

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

SYLVANIA, OHIO

CITY SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2001

PREPARED BY
TREASURER'S DEPARTMENT
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Board of Education
Sylvania City School District
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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, 2000 to June 30, 2001. 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.

JIM PETRO
Auditor of State

January 7, 2002

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

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

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Office of the Treasurer/CFO

Arlene J. Wilson, Treasurer/CFO



December 27, 2001

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 tenth 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, 2001. This CAFR, which includes an opinion from Weber O'Brien Ltd., Sylvania, Ohio, who performed the District's audit, conforms to generally accepted accounting principles 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 Comprehensive Annual Financial Report 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 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 Sylvania City School 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.

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.

Technology - All schools in the District have now been wired for networking and Internet access. Computers have been installed in all K-5 classrooms in the District. A new student information system was also installed during the 1998-99 academic year, to prepare us for the year 2001 and beyond.

Testing - SAT scores are on the average 50 points higher than the national average and 20 points higher than the State average. Over 86% of the students participating in advanced placement testing qualify for college credit. ACT scores for the District are 22.4, while the State average is 21.4, and the national average is 21.01. The District has achieved 23 out of the 27 quality indicators or standards set by the Ohio Department of Education, placing the District in the "continuous improvement" category.

Class Size - There is an average of 23.7 students per class in grades K through 5. The class size for grades 6-12 is dependent upon the class offered and ranges from 8-25, which compares very favorably with other districts in the area.

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 47,000 people in about 20,000 households.

This growth is carefully managed and controlled without annexations of property, which results in the need to extend the District's services to new areas. All indicators show that the current residential developments will continue to the west of the City. Fiscal 2001 saw the development 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.

During calendar year 2000, the County's six-year reappraisal of property valuations took place. Reappraisal of agricultural and residential property increased the District's assessed valuation (35% of market value) by \$139,964,370, which represents an 18% increase for all residential/agricultural property. Complementing this increase was a \$30,846,200 jump in commercial and industrial assessed valuation, an increase of 19%. The value of new residential /agricultural construction during 2000 amounted to over \$20,150,000. The value of new construction for commercial and industrial developments approached \$11,464,000.

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. In litigation now referred to 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. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's 'school foundation program', which provides significant amounts of monetary support to the District.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined that they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Supreme Court. The Supreme Court upheld their initial ruling in May, 2000 and after further modifications to the funding plan by the legislature, the Court on September 6, 2001 issued an opinion which listed areas which required further modification if the funding plan was to be considered constitutional. On September 17, 2001, the State of Ohio petitioned the Court to reconsider and clarify its decision. On November 2, 2001, the Court granted this request.

As of the date of these financial statements, the District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under this program and on its financial operations. See Note 17 to the general purpose financial statements for further detail on the State school funding decision.

In 1995, the District passed a building issue totaling almost \$19,000,000 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 passed during the current fiscal year (in November, 2000) 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.

The District anticipates issuing the remaining \$12.75 million of bonds authorized by the voters over the next two fiscal years. Additionally, although the local tax base remains strong and continues to grow, the District expects to ask the community for additional operating funds before the end of fiscal 2003.

SIGNIFICANT ACCOMPLISHMENTS/EVENTS FOR THE YEAR

During the fiscal year, the District initiated a number of “audits” or reports (and updated the status of audits and reports authorized in prior years) from third party “experts” in order to analyze numerous operations throughout 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.

Preliminary meetings were held with members of the Corporation for Effective Government (CEG) to update its 1999 report. This follow-up study is intended to ensure that the District had implemented as intended CEG’s recommendations and to ensure that the District continues forward as intended. The final report is expected to be completed in the Spring of 2002. These meetings by the advisory committees established by the Board reviewed the areas of: Technology; Human Resources; Finances; Facilities; Transportation; and Food Service.

On the academic side, the District continued to implement the recommendations from the Phi Delta Kappa (PDK) curriculum audit, completed in July, 2000. Curriculum teams worked to develop and implement new courses of study during the year in Mathematics and Literacy, which were identified in the audit as weak areas in the curriculum (especially in the primary grade levels).

In addition to addressing the PDK-identified weaknesses, the District in fiscal 2001 implemented other programs and strategies aimed at achieving the highest rating by the Ohio Department of Education. The District in 2001 gained an additional 3 points on the “Ohio Report Card”; 23 of 27 indicators necessary for the highest rating have now been met. Even more importantly, the District’s efforts related to improving its curriculum and instruction appear to have been worthwhile. Students posted significantly improved scores during the 2000-2001 school year on the Ohio Proficiency Tests at grades 4, 9, and 12.

In terms of the District’s physical plant, as the fiscal year closed, Phase One of the bond issue improvements had been completed; roofing at Sylvan & Whiteford Elementary Schools and Arbor Hills Junior High School; paving projects at Southview High School, McCord & Arbor Hills Junior Highs, and Stranahan & Maplewood Elementary Schools. All projects in Phase One of the Bond issue were completed within budget.

Major work will begin in the Spring of 2002 on the HVAC system at Northview High School, which is one of the most extensive of the planned projects. Window replacement projects will begin as well at numerous facilities, including Highland & Sylvan Elementary Schools, McCord Junior High, and Northview High School. The remaining projects, such as athletic facilities renovation, although approved by the Board in concept, are still being finalized. All phases of the projects to be funded by the bond issue approved in November, 2000 will be completed by 2005.

Beyond the current renovation projects, the administrative team is putting together a long-term Master Plan based on the facilities audit completed by the OSFC – the Ohio School Facilities Commission. The audit addressed projected district enrollment and provided a very comprehensive assessment of each of the District's twelve school buildings. Once completed, the Master Plan will be presented to the Board early in 2002 for its consideration. If the Board adopts the Master Plan, the next step would be to seek voter approval for additional bonded indebtedness.

Upon recommendation of the Superintendent and Chief Financial Officer, the Board in fiscal 2001 adopted 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.

During the year, the Board reached agreement with its certified employees on a new labor contract. Negotiators for the District and the Sylvania Education Association agreed to use a bargaining process called 'Interest-Based Bargaining' (IBB); subsequently, after a joint two-day training session, agreement on a new contract was reached in less than three days. The Board is optimistic about future labor negotiations in which the IBB process is used.

Finally, subsequent to the balance sheet date, several staff and students at Central Elementary reported illnesses early in the 2001-2002 school year. Although individual symptoms varied and an immediate cause or identifiable link to the building itself were not apparent, the District closed Central Elementary as a precautionary measure and relocated students and staff among three other elementaries within the District. Preliminary assessment has indicated a potential problem with air quality and or mold at Central Elementary. See Note 19 to the financial statements for further information about this issue.

MAJOR INITIATIVES FOR THE FUTURE

The District will continue to implement the recommendations of the PDK and CEG performance audits described above. The unswerving goal of the District, in terms of its curriculum and the effect on student outcomes, is to meet all 27 indicators of education excellence on the 'Ohio Report Card'. Currently, only 28 of 682 public and community school districts in the State have met all indicators.

Phase Two of the renovations and improvements projects will be well under way by the end of fiscal 2002, and projects in Phase Three will move from the concept stage to final form. The Board expects to issue a portion of the remaining \$12.75 million of authorized bonds during fiscal 2002, as funding for the projects is needed.

The Board will review the Administration's Master Plan of how best to implement the recommendations of the facility assessment done by the Ohio School Facilities Commission. While this study was initially undertaken to provide the District with a long-term facilities plan, the closing of Central Elementary in September, 2001 could (if permanent) hasten the necessity for additional buildings, which could mean asking the community to incur additional bonded debt within the next two to three years.

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 fund 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 Sylvania City Schools 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 \$61,928,812 in fiscal year 2001. General property taxes produced 59.34 percent of total Governmental fund revenues. State and Federal support accounted for 35.80 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>2000</u> <u>Amount</u>	<u>2001</u> <u>Amount</u>	<u>Percent</u> <u>of Total</u>	<u>Amount of</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Taxes	\$36,091,398	\$36,748,385	59.34%	\$ 656,987	1.82%
Intergovernmental	20,247,387	22,168,580	35.80%	1,921,193	9.49%
Interest	1,160,868	1,557,695	2.52%	396,827	34.18%
Tuition and fees	270,226	137,519	0.21%	(132,707)	(49.11%)
Other local revenues	<u>1,308,400</u>	<u>1,316,633</u>	<u>2.13%</u>	<u>8,233</u>	<u>0.63%</u>
Total	<u>\$59,078,279</u>	<u>\$61,928,812</u>	<u>100.00%</u>	<u>\$2,850,533</u>	4.83%

Total Governmental funds' revenues for fiscal 2001 remained relatively consistent by category with fiscal 2000, and although total revenues increased from 2000, 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 in the prior year was extraordinarily high, and in fiscal 2001 returned to a level that is more historically consistent. Although the change in tuition revenue from fiscal 2000 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 2001.

Increased interest earnings resulted from the increase in available cash to invest after bond anticipation notes were sold in December, 2000, and the bonds were issued in May, 2001.

Governmental fund expenditures for fiscal year 2001 totaled \$66,762,745 and are summarized by major function as follows:

<i>Expenditures</i>	<u>2000 Amount</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Amount of Change</u>	<u>Percent Change</u>
Current:					
Instruction:					
Regular	\$24,869,721	\$26,947,375	40.36%	\$2,077,654	8.35%
Special	5,030,287	5,457,175	8.17%	426,888	8.49%
Vocational	2,063,191	2,042,525	3.06%	(20,666)	(1.00%)
Other	118,574	121,822	0.18%	3,248	2.74%
Support Services:					
Pupil	3,146,271	3,373,929	5.05%	227,658	7.24%
Instructional Staff	3,183,548	3,398,420	5.09%	214,872	6.75%
Board of Education	14,832	15,869	0.03%	1,037	6.99%
Administration	4,162,339	4,173,953	6.25%	11,614	0.28%
Fiscal	1,022,881	1,071,636	1.61%	48,755	4.77%
Business	238,612	236,723	0.36%	(1,889)	(0.79%)
Operation and Maintenance of Plant	5,955,285	7,584,685	11.36%	1,629,400	27.36%
Pupil Transportation	2,640,418	2,873,063	4.30%	232,645	8.81%
Central	573,987	788,965	1.18%	214,978	37.45%
Community Services	670,545	749,756	1.12%	79,211	11.81%
Extracurricular Activities	1,583,618	1,546,509	2.32%	(37,109)	(2.34%)
Facilities Services	54,222	1,409,162	2.11%	1,354,940	2498.87%
Capital outlay	0	523,172	0.79%	523,172	NA
Debt Service:					
Principal Retirement	3,246,862	3,017,868	4.52%	(228,994)	(7.05%)
Interest & Fiscal Charges	<u>1,217,566</u>	<u>1,430,138</u>	<u>2.14%</u>	<u>212,572</u>	<u>17.46%</u>
Total	<u>\$59,792,759</u>	<u>\$66,762,745</u>	<u>100.00%</u>	<u>\$6,969,986</u>	11.66%

Total Governmental funds' expenditures in fiscal 2001 increased significantly from fiscal 2000, and total expenditures again exceeded total revenues. Of the \$6.97 million increase in expenditures, \$5.1 million can be attributed to regular instruction, facilities services, and operation and maintenance of plant functions, which (combined) accounted for nearly 54% 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 and the purchase of new classroom computers.

The increase in the special instruction function is due largely to the District's continued expansion of services in this area. In addition to more teachers and teachers' aides hired during fiscal 2001, the District also hired nurses for those students who require nursing care while in the classroom.

The largest component of the increase in the pupil support function is the salary and benefit cost for two elementary guidance counselors hired during fiscal 2001.

The instructional staff support expenditure increase can be attributed 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 an additional \$700,000 in the Permanent Improvements fund and an additional \$900,000 in the General fund to replace windows, roofs, and boilers which were part of Phase I of the renovation projects funded by the new bond issue. The \$1.35 million increase in the facilities services function is also directly related to Phase I projects, which, as previously mentioned, were completed by the end of fiscal 2001.

The pupil transportation function expenditures increased due to the purchase of two 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 community services function is used to account for expenditures related to private and parochial schools located within the District's boundaries (see Note 2.P to the financial statements). State revenue for these schools increased during the fiscal year and expenditures increased accordingly.

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

Debt service expenditures for fiscal 2001 decreased slightly in total from fiscal 2000. Required principal payments on the District's existing debt were less in 2001 than in 2000. The increase in interest and fiscal charges is essentially due to the issuance cost of the new general obligation bonds.

General Fund Balance. The General fund concluded fiscal year 2001 with a fund balance of \$3,492,020, a decrease of \$2,480,016 from the June 30, 2000, fund balance of \$5,972,036. The School Board recognizes the importance of fiscal stability, and anticipates seeking voter approval for additional operating funds within the next two fiscal periods.

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 net income of \$24,867 for the year ended June 30, 2001, compared to a net loss of (\$117,284) for the year ended June 30, 2000. This significant change is due mainly to increased sales revenue and nonoperating grants in the Food Service fund. It should be noted that the net loss includes the "non-cash" depreciation expense of \$24,624. The operating loss (before intergovernmental revenue) totaled (\$255,994); 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 2001 with an accumulated deficit of (\$618,661). In the past two 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 \$834,648 at June 30, 2001, compared with retained earnings of \$671,392 at June 30, 2000, reflecting net income of \$163,256. Claims expense increased significantly in fiscal 2001 because the District began to self-insure for health insurance in addition to dental insurance; however, management feels that current reserves are sufficient.

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.

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, 2001 was \$406.

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 2001 totaled \$490. As of June 30, 2001, the endowed principal amount was \$7,000, while \$1,025 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, 2001, was \$64,579,093. Such assets are accounted for at historical cost. Depreciation is not recognized on general fixed assets.

Debt Administration. At June 30, 2001, general obligation bonds outstanding totaled \$30,564,290. During fiscal year 2001, \$2,055,000 of general obligation bonds was retired. There was a bond anticipation note outstanding at June 30, 2001 of \$8,000,000; this note was retired on July 25, 2001. The asbestos loan principal outstanding as of June 30, 2001 was \$41,516. During fiscal year 2001, \$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 2.19 percent, up from 1.96 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, 2001, the voted debt margin was \$84,485,497 and the unvoted debt margin was \$1,240,388. 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, 2001 have been reported at fair value, which is based upon quoted market prices. The total amount of interest earned was \$1,558,222 for the year ended June 30, 2001; \$1,311,662 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 \$.9003 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 \$746,727 paid as an employee portion and \$1,161,575 paid as the employer portion (\$1,908,302 total) to SERS, and \$2,625,152 paid as an employee portion and \$3,951,842 as the employer portion (\$6,576,994 total) to STRS. See Notes 14 and 15 to the general-purpose 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, 2000.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles 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.

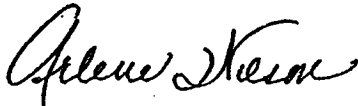
ACKNOWLEDGMENTS

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.

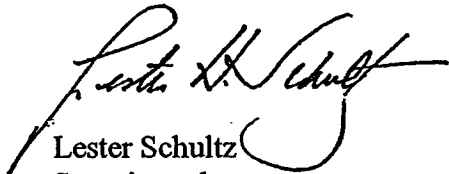
Special appreciation is expressed to Mrs. Gina Love, of Trimble, Julian and Grube, Inc., who compiled this report, and to the firm of Weber, O'Brien Ltd., who audited this report.

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, 2000

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



Anne Spray Kinney

President

Jeffrey L. Esall

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>
Pamela Haynam, President	January, 1998	December 31, 2001
Mark Luetke, Vice President	January, 2000	December 31, 2003
Mary Himmelein, Member	January, 1992	December 31, 2003
George Gernot, Member	January, 2000	December 31, 2001
Gregory Alexander, Member	February, 2000	December 31, 2001

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.

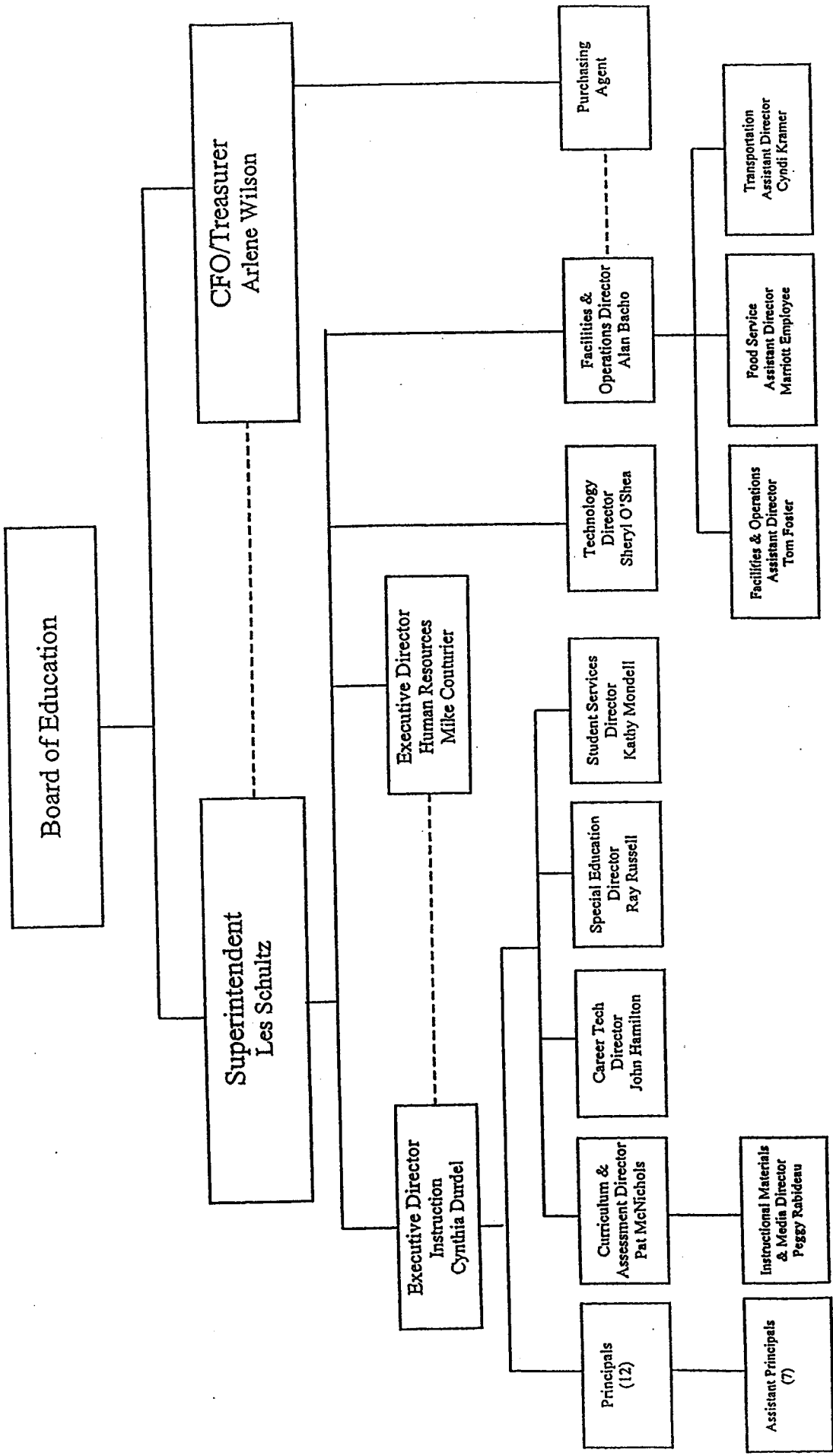
TREASURER

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
Bryan Kent	Director of Food Services
John Hamilton	Director of Career-Tech Education
Sheryl O'Shea	Director of Technology
Kathy Mondell, Ph.D.	Director of Student Services
Ray Russell, Ph.D.	Ass't Dir. Student Services
Peggy Rabideau	Director of Media Services
Kevin Gorman	Northview High School Principal
Scott Nelson	Northview Assistant Principal
Teri Schwartz	Northview Assistant Principal
Larry Jones	Northview Athletic Director
Jeff Kurtz	Southview High School Principal
Larry Duwve	Southview Assistant Principal
Mike Bader	Southview Assistant Principal
Glen Gillespie	Southview Athletic Director
Thomas Hauman, Ph.D.	Arbor Hills Junior High School Principal
Jim Carmony, Ph.D.	Arbor Hills Assistant Principal
William Shunk	McCord Junior High School Principal
Jeff Robins	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





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, as of and for the year ended June 30, 2001, 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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, 2001, 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 a report dated December 10, 2001 on our consideration of the 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.

