u>	<u>24,342</u>
Excess (deficiency) of revenues over (under) expenditures	(25,329)	(19,506)	5,823
Fund balance, July 1	25,329	25,329	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ 5,823</u>	<u>\$ 5,823</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-Federal	\$ 682,502	\$ 637,709	\$ (44,793)
Total revenues	<u>682,502</u>	<u>637,709</u>	<u>(44,793)</u>
Expenditures:			
Current:			
Support services-instructional staff			
Salaries and wages	467,995	388,963	79,032
Fringe benefits	165,956	159,286	6,670
Total support services-instructional staff	<u>633,951</u>	<u>548,249</u>	<u>85,702</u>
Community services			
Purchased services	43,317	34,411	8,906
Supplies and materials	6,258	5,233	1,025
Capital outlay	2,602	-	2,602
Total community services	<u>52,177</u>	<u>39,644</u>	<u>12,533</u>
Total expenditures	<u>686,128</u>	<u>587,893</u>	<u>98,235</u>
Excess (deficiency) of revenues over (under) expenditures	(3,626)	49,816	53,442
Fund balance, July 1	22,455	22,455	-
Prior year encumbrances appropriated	709	709	-
Fund balance, June 30	<u>\$ 19,538</u>	<u>\$ 72,980</u>	<u>\$ 53,442</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-Federal	\$ 93,049	\$ 69,565	\$ (23,484)
Total revenues	<u>93,049</u>	<u>69,565</u>	<u>(23,484)</u>
Expenditures:			
Current:			
Instruction-vocational			
Salaries and wages	7,000	6,300	700
Fringe benefits	700	560	140
Purchased services	200	-	200
Supplies and materials	5,480	3,696	1,784
Capital outlay	51,880	48,170	3,710
Total instruction-vocational	<u>65,260</u>	<u>58,726</u>	<u>6,534</u>
Support services-pupil			
Salaries and wages	330	-	330
Fringe benefits	572	-	572
Purchased services	10,351	10,213	138
Supplies and materials	6,818	6,477	341
Total support services-pupil	<u>18,071</u>	<u>16,690</u>	<u>1,381</u>
Support services-instructional staff			
Salaries and wages	1,820	1,820	-
Fringe benefits	306	306	-
Purchased services	9,116	8,662	454
Supplies and materials	3,942	3,942	-
Total support services-instructional staff	<u>15,184</u>	<u>14,730</u>	<u>454</u>
Support services-administration			
Salaries and wages	1,504	1,504	-
Fringe benefits	363	363	-
Total support services-administration	<u>1,867</u>	<u>1,867</u>	<u>-</u>
Support services-central			
Supplies and materials	109	-	109
Total support services-central	<u>109</u>	<u>-</u>	<u>109</u>
Total expenditures	<u>100,491</u>	<u>92,013</u>	<u>8,478</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,442)</u>	<u>(22,448)</u>	<u>(15,006)</u>
Other financing sources:			
Advances in	-	26,960	26,960
Total other financing sources	<u>-</u>	<u>26,960</u>	<u>26,960</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(7,442)	4,512	11,954
Fund balance, July 1	(6,371)	(6,371)	-
Prior year encumbrances appropriated	15,423	15,423	-
Fund balance, June 30	<u>\$ 1,610</u>	<u>\$ 13,564</u>	<u>\$ 11,954</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-Federal	\$ 380,488	\$ 352,287	\$ (28,201)
Total revenues	<u>380,488</u>	<u>352,287</u>	<u>(28,201)</u>
Expenditures:			
Current:			
Instruction-special			
Salaries and wages	290,964	233,803	57,161
Fringe benefits	60,657	43,503	17,154
Purchased services	1,937	1,937	-
Supplies and materials	13,350	13,350	-
Total instruction-special.	<u>366,908</u>	<u>292,593</u>	<u>74,315</u>
Total expenditures	<u>366,908</u>	<u>292,593</u>	<u>74,315</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,580</u>	<u>59,694</u>	<u>46,114</u>
Other financing sources (uses):			
Advances out	(22,750)	(22,750)	-
Total other financing sources (uses)	<u>(22,750)</u>	<u>(22,750)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(9,170)	36,944	46,114
Fund balance, July 1	(329)	(329)	-
Prior year encumbrances appropriated	9,499	9,499	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ 46,114</u>	<u>\$ 46,114</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

TITLE VI

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental-Federal	\$ 85,684	\$ 45,664	\$ (40,020)
Total revenues	<u>85,684</u>	<u>45,664</u>	<u>(40,020)</u>
Expenditures:			
Current:			
Instruction-regular			
Supplies and materials	62,398	21,095	41,303
Total instruction-regular.	<u>62,398</u>	<u>21,095</u>	<u>41,303</u>
Support services-instructional staff			
Supplies and materials	15,000	10,649	4,351
Total support services-instructional staff	<u>15,000</u>	<u>10,649</u>	<u>4,351</u>
Community services			
Supplies and materials	13,566	9,067	4,499
Total community services	<u>13,566</u>	<u>9,067</u>	<u>4,499</u>
Total expenditures	<u>90,964</u>	<u>40,811</u>	<u>50,153</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,280)</u>	<u>4,853</u>	<u>10,133</u>
Other financing sources (uses):			
Refund of prior year's receipts	(864)	(864)	-
Total other financing sources (uses)	<u>(864)</u>	<u>(864)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(6,144)	3,989	10,133
Fund balance, July 1	2,490	2,490	-
Prior year encumbrances appropriated	3,858	3,858	-
Fund balance, June 30	<u>\$ 204</u>	<u>\$ 10,337</u>	<u>\$ 10,133</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-Federal	\$ 3,500	\$ 3,500	\$ -
Total revenues	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Expenditures:			
Current:			
Instruction-regular			
Supplies and materials	5,188	4,956	232
Total instruction-regular.	<u>5,188</u>	<u>4,956</u>	<u>232</u>
Support services-instructional staff			
Salaries and wages	400	400	-
Total support services-instructional staff	<u>400</u>	<u>400</u>	<u>-</u>
Community services			
Purchased services	400	287	113
Total community services	<u>400</u>	<u>287</u>	<u>113</u>
Total expenditures	<u>5,988</u>	<u>5,643</u>	<u>345</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,488)</u>	<u>(2,143)</u>	<u>345</u>
Other financing sources (uses):			
Refund of prior year's receipts	(1,603)	(1,603)	-
Total other financing sources (uses)	<u>(1,603)</u>	<u>(1,603)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(4,091)	(3,746)	345
Fund balance, July 1	1,606	1,606	-
Prior year encumbrances appropriated	2,488	2,488	-
Fund balance, June 30	<u>\$ 3</u>	<u>\$ 348</u>	<u>\$ 345</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-Federal	\$ 42,753	\$ 40,214	\$ (2,539)
Total revenues	<u>42,753</u>	<u>40,214</u>	<u>(2,539)</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	3,925	3,925	-
Total instruction-regular.	<u>3,925</u>	<u>3,925</u>	<u>-</u>
Support services-pupil			
Salaries and wages	6,738	5,678	1,060
Fringe benefits	751	33	718
Purchased services	18,514	18,514	-
Supplies and materials	5,110	5,110	-
Total support services-pupil	<u>31,113</u>	<u>29,335</u>	<u>1,778</u>
Support services-pupil transportation			
Purchased services	1,000	1,000	-
Total support services-pupil transportation	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Community services			
Purchased services	1,282	202	1,080
Supplies and materials	1,838	861	977
Total community services	<u>3,120</u>	<u>1,063</u>	<u>2,057</u>
Total expenditures	<u>39,158</u>	<u>35,323</u>	<u>3,835</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,595</u>	<u>4,891</u>	<u>1,296</u>
Other financing sources (uses):			
Advances out.	(4,415)	(4,415)	-
Total other financing sources (uses)	<u>(4,415)</u>	<u>(4,415)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(820)	476	1,296
Fund balance, July 1	835	835	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 15</u>	<u>\$ 1,311</u>	<u>\$ 1,296</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-Federal	\$ 50,114	\$ 50,114	\$ -
Total revenues	50,114	50,114	-
Expenditures:			
Current:			
Support services-instructional staff			
Salaries and wages	37,996	37,996	-
Fringe benefits	10,785	10,785	-
Total support services-instructional staff	48,781	48,781	-
Total expenditures	48,781	48,781	-
Excess (deficiency) of revenues over (under) expenditures	1,333	1,333	-
Other financing sources (uses):			
Advances out.	(1,333)	(1,333)	-
Total other financing sources (uses)	(1,333)	(1,333)	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	-	-	-
Fund balance, July 1	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	\$ -	\$ -	\$ -

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-Federal	\$ 113,985	\$ 75,443	\$ (38,542)
Total revenues	<u>113,985</u>	<u>75,443</u>	<u>(38,542)</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	95,046	43,897	51,149
Fringe benefits	13,442	7,105	6,337
Total instruction-regular.	<u>108,488</u>	<u>51,002</u>	<u>57,486</u>
Instruction-vocational			
Purchased services	5,988	5,747	241
Total instruction-vocational	<u>5,988</u>	<u>5,747</u>	<u>241</u>
Total expenditures	<u>114,476</u>	<u>56,749</u>	<u>57,727</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(491)</u>	<u>18,694</u>	<u>19,185</u>
Other financing sources (uses):			
Advances out.	(7,199)	(7,199)	-
Total other financing sources (uses)	<u>(7,199)</u>	<u>(7,199)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(7,690)	11,495	19,185
Fund balance, July 1	7,610	7,610	-
Prior year encumbrances appropriated	80	80	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ 19,185</u>	<u>\$ 19,185</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$ 4,350	\$ 4,323	\$ (27)
Extracurricular	709,375	656,863	(52,512)
Other local revenue	57,700	29,420	(28,280)
Intergovernmental-State	1,121,761	1,115,120	(6,641)
Intergovernmental-Federal	1,622,379	1,390,950	(231,429)
Total revenues	3,515,565	3,196,676	(318,889)
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	129,434	76,786	52,648
Fringe benefits	17,074	10,336	6,738
Purchased services	58,501	51,476	7,025
Supplies and materials	139,010	79,825	59,185
Capital outlay	28,110	20,069	8,041
Other	54,414	19,863	34,551
Total instruction-regular	426,543	258,355	168,188
Instruction-special			
Salaries and wages	290,964	233,803	57,161
Fringe benefits	60,657	43,503	17,154
Purchased services	5,937	1,937	4,000
Supplies and materials	13,350	13,350	-
Total instruction-special	370,908	292,593	78,315
Instruction-vocational			
Salaries and wages	17,025	8,305	8,720
Fringe benefits	2,380	869	1,511
Purchased services	19,820	16,606	3,214
Supplies and materials	8,052	6,268	1,784
Capital outlay	51,880	48,170	3,710
Total instruction-vocational	99,157	80,218	18,939
Instruction-other			
Salaries and wages	58,641	57,428	1,213
Fringe benefits	11,688	6,650	5,038
Purchased services	2,680	2,330	350
Supplies and materials	10,171	10,041	130
Capital outlay	4,975	4,600	375
Total instruction-other	88,155	81,049	7,106
Support services-pupil			
Salaries and wages	46,245	26,836	19,409
Fringe benefits	6,701	3,014	3,687
Purchased services	39,487	35,828	3,659
Supplies and materials	13,376	13,016	360
Other	200	196	4
Total support services-pupil	106,009	78,890	27,119
Support services-instructional staff			
Salaries and wages	626,137	534,497	91,640
Fringe benefits	195,241	179,709	15,532
Purchased services	25,759	21,941	3,818
Supplies and materials	30,414	25,358	5,056
Other	1,911	1,882	29
Total support services-instructional staff	879,462	763,387	116,075

