



**Auditor of State  
Betty Montgomery**



**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY**

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**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2004**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>		
<i>Passed through the Ohio Department of Education</i>		
<u>Nutrition Cluster:</u>		
Food Distribution	n/a	10.550
School Breakfast Program	05-PU-2003 05-PU-2004 05-RE-2004	10.553
Total - School Breakfast Program		
National School Lunch Program	LLP4-2003 LLP4-2004	10.555
Total - National School Lunch Program		
Total Department of Agriculture- Nutrition Cluster		
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>		
<i>Direct Program</i>		
Adult Education Pell Grant	n/a	84.063
<i>Passed through the Ohio Department of Education</i>		
<u>Special Education Cluster:</u>		
Special Education - Grants to States	6B-SF 2003 P 6B-SF 2004 P	84.027
Total - Special Education Grants to States		
Special Education - Preschool Grant	PG-S1 2003 P PG-S1 2004 P	84.173
Total - Preschool Grant		
Total - Special Education Cluster		
Adult Education State Grant Program	AB-S1 2002 AB-S1 2003 AB-S1 2003 C AB-S1 2004	84.002
Total - Adult Basic Education		
Title I Grants to Local Educational Agencies	C1-SK 2003 C1-S1 2003 C1-S1 2004	84.010
Total - Title I Grants to Local Educational Agencies		

Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
	\$ 98,338		\$ 98,338
\$ 39,702		\$ 39,702	
125,241		125,241	
2,250		2,250	
<u>167,193</u>		<u>167,193</u>	
190,135		190,135	
537,127		537,127	
<u>727,262</u>		<u>727,262</u>	
<b>894,455</b>	<b>98,338</b>	<b>894,455</b>	<b>98,338</b>
37,897		37,897	
114,925		164,910	
602,127		560,886	
<u>717,052</u>		<u>725,796</u>	
164		5,294	
33,805		29,922	
33,969		35,216	
<u>751,021</u>		<u>761,012</u>	
(2,152)		1,077	
33,747		41,695	
16,087		16,087	
77,046		60,359	
<u>124,728</u>		<u>119,218</u>	
(2,397)		36,195	
177,306		182,327	
1,169,169		1,047,393	
<u>1,344,078</u>		<u>1,265,915</u>	

(Continued)

**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY**

SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2004  
(Continued)

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number
Vocational Education - Basic Grants to States	20-C1 2003 20-C1 2004 20-C2 2003 20-C2 2004	84.048
Total - Vocational Education Basic Grants to States		
Safe and Drug Free Schools and Communities - State Grants	DR-S1 2003 DR-S1 2004	84.186
Total - Safe and Drug Free Schools and Communities - State Grants		
Innovative Education Program Strategies	C2-S1 2003 C2-S1 2004	84.298
Total - Innovative Education Program Strategies		
Technology Literacy Challenge Fund Grants	TJ-S1-2003 TJ-S1 2004	84.318
Total - Technology Literacy Challenge Fund Grants		
School Renovation Grants	AT-S3-2003	84.352A
Total - School Renovation Grants		
Improving Teacher Quality State Grants	TR-S1-2003 TR-S1-2004	84.367
Total - Improving Teacher Quality State Grants		
Total Department of Education		
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b> <i>Passed through the Ohio Department of Education</i>		
Learn and Serve America School and Community Based Program	SV-S1 2003	94.004
Total Corporation for National and Community Service		
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b> <i>Passed through the Ohio Department of Mental Retardation and Developmental Disabilities</i>		
Title XIX (Medicaid)		93.778
<b>TOTALS</b>		

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS SCHEDULE.



Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
86,627		3,015	
119,730		114,208	
56,926		2,262	
78,680		79,629	
<b>341,963</b>		<b>199,114</b>	
(9,314)		8,529	
43,976		23,196	
<b>34,662</b>		<b>31,725</b>	
(17)		1,244	
30,245		27,258	
<b>30,228</b>		<b>28,502</b>	
(6,946)			
43,457		37,065	
<b>36,511</b>		<b>37,065</b>	
		8,152	
		<b>8,152</b>	
34,454		37,250	
294,163		266,609	
<b>328,617</b>		<b>303,859</b>	
<b>3,029,705</b>		<b>2,792,459</b>	
(265)		755	
<b>(265)</b>		<b>755</b>	
<b>219,899</b>		<b>219,899</b>	
<b>\$ 4,143,794</b>	<b>\$ 98,338</b>	<b>\$ 3,907,568</b>	<b>\$ 98,338</b>

**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2004**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

**NOTE C - MATCHING REQUIREMENTS**

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

**NOTE D - ENVIRONMENTAL PROTECTION AGENCY GRANT**

The District received an interest free loan in 1988 from the U.S. Environmental Protection Agency under the Asbestos Removal Grant Program (CFDA 66.702). As of June 30, 2004, the District owed \$215,134 on this loan. This loan is subject to certain compliance requirements imposed by the U.S. Environmental Protection Agency. The initial expenditure of these loan proceeds were reported on the Schedule of Federal Awards expenditures in the year funds were disbursed. No additional financial activity has been incurred other than the District's repayment of the loan. Such activity is not required to be reported in this Schedule.



**Auditor of State  
Betty Montgomery**

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

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

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Sandusky City School District, Erie County, (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 21, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could directly and materially affect 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 we must report under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the District's management in a separate letter dated December 21, 2004.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial

reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the District's management in a separate letter dated December 21, 2004.

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

December 21, 2004



**Auditor of State  
Betty Montgomery**

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

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

To the Board of Education:

**Compliance**

We have audited the compliance of the Sandusky City School District, Erie County, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We also noted a matter involving the internal control over federal compliance that does not require inclusion in this report that we have reported to the management of the District in a separate letter dated December 31, 2004.

### **Schedule of Federal Awards Expenditures**

We have audited the basic financial statements of the Sandusky City School District, Erie County as of and for the year ended June 30, 2004, and have issued our report thereon dated December 21, 2004. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Betty Montgomery**  
Auditor of State

December 21, 2004

**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY**

SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
JUNE 30, 2004

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Title I CFDA #84.010 Improving Teacher Quality CFDA #84.367
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes





COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

OF THE

SANDUSKY CITY  
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2004

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

407 DECATUR STREET

SANDUSKY, OHIO 44870



# INTRODUCTORY SECTION



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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

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# SANDUSKY CITY SCHOOLS

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

December 21, 2004

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

The Comprehensive Annual Financial Report (CAFR) of the Sandusky City School District (the "District") for the fiscal year ended June 30, 2004 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

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

### **General Introduction to the District**

The District ranks as 99<sup>th</sup> largest by total enrollment among the 613 public school districts in the state and is the largest in Erie County. As of the current school year (2003-04), the average daily membership (ADM) was 4,186 students. Most of these students attend one of the District's thirteen schools, while a number of handicapped students are served by Erie County special education units outside the District. District enrollment is expected to remain at the current level over the next several years.

The District has 582 full and part time employees. The District employs 352 certified staff members and 30 administrators. Additionally, the District employs 7 full-time adult education instructors and 193 full-time and part-time non-teaching staff members.

The District offers a wide variety of educational programs for all segments of the community. Sandusky High School is one of the few comprehensive high schools in Ohio, containing fourteen (14) vocational programs as well as a wide range of college preparatory offerings. Additionally, the adult continuing education program serves more than 2,000 adults each year. The District provides extensive special education services and offers a kindergarten through twelfth grade accelerated and gifted program. All District kindergarten students attend all-day, everyday kindergarten classes and benefit from a full day of instruction.

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

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

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

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

### ***Reporting Entity***

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

### ***Overlapping Governmental Entities***

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

1. A portion (26.02%) of Erie County (functions allocated to counties by Ohio law, such as elections, health and human services, and judicial).
2. The City of Sandusky (100%) (municipal corporation responsibilities).

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

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

## ***Employees***

A statewide public employee bargaining law applies generally to public employee relations and collective bargaining. The starting salary (2003-04 school year) for a teacher with a bachelor's degree is \$29,000, and the maximum salary for a teacher with a master's degree plus 24 graduate hours and 23 years of experience is \$60,900.

The District's certificated staff, excluding administration, are members of the Sandusky Education Association (S.E.A.), a labor organization affiliated with the Ohio Education Association. The current contract between the Board of Education and the S.E.A. expires August 31, 2004.

All of the District's support staff employees, including secretarial, custodial, maintenance, transportation, and aides, are represented for bargaining purposes by the Sandusky Non-Teaching Employees Association (S.N.T.E.A.), a labor organization affiliated with the Ohio Education Association. The current S.N.T.E.A. contract expires June 30, 2005.