Webster O'Brien, CPA

December 10, 2001

GENERAL PURPOSE FINANCIAL
STATEMENTS

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2001

	Governmental Fund Types			Proprietary Fund Types			Fiduciary Fund Types			Account Groups			Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General	Fixed Assets	Long-Term Obligations	Total		
												General	
ASSETS AND OTHER DEBITS													
ASSETS:													
Equity in pooled cash, cash equivalents and investments	\$7,466,618	\$694,293	\$3,320,811	\$15,126,357	\$63,366	\$1,514,941	\$97,991				\$28,284,377		
Equity in pooled cash and cash equivalents - nonexpendable trust fund							8,025				8,025		
Receivables (net of allowances of uncollectibles):													
Property taxes - current & delinquent	41,700,391		3,262,559								44,962,950		
Accounts	21,262										21,262		
Accrued interest	88,939										88,939		
Interfund loan receivable	50,184	5,150									55,334		
Due from other governments		115,362									115,362		
Prepayments	27,457										27,457		
Materials and supplies inventory					22,811						22,811		
Advances to other funds	5,100	3,955			21,410						30,465		
Property, plant and equipment (net of accumulated depreciation where applicable)					141,569				\$64,579,093		64,720,662		
Restricted assets:													
Equity in pooled cash, cash equivalents and investments	722,657										722,657		
OTHER DEBITS:													
Amount available in Debt Service Fund									\$3,414,884		3,414,884		
Amount to be provided for retirement of General Long-Term Obligations									35,997,801		35,997,801		
Total assets and other debits	\$50,082,608	\$818,760	\$6,583,370	\$15,126,357	\$249,156	\$1,514,941	\$106,016	\$64,579,093	\$39,412,685	\$3,414,884	\$178,472,986		

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001

	Governmental Fund Types			Proprietary Fund Types			Fiduciary Fund Types		Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	Fixed Assets	General Long-Term Obligations		
LIABILITIES, EQUITY AND OTHER CREDITS											
LIABILITIES:											
Accounts payable	\$277,714	\$42,595		\$592,443	\$8,058	\$53,838	\$800				\$383,005
Accrued wages and benefits	4,739,955	41,208		219,333	1,958						4,783,121
Compensated absences payable	416,981			8,500	57,683				\$7,842,506		8,317,172
Claims payable				3,900		584,848			134,000		718,848
Pension obligation payable	891,626	6,503			28,131				458,207		1,384,467
Contracts payable									592,443		592,443
Accrued interest payable											219,333
Interfund loan payable	5,150	41,684		8,500							55,334
Advances from other funds		7,084		3,900	15,080	3,013	1,388				30,465
Deferred revenue	40,229,643		\$3,160,370		8,013						43,398,026
Due to other governments	29,519		901								30,420
Accrued interest payable			7,215								7,215
Due to students				8,000,000			95,397				95,397
Bond anticipation note payable											8,000,000
General obligation notes payable									41,516		41,516
General obligation bonds payable									30,564,290		30,564,290
Capital lease obligation payable									372,166		372,166
Total liabilities	46,590,588	139,074	3,168,486	8,824,176	118,925	641,699	97,585		39,412,685		98,993,218
EQUITY AND OTHER CREDITS:											
Investment in general fixed assets										\$64,579,093	64,579,093
Contributed capital					748,892	873,242					748,892
Retained earnings: unreserved					(618,661)						(618,661)
Accumulated deficit											
Fund balances:											
Reserved for encumbrances	1,452,705	165,340		2,140,883							3,758,928
Reserved for prepayments	27,457										27,457
Reserved for debt service			3,342,223								3,342,223
Reserved for tax revenue unavailable for appropriation											
Reserved for textbooks	1,016,596		72,661								1,089,257
Reserved for budget stabilization	168,969										168,969
Reserved for principal endowment	553,688										553,688
Reserved for scholarships							7,000				7,000
Reserved for advances	5,100	3,955					1,025				1,025
Unreserved-undesignated	267,505	510,391		4,161,298			406				9,055
Total equity and other credits	3,492,020	679,686	3,414,884	6,302,181	130,231	873,242	8,431		64,579,093		79,479,768
Total liabilities, equity and other credits	\$50,082,608	\$818,760	\$6,583,370	\$15,126,357	\$249,156	\$1,514,941	\$106,016		\$64,579,093	\$39,412,685	\$178,472,986

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

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2001

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
From local sources:						
Taxes	\$33,983,502		\$2,764,883			\$36,748,385
Tuition	137,519					137,519
Earnings on investments	1,311,662	\$12,201		\$233,832	\$37	1,557,732
Other local revenues	558,622	758,011			1,035	1,317,668
Intergovernmental - State	19,046,762	987,313	367,083	426,105		20,827,263
Intergovernmental - Federal		1,341,317				1,341,317
Total revenue	55,038,067	3,098,842	3,131,966	659,937	1,072	61,929,884
Expenditures:						
Current:						
Instruction:						
Regular	26,460,591	355,354		131,430		26,947,375
Special	5,257,163	200,012				5,457,175
Vocational	1,861,447	181,078				2,042,525
Other	51,794	70,028				121,822
Support services:						
Pupil	3,334,194	39,735				3,373,929
Instructional staff	2,695,416	703,004				3,398,420
Board of Education	15,869					15,869
Administration	4,154,493	19,460				4,173,953
Fiscal	1,033,732		37,904			1,071,636
Business	232,393	4,330				236,723
Operations and maintenance	6,730,455	267		853,963		7,584,685
Pupil transportation	2,873,063					2,873,063
Central	749,340	39,625				788,965
Community services	29,185	720,571				749,756
Extracurricular activities	922,782	623,727			1,000	1,547,509
Facilities services	43,788			1,365,374		1,409,162
Capital outlay	523,172					523,172
Debt service:						
Principal retirement	151,006		2,866,862			3,017,868
Interest and fiscal charges	22,446		1,188,359	219,333		1,430,138
Total expenditures	57,142,329	2,957,191	4,093,125	2,570,100	1,000	66,763,745
Excess (deficiency) of revenues over (under) expenditures	(2,104,262)	141,651	(961,159)	(1,910,163)	72	(4,833,861)
Other financing sources (uses):						
Operating transfers in	932	38,700	889,148			928,780
Operating transfers (out)	(943,105)	(30,349)				(973,454)
Proceeds of bonds				8,000,000		8,000,000
Proceeds of capital lease transaction	523,172					523,172
Proceeds from sale of bonds - premium			122,798			122,798
Proceeds from sale of assets	43,247					43,247
Total other financing sources (uses)	(375,754)	8,351	1,011,946	8,000,000		8,644,543
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(2,480,016)	150,002	50,787	6,089,837	72	3,810,682
Fund balance, July 1	5,972,036	529,684	3,364,097	212,344	334	10,078,495
Fund balance, June 30	\$3,492,020	\$679,686	\$3,414,884	\$6,302,181	\$406	\$13,889,177

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 COMPARISON (NON-GAAP BUDGETARY BASIS)
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 2001

	General					Special Revenue					Debt Service					Capital Projects					Total (Memorandum only)			
	Revised	Actual	Variance:	Revised	Variance:	Actual	Revised	Variance:	Actual	Revised	Variance:	Actual	Revised	Variance:	Actual	Revised	Variance:	Actual	Revised	Variance:	Actual	Revised	Variance:	
	Budget		(Unfavorable)	Budget	(Unfavorable)		Budget	(Unfavorable)		Budget	(Unfavorable)		Budget	(Unfavorable)		Budget	(Unfavorable)		Budget	(Unfavorable)		Budget	(Unfavorable)	
Revenues:																								
From local sources:																								
Taxes	\$34,346,300	\$34,442,934	\$96,634																					
Tuition	280,000	140,168	(139,832)																					
Earnings on investments	900,000	1,376,132	476,132																					
Other local revenues	197,500	276,227	78,727																					
Intergovernmental - State	19,250,559	19,046,765	(203,796)																					
Intergovernmental - Federal																								
Total revenues	54,974,359	55,282,224	307,865																					
Expenditures:																								
Current:																								
Instruction:																								
Regular	26,846,134	26,514,953	331,181																					
Special	5,251,596	5,186,788	64,808																					
Vocational	1,938,077	1,904,310	33,767																					
Other	54,738	54,081	657																					
Support services:																								
Pupil	3,304,093	3,263,324	40,769																					
Instructional staff	2,793,581	2,759,114	34,467																					
Board of Education	17,267	17,074	193																					
Administration	4,360,612	4,306,800	53,812																					
Fiscal	1,055,080	1,042,090	12,990																					
Business	245,574	242,558	3,016																					
Operations and maintenance	7,861,596	7,764,582	97,014																					
Pupil transportation	3,314,945	3,274,030	40,915																					
Central	790,261	780,517	9,744																					
Community services	61,154	60,385	769																					
Extracurricular activities	930,279	938,567	11,712																					
Facilities services	57,736	57,024	712																					
Debt service:																								
Principal retirement	847,991	836,862	11,129																					
Interest and fiscal charges	52,286	52,286	0																					
Total expenditures	59,793,000	59,055,345	737,655																					
Excess (deficiency) of revenues over (under) expenditures	(4,818,641)	(3,773,121)	1,045,520																					
Other financing sources (uses):																								
Retain of prior year's expenditures	118,000	261,252	143,252																					
Retain of prior year's receipts	(360)	(333)	27																					
Operating transfers in	4,283	4,283	0																					
Operating transfers out	(58,036)	(57,308)	728																					
Advances in	100,000	135,429	35,429																					
Advances out	(103,122)	(101,863)	1,259																					
Proceeds of sale of fixed assets		43,247	43,247																					
Proceeds of sale of bonds																								
Proceeds of sale of notes																								
Total other financing sources (uses)	56,482	284,707	228,225																					
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(4,762,159)	(3,488,414)	1,273,745																					
Fund balances, July 1	8,452,242	8,452,242	0																					
Prior year encumbrances appropriated	1,516,710	1,516,710	0																					
Fund balances, June 30	\$5,206,793	\$6,480,538	\$1,273,745																					

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

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY
COMBINED STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN (ACCUMULATED DEFICIT)/RETAINED EARNINGS/FUND BALANCE
ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Total (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>	<u>Nonexpendable Trust</u>	
Operating revenues:				
Tuition and fees	\$92,851			\$92,851
Sales/charges for services	1,460,582	\$3,949,955		5,410,537
Investment earnings			\$490	490
Other operating revenues			400	400
Total operating revenues	1,553,433	3,949,955	890	5,504,278
Operating expenses:				
Personal services	881,086			881,086
Contract services	687,028	687,450		1,374,478
Materials and supplies	204,853			204,853
Depreciation	24,624			24,624
Other	11,836	5,682	1,000	18,518
Claims expense		3,106,603		3,106,603
Total operating expenses	1,809,427	3,799,735	1,000	5,610,162
Operating income (loss)	(255,994)	150,220	(110)	(105,884)
Nonoperating revenues:				
Operating grants	199,286			199,286
Federal commodities	36,901			36,901
Total nonoperating revenues	236,187			236,187
Net income (loss) before operating transfers .	(19,807)	150,220	(110)	130,303
Operating transfers in	45,606			45,606
Operating transfers (out)	(932)			(932)
Net income (loss)	24,867	150,220	(110)	174,977
(Accumulated deficit)/Retained earnings/Fund Balance July 1	(643,528)	723,022	8,135	87,629
(Accumulated deficit)/Retained earnings/Fund Balance June 30	<u>(\$618,661)</u>	<u>\$873,242</u>	<u>\$8,025</u>	<u>\$262,606</u>

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

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2001

	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	\$92,851			\$92,851
Cash received from sales/service charges	1,460,582	\$3,949,955		5,410,537
Cash received from other operations			\$400	400
Cash payments for personal services	(873,056)			(873,056)
Cash payments for contract services	(766,328)	(638,759)		(1,405,087)
Cash payments supplies and materials	(156,157)			(156,157)
Cash payments for claims expenses		(2,562,332)		(2,562,332)
Cash payments for other expenses	(11,836)	(5,682)	(1,000)	(18,518)
Net cash provided by (used in) operating activities	(253,944)	743,182	(600)	488,638
Cash flows from noncapital financing activities:				
Cash received from operating grants	204,600			204,600
Transfers in from other funds	45,606			45,606
Transfers out to other funds	(932)			(932)
Net cash provided by noncapital financing activities	249,274			249,274
Cash flows from investing activities:				
Interest received			490	490
Net cash provided by investing activities			490	490
Net increase (decrease) in cash and cash equivalents	(4,670)	743,182	(110)	738,402
Cash and cash equivalents at beginning of year	68,036	771,759	8,135	847,930
Cash and cash equivalents at end of year	<u>\$63,366</u>	<u>\$1,514,941</u>	<u>\$8,025</u>	<u>\$1,586,332</u>
Reconciliation of operating loss to net cash used in operating activities:				
Operating income (loss)	(\$255,994)	\$150,220	(\$110)	(\$105,884)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:				
Depreciation	24,624			24,624
Federal donated commodities	36,901			36,901
Interest reported as operating income			(490)	(490)
Changes in assets and liabilities:				
Decrease in supplies inventory	11,564			11,564
Increase (Decrease) in accounts payable	(71,442)	49,745		(21,697)
Decrease in accrued wages & benefits	(2,153)			(2,153)
Decrease in compensated absences payable	(3,079)			(3,079)
Increase (Decrease) in pension obligation payable	13,254	(1,054)		12,200
Increase in claims payable		544,271		544,271
Decrease in deferred revenue	(7,619)			(7,619)
Net cash provided by (used in) operating activities	(253,944)	\$743,182	(\$600)	\$488,638

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, 2001**

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 682 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 253 non-certified and 567 certified full-time and part-time employees to provide services to approximately 7,908 students in grades K through 12 and various community groups.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District'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, 2001**

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, effective for financial statements for periods beginning after December 15, 1992. 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, 2001**

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 three 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.

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

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

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

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

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

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

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, 2001**

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, 2001**

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, 2001, and which are intended to finance fiscal 2002 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, 2001, are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year-end.

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.

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.

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

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

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

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 Fund Types 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.

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 2001 is as follows:

1. Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.

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

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

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

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 2001.
4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.) Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
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.

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

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

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

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 2001 in the following amounts:

	<u>Increase</u>
General Fund	\$1,273,220
Special Revenue Funds	110,177
Capital Projects Funds	4,513,183
Enterprise Funds	113,550

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.

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.

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

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

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

E. Cash and Investments

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

During fiscal 2001, 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 non-negotiable certificates of deposit are reported at cost.

Calculation of the Net Decrease in the Fair Value of Investments - Aggregate Method

Fair value at June 30, 2001	\$ 989,058
Add: Proceeds of investments sold fiscal 2001	2,963,142
Less: Cost of investments purchased	(989,230)
Less: Fair value at June 30, 2000	<u>(2,963,142)</u>
Change in fair value of investments	<u>\$ (172)</u>

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2001.

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

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

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

The District assigns all investment earnings to the General Fund, except those specifically related to the Auxiliary Services Fund, Building Fund, Nonexpendable Trust Fund, and the Expendable Trust Fund. The following funds were credited more interest than would have been received based upon their share of the District's investments during fiscal 2001:

	<u>Interest Actually Received</u>	<u>Interest Based upon Share of Investments</u>	<u>Interest Assigned from Other Funds</u>
General Fund	\$1,311,662	\$641,611	\$670,051
<u>Special Revenue Funds</u>			
Auxiliary Services Fund	12,201	5,557	6,644
Expendable Trust Fund	37	26	11

The District utilizes a financial institution to service bonded debt as principal and interest payments come due. This account did not have a balance at June 30, 2001.

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 set aside to establish a budget stabilization and other reserves. These reserves are required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction and/or for statutorily-specified purposes. Fund balance reserves have also been established. See Note 2.N for detail of statutory reserves.

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

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

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

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 period-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.

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:

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

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

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

<u>Asset</u>	<u>Life (years)</u>
Land & Improvements	20
Buildings	37.5
Furniture, Fixtures and Minor Equipment	7-20
Vehicles	6

I. Intergovernmental Revenues

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

<p><u>Entitlements</u></p> <p><u>General Fund</u></p> <p>State Foundation Program</p> <p>State Property Tax Relief</p> <p><u>Debt Service Fund</u></p> <p>State Property Tax Relief</p>	<p><u>Non-Reimbursable Grants - (Continued)</u></p> <p><u>Special Revenue Funds - (continued)</u></p> <p>Vocational Education</p> <p>Auxiliary Services</p> <p>Drug-Free Schools</p> <p>Education for Economic Security Act</p> <p>Emergency Immigrant Education Assistance</p>
<p><u>Non-Reimbursable Grants</u></p> <p><u>Special Revenue Funds</u></p> <p>Preschool for the Handicapped</p> <p>Venture Capital</p> <p>Data Communication for Schools</p> <p>Instructional Materials Subsidy</p> <p>Professional Development</p> <p>Title VI B</p> <p>Adult Basic Education</p> <p>Career Development</p> <p>Management Information Systems</p> <p>Title I</p> <p>Summer Intervention</p>	<p><u>Reimbursable Grants</u></p> <p><u>General Fund</u></p> <p>Driver Education Reimbursement</p> <p>School Bus Purchase</p> <p><u>Proprietary Fund</u></p> <p>National School Lunch Program</p> <p><u>Capital Projects Funds</u></p> <p>SchoolNet Plus</p> <p>Power-Up Technology</p> <p>Vocational Education Equipment</p>

Grants and entitlements amounted to over 36% of the District's operating revenue during the 2001 fiscal year.

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

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

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

J. Contributed Capital

Contributed capital reported in the Enterprise funds represents resources provided from other funds, other governments, or private sources that is not subject to repayment. These assets are recorded at fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year-end. Contributed capital did not change during fiscal year 2001.

K. 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.

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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.

L. 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.

M. 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, long-term advances, textbooks, budget stabilization, prepaids, debt service, and property taxes.

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

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

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

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.

N. Statutory Reserves

The District is required by State law to set-aside certain (cash-basis) General fund revenue amounts, as defined by statute, into various reserves. During the fiscal year ended June 30, 2001, the reserve activity was as follows:

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-aside cash balance as of June 30, 2000	\$ 174,270	\$ 0	\$1,089,496
Current year set-aside requirement	1,270,940	1,270,940	
Change in statutory requirement			(535,808)
Qualifying disbursements	<u>(1,276,241)</u>	<u>(1,933,449)</u>	
Total	<u>168,969</u>	<u>(662,509)</u>	<u>553,688</u>
Cash balance carried forward to FY 2002	<u>\$ 168,969</u>	<u>\$ 0</u>	<u>\$ 553,688</u>

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

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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

Am. Sub. Senate Bill 345 (S.B. 345), effective April 10, 2001, eliminated the requirement for the budget reserve set-aside established by H.B. 412. According to S.B. 345, any money on hand in a school district's budget reserve set-aside as of April 10, 2001, may, at the discretion of the board, be returned to the district's General fund or may be left in a budget reserve account as authorized by ORC 5705.13, for use by the board to offset any budget deficit the district may experience in future fiscal years. The statute also authorized the school district to use all or part of the funds formerly included in the budget reserve for the purpose of providing the district's portion of the basic project costs of any project undertaken in accordance with ORC 3318, Classroom Facilities. Senate Bill 345 places special conditions on any Bureau of Workers' Compensation (BWC) monies remaining in the budget reserve set aside as of April 10, 2001. Any portion of the budget reserve set-aside consisting of refunds or rebates from BWC that were previously required by law to be deposited into the budgeted reserve may be used solely for specified purposes. The balance remaining in the budget stabilization reserve at June 30, 2001 represents the BWC monies.

O. 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.

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

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

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

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 2001 is presented in Note 5.

P. 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.

Q. Statement of Cash Flows

The District's financial statements have been prepared in accordance with GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting. The District has presented (Exhibit 5) a statement of cash flows for its Proprietary Fund Types and the Nonexpendable Trust fund. For purposes of the statement of cash flows, the District considers cash equivalents to include all short term investments (maturity of 90 days or less from date of purchase).

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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

R. Financial Reporting for Proprietary and Similar Fund Types

The District's financial statements have been prepared in accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting. The District accounts for its Proprietary activities in accordance with all applicable GASB pronouncements, as well as pronouncements of the Financial Accounting Standards Board (FASB) and its predecessors issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

S. 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.

T. Discounts, Premiums and Issuance Costs

For Governmental Fund Types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, whether or not withheld from the actual net proceeds received, are reported as debt service expenditures.

U. 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.

V. Memorandum Only - Total Columns

Total columns on the General Purpose Financial Statements 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
LUCAS COUNTY, OHIO**

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Deficit Fund Balances/Retained Earnings

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

	<u>Deficit Balance</u>
<u>Special Revenue Funds</u>	
Career Development	\$(5,478)
Title I	(676)
EHA Preschool Grants for Handicapped	(1,333)
<u>Capital Projects Funds</u>	
Power-up Technologies	(8,500)
<u>Enterprise Funds</u>	
Natorium	(4,965)
Food Service	(656,784)

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, transfer are made when cash is needed rather than when accruals occur.

B. Change in Accounting Principle

GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, was implemented during fiscal 2001. In accordance with this statement, certain types of revenue received by the District for which no value is given in return, including derived tax revenues, imposed nonexchange transactions, government-mandated nonexchange transactions, and voluntary nonexchange transactions may have been reported in a manner inconsistent with prior fiscal years; however, the adoption of this statement had no effect on fund balances/retained earnings as previously reported by the District at June 30, 2000.

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

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

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.