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Support services-administration			
Salaries and wages	8,033	6,706	1,327
Fringe benefits	1,275	1,221	54
Purchased services	7,675	7,595	80
Supplies and materials	5,000	2,725	2,275
Total support services-administration	<u>21,983</u>	<u>18,247</u>	<u>3,736</u>
Support services-business			
Purchased services	8,710	8,049	661
Total support services-business	<u>8,710</u>	<u>8,049</u>	<u>661</u>
Support services-pupil transportation			
Purchased services	1,000	1,000	-
Total support services-pupil transportation	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Support services-central			
Purchased services	53,943	53,943	-
Supplies and materials	109	-	109
Capital outlay	19,474	19,464	10
Total support services-central	<u>73,526</u>	<u>73,407</u>	<u>119</u>
Community services			
Salaries and wages	24,367	23,428	939
Fringe benefits	13,961	13,857	104
Purchased services	560,140	537,045	23,095
Supplies and materials	233,998	155,847	78,151
Capital outlay	88,974	77,412	11,562
Other	36,171	32,699	3,472
Total community services	<u>957,611</u>	<u>840,288</u>	<u>117,323</u>
Extracurricular activities			
Purchased services	31,923	18,300	13,623
Supplies and materials	50,337	41,999	8,338
Capital outlay	1,741	1,719	22
Other	670,068	628,105	41,963
Total extracurricular activities.	<u>754,069</u>	<u>690,123</u>	<u>63,946</u>
Total expenditures.	<u>3,787,133</u>	<u>3,185,606</u>	<u>601,527</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(271,568)</u>	<u>11,070</u>	<u>282,638</u>
Other financing sources (uses):			
Operating transfers in.	32,197	32,620	423
Operating transfers out	(4,825)	(4,825)	-
Advances in.	-	47,608	47,608
Advances out	(36,056)	(36,056)	-
Refund of prior year's receipts	(5,333)	(5,333)	-
Total other financing sources (uses)	<u>(14,017)</u>	<u>34,014</u>	<u>48,031</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>(285,585)</u>	<u>45,084</u>	<u>330,669</u>
Fund balances, July 1.	492,542	492,542	-
Prior year encumbrances appropriated	201,750	201,750	-
Fund balances, June 30.	<u>\$ 408,707</u>	<u>\$ 739,376</u>	<u>\$ 330,669</u>

DEBT SERVICE FUNDS

Section 5705.09, Revised Code

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS 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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Taxes	\$ 2,795,400	\$ 2,764,532	\$ (30,868)
Earnings on investments	-	8,024	8,024
Intergovernmental-State.	372,000	367,178	(4,822)
Total revenues	3,167,400	3,139,734	(27,666)
Expenditures:			
Current:			
Support services-fiscal			
Other	38,000	35,712	2,288
Total support services-fiscal.	38,000	35,712	2,288
Debt service:			
Principal retirement.	23,710,000	23,710,000	-
Interest and fiscal charges	1,321,728	1,177,971	143,757
Total debt service	25,031,728	24,887,971	143,757
Total expenditures.	25,069,728	24,923,683	146,045
Excess (deficiency) of revenues over (under) expenditures	(21,902,328)	(21,783,949)	118,379
Other financing sources:			
Proceeds from the sale of bonds	-	21,874,977	21,874,977
Premium and accrued interest on bonds sold	-	13,365	13,365
Total other financing sources.	-	21,888,342	21,888,342
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(21,902,328)	104,393	22,006,721
Fund balance, July 1	11,320,811	11,320,811	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	\$ (10,581,517)	\$ 11,425,204	\$ 22,006,721

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CAPITAL PROJECTS FUNDS

The 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 Improvements Fund

Section 5705.10, Revised Code

This fund is provided to account for all transactions related to the acquisition or construction of such permanent improvements as are authorized by Chapter 5705 of the Revised Code.

Building Fund

Section 5705.09, Revised Code

This fund accounts for the receipts and expenditures related to all special bond funds in the District and to account for receipts and expenditures involved in the replacement or updating of equipment essential for the instruction of students in job skills. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities, including real property.

Vocational Education Equipment Fund

Current Budget Bill appropriation line item 200-526

This fund is provided to account for receipts and expenditures incurred in the replacement or updating of equipment essential for the instruction of students in job skills.

SchoolNet Plus Fund

Section 5705.09, Revised Code

This fund accounts for State grants to provide classroom wiring, which will support the transmission of voice, video and data; and to provide a computer workstation and related technology for every classroom in low-wealth school districts.

Power-up Technologies Fund

Section 5705.09, Revised Code

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET
ALL CAPITAL PROJECTS FUNDS
JUNE 30, 2002

	<u>Permanent Improvements</u>	<u>Building</u>	<u>Vocational Education Equipment</u>
ASSETS:			
Equity in pooled cash and investments	\$ 79,686	\$ 22,348,609	\$ 49,051
Total assets and other debits	<u>\$ 79,686</u>	<u>\$ 22,348,609</u>	<u>\$ 49,051</u>
 LIABILITIES, EQUITY AND OTHER CREDITS			
LIABILITIES:			
Accounts payable.	\$ -	\$ 5,360	\$ -
Contracts payable.	-	1,043,339	-
Retainage payable	-	137,587	-
Accrued interest payable	-	123,250	-
General obligation notes payable.	-	12,750,000	-
Total liabilities.	<u>-</u>	<u>14,059,536</u>	<u>-</u>
 EQUITY AND OTHER CREDITS:			
Fund balances:			
Reserved for encumbrances.	-	5,602,877	-
Unreserved-undesignated	79,686	2,686,196	49,051
Total equity and other credits	<u>79,686</u>	<u>8,289,073</u>	<u>49,051</u>
Total liabilities, equity and other credits.	<u>\$ 79,686</u>	<u>\$ 22,348,609</u>	<u>\$ 49,051</u>

Total

\$ 22,477,346
\$ 22,477,346

\$ 5,360
1,043,339
137,587
123,250
12,750,000
14,059,536

5,602,877
2,814,933
8,417,810
\$ 22,477,346

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Permanent Improvements	Building	Vocational Education Equipment
Revenues:			
From local sources:			
Earnings on investments	\$ -	\$ 223,619	\$ -
Intergovernmental - State	-	-	30,042
Total revenue.	-	223,619	30,042
Expenditures:			
Current:			
Instruction:			
Regular.	-	-	30,042
Support services:			
Operations and maintenance	-	5,187,013	-
Central	-	-	-
Extracurricular activities	-	86,291	-
Facilities acquisition and construction.	-	830,252	-
Debt service:			
Interest and fiscal charges	-	120,117	-
Total expenditures	-	6,223,673	30,042
Excess (deficiency) of revenues over (under) expenditures	-	(6,000,054)	-
Other financing sources:			
Operating transfers in	3,900	216,200	-
Proceeds from sale of bonds	-	8,000,000	-
Total other financing sources	3,900	8,216,200	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	3,900	2,216,146	-
Fund balances (deficit), July 1	75,786	6,072,927	49,051
Fund balances, June 30.	\$ 79,686	\$ 8,289,073	\$ 49,051

SchoolNet Plus	Power-up Technologies	Total
\$ -	\$ -	\$ 223,619
-	-	30,042
-	-	253,661
65,917	-	95,959
-	-	5,187,013
47,000	-	47,000
-	-	86,291
-	-	830,252
-	-	120,117
112,917	-	6,366,632
(112,917)	-	(6,112,971)
-	8,500	228,600
-	-	8,000,000
-	8,500	8,228,600
(112,917)	8,500	2,115,629
112,917	(8,500)	6,302,181
\$ -	\$ -	\$ 8,417,810