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

## ***Facilities***

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

<u>Facility</u>	<u>Dates of Construction and Addition and/or Major Improvement</u>	<u>Number of Classrooms</u>	<u>Capacity (a)</u>	<u>ADM as of June 2004 (b)</u>	<u>Sound Insurable Value (c)</u>
<u>Elementary Schools</u>					
Campbell	1884/1991	10	250	197	\$ 1,574,293
Hancock	1923/'28/'31/'49/'66	21	525	344	1,712,537
Madison	1939/1991	10	250	220	1,358,001
Mills	1954/1991	19	475	301	1,956,774
Monroe	1894/1903/1991	13	325	209	2,143,571
Ontario	1952/1968	20	500	354	2,127,206
Osborne	1890/1991	15	375	289	2,314,890
Venice Hts.	1970	22	550	324	2,664,270
<u>Junior High Schools</u>					
Adams	1867/1914/1977	20	500	310	5,055,061
Jackson	1898/1927/1937	20	500	316	4,160,066
<u>High School</u>					
Sandusky High	1957/'67/'70/'73	90	2,250	1,238	16,650,250
<u>Alternative Schools</u>					
Barker	1874	7	175	46	876,720
Barker Annex	1924	4	100	N/A	379,848
<u>Non-Classroom Facilities</u>					
Administration	1926	N/A	N/A	N/A	1,556,787
Bus Garage	Unknown	N/A	N/A	N/A	551,733
Stadium	1935	N/A	N/A	N/A	1,431,760
Bonn Bldg.	Unknown	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>84,656</u>
Total		<u>271</u>	<u>6,775</u>	<u>4,148</u>	<u>\$46,598,423</u>

N/A - "Not applicable"

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

***Parochial Schools***

The District acts as fiscal agent for state funds distributed to parochial schools, with revenue reported in special revenue funds. The following four (4) parochial schools, located within the District, serve students who reside both inside and outside the District. As of June, 2004, approximately 58.5% of the students reside within the District.

<u>Parochial School</u>	2003-04 Enrollment		
	<u>District</u>	<u>Outside</u>	<u>Total</u>
St. Mary's Elementary (Grades 4 - 8)	212	121	333
Sts. Peter & Paul Elementary (Grades K - 3)	150	107	257
Holy Angels Elementary (Pre-School)	7	8	15
St. Mary's Central Catholic High School	<u>112</u>	<u>104</u>	<u>216</u>
	<u>481</u>	<u>340</u>	<u>821</u>

***Economic Conditions and Outlook***

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

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

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

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

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

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

### ***Major Initiatives for the Year***

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

The District made a significant investment in technology in the 2003-04 school year. Completed upgrades in technology include the purchase of new hardware and software to replace many outdated computers throughout the District. In addition to a director of network technology and two computer technicians who were hired previously, the technology department was expanded in 2004 to include an administrator in charge of providing in-service training to District employees and updating the District's website.

The District also began a thorough revision of its curriculum in 2004. Staff members conducted curriculum mapping projects for all major subject areas in grades kindergarten through twelve, thereby improving coordination between grade levels and aligning the District's curriculum with state standards.

### ***Major Initiatives for the Future***

The District will continue to upgrade all areas of technology in the 2004-05 school year and beyond. Plans include the replacement of outdated computer software and hardware annually, as well as providing all staff with regularly scheduled in-service training in technology.

The District will continue to refine its master plan for future facility needs in concert with the Ohio School Facilities Commission. Public meetings will be scheduled for community discussion and direction, prior to presenting the final master plan to the board of education for approval.

### ***Financial Information***

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

### ***Legal Compliance/Independent Audit***

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

As a part of the District's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the school district has complied with applicable laws and regulations. The results of the District's independent audit for the fiscal year ended June 30, 2004 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

### ***Budgetary Controls***

In addition to the internal control structure mentioned above, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function and object of expenditure within an individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Unencumbered amounts lapse at year-end. A complete description of the District's Budgetary Process can be found in Note 2.E. to the basic financial statements.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The general fund balance was \$175,444 at June 30, 2004.

### ***Financial Condition***

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

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

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

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

As part of this new reporting model, management is also responsible for preparing a Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for 2004 and the outlook for the future. Because that discussion focuses on major funds, the financial highlights provided in this letter focus on certain non major funds of the District.

### ***Financial Highlights***

***Internal Service Fund*** - The only internal service fund of the District is the Employee Benefits Self-Insurance fund. The internal service fund had net assets of \$776,132 at June 30, 2003 and net assets of \$1,201,271 at June 30, 2004, reflecting an increase of \$425,139.

***Fiduciary Funds*** - The fiduciary funds account for assets held by the District in a trustee capacity, or as an agent, for individuals, other district organizations or other funds. The District maintains two private purpose trust funds and two agency funds. The private purpose trust funds had net assets of \$5,997,040 at June 30, 2004 and the agency funds had net assets of \$426,942 at June 30, 2004.

### ***Cash Management***

Cash temporarily idle during the year was invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), demand deposits, mutual funds and stocks (all of which were donated to the district for scholarship funds), obligations of the U.S. Treasury and repurchase agreements. The average yield on investments was 1.2 percent. The District earned interest revenue of \$238,689 on all investments for the fiscal year. The District's investment policy is to minimize credit and market risks, while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held by the financial institution's trust department in the District's name. As required under Ohio law, pooled securities have been pledged in an amount equal to 105% of the total deposits, to secure the repayment of all public monies deposited in a financial institution.

### ***Risk Management***

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

### ***Awards***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Sandusky City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2003. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District has also received a Certificate of Excellence in Financial Reporting in School Districts from the Association of School Business Officials (ASBO) for the District's comprehensive annual financial report for the fiscal year ended June 30, 2003. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

### ***Use of this Report***

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

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

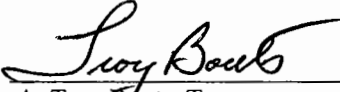
Use of this report by the various departments of the District is encouraged when furnishing information. Copies of this report are being placed in the public library for use by the general public.

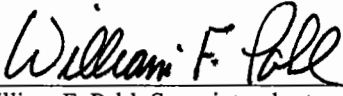
### ***Acknowledgments***

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

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

Sincerely,

  
A. Troy Bouts, Treasurer

  
William F. Pahl, Superintendent



**SANDUSKY CITY SCHOOL DISTRICT  
 ERIE COUNTY, OHIO  
 LIST OF PRINCIPAL OFFICERS  
 JUNE 30, 2004**

**Board of Education**

<b><u>Name</u></b>	<b>Began Service as a Board Member <u>January 1</u></b>	<b>Present Term Expires <u>December 31</u></b>	<b>Vocation in Private <u>Life</u></b>
Mr. Thomas C. Patterson**	2002	2005	Businessman
Mr. Clinton Bennett, Jr. *	1994	2005	Retired School Fireman
Mr. King Baer	2000	2007	Retired Fireman
Mr. Jeffrey Krabill	2000	2007	Businessman
Mrs. Julie Farrar	2004	2007	Ohio Veterans Home Administrator
** President			
* Vice President			