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;

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

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

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

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,
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 \$1,056,256 and the bank balance was \$3,222,930 (both amounts include \$3,000,000 in non-negotiable certificates of deposit, as well as the payroll clearance account). Of the bank balance:

1. \$200,000 was covered by federal deposit insurance; and
2. \$3,022,930 was uninsured and uncollateralized, but secured by collateralized pools securing all public funds on deposit with specific depository institutions. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

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

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

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

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 3	Fair Value
Repurchase Agreements	\$1,356,000	\$ 1,356,000
Federal Agency Securities	989,058	989,058
Not Subject to Categorization:		
Investment in State		
Treasurer's Investment Pool		<u>25,613,745</u>
Total Investments	<u>\$2,345,058</u>	<u>\$27,958,803</u>

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:

	Equity in Pooled Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$ 29,015,059	
Investments of the Cash		
Management Pool:		
Federal Agency Securities	(989,058)	\$ 989,058
Repurchase Agreements	(1,356,000)	1,356,000
State Treasurer's Investment Pool	<u>(25,613,745)</u>	<u>25,613,745</u>
GASB Statement No. 3	<u>\$ 1,056,256</u>	<u>\$27,958,803</u>

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

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

NOTE 5 - INTERFUND TRANSACTIONS

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

	<u>Interfund Loans Receivable</u>	<u>Interfund Loans (Payable)</u>
General Fund	\$50,184	\$ (5,150)
<u>Special Revenue Funds</u>		
Career Development		(5,628)
Adult Basic Education		(359)
Drug-Free Schools		(4,415)
Title I		(22,750)
Title VI-B	5,150	
EHA Preschool Grants - Handicapped		(1,333)
Miscellaneous Federal Grants	_____	(7,199)
Total Special Revenue Funds	<u>5,150</u>	<u>(41,684)</u>
<u>Capital Projects Funds</u>		
Power-up Technologies	_____	(8,500)
Total All Fund Types	<u>\$55,334</u>	<u>\$(55,334)</u>

B. Interfund balances at June 30, 2001 consist of the following long-term advances:

	<u>Advanced To Other Funds</u>	<u>Advanced (From) Other Funds</u>
General Fund	\$ 5,100	
<u>Special Revenue Funds</u>		
District Managed Activities		\$ (2,500)
Title VI	2,500	
Title I		(4,584)
Vocational Education	<u>1,455</u>	_____
Total Special Revenue Funds	<u>3,955</u>	<u>(7,084)</u>

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

	<u>Advanced To Other Funds</u>	<u>Advanced (From) Other Funds</u>
<u>Capital Projects Funds</u>		
Permanent Improvements		\$ (3,900)
<u>Enterprise Funds</u>		
Food Service	\$21,410	
Uniform School Supplies		(8,580)
Consumer Services Rotary		(1,500)
Natatorium Fund	_____	<u>(5,000)</u>
Total Enterprise Funds	<u>21,410</u>	<u>(15,080)</u>
<u>Internal Service Funds</u>		
Internal Service Rotary		(3,013)
<u>Agency Funds</u>		
Student-Managed Activities	_____	<u>(1,388)</u>
Total All Funds	<u>\$30,465</u>	<u>\$(30,465)</u>

C. The following is a reconciliation of the District's operating transfers for fiscal year 2001:

	<u>Transfers In</u>	<u>Transfers (Out)</u>
General Fund	\$ 932	\$(943,105)
<u>Special Revenue Funds</u>		
District Managed Student Activity	37,000	
Public School Support	1,500	(7,200)
Other Grant	<u>200</u>	<u>(23,149)</u>
Total Special Revenue Funds	<u>38,700</u>	<u>(30,349)</u>
Debt Service Fund	889,148	

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

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

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

	<u>Transfers In</u>	<u>Transfers (Out)</u>
<u>Enterprise Funds</u>		
Food Service	\$ 41,746	
Uniform School Supplies	3,860	
Consumer Services Rotary	_____	\$ (932)
 Total Enterprise Funds	 _____45,606	 _____ (932)
 Total All Funds	 _____ <u>\$974,386</u>	 _____ <u>\$(974,386)</u>

NOTE 6 - PROPERTY TAXES

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

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

Public utility property taxes are assessed on tangible personal property, as well as land and improvements. Real property is assessed at 35% of market value and personal property is assessed at 88% of market value, except for the personal property of rural electric companies, which is assessed 50% of market value, and railroads, which are assessed at 29% of market 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.

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 6 - PROPERTY TAXES - (Continued)

The assessed values upon which the fiscal year 2001 taxes were collected are as follows:

	<u>2000 Second-Half Collections</u>		<u>2001 First-Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Real Property	\$ 949,793,290	90.19	\$1,140,109,230	91.92
Tangible Personal Property	68,362,885	6.49	66,451,695	5.36
Public Utility Personal	<u>34,977,260</u>	<u>3.32</u>	<u>33,826,890</u>	<u>2.72</u>
	<u>\$1,053,133,435</u>	<u>100.00</u>	<u>\$1,240,387,815</u>	<u>100.00</u>

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

Operations	\$62.70	\$62.70
Debt Service	3.60	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.

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, 2001. Although total property tax collections for the next fiscal year are measurable, they are not (exclusive of advances) intended to finance current year operations. The net receivable (total receivable less amount available intended to finance the current year) is therefore offset by a credit to deferred revenue.

Taxes available for advance and recognized as revenue, but not received by the District prior to June 30, 2001, are reflected as a reservation of fund balance for future appropriations. The District is prohibited, by law, from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year-end. Available tax advances at June 30, 2001 totaled \$1,016,596 in the General fund and \$72,661 in the Debt Service fund.

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 7 - RECEIVABLES

Receivables at June 30, 2001 consisted of taxes, accounts (rent and student fees), and intergovernmental grants and entitlements (to the extent such grants and entitlements relate to the current fiscal year). 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	\$40,488,091
Taxes - Delinquent	1,212,300
Accrued interest	88,939
 <u>Debt Service Funds</u>	
Taxes - Current	3,196,928
Taxes - Delinquent	65,631
 <u>Special Revenue Funds</u>	
Drug-Free Schools	
Due from other governments	9,879
Miscellaneous Federal Grants	
Due from other governments	7,199
Adult Basic Education	
Due from other governments	7,496
Title I	
Due from other governments	59,259
Title VI	
Due from other governments	31,529

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 8 - FIXED ASSETS

A summary of the changes in the General Fixed Asset Account Group during the fiscal year follows:

	<u>Balance July 1, 2000</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2001</u>
Land/Improvements	\$ 4,100,299	\$1,275,000		\$ 5,375,299
Buildings	42,310,040	602,396		42,912,436
Furniture/Equipment	10,190,041	1,813,901	\$(609,484)	11,394,458
Vehicles	4,195,996	19,107	(625)	4,214,478
Construction in Progress	<u> </u>	<u>682,422</u>	<u> </u>	<u>682,422</u>
Total	<u>\$60,796,376</u>	<u>\$4,392,826</u>	<u>\$(610,109)</u>	<u>\$64,579,093</u>

A summary of the Proprietary funds' fixed assets at June 30, 2001 follows:

	<u>Proprietary</u>
Furniture and Equipment	\$ 748,892
Less: Accumulated Depreciation	<u>(607,323)</u>
Net Fixed Assets	<u>\$ 141,569</u>

NOTE 9 - CAPITALIZED LEASE - LESSEE DISCLOSURE

In the current fiscal year, the District has entered into a capitalized lease for the acquisition of a telephone system. The terms of the agreement provide an option to purchase the equipment. The lease meets 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.

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

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

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

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 \$523,172, 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 2001 fiscal year totaled \$151,006. This amount is reflected as debt service principal retirement in the General Fund. The new capital lease in fiscal 2001 has been accounted for as a capital outlay expenditure and other financing source.

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, 2001.

General Long-Term Obligations

<u>Year Ending June 30</u>	<u>Telephone System</u>
2002	\$189,220
2003	189,221
2004	<u>15,806</u>
Total future minimum lease payments	\$394,247
Less: Amount Representing Interest	<u>(22,081)</u>
Present Value of Future Minimum Lease Payments	<u>\$372,166</u>

The District does not have a capitalized lease obligation after fiscal year 2004.

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

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

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 School Improvement General Obligation Bonds

During the fiscal year, in the November, 2000 general election, 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. On May 8, 2001, the District issued \$8,000,000 in general obligation bonds to retire \$8,000,000 of bond anticipation notes issued December 28, 2000, which matured July 25, 2001 (see Note 11). These bonds will be retired from the proceeds of an additional 1.34 (average) mill bonded debt tax levy.

Upon issuance, the bond proceeds were placed in the District's Building fund, a Capital Projects fund, in which the liability for the bond anticipation notes has been reported. The District plans to issue the remaining amount of authorized debt, \$12,750,000, within the next two fiscal periods.

This 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, 2001 was \$109,999. Total accreted interest of \$1,071 has been included in the General Long-Term Obligations Account Group at June 30, 2001. 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

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

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.

C. 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 will be called for redemption on June 1, 2002, at a cost of 102% of par value, plus accrued interest. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the General Long-Term Obligations Account Group. The outstanding amount of the defeased debt at June 30, 2001 was \$1,760,000. The advance refunding reduced cash flow required for debt service on general obligation bonds by \$226,408 over the next 18 years, and resulted in a net present value savings of \$122,464, using an interest rate of 4.9452% from date of delivery.

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, 2001 was \$89,772. Total accreted interest of \$52,554 has been included in the General Long-Term Obligations Account Group at June 30, 2001. 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

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

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

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.

D. Series 1992 School Improvement General Obligation Bonds

Excluding amounts defeased during 1998, \$9,283,718 remained a general obligation of the District. This amount is comprised of both current interest bonds, par value \$2,760,000, and 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, 2001 was \$3,084,907. Total accreted interest of \$2,630,987 has been included in the General Long-Term Obligations Account Group at June 30, 2001. The current interest bonds mature annually on June 1 through 2002, with interest payments due on June 1 and December 1 of each year. Principal paid during fiscal 2001 on the current interest bonds was \$990,000.

- E. 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.
- F. During the fiscal year, on December 14, 2000, the District retired \$800,000 in bond anticipation notes. This principal retirement has been reported in the Debt Service fund. The source of funds for the retirement was an operating transfer from the General fund.
- G. During the year ended June 30, 2001, 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
LUCAS COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

	<u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>(Deletions)</u>	<u>Balance</u> <u>June 30, 2001</u>
<u>General Obligation Bonds:</u>				
Series 1986, Improvement 7.25%, 12/01/07 maturity	\$ 200,000		\$ (25,000)	\$ 175,000
Series 1992, Improvement Current Interest Bonds 6.225%, 06/01/02 maturity	1,990,000		(990,000)	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	2,262,197	\$ 368,790		2,630,987
Series 1995, Improvement 5.85%, 12/01/22 maturity	14,995,000		(1,000,000)	13,995,000
Series 1998, Refunding Current Interest Bonds 4.95%, 06/01/16 maturity	1,575,000		(40,000)	1,535,000
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	34,202	18,352		52,554
Series 2001, Improvement 5.30%, 12/01/20 maturity		7,890,000		7,890,000

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

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

	<u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>(Deletions)</u>	<u>Balance</u> <u>June 30, 2001</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	_____	1,071
Total, General Obligation Bonds	<u>\$24,231,078</u>	<u>8,388,212</u>	<u>\$(2,055,000)</u>	<u>30,564,290</u>
<u>General Obligation Notes:</u>				
Asbestos Abatement, 1986 0%, 12/31/04 maturity	53,378		(11,862)	41,516
Bond Anticipation, 1999 4.39%, 12/16/00 maturity	<u>800,000</u>	_____	<u>(800,000)</u>	<u>0</u>
Total, General Obligation Notes	<u>853,378</u>	_____	<u>(811,862)</u>	<u>41,516</u>
<u>Other Obligations:</u>				
Capital Lease		523,172	(151,006)	372,166
Compensated Absences	7,591,977	864,729	(614,200)	7,842,506
Pension Benefit Obligation	409,292	458,207	(409,292)	458,207
Workers' Compensation Retrospective claims adjustment	<u>127,619</u>	<u>6,381</u>	_____	<u>134,000</u>
Total, Other Obligations	<u>8,128,888</u>	<u>1,852,489</u>	<u>(1,174,498)</u>	<u>8,806,879</u>
Total, All General Long-Term Liabilities	<u>\$33,213,344</u>	<u>\$10,240,701</u>	<u>\$(4,041,360)</u>	<u>\$39,412,685</u>

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

H. Principal and interest requirements to retire general obligation bonds, refunding bonds, and general obligation notes outstanding at June 30, 2001, are as follows:

Fiscal Year Ending June 30	Current Interest General Obligation Bonds	Capital Appreciation General Obligation Bonds	Current Interest Refunding Bonds	Capital Appreciation Refunding Bonds	General Obligation Notes	Total
2002	\$ 2,830,287		\$ 113,245		\$11,861	\$ 2,955,393
2003	1,593,341	\$ 1,625,000	111,585		11,861	3,341,787
2004	1,643,039	1,525,000	114,905		11,861	3,294,805
2005	1,642,922	1,425,000	112,970		5,933	3,186,825
2006	1,663,674	1,325,000	111,012			3,099,686
2007 - 2011	8,474,409	5,140,000	566,868			14,181,277
2012 - 2016	9,261,812	425,000	1,255,152	\$ 690,000		11,631,964
2017 - 2021	9,799,643					9,799,643
2022 - 2023	<u>2,492,825</u>					<u>2,492,825</u>
Total	39,401,952	11,465,000	2,385,737	690,000	41,516	53,984,205
Less: Interest	<u>(16,341,952)</u>	<u>(5,638,036)</u>	<u>(850,737)</u>	<u>(547,674)</u>	<u>0</u>	<u>(23,378,399)</u>
Total	<u>\$ 23,060,000</u>	<u>\$ 5,826,964</u>	<u>\$1,535,000</u>	<u>\$ 142,326</u>	<u>\$41,516</u>	<u>\$ 30,605,806</u>

I. Legal Debt Margin

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

The effects of these debt limitations at June 30, 2001 are a voted debt margin of \$84,485,497 (including available funds of \$3,414,884) and an unvoted debt margin of \$1,240,388.

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

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

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 9). The liability for this note has been reported in the Building fund, which received the proceeds upon issuance.

The following is a description of the District's bond anticipation note outstanding at June 30, 2001:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Notes Outstanding 07/01/2000</u>	<u>Additions in 2001</u>	<u>Retired in 2001</u>	<u>Notes Outstanding 06/30/2001</u>
School							
Improvements Note	4.70%	12/28/00	7/25/01	\$ 0	\$8,000,000	\$ 0	\$8,000,000
Total				<u>\$ 0</u>	<u>\$8,000,000</u>	<u>\$ 0</u>	<u>\$8,000,000</u>

NOTE 12 - RISK MANAGEMENT

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 2001, the District purchased commercial coverage for property and contents with a property liability limit of \$97,735,883 and a \$1,000 deductible.

General liability is protected by the Brooks Insurance Company 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 \$100 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
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 12 - RISK MANAGEMENT - (Continued)

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 ends 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 that an additional \$3,470 will be due in the fiscal year 2002, and 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, 2001, in the amount of \$134,000.

For the 2001 policy year (calendar year) the District will be assessed the full-rate premium as a merit-rated employer, which has been established at .9003 per \$100 of payroll. A current liability for accrued benefits has been recorded at June 30, 2001 in all funds reporting paid wages for the period January 1, 2001 to June 30, 2001.

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, 2001**

NOTE 12 - RISK MANAGEMENT - (Continued)

During fiscal year 2001, the District began to provide 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 2001. The District pays into the self-insurance internal service fund \$523 (HMO) and \$692 (traditional) for family coverage or \$198 (HMO) and \$162 (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 (for both dental and medical) of \$584,848 reported in the fund at June 30, 2001, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The claims liability is based on an estimate supplied by the District's third party administrator. Changes in the fund's claims liability for the current and available previous fiscal years are as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
1997	\$29,199	\$ 336,065	\$ (346,362)	\$ 18,902
1998	18,902	446,943	(404,885)	60,960
1999	60,960	428,037	(420,610)	68,387
2000	68,387	293,127	(320,937)	40,577
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
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

NOTE 13 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The District maintains four Enterprise funds to account for the operations of food service, consumer 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, 2001.

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Consumer Services Rotary</u>	<u>Natatorium</u>	<u>Total</u>
Operating Revenue	\$1,370,387	\$ 92,851	\$53,134	\$37,061	\$1,553,433
Depreciation Expense	24,624				24,624
Operating Income (Loss)	(238,948)	(17,405)	2,166	(1,807)	(255,994)
Non-operating revenues:					
Donated federal commodities	36,901				36,901
Operating Grants	199,286				199,286
Operating Transfers:					
In	41,746	3,860			45,606
(Out)			(932)		(932)
Net Income (Loss)	38,985	(13,545)	1,234	(1,807)	24,867
Net Working Capital	8,224	903	42,185	(4,965)	46,347
Total Assets	185,790	12,191	49,035	2,140	249,156
Long-Term Liabilities					
Payable from Fund Revenues	57,685				57,685
Contributed Capital	748,892				748,892
Total Equity (Accumulated Deficit)	92,108	903	42,185	(4,965)	130,231
Encumbrances Outstanding as of 6/30/01	133,325	11,962	3,350	278	148,915

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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. SERS provides basic retirement and disability benefits, cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634.

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 2000; 4.2% 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, 2001, 2000, and 1999 were \$1,161,575, \$1,038,366, and \$1,014,948, respectively; 49% has been contributed for fiscal year 2001 and 100% for the fiscal years 2000 and 1999. \$597,537, which represents the unpaid contribution for fiscal year 2001, 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
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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%; 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, 2001, 2000, and 1999 were \$3,951,842, \$3,238,012, and \$3,556,672, respectively; 82% has been contributed for fiscal year 2001 and 100% for the fiscal years 2000 and 1999. \$700,625, which represents the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds.

C. SOCIAL SECURITY SYSTEM

Effective July 1, 1991, all employees not otherwise covered by the SERS or the STRS have an option to choose Social Security or the SERS/STRS. As of June 30, 2001, 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 the STRS, and to retired non-certified employees and their dependents through the SERS. Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients are required to pay a portion of health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll. For this fiscal year, the Board allocated employer contributions equal to 4.5% of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$1,045,034 during the 2001 fiscal year.

**SYLVANIA CITY SCHOOL DISTRICT
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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 \$3.419 billion at June 30, 2000 (the latest information available). For the year ended June 30, 2000, net health care costs paid by STRS were \$283.137 million and STRS had 99,011 eligible benefit recipients.

For SERS, coverage is made available to service retirees with 10 or more fiscal years of qualifying service credit, disability, and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than 25 years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75% of the premium.

For this fiscal year, employer contributions to fund health care benefits were 9.8% of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay has been established at \$12,400. For the School District, the amount to fund health care benefits, including the surcharge, equaled \$791,239 during the 2001 fiscal year. The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2000 (the latest information available), were \$140.7 million and the target level was \$211.0 million. At June 30, 2000, SERS had net assets available for payment of health care benefits of \$252.3 million and SERS had approximately 50,000 participants receiving health care benefits.

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.

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

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

NOTE 16 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Comparison (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, 2001**

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			
		Governmental Fund Types		
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>
Budget Basis	\$(3,488,414)	\$(236,876)	\$ 8,085,689	\$4,175,082
Net Adjustment for Revenue Accruals	(244,157)	107,263	(26,786)	
Net Adjustment for Expenditure Accruals	204,107	32,324	(1,012,847)	(810,072)
Net Adjustment for Other Financing Sources/(Uses)	(660,461)	45,540	(6,995,269)	(8,500)
Adjustment for Encumbrances	<u>1,708,909</u>	<u>201,751</u>	<u> </u>	<u>2,733,327</u>
GAAP Basis	<u><u>\$(2,480,016)</u></u>	<u><u>\$ 150,002</u></u>	<u><u>\$ 50,787</u></u>	<u><u>\$6,089,837</u></u>

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

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

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, 2001.

B. Litigation

The District is not involved in any material litigation either as a plaintiff or defendant.

C. School Funding Decision

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

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

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

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

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

NOTE 17 - CONTINGENT LIABILITIES - (Continued)

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of September 28, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

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

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

NOTE 18 - OUTSTANDING CONTRACTUAL COMMITMENTS

At June 30, 2001, the District had the following contractual commitments:

<u>Contractor</u>	<u>Contract Amount</u>	<u>Balance Remaining</u>
Ken Minichiello	\$ 224,000	\$218,200
Stough & Stough Architects	1,000,000	911,141
United Roofing	1,179,600	606,291
Floyd P. Bucher & Son, Inc.	21,700	17,970
TAS, Inc.	44,975	44,975
Ground Level, Inc.	312,900	312,900

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

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

NOTE 19 - SIGNIFICANT SUBSEQUENT EVENT

In September and October of 2001, students and staff at the District's Central Elementary building began reporting skin ailments and rashes. In response to increasing incidences of health complaints, the District hired an environmental testing company to perform tests at Central Elementary. On October 22, the District's Board voted to close the building and relocate the students and faculty to three other sites throughout the District. The Board's decision was made upon the recommendation of the administration, which was based both on educational needs as well as the testing firm's report that some test results were indicative of problems related to fungus or mold and air quality. The report was unable to identify one specific cause, and further stated that there are potentially multiple variables that could have contributed to the reported complaints. In early December 2001, the District retained an engineering firm as environmental project manager to evaluate the reports and determine the best long-term action for the District to pursue. This engineering firm has set a timeline of early 2002 to arrive at this determination. Presently, options for the Central Elementary building include remediation, further testing, finding a permanent relocation site (if necessary), and determining the most expedient and cost-effective solutions. Due to the exploratory nature of much of the discussions and investigations currently in progress, the District has not decided on a final course of action; consequently, as of the date of this report, management of the District is presently unable to estimate the potential costs that will be incurred as a result of this matter.