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Fund balance, July 1	\$ 79,686	\$ 79,686	\$ -
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 79,686</u>	<u>\$ 79,686</u>	<u>\$ -</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$ 500,000	\$ 223,619	\$ (276,381)
Total revenues	<u>500,000</u>	<u>223,619</u>	<u>(276,381)</u>
Expenditures:			
Current:			
Support services-operations and maintenance			
Purchased services	3,356,313	3,356,093	220
Capital outlay	3,557,658	3,557,648	10
Total support services-operations and maintenance	<u>6,913,971</u>	<u>6,913,741</u>	<u>230</u>
Support services-central			
Purchased services	409,617	409,617	-
Total support services-central	<u>409,617</u>	<u>409,617</u>	<u>-</u>
Extracurricular activities			
Capital outlay	2,172,761	2,172,761	-
Total extracurricular activities.	<u>2,172,761</u>	<u>2,172,761</u>	<u>-</u>
Facilities acquisition and construction			
Purchased services	1,191,546	1,103,041	88,505
Capital outlay	518,790	518,790	-
Total facilities acquisition and construction.	<u>1,710,336</u>	<u>1,621,831</u>	<u>88,505</u>
Total expenditures	<u>11,206,685</u>	<u>11,117,950</u>	<u>88,735</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,706,685)</u>	<u>(10,894,331)</u>	<u>(187,646)</u>
Other financing sources:			
Proceeds from the sale of notes	22,750,000	12,750,000	(10,000,000)
Total other financing sources.	<u>22,750,000</u>	<u>12,750,000</u>	<u>(10,000,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	12,043,315	1,855,669	(10,187,646)
Fund balance, July 1	4,180,784	4,180,784	-
Prior year encumbrances appropriated	2,703,919	2,703,919	-
Fund balance, June 30	<u>\$ 18,928,018</u>	<u>\$ 8,740,372</u>	<u>\$ (10,187,646)</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$ 30,042	\$ 30,042	\$ -
Total revenues	<u>30,042</u>	<u>30,042</u>	<u>-</u>
Expenditures:			
Current:			
Instruction-regular			
Capital outlay	30,042	30,042	-
Total instruction-regular.	<u>30,042</u>	<u>30,042</u>	<u>-</u>
Total expenditures	<u>30,042</u>	<u>30,042</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Fund balance, July 1	49,051	49,051	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 49,051</u>	<u>\$ 49,051</u>	<u>\$ -</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Expenditures:			
Current:			
Instruction-regular			
Purchased services	\$ 24,259	\$ 24,259	\$ -
Capital outlay	41,658	41,658	-
Total instruction-regular.	<u>65,917</u>	<u>65,917</u>	<u>-</u>
Support services-central			
Purchased services	47,000	47,000	-
Total support services-central	<u>47,000</u>	<u>47,000</u>	<u>-</u>
Total expenditures	<u>112,917</u>	<u>112,917</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(112,917)	(112,917)	-
Fund balance, July 1	112,917	112,917	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Expenditures:			
Current:			
Support services-operations and maintenance			
Purchased services	\$ 29,408	\$ -	\$ 29,408
Total support services-operations and maintenance	<u>29,408</u>	<u>-</u>	<u>29,408</u>
Total expenditures	<u>29,408</u>	<u>-</u>	<u>29,408</u>
Excess (deficiency) of revenues over (under) expenditures	(29,408)	-	29,408
Fund balance, July 1	(29,408)	(29,408)	-
Prior year encumbrances appropriated	29,408	29,408	-
Fund balance (deficit), June 30.	<u>\$ (29,408)</u>	<u>\$ -</u>	<u>\$ 29,408</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$ 500,000	\$ 223,619	\$ (276,381)
Intergovernmental-State	30,042	30,042	-
Total revenues	<u>530,042</u>	<u>253,661</u>	<u>(276,381)</u>
Expenditures:			
Current:			
Instruction-regular			
Purchased services	24,259	24,259	-
Capital outlay	71,700	71,700	-
Total instruction-regular.	<u>95,959</u>	<u>95,959</u>	<u>-</u>
Support services-operations and maintenance			
Purchased services	3,385,721	3,356,093	29,628
Capital outlay	3,557,658	3,557,648	10
Total support services-operations and maintenance	<u>6,943,379</u>	<u>6,913,741</u>	<u>29,638</u>
Support services-central			
Purchased services	456,617	456,617	-
Total support services-central	<u>456,617</u>	<u>456,617</u>	<u>-</u>
Extracurricular activities			
Capital outlay	2,172,761	2,172,761	-
Total extracurricular activities.	<u>2,172,761</u>	<u>2,172,761</u>	<u>-</u>
Facilities acquisition and construction			
Purchased services	1,191,546	1,103,041	88,505
Capital outlay	518,790	518,790	-
Total facilities acquisition and construction.	<u>1,710,336</u>	<u>1,621,831</u>	<u>88,505</u>
Total expenditures.	<u>11,379,052</u>	<u>11,260,909</u>	<u>118,143</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,849,010)</u>	<u>(11,007,248)</u>	<u>(158,238)</u>
Other financing sources:			
Proceeds from the sale of notes	22,750,000	12,750,000	(10,000,000)
Total other financing sources.	<u>22,750,000</u>	<u>12,750,000</u>	<u>(10,000,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	11,900,990	1,742,752	(10,158,238)
Fund balances, July 1.	4,393,030	4,393,030	-
Prior year encumbrances appropriated	2,733,327	2,733,327	-
Fund balances, June 30.	<u>\$ 19,027,347</u>	<u>\$ 8,869,109</u>	<u>\$ (10,158,238)</u>

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ENTERPRISE FUNDS

Section 5705.12, Revised Code

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

Food Service Fund

Section 3313.81, Revised Code

This fund is used to record financial transactions related to food service operations.

Uniform School Supplies Fund

Section 3313.81, Revised Code

This fund accounts for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

Consumer Services Rotary Fund

Section 5705.12, Revised Code

A fund provided to account for income and expenses made in connection with goods and services provided by the District. Activities using this fund tend to be curricular in nature.

Natatorium Fund

Section 755.14, Revised Code

This fund is provided to account for monies received and expended in connection with a community recreation program which is intended to be self-sustaining.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
JUNE 30, 2002

	Food Service	Uniform School Supplies	Consumer Services Rotary	Natatorium	Total
ASSETS:					
Equity in pooled cash and investments	\$ -	\$ 15,710	\$ 46,175	\$ 5,086	\$ 66,971
Receivables (net of allowances of uncollectibles):					
Accounts	1,870	-	-	-	1,870
Due from other governments	29,671	-	-	-	29,671
Materials and supplies inventory	30,678	-	-	-	30,678
Property, plant and equipment (net of accumulated depreciation where applicable)	121,491	-	-	-	121,491
Total assets and other debits	\$ 183,710	\$ 15,710	\$ 46,175	\$ 5,086	\$ 250,681
LIABILITIES, EQUITY AND OTHER CREDITS					
LIABILITIES:					
Accounts payable	\$ -	\$ 6,777	\$ 2,297	\$ -	\$ 9,074
Accrued wages and benefits	10,872	-	-	1,713	12,585
Compensated absences payable	53,417	-	-	-	53,417
Pension obligation payable	42,432	-	-	114	42,546
Deferred revenue	17,285	-	-	-	17,285
Due to other governments	817	-	-	44	861
Total liabilities	124,823	6,777	2,297	1,871	135,768
EQUITY AND OTHER CREDITS:					
Contributed capital	748,892	-	-	-	748,892
Retained earnings (accumulated deficit): unreserved.	(690,005)	8,933	43,878	3,215	(633,979)
Total equity and other credits	58,887	8,933	43,878	3,215	114,913
Total liabilities, equity and other credits	\$ 183,710	\$ 15,710	\$ 46,175	\$ 5,086	\$ 250,681

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS (ACCUMULATED DEFICIT)
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Food Service	Uniform School Supplies	Consumer Services Rotary	Natatorium	Total
Operating revenues:					
Tuition and fees	\$ -	\$ 106,209	\$ -	\$ -	\$ 106,209
Sales/charges for services	1,413,649	-	50,167	30,199	1,494,015
Other	766	-	-	-	766
Total operating revenues	1,414,415	106,209	50,167	30,199	1,600,990
Operating expenses:					
Salaries and wages	590,939	-	-	22,478	613,417
Fringe benefits	243,187	-	-	3,201	246,388
Contract services	858,487	-	-	-	858,487
Materials and supplies	67,668	113,890	29,659	1,340	212,557
Depreciation	20,078	-	-	-	20,078
Other	-	-	13,580	-	13,580
Total operating expenses	1,780,359	113,890	43,239	27,019	1,964,507
Operating income (loss)	(365,944)	(7,681)	6,928	3,180	(363,517)
Nonoperating revenues:					
Operating grants	215,296	-	-	-	215,296
Federal commodities	55,056	-	-	-	55,056
Total nonoperating revenues	270,352	-	-	-	270,352
Net income (loss) before operating transfers.	(95,592)	(7,681)	6,928	3,180	(93,165)
Operating transfers in.	83,781	15,711	3,914	5,000	108,406
Operating transfers out	(21,410)	-	(9,149)	-	(30,559)
Net income (loss)	(33,221)	8,030	1,693	8,180	(15,318)
Retained earnings (accumulated deficit), July 1	(656,784)	903	42,185	(4,965)	(618,661)
Retained earnings (accumulated deficit), June 30	\$ (690,005)	\$ 8,933	\$ 43,878	\$ 3,215	\$ (633,979)