**Superintendent**

Mr. William F. Pahl

**Treasurer**

Mr. A. Troy Bouts

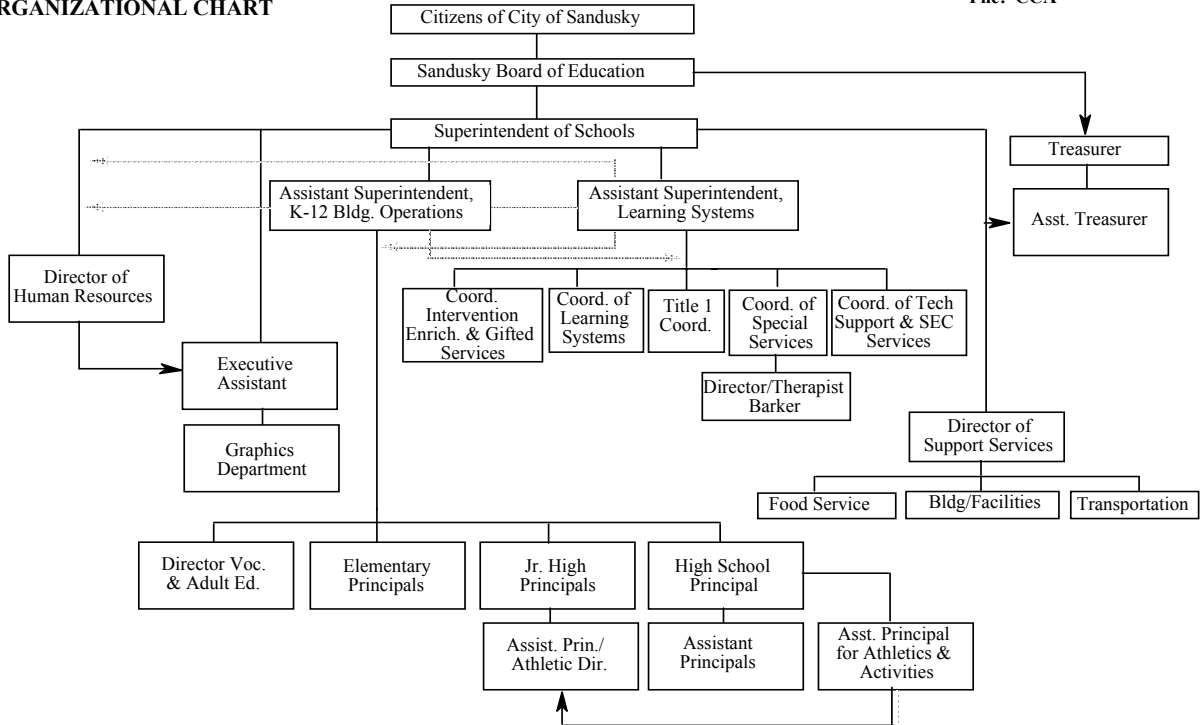
**Central Office Administrative Staff**

Ms. Stephanie Cutlip	Coordinator of Intervention, Enrichment & Gifted Services
Mr. Tom Freitas	Food Services Supervisor
Mr. Edward Jones	Director of Adult & Vocational Education
Mr. John Kaszonyi	Assistant Superintendent, Operations
Ms. Joy Kear	Coordinator, Title 1
Mr. Brett Kluiber	Coordinator of Network Technology
Ms. Cece Mees	Assistant Treasurer
Ms. Faith Palmucci	Administrative Assistant
Mr. Ted Peters	Transportation Supervisor
Ms. Bonnie Pigman	Coordinator of Special Services
Ms. Sally Roth	Curriculum Director
Mr. Kevin Toms	Supervisor of Building Services
Ms. Christine Zess	Instructional Technology Facilitator

**SANDUSKY CITY SCHOOL DISTRICT  
 ERIE COUNTY, OHIO  
 ORGANIZATIONAL CHART  
 JUNE 30, 2004**

**ORGANIZATIONAL CHART**

**File: CCA**



Adoption date: November 19, 2001

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

Sandusky City School District, Sandusky, Ohio

# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Sandusky City School District,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

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.



*Nancy L. Zjelke*

President

*Jeffrey R. Emer*

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**SANDUSKY CITY SCHOOL DISTRICT**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2003

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

*William F. Hall*  
President

*Barbara W. Keller*  
Executive Director

# FINANCIAL SECTION





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANT'S REPORT**

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

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Sandusky City School District, Erie County, Ohio, (the District) as of and for the year ended June 30 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Sandusky City School District, Erie County, Ohio, as of June 30 2004, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the general fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2004, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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



**Betty Montgomery**  
Auditor of State

December 21, 2004



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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
UNAUDITED

The discussion and analysis of Sandusky City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2004 are as follows:

- In total, net assets decreased \$1,690,581. Net assets of governmental activities decreased \$1,612,253, which represents an 11.63% decrease from 2003. Net assets of business-type activities decreased \$78,328 or 29.42% from 2003.
- General revenues related to governmental activities accounted for \$33,393,036 in revenue or 85.40% of all governmental revenues. Program specific revenues related to governmental activities in the form of charges for services and sales, grants and contributions accounted for \$5,710,336 or 14.60% of total governmental revenues of \$39,103,372.
- The District had \$40,690,625 in expenses related to governmental activities; only \$5,710,336 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$33,393,036 were not adequate to provide for these programs.
- The District's only major governmental fund is the general fund. The general fund had \$32,243,098 in revenues and other financing sources and \$35,014,501 in expenditures and other financing uses. The general fund's fund balance decreased from \$2,982,083 to \$175,444.
- Net assets for the District's two major enterprise funds decreased \$78,328. The enterprise funds had \$2,621,961 in revenues, \$2,725,289 in expenses and \$25,000 in transfers in.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
UNAUDITED

**Reporting the District as a Whole**

***Statement of Net Assets and the Statement of Activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2004?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

The District's statement of net assets and statement of activities can be found on pages F16-F18 of this report.

**Reporting the District's Most Significant Funds**

***Fund Financial Statements***

The analysis of the District's major governmental fund begins on page F10. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's only major governmental fund is the general fund and the major enterprise funds include the Food Service and Adult Education funds.

***Governmental Funds***

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
UNAUDITED

The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages F19-F23 of this report.

***Proprietary Funds***

The District maintains proprietary funds. The District maintains two major enterprise funds that account for the District's food service and adult education operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for self-insurance of the District's medical, dental and vision benefits. The basic proprietary fund financial statements can be found on pages F24-F27 of this report.

**Reporting the District's Fiduciary Responsibilities**

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in two agency funds. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages F28 and F29. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

**The District as a Whole**

The Statement of Net Assets provides the perspective of the District as a whole. The table below provides a summary of the District's net assets for 2004 compared to fiscal 2003.

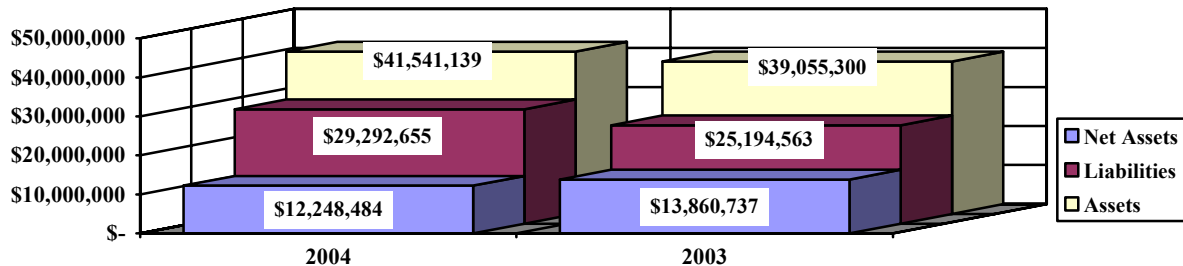
**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
UNAUDITED

	<b>Net Assets</b>				<b>Total</b>	
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>2004</u>	<u>2003</u>
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b><u>Assets</u></b>						
Current assets	\$ 30,008,195	\$ 28,592,143	\$ 459,159	\$ 544,103	\$ 30,467,354	\$ 29,136,246
Capital assets	<u>11,532,944</u>	<u>10,463,157</u>	<u>118,279</u>	<u>115,191</u>	<u>11,651,223</u>	<u>10,578,348</u>
Total assets	<u>41,541,139</u>	<u>39,055,300</u>	<u>577,438</u>	<u>659,294</u>	<u>42,118,577</u>	<u>39,714,594</u>
<b><u>Liabilities</u></b>						
Current liabilities	24,176,979	19,919,041	260,783	264,637	24,437,762	20,183,678
Long-term liabilities	<u>5,115,676</u>	<u>5,275,522</u>	<u>128,763</u>	<u>128,437</u>	<u>5,244,439</u>	<u>5,403,959</u>
Total liabilities	<u>29,292,655</u>	<u>25,194,563</u>	<u>389,546</u>	<u>393,074</u>	<u>29,682,201</u>	<u>25,587,637</u>
<b><u>Net Assets</u></b>						
Invested in capital assets, net of debt	9,514,906	8,076,773	118,279	115,191	9,633,185	8,191,964
Restricted	1,577,690	2,468,545	-	-	1,577,690	2,468,545
Unrestricted	<u>1,155,888</u>	<u>3,315,419</u>	<u>69,613</u>	<u>151,029</u>	<u>1,225,501</u>	<u>3,466,448</u>
Total net assets	<u>\$ 12,248,484</u>	<u>\$ 13,860,737</u>	<u>\$ 187,892</u>	<u>\$ 266,220</u>	<u>\$ 12,436,376</u>	<u>\$ 14,126,957</u>

Total governmental activities assets increased by \$2,485,839 due primarily to an increase in taxes receivable of 2,608,982, which is attributed to the additional tax revenue to be from the 5.9 mill levy passed by voters in November 2003. During fiscal year 2004, governmental expenses decreased by 1.49% and revenues decreased by 5.08%. The total governmental activities net assets of the District decreased \$1,612,253 primarily due to a decrease of \$1,810,285 in tax revenue available as an advance at June, 2004. At June 30, 2003, the District had \$2,409,923 in tax revenue available as an advance and the amount available as an advance at June 2004, was \$599,638. The amount of tax revenue available as an advance is recorded as tax revenue and can vary based on the date tax bills are sent. Net assets of business-type activities decreased \$78,328.

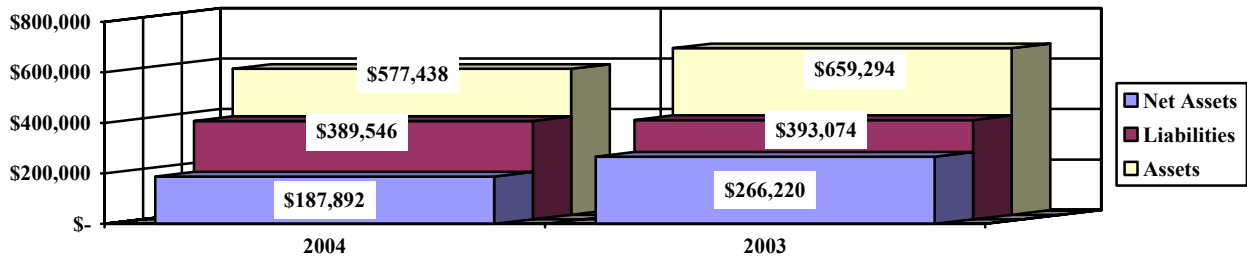
**Governmental - Net Assets**



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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
UNAUDITED

**Business-Type - Net Assets**



The table below shows the changes in net assets for governmental activities and business-type activities for fiscal year 2004 compared to fiscal year 2003.