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
GENERAL FUND**

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Taxes	\$34,346,300	\$34,442,934	\$96,634
Tuition	280,000	140,168	(139,832)
Earnings on investments	900,000	1,376,132	476,132
Other local revenues	197,500	276,227	78,727
Intergovernmental-State	19,250,559	19,046,763	(203,796)
Total Revenues	54,974,359	55,282,224	307,865
Expenditures:			
Current:			
Instruction-Regular			
Salaries and wages	19,278,694	19,040,870	237,824
Fringe benefits	5,194,512	5,130,431	64,081
Purchased services	584,092	576,886	7,206
Supplies and materials	773,410	763,868	9,542
Capital outlay	1,007,940	995,505	12,435
Other	7,486	7,393	93
Total instruction-regular	26,846,134	26,514,953	331,181
Instruction-Special			
Salaries and wages	3,992,450	3,943,180	49,270
Fringe benefits	1,150,958	1,136,755	14,203
Purchased services	29,608	29,243	365
Supplies and materials	52,752	52,101	651
Capital outlay	25,828	25,509	319
Total instruction-special	5,251,596	5,186,788	64,808
Instruction-Vocational			
Salaries and wages	1,486,965	1,468,636	18,329
Fringe benefits	389,593	384,790	4,803
Purchased services	29,629	29,264	365
Supplies and materials	21,890	21,620	270
Total instruction-vocational	1,928,077	1,904,310	23,767
Other Instruction			
Purchased services	54,738	54,081	657
Total other instruction	54,738	54,081	657
Support Services-Pupil			
Salaries and wages	2,018,542	1,993,635	24,907
Fringe benefits	495,992	489,872	6,120
Purchased services	186,986	184,679	2,307
Supplies and materials	42,215	41,694	521
Capital outlay	1,554	1,535	19
Other	558,804	551,909	6,895
Total support services-pupil	3,304,093	3,263,324	40,769

continued

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

GENERAL FUND

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Support Services-Instructional Staff			
Salaries and wages	\$1,602,730	\$1,582,956	\$19,774
Fringe benefits	569,839	562,808	7,031
Purchased services	218,782	216,083	2,699
Supplies and materials	334,132	330,009	4,123
Capital outlay	67,120	66,292	828
Other	978	966	12
Total support services-instructional staff	2,793,581	2,759,114	34,467
Support Services-Board of Education			
Salaries and wages	8,252	8,160	92
Fringe benefits	1,421	1,405	16
Purchased services	7,056	6,977	79
Supplies and materials	22	22	0
Other	516	510	6
Total support services-Board of Education	17,267	17,074	193
Support Services-Administration			
Salaries and wages	2,764,451	2,730,337	34,114
Fringe benefits	964,133	952,235	11,898
Purchased services	476,411	470,531	5,880
Supplies and materials	55,370	54,687	683
Capital outlay	7,484	7,392	92
Other	92,763	91,618	1,145
Total support services-administration	4,360,612	4,306,800	53,812
Support Services-Fiscal			
Salaries and wages	278,772	275,340	3,432
Fringe benefits	197,006	194,580	2,426
Purchased services	59,835	59,098	737
Supplies and materials	2,037	2,012	25
Capital outlay	14,552	14,373	179
Other	502,878	496,687	6,191
Total support services-fiscal	1,055,080	1,042,090	12,990
Support Services-Business			
Salaries and wages	92,739	91,600	1,139
Fringe benefits	17,091	16,881	210
Purchased services	5,047	4,985	62
Supplies and materials	130,641	129,037	1,604
Other	56	55	1
Total support services-business	245,574	242,558	3,016
Support Services-Operations and Maintenance			
Salaries and wages	2,317,138	2,288,544	28,594
Fringe benefits	901,146	890,026	11,120
Purchased services	3,659,532	3,614,372	45,160
Supplies and materials	617,508	609,888	7,620
Capital outlay	353,990	349,622	4,368
Other	12,282	12,130	152
Total support services-operations and maintenance	7,861,596	7,764,582	97,014
Support Services-Pupil Transportation			
Salaries and wages	1,887,872	1,864,571	23,301
Fringe benefits	665,915	657,696	8,219
Purchased services	148,758	146,922	1,836
Supplies and materials	291,677	288,077	3,600
Capital outlay	320,723	316,764	3,959
Total support services-pupil transportation	3,314,945	3,274,030	40,915

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

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Support Services-Central			
Salaries and wages	\$172,740	\$170,610	\$2,130
Fringe benefits	204,676	202,152	2,524
Purchased services	296,433	292,778	3,655
Supplies and materials	34,801	34,372	429
Capital outlay	81,611	80,605	1,006
Total support services-central	790,261	780,517	9,744
Community Services			
Purchased services	41,709	41,185	524
Capital outlay	19,445	19,200	245
Total community services	61,154	60,385	769
Extracurricular Activities			
Salaries and wages	637,313	629,459	7,854
Fringe benefits	100,770	99,528	1,242
Purchased services	178,970	176,764	2,206
Other	33,226	32,816	410
Total extracurricular activities	950,279	938,567	11,712
Facilities Services			
Purchased services	380	375	5
Capital outlay	57,356	56,649	707
Total facilities services	57,736	57,024	712
Debt Service:			
Principal retirement	847,991	836,862	11,129
Interest and fiscal charges	52,286	52,286	0
Total repayment of debt	900,277	889,148	11,129
Total Expenditures	59,793,000	59,055,345	737,655
Deficiency of revenues under expenditures	(4,818,641)	(3,773,121)	1,045,520
Other Financing Sources (Uses):			
Refund of prior year's expenditures	118,000	261,252	143,252
Refund of prior year's (receipts)	(360)	(333)	27
Transfers in		4,283	4,283
Transfers (out)	(58,036)	(57,308)	728
Advances in	100,000	135,429	35,429
Advances (out)	(103,122)	(101,863)	1,259
Proceeds on sale of fixed assets		43,247	43,247
Total other financing sources (uses)	56,482	284,707	228,225
Deficiency of revenues and and other financing sources under expenditures and other financing (uses)	(4,762,159)	(3,488,414)	1,273,745
Fund balance, July 1	8,452,242	8,452,242	0
Prior year encumbrances appropriated	1,516,710	1,516,710	0
Fund balance, June 30	\$5,206,793	\$6,480,538	\$1,273,745

SPECIAL REVENUE FUNDS

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

Public School Support 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.

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.

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2001

	PUBLIC SCHOOL SUPPORT	OTHER GRANTS	DISTRICT MANAGED STUDENT ACTIVITY
Assets:			
Equity in pooled cash, cash equivalents, and investments	\$201,434	\$55,325	\$127,973
Total Assets	\$201,434	\$55,325	\$127,973
Liabilities:			
Accounts payable	\$3,301	\$6,478	\$10,035
Accrued wages and benefits		1,743	
Pension obligation payable		296	
Interfund loans payable			
Advances from other funds			2,500
Total Liabilities	3,301	8,517	12,535
Fund Equity:			
Fund Balances:			
Reserved for encumbrances	44,149	2,012	22,908
Unreserved-undesignated	153,984	44,796	92,530
Total Fund Equity (Deficit)	198,133	46,808	115,438
Total Liabilities and Fund Equity	\$201,434	\$55,325	\$127,973

AUXILIARY SERVICES	CAREER DEVELOPMENT GRANT	TEACHER DEVELOPMENT	MANAGEMENT INFORMATION SYSTEMS
\$75,121	\$150	\$54,632	\$8,741
<u>\$75,121</u>	<u>\$150</u>	<u>\$54,632</u>	<u>\$8,741</u>
\$7,123			
572			
174			
	\$5,628		
<u>7,869</u>	<u>5,628</u>	<u>\$0</u>	<u>\$0</u>
67,976		30	
(724)	(5,478)	54,602	8,741
<u>67,252</u>	<u>(5,478)</u>	<u>54,632</u>	<u>8,741</u>
<u>\$75,121</u>	<u>\$150</u>	<u>\$54,632</u>	<u>\$8,741</u>

continued

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2001

	<u>DATA COMMUNICATIONS FOR SCHOOLS</u>	<u>SCHOOLNET PROFESSIONAL DEVELOPMENT</u>	<u>INSTRUCTIONAL MATERIALS SUBSIDY</u>
Assets:			
Equity in pooled cash, cash equivalents, and investments	\$36,029	\$6,457	\$51
Due from other governments			
Total Assets	<u>\$36,029</u>	<u>\$6,457</u>	<u>\$51</u>
Liabilities:			
Accounts payable			
Accrued wages and benefits			
Pension obligation payable			
Interfund loans payable			
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Fund Equity:			
Fund Balances:			
Reserved for encumbrances			
Unreserved-undesignated	36,029	6,457	51
Total Fund Equity	<u>36,029</u>	<u>6,457</u>	<u>51</u>
Total Liabilities and Fund Equity	<u>\$36,029</u>	<u>\$6,457</u>	<u>\$51</u>

<u>OHIO READS</u>	<u>SUMMER INTERVENTION</u>	<u>MISCELLANEOUS STATE GRANTS</u>	<u>ADULT BASIC EDUCATION</u>	<u>EDUCATION FOR ECONOMIC SECURITY ACT</u>
\$12,460	\$25,089	\$5,149		\$25,329
<u>\$12,460</u>	<u>\$25,089</u>	<u>\$5,149</u>	<u>\$7,496</u>	<u>\$25,329</u>
\$3,093		\$107	\$714	
2,876			2,095	
			485	
			359	
<u>5,969</u>	<u>\$0</u>	<u>107</u>	<u>3,653</u>	<u>\$0</u>
2,980		506		
3,511	25,089	4,536	3,843	25,329
<u>6,491</u>	<u>25,089</u>	<u>5,042</u>	<u>3,843</u>	<u>25,329</u>
<u>\$12,460</u>	<u>\$25,089</u>	<u>\$5,149</u>	<u>\$7,496</u>	<u>\$25,329</u>

continued

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2001

	TITLE VI-B	VOCATIONAL EDUCATION	TITLE I	TITLE VI
Assets:				
Equity in pooled cash, cash equivalents, and investments	\$23,165	\$9,052	\$9,170	\$6,347
Interfund loan receivable	5,150			
Due from other governments			59,259	31,529
Advances to other funds		1,455		2,500
Total Assets	\$28,315	\$10,507	\$68,429	\$40,376
Liabilities:				
Accounts payable			\$2,776	\$3,676
Accrued wages and benefits			33,533	
Pension obligation payable			5,462	
Interfund loans payable			22,750	
Advances from other funds			4,584	
Total Liabilities	0	\$0	69,105	3,676
Fund Equity:				
Fund Balances:				
Reserved for encumbrances	709	15,423	6,723	182
Reserved for advances		1,455		2,500
Unreserved-undesignated	27,606	(6,371)	(7,399)	34,018
Total Fund Equity (Deficit)	28,315	10,507	(676)	36,700
Total Liabilities and Fund Equity	\$28,315	\$10,507	\$68,429	\$40,376

<u>EMERGENCY IMMIGRANT EDUCATION ASSISTANCE GRANT</u>	<u>DRUG-FREE SCHOOL GRANT</u>	<u>PRE-SCHOOL FOR THE HANDICAPPED</u>	<u>MISCELLANEOUS FEDERAL GRANTS</u>	<u>TOTAL</u>
\$4,094	\$835		\$7,690	\$694,293
	9,879		7,199	5,150
				115,362
				3,955
<u>\$4,094</u>	<u>\$10,714</u>	<u>\$0</u>	<u>\$14,889</u>	<u>\$818,760</u>
\$826	\$4,466			\$42,595
			\$389	41,208
			86	6,503
	4,415	\$1,333	7,199	41,684
				7,084
<u>826</u>	<u>8,881</u>	<u>1,333</u>	<u>7,674</u>	<u>139,074</u>
1,662			80	165,340
1,606	1,833	(1,333)	7,135	3,955
3,268	1,833	(1,333)	7,215	510,391
<u>\$4,094</u>	<u>\$10,714</u>	<u>\$0</u>	<u>\$14,889</u>	<u>679,686</u>
				<u>\$818,760</u>

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

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

	PUBLIC SCHOOL SUPPORT	OTHER GRANTS	DISTRICT MANAGED STUDENT ACTIVITY
Revenues:			
From local sources:			
Earnings on investments			
Other local revenues	\$327,348	\$25,696	\$404,840
Intergovernmental - State			
Total Revenues	<u>327,348</u>	<u>25,696</u>	<u>404,840</u>
Expenditures:			
Current:			
Instruction:			
Regular	69,933	14,817	
Support services:			
Instructional staff		11,163	
Administration		17,796	
Business		4,330	
Central			
Community services			
Extracurricular activities	200,496		423,231
Total Expenditures	<u>270,429</u>	<u>48,106</u>	<u>423,231</u>
Excess (deficiency) of revenues over (under) expenditures	<u>56,919</u>	<u>(22,410)</u>	<u>(18,391)</u>
Other Financing Sources (Uses):			
Operating transfers in	1,500	200	37,000
Operating transfers (out)	(7,200)	(23,149)	
Total other financing sources (uses)	<u>(5,700)</u>	<u>(22,949)</u>	<u>37,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	51,219	(45,359)	18,609
Fund balance (deficit), July 1	146,914	92,167	96,829
Fund balance (deficit), June 30	<u>\$198,133</u>	<u>\$46,808</u>	<u>\$115,438</u>

AUXILIARY SERVICES	CAREER DEVELOPMENT GRANT	TEACHER DEVELOPMENT	MANAGEMENT INFORMATION SYSTEMS
\$12,201			
655,624	\$37,257	\$37,541	\$31,274
<u>667,825</u>	<u>37,257</u>	<u>37,541</u>	<u>31,274</u>
	36,538		
661,421		1,960	22,800
<u>661,421</u>	<u>36,538</u>	<u>1,960</u>	<u>22,800</u>
6,404	719	35,581	8,474
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
6,404	719	35,581	8,474
60,848	(6,197)	19,051	267
<u>\$67,252</u>	<u>(\$5,478)</u>	<u>\$54,632</u>	<u>\$8,741</u>

continued

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

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

	DATA COMMUNICATIONS FOR SCHOOLS	SCHOOLNET PROFESSIONAL DEVELOPMENT	INSTRUCTIONAL MATERIALS SUBSIDY
Revenues:			
From local sources:			
Intergovernmental - State	\$36,000	\$5,000	
Intergovernmental - Federal			
Total Revenues	<u>\$36,000</u>	<u>5,000</u>	<u>\$0</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Other			
Support services:			
Pupil			
Instructional staff			
Central		3,543	
Community services			
Total Expenditures	<u>0</u>	<u>3,543</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	36,000	1,457	0
Fund balance, July 1	29	5,000	51
Fund balance, June 30	<u>\$36,029</u>	<u>\$6,457</u>	<u>\$51</u>

<u>OHIO READS</u>	<u>SUMMER INTERVENTION</u>	<u>MISCELLANEOUS STATE GRANTS</u>	<u>ADULT BASIC EDUCATION</u>	<u>EDUCATION FOR ECONOMIC SECURITY ACT</u>
\$104,000	\$25,089	\$5,550	\$43,483	
			59,072	\$21,732
<u>104,000</u>	<u>25,089</u>	<u>5,550</u>	<u>102,555</u>	<u>21,732</u>
107,943		28,309	70,028	5,582
		3,000		
		175	44,850	
				332
<u>107,943</u>	<u>0</u>	<u>31,484</u>	<u>114,878</u>	<u>5,914</u>
(3,943)	25,089	(25,934)	(12,323)	15,818
10,434	0	30,976	16,166	9,511
<u>\$6,491</u>	<u>\$25,089</u>	<u>\$5,042</u>	<u>\$3,843</u>	<u>\$25,329</u>

continued

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	TITLE VI-B	VOCATIONAL EDUCATION	TITLE I	TITLE VI
Revenues:				
From local sources:				
Earnings on investments				
Other local revenues				
Intergovernmental - State				
Intergovernmental - Federal	\$659,032	\$65,708	\$203,020	\$54,721
Total Revenues	<u>659,032</u>	<u>65,708</u>	<u>203,020</u>	<u>54,721</u>
Expenditures:				
Current:				
Instruction:				
Regular				24,084
Special			200,012	
Vocational		75,066		
Other				
Support services:				
Pupil		5,048		
Instructional staff	576,255	8,357		1,525
Administration	1,664			
Business				
Operations and maintenance				
Central		12,754		
Community services	49,410			5,830
Extracurricular activities				
Total Expenditures	<u>627,329</u>	<u>101,225</u>	<u>200,012</u>	<u>31,439</u>
Excess (deficiency) of revenues over (under) expenditures	<u>31,703</u>	<u>(35,517)</u>	<u>3,008</u>	<u>23,282</u>
Other Financing Sources (Uses):				
Operating transfers in				
Operating transfers (out)				
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	31,703	(35,517)	3,008	23,282
Fund balance (deficit), July 1	(3,388)	46,024	(3,684)	13,418
Fund balance (deficit), June 30	<u>\$28,315</u>	<u>\$10,507</u>	<u>(\$676)</u>	<u>\$36,700</u>

EMERGENCY IMMIGRANT EDUCATION ASSISTANCE GRANT	DRUG-FREE SCHOOL GRANT	PRE-SCHOOL FOR THE HANDICAPPED	MISCELLANEOUS FEDERAL GRANTS	TOTAL
				\$12,201
			\$127	758,011
	\$6,495			987,313
\$2,600	33,640	\$21,959	219,833	1,341,317
2,600	40,135	21,959	219,960	3,098,842
2,837	3,231		98,618	355,354
				200,012
			106,012	181,078
				70,028
	31,260		427	39,735
310		23,831		703,004
				19,460
				4,330
	267			267
			528	39,625
	1,618			720,571
				623,727
3,147	36,376	23,831	205,585	2,957,191
(547)	3,759	(1,872)	14,375	141,651
				38,700
				(30,349)
0	0	0	0	8,351
(547)	3,759	(1,872)	14,375	150,002
3,815	(1,926)	539	(7,160)	529,684
\$3,268	\$1,833	(\$1,333)	\$7,215	\$679,686

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, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenues	\$349,163	\$326,789	(\$22,374)
Total Revenues	<u>349,163</u>	<u>326,789</u>	<u>(22,374)</u>
Expenditures:			
Current:			
Instruction-Regular			
Purchased services	30,978	29,511	1,467
Supplies and materials	10,120	9,641	479
Capital outlay	4,962	4,727	235
Other	30,328	28,892	1,436
Total instruction-regular	<u>76,388</u>	<u>72,771</u>	<u>3,617</u>
Extracurricular Activities			
Purchased services	12,439	11,850	589
Supplies and materials	37,832	36,041	1,791
Capital outlay	8,807	8,390	417
Other	201,429	191,893	9,536
Total extracurricular activities	<u>260,507</u>	<u>248,174</u>	<u>12,333</u>
Total Expenditures	<u>336,895</u>	<u>320,945</u>	<u>15,950</u>
Excess of revenues over expenditures	<u>12,268</u>	<u>5,844</u>	<u>(6,424)</u>
Other Financing Sources (Uses):			
Transfers in	5,726	5,359	(367)
Transfers (out)	(11,070)	(10,546)	524
Total other financing sources (uses)	<u>(5,344)</u>	<u>(5,187)</u>	<u>157</u>
Excess of revenues and other financing sources over expenditures and other financing (uses)	6,924	657	(6,267)
Fund balance, July 1	115,323	115,323	0
Prior year encumbrances appropriated	38,413	38,413	0
Fund balance, June 30	<u>\$160,660</u>	<u>\$154,393</u>	<u>(\$6,267)</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenues	\$27,455	\$25,696	(\$1,759)
Total Revenues	27,455	25,696	(1,759)
Expenditures:			
Current:			
Instruction-Regular			
Salaries and wages	1,052	1,002	50
Purchased services	944	899	45
Supplies and materials	7,764	7,396	368
Other	7,348	7,000	348
Total instruction-regular	17,108	16,297	811
Support Services-Instructional Staff			
Purchased services	17	16	1
Supplies and materials	13,108	12,487	621
Total support services- instructional staff	13,125	12,503	622
Support Services-Administration			
Salaries and wages	9,083	8,652	431
Fringe benefits	1,502	1,431	71
Purchased services	1,220	1,162	58
Supplies and materials	6,619	6,305	314
Total support services-administration	18,424	17,550	874
Support Services-Business			
Purchased services	5,206	4,960	246
Total support services-business	5,206	4,960	246
Total Expenditures	53,863	51,310	2,553
Deficiency of revenues under expenditures	(26,408)	(25,614)	794
Other Financing Sources (Uses):			
Transfers in	1,816	1,700	(116)
Transfers (out)	(25,874)	(24,650)	1,224
Total other financing sources (uses)	(24,058)	(22,950)	1,108
Deficiency of revenues and other financing sources under expenditures and other financing (uses)	(50,466)	(48,564)	1,902
Fund balance, July 1	94,832	94,832	0
Prior year encumbrances appropriated	567	567	0
Fund balance, June 30	\$44,933	\$46,835	\$1,902

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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenues	\$432,558	\$404,840	(\$27,718)
Total Revenues	<u>432,558</u>	<u>404,840</u>	<u>(27,718)</u>
Expenditures:			
Extracurricular Activities			
Capital outlay	8,345	7,950	395
Other	488,988	465,840	23,148
Total extracurricular activities	<u>497,333</u>	<u>473,790</u>	<u>23,543</u>
Total Expenditures	<u>497,333</u>	<u>473,790</u>	<u>23,543</u>
Deficiency of revenues under expenditures	<u>(64,775)</u>	<u>(68,950)</u>	<u>(4,175)</u>
Other Financing Sources:			
Transfers in	39,534	37,000	(2,534)
Total other financing sources	<u>39,534</u>	<u>37,000</u>	<u>(2,534)</u>
Deficiency of revenues and other financing sources under expenditures	<u>(25,241)</u>	<u>(31,950)</u>	<u>(6,709)</u>
Fund balance, July 1	106,999	106,999	0
Prior year encumbrances appropriated	21,291	21,291	0
Fund balance, June 30	<u>\$103,049</u>	<u>\$96,340</u>	<u>(\$6,709)</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$13,038	\$12,202	(\$836)
Intergovernmental-State	700,512	655,624	(44,888)
Total Revenues	<u>713,550</u>	<u>667,826</u>	<u>(45,724)</u>
Expenditures:			
Community Services			
Salaries and wages	26,791	25,523	1,268
Fringe benefits	14,077	13,411	666
Purchased services	401,711	382,819	18,892
Supplies and materials	209,206	199,302	9,904
Capital outlay	86,985	82,867	4,118
Other	48,316	46,029	2,287
Total community services	<u>787,086</u>	<u>749,951</u>	<u>37,135</u>
Total Expenditures	<u>787,086</u>	<u>749,951</u>	<u>37,135</u>
Deficiency of revenues under expenditures	(73,536)	(82,125)	(8,589)
Fund balance, July 1	63,934	63,934	0
Prior year encumbrances appropriated	18,213	18,213	0
Fund balance, June 30	<u>\$8,611</u>	<u>\$22</u>	<u>(\$8,589)</u>