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Food Service	Uniform School Supplies	Consumer Services Rotary	Natatorium	Total
Cash flows from operating activities:					
Cash received from tuition and fees	\$ -	\$ 106,209	\$ -	\$ -	\$ 106,209
Cash received from service charges	1,412,545	-	50,167	30,199	1,492,911
Cash payments for personal services	(812,257)	-	-	(25,913)	(838,170)
Cash payments for contract services	(858,487)	-	-	-	(858,487)
Cash payments for materials and supplies.	(11,207)	(109,821)	(32,712)	(1,340)	(155,080)
Cash payments for other expenses	-	-	(13,580)	-	(13,580)
Net cash provided by (used in) operating activities.	<u>(269,406)</u>	<u>(3,612)</u>	<u>3,875</u>	<u>2,946</u>	<u>(266,197)</u>
Cash flows from noncapital financing activities:					
Cash received from operating grants	185,625	-	-	-	185,625
Transfers in from other funds.	83,781	7,131	2,414	-	93,326
Transfers out to other funds	-	-	(9,149)	-	(9,149)
Net cash provided by (used in) noncapital financing activities	<u>269,406</u>	<u>7,131</u>	<u>(6,735)</u>	<u>-</u>	<u>269,802</u>
Net increase (decrease) in cash and cash equivalents	-	3,519	(2,860)	2,946	3,605
Cash and cash equivalents at beginning of year	-	12,191	49,035	2,140	63,366
Cash and cash equivalents at end of year.	<u>\$ -</u>	<u>\$ 15,710</u>	<u>\$ 46,175</u>	<u>\$ 5,086</u>	<u>\$ 66,971</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss).	\$ (365,944)	\$ (7,681)	\$ 6,928	\$ 3,180	\$ (363,517)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	20,078	-	-	-	20,078
Federal donated commodities	55,056	-	-	-	55,056
Changes in assets and liabilities:					
Increase in materials and supplies inventory.	(7,867)	-	-	-	(7,867)
Increase in accounts receivable	(1,870)	-	-	-	(1,870)
Increase (decrease) in accounts payable	-	4,069	(3,053)	-	1,016
Increase (decrease) in accrued wages and benefits.	10,778	-	-	(151)	10,627
Decrease in compensated absences payable	(4,268)	-	-	-	(4,268)
Increase in due to other governments	817	-	-	44	861
Increase (decrease) in pension obligation payable.	14,542	-	-	(127)	14,415
Increase in deferred revenue.	9,272	-	-	-	9,272
Net cash provided by (used in) operating activities.	<u>\$ (269,406)</u>	<u>\$ (3,612)</u>	<u>\$ 3,875</u>	<u>\$ 2,946</u>	<u>\$ (266,197)</u>
Noncash investing, capital and financing activities:					
Federal donated commodities	<u>\$ 55,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,056</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
(ACCUMULATED DEFICIT) - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Favorable (Unfavorable)</u>
Operating revenues:			
Sales/charges for services	\$ 1,549,492	\$ 1,412,545	\$ (136,947)
Total operating revenues	<u>1,549,492</u>	<u>1,412,545</u>	<u>(136,947)</u>
 Operating expenses:			
Food service operations:			
Salaries and wages	649,680	591,557	58,123
Fringe benefits	243,095	220,808	22,287
Contract services	941,036	911,734	29,302
Supplies and materials	11,207	11,207	-
Total food service operations	<u>1,845,018</u>	<u>1,735,306</u>	<u>109,712</u>
 Total operating expenses.	<u>1,845,018</u>	<u>1,735,306</u>	<u>109,712</u>
 Operating loss.	<u>(295,526)</u>	<u>(322,761)</u>	<u>(27,235)</u>
 Nonoperating revenues:			
Cash received from state operating grants	203,622	185,625	(17,997)
Total nonoperating revenues	<u>203,622</u>	<u>185,625</u>	<u>(17,997)</u>
 Net loss before operating transfers	(91,904)	(137,136)	(45,232)
 Operating transfers:			
Operating transfers in.	91,904	83,781	(8,123)
Total operating transfers	<u>91,904</u>	<u>83,781</u>	<u>(8,123)</u>
 Net loss	-	(53,355)	(53,355)
 Accumulated deficit, July 1	(133,325)	(133,325)	-
Prior year encumbrances appropriated.	133,325	133,325	-
Accumulated deficit, June 30	<u>\$ -</u>	<u>\$ (53,355)</u>	<u>\$ (53,355)</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
(ACCUMULATED DEFICIT) - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Favorable (Unfavorable)</u>
Operating revenues:			
Tuition and fees	\$ 108,745	\$ 106,209	\$ (2,536)
Total operating revenues	<u>108,745</u>	<u>106,209</u>	<u>(2,536)</u>
 Operating expenses:			
Enterprise operations:			
Supplies and materials	128,237	127,353	884
Total enterprise operations	<u>128,237</u>	<u>127,353</u>	<u>884</u>
Total operating expenses	<u>128,237</u>	<u>127,353</u>	<u>884</u>
Operating loss before operating transfers	<u>(19,492)</u>	<u>(21,144)</u>	<u>(1,652)</u>
 Operating transfers:			
Operating transfers in	7,301	7,131	(170)
Total operating transfers	<u>7,301</u>	<u>7,131</u>	<u>(170)</u>
 Net loss	(12,191)	(14,013)	(1,822)
 Retained earnings, July 1	229	229	-
Prior year encumbrances appropriated	11,962	11,962	-
Accumulated deficit, June 30	<u>\$ -</u>	<u>\$ (1,822)</u>	<u>\$ (1,822)</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
(ACCUMULATED DEFICIT) - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CONSUMER SERVICES ROTARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Favorable (Unfavorable)</u>
Operating revenues:			
Sales/charges for services	\$ 55,000	\$ 50,167	\$ (4,833)
Total operating revenues	<u>55,000</u>	<u>50,167</u>	<u>(4,833)</u>
Operating expenses:			
Enterprise operations:			
Supplies and materials	41,520	38,409	3,111
Other	19,500	13,580	5,920
Total enterprise operations	<u>61,020</u>	<u>51,989</u>	<u>9,031</u>
Total operating expenses	<u>61,020</u>	<u>51,989</u>	<u>9,031</u>
Operating loss before operating transfers	(6,020)	(1,822)	4,198
Operating transfers:			
Operating transfers in.	2,265	2,414	149
Operating transfers out	(9,220)	(9,149)	71
Total operating transfers	<u>(6,955)</u>	<u>(6,735)</u>	<u>220</u>
Net loss	(12,975)	(8,557)	4,418
Retained earnings, July 1.	45,685	45,685	-
Prior year encumbrances appropriated.	3,350	3,350	-
Retained earnings, June 30.	<u>\$ 36,060</u>	<u>\$ 40,478</u>	<u>\$ 4,418</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
(ACCUMULATED DEFICIT) - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NATATORIUM FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Operating revenues:			
Sales/charges for services	\$ 38,000	\$ 30,199	\$ (7,801)
Total operating revenues	38,000	30,199	(7,801)
 Operating expenses:			
Community services:			
Salaries and wages	23,100	22,567	533
Fringe benefits	3,346	3,346	-
Supplies and materials	1,375	1,340	35
Total community services	27,821	27,253	568
Total operating expenses.	27,821	27,253	568
 Net income.	10,179	2,946	(7,233)
 Retained earnings, July 1.	1,862	1,862	-
Prior year encumbrances appropriated.	278	278	-
Retained earnings, June 30.	\$ 12,319	\$ 5,086	\$ (7,233)

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
(ACCUMULATED DEFICIT) - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Favorable (Unfavorable)</u>
Operating revenues:			
Tuition and fees	\$ 108,745	\$ 106,209	\$ (2,536)
Sales/charges for services	<u>1,642,492</u>	<u>1,492,911</u>	<u>(149,581)</u>
Total operating revenues	<u>1,751,237</u>	<u>1,599,120</u>	<u>(152,117)</u>
Operating expenses:			
Food service operations:			
Salaries and wages	649,680	591,557	58,123
Fringe benefits	243,095	220,808	22,287
Contract services	941,036	911,734	29,302
Supplies and materials	<u>11,207</u>	<u>11,207</u>	<u>-</u>
Total food service operations	<u>1,845,018</u>	<u>1,735,306</u>	<u>109,712</u>
Enterprise operations:			
Supplies and materials	169,757	165,762	3,995
Other	<u>19,500</u>	<u>13,580</u>	<u>5,920</u>
Total enterprise operations	<u>189,257</u>	<u>179,342</u>	<u>9,915</u>
Community services:			
Salaries and wages	23,100	22,567	533
Fringe benefits	3,346	3,346	-
Supplies and materials	<u>1,375</u>	<u>1,340</u>	<u>35</u>
Total community services	<u>27,821</u>	<u>27,253</u>	<u>568</u>
Total operating expenses	<u>2,062,096</u>	<u>1,941,901</u>	<u>120,195</u>
Operating loss	(310,859)	(342,781)	(31,922)
Nonoperating revenues:			
Cash received from state operating grants	<u>203,622</u>	<u>185,625</u>	<u>(17,997)</u>
Total nonoperating revenues	<u>203,622</u>	<u>185,625</u>	<u>(17,997)</u>
Net loss before operating transfers	(107,237)	(157,156)	(49,919)
Operating transfers:			
Operating transfers in	101,470	93,326	(8,144)
Operating transfers out	<u>(9,220)</u>	<u>(9,149)</u>	<u>71</u>
Total operating transfers	<u>92,250</u>	<u>84,177</u>	<u>(8,073)</u>
Net loss	(14,987)	(72,979)	(57,992)
Accumulated deficit, July 1	(85,549)	(85,549)	-
Prior year encumbrances appropriated	<u>148,915</u>	<u>148,915</u>	<u>-</u>
Retained earnings (accumulated deficit), June 30	<u>\$ 48,379</u>	<u>\$ (9,613)</u>	<u>\$ (57,992)</u>

INTERNAL SERVICE FUNDS

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

Internal Service Rotary Fund

Section 5705.12, Revised Code

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

Intra-District Services Fund

Section 5705.12, Revised Code

A series of two funds to provide distribution of in district transportation and printing charges.

Employee Benefits Self-Insurance Fund

Section 5705.09, Revised Code

This fund is provided to account for monies received from other funds as payment for providing dental benefits. The Self-Insured Dental fund may make payments for services provided to employees, for reimbursement to employees who have paid providers, to third party administrators for claims payment or administration, for stop-loss coverage, or for any other reinsurance or other similar purposes.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2002

	Internal Service Rotary	Intra-District Services	Employee Benefits Self-Insurance	Total
ASSETS:				
Equity in pooled cash and investments	\$ 9,931	\$ 40,019	\$ 1,792,009	\$ 1,841,959
Receivables (net of allowances of uncollectibles):				
Accounts.	-	-	24,432	24,432
Total assets and other debits	\$ 9,931	\$ 40,019	\$ 1,816,441	\$ 1,866,391
LIABILITIES, EQUITY AND OTHER CREDITS				
LIABILITIES:				
Accounts payable.	\$ 121	\$ -	\$ -	\$ 121
Claims payable	-	-	568,013	568,013
Total liabilities.	121	-	568,013	568,134
EQUITY AND OTHER CREDITS:				
Retained earnings: unreserved	9,810	40,019	1,248,428	1,298,257
Total equity and other credits	9,810	40,019	1,248,428	1,298,257
Total liabilities, equity and other credits.	\$ 9,931	\$ 40,019	\$ 1,816,441	\$ 1,866,391