**Change in Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Revenues</b>						
Program revenues:						
Charges for services and sales	\$ 483,333	\$ 516,324	\$ 1,323,578	\$ 1,644,767	\$ 1,806,911	\$ 2,161,091
Operating grants and contributions	5,138,728	4,934,226	1,296,815	1,257,519	6,435,543	6,191,745
Capital grants and contributions	88,275	451,653	-	-	88,275	451,653
General revenues:						
Property taxes	16,052,518	18,155,780	-	-	16,052,518	18,155,780
Grants and entitlements	16,932,365	16,693,155	-	-	16,932,365	16,693,155
Other	408,153	444,067	1,568	-	409,721	444,067
Total revenues	<u>39,103,372</u>	<u>41,195,205</u>	<u>2,621,961</u>	<u>2,902,286</u>	<u>41,725,333</u>	<u>44,097,491</u>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
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	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b><u>Expenses</u></b>						
Program expenses:						
Instruction:						
Regular	16,827,737	16,782,965	-	-	16,827,737	16,782,965
Special	6,614,153	6,377,680	-	-	6,614,153	6,377,680
Vocational	1,270,983	1,413,514	-	-	1,270,983	1,413,514
Other	144,899	169,770	-	-	144,899	169,770
Support services:						
Pupil	1,713,629	1,699,311	-	-	1,713,629	1,699,311
Instructional staff	1,596,772	1,698,801	-	-	1,596,772	1,698,801
Board of Education	200,544	202,519	-	-	200,544	202,519
Administration	2,899,700	3,082,433	-	-	2,899,700	3,082,433
Fiscal	776,412	679,525	-	-	776,412	679,525
Business	149,517	245,576	-	-	149,517	245,576
Operations and maintenance	4,607,211	5,474,006	-	-	4,607,211	5,474,006
Pupil transportation	1,408,368	1,375,321	-	-	1,408,368	1,375,321
Central	658,779	296,428	-	-	658,779	296,428
Operation of non-instructional services	189,885	217,417	-	-	189,885	217,417
Extracurricular activities	1,057,758	1,006,609	-	-	1,057,758	1,006,609
Intergovernmental	483,133	501,876	-	-	483,133	501,876
Interest and fiscal charges	91,145	82,383	-	-	91,145	82,383
Food service	-	-	1,857,460	1,753,978	1,857,460	1,753,978
Adult education	-	-	867,829	970,572	867,829	970,572
Total expenses	<u>40,690,625</u>	<u>41,306,134</u>	<u>2,725,289</u>	<u>2,724,550</u>	<u>43,415,914</u>	<u>44,030,684</u>
Excess (deficiency) before transfers	(1,587,253)	(110,929)	(103,328)	177,736	(1,690,581)	66,807
Transfers	<u>(25,000)</u>	<u>(32,188)</u>	<u>25,000</u>	<u>32,188</u>	<u>-</u>	<u>-</u>
Changes in net assets	(1,612,253)	(143,117)	(78,328)	209,924	(1,690,581)	66,807
Net assets, beginning of year	<u>13,860,737</u>	<u>14,003,854</u>	<u>266,220</u>	<u>56,296</u>	<u>14,126,957</u>	<u>14,060,150</u>
Net assets, end of year	<u>\$ 12,248,484</u>	<u>\$ 13,860,737</u>	<u>\$ 187,892</u>	<u>\$ 266,220</u>	<u>\$ 12,436,376</u>	<u>\$ 14,126,957</u>

**Governmental Activities**

Net assets of the District's governmental activities decreased by \$1,612,253. Total governmental expenses of \$40,690,625 were offset by program revenues of \$5,710,336 and general revenues of \$33,393,036. Program revenues supported 14.03% of the total governmental expenses.

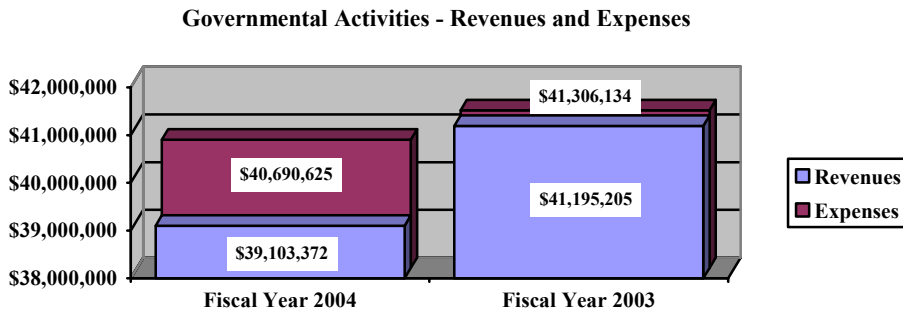
The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements. These two revenue sources represent 84.35% of total governmental revenue. Real estate property is reappraised every six years. Erie County underwent a triennial update during 2003. Although recent growth has had a positive effect on the District's tax base, the full tax revenue impact has not been realized due to H.B. 920. This state law, enacted in 1976, does not allow for revenue increases caused by inflationary growth of real property values. Increases in valuation prompt corresponding annual reductions in the "effective millage", the tax rates applied to real property. Thus, although District tax valuation continues to grow, this built-in revenue limitation requires the District to request additional school operating revenue by placing a levy on the ballot periodically (every three to five years, on average).

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The 4.9 mill school operating levy passed by voters in March, 1996, which generated approximately \$1.8 million per year, provided adequate revenue for general fund operating expenses through the year 2004. In November, 2003, voters approved a 5.9 mill school operating levy which is expected to generate approximately \$2.65 million annually beginning in 2004. The District recognized a decrease in tax revenue in fiscal 2004 due to the decrease in the amount available in the County treasury from property taxes.

The graph below presents the District's governmental activities revenue and expenses for fiscal years 2004 and 2003.



The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2004. That is, it identifies the cost of these services supported by tax revenue and unrestricted state grants and entitlements.

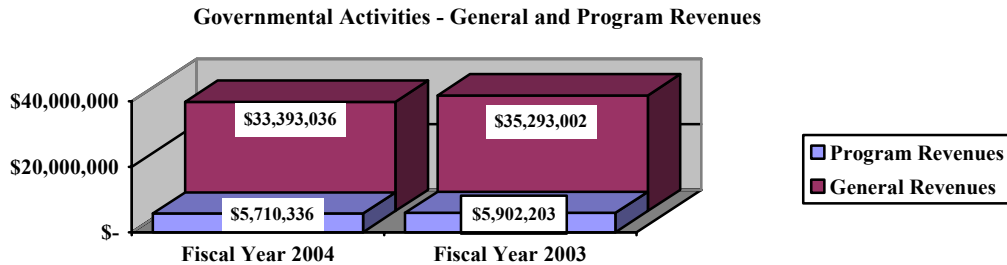
	<b>Governmental Activities</b>			
	Total Cost of Services <u>2004</u>	Net Cost of Services <u>2004</u>	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2003</u>
Program expenses:				
Instruction:				
Regular	\$ 16,827,737	\$ 15,040,396	\$ 16,782,965	\$ 15,106,988
Special	6,614,153	4,894,224	6,377,680	4,700,487
Vocational	1,270,983	1,148,908	1,413,514	1,351,785
Other	144,899	(14,644)	169,770	5,124
Support services:				
Pupil	1,713,629	1,606,292	1,699,311	1,456,776
Instructional staff	1,596,772	960,492	1,698,801	1,361,812
Board of Education	200,544	200,544	202,519	202,519
Administration	2,899,700	2,756,491	3,082,433	2,957,927
Fiscal	776,412	760,463	679,525	663,415
Business	149,517	149,517	245,576	245,576
Operations and maintenance	4,607,211	4,576,893	5,474,006	4,994,187
Pupil transportation	1,408,368	1,408,368	1,375,321	1,354,086
Central	658,779	622,144	296,428	251,096
Operation of non-instructional services	189,885	39,077	217,417	12,299
Extracurricular activities	1,057,758	731,675	1,006,609	627,179
Intergovernmental	483,133	8,304	501,876	30,292
Interest and fiscal charges	91,145	91,145	82,383	82,383
<b>Total expenses</b>	<b><u>\$ 40,690,625</u></b>	<b><u>\$ 34,980,289</u></b>	<b><u>\$ 41,306,134</u></b>	<b><u>\$ 35,403,931</u></b>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
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The dependence upon tax revenues during fiscal year 2004 for governmental activities is apparent, as 84.76% of 2004 instruction activities are supported through taxes and other general revenues. All governmental activities, general revenue support is 85.97% in 2004. The District's taxpayers, as a whole, is by far the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2004 and 2003.