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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$39,808	\$37,257	(\$2,551)
Total Revenues	<u>39,808</u>	<u>37,257</u>	<u>(2,551)</u>
Expenditures:			
Current:			
Support Services-Instructional Staff			
Salaries and wages	37,789	36,000	1,789
Fringe benefits	1,594	1,519	75
Total supports services- instructional staff	<u>39,383</u>	<u>37,519</u>	<u>1,864</u>
Total Expenditures	<u>39,383</u>	<u>37,519</u>	<u>1,864</u>
Excess (deficiency) of revenues over (under) expenditures	<u>425</u>	<u>(262)</u>	<u>(687)</u>
Other Financing Sources (Uses):			
Advances in	6,013	5,628	(385)
Advances (out)	(5,633)	(5,366)	267
Total other financing sources (uses)	<u>380</u>	<u>262</u>	<u>(118)</u>
Excess of revenues and other financing sources over expenditures and other financing (uses)	<u>805</u>	<u>0</u>	<u>(805)</u>
Fund balance, July 1	<u>150</u>	<u>150</u>	<u>0</u>
Fund balance, June 30	<u><u>\$955</u></u>	<u><u>\$150</u></u>	<u><u>(\$805)</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 FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$40,110	\$37,540	(\$2,570)
Total Revenues	<u>40,110</u>	<u>37,540</u>	<u>(2,570)</u>
Expenditures:			
Current:			
Instruction-Regular			
Purchased services	156	149	7
Total instruction-regular	<u>156</u>	<u>149</u>	<u>7</u>
Community Services			
Purchased services	866	825	41
Supplies and materials	1,223	1,165	58
Total community services	<u>2,089</u>	<u>1,990</u>	<u>99</u>
Total Expenditures	<u>2,245</u>	<u>2,139</u>	<u>106</u>
Excess of revenues over expenditures	37,865	35,401	(2,464)
Fund balance, July 1	18,921	18,921	0
Prior year encumbrances appropriated	279	279	0
Fund balance, June 30	<u>\$57,065</u>	<u>\$54,601</u>	<u>(\$2,464)</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 FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$33,415	\$31,274	(\$2,141)
Total Revenues	<u>33,415</u>	<u>31,274</u>	<u>(2,141)</u>
Expenditures:			
Current:			
Support Services-Central			
Purchased services	23,933	22,800	1,133
Total support services-central	<u>23,933</u>	<u>22,800</u>	<u>1,133</u>
Total Expenditures	<u>23,933</u>	<u>22,800</u>	<u>1,133</u>
Excess of revenues over expenditures	9,482	8,474	(1,008)
Fund balance, July 1	267	267	0
Fund balance, June 30	<u>\$9,749</u>	<u>\$8,741</u>	<u>(\$1,008)</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 FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$38,465	\$36,000	(\$2,465)
Total Revenues	\$38,465	\$36,000	(\$2,465)
Expenditures:			
Total Expenditures	0	0	0
Excess of revenues over expenditures	38,465	36,000	(2,465)
Fund balance, July 1	29	29	0
Fund balance, June 30	\$38,494	\$36,029	(\$2,465)

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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$5,342	\$5,000	(\$342)
Total Revenues	<u>5,342</u>	<u>5,000</u>	<u>(342)</u>
Expenditures:			
Current:			
Support Services - Central			
Salaries and wages	1,997	1,902	95
Fringe benefits	279	266	13
Purchased services	1,443	1,375	68
Total support servies - central	<u>3,719</u>	<u>3,543</u>	<u>176</u>
Total Expenditures	<u>3,719</u>	<u>3,543</u>	<u>176</u>
Excess of revenues over expenditures	1,623	1,457	(166)
Fund balance, July 1	5,000	5,000	0
Fund balance, June 30	<u>\$6,623</u>	<u>\$6,457</u>	<u>(\$166)</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 FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Total Expenditures	0	0	0
Fund balance, July 1	51	51	0
Fund balance, June 30	<u>\$51</u>	<u>\$51</u>	<u>\$0</u>

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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$111,120	\$104,000	(\$7,120)
Total Revenues	111,120	104,000	(7,120)
Expenditures:			
Current:			
Instruction-Regular			
Salaries and wages	28,159	26,826	1,333
Fringe benefits	827	788	39
Purchased services	25,890	24,664	1,226
Supplies and materials	61,126	58,232	2,894
Capital outlay	3,550	3,382	168
Total instruction-regular	119,552	113,892	5,660
Total Expenditures	119,552	113,892	5,660
Deficiency of revenues under expenditures	(8,432)	(9,892)	(1,460)
Fund balance, July 1	11,185	11,185	0
Prior year encumbrances appropriated	5,093	5,093	0
Fund balance, June 30	\$7,846	\$6,386	(\$1,460)

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 FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$26,807	\$25,089	(\$1,718)
Total Revenues	<u>26,807</u>	<u>25,089</u>	<u>(1,718)</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over expenditures	26,807	25,089	(1,718)
Fund balance, July 1	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, June 30	<u><u>\$26,807</u></u>	<u><u>\$25,089</u></u>	<u><u>(\$1,718)</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)
MISCELLANEOUS STATE GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$5,930	\$5,550	(\$380)
Total Revenues	<u>5,930</u>	<u>5,550</u>	<u>(380)</u>
Expenditures:			
Current:			
Instruction-Regular			
Salaries and wages	154	147	7
Purchased services	1,536	1,463	73
Supplies and materials	525	500	25
Capital outlay	28,027	26,700	1,327
Total instruction-regular	<u>30,242</u>	<u>28,810</u>	<u>1,432</u>
Support Services-Pupil			
Salaries and wages	3,149	3,000	149
Total support services-pupil	<u>3,149</u>	<u>3,000</u>	<u>149</u>
Support Services-Instructional Staff			
Purchased services	208	198	10
Total support services- instructional staff	<u>208</u>	<u>198</u>	<u>10</u>
Total Expenditures	<u>33,599</u>	<u>32,008</u>	<u>1,591</u>
Deficiency of revenues under expenditures	(27,669)	(26,458)	1,211
Fund balance, July 1	1,294	1,294	0
Prior year encumbrances appropriated	29,700	29,700	0
Fund balance, June 30	<u>\$3,325</u>	<u>\$4,536</u>	<u>\$1,211</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$46,460	\$43,483	(\$2,977)
Intergovernmental - Federal	55,107	51,576	(3,531)
Total Revenues	<u>101,567</u>	<u>95,059</u>	<u>(6,508)</u>
Expenditures:			
Current:			
Instruction-Other			
Salaries and wages	58,722	55,943	2,779
Fringe benefits	8,568	8,162	406
Purchased services	1,934	1,842	92
Supplies and materials	5,095	4,854	241
Capital outlay	1,529	1,457	72
Total instruction-other	<u>75,848</u>	<u>72,258</u>	<u>3,590</u>
Support Services-Instructional Staff			
Salaries and wages	37,127	35,369	1,758
Fringe benefits	7,998	7,619	379
Purchased services	1,214	1,157	57
Other	1,649	1,571	78
Total support services- instructional staff	<u>47,988</u>	<u>45,716</u>	<u>2,272</u>
Total Expenditures	<u>123,836</u>	<u>117,974</u>	<u>5,862</u>
Deficiency of revenues under expenditures	<u>(22,269)</u>	<u>(22,915)</u>	<u>(646)</u>
Other Financing Sources (Uses):			
Advances in	384	359	(25)
Transfers in	8,119	7,599	(520)
Transfers (out)	(7,977)	(7,599)	378
Total other financing sources (uses)	<u>526</u>	<u>359</u>	<u>(167)</u>
Deficiency of revenues and other financing sources under expenditures and other financing (uses)	<u>(21,743)</u>	<u>(22,556)</u>	<u>(813)</u>
Fund balance, July 1	<u>21,843</u>	<u>21,843</u>	<u>0</u>
Fund balance (deficit), June 30	<u>\$100</u>	<u>(\$713)</u>	<u>(\$813)</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$23,220	\$21,732	(\$1,488)
Total Revenues	<u>23,220</u>	<u>21,732</u>	<u>(1,488)</u>
Expenditures:			
Current:			
Instruction-Regular			
Supplies and materials	5,859	5,582	277
Total instruction-regular	<u>5,859</u>	<u>5,582</u>	<u>277</u>
Community Services			
Supplies and materials	348	332	16
Total community services	<u>348</u>	<u>332</u>	<u>16</u>
Total Expenditures	<u>6,207</u>	<u>5,914</u>	<u>293</u>
Excess of revenues over expenditures	<u>17,013</u>	<u>15,818</u>	<u>(1,195)</u>
Other Financing Sources (Uses):			
Transfers in	2,414	2,259	(155)
Transfers (out)	(2,371)	(2,259)	112
Total other financing sources (uses)	<u>43</u>	<u>0</u>	<u>(43)</u>
Excess of revenues and other financing sources over expenditures and other financing (uses)	<u>17,056</u>	<u>15,818</u>	<u>(1,238)</u>
Fund balance, July 1	9,511	9,511	0
Fund balance, June 30	<u>\$26,567</u>	<u>\$25,329</u>	<u>(\$1,238)</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$704,153	\$659,032	(\$45,121)
Total Revenues	704,153	659,032	(45,121)
Expenditures:			
Current:			
Support Services-Instructional Staff			
Salaries and wages	442,433	421,488	20,945
Fringe benefits	172,025	163,881	8,144
Total support services-instructional staff	614,458	585,369	29,089
Support Services-Administration			
Salaries and wages	1,138	1,084	54
Fringe benefits	658	627	31
Total support services-administration	1,796	1,711	85
Community Services			
Purchased services	46,732	44,520	2,212
Supplies and materials	3,274	3,119	155
Capital outlay	6,590	6,278	312
Total community services	56,596	53,917	2,679
Total Expenditures	672,850	640,997	31,853
Excess of revenues over expenditures	31,303	18,035	(13,268)
Other Financing Uses:			
Advances (out)	(81,454)	(77,597)	3,857
Total other financing uses	(81,454)	(77,597)	3,857
Deficiency of revenues under expenditures and other financing (uses)	(50,151)	(59,562)	(9,411)
Fund balance, July 1	82,017	82,017	0
Fund balance, June 30	\$31,866	\$22,455	(\$9,411)

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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental -Federal	\$70,207	\$65,708	(\$4,499)
Total Revenues	<u>70,207</u>	<u>65,708</u>	<u>(4,499)</u>
Expenditures:			
Current:			
Instruction-Vocational			
Capital outlay	93,492	89,066	4,426
Total instruction-vocational	<u>93,492</u>	<u>89,066</u>	<u>4,426</u>
Support Services-Pupil			
Salaries and wages	4,304	4,100	204
Fringe benefits	630	600	30
Supplies and materials	1,752	1,669	83
Total support services-pupil	<u>6,686</u>	<u>6,369</u>	<u>317</u>
Support Services- Instructional Staff			
Purchased services	8,879	8,459	420
Total support services- instructional staff	<u>8,879</u>	<u>8,459</u>	<u>420</u>
Support Services-Central			
Salaries and wages	3,726	3,550	176
Fringe benefits	381	363	18
Purchased services	3,097	2,950	147
Supplies and materials	6,184	5,891	293
Total support services-Central	<u>13,388</u>	<u>12,754</u>	<u>634</u>
Total Expenditures	<u>122,445</u>	<u>116,648</u>	<u>5,797</u>
Deficiency of revenues under expenditures	(52,238)	(50,940)	1,298
Fund balance, July 1	1,107	1,107	0
Prior year encumbrances appropriated	43,462	43,462	0
Fund deficit, June 30	<u>(\$7,669)</u>	<u>(\$6,371)</u>	<u>\$1,298</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$153,604	\$143,761	(\$9,843)
Total Revenues	<u>153,604</u>	<u>143,761</u>	<u>(9,843)</u>
Expenditures:			
Current:			
Instruction-Special			
Salaries and wages	137,153	130,661	6,492
Fringe benefits	31,552	30,059	1,493
Purchased services	2,484	2,366	118
Supplies and materials	13,566	12,924	642
Total instruction-special	<u>184,755</u>	<u>176,010</u>	<u>8,745</u>
Total Expenditures	<u>184,755</u>	<u>176,010</u>	<u>8,745</u>
Deficiency of revenues under expenditures	<u>(31,151)</u>	<u>(32,249)</u>	<u>(1,098)</u>
Other Financing Sources (Uses):			
Advances in	24,307	22,750	(1,557)
Transfers in	9,798	9,170	(628)
Transfers (out)	(9,626)	(9,170)	456
Total other financing sources (uses)	<u>24,479</u>	<u>22,750</u>	<u>(1,729)</u>
Deficiency of revenues and other financing sources under expenditures and other financing (uses)	<u>(6,672)</u>	<u>(9,499)</u>	<u>(2,827)</u>
Fund balance, July 1	9,170	9,170	0
Fund balance (deficit), June 30	<u><u>\$2,498</u></u>	<u><u>(\$329)</u></u>	<u><u>(\$2,827)</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)
TITLE VI FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$24,780	\$23,192	(\$1,588)
Total Revenues	<u>24,780</u>	<u>23,192</u>	<u>(1,588)</u>
Expenditures:			
Current:			
Instruction-Regular			
Purchased services	630	600	30
Supplies and materials	21,927	20,889	1,038
Capital outlay	6,686	6,369	317
Total instruction-regular	<u>29,243</u>	<u>27,858</u>	<u>1,385</u>
Support Services-Instructional Staff			
Purchased services	1,601	1,525	76
Total support services- instructional staff	<u>1,601</u>	<u>1,525</u>	<u>76</u>
Community Services			
Supplies and materials	6,704	6,387	317
Total community services	<u>6,704</u>	<u>6,387</u>	<u>317</u>
Total Expenditures	<u>37,548</u>	<u>35,770</u>	<u>1,778</u>
Deficiency of revenues under expenditures	<u>(12,768)</u>	<u>(12,578)</u>	<u>190</u>
Other Financing Sources (Uses):			
Advances (out)	(389)	(371)	18
Transfers in	2,447	2,290	(157)
Transfers (out)	(2,404)	(2,290)	114
Total other financing sources (uses)	<u>(346)</u>	<u>(371)</u>	<u>(25)</u>
Deficiency of revenues and other financing sources under expenditures and other financing (uses)	<u>(13,114)</u>	<u>(12,949)</u>	<u>165</u>
Fund balance, July 1	14,603	14,603	0
Prior year encumbrances appropriated	836	836	0
Fund balance, June 30	<u>\$2,325</u>	<u>\$2,490</u>	<u>\$165</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$2,778	\$2,600	(\$178)
Total Revenues	<u>2,778</u>	<u>2,600</u>	<u>(178)</u>
Expenditures:			
Current:			
Instruction-Regular			
Supplies and materials	4,302	4,098	204
Total instruction-regular	<u>4,302</u>	<u>4,098</u>	<u>204</u>
Support Services-Instructional Staff			
Supplies and materials	326	311	15
Total support services- instructional staff	<u>326</u>	<u>311</u>	<u>15</u>
Community Services			
Purchased services	420	400	20
Total community services	<u>420</u>	<u>400</u>	<u>20</u>
Total Expenditures	<u>5,048</u>	<u>4,809</u>	<u>239</u>
Deficiency of revenues under expenditures	(2,270)	(2,209)	61
Fund balance, July 1	3,815	3,815	0
Fund balance, June 30	<u>\$1,545</u>	<u>\$1,606</u>	<u>\$61</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - State	\$6,941	\$6,496	(\$445)
Intergovernmental - Federal	29,646	27,746	(1,900)
Total Revenues	<u>36,587</u>	<u>34,242</u>	<u>(2,345)</u>
Expenditures:			
Current:			
Instruction-Regular			
Salaries and wages	3,423	3,261	162
Total instruction-regular	<u>3,423</u>	<u>3,261</u>	<u>162</u>
Support Services-Pupil			
Salaries and wages	4,747	4,522	225
Fringe benefits	661	630	31
Purchased services	26,277	25,034	1,243
Supplies and materials	2,099	2,000	99
Total support services-pupil	<u>33,784</u>	<u>32,186</u>	<u>1,598</u>
Support Services-Pupil Transportation			
Purchased services	1,012	963	49
Total support services-pupil transportation	<u>1,012</u>	<u>963</u>	<u>49</u>
Community Services			
Purchased services	315	300	15
Supplies and materials	731	696	35
Total community services	<u>1,046</u>	<u>996</u>	<u>50</u>
Total Expenditures	<u>39,265</u>	<u>37,406</u>	<u>1,859</u>
Deficiency of revenues under expenditures	<u>(2,678)</u>	<u>(3,164)</u>	<u>(486)</u>
Other Financing Sources (Uses):			
Advances in	4,717	4,415	(302)
Advances (out)	(437)	(416)	21
Total other financing sources (uses)	<u>4,280</u>	<u>3,999</u>	<u>(281)</u>
Excess of revenues and other financing sources over expenditures and other financing (uses)	1,602	835	(767)
Fund deficit, July 1	(5,244)	(5,244)	0
Prior year encumbrances appropriated	5,244	5,244	0
Fund balance, June 30	<u>\$1,602</u>	<u>\$835</u>	<u>(\$767)</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 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental - Federal	\$23,462	\$21,959	(\$1,503)
Total Revenues	<u>23,462</u>	<u>21,959</u>	<u>(1,503)</u>
Expenditures:			
Current:			
Support Services-Instructional Staff			
Salaries and wages	19,994	19,047	947
Fringe benefits	5,810	5,535	275
Total support services- instructional staff	<u>25,804</u>	<u>24,582</u>	<u>1,222</u>
Total Expenditures	<u>25,804</u>	<u>24,582</u>	<u>1,222</u>
Deficiency of revenues under expenditures	<u>(2,342)</u>	<u>(2,623)</u>	<u>(281)</u>
Other Financing Sources (Uses):			
Advances in	1,424	1,333	(91)
Refund of prior year's (receipts)	(160)	(152)	8
Total other financing sources (uses)	<u>1,264</u>	<u>1,181</u>	<u>(83)</u>
Deficiency of revenues and other financing sources under expenditures and other financing (uses)	<u>(1,078)</u>	<u>(1,442)</u>	<u>(364)</u>
Fund balance, July 1	1,442	1,442	0
Fund balance, June 30	<u><u>\$364</u></u>	<u><u>\$0</u></u>	<u><u>(\$364)</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)
MISCELLANEOUS FEDERAL GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenues		\$127	\$127
Intergovernmental - Federal	\$232,320	217,433	(14,887)
Total Revenues	<u>232,320</u>	<u>217,560</u>	<u>(14,760)</u>
Expenditures:			
Current:			
Instruction-Regular			
Salaries and wages	100,079	95,342	4,737
Fringe benefits	17,830	16,986	844
Purchased services	4,210	4,011	199
Total instruction-regular	<u>122,119</u>	<u>116,339</u>	<u>5,780</u>
Instruction-Vocational			
Purchased services	6,395	6,092	303
Supplies and Materials	104,969	100,000	4,969
Total instruction-vocational	<u>111,364</u>	<u>106,092</u>	<u>5,272</u>
Support Services-Pupils			
Salaries and wages	388	370	18
Fringe benefits	60	57	3
Total support services-pupils	<u>448</u>	<u>427</u>	<u>21</u>
Support Services-Central			
Salaries and wages	210	200	10
Fringe benefits	267	254	13
Supplies and materials	78	74	4
Total support services-central	<u>555</u>	<u>528</u>	<u>27</u>
Total Expenditures	<u>234,486</u>	<u>223,386</u>	<u>11,100</u>
Deficiency of revenues under expenditures	<u>(2,166)</u>	<u>(5,826)</u>	<u>(3,660)</u>
Other Financing Sources (Uses):			
Advances in	7,692	7,199	(493)
Refund of prior year's (receipts)	(4,024)	(3,834)	190
Total other financing sources (uses)	<u>3,668</u>	<u>3,365</u>	<u>(303)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	1,502	(2,461)	(3,963)
Fund balance, July 1	4,935	4,935	0
Prior year encumbrances appropriated	5,136	5,136	0
Fund balance, June 30	<u>\$11,573</u>	<u>\$7,610</u>	<u>(\$3,963)</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, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$13,038	\$12,202	(\$836)
Other local revenue	809,176	757,452	(51,724)
Intergovernmental - State	1,054,910	987,313	(67,597)
Intergovernmental - Federal	1,319,277	1,234,739	(84,538)
Total Revenues	3,196,401	2,991,706	(204,695)
Expenditures:			
Current:			
Instruction-Regular			
Salaries and wages	132,867	126,578	6,289
Fringe benefits	18,657	17,774	883
Purchased services	64,344	61,297	3,047
Supplies and materials	111,623	106,338	5,285
Capital outlay	43,225	41,178	2,047
Other	37,676	35,892	1,784
Total instruction-regular	408,392	389,057	19,335
Instruction-Special			
Salaries and wages	137,153	130,661	6,492
Fringe benefits	31,552	30,059	1,493
Purchased services	2,484	2,366	118
Supplies and materials	13,566	12,924	642
Total instruction-special	184,755	176,010	8,745
Instruction-Vocational			
Purchased services	6,395	6,092	303
Supplies and materials	104,969	100,000	4,969
Capital outlay	93,492	89,066	4,426
Total instruction-vocational	204,856	195,158	9,698
Instruction-Other			
Salaries and wages	58,722	55,943	2,779
Fringe benefits	8,568	8,162	406
Purchased services	1,934	1,842	92
Supplies and materials	5,095	4,854	241
Capital outlay	1,529	1,457	72
Total instruction-other	75,848	72,258	3,590

continued

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, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Support Services-Pupil			
Salaries and wages	\$12,588	\$11,992	\$596
Fringe benefits	1,351	1,287	64
Purchased services	26,277	25,034	1,243
Supplies and materials	3,851	3,669	182
Total support services-pupil	<u>44,067</u>	<u>41,982</u>	<u>2,085</u>
Support Services-Instructional Staff			
Salaries and wages	537,343	511,904	25,439
Fringe benefits	187,427	178,554	8,873
Purchased services	11,919	11,355	564
Supplies and materials	13,434	12,798	636
Other	1,649	1,571	78
Total support services-instructional staff	<u>751,772</u>	<u>716,182</u>	<u>35,590</u>
Support Services-Administration			
Salaries and wages	10,221	9,736	485
Fringe benefits	2,160	2,058	102
Purchased services	1,220	1,162	58
Supplies and materials	6,619	6,305	314
Total support services-administration	<u>20,220</u>	<u>19,261</u>	<u>959</u>
Support Services-Business			
Purchased services	5,206	4,960	246
Total support services-business	<u>5,206</u>	<u>4,960</u>	<u>246</u>
Support Services-Transportation			
Purchased services	1,012	963	49
Total support services-transportation	<u>1,012</u>	<u>963</u>	<u>49</u>
Support Services-Central			
Salaries and wages	5,933	5,652	281
Fringe benefits	927	883	44
Purchased services	28,473	27,125	1,348
Supplies and materials	6,262	5,965	297
Total support services-central	<u>41,595</u>	<u>39,625</u>	<u>1,970</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, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Community Services			
Salaries and wages	\$26,791	\$25,523	\$1,268
Fringe benefits	14,077	13,411	666
Purchased services	450,044	428,864	21,180
Supplies and materials	221,486	211,001	10,485
Capital outlay	93,575	89,145	4,430
Other	48,316	46,029	2,287
Total community services	<u>854,289</u>	<u>813,973</u>	<u>40,316</u>
Extracurricular Activities			
Purchased services	12,439	11,850	589
Supplies and materials	37,832	36,041	1,791
Capital outlay	17,152	16,340	812
Other	690,417	657,733	32,684
Total extracurricular activities	<u>757,840</u>	<u>721,964</u>	<u>35,876</u>
Total Expenditures	<u>3,349,852</u>	<u>3,191,393</u>	<u>158,459</u>
Deficiency of revenues under expenditures	<u>(153,451)</u>	<u>(199,687)</u>	<u>(46,236)</u>
Other Financing Sources (Uses):			
Refund of prior year's (receipts)	(4,184)	(3,986)	198
Transfers in	69,854	65,377	(4,477)
Transfers (out)	(59,322)	(56,514)	2,808
Advances in	44,537	41,684	(2,853)
Advances (out)	(87,913)	(83,750)	4,163
Total other financing sources (uses)	<u>(37,028)</u>	<u>(37,189)</u>	<u>(161)</u>
Deficiency of revenues and other financing sources under expenditures and other financing (uses)	<u>(190,479)</u>	<u>(236,876)</u>	<u>(46,397)</u>
Fund balance, July 1	561,184	561,184	0
Prior year encumbrances appropriated	168,234	168,234	0
Fund balance, June 30	<u>\$538,939</u>	<u>\$492,542</u>	<u>(\$46,397)</u>