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Internal Service Rotary	Intra-District Services	Employee Benefits Self-Insurance	Total
Operating revenues:				
Sales/charges for services	\$ 8,193	\$ -	\$ 5,635,001	\$ 5,643,194
Other	-	6,922	-	6,922
Total operating revenues	<u>8,193</u>	<u>6,922</u>	<u>5,635,001</u>	<u>5,650,116</u>
Operating expenses:				
Contract services	-	-	584,141	584,141
Materials and supplies	121	-	-	121
Claims expense.	-	-	4,636,040	4,636,040
Other	6,772	-	1,040	7,812
Total operating expenses	<u>6,893</u>	<u>-</u>	<u>5,221,221</u>	<u>5,228,114</u>
Net income before operating transfers	1,300	6,922	413,780	422,002
Operating transfers in.	<u>3,013</u>	<u>-</u>	<u>-</u>	<u>3,013</u>
Net income	4,313	6,922	413,780	425,015
Retained earnings, July 1.	5,497	33,097	834,648	873,242
Retained earnings, June 30.	<u>\$ 9,810</u>	<u>\$ 40,019</u>	<u>\$ 1,248,428</u>	<u>\$ 1,298,257</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Internal Service Rotary	Intra-District Services	Employee Benefits Self-Insurance	Total
Cash flows from operating activities:				
Cash received from service charges	\$ 8,193	\$ -	\$ 5,610,569	\$ 5,618,762
Cash received from other operations	-	6,922	-	6,922
Cash payments for contract services	-	-	(637,979)	(637,979)
Cash payments for claims expenses.	-	-	(4,652,875)	(4,652,875)
Cash payments for other expenses	(6,772)	-	(1,040)	(7,812)
Net cash provided by operating activities	<u>1,421</u>	<u>6,922</u>	<u>318,675</u>	<u>327,018</u>
Net increase in cash and cash equivalents	1,421	6,922	318,675	327,018
Cash and cash equivalents at beginning of year	8,510	33,097	1,473,334	1,514,941
Cash and cash equivalents at end of year.	<u>\$ 9,931</u>	<u>\$ 40,019</u>	<u>\$ 1,792,009</u>	<u>\$ 1,841,959</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 1,300	\$ 6,922	\$ 413,780	\$ 422,002
Adjustments to reconcile operating income to net cash provided by operating activities:				
Changes in assets and liabilities:				
Increase in accounts receivable.	-	-	(24,432)	(24,432)
Increase (decrease) in accounts payable	121	-	(53,838)	(53,717)
Decrease in claims payable.	-	-	(16,835)	(16,835)
Net cash provided by operating activities	<u>\$ 1,421</u>	<u>\$ 6,922</u>	<u>\$ 318,675</u>	<u>\$ 327,018</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERNAL SERVICE ROTARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Operating revenues:			
Sales/charges for services.	\$ 7,000	\$ 8,193	\$ 1,193
Total operating revenues	<u>7,000</u>	<u>8,193</u>	<u>1,193</u>
Operating expenses:			
Community services:			
Other	9,109	7,264	1,845
Total community services.	<u>9,109</u>	<u>7,264</u>	<u>1,845</u>
Total operating expenses	<u>9,109</u>	<u>7,264</u>	<u>1,845</u>
Operating income (loss)	(2,109)	929	3,038
Retained earnings, July 1.	8,401	8,401	-
Prior year encumbrances appropriated.	109	109	-
Retained earnings, June 30.	<u>\$ 6,401</u>	<u>\$ 9,439</u>	<u>\$ 3,038</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTRA-DISTRICT SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Operating revenues:			
Other revenue	\$ -	\$ 6,922	\$ 6,922
Total operating revenues	<u>-</u>	<u>6,922</u>	<u>6,922</u>
 Operating expenses:			
Central:			
Contract services	20,000	-	20,000
Total central.	<u>20,000</u>	<u>-</u>	<u>20,000</u>
 Total operating expenses	<u>20,000</u>	<u>-</u>	<u>20,000</u>
 Net income (loss)	(20,000)	6,922	26,922
 Retained earnings, July 1.	33,097	33,097	-
Prior year encumbrances appropriated.	-	-	-
Retained earnings, June 30.	<u>\$ 13,097</u>	<u>\$ 40,019</u>	<u>\$ 26,922</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMPLOYEE BENEFITS SELF-INSURANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Favorable (Unfavorable)</u>
Operating revenues:			
Sales/charges for services	\$ 4,300,000	\$ 5,610,569	\$ 1,310,569
Total operating revenues	<u>4,300,000</u>	<u>5,610,569</u>	<u>1,310,569</u>
Operating expenses:			
Central:			
Claims expense.	5,390,468	5,342,244	48,224
Total central.	<u>5,390,468</u>	<u>5,342,244</u>	<u>48,224</u>
Total operating expenses	<u>5,390,468</u>	<u>5,342,244</u>	<u>48,224</u>
Operating income (loss)	(1,090,468)	268,325	1,358,793
Retained earnings, July 1.	1,320,334	1,320,334	-
Prior year encumbrances appropriated.	153,000	153,000	-
Retained earnings, June 30.	<u>\$ 382,866</u>	<u>\$ 1,741,659</u>	<u>\$ 1,358,793</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Operating revenues:			
Sales/charges for services	\$ 4,307,000	\$ 5,618,762	\$ 1,311,762
Other revenue	-	6,922	6,922
Total operating revenues	<u>4,307,000</u>	<u>5,625,684</u>	<u>1,318,684</u>
Operating expenses:			
Central:			
Contract services	20,000	-	20,000
Claims expense.	5,390,468	5,342,244	48,224
Total central.	<u>5,410,468</u>	<u>5,342,244</u>	<u>68,224</u>
Community services:			
Other	9,109	7,264	1,845
Total community services.	<u>9,109</u>	<u>7,264</u>	<u>1,845</u>
Total operating expenses	<u>5,419,577</u>	<u>5,349,508</u>	<u>70,069</u>
Operating income (loss)	(1,112,577)	276,176	1,388,753
Retained earnings, July 1.	1,361,832	1,361,832	-
Prior year encumbrances appropriated.	153,109	153,109	-
Retained earnings, June 30.	<u>\$ 402,364</u>	<u>\$ 1,791,117</u>	<u>\$ 1,388,753</u>

FIDUCIARY FUND TYPES

EXPENDABLE TRUST FUND

Section 5705.09, Revised Code

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

NONEXPENDABLE TRUST FUND

Section 5705.09, Revised Code

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

AGENCY FUND

Student Managed Activity Fund

Section 3315.062, Revised Code

This fund is 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.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET
ALL FIDUCIARY FUNDS TYPES
JUNE 30, 2002

	Expendable Trust Fund	Nonexpendable Trust Fund	Student Managed Activity	Total
ASSETS:				
Equity in pooled cash and investments	\$ 11,197	\$ -	\$ 115,052	\$ 126,249
Equity in pooled cash and investments - nonexpendable trust fund	-	7,624	-	7,624
Total assets and other debits	\$ 11,197	\$ 7,624	\$ 115,052	\$ 133,873
 LIABILITIES, EQUITY AND OTHER CREDITS				
LIABILITIES:				
Due to students.	\$ -	\$ -	\$ 115,052	\$ 115,052
Total liabilities.	-	-	115,052	115,052
 EQUITY AND OTHER CREDITS:				
Fund balances:				
Reserved for principal endowment	-	7,000	-	7,000
Reserved for scholarships	-	624	-	624
Unreserved-undesignated	11,197	-	-	11,197
Total equity and other credits	11,197	7,624	-	18,821
Total liabilities, equity and other credits.	\$ 11,197	\$ 7,624	\$ 115,052	\$ 133,873

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Favorable (Unfavorable)</u>
Revenues:			
From local sources:			
Earnings on investments	\$ -	\$ 135	\$ 135
Other local revenue	<u>9,400</u>	<u>12,656</u>	<u>3,256</u>
Total revenues	<u>9,400</u>	<u>12,791</u>	<u>3,391</u>
Expenditures:			
Current:			
Extracurricular activities			
Other	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Total extracurricular activities.	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Excess of revenues over expenditures.	7,400	10,791	3,391
Fund balance, July 1	406	406	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 7,806</u>	<u>\$ 11,197</u>	<u>\$ 3,391</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Revised Budget	Actual	Variance with Revised Budget Favorable (Unfavorable)
Operating revenues:			
Earnings on investments	\$ 187	\$ 199	\$ 12
Total operating revenues	<u>187</u>	<u>199</u>	<u>12</u>
 Operating expenses:			
Support services-pupil			
Other	100	100	-
Total support services-pupil.	<u>100</u>	<u>100</u>	<u>-</u>
 Extracurricular activities			
Other	500	500	-
Total extracurricular activities	<u>500</u>	<u>500</u>	<u>-</u>
 Total operating expenses	<u>600</u>	<u>600</u>	<u>-</u>
 Operating loss	(413)	(401)	12
 Fund balance, July 1	8,025	8,025	-
Prior year encumbrances appropriated	-	-	-
Fund balance, June 30	<u>\$ 7,612</u>	<u>\$ 7,624</u>	<u>\$ 12</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

	Beginning Balance July 1, 2001	Additions	Deletions	Ending Balance June 30, 2002
<u>Student Managed Activity Fund</u>				
ASSETS:				
Equity in pooled cash and investments	\$ 97,585	\$ 17,467	\$ -	\$ 115,052
Total assets	<u>\$ 97,585</u>	<u>\$ 17,467</u>	<u>\$ -</u>	<u>\$ 115,052</u>
LIABILITIES:				
Accounts payable.	\$ 800	\$ -	\$ (800)	\$ -
Due to students.	95,397	19,655	-	115,052
Advances from other funds.	1,388	-	(1,388)	-
Total liabilities.	<u>\$ 97,585</u>	<u>\$ 19,655</u>	<u>\$ (2,188)</u>	<u>\$ 115,052</u>
<u>Summary All Agency Funds</u>				
ASSETS:				
Equity in pooled cash and investments	\$ 97,585	\$ 17,467	\$ -	\$ 115,052
Total assets	<u>\$ 97,585</u>	<u>\$ 17,467</u>	<u>\$ -</u>	<u>\$ 115,052</u>
LIABILITIES:				
Accounts payable.	\$ 800	\$ -	\$ (800)	\$ -
Due to students.	95,397	19,655	-	115,052
Advances from other funds.	1,388	-	(1,388)	-
Total liabilities.	<u>\$ 97,585</u>	<u>\$ 19,655</u>	<u>\$ (2,188)</u>	<u>\$ 115,052</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

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

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ASSET CLASS
JUNE 30, 2002

	<u>Instruction</u>	<u>Administration</u>	<u>Operation and Maintenance of Plant Services</u>	<u>Transportation Services Pupils</u>	<u>Facilities Services</u>	<u>Total General Fixed Assets</u>
Land/Improvements	\$ 4,857,120	\$ 63,954	\$ -	\$ 454,225	\$ -	\$ 5,375,299
Buildings	41,426,093	1,509,745	26,520	299,057	-	43,261,415
Furniture and Equipment . . .	11,292,693	1,121,594	72,107	43,277	-	12,529,671
Vehicles.	68,514	-	104,994	4,275,398	-	4,448,906
Construction-In-Progress. . .	-	-	-	-	6,311,543	6,311,543
Total	<u>\$ 57,644,420</u>	<u>\$ 2,695,293</u>	<u>\$ 203,621</u>	<u>\$ 5,071,957</u>	<u>\$ 6,311,543</u>	<u>\$ 71,926,834</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2002

	Balance at July 1, 2001	Additions	Deletions	Balance at June 30, 2002
Instruction	\$ 56,268,689	\$ 1,535,766	\$ (160,035)	\$ 57,644,420
Administration.	2,593,674	117,409	(15,790)	2,695,293
Operation and Maintenance of Plant Services	191,557	14,693	(2,629)	203,621
Transportation Services - Pupils	4,842,751	295,486	(66,280)	5,071,957
Facilities Services.	682,422	5,629,121	-	6,311,543
Total General Fixed Assets	<u>\$ 64,579,093</u>	<u>\$ 7,592,475</u>	<u>\$ (244,734)</u>	<u>\$ 71,926,834</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
JUNE 30, 2002

General Fixed Assets:

Land Improvements	\$	5,375,299
Buildings		43,261,415
Furniture and Equipment		12,529,671
Vehicles.		4,448,906
Construction-in-Progress		6,311,543
Total General Fixed Assets	\$	71,926,834

Investments in General Fixed Assets by Source:

Acquisitions since July 1, 1992

General Fund	\$	15,958,170
Special Revenue Funds.		752,767
Capital Projects Funds		26,905,518
Total acquisitions since July 1, 1992		43,616,455
Acquisitions prior to June 30, 1992.		28,310,379
Total General Fixed Assets	\$	71,926,834

STATISTICAL SECTION

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS

AMOUNT

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
Expenditures:				
Instruction	\$ 23,122,345	\$ 22,676,105	\$ 24,231,131	\$ 26,332,624
Supporting Services	12,661,871	12,959,356	14,810,623	15,316,057
Community Services.	10,803	24,754	-	-
Extracurricular Activities	616,417	589,573	592,895	728,380
Facilities Acquisition	159,865	322,450	562,490	368,128
Capital Outlay.	-	-	-	-
Debt Service	-	113,966	39,761	13,283
Total Expenditures	<u>\$ 36,571,301</u>	<u>\$ 36,686,204</u>	<u>\$ 40,236,900</u>	<u>\$ 42,758,472</u>