**Business-Type Activities**

Business-type activities include adult education and the food service operation. These programs had revenues of \$2,621,961 and expenses of \$2,725,289 for fiscal year 2004. During fiscal year 2004, the District took steps to reduce expenses, including renegotiating vendor agreements. In fiscal 2004, net assets in the Food Service fund decreased \$108,934. This was due to a one-time payment of \$200,000 from Pepsi-Cola received in fiscal 2003. In fiscal 2004, the adult education program decreased overall expenses by \$99,324 or 10.23% from 2003 expenses, enabling the fund to add \$6,987 to its net assets. The District's business activities receive no support from tax revenues.

**The District's Funds**

The District's governmental funds (as presented on the balance sheet on page F19) reported a combined fund balance of \$1,865,533, which is below last year's total of \$5,540,420. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2004 and 2003.

	Fund Balance <u>June 30, 2004</u>	Fund Balance <u>June 30, 2003</u>	<u>(Decrease)</u>
General	\$ 175,444	\$ 2,982,083	\$(2,806,639)
Other Governmental	<u>1,690,089</u>	<u>2,558,337</u>	<u>(868,248)</u>
Total	<u>\$ 1,865,533</u>	<u>\$ 5,540,420</u>	<u>\$(3,674,887)</u>

**General Fund**

The District's general fund balance decreased by \$2,806,639, due primarily to a decrease of tax revenue. The table that follows assists in illustrating the financial activities and fund balance of the general fund.



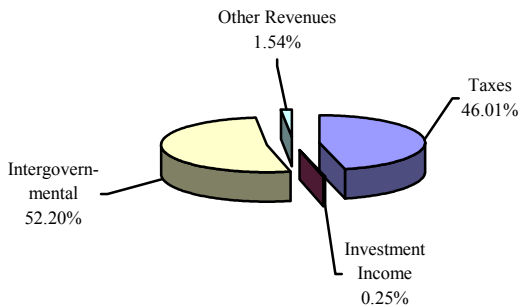
**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
UNAUDITED**

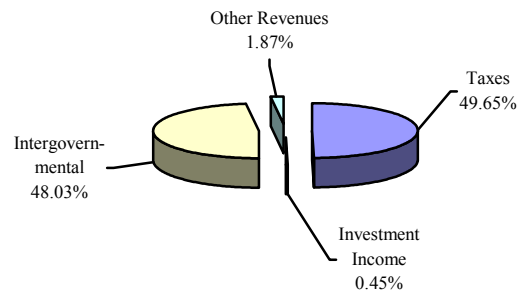
	<u>2004</u> <u>Amount</u>	<u>2003</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 14,815,191	\$ 17,005,428	(12.88) %
Interest earnings	80,208	154,908	(48.22) %
Intergovernmental	16,812,042	16,446,850	2.22 %
Other revenues	<u>494,430</u>	<u>640,335</u>	(22.79) %
Total	<u>\$ 32,201,871</u>	<u>\$ 34,247,521</u>	(5.97) %

The tax revenue of the general fund decreased primarily due to a decrease of \$1,738,984 in tax revenue available as an advance at June, 2004. At June 30, 2003, the general fund had \$2,299,434 in tax revenue available as an advance and the amount available as an advance at June 2004, was \$560,450. General fund intergovernmental revenue increased \$365,192 or 2.22% from the prior year. This increase is attributed to an increase in the number of grants the district received in 2004. The decrease in investment income is due to drastic cuts in interest rates by the Federal Reserve Bank throughout the year. The decrease in other general fund revenues can be attributed to a decline in tuition, extracurricular, classroom materials and fees and local grants revenue.

**Revenues - Fiscal Year 2004**



**Revenues - Fiscal Year 2003**



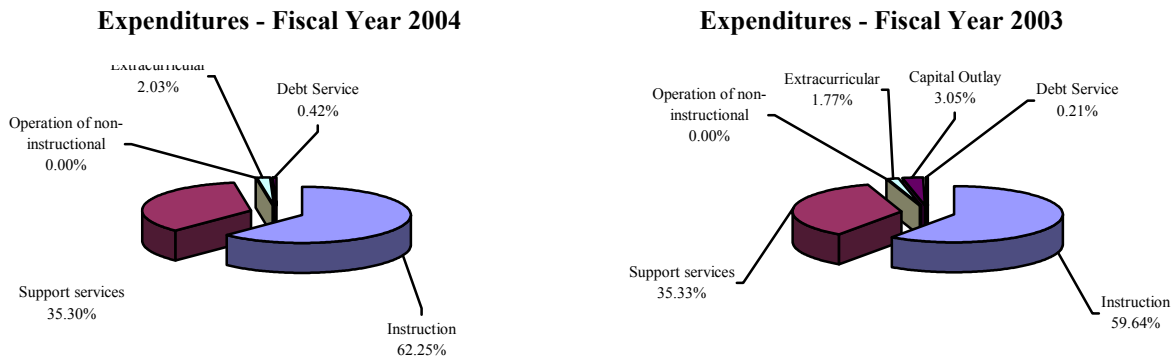
The table that follows assists in illustrating the expenditures of the general fund.

	<u>2004</u> <u>Amount</u>	<u>2003</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Expenditures</u></b>			
Instruction	\$ 21,782,004	\$ 20,931,252	4.06 %
Support services	12,349,597	12,326,755	0.19 %
Operation of non-instructional services	746	1,064	(29.89) %
Extracurricular activities	708,932	622,506	13.88 %
Capital outlay	-	1,068,959	(100.00) %
Debt service	<u>148,222</u>	<u>74,110</u>	100.00 %
Total	<u>\$ 34,989,501</u>	<u>\$ 35,024,646</u>	(0.10) %

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
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Total expenditures of the general fund decreased by 0.10% in fiscal year 2004 and increased by 8.94% in fiscal year 2003. The primary increases occurred in instructional and extracurricular activities. Although staff cuts were made in fiscal 2004, instructional expenditures increased due to the purchase of copiers in the amount of approximately \$325,000, and increased severance, workers compensation, and salary costs. The decrease in capital outlay and increase in debt service expenditures are related to the leases the District entered into during fiscal year 2003 for fiber optic equipment and a new telephone system. The leases are being paid out of the general fund. All other expenditures remained comparable to 2003.



**General Fund Budgeting Highlights**

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

During the course of fiscal 2004, the District amended its general fund budget numerous times, none significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, final budgeted revenues and other financing sources were \$809,497, above original budget estimates of \$33,650,000. The actual revenues and other financing sources were \$34,208,448, which was \$251,049 less than final budgeted revenues and other financing sources.

General fund original appropriations (expenditures and other financing uses) of \$35,302,656 were increased to \$36,627,687 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2004 totaled \$35,365,611, which was \$1,262,076 less than the final budget appropriations, primarily because salary costs proved to be lower than anticipated in the final budget.

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal 2004, the District had \$11,651,223 invested in land, land improvements, buildings and improvements, furniture and equipment and vehicles. Of this total, \$11,532,944 was reported in governmental activities and \$118,279 was reported in business-type activities. The following table shows fiscal 2004 balances compared to 2003:

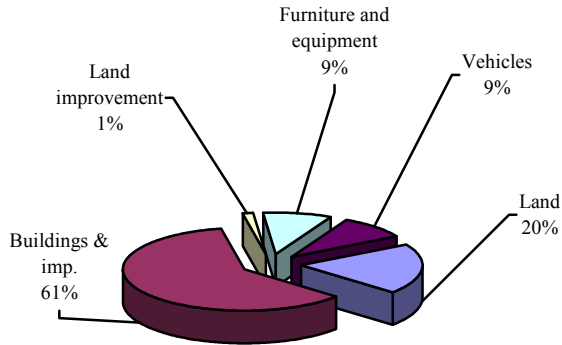
**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
UNAUDITED

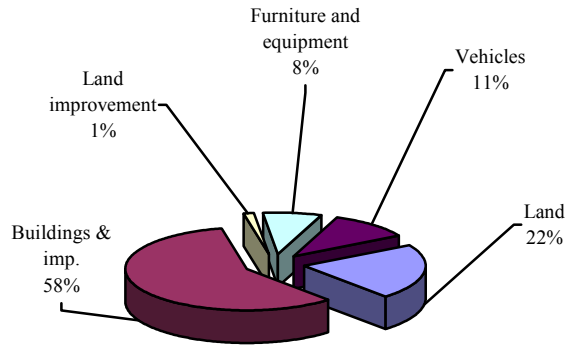
**Capital Assets at June 30  
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Land	\$ 2,280,969	\$ 2,280,969	\$ -	\$ -	\$ 2,280,969	\$ 2,280,969
Land improvements	146,676	155,327	-	-	146,676	155,327
Building and improvements	6,981,376	6,170,418	-	-	6,981,376	6,170,418
Furniture and equipment	1,063,138	708,959	118,279	115,191	1,181,417	824,150
Vehicles	1,060,785	1,147,484	-	-	1,060,785	1,147,484
<b>Total</b>	<b>\$ 11,532,944</b>	<b>\$10,463,157</b>	<b>\$ 118,279</b>	<b>\$ 115,191</b>	<b>\$ 11,651,223</b>	<b>\$10,578,348</b>

**Capital Assets - Governmental Activities  
2004**



**Capital Assets - Governmental Activities  
2003**



Refer to Note 8 to the basic financial statements for detail on the District's capital assets.