DEBT SERVICE FUND

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, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Taxes	\$3,101,000	\$2,791,669	(\$309,331)
Intergovernmental-State	415,000	367,083	(47,917)
Total Revenues	<u>3,516,000</u>	<u>3,158,752</u>	<u>(357,248)</u>
Expenditures:			
Current:			
Support Services-Fiscal			
Other	52,000	37,003	14,997
Total support services-fiscal	<u>52,000</u>	<u>37,003</u>	<u>14,997</u>
Debt service			
Principal retirement	2,030,000	2,030,000	0
Interest and fiscal charges	1,013,275	1,013,275	0
Total debt service	<u>3,043,275</u>	<u>3,043,275</u>	<u>0</u>
Total Expenditures	<u>3,095,275</u>	<u>3,080,278</u>	<u>14,997</u>
Excess of revenues over expenditures	<u>420,725</u>	<u>78,474</u>	<u>(342,251)</u>
Other Financing Sources:			
Proceeds on sale of bonds	8,000,000	8,007,215	7,215
Total other financing sources	<u>8,000,000</u>	<u>8,007,215</u>	<u>7,215</u>
Excess of revenues and other financing sources over expenditures	8,420,725	8,085,689	(335,036)
Fund balance, July 1	3,235,122	3,235,122	0
Fund balance, June 30	<u>\$11,655,847</u>	<u>\$11,320,811</u>	<u>(\$335,036)</u>

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CAPITAL PROJECTS FUNDS

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

Permanent 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 for 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, 2001

	<u>PERMANENT IMPROVEMENTS</u>	<u>BUILDING</u>	<u>VOCATIONAL EDUCATION EQUIPMENT</u>
Assets:			
Equity in pooled cash, cash equivalents, and investments	\$79,686	\$14,884,703	\$49,051
Total Assets	<u>\$79,686</u>	<u>\$14,884,703</u>	<u>\$49,051</u>
Liabilities:			
Contracts payable		\$592,443	
Accrued interest payable		219,333	
Interfund loans payable			
Advance from other funds	\$3,900		
Bond anticipation note payable		8,000,000	
Total Liabilities	<u>\$3,900</u>	<u>\$8,811,776</u>	<u>\$0</u>
Fund Equity:			
Fund balances:			
Reserved for encumbrances		2,111,476	
Unreserved-undesignated	75,786	3,961,451	49,051
Total Fund Equity (Deficit)	<u>75,786</u>	<u>6,072,927</u>	<u>49,051</u>
Total Liabilities and Fund Equity	<u>\$79,686</u>	<u>\$14,884,703</u>	<u>\$49,051</u>

SCHOOLNET PLUS	POWER-UP TECHNOLOGIES	TOTAL
\$112,917		\$15,126,357
<u>\$112,917</u>	<u>\$0</u>	<u>\$15,126,357</u>
		\$592,443
		219,333
	\$8,500	8,500
		3,900
		8,000,000
<u>\$0</u>	<u>\$8,500</u>	<u>\$8,824,176</u>
		2,140,883
112,917	29,407	4,161,298
<u>112,917</u>	<u>(37,907)</u>	<u>6,302,181</u>
<u>\$112,917</u>	<u>\$0</u>	<u>\$15,126,357</u>

SYLVANIA CITY SCHOOL DISTRICT

LUCAS COUNTY, OHIO

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

	<u>PERMANENT IMPROVEMENTS</u>	<u>BUILDING</u>	<u>VOCATIONAL EDUCATION EQUIPMENT</u>
Revenues:			
From local sources:			
Earnings on investments		\$233,832	
Intergovernmental-State			\$42,282
Total Revenues	<u>\$0</u>	<u>233,832</u>	<u>42,282</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Support services:			
Operations and maintenance		593,563	
Facilities services		1,365,374	
Debt Service:			
Interest and fiscal charges		219,333	
Total Expenditures	<u>0</u>	<u>2,178,270</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>0</u>	<u>(1,944,438)</u>	<u>42,282</u>
Other Financing Sources:			
Sale of bonds		8,000,000	
Total other financing sources	<u>0</u>	<u>8,000,000</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>0</u>	<u>6,055,562</u>	<u>42,282</u>
Fund balance, July 1	75,786	17,365	6,769
Fund balance (deficit), June 30	<u>\$75,786</u>	<u>\$6,072,927</u>	<u>\$49,051</u>

SCHOOLNET PLUS	POWER-UP TECHNOLOGIES	TOTAL
		\$233,832
\$234,592	\$149,231	426,105
<u>234,592</u>	<u>149,231</u>	<u>659,937</u>
131,430		131,430
	260,400	853,963
		1,365,374
		219,333
<u>131,430</u>	<u>260,400</u>	<u>2,570,100</u>
103,162	(111,169)	(1,910,163)
		8,000,000
<u>0</u>	<u>0</u>	<u>8,000,000</u>
103,162	(111,169)	6,089,837
9,755	102,669	212,344
<u>\$112,917</u>	<u>(\$8,500)</u>	<u>\$6,302,181</u>

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, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Total Expenditures	0	0	0
Fund balance, July 1	79,686	79,686	0
Fund balance, June 30	<u>\$79,686</u>	<u>\$79,686</u>	<u>\$0</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, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Earnings on investments	\$224,758	\$233,832	\$9,074
Total Revenues	224,758	233,832	9,074
Expenditures:			
Current:			
Support Services-Operations & Maintenance			
Purchased services	643,401	614,298	29,103
Capital outlay	1,238,628	1,179,600	59,028
Total support services- operations & maintenance	1,882,029	1,793,898	88,131
Facilities Services:			
Architecture and Engineering Services			
Purchased services	1,238,127	1,000,000	238,127
Total architecture and engineering services	1,238,127	1,000,000	238,127
Building Acquisition & Construction Services			
Purchased services	1,149,687	1,276,515	(126,828)
Total building acquisition & construction services	1,149,687	1,276,515	(126,828)
Total facilities services	2,387,814	2,276,515	111,299
Total Expenditures	4,269,843	4,070,413	199,430
Deficiency of revenues over under expenditures	(4,045,085)	(3,836,581)	208,504
Other Financing Sources:			
Proceeds of sale of notes	7,689,584	8,000,000	(310,416)
Total other financing sources	7,689,584	8,000,000	(310,416)
Excess of revenues and other financing sources over expenditures	3,644,499	4,163,419	518,920
Fund balance, July 1	17,365	17,365	0
Fund balance, June 30	\$3,661,864	\$4,180,784	\$518,920

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, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental-State	\$45,000	\$42,282	(\$2,718)
Total Revenues	<u>45,000</u>	<u>42,282</u>	<u>(2,718)</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over expenditures	45,000	42,282	(2,718)
Fund balance, July 1	<u>6,769</u>	<u>6,769</u>	<u>0</u>
Fund balance, June 30	<u><u>\$51,769</u></u>	<u><u>\$49,051</u></u>	<u><u>(\$2,718)</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, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental-State	\$235,000	\$234,592	(\$408)
Total Revenues	<u>235,000</u>	<u>234,592</u>	<u>(408)</u>
Expenditures:			
Current:			
Instruction-Regular			
Capital outlay	137,856	131,430	6,426
Total instruction-regular	<u>137,856</u>	<u>131,430</u>	<u>6,426</u>
Total Expenditures	<u>137,856</u>	<u>131,430</u>	<u>6,426</u>
Excess of revenues over expenditures	97,144	103,162	6,018
Fund balance, July 1	9,755	9,755	0
Fund balance, June 30	<u>\$106,899</u>	<u>\$112,917</u>	<u>\$6,018</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (DEFICIT)-BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
POWER-UP TECHNOLOGIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental-State	\$129,572	\$149,231	\$19,659
Total Revenues	<u>129,572</u>	<u>149,231</u>	<u>19,659</u>
Expenditures:			
Current:			
Support Services-Operations and Maintenance			
Purchased services	305,340	291,512	13,828
Total support services- operations and maintenance	<u>305,340</u>	<u>291,512</u>	<u>13,828</u>
Total Expenditures	<u>305,340</u>	<u>291,512</u>	<u>13,828</u>
Deficiency of revenues under expenditures	<u>(175,768)</u>	<u>(142,281)</u>	<u>33,487</u>
Other Financing Sources:			
Advances in	8,174	8,500	326
Total other financing sources	<u>8,174</u>	<u>8,500</u>	<u>326</u>
Deficiency of revenues and other financing sources under expenditures	<u>(167,594)</u>	<u>(133,781)</u>	<u>33,813</u>
Fund balance, July 1	29,905	29,905	0
Prior year encumbrances appropriated	74,468	74,468	0
Fund deficit, June 30	<u>(\$63,221)</u>	<u>(\$29,408)</u>	<u>\$33,813</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, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Earnings on investments	\$224,758	\$233,832	\$9,074
Intergovernmental - State	409,572	426,105	16,533
Total Revenues	<u>634,330</u>	<u>659,937</u>	<u>25,607</u>
Expenditures:			
Current:			
Instruction-Regular			
Capital outlay	137,856	131,430	6,426
Total instruction-regular	<u>137,856</u>	<u>131,430</u>	<u>6,426</u>
Support Services-Operations and Maintenance			
Purchased services	948,741	905,810	42,931
Capital outlay	1,238,628	1,179,600	59,028
Total support services- operations and maintenance	<u>2,187,369</u>	<u>2,085,410</u>	<u>101,959</u>
Facilities Services:			
Architecture and Engineering Services			
Purchased services	1,238,127	1,000,000	238,127
Total architecture and engineering services	<u>1,238,127</u>	<u>1,000,000</u>	<u>238,127</u>
Building Acquisition & Construction Services			
Purchased services	1,149,687	1,276,515	(126,828)
Total building acquisition & construction services	<u>1,149,687</u>	<u>1,276,515</u>	<u>(126,828)</u>
Total facilities services	<u>2,387,814</u>	<u>2,276,515</u>	<u>111,299</u>
Total Expenditures	<u>4,713,039</u>	<u>4,493,355</u>	<u>219,684</u>
Deficiency of revenues under expenditures	<u>(4,078,709)</u>	<u>(3,833,418)</u>	<u>245,291</u>
Other Financing Sources:			
Advances in	8,174	8,500	326
Proceeds of sale of notes	7,689,584	8,000,000	310,416
Total other financing sources	<u>7,697,758</u>	<u>8,008,500</u>	<u>310,742</u>
Excess of revenues and other financing sources over expenditures	<u>3,619,049</u>	<u>4,175,082</u>	<u>556,033</u>
Fund balance, July 1	143,480	143,480	0
Prior year encumbrances appropriated	74,468	74,468	0
Fund balance, June 30	<u>\$3,836,997</u>	<u>\$4,393,030</u>	<u>\$556,033</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 School 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, 2001

	FOOD SERVICE	UNIFORM SCHOOL SUPPLIES	CONSUMER SERVICES ROTARY
Assets:			
Equity in pooled cash, cash equivalents, and investments		\$12,191	\$49,035
Materials and supplies inventory	\$22,811		
Advances to other funds	21,410		
Property, plant & equipment - (Net of accumulated depreciation)	141,569		
Total Assets	\$185,790	\$12,191	\$49,035
Liabilities:			
Accounts payable		\$2,708	\$5,350
Accrued wages and benefits	\$94		
Compensated absences payable	57,685		
Pension obligation payable	27,890		
Advance from other funds		8,580	1,500
Deferred revenue	8,013		
Total Liabilities	93,682	11,288	6,850
Fund Equity:			
Contributed capital	748,892		
Retained earnings-unreserved (accumulated deficit)	(656,784)	903	42,185
Total Fund Equity (Deficit)	92,108	903	42,185
Total Liabilities and Fund Equity	\$185,790	\$12,191	\$49,035

<u>NATATORIUM</u>	<u>TOTAL</u>
\$2,140	\$63,366
	22,811
	21,410
	<u>141,569</u>
<u>\$2,140</u>	<u>\$249,156</u>
	\$8,058
\$1,864	1,958
	57,685
241	28,131
5,000	15,080
	<u>8,013</u>
<u>7,105</u>	<u>118,925</u>
	748,892
<u>(4,965)</u>	<u>(618,661)</u>
<u>(4,965)</u>	<u>130,231</u>
<u>\$2,140</u>	<u>\$249,156</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN (ACCUMULATED DEFICIT)/RETAINED EARNINGS
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	FOOD SERVICE	UNIFORM SCHOOL SUPPLIES	CONSUMER SERVICES ROTARY
Operating Revenues:			
Tuition and fees		\$92,851	
Sales/charges for services	\$1,370,387		\$53,134
Total Operating Revenues	<u>1,370,387</u>	<u>92,851</u>	<u>53,134</u>
Operating Expenses:			
Salaries and wages	627,581		
Fringe benefits	219,467		
Contract services	687,028		
Materials and supplies	50,635	110,256	39,132
Depreciation	24,624		
Other			11,836
Total Operating Expenses	<u>1,609,335</u>	<u>110,256</u>	<u>50,968</u>
Operating Income (Loss)	<u>(238,948)</u>	<u>(17,405)</u>	<u>2,166</u>
Nonoperating Revenues:			
Operating grants	199,286		
Federal commodities	36,901		
Total Nonoperating Revenues	<u>236,187</u>	<u>0</u>	<u>0</u>
Net Income (Loss) before Operating Transfers	<u>(2,761)</u>	<u>(17,405)</u>	<u>2,166</u>
Operating Transfers:			
Operating transfers in	41,746	3,860	
Operating transfers (out)			(932)
Net Income (Loss)	38,985	(13,545)	1,234
(Accumulated Deficit)/ Retained earnings, July 1	(695,769)	14,448	40,951
(Accumulated Deficit)/ Retained earnings, June 30	<u>(\$656,784)</u>	<u>\$903</u>	<u>\$42,185</u>

<u>NATATORIUM</u>	<u>TOTAL</u>
	\$92,851
\$37,061	1,460,582
<u>37,061</u>	<u>1,553,433</u>
30,031	657,612
4,007	223,474
	687,028
4,830	204,853
	24,624
	<u>11,836</u>
<u>38,868</u>	<u>1,809,427</u>
<u>(1,807)</u>	<u>(255,994)</u>
	199,286
	36,901
<u>0</u>	<u>236,187</u>
<u>(1,807)</u>	<u>(19,807)</u>
	45,606
	(932)
<u>(1,807)</u>	<u>24,867</u>
<u>(3,158)</u>	<u>(643,528)</u>
<u>(\$4,965)</u>	<u>(\$618,661)</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	FOOD SERVICE	UNIFORM SCHOOL SUPPLIES	CONSUMER SERVICES ROTARY	NATATORIUM	TOTAL
Cash flows from operating activities:					
Cash received from tuition and fees		\$92,851			\$92,851
Cash received from sales/charges for services	\$1,370,387		\$53,134	\$37,061	1,460,582
Cash payments for personal services	(840,416)			(32,640)	(873,056)
Cash payments for contract services	(766,328)				(766,328)
Cash payments for supplies and materials	(9,989)	(107,548)	(33,790)	(4,830)	(156,157)
Cash payments for other expenses			(11,836)		(11,836)
Net cash provided by (used in) operating activities	(246,346)	(14,697)	7,508	(409)	(253,944)
Cash flows from noncapital financing activities:					
Cash received from operating grants	204,600				204,600
Transfers in from other funds	41,746	3,860			45,606
Transfers out to other funds			(932)		(932)
Net cash provided by (used in) noncapital financing activities	246,346	3,860	(932)		249,274
Net increase (decrease) in cash and cash equivalents	0	(10,837)	6,576	(409)	(4,670)
Cash and cash equivalents at beginning of year	0	23,028	42,459	2,549	68,036
Cash and cash equivalents at end of year	<u>\$0</u>	<u>\$12,191</u>	<u>\$49,035</u>	<u>\$2,140</u>	<u>\$63,366</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss):	(\$238,948)	(\$17,405)	\$2,166	(\$1,807)	(\$255,994)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	24,624				24,624
Federal donated commodities	36,901				36,901
Changes in assets and liabilities:					
Decrease in supplies inventory	11,564				11,564
Increase (decrease) in accounts payable	(79,500)	2,708	5,350		(71,442)
Increase (decrease) in accrued wages & benefits	(3,513)		(8)	1,368	(2,153)
Decrease in compensated absences payable	(3,079)				(3,079)
Increase in pension obligation payable	13,224			30	13,254
Decrease in deferred revenue	(7,619)				(7,619)
Net cash provided by (used in) operating activities	<u>(\$246,346)</u>	<u>(\$14,697)</u>	<u>\$7,508</u>	<u>(\$409)</u>	<u>(\$253,944)</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Sales/charges for services	\$1,351,214	\$1,348,165	(\$3,049)
Other operating revenues		22,222	22,222
Total Operating Revenues	<u>1,351,214</u>	<u>1,370,387</u>	<u>19,173</u>
Operating Expenses:			
Food service operations:			
Salaries and wages	649,100	630,660	18,440
Fringe benefits	209,760	209,756	4
Contract services	900,338	899,653	685
Supplies and materials	17,975	9,989	7,986
Total Operating Expenses	<u>1,777,173</u>	<u>1,750,058</u>	<u>27,115</u>
Operating Loss	<u>(425,959)</u>	<u>(379,671)</u>	<u>46,288</u>
Nonoperating Revenues:			
Operating grants	198,667	204,600	5,933
Total Nonoperating Revenues	<u>198,667</u>	<u>204,600</u>	<u>5,933</u>
Net Loss Before Operating Transfers	<u>(227,292)</u>	<u>(175,071)</u>	<u>52,221</u>
Operating Transfers:			
Operating transfers in	60,000	41,746	(18,254)
Total Operating Transfers	<u>60,000</u>	<u>41,746</u>	<u>(18,254)</u>
Net Loss	<u>(167,292)</u>	<u>(133,325)</u>	<u>33,967</u>
Fund Deficit, July 1	(84,983)	(84,983)	0
Prior year encumbrances appropriated	84,983	84,983	0
Fund Deficit, June 30	<u>(\$167,292)</u>	<u>(\$133,325)</u>	<u>\$33,967</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENSES
 AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 UNIFORM SCHOOL SUPPLIES FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Tuition and fees	\$117,150	\$92,851	(\$24,299)
Total Operating Revenues	<u>117,150</u>	<u>92,851</u>	<u>(24,299)</u>
Operating Expenses:			
Enterprise operations:			
Supplies and materials	145,115	119,510	25,605
Total Operating Expenses	<u>145,115</u>	<u>119,510</u>	<u>25,605</u>
Operating Loss	<u>(27,965)</u>	<u>(26,659)</u>	<u>1,306</u>
Net Loss Before Operating Transfers	<u>(27,965)</u>	<u>(26,659)</u>	<u>1,306</u>
Operating Transfers:			
Operating transfers in		3,860	3,860
Operating transfers (out)	(1,500)		1,500
Total Operating Transfers	<u>(1,500)</u>	<u>3,860</u>	<u>5,360</u>
Net Loss	<u>(29,465)</u>	<u>(22,799)</u>	<u>6,666</u>
Fund Equity, July 1	19,416	19,416	0
Prior year encumbrances appropriated	3,612	3,612	0
Fund Equity (Deficit), June 30	<u>(\$6,437)</u>	<u>\$229</u>	<u>\$6,666</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
CONSUMER SERVICES ROTARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Other operating revenues	\$101,300	\$53,134	(\$48,166)
Total Operating Revenues	<u>101,300</u>	<u>53,134</u>	<u>(48,166)</u>
Operating Expenses:			
Enterprise operations:			
Supplies and materials	56,801	37,140	19,661
Other operating expenses	13,251	11,836	1,415
Total Operating Expenses	<u>70,052</u>	<u>48,976</u>	<u>21,076</u>
Operating Income	<u>31,248</u>	<u>4,158</u>	<u>(27,090)</u>
Net Income Before Operating Transfers	<u>31,248</u>	<u>4,158</u>	<u>(27,090)</u>
Operating Transfers:			
Operating transfers (out)	(2,507)	(932)	1,575
Total Operating Transfers	<u>(2,507)</u>	<u>(932)</u>	<u>1,575</u>
Net Income	28,741	3,226	(25,515)
Fund Equity, July 1	41,659	41,659	0
Prior year encumbrances appropriated	800	800	0
Fund Equity, June 30	<u>\$71,200</u>	<u>\$45,685</u>	<u>(\$25,515)</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
NATATORIUM FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Other operating revenues	\$33,000	\$37,061	\$4,061
Total Operating Revenues	<u>33,000</u>	<u>37,061</u>	<u>4,061</u>
Operating Expenses:			
Community services:			
Salaries and wages	30,400	28,597	1,803
Fringe benefits	4,118	4,044	74
Supplies and materials	4,000	2,785	1,215
Capital outlay	2,625	2,322	303
Total Operating Expenses	<u>41,143</u>	<u>37,748</u>	<u>3,395</u>
Operating Loss	<u>(8,143)</u>	<u>(687)</u>	<u>7,456</u>
Net Loss	(8,143)	(687)	7,456
Fund Equity, July 1	424	424	0
Prior year encumbrances appropriated	2,125	2,125	0
Fund Equity (Deficit), June 30	<u>(\$5,594)</u>	<u>\$1,862</u>	<u>\$7,456</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Tuition and fees	\$117,150	\$92,851	(\$24,299)
Sales/charges for services	1,351,214	1,348,165	(3,049)
Other operating revenues	134,300	112,417	(21,883)
Total Operating Revenues	<u>1,602,664</u>	<u>1,553,433</u>	<u>(49,231)</u>
Operating Expenses:			
Food service operations:			
Salaries and wages	649,100	630,660	18,440
Fringe benefits	209,760	209,756	4
Contract services	900,338	899,653	685
Supplies and materials	17,975	9,989	7,986
Enterprise operations:			
Supplies and materials	201,916	156,650	45,266
Other operating expenses	13,251	11,836	1,415
Community services:			
Salaries and wages	30,400	28,597	1,803
Fringe benefits	4,118	4,044	74
Supplies and materials	4,000	2,785	1,215
Capital outlay	2,625	2,322	303
Total Operating Expenses	<u>2,033,483</u>	<u>1,956,292</u>	<u>77,191</u>
Operating Loss	<u>(430,819)</u>	<u>(402,859)</u>	<u>27,960</u>
Nonoperating Revenues:			
Operating grants	198,667	204,600	5,933
Total Nonoperating Revenues	<u>198,667</u>	<u>204,600</u>	<u>5,933</u>
Net Loss Before Operating Transfers	<u>(232,152)</u>	<u>(198,259)</u>	<u>33,893</u>
Operating Transfers:			
Operating transfers in	60,000	45,606	(14,394)
Operating transfers (out)	(4,007)	(932)	3,075
Total Operating Transfers	<u>55,993</u>	<u>44,674</u>	<u>(11,319)</u>
Net Loss	(176,159)	(153,585)	22,574
Fund deficit, July 1	(23,484)	(23,484)	0
Prior year encumbrances appropriated	91,520	91,520	0
Fund deficit, June 30	<u>(\$108,123)</u>	<u>(\$85,549)</u>	<u>\$22,574</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, 2001