Percent of Total

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
Expenditures:				
Instruction	63.22%	61.78%	60.22%	61.58%
Supporting Services	34.62%	35.32%	36.81%	35.82%
Community Services.	0.03%	0.07%	0.00%	0.00%
Extracurricular Activities	1.69%	1.64%	1.47%	1.71%
Facilities Acquisition	0.44%	0.88%	1.40%	0.86%
Capital Outlay.	0.00%	0.00%	0.00%	0.00%
Debt Service	0.00%	0.31%	0.10%	0.03%
Total Expenditures	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Sylvania City School District records

<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
\$ 26,119,689	\$ 28,691,403	\$ 30,373,223	\$ 31,178,574	\$ 33,630,995	\$ 35,473,399
15,448,281	18,896,700	18,684,466	20,066,054	21,818,955	24,752,178
-	14,018	15,136	31,200	29,185	7,441
709,810	745,128	679,801	853,050	922,782	1,120,163
38,555	296,524	366,874	10,019	43,788	175,911
-	-	-	-	523,172	336,621
-	-	-	-	173,452	240,452
<u>\$ 42,316,335</u>	<u>\$ 48,643,773</u>	<u>\$ 50,119,500</u>	<u>\$ 52,138,897</u>	<u>\$ 57,142,329</u>	<u>\$ 62,106,165</u>

<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
61.72%	58.98%	60.60%	59.79%	58.86%	57.12%
36.51%	38.85%	37.28%	38.49%	38.18%	39.85%
0.00%	0.03%	0.03%	0.06%	0.05%	0.01%
1.68%	1.53%	1.36%	1.64%	1.61%	1.80%
0.09%	0.61%	0.73%	0.02%	0.08%	0.28%
0.00%	0.00%	0.00%	0.00%	0.92%	0.54%
0.00%	0.00%	0.00%	0.00%	0.30%	0.39%
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

GENERAL FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS

AMOUNT

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
Revenues:				
Taxes	\$ 23,884,588	\$ 26,992,402	\$ 27,353,815	\$ 28,453,613
Tuition	136,754	161,719	135,259	144,646
Transportation Fees.	54,808	52,073	69,628	13,546
Earnings on Investments	378,184	481,968	570,328	689,203
Extracurricular Activities.	-	-	-	-
Other Local Revenues	147,128	206,401	175,630	214,206
State Sources.	11,653,634	12,264,224	12,516,599	12,762,238
Miscellaneous Receipts	189,844	274,962	261,359	117,090
Total Revenues	<u>\$ 36,444,940</u>	<u>\$ 40,433,749</u>	<u>\$ 41,082,618</u>	<u>\$ 42,394,542</u>

Percent of Total

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
Revenues:				
Taxes	65.53%	66.76%	66.58%	67.12%
Tuition	0.38%	0.40%	0.33%	0.34%
Transportation Fees.	0.15%	0.13%	0.17%	0.03%
Earnings on Investments	1.04%	1.19%	1.39%	1.63%
Extracurricular Activities.	0.00%	0.00%	0.00%	0.00%
Other Local Revenues	0.40%	0.51%	0.43%	0.51%
State Sources.	31.98%	30.33%	30.46%	30.09%
Miscellaneous Receipts	0.52%	0.68%	0.64%	0.28%
Total Revenues	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Sylvania City School District records

<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
\$ 31,478,758	\$ 32,873,760	\$ 33,634,433	\$ 33,116,319	\$ 33,983,502	\$ 35,746,978
92,127	88,925	15,572	270,226	137,519	244,887
833	-	-	-	-	-
837,731	1,085,907	1,061,735	1,154,845	1,311,662	712,292
-	-	-	-	-	-
207,385	274,416	186,210	483,032	558,622	317,837
13,251,345	14,750,111	16,029,260	17,547,708	19,046,762	21,198,660
76,811	297,735	-	-	-	-
<u>\$ 45,944,990</u>	<u>\$ 49,370,854</u>	<u>\$ 50,927,210</u>	<u>\$ 52,572,130</u>	<u>\$ 55,038,067</u>	<u>\$ 58,220,654</u>

<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
68.51%	66.59%	66.04%	62.98%	61.74%	61.40%
0.20%	0.18%	0.03%	0.51%	0.25%	0.42%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.82%	2.20%	2.08%	2.20%	2.38%	1.22%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0.45%	0.56%	0.37%	0.92%	1.01%	0.55%
28.85%	29.88%	31.48%	33.39%	34.62%	36.41%
0.17%	0.59%	0.00%	0.00%	0.00%	0.00%
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS - REAL AND PUBLIC UTILITY REAL PROPERTY TAXES (1)
LAST TEN COLLECTION YEARS

<u>Year (2)</u>	<u>Current Taxes Levied</u>	<u>Delinquent Levy (3)</u>	<u>Total Levy</u>	<u>Current Collection</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection as a Percent of Total Levy</u>
2001	\$ 42,092,409	\$ 1,546,087	\$ 43,638,496	\$ 41,953,504	99.67%	\$ 908,227	\$ 42,861,731	98.22%
2000	40,492,936	1,548,288	42,041,224	40,415,959	99.81%	961,017	41,376,976	98.42%
1999	40,281,973	1,605,384	41,887,357	40,003,676	99.31%	1,194,755	41,198,431	98.36%
1998	39,596,500	1,544,851	41,141,351	39,349,130	99.38%	1,226,123	40,575,253	98.62%
1997	39,608,000	1,775,022	41,383,022	39,402,767	99.48%	865,857	40,268,624	97.31%
1996	35,014,348	1,610,467	36,624,815	34,885,127	99.63%	913,790	35,798,917	97.74%
1995	33,158,756	2,012,053	35,170,809	32,440,741	97.83%	975,564	33,416,305	95.01%
1994	32,344,991	2,192,863	34,537,854	31,212,863	96.50%	1,177,658	32,390,521	93.78%
1993	30,861,603	2,358,931	33,220,534	30,400,514	98.51%	997,227	31,397,741	94.51%
1992	23,517,835	1,696,855	25,214,690	22,572,178	95.98%	623,947	23,196,125	91.99%

Source: Lucas County Auditor - Data is presented on a calendar year basis because the tax levy year and the tax collection year are on a calendar year basis.

(1) Includes state-mandated tax-reduction amounts, which are subsequently reimbursed to the District by the State, and reported as Intergovernmental revenue.

(2) Represents the collection year. 2002 information cannot be presented because all collections have not been made as of the District's June 30 fiscal year end.

(3) This amount cannot be calculated from other data in this table because of retroactive additions and deletions.

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN CALENDAR YEARS

Tax Collection Year	Real Property		General Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2002	\$ 1,165,494,720	\$ 3,329,984,914	\$ 79,150,281	\$ 316,601,124
2001	1,140,109,230	3,257,454,943	66,451,695	265,806,780
2000	949,793,290	2,713,695,114	68,362,885	273,451,540
1999	919,948,910	2,628,425,457	64,828,270	259,313,080
1998	894,618,520	2,556,052,914	62,422,222	249,688,888
1997	796,725,120	2,276,357,486	59,103,325	236,413,300
1996	775,810,600	2,216,601,714	52,379,664	209,518,656
1995	762,979,800	2,179,942,286	45,810,248	183,240,992
1994	704,767,750	2,013,622,143	45,248,641	180,994,564
1993	685,613,850	1,958,896,714	42,460,962	169,843,848

Source: Lucas County Auditor - The data is presented on a calendar year basis because the tax levy year and the tax collection year are on a calendar year basis.

- (A) This amount is calculated based on the following percentages for tax year 2001:
 Real property is assessed at 35% of actual value.
 General tangible personal property is assessed at 25% of actual value.
 Public utility tangible personal property is assessed at 25% of actual value.

Public Utility Personal Property		Totals (A)		Assessed Value As a Percent of Actual Value
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$ 22,909,220	\$ 91,636,880	\$ 1,267,554,221	\$ 3,738,222,918	33.91%
33,826,890	38,439,648	1,240,387,815	3,561,701,371	34.83%
34,977,260	39,746,886	1,053,133,435	3,026,893,540	34.79%
39,733,456	45,151,655	1,024,510,636	2,932,890,192	34.93%
38,107,550	43,304,034	995,148,292	2,849,045,836	34.93%
40,825,650	46,392,784	896,654,095	2,559,163,570	35.04%
40,885,020	46,460,250	869,075,284	2,472,580,620	35.15%
44,834,180	50,947,932	853,624,228	2,414,131,210	35.36%
45,012,060	51,150,068	795,028,451	2,245,766,775	35.40%
43,703,890	49,663,512	771,778,702	2,178,404,074	35.43%

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

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

Government	1993	1994	1995	1996
Direct:				
Sylvania City School District	\$ 62.30	\$ 62.30	\$ 62.30	\$ 63.90
Overlapping:				
Townships:				
Sylvania	16.40	16.40	16.40	16.40
Municipalities:				
City of Sylvania (includes Recreation District)	5.75	6.25	6.25	6.25
City of Toledo (includes Recreation District)	4.40	4.40	4.40	4.40
Lucas County	15.85	15.85	15.85	17.20
TARTA (A)	2.50	2.50	2.50	2.50

(A) Toledo Area Regional Transit Authority

Source: Lucas County Auditor

<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
\$ 68.20	\$ 66.30	\$ 66.30	\$ 65.70	\$ 65.20	\$ 65.20
16.40	16.40	16.40	16.40	16.72	18.42
6.25	6.25	6.45	6.40	6.40	6.30
4.40	4.40	4.40	4.40	5.70	5.60
17.35	17.35	17.75	17.95	17.80	17.45
2.50	2.50	2.50	2.50	2.50	2.50

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

**RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE
AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**

LAST TEN FISCAL YEARS

<u>Collection Year</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Assessed Value</u>	<u>Population (2)</u>	<u>Ratio of Net General Obligation Bonded Debt to Assessed Value</u>	<u>Net General Obligation Bonded Debt Per Capita</u>
2002	\$ 33,605,279	\$ 1,267,554,221	48,523	2.65%	\$ 693
2001	27,149,406	1,240,387,815	47,328	2.19%	574
2000	20,616,981	1,053,133,435	39,983	1.96%	516
1999	22,714,937	1,024,510,636	39,983	2.22%	568
1998	24,946,397	995,148,292	39,983	2.51%	624
1997	25,296,175	896,654,095	39,983	2.82%	633
1996	27,047,847	869,075,284	39,983	3.11%	676
1995	9,117,139	853,624,228	39,983	1.07%	228
1994	10,458,682	795,028,451	39,983	1.32%	262
1993	11,691,558	771,778,702	39,983	1.51%	292

Source: Lucas County Auditor and School District Financial Records

(1) In the past ten fiscal years, there has been no general obligation bonded debt applicable to Enterprise Funds.