***Debt Administration***

At June 30, 2004 the District had \$1,100,137 in general obligation bonds and a loan outstanding. Of this total, \$251,468 is due within one year and \$848,669 is due within greater than one year. The following table summarizes the bonds and loan outstanding.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
UNAUDITED

**Outstanding Debt, at Year End**

	<u>Governmental Activities 2004</u>	<u>Governmental Activities 2003</u>
General obligation bonds:		
Elementary building addition	\$ 885,000	\$ 1,090,000
Asbestos abatement loan	<u>215,137</u>	<u>276,605</u>
<b>Total</b>	<u><u>\$ 1,100,137</u></u>	<u><u>\$ 1,366,605</u></u>

The asbestos abatement loan was received in 1988 from the U.S. Environmental Agency for an asbestos project at Sandusky High School. This loan is scheduled to mature in fiscal year 2008 and is interest free as long as the District remains current on repayment.

On March 3, 2003, the District issued general obligation refunding bonds. The general obligation refunding bonds are scheduled to mature in fiscal year 2009 and bear an annual interest rate of 4.45%.

At June 30, 2004 the District's overall legal debt margin was \$44,539,366 with an unvoted debt margin of \$503,347.

See Note 10 to the basic financial statements for detail on the District's long-term obligations.

**Current Financial Related Activities**

As the preceding information shows, the District relies heavily upon grants and entitlements and property taxes. The increase in tax revenue and intergovernmental revenue combined with a tighter control of operating expenses allowed the District to end fiscal year 2004 financially strong. The additional tax revenue from the 5.9 mill operating levy passed by voters in November 2003 will provide the District with the necessary funds to meet its operating expenses in fiscal year 2005 and beyond. However, the future financial stability of the District is not without challenges.

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

The next challenge facing the District is the future of state funding. The State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational system, one that was neither "adequate" nor "equitable." Since 1997, the state has directed its tax revenue growth toward school districts with little property tax wealth. On May 16, 2003, the Ohio Supreme Court emphatically clarified that jurisdiction of the DeRolph case had ended. The Ohio Coalition for Equity and Adequacy of School Funding filed a petition with the U.S. Supreme Court for permission to file an appeal. The court is likely to either accept or reject the petition before the end of 2004. The District does not anticipate growth in state revenue, as in the ten years prior to the DeRolph decision; no state revenue growth was realized.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
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**Contacting the District's Financial Management**

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

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BASIC  
FINANCIAL STATEMENTS

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

STATEMENT OF NET ASSETS  
JUNE 30, 2004

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . .	\$ 8,397,193	\$ 333,509	\$ 8,730,702
Receivables:			
Taxes . . . . .	20,528,698	-	20,528,698
Accounts . . . . .	51,916	27,497	79,413
Intergovernmental . . . . .	702,845	145,893	848,738
Internal balances . . . . .	78,681	(78,681)	-
Prepayments . . . . .	13,451	2,401	15,852
Materials and supplies inventory . . . . .	203,126	28,540	231,666
Unamortized bond issue costs . . . . .	32,285	-	32,285
Capital assets:			
Land . . . . .	2,280,969	-	2,280,969
Depreciable capital assets, net . . . . .	9,251,975	118,279	9,370,254
Capital assets, net. . . . .	<u>11,532,944</u>	<u>118,279</u>	<u>11,651,223</u>
Total assets. . . . .	<u>41,541,139</u>	<u>577,438</u>	<u>42,118,577</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	400,091	22,974	423,065
Accrued wages and benefits . . . . .	4,224,318	148,815	4,373,133
Pension obligation payable. . . . .	878,475	84,045	962,520
Intergovernmental payable . . . . .	253,594	4,949	258,543
Deferred revenue . . . . .	17,805,909	-	17,805,909
Accrued interest payable . . . . .	3,282	-	3,282
Claims payable . . . . .	611,310	-	611,310
Long-term liabilities:			
Due within one year. . . . .	909,350	10,678	920,028
Due within more than one year . . . . .	4,206,326	118,085	4,324,411
Total liabilities . . . . .	<u>29,292,655</u>	<u>389,546</u>	<u>29,682,201</u>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt. . . . .	9,514,906	118,279	9,633,185
Restricted for:			
Capital projects . . . . .	1,019,528	-	1,019,528
Debt service. . . . .	152,006	-	152,006
Permanent fund:			
Expendable . . . . .	75,649	-	75,649
Nonexpendable . . . . .	23,129	-	23,129
Other purposes . . . . .	307,378	-	307,378
Unrestricted. . . . .	<u>1,155,888</u>	<u>69,613</u>	<u>1,225,501</u>
Total net assets . . . . .	<u>\$ 12,248,484</u>	<u>\$ 187,892</u>	<u>\$ 12,436,376</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
Instruction:				
Regular	\$ 16,827,737	\$ 110,688	\$ 1,676,653	\$ -
Special	6,614,153	-	1,719,929	-
Vocational	1,270,983	17,363	104,712	-
Other	144,899	39	159,504	-
Support services:				
Pupil	1,713,629	9	107,328	-
Instructional staff	1,596,772	-	548,005	88,275
Board of education	200,544	-	-	-
Administration	2,899,700	-	143,209	-
Fiscal	776,412	-	15,949	-
Business	149,517	-	-	-
Operations and maintenance	4,607,211	29,151	1,167	-
Pupil transportation	1,408,368	-	-	-
Central	658,779	-	36,635	-
Operation of non-instructional services	189,885	-	150,808	-
Extracurricular activities	1,057,758	326,083	-	-
Intergovernmental	483,133	-	474,829	-
Interest and fiscal charges	91,145	-	-	-
Total governmental activities	<u>40,690,625</u>	<u>483,333</u>	<u>5,138,728</u>	<u>88,275</u>
<b>Business-type activities:</b>				
Food service	1,857,460	696,928	1,070,230	-
Adult education	867,829	626,650	226,585	-
Total business-type activities	<u>2,725,289</u>	<u>1,323,578</u>	<u>1,296,815</u>	<u>-</u>
Totals	<u>\$ 43,415,914</u>	<u>\$ 1,806,911</u>	<u>\$ 6,435,543</u>	<u>\$ 88,275</u>

**General Revenues:**

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

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (15,040,396)	\$ -	\$ (15,040,396)
(4,894,224)	-	(4,894,224)
(1,148,908)	-	(1,148,908)
14,644	-	14,644
(1,606,292)	-	(1,606,292)
(960,492)	-	(960,492)
(200,544)	-	(200,544)
(2,756,491)	-	(2,756,491)
(760,463)	-	(760,463)
(149,517)	-	(149,517)
(4,576,893)	-	(4,576,893)
(1,408,368)	-	(1,408,368)
(622,144)	-	(622,144)
(39,077)	-	(39,077)
(731,675)	-	(731,675)
(8,304)	-	(8,304)
(91,145)	-	(91,145)
<u>(34,980,289)</u>	<u>-</u>	<u>(34,980,289)</u>
-	(90,302)	(90,302)
-	(14,594)	(14,594)
-	(104,896)	(104,896)
<u>(34,980,289)</u>	<u>(104,896)</u>	<u>(35,085,185)</u>
15,280,800	-	15,280,800
256,231	-	256,231
515,487	-	515,487
16,932,365	-	16,932,365
102,701	1,568	104,269
305,452	-	305,452
<u>33,393,036</u>	<u>1,568</u>	<u>33,394,604</u>
(25,000)	25,000	-
(1,612,253)	(78,328)	(1,690,581)
<u>13,860,737</u>	<u>266,220</u>	<u>14,126,957</u>
<u>\$ 12,248,484</u>	<u>\$ 187,892</u>	<u>\$ 12,436,376</u>