	INTERNAL SERVICE ROTARY	INTRA- DISTRICT SERVICES	EMPLOYEE BENEFITS SELF-INSURANCE	TOTAL
Assets:				
Equity in pooled cash, cash equivalents, and investments	\$8,510	\$33,097	\$1,473,334	\$1,514,941
Total Assets	\$8,510	\$33,097	\$1,473,334	\$1,514,941
Liabilities:				
Accounts payable			\$53,838	\$53,838
Claims payable			584,848	584,848
Advance from other funds	\$3,013			3,013
Total Liabilities	3,013	\$0	638,686	641,699
Fund Equity:				
Retained earnings-unreserved	5,497	33,097	834,648	873,242
Total fund equity	5,497	33,097	834,648	873,242
Total Liabilities and Fund Equity	\$8,510	\$33,097	\$1,473,334	\$1,514,941

**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, 2001**

	INTERNAL SERVICE ROTARY	INTRA- DISTRICT SERVICES	EMPLOYEE BENEFITS SELF-INSURANCE	TOTAL
Operating Revenues:				
Sales/charges for services	\$8,400		\$3,941,555	\$3,949,955
Total Operating Revenues	<u>8,400</u>	<u>\$0</u>	<u>3,941,555</u>	<u>3,949,955</u>
Operating Expenses:				
Contract services		15,754	671,696	687,450
Other	5,682			5,682
Claims expense			3,106,603	3,106,603
Total Operating Expenses	<u>5,682</u>	<u>15,754</u>	<u>3,778,299</u>	<u>3,799,735</u>
Net Income (Loss)	2,718	(15,754)	163,256	150,220
Retained earnings, July 1	<u>2,779</u>	<u>48,851</u>	<u>671,392</u>	<u>723,022</u>
Retained earnings, June 30	<u>\$5,497</u>	<u>\$33,097</u>	<u>\$834,648</u>	<u>\$873,242</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	INTERNAL SERVICE ROTARY	INTRA- DISTRICT SERVICES	EMPLOYEE BENEFITS SELF-INSURANCE	TOTAL
Cash flows from operating activities:				
Cash received from sales/charges for services	\$8,400		\$3,941,555	\$3,949,955
Cash payments for contract services		(\$20,901)	(617,858)	(638,759)
Cash payments for claims expense			(2,562,332)	(2,562,332)
Cash payments for other expenses	(5,682)			(5,682)
Net cash provided by (used in) operating activities	2,718	(20,901)	761,365	743,182
Net increase (decrease) in cash and cash equivalents	2,718	(20,901)	761,365	743,182
Cash and cash equivalents at beginning of year	5,792	53,998	711,969	771,759
Cash and cash equivalents at end of year	<u>\$8,510</u>	<u>\$33,097</u>	<u>\$1,473,334</u>	<u>\$1,514,941</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss):	\$2,718	(\$15,754)	\$163,256	\$150,220
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Changes in assets and liabilities:				
Increase (Decrease) in accounts payable		(4,093)	53,838	49,745
Increase in claims payable			544,271	544,271
Decrease in pension obligation payable		(1,054)		(1,054)
Net cash provided by (used in) operating activities	<u>\$2,718</u>	<u>(\$20,901)</u>	<u>\$761,365</u>	<u>\$743,182</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
INTERNAL SERVICE ROTARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Sales/charges for services		\$8,400	\$8,400
Total Operating Revenues	\$0	8,400	8,400
Operating Expenses:			
Community Services:			
Other	10,376	5,791	4,585
Total Operating Expenses	10,376	5,791	4,585
Operating Income (Loss)	(10,376)	2,609	12,985
Net Income (Loss)	(10,376)	2,609	12,985
Fund equity, July 1	5,416	5,416	0
Prior year encumbrances appropriated	376	376	0
Fund equity (deficit), June 30	(\$4,584)	\$8,401	\$12,985

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
INTRA-DISTRICT SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Total Operating Revenues	\$0	\$0	\$0
Operating Expenses:			
Contract services	45,000	20,901	24,099
Total Operating Expenses	45,000	20,901	24,099
Operating Loss	(45,000)	(20,901)	24,099
Net Loss	(45,000)	(20,901)	24,099
Fund equity, July 1	53,998	53,998	0
Fund equity, June 30	\$8,998	\$33,097	\$24,099

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
EMPLOYEE BENEFITS SELF-INSURANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Sales/charges for services	\$3,835,000	\$3,941,555	\$106,555
Total Operating Revenues	<u>3,835,000</u>	<u>3,941,555</u>	<u>106,555</u>
Operating Expenses:			
Claims expense	4,002,500	3,333,189	669,311
Total Operating Expenses	<u>4,002,500</u>	<u>3,333,189</u>	<u>669,311</u>
Operating Income (Loss)	<u>(167,500)</u>	<u>608,366</u>	<u>775,866</u>
Net Income (Loss) before Operating Transfers	<u>(167,500)</u>	<u>608,366</u>	<u>775,866</u>
Operating Transfers:			
Operating transfers in	600,000	600,000	0
Operating transfers (out)	(600,000)	(600,000)	0
Total Operating Transfers	<u>0</u>	<u>0</u>	<u>0</u>
Net Income (Loss)	<u>(167,500)</u>	<u>608,366</u>	<u>775,866</u>
Fund equity, July 1	711,968	711,968	0
Fund equity, June 30	<u>\$544,468</u>	<u>\$1,320,334</u>	<u>\$775,866</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Sales/charges for services	\$3,835,000	\$3,949,955	\$114,955
Total Operating Revenues	<u>3,835,000</u>	<u>3,949,955</u>	<u>114,955</u>
Operating Expenses:			
Central:			
Contract services	45,000	20,901	24,099
Claims expense	4,002,500	3,333,189	669,311
Total central	<u>4,047,500</u>	<u>3,354,090</u>	<u>693,410</u>
Community Services:			
Other expenses	10,376	5,791	4,585
Total community services	<u>10,376</u>	<u>5,791</u>	<u>4,585</u>
Total Operating Expenses	<u>4,057,876</u>	<u>3,359,881</u>	<u>697,995</u>
Operating Income (Loss)	<u>(222,876)</u>	<u>590,074</u>	<u>812,950</u>
Operating Transfers:			
Operating transfers in	600,000	600,000	0
Operating transfers (out)	(600,000)	(600,000)	0
Total Operating Transfers	<u>0</u>	<u>0</u>	<u>0</u>
Net Income (Loss)	<u>(222,876)</u>	<u>590,074</u>	<u>812,950</u>
Fund equity, July 1	771,382	771,382	0
Prior year encumbrances appropriated	376	376	0
Fund equity, June 30	<u><u>\$548,882</u></u>	<u><u>\$1,361,832</u></u>	<u><u>\$812,950</u></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 FUND TYPES
JUNE 30, 2001

	EXPENDABLE TRUST FUND	NONEXPENDABLE TRUST FUND	STUDENT MANAGED ACTIVITY	TOTAL
Assets:				
Equity in pooled cash, cash equivalents, and investments	\$406	\$8,025	\$97,585	\$106,016
Total Assets	\$406	\$8,025	\$97,585	\$106,016
Liabilities:				
Accounts payable			800	\$800
Due to students			95,397	95,397
Advance from other funds			1,388	1,388
Total Liabilities	\$0	\$0	97,585	97,585
Fund Equity:				
Fund Balance:				
Reserved for principal endowment		7,000		7,000
Reserved for scholarships		1,025		1,025
Unreserved-undesignated	406			406
Total Fund Equity	406	8,025	0	8,431
Total Liabilities and Fund Equity	\$406	\$8,025	\$97,585	\$106,016

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (DEFICIT)-BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
From local sources:			
Earnings on investments	\$25	\$37	\$12
Other local revenues		1,035	1,035
Total Revenues	<u>25</u>	<u>1,072</u>	<u>1,047</u>
Expenditures:			
Extracurricular Activities			
Other	1,000	1,000	0
Total Extracurricular activities	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Excess (deficiency) of revenues Over (under) expenditures	<u>(975)</u>	<u>72</u>	<u>1,047</u>
Fund balance, July 1	334	334	0
Fund balance (Deficit), June 30	<u>(\$641)</u>	<u>\$406</u>	<u>\$1,047</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
NONEXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating Revenues:			
Earnings on investments	\$425	\$490	\$65
Total Operating Revenues	<u>425</u>	<u>490</u>	<u>65</u>
Operating Expenses:			
Support Services - Pupil			
Other expenses	500	500	0
Total support services-pupil	<u>500</u>	<u>500</u>	<u>0</u>
Extracurricular Activities			
Other expenses	500	500	0
Total support services- extracurricular activities	<u>500</u>	<u>500</u>	<u>0</u>
Total Operating Expenses	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Operating Loss	<u>(575)</u>	<u>(510)</u>	<u>65</u>
Operating Transfers:			
Operating transfers in		400	400
Total Operating Transfers	<u>0</u>	<u>400</u>	<u>400</u>
Net Loss	<u>(575)</u>	<u>(110)</u>	<u>465</u>
Fund equity, July 1	8,135	8,135	0
Fund equity, June 30	<u>\$7,560</u>	<u>\$8,025</u>	<u>\$465</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, 2001**

	Beginning Balance July 1, 2000	Additions	Deletions	Ending Balance June 30, 2001
<u>Student Managed Activity Fund</u>				
Assets:				
Equity in pooled cash and cash equivalents	\$84,724	\$136,470	\$123,609	\$97,585
Total Assets	\$84,724	\$136,470	\$123,609	\$97,585
Liabilities:				
Accounts Payable	\$800			\$800
Due to Students	82,536	\$136,470	\$123,609	95,397
Advance from other Funds	1,388			1,388
Total Liabilities	\$84,724	\$136,470	\$123,609	\$97,585
<u>Summary All Agency Funds</u>				
Assets:				
Equity in pooled cash and cash equivalents	\$84,724	\$136,470	\$123,609	\$97,585
Total Assets	\$84,724	\$136,470	\$123,609	\$97,585
Liabilities:				
Accounts Payable	\$800			\$800
Due to Students	82,536	\$136,470	\$123,609	95,397
Advance from other Funds	1,388			1,388
Total Liabilities	\$84,724	\$136,470	\$123,609	\$97,585

GENERAL FIXED ASSETS ACCOUNT GROUP

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

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ASSET CLASS
JUNE 30, 2001

	<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	41,077,114	1,509,745	\$26,520	299,057		42,912,436
Furniture and Equipment	10,269,552	1,019,975	65,575	39,356		11,394,458
Vehicles	64,903		99,462	4,050,113		4,214,478
Construction-in-Progress					682,422	682,422
Total	<u>\$56,268,689</u>	<u>\$2,593,674</u>	<u>\$191,557</u>	<u>\$4,842,751</u>	<u>\$682,422</u>	<u>64,579,093</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2001

	<u>Balance at July 1, 2000</u>	<u>Additions</u>	<u>(Deletions)</u>	<u>Balance at June 30, 2001</u>
Instruction	\$53,454,178	\$3,314,800	(\$500,289)	\$56,268,689
Administration	2,449,496	180,785	(36,607)	2,593,674
Operation and Maintenance of Plant Services	183,825	59,208	(51,476)	191,557
Transportation Services - Pupils	4,708,877	155,611	(21,737)	4,842,751
Facilities Services		682,422		682,422
Total General Fixed Assets	<u>\$60,796,376</u>	<u>\$4,392,826</u>	<u>(\$610,109)</u>	<u>\$64,579,093</u>

SYLVANIA CITY SCHOOL DISTRICT
LUCAS COUNTY, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
JUNE 30, 2001

General fixed assets:	
Land Improvements	\$5,375,299
Buildings	42,912,436
Furniture and Equipment	11,394,458
Vehicles	4,214,478
Construction-in-Progress	682,422
Total General Fixed Assets	<u><u>\$64,579,093</u></u>

Investments in General Fixed Assets by Source:

<u>Acquisitions since July 1, 1992</u>	
General Fund	\$15,232,860
Special Revenue Funds	725,374
Capital Projects Funds	<u>20,310,480</u>
Total acquisitions since July 1, 1992	36,268,714
<u>Acquisitions prior to June 30, 1992</u>	<u>28,310,379</u>
Total General Fixed Assets	<u><u>\$64,579,093</u></u>

**SYLVANIA CITY SCHOOL DISTRICT
GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS**

	Amount									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Expenditures:										
Instruction	\$20,478,116	\$23,122,345	\$22,676,105	\$24,231,131	\$26,332,624	\$26,119,689	\$28,691,403	\$30,373,223	\$31,178,574	\$33,630,995
Supporting Services	12,142,421	12,661,871	12,959,356	14,810,623	15,316,057	15,448,281	18,896,700	18,684,466	20,066,054	21,818,955
Community Services	8,567	10,803	24,754	0	0	0	14,018	15,136	31,200	29,185
Extracurricular Activities	546,892	616,417	589,573	592,895	728,380	709,810	745,128	679,801	853,050	922,782
Facilities Acquisition	0	159,865	322,450	562,490	368,128	38,555	296,524	366,874	10,019	43,788
Capital Outlay	0	0	0	0	0	0	0	0	0	523,172
Debt Service	0	0	113,966	39,761	13,283	0	0	0	0	173,452
Total Expenditures	\$33,175,996	\$36,571,301	\$36,686,204	\$40,236,900	\$42,758,472	\$42,316,335	\$48,643,773	\$50,119,500	\$52,138,897	\$57,142,329

	Percent of Total									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Expenditures:										
Instruction	61.73%	63.22%	61.78%	60.22%	61.58%	61.72%	58.98%	60.60%	59.79%	58.86%
Supporting Services	36.50%	34.62%	35.32%	36.81%	35.82%	36.51%	38.85%	37.28%	38.49%	38.18%
Community Services	0.03%	0.03%	0.07%	0.00%	0.00%	0.00%	0.03%	0.03%	0.06%	0.05%
Extracurricular Activities	1.74%	1.69%	1.64%	1.47%	1.71%	1.68%	1.53%	1.36%	1.64%	1.61%
Facilities Acquisition	0.00%	0.44%	0.88%	1.40%	0.86%	0.09%	0.61%	0.73%	0.02%	0.08%
Capital Outlay	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.92%
Debt Service	0.00%	0.00%	0.31%	0.10%	0.03%	0.00%	0.00%	0.00%	0.00%	0.30%
Total Expenditures	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Sylvania City School District records

**SYLVANIA CITY SCHOOL DISTRICT
GENERAL FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

	Amount									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Revenues:										
Taxes	\$17,484,751	\$23,884,588	\$26,992,402	\$27,353,815	\$28,453,613	\$31,478,758	\$32,873,760	\$33,634,433	\$33,116,319	\$33,983,502
Tuition	134,902	136,734	161,719	135,259	144,646	92,127	88,925	15,572	270,226	137,519
Transportation Fees	31,204	54,808	52,073	69,628	13,546	833	0	0	0	0
Earnings on Investments	525,509	378,184	481,968	570,328	689,203	837,731	1,085,907	1,061,735	1,154,845	1,311,662
Other Local Revenues	91,347	147,128	206,401	175,630	214,206	207,385	274,416	186,210	483,032	558,622
State Sources	11,382,891	11,653,634	12,264,224	12,516,599	12,762,238	13,251,345	14,750,111	16,029,260	17,547,708	19,046,762
Federal Sources	5,836	0	0	0	0	0	0	0	0	0
Miscellaneous Receipts	267,011	189,844	274,962	261,359	117,090	76,811	297,735	0	0	0
Total Revenues	\$29,923,451	\$36,444,940	\$40,433,749	\$41,082,618	\$42,394,542	\$45,944,990	\$49,370,854	\$50,927,210	\$52,572,130	\$55,038,067

	Percent of Total									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Revenues:										
Taxes	58.43%	65.53%	66.76%	66.58%	67.12%	68.51%	66.59%	66.04%	62.98%	61.74%
Tuition	0.45%	0.38%	0.40%	0.33%	0.34%	0.20%	0.18%	0.03%	0.51%	0.25%
Transportation Fees	0.10%	0.15%	0.13%	0.17%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%
Earnings on Investments	1.76%	1.04%	1.19%	1.39%	1.63%	1.82%	2.20%	2.08%	2.20%	2.38%
Class Materials & Fees	0.31%	0.40%	0.51%	0.43%	0.51%	0.45%	0.56%	0.37%	0.92%	1.01%
State Sources	38.04%	31.98%	30.33%	30.46%	30.09%	28.85%	29.88%	31.48%	33.39%	34.62%
Federal Sources	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Miscellaneous Receipts	0.89%	0.52%	0.68%	0.64%	0.28%	0.17%	0.59%	0.00%	0.00%	0.00%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Sylvania City School District records

**SYLVANIA CITY SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS - REAL AND PUBLIC UTILITY REAL PROPERTY TAXES (1)
LAST TEN COLLECTION YEARS**

Year(2)	Current Taxes Levied		Delinquent Levy(3)	Total Levy	Current Collection	Percent of Current Levy Collected		Delinquent Collection	Total Collection	Total Collection As a Percent of Total Levy
						Collected	Collection			
1991	\$22,289,192	\$1,325,613	\$23,614,805	\$21,547,213	96.67%	\$519,440	\$22,066,653	93.44%		
1992	23,517,835	1,696,855	25,214,690	22,572,178	95.98%	623,947	23,196,125	91.99%		
1993	30,861,603	2,358,931	33,220,534	30,400,514	98.51%	997,227	31,397,741	94.51%		
1994	32,344,991	2,192,863	34,537,854	31,212,863	96.50%	1,177,658	32,390,521	93.78%		
1995	33,158,756	2,012,053	35,170,809	32,440,741	97.83%	975,564	33,416,305	95.01%		
1996	35,014,348	1,610,467	36,624,815	34,885,127	99.63%	913,790	35,798,917	97.74%		
1997	39,608,000	1,775,022	41,383,022	39,402,767	99.48%	865,857	40,268,624	97.31%		
1998	39,596,500	1,544,851	41,141,351	39,349,130	99.38%	1,226,123	40,575,253	98.62%		
1999	40,281,973	1,605,384	41,887,357	40,003,676	99.31%	1,194,755	41,198,431	98.36%		
2000	40,492,936	1,548,288	42,041,224	40,415,959	99.81%	961,017	41,376,976	98.42%		

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. 2001 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.