(2) Years 1993-2000 from U.S. Census Bureau, 1990; Years 2001-2002 from U.S. Census Bureau, 2000

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2002

	Total Voted Debt Limit (1)	Total Unvoted Debt Limit (2)
Assessed Valuation Collection Year 2002	\$ 1,267,554,221	\$ 1,267,554,221
Debt Limitation	114,079,880	1,267,554
Outstanding Debt:		
General Obligation Bonds	37,142,143	37,142,143
Asbestos Removal Loan	29,654	29,654
Total Outstanding Debt	37,171,797	37,171,797
Exemptions:		
General Obligation Bonds	-	(37,142,143)
Asbestos Removal Loan	(29,654)	(29,654)
Total Exemptions	(29,654)	(37,171,797)
Less: Amount available in Debt Service fund	(3,536,864)	-
Net Debt Subject to Limitation	33,605,279	-
Total Legal Debt Margin (Debt Limitation Minus Net Debt Subject to Limitation)	\$ 80,474,601	\$ 1,267,554

Source: Sylvania City School District records

(1) The legal voted debt margin for school districts in Ohio is 9% of the assessed valuation.

(2) The legal unvoted debt margin for school districts in Ohio is 1/10 of 1% of the assessed valuation.
The District has no unvoted debt subject to the legal debt margin.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

VARIOUS SCHOOL DISTRICT OVERLAPPING
GENERAL OBLIGATION BONDED DEBT
ALLOCATIONS (PRINCIPAL AMOUNT)
DECEMBER 31, 2001

	<u>Amount</u>	<u>Per Capita (b)</u>	<u>% of District's Current (2001) Assessed Valuation</u>
District Non Exempt Debt			
General Obligation Debt (a)	\$ 37,142,143	\$ 765	2.99%
 Total District General Obligation Debt (exempt and non exempt)	 37,171,797	 766	 3.00%
 Highest Total Overlapping General Obligation Debt (c)	 70,926,545	 1,462	 5.72%

(a) Total General Obligation Debt, less exempt debt.

(b) Based on the 2001 population of 48,523.

(c) Includes, in addition to "Total District General Obligation Debt", allocations of total General Obligation Debt of overlapping subdivisions, resulting in the calculation of highest total overlapping debt based on percent of assessed valuation of territory of the subdivisions located within the District (% figures are resulting percent of total debt of subdivisions allocated to the District in this manner), as follows:

	<u>Percent Applicable to School District</u>
County	16.31%
City of Sylvania	100.00%
Sylvania Area Joint Recreation District	100.00%

Allocation of General Obligation debt of the remaining overlapping subdivisions as follows:

City of Toledo	2.57%
Ottawa Hills Village	1.36%

Source of assessed valuation and General Obligation debt figures for overlapping subdivisions: Lucas County Auditor

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT
TO TOTAL GENERAL FUND EXPENDITURES**

LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Debt Service Expenditures As a Percent of General Fund Expenditures
2002	\$ 15,735,000	\$ 1,123,013	\$ 16,858,013	\$ 62,106,165	27.14%
2001	2,055,000	1,149,559	3,204,559	57,142,329	5.61%
2000	2,510,000	1,173,666	3,683,666	52,138,897	7.07%
1999	2,200,000	1,306,183	3,506,183	50,119,500	7.00%
1998	2,105,000	1,389,848	3,494,848	48,646,773	7.18%
1997	1,740,000	1,533,378	3,273,378	42,316,335	7.74%
1996	950,000	1,257,346	2,207,346	42,758,472	5.16%
1995	895,000	596,870	1,491,870	40,236,900	3.71%
1994	885,000	651,457	1,536,457	36,686,204	4.19%
1993	815,000	790,150	1,605,150	36,571,301	4.39%

Source: Sylvania City School District records

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

DEMOGRAPHIC STATISTICS
LAST TEN CALENDAR YEARS

<u>Calendar Year</u>	<u>Population (A)</u>	<u>School Enrollment (C)</u>	<u>Unemployment Rate (B)</u>	<u>Average Income (D)</u>	<u>Property Valuation Per Pupil (E)</u>
2002	48,523	7,569	5.30%	\$ 71,625	\$ 163,877
2001	47,328	7,908	5.50%	71,630	133,173
2000	39,983	7,991	4.26%	69,883	128,208
1999	39,983	8,020	4.84%	68,179	127,744
1998	39,983	7,904	6.00%	66,516	125,904
1997	39,983	7,754	5.90%	64,877	115,638
1996	39,983	7,737	n/a	59,520	112,327
1995	39,983	7,664	n/a	55,525	111,381
1994	39,983	7,455	n/a	54,962	106,644
1993	39,983	7,220	n/a	50,677	106,895

(A) Years 1993-2000 from U.S. Bureau of Census, 1990; Years 2001-2002 from U.S. Bureau of Census, 2000.

(B) Ohio Department of Labor (n/a - not available).

(C) Sylvania City School District records.

(D) Ohio Department of Taxation (per household).

(E) Prior year's property valuation divided by current year's school enrollment equals valuation per pupil.

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

PROPERTY VALUES, CONSTRUCTION ACTIVITY, AND BANK DEPOSITS
LAST TEN CALENDAR YEARS

Year	Assessed Valuation (1)	City of Sylvania Building Permits (2)		Sylvania Township Building Permits (3)		Total Building Permits		Bank Deposits (4)
		Number	Value	Number	Value	Number	Total	
2001	\$ 1,240,387,815	171	\$ 15,806,116	685	\$ 85,714,643	856	\$ 101,520,759	\$ 785,707
2000	1,053,133,435	120	6,776,289	723	85,107,015	843	91,883,304	2,413,149
1999	1,024,510,636	170	8,866,541	728	78,417,431	898	87,283,972	6,340,350
1998	995,148,292	168	7,658,159	766	82,915,854	934	90,574,013	5,302,858
1997	896,654,095	252	13,239,808	738	64,035,780	990	77,275,588	3,037,031
1996	869,075,284	229	13,885,002	674	58,221,000	903	72,106,002	3,810,869
1995	853,624,228	245	17,756,530	620	48,230,894	865	65,987,424	3,675,524
1994	795,028,451	207	14,402,052	634	49,897,914	841	64,299,966	3,847,921
1993	771,778,702	249	14,482,206	583	37,131,500	832	51,613,706	3,124,897
1992	756,960,751	346	23,346,489	684	39,257,177	1,030	62,603,666	4,439,618

(1) Lucas County Auditor

(2) Source: City of Sylvania

(3) Source: Sylvania Township

(4) Source: Lucas County Auditor, Comprehensive Annual Financial Report (dollar amounts in \$000s)

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

PRINCIPAL TAXPAYERS
DECEMBER 31, 2001

Taxpayer	REAL PROPERTY		
	Assessed Valuation	% of Real Valuation	% of Total Valuation
Reynolds Road Fitness Center	\$ 6,296,990	0.55%	0.51%
National Amusements	4,120,710	0.36%	0.33%
R.G. Dunbar, Inc.	4,117,880	0.36%	0.33%
Meijer Properties, Inc.	4,025,010	0.35%	0.32%
Starlite Plaza Unlimited	3,401,210	0.30%	0.27%
Schwerkoske Family Practice	2,789,720	0.24%	0.22%
Harvey Tolson	2,559,280	0.22%	0.21%
Andersons	2,497,040	0.22%	0.20%
CBNA Building Co/Capital Bank	2,273,190	0.20%	0.18%
Hartford Corporation	2,252,330	0.20%	0.18%
Total	<u>\$ 34,333,360</u>	<u>3.00%</u>	<u>2.75%</u>

Taxpayer	PERSONAL PROPERTY		
	Assessed Valuation	% of Personal Valuation	% of Total Valuation
Yark Automotive Group, Inc.	\$ 5,163,350	6.52%	0.41%
Brown Motor Sales Co., Inc.	2,840,730	3.59%	0.22%
Vin Devers, Inc.	2,724,260	3.44%	0.21%
Dave White Chevrolet, Inc.	2,586,220	3.27%	0.20%
Meijer Stores Limited Partner	2,053,160	2.59%	0.16%
Block Communications, Inc.	1,980,520	2.50%	0.16%
Kistler Ford, Inc.	1,709,930	2.16%	0.13%
Hanson Aggregates Midwest, Inc.	1,691,270	2.14%	0.13%
Reichert Stamping Company	1,449,430	1.83%	0.11%
Jim White Company	1,302,080	1.65%	0.10%
Total	<u>\$ 23,500,950</u>	<u>29.69%</u>	<u>1.85%</u>

Source: Lucas County Auditor

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

LARGEST EMPLOYERS
DECEMBER 31, 2001

<u>Employer</u>	<u>Business</u>	<u>Employees</u>
Flower Memorial Hospital	Hospital	1,400
Sylvania City Schools	Education	897
Lake Park	Skilled Nursing/Assisted Living	450
Jim Yark Oldsmobile	Automobile Dealership	300
Canberra Corporation	Cleaning Supplies	250
Vin Devers	Automobile Dealership	200
Harborside Healthcare/Sylvania	Intermediary & Skilled Nursing Care	200
Lourdes Company	Private College	200
Kroger Company	Grocery and Retail Store	175
Brown Motors	Automobile Dealership	150
Sylvester Material	Trucking	120
Farmer Jack	Grocery and Retail Store	110
Sylvania Recreation Corporation	Recreational Services	101
Big K-Mart	Department Store	100

Source: City of Sylvania

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

MISCELLANEOUS STATISTICAL DATA

Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2002

Part I. HIGHLIGHTS

	District	State
Average Daily Membership (ADM) SF-12 ADM (October)	7,569	2,588
Median Family Income (1996, from Ohio Department of Taxation)	\$ 41,625	\$ 29,069
Revenue Sources Per Pupil:		
- Local Funds	\$ 4,777	\$ 3,787
- State Funds	2,518	3,351
- Federal Funds	174	473
Total Revenues Sources Per Pupil	<u>\$ 7,469</u>	<u>\$ 7,611</u>
Expenditures Per Pupil (All Funds)	\$ 8,509	\$ 7,602
Average Class Size (Regular Instruction K-4)	17.9	18.0
Teacher Average Salary	\$ 47,145	\$ 42,995
Graduation Rate (Percent) (Number of graduates versus fall enrollment)	92.4%	81.2%
Student Attendance Rate (Percent)	95.9%	93.9%
Staff Attendance Rate (Percent)	94.3%	95.3%