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

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2004

	<b>General</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 3,969,616	\$ 2,614,996	\$ 6,584,612
Receivables:			
Taxes . . . . .	19,595,008	933,690	20,528,698
Accounts . . . . .	50,624	1,292	51,916
Intergovernmental . . . . .	63,205	639,640	702,845
Interfund loans . . . . .	178,900	-	178,900
Prepayments . . . . .	13,385	66	13,451
Materials and supplies inventory . . . . .	203,126	-	203,126
	<u>\$ 24,073,864</u>	<u>\$ 4,189,684</u>	<u>\$ 28,263,548</u>
Total assets . . . . .			
	<u>\$ 24,073,864</u>	<u>\$ 4,189,684</u>	<u>\$ 28,263,548</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 189,798	\$ 210,293	\$ 400,091
Accrued wages and benefits . . . . .	3,657,805	566,513	4,224,318
Future retirement obligation . . . . .	274,962	26,838	301,800
Pension obligation payable . . . . .	507,435	65,477	572,912
Intergovernmental payable . . . . .	233,862	19,732	253,594
Interfund loan payable . . . . .	-	76,600	76,600
Deferred revenue . . . . .	19,034,558	1,534,142	20,568,700
	<u>23,898,420</u>	<u>2,499,595</u>	<u>26,398,015</u>
Total liabilities . . . . .			
	<u>23,898,420</u>	<u>2,499,595</u>	<u>26,398,015</u>
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	114,241	485,250	599,491
Reserved for materials and supplies inventories . . . . .	203,126	-	203,126
Reserved for prepayments . . . . .	13,385	66	13,451
Reserved for property tax unavailable for appropriation . . . . .	560,450	39,188	599,638
Reserved for scholarships . . . . .	-	23,129	23,129
Unreserved, undesignated, reported in:			
General fund . . . . .	(715,758)	-	(715,758)
Special revenue funds . . . . .	-	439,300	439,300
Debt service fund . . . . .	-	107,780	107,780
Capital projects funds . . . . .	-	519,727	519,727
Permanent fund . . . . .	-	75,649	75,649
	<u>175,444</u>	<u>1,690,089</u>	<u>1,865,533</u>
Total fund balances . . . . .			
	<u>175,444</u>	<u>1,690,089</u>	<u>1,865,533</u>
Total liabilities and fund balances . . . . .	<u>\$ 24,073,864</u>	<u>\$ 4,189,684</u>	<u>\$ 28,263,548</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2004

<b>Total governmental fund balances</b>		\$	1,865,533
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			11,532,944
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Taxes	\$	2,123,151	
Intergovernmental revenue		639,640	
Total			2,762,791
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. The net assets of the internal service fund, including internal balances of \$23,619, are:			1,177,652
Long-term liabilities, including bonds, loans and capital leases payable are not due and payable in the current period and therefore are not reported in the funds.			
Compensated absences		249,324	
Future retirement obligation		2,514,229	
Pension obligation payable		305,563	
Capital lease obligation		917,901	
General obligation bonds payable		885,000	
Asbestos abatement loan payable		215,137	
Accrued interest payable		3,282	
Total			(5,090,436)
<b>Net assets of governmental activities</b>		\$	12,248,484

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<b>General</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>			
From local sources:			
Taxes . . . . .	\$ 14,815,191	\$ 765,310	\$ 15,580,501
Tuition . . . . .	14,179	-	14,179
Earnings on investments . . . . .	80,208	8,293	88,501
Extracurricular . . . . .	11,352	238,795	250,147
Classroom materials and fees . . . . .	61,982	-	61,982
Other local revenues . . . . .	402,522	108,621	511,143
Other revenue . . . . .	4,395	222	4,617
Intergovernmental - State . . . . .	16,603,610	2,361,071	18,964,681
Intergovernmental - Federal . . . . .	208,432	2,996,794	3,205,226
Total revenue . . . . .	32,201,871	6,479,106	38,680,977
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	15,635,717	1,530,416	17,166,133
Special . . . . .	4,976,339	1,693,110	6,669,449
Vocational . . . . .	1,169,948	116,694	1,286,642
Other . . . . .	-	145,696	145,696
Support Services:			
Pupil . . . . .	1,560,491	111,319	1,671,810
Instructional staff . . . . .	1,073,028	532,073	1,605,101
Board of education . . . . .	200,544	-	200,544
Administration . . . . .	2,786,058	147,689	2,933,747
Fiscal . . . . .	689,387	61,728	751,115
Business . . . . .	157,280	-	157,280
Operations and maintenance . . . . .	3,988,505	-	3,988,505
Pupil transportation . . . . .	1,301,927	-	1,301,927
Central . . . . .	592,377	47,237	639,614
Other non-instructional services . . . . .	746	153,566	154,312
Extracurricular activities . . . . .	708,932	331,859	1,040,791
Facilities acquisition and construction . . . . .	-	1,630,296	1,630,296
Intergovernmental pass through . . . . .	-	483,133	483,133
Debt service:			
Principal retirement . . . . .	101,878	266,468	368,346
Interest and fiscal charges . . . . .	46,344	56,070	102,414
Total expenditures . . . . .	34,989,501	7,307,354	42,296,855
Excess of revenues under expenditures . . . . .	(2,787,630)	(828,248)	(3,615,878)
<b>Other financing sources:</b>			
Transfers in . . . . .	40,000	-	40,000
Transfers (out) . . . . .	(25,000)	(40,000)	(65,000)
Proceeds from sale of capital assets . . . . .	1,227	-	1,227
Total other financing sources . . . . .	16,227	(40,000)	(23,773)
Net change in fund balances . . . . .	(2,771,403)	(868,248)	(3,639,651)
<b>Fund balances at beginning of year . . . . .</b>	2,982,083	2,558,337	5,540,420
<b>Decrease in reserve for inventory . . . . .</b>	(35,236)	-	(35,236)
<b>Fund balances at end of year . . . . .</b>	\$ 175,444	\$ 1,690,089	\$ 1,865,533

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

<b>Net change in fund balances - total governmental funds</b>	\$	(3,639,651)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$1,617,499) exceed depreciation expense (\$542,186) in the current period.		1,075,313
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets.		(5,526)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		(35,236)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		406,968
Deferred charges are recognized as expenditures in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.		35,531
Premiums on debt issuances are recognized as revenues in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.		(75,126)
Bond issuance costs are recognized as expenditures in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.		39,595
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		368,346
Governmental funds report expenditures for interest when it is due. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due.		11,269
Some expenses reported in the statement of activities, such as compensated absences (\$12,035), future retirement obligation (-\$144,567) and pension obligations (\$-62,724), do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(195,256)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund, including internal balances of \$23,619 is allocated among the governmental activities.		401,520
<b>Change in net assets of governmental activities</b>	<b>\$</b>	<b>(1,612,253)</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 15,560,000	\$ 16,600,000	\$ 16,554,174	\$ (45,826)
Tuition. . . . .	41,000	21,000	14,189	(6,811)
Earnings on investments. . . . .	200,000	100,000	80,215	(19,785)
Extracurricular. . . . .	12,995	12,750	11,359	(1,391)
Classroom materials and fees . . . . .	69,850	69,900	58,536	(11,364)
Other local revenues. . . . .	496,930	402,932	364,732	(38,200)
Other revenue . . . . .	5,000	5,000	4,395	(605)
Intergovernmental - State . . . . .	17,005,225	16,651,000	16,603,610	(47,390)
Intergovernmental - Federal. . . . .	200,000	285,000	219,899	(65,101)
Total revenue . . . . .	<u>33,591,000</u>	<u>34,147,582</u>	<u>33,911,109</u>	<u>(236,473)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	14,687,807	15,978,422	15,608,570	369,852
Special. . . . .	4,966,841	5,156,868	5,004,894	151,974
Vocational. . . . .	1,469,927	1,321,773	1,250,518	71,255
Support services:				
Pupil. . . . .	1,554,049	1,593,319	1,531,505	61,814
Instructional staff . . . . .	1,468,015	1,231,347	1,112,067	119,280
Board of education . . . . .	309,865	214,476	161,012	53,464
Administration. . . . .	2,711,629	2,933,379	2,811,650	121,729
Fiscal . . . . .	696,417	714,977	689,266	25,711
Business . . . . .	294,657	183,076	159,287	23,789
Operations and maintenance. . . . .	4,357,581	4,374,790	4,102,073	272,717
Pupil transportation . . . . .	1,316,181	1,339,610	1,272,066	67,544
Central. . . . .	701,210	823,043	780,390	42,653
Operation of non-instructional services . . . . .	1,275	1,275	828	447
Extracurricular activities. . . . .	742,202	736,332	676,485	59,847
Total expenditures . . . . .	<u>35,277,656</u>	<u>36,602,687</u>	<u>35,160,611</u>	<u>1,442,076</u>
Excess of revenues over (under) expenditures. . . . .	<u>(1,686,656)</u>	<u>(2,455,105)</u>	<u>(1,249,502)</u>	<u>1,205,603</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's expenditures . . . . .	40,000	5,000	2,097	(2,903)
Transfers in . . . . .	14,000	49,000	40,000	(9,000)
Transfers (out) . . . . .	(25,000)	(25,000)	(25,000)	-
Advances in. . . . .	-	252,915	254,015	1,100
Advances (out) . . . . .	-	-	(180,000)	(180,000)
Proceeds from sale of capital assets. . . . .	5,000	5,000	1,227	(3,773)
Total other financing sources (uses) . . . . .	<u>34,000</u>	<u>286,915</u>	<u>92,339</u>	<u>(194,576)</u>
Net change in fund balance . . . . .	(1,652,656)	(2,168,190)	(1,157,163)	1,011,027
<b>Fund balance at beginning of year. . . . .</b>	4,350,186	4,350,186	4,350,186	-
<b>Prior year encumbrances appropriated . . . . .</b>	393,517	393,517	393,517	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,091,047</u>	<u>\$ 2,575,513</u>	<u>\$ 3,586,540</u>	<u>\$ 1,011,027</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2004

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Fund</u>
	<u>Food Service</u>	<u>Adult Education</u>	<u>Total</u>	
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents . . . . .	\$ 8,299	\$ 325,210	\$ 333,509	\$ 1,812,581
Receivables:				
Accounts . . . . .	2,104	25,393	27,497	-
Intergovernmental . . . . .	144,408	1,485	145,893	-
Prepayments . . . . .	2,401	-	2,401	-
Materials and supplies inventory . . . . .	28,540	-	28,540	-
Total current assets . . . . .	<u>185,752</u>	<u>352,088</u>	<u>537,840</u>	<u>1,812,581</u>
Noncurrent assets:				
Capital assets, net. . . . .	<u>100,276</u>	<u>18,003</u>	<u>118,279</u>	<u>-</u>
Total assets . . . . .	<u>286,028</u>	<u>370,091</u>	<u>656,119</u>	<u>1,812,581</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	1,099	21,875	22,974	-
Accrued wages and benefits . . . . .	128,341	20,474	148,815	-
Pension obligation payable . . . . .	69,687	14,358	84,045	-
Interfund loan payable . . . . .	49,000	53,300	102,300	-
Intergovernmental payable . . . . .	3,086	1,863	4,949	-
Claims payable . . . . .	-	-	-	611,310
Total liabilities . . . . .	<u>251,213</u>	<u>111,870</u>	<u>363,083</u>	<u>611,310</u>
Long-term liabilities:				
Compensated absences . . . . .	-	10,678	10,678	-
Future retirement obligation . . . . .	118,085	-	118,085	-
Total liabilities . . . . .	<u>369,298</u>	<u>122,548</u>	<u>491,846</u>	<u>611,310</u>
<b>Net assets:</b>				
Invested in capital assets . . . . .	100,276	18,003	118,279	-
Unrestricted . . . . .	(183,546)	229,540	45,994	1,201,271
Total net assets . . . . .	<u>\$ (83,270)</u>	<u>\$ 247,543</u>	<u>164,273</u>	<u>\$ 1,201,271</u>
Adjustment to reflect the consolidation of the internal service fund activities related to enterprise funds.			<u>23,619</u>	
Net assets of business-type activities			<u>\$ 187,892</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Business-Type Activities - Enterprise Funds</u>			<b>Governmental Activities - Internal Service Fund</b>
	<b>Food Service</b>	<b>Adult Education</b>	<b>Total</b>	
<b>Operating revenues:</b>				
Tuition and fees . . . . .	\$ -	\$ 280,921	\$ 280,921	\$ -
Sales/charges for services . . . . .	674,032	-	674,032	4,788,058
Other . . . . .	22,896	345,729	368,625	-
<b>Total operating revenues.</b> . . . . .	<u>696,928</u>	<u>626,650</u>	<u>1,323,578</u>	<u>4,788,058</u>
<b>Operating expenses:</b>				
Personal services . . . . .	992,057	720,934	1,712,991	-
Purchased services . . . . .	8,552	82,549	91,101	3,498,077
Materials and supplies . . . . .	870,508	66,916	937,424	-
Depreciation . . . . .	6,543	849	7,392	-
Other . . . . .	-	-	-	879,042
<b>Total operating expenses</b> . . . . .	<u>1,877,660</u>	<u>871,248</u>	<u>2,748,908</u>	<u>4,377,119</u>
Operating income (loss) . . . . .	<u>(1,180,732)</u>	<u>(244,598)</u>	<u>(1,425,330)</u>	<u>410,939</u>
<b>Nonoperating revenues:</b>				
Federal donated commodities . . . . .	98,338	-	98,338	-
Interest revenue . . . . .	1,568	-	1,568	14,200
Grants and subsidies . . . . .	971,892	226,585	1,198,477	-
<b>Total nonoperating revenues.</b> . . . . .	<u>1,071,798</u>	<u>226,585</u>	<u>1,298,383</u>	<u>14,200</u>
Income (loss) before transfers . . . . .	(108,934)	(18,013)	(126,947)	425,139
Transfers in . . . . .	-	25,000	25,000	-
Change in net assets . . . . .	(108,934)	6,987	(101,947)	425,139
<b>Net assets at beginning of year.</b> . . . . .	<u>25,664</u>	<u>240,556</u>	<u>266,220</u>	<u>776,132</u>
<b>Net assets at end of year</b> . . . . .	<u>\$ (83,270)</u>	<u>\$ 247,543</u>	<u>164,273</u>	<u>\$ 1,201,271</u>
Adjustment to reflect the consolidation of the internal service fund activities related to enterprise funds.			<u>23,619</u>	
Net assets of business-type activities			<u>\$ (78,328)</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Business-Type Activities - Enterprise Funds</u>			<b>Governmental Activities - Internal Service Fund</b>
	<b>Food Service</b>	<b>Adult Education</b>	<b>Total</b>	
<b>Cash flows from operating activities:</b>				
Cash received from tuition and fees . . . . .	\$ -	\$ 280,558	\$ 280,558	\$ 4,788,058
Cash received from sales/charges for services. . . .	679,558	-	679,558	-
Cash received from other operations. . . . .	22,896	326,764	349,660	-
Cash payments for personal services . . . . .	(966,395)	(739,157)	(1,705,552)	-
Cash payments for purchased services. . . . .	(8,778)	(100,250)	(109,028)	(3,335,625)
Cash payments for materials and supplies. . . . .	(785,112)	(56,709)	(841,821)	-
Cash payments for other expenses. . . . .	-	-	-	(879,042)
Net cash provided by (used in) operating activities . . . . .	<u>(1,057,831)</u>	<u>(288,794)</u>	<u>(1,346,625)</u>	<u>573,391</u>
<b>Cash flows from noncapital financing activities:</b>				
Cash received from grants and subsidies . . . . .	942,697	265,377	1,208,074	-
Cash received from transfers in. . . . .	-	25,000	25,000	-
Cash received from interfund loans. . . . .	49,000	53,300	102,300	-
Cash used in repayment of interfund loans . . . . .	-	(102,515)	(102,515)	-
Net cash provided by noncapital financing activities . . . . .	<u>991,697</u>	<u>241,162</u>	<u>1,232,859</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets. . . . .	-	(10,480)	(10,480)	-
Net cash used in capital and related financing activities . . . . .	<u>-</u>	<u>(10,480)</u>	<u>(10,480)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Interest received . . . . .	1,568	-	1,568	14,200
Net cash provided by investing activities. . . . .	<u>1,568</u>	<u>-</u>	<u>1,568</u>	<u>14,200</u>
Net increase (decrease) in cash and cash equivalents. . . . .	(64,566)	(58,112)	(122,678)	587,591
<b>Cash and cash equivalents at beginning of year . .</b>	<u>72,865</u>	<u>383,322</u>	<u>456,187</u>	<u>1,224,990</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u>\$ 8,299</u>	<u>\$ 325,210</u>	<u>\$ 333,509</u>	<u>\$ 1,812,581</u>

(Continued)

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

STATEMENT OF CASH FLOWS - (CONTINUED)  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Business-Type Activities - Enterprise Funds</u>			<b>Governmental Activities - Internal Service Fund</b>
	<u>Food Service</u>	<u>Adult Education</u>	<u>Total</u>	
<b>Reconciliation of operating income (loss) to net cash used in (provided by) operating activities:</b>				
Operating income (loss) . . . . .	\$ (1,180,732)	\$ (244,598)	\$ (1,425,330)	\$ 410,939
Adjustments:				
Depreciation . . . . .	6,543	849	7,392	-
Federal donated commodities. . . . .	98,338	-	98,338	-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable . . . . .	5,526	(19,328)	(13,802)	-
Increase in materials and supplies inventory . . . . .	(9,469)	-	(9,469)	-
Increase in prepayments. . . . .	(226)	-	(226)	-
Decrease in accounts payable. . . . .	(3,473)	(3,604)	(7,077)	-
Increase (decrease) in accrued wages and benefits . .	15,365	(15,337)	28	-
Increase (decrease) in pension obligation payable . .	11,799	(7,560)	4,239	-
Decrease in intergovernmental payable . . . . .	(198)	(846)	(1,044)	-
Increase (decrease) in compensated absences payable.	(2,454)	1,630	(824)	-
Increase in future retirement obligation. . . . .	1,150	-	1,150	-
Increase in claims payable. . . . .	-	-	-	162,452
Net cash provided by (used in) operating activities . . . . .	<u>\$ (1,057,831)</u>	<u>\$ (288,794)</u>	<u>\$ (1,346,625)</u>	<u>\$ 573,391</u>
<b>Noncash investing, capital and financing activities</b>				
Federal donated commodities. . . . .	\$ 98,338	\$ -	\$ 98,338	\$ -

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2004

	<b>Private-Purpose Trust</b>	<b>Agency</b>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 2,279,010	\$ 92,256
Investments . . . . .	3,713,295	-
Receivables