SYLVANIA CITY SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN CALENDAR YEARS

Tax Collection Year	Real Property		General Personal Property		Public Utility Personal Property		Totals (A)		Assessed Value As a Percent of Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1992	\$673,128,490	\$1,923,224,257	\$42,989,591	\$165,344,581	\$40,842,670	\$46,412,125	\$756,960,751	\$2,134,980,963	35.46%
1993	685,613,850	1,958,896,714	42,460,962	169,843,848	43,703,890	49,663,511	771,778,702	2,178,404,074	35.43%
1994	704,767,750	2,013,622,143	45,248,641	180,994,564	45,012,060	51,150,068	795,028,451	2,245,766,775	35.40%
1995	762,979,800	2,179,942,286	45,810,248	183,240,992	44,834,180	50,947,932	853,624,228	2,414,131,210	35.36%
1996	775,810,600	2,216,601,714	52,379,664	209,518,656	40,885,020	46,460,250	869,075,284	2,472,580,620	35.15%
1997	796,725,120	2,276,357,486	59,103,325	236,413,300	40,825,650	46,392,784	896,654,095	2,559,163,570	35.04%
1998	894,618,520	2,556,052,914	62,422,222	249,688,888	38,107,550	43,304,034	995,148,292	2,849,045,836	34.93%
1999	919,948,910	2,628,425,457	64,828,270	259,313,080	39,733,456	45,151,655	1,024,510,636	2,932,890,192	34.93%
2000	949,793,290	2,713,695,114	68,362,885	273,451,540	34,977,260	39,746,886	1,053,133,435	3,026,893,541	34.79%
2001	1,140,109,230	3,257,454,943	66,451,695	265,806,780	33,826,890	38,439,648	1,240,387,815	3,561,701,371	34.83%

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 2000:

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 88% of actual value.

**SYLVANIA CITY SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT & OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN CALENDAR YEARS**

Government	Collection (Calendar) Year									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Direct:										
Sylvania City School District	\$56.20	\$62.30	\$62.30	\$62.30	\$63.90	\$68.20	\$66.30	\$66.30	\$65.70	\$65.20
Overlapping:										
Townships:										
Sylvania	15.30	16.40	16.40	16.40	16.40	16.40	16.40	16.40	16.40	16.72
Municipalities:										
City of Sylvania (includes Recreation District)	5.75	5.75	6.25	6.25	6.25	6.25	6.25	6.45	6.40	6.40
City of Toledo (includes Recreation District)	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	5.70
Lucas County	14.80	15.85	15.85	15.85	17.20	17.35	17.35	17.75	17.95	17.80
TARTA (A)	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50

(A) Toledo Area Regional Transit Authority

Source: Lucas County Auditor

SYLVANIA CITY SCHOOL DISTRICT
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND
NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Collection Year	Net General Obligation Bonded Debt (1)	Assessed Value	Population (2)	Ratio of Net General Obligation Bonded Debt to Assessed Value	Net General Obligation Bonded Debt Per Capita
1992	11,894,710	756,960,751	39,983	1.57%	297
1993	11,691,558	771,778,702	39,983	1.51%	292
1994	10,458,682	795,028,451	39,983	1.32%	262
1995	9,117,139	853,624,228	39,983	1.07%	228
1996	27,047,847	869,075,284	39,983	3.11%	676
1997	25,296,175	896,654,095	39,983	2.82%	633
1998	24,946,397	995,148,292	39,983	2.51%	624
1999	22,714,937	1,024,510,636	39,983	2.22%	568
2000	20,616,981	1,053,133,435	39,983	1.96%	516
2001	27,149,406	1,240,387,815	47,328	2.19%	574

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 1991-2000 from U.S. Census Bureau, 1990; Year 2001 from U.S. Census Bureau, 2000

TABLE 7

**SYLVANIA CITY SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2001**

	<u>Total Voted Debt Limit (1)</u>	<u>Total Unvoted Debt Limit (2)</u>
Assessed Valuation Collection Year 2001	\$1,240,387,815	\$1,240,387,815
Debt Limitation	<u>111,634,903</u>	<u>1,240,388</u>
Total Outstanding Debt:		
General Obligation Bonds	30,564,290	30,564,290
Asbestos Removal Loan	<u>41,516</u>	<u>41,516</u>
Total Outstanding Debt	<u>30,605,806</u>	<u>30,605,806</u>
Exemptions:		
General Obligation Bonds		(30,564,290)
Asbestos Removal Loan	<u>(41,516)</u>	<u>(41,516)</u>
Total Exemptions	<u>(41,516)</u>	<u>(30,605,806)</u>
Less: Amount available in Debt Service fund	<u>(3,414,884)</u>	<u>0</u>
Net Debt Subject to Limitation	<u>27,149,406</u>	<u>0</u>
Total Legal Debt Margin (Debt Limitation Minus Net Debt Subject to Limitation)	<u><u>\$84,485,497</u></u>	<u><u>\$1,240,388</u></u>

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.

TABLE 8

**SYLVANIA CITY SCHOOL DISTRICT
VARIOUS SCHOOL DISTRICT OVERLAPPING
GENERAL OBLIGATION (GO) BONDED DEBT
ALLOCATIONS (PRINCIPAL AMOUNT)
DECEMBER 31, 2000**

	<u>Amount</u>	<u>Per Capita(b)</u>	<u>% of District's Current (2000) Assessed Valuation</u>
District Non Exempt Debt GO Debt (a)	\$30,564,290	\$646	2.90%
Total District GO Debt (exempt and non exempt)	30,605,806	647	2.91%
Highest Total Overlapping GO Debt (c)	64,345,554	1,360	6.11%

(a) Total GO Debt, less exempt debt.

(b) Based on the 2000 population of 47,328.

(c) Includes, in addition to "Total District GO Debt", allocations of total GO 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>
\$13,174,022 County	16.14%
11,596,998 City of Sylvania	100%
4,889,946 Sylvania Area Joint Recreation District	100%

Allocation of GO debt of the remaining overlapping subdivisions as follows:

\$4,032,062 of City of Toledo	2.66%
46,720 of Ottawa Hills Village	1.43%

Source of assessed valuation and GO debt figures for overlapping subdivisions: Lucas County Auditor.

TABLE 9

**SYLVANIA CITY SCHOOL DISTRICT
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
1992	\$1,030,000	\$410,305	\$1,440,305	\$33,175,996	4.34%
1993	815,000	790,150	1,605,150	36,571,301	4.39%
1994	885,000	651,457	1,536,457	36,686,204	4.19%
1995	895,000	596,870	1,491,870	40,236,900	3.71%
1996	950,000	1,257,346	2,207,346	42,758,472	5.16%
1997	1,740,000	1,533,378	3,273,378	42,316,335	7.74%
1998	2,105,000	1,389,848	3,494,848	48,646,773	7.18%
1999	2,200,000	1,306,183	3,506,183	50,119,500	7.00%
2000	2,510,000	1,173,666	3,683,666	52,138,897	7.07%
2001	2,055,000	1,149,559	3,204,559	57,142,329	5.61%

Source: Sylvania City School District records

TABLE 10

**SYLVANIA CITY SCHOOL DISTRICT
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>
1992	39,983	7,152	n/a	\$51,976	\$105,839
1993	39,983	7,220	n/a	50,677	106,895
1994	39,983	7,455	n/a	54,962	106,644
1995	39,983	7,664	n/a	55,525	111,381
1996	39,983	7,737	n/a	59,520	112,327
1997	39,983	7,754	5.90%	64,877	115,638
1998	39,983	7,904	6.00%	66,516	125,904
1999	39,983	8,020	4.84%	68,179	127,744
2000	39,983	7,991	4.26%	69,883	128,208
2001	47,328	7,908	5.50%	71,630	133,173

(A) Years 1991-2000 from U. S. Bureau of Census, 1990; Year 2001 from U.S. Census Bureau, 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
PROPERTY VALUES, CONSTRUCTION ACTIVITY,
AND BANK DEPOSITS
LAST TEN CALENDAR YEARS**

Year	Assessed Valuation(1)	City of Sylvania		Sylvania Township		Total		Bank Deposits (4)
		Building Permits(2)	Value	Building Permits(3)	Value	Building Permits	Value	
1991	\$679,475,654	290	\$17,365,633	561	\$33,443,184	851	\$50,808,817	\$4,588,277
1992	756,960,751	346	23,346,489	684	39,257,177	1,030	62,603,666	4,439,618
1993	771,778,702	249	14,482,206	583	37,131,500	832	51,613,706	3,124,897
1994	795,028,451	207	14,402,052	634	49,897,914	841	64,299,966	3,847,921
1995	853,624,228	245	17,756,530	620	48,230,894	865	65,987,424	3,675,524
1996	869,075,284	229	13,885,002	674	58,221,000	903	72,106,002	3,810,869
1997	896,654,095	252	13,239,808	738	64,035,780	990	77,275,588	3,037,031
1998	995,148,292	168	7,658,159	766	82,915,854	934	90,574,013	5,302,858
1999	1,024,510,636	170	8,866,541	728	78,417,431	898	87,283,972	6,340,350
2000	1,053,133,435	120	6,776,289	723	85,107,015	843	91,883,304	2,413,149

(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)

TABLE 12

**SYLVANIA CITY SCHOOL DISTRICT
PRINCIPAL TAXPAYERS
December 31, 2000**

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	\$4,861,750	7.32%	0.39%
Dave White Chevrolet, Inc.	3,254,020	4.90%	0.26%
Vin Devers, Inc.	2,988,710	4.50%	0.24%
Brown Motor Sales Co., Inc.	2,916,730	4.39%	0.24%
Meijer Stores Limited Partner	2,120,520	3.19%	0.17%
Hanson Aggregates Midwest, Inc.	2,040,680	3.07%	0.16%
Block Communications, Inc.	1,904,700	2.87%	0.15%
Kistler Ford, Inc.	1,828,610	2.75%	0.15%
Reichert Stamping Company	1,713,570	2.58%	0.14%
Franklin Park Lincoln Mercury	1,596,510	2.40%	0.13%
Total	<u>\$25,225,800</u>	<u>37.97%</u>	<u>2.03%</u>

Source: Lucas County Auditor

TABLE 13

**SYLVANIA CITY SCHOOL DISTRICT
LARGEST EMPLOYERS
DECEMBER 31, 2000**

Employer	Business	Employees
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

TABLE 14

**SYLVANIA CITY SCHOOL DISTRICT
MISCELLANEOUS STATISTICAL DATA**

Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2001

Part I. HIGHLIGHTS

	<u>District</u>	<u>State</u>
Average Daily Membership (ADM)		
SF-12 ADM (October)	7,908	2,835
Median Family Income		
(1996, from Ohio Department of Taxation)	\$40,880	\$29,363
Revenue Sources Per Pupil:		
- Local Funds	\$4,589	\$3,538
- State Funds	2,271	3,069
- Federal Funds	168	406
Total Revenues Sources Per Pupil	<u>\$7,028</u>	<u>\$7,013</u>
Expenditure Per Pupil (All Funds)	\$7,284	\$7,057
Average Class Size		
(Regular Instruction K-4)	18.4	18.1
Teacher Average Salary	\$47,928	\$39,836
Graduation Rate (Percent)		
(Number of graduates versus fall enrollment)	91.1%	80.7%
Student Attendance Rate (Percent)	95.4%	93.6%
Staff Attendance Rate (Percent)	94.6%	95.5%

**SYLVANIA CITY SCHOOL DISTRICT
MISCELLANEOUS STATISTICAL DATA**

Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2001

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	92.0%	96.6%	97.4%	93.7%	92.6%
State	70.4%	89.1%	91.4%	80.7%	76.2%
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	51.8%	67.7%	82.1%	68.0%	53.0%
State	48.9%	58.2%	77.9%	61.3%	47.7%
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	69.4%	69.6%	91.3%	84.9%	68.0%
State	54.4%	53.2%	79.1%	70.1%	54.6%
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	73.8%	72.1%	92.3%	77.0%	71.4%
State	59.0%	65.9%	82.9%	68.1%	60.9%

continued

**SYLVANIA CITY SCHOOL DISTRICT
MISCELLANEOUS STATISTICAL DATA**

**Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2001**

Part III. STUDENT DEMOGRAPHICS

1. Racial Ethnic Data	White	Black	Hispanic	Asian/ Pacific Islander	American Indian Alaskan Native	Multi-Racial
District	93.0%	2.0%	1.0%	3.0%	0.0%	1.0%
State	81.0%	15.6%	1.5%	1.0%	0.1%	0.7%

	District	State
2. Percentage of Students Disadvantaged		
A. Economic and Academic	2.9%	13.4%
B. Aid to Dependent Children	3.8%	15.9%

	District	State
3. Disability		
Condition (percentage)		
Multihandicapped	0.3%	0.3%
Deaf-Blind	0.0%	0.0%
Hearing Impaired	0.1%	0.1%
Visually Impaired	0.0%	0.1%
Speech Impaired	1.6%	2.7%
Orthopedically Impaired	0.1%	0.1%
Other Health Impaired	0.2%	0.2%
Severe Behavior	0.1%	0.6%
Developmentally Disabled	1.2%	2.6%
Specific Learning Disabled	7.7%	4.3%
Nonspecific Disabilities	0.6%	0.6%
Autism	0.0%	0.0%
Traumatic Brain Injury	0.0%	0.0%
Total	<u>11.9%</u>	<u>11.6%</u>

**SYLVANIA CITY SCHOOL DISTRICT
MISCELLANEOUS STATISTICAL DATA**

**Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2001**

Part IV. STAFF DEMOGRAPHICS

	<u>District</u>	<u>State</u>
1. Total Number of Employees (FTE) (Average for group and state)	824.4	306.7
2. Degree Status - Teachers Only		
Percentage	<u>District</u>	<u>State</u>
Non-Degree	0.0%	0.6%
Bachelors Degree	46.0%	54.0%
Masters and Above	54.0%	45.4%
3. Average Number of Total Years of Experience, (Classroom Teachers only)	<u>District</u>	<u>State</u>
	14.5	14.8

continued

TABLE 14

**SYLVANIA CITY SCHOOL DISTRICT
MISCELLANEOUS STATISTICAL DATA**

Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2001

PART V. RESOURCES

	<u>District</u>	<u>State</u>
1. Property Valuation (Average valuation for group and state)		
Total Valuation per Pupil	\$133,173	\$105,262

	<u>District</u>	<u>State</u>
2. Valuation by Type (Percentage)		
Residential	72.7%	54.0%
Agricultural	0.5%	4.0%
Other Real	16.1%	20.0%
Tangible Property	10.7%	22.0%
(Includes Public Utility)		

	<u>District</u>	<u>State</u>
3. Property Tax Rates (Class I) (Percentage)		
Total Millage	65.2%	45.0%
Effective Millage	35.9%	30.9%
School Income Tax*	0.0%	0.8%

* Average among school districts with this tax.

	<u>District</u>	<u>State</u>
4. Revenue percentage (of total) by source		
All Local Revenue	73.1%	52.5%
All State Revenue	33.6%	42.0%
All Federal Revenue	2.5%	5.5%

	<u>Revenue</u>	<u>Expenditure</u>
5. Revenue and Expenditure per Pupil (Sum of all funds)		
District	\$7,831	\$9,152
State	6,127	6,642

TABLE 14

**SYLVANIA CITY SCHOOL DISTRICT
MISCELLANEOUS STATISTICAL DATA**

**Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2001**

PART VI. COSTS

1. Instructional Services Costs Provided by the District per Student	District	State
Regular Instruction	\$3,408	\$3,745
2. Support Services Costs per Pupil	District	State
Pupil	\$978	\$716
Instructional Staff	103	128
Administration	807	776
Operation and Maintenance of Plant	1,070	1,276

continued

**SYLVANIA CITY SCHOOL DISTRICT
MISCELLANEOUS STATISTICAL DATA**

**Ohio Department of Education
Education Management Information System
District Profile - Fiscal Year 2001**

PART VII. EXPENDITURES AS A PERCENTAGE OF TOTAL OPERATING EXPENSES

	<u>District</u>	<u>State</u>
1. Salary		
Certificated Staff	52%	50%
Classified Staff	11%	13%
2. Fringes		
Certificated Staff	12%	13%
Classified Staff	5%	4%
3. Salary plus fringes (All staff)	<u>80%</u>	<u>80%</u>
4. Purchased Services	7%	9%
5. Supplies and Materials	3%	6%
6. Capital Outlay	4%	3%
7. Other Expenses	6%	2%
	<u>100%</u>	<u>100%</u>

EMIS District Profile Format

The EMIS District Profiles include data on student outcomes, student demographics, staff demographics, financial resources and expenditures. For each of the statistics on the District Profiles, there are two values reported. The column labeled "district" contains the value of the data element or statistic for the specific district. The column labeled "state" is the average value for the State of Ohio.

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



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 10, 2001

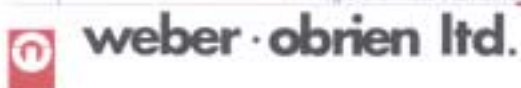
SYLVANIA CITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2001

<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	\$ 36,901	\$ 36,901
National School Breakfast Program	4487505-PU99	10.553	852	852
	4487505-PU00		1,693	1,693
	4487505-PU01		11,940	11,940
National School Lunch Program	44875LL-P100	10.555	18,187	18,187
	44875LL-P101		99,384	99,384
	44875LL-P400		9,453	9,453
	44875LL-P401		<u>54,643</u>	<u>54,643</u>
TOTAL DEPARTMENT OF AGRICULTURE			<u>233,053</u>	<u>233,053</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass through Ohio Department of Education:				
Adult Education - State Grant Program	44875AB-S199	84.002	-0-	18,033
	44875AB-S100		-0-	11,408
	44875AB-S101		<u>51,575</u>	<u>51,575</u>
Total Adult Education			<u>51,575</u>	<u>81,016</u>
<u>Special Education Cluster</u>				
Special Education Grants to States:				
Title VI-B	448756B-SF99P	84.027	53,635	77,263
	448756B-SF00P		-0-	36,350
	448756B-SF01P		<u>605,397</u>	<u>604,271</u>
Total Title VI-B			<u>659,032</u>	<u>717,884</u>
Special Education Preschool Grant	44875PG-S100	84.173	(152)	1,290
	44875PG-S101		<u>21,959</u>	<u>21,959</u>
Total Special Education Preschool Grant			<u>21,807</u>	<u>23,249</u>
Total Special Education Cluster			680,839	741,133
Vocational Education - Basic Grants to States	4487520-C100	84.048	2,945	44,472
	4487520-C101		<u>62,763</u>	<u>56,753</u>
Total Vocational Education - Basic			<u>65,708</u>	<u>101,225</u>
Grants to Local Educational Agencies				
Title I	44875C1-S1-01	84.010	143,761	143,761
Emergency Immigrant Assistance Subsidy	44875E1-S1-00	84.162	-0-	2,212
	44875E1-S1-01		<u>2,600</u>	<u>109</u>
Total Emergency Immigrant Assistance Subsidy			<u>2,600</u>	<u>2,321</u>
Drug Free Schools Grant	44875DR-S199	84.186	3,985	3,985
	44875DR-S100		6,496	5,661
	44875DR-S101		<u>23,760</u>	<u>23,760</u>
Total Drug Free Schools Grant			<u>34,241</u>	<u>33,406</u>
School to Work Administration	44875WK-BED1	84.243	100,000	100,000

SYLVANIA CITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2001

Goals 2000	44875G2-5800	84,276	(88)	1,720
	44875G2-5499		(1,483)	-0-
	44875G2-5601		12,000	6,012
	44875G2-5699		<u>(2,263)</u>	<u>4,011</u>
Total Goals 2000			<u>8,166</u>	<u>11,743</u>
Eisenhower Professional Development	44875MS-599	84,281	-0-	4,518
	44875MS-500		-0-	3,323
	44875MS-5101		<u>21,732</u>	<u>332</u>
Total Eisenhower Professional Development			<u>21,732</u>	<u>8,173</u>
Innovative Education Program Strategy	44875C2-5199	84,298	-0-	15,439
	44875C2-5100		15,082	14,288
	44875C2-5101		<u>8,110</u>	<u>2,557</u>
Total Innovative Education Program Strategy			<u>23,192</u>	<u>32,284</u>
Class Size Reduction	44875CR-5100	84,340	23,664	23,359
	44875CR-5101		<u>81,770</u>	<u>81,770</u>
Total Class Size Reduction			<u>105,434</u>	<u>105,129</u>
TOTAL DEPARTMENT OF EDUCATION			<u>1,237,248</u>	<u>1,360,191</u>
<u>TOTAL FEDERAL FINANCIAL ASSISTANCE</u>			<u>\$1,470,301</u>	<u>\$1,593,244</u>

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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, 2001, and have issued our report thereon dated December 10, 2001. 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 involving the internal control over financial reporting and its operation that we consider to be material

Board of Education
Sylvania City School District

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 10, 2001.

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.

Walter O'Brien, LTD.

December 10, 2001



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, 2001. 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, 2001.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and

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 10, 2001.

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.

W. B. R. · D. B. R. · C. M. ·

December 10, 2001

SYLVANIA CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2001

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

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

Federal Awards

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

Type of auditors' report issued on compliance for major programs:		<u>Unqualified</u>
---	--	--------------------

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.002	Adult Education
84.010	Title I
84.243	School To Work Administration
84.340	Class Size Reduction

Dollar threshold used to distinguish between Type A and Type B programs:		\$300,000
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Auditee qualified as low risk auditee?	_X_ yes	_____no
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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



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
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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
JANUARY 22, 2002**