Part II. STUDENT OUTCOMES

Proficiency Tests					
1. Percentage of ninth grade students required to take the Ninth (9th) grade test who passed as reported after the March test administration.					
	Math	Reading	Writing	Citizenship	Science
District	90.9%	97.2%	97.6%	94.0%	93.4%
State	72.5%	90.5%	91.6%	82.5%	78.1%
Proficiency Tests					
2. Percentage of fourth grade students required to take the Fourth (4th) grade test who demonstrated proficiency.					
	Math	Reading	Writing	Citizenship	Science
District	69.9%	70.6%	91.2%	74.8%	70.4%
State	59.4%	56.0%	79.3%	60.5%	55.6%
Proficiency Tests					
3. Percentage of sixth grade students required to take the Sixth (6th) grade test who demonstrated proficiency.					
	Math	Reading	Writing	Citizenship	Science
District	78.1%	86.0%	93.1%	89.7%	75.0%
State	61.1%	58.3%	82.6%	68.9%	60.6%
Proficiency Tests					
4. Percentage of twelfth grade students required to take the Twelfth (12th) grade test who demonstrated proficiency.					
	Math	Reading	Writing	Citizenship	Science
District	74.4%	81.9%	95.0%	78.9%	86.6%
State	61.9%	74.1%	87.8%	71.6%	70.8%

- - Continued

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

MISCELLANEOUS STATISTICAL DATA (CONTINUED)

Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2002

Part III. STUDENT DEMOGRAPHICS

1. Racial Ethnic Data	White	Black	Hispanic	Asian/Pacific Islander	American Indian/Alaskan Native	Multi-Racial
District	92.1%	2.5%	1.4%	2.5%	0.0%	1.5%
<u>District</u>						
2. Percentage of Students Disadvantaged						
A. Economic and Academic	2.9%					
B. Aid to Dependent Children	3.8%					
<u>District</u>						
3. Disability						
Condition (percentage)						
Multihandicapped	0.3%					
Deaf-Blind	0.0%					
Hearing Impaired	0.1%					
Visually Impaired	0.0%					
Speech Impaired	1.6%					
Orthopedically Impaired	0.1%					
Other Health Impaired	0.2%					
Severe Behavior	0.1%					
Developmentally Disabled	1.2%					
Specific Learning Disabled	7.7%					
Nonspecific Disabilities	0.6%					
Autism	0.0%					
Traumatic Brain Injury	0.0%					
Total	<u>11.9%</u>					

Part IV. STAFF DEMOGRAPHICS

1. Total Number of Employees (FTE) (Average for group and state)	<u>District</u> 824.4
<u>District</u>	
2. Degree Status - Teachers Only Percentage	
Non-Degree	0.0%
Bachelors Degree	46.0%
Masters and Above	54.0%
<u>District</u>	
3. Average Number of Total Years of Experience (Classroom Teachers only)	14.5

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**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

MISCELLANEOUS STATISTICAL DATA (CONTINUED)

Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2002

Part V. RESOURCES

		District	
1. Property Valuation (Average valuation for group and state)			
Total Valuation per Pupil		\$	163,877
		District	
2. Valuation by Type (Percentage)			
Real Property			89.1%
General Personal Property			8.5%
Public Utility Personal Property			2.4%
		District	
3. Property Tax Rates (Class I) (Percentage)			
Total Millage			65.2%
Effective Millage			35.9%
School Income Tax			0.0%
		District	
4. Revenue percentage (of total) by source			
All Local Revenue			64.0%
All State Revenue			34.0%
All Federal Revenue			2.0%
		Revenue	Expenditure
5. Revenue and Expenditure per Pupil (Sum of all funds)			
District		\$ 7,469	\$ 8,509
State		7,611	7,602

Part VI. COSTS

		District	
1. Instructional Services Costs Provided by the District per Student			
Regular Instruction		\$	4,476
		District	
2. Support Services Costs per Pupil			
Pupil		\$	1,069
Instructional Staff			388
Administration			802
Operation and Maintenance of Plant			1,579

- - Continued

**SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO**

MISCELLANEOUS STATISTICAL DATA (CONTINUED)

Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2002

Part VII. EXPENDITURES AS A PERCENTAGE OF TOTAL OPERATING EXPENSES

	District
1. Salary	
Certified Staff	45%
Classified Staff	18%
2. Fringes	
Certified Staff	13.75%
Classified Staff	5.75%
3. Salary plus fringes (All staff)	82.5%
4. Purchased Services	9.6%
5. Supplies and Materials	3.1%
6. Capital Outlay	2.7%
7. Other Expenses	2.1%
	100%

EMIS District Profile Format

The EMIS District Profiles include data on student outcomes, student demographics, staff demographics, financial resources and expenditures. The column labeled "district" contains the value of the data element or statistic for the District.

The EMIS financial numbers are extracted from cash basis statements submitted to the Ohio Department of Education and other various sources. Resulting fiscal statistics may vary from statistics as calculated by the District or other sources.

Source: Ohio Department of Education

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

Board of Education
Sylvania City School District
6850 Monroe Street
Sylvania, OH 43560

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Sylvania City School District, taken as a whole. The accompanying schedule of expenditures of federal awards on page O2 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Weber O'Brien, LTD

December 11, 2002

SYLVANIA CITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
(CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2002

<u>Federal Grantor/Pass - Through Grantor Program Titles</u>	<u>Project Number</u>	<u>CFDA Number</u>	<u>Grant Receipts</u>	<u>Grant Expenditures</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass through Ohio Department of Education:				
<u>Child Nutrition Cluster</u>				
Food Distribution Program		10.550	\$ 55,056	\$ 55,056
National School Breakfast Program	4487505-PU01 4487505-PU02	10.553	2,136 9,603	2,136 9,603
National School Lunch Program	44875LL-P401 44875LL-P402	10.555	21,846 <u>141,864</u>	21,846 <u>141,864</u>
TOTAL DEPARTMENT OF AGRICULTURE			<u>230,505</u>	<u>230,505</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass through Ohio Department of Education:				
Adult Education - State Grant Program	44875AB-S101 44875AB-S101-C 44875AB-S102 44875AB-S202	84.002	7,496 -0- 37,437 <u>39,150</u>	3,299 4,197 37,437 <u>34,444</u>
Total Adult Education			<u>84,083</u>	<u>79,377</u>
<u>Special Education Cluster</u>				
Special Education Grants to States:				
Title VI-B	448756B-SF01P 448756B-SF02P	84.027	-0- <u>637,709</u>	815 <u>585,259</u>
Total Title VI-B			<u>637,709</u>	<u>586,074</u>
Special Education Preschool Grant	44875PG-S101 44875PG-S102	84.173	13,240 <u>36,874</u>	13,240 <u>36,874</u>
Total Special Education Preschool Grant			<u>50,114</u>	<u>50,114</u>
Total Special Education Cluster			687,823	636,188
Vocational Education - Basic Grants to States	4487520-C101 4487520-C102 4487520-A002	84.048	11,844 39,362 <u>18,360</u>	17,853 39,362 <u>-0-</u>
Total Vocational Education - Basic			<u>69,566</u>	<u>57,215</u>
Grants to Local Educational Agencies				
Title I	44875C1-S1-01 44875C1-S1-01 44875C1-S1-02	84.010	-0- 121,079 <u>231,208</u>	9,170 121,079 <u>185,070</u>
Total Title I			<u>352,287</u>	<u>315,319</u>
Emergency Immigrant Assistance Subsidy	44875E1-S1-01 44875E1-S1-02	84.162	-0- <u>3,500</u>	2,375 <u>1,047</u>
Total Emergency Immigrant Assistance Subsidy			<u>3,500</u>	<u>3,422</u>
Drug Free Schools Grant	44875DR-S100 44875DR-S101 44875DR-S102	84.186	-0- 9,879 <u>30,335</u>	760 9,008 <u>29,970</u>
Total Drug Free Schools Grant			<u>40,214</u>	<u>39,738</u>

SYLVANIA CITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
(CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2002

Goals 2000	44875G2-S801	84.276	-0-	5,747
Eisenhower Professional Development	44875MS-S100	84.281	17,608	21,538
	44875MS-S101		2,415	22,728
	44875MS-S102		<u>12,346</u>	<u>6,504</u>
Total Eisenhower Professional Development			<u>32,369</u>	<u>50,770</u>
Innovative Education Program Strategy	44875C2-S101	84.298	31,529	34,739
	44875C2-S102		<u>14,135</u>	<u>4,296</u>
Total Innovative Education Program Strategy			<u>45,664</u>	<u>39,035</u>
Class Size Reduction	44875CR-S100	84.340	-0-	1,701
	44875CR-S101		7,198	7,198
	44875CR-S101		<u>68,245</u>	<u>49,289</u>
Total Class Size Reduction			<u>75,443</u>	<u>58,188</u>
TOTAL DEPARTMENT OF EDUCATION			<u>1,390,949</u>	<u>1,284,999</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass through Ohio Department of Jobs and Family Services:				
Pass through Ohio Department of Mental Retardation and				
Developmental Disabilities:				
Community Alternative Funding System	4800344	93.778	<u>71,129</u>	<u>71,129</u>
<u>TOTAL FEDERAL FINANCIAL ASSISTANCE</u>			<u>\$1,692,583</u>	<u>\$1,586,633</u>



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Education
Sylvania City School District
6850 Monroe Street
Sylvania, Ohio 43560

We have audited the general purpose financial statements of Sylvania City School District ("District") as of and for the year ended June 30, 2002, and have issued our report thereon dated December 11, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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

Board of Education
Sylvania City School District

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 we have reported to management of Sylvania City School District in a separate letter dated December 11, 2002.

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

Webster O'Brien, LTD.

December 11, 2002



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education
Sylvania City School District
6850 Monroe Street
Sylvania, Ohio 43560

Compliance

We have audited the compliance of Sylvania City School District ("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 auditors' results section of the accompanying schedule of findings and questioned costs. 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; 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 with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

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

Board of Education
Sylvania City School District

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. However, we noted certain other matters involving the internal control and its operation that we have reported to the management of Sylvania City School District in a separate letter dated December 11, 2002.

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

Walter O'Brien, CTO.

December 11, 2002

SYLVANIA CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2002

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified
 Internal control over financial reporting:
 Material weakness(es) identified? yes no
 Reportable condition(s) identified not considered
 to be material weaknesses? yes none reported
 Noncompliance material to financial statements
 noted? yes no

Federal Awards

Internal Control over major programs:
 Material weakness(es) identified? yes no
 Reportable conditions(s) identified not
 considered to be material weaknesses? yes none reported

Type of auditors' report issued on compliance for
 major programs: Unqualified

Any audit findings disclosed that are required to
 be reported in accordance with Circular A-133,
 Section .510(a)? yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.550	Child Nutrition Cluster - Food Distribution Program
10.553	Child Nutrition Cluster - Breakfast
10.555	Child Nutrition Cluster - Lunch
84.027	Title VI-B

Dollar threshold used to distinguish between
 Type A and Type B programs: \$300,000

Auditee qualified as low risk auditee? yes no

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

SYLVANIA CITY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2001

NONE



**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

SYLVANIA CITY SCHOOL DISTRICT

LUCAS 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 11, 2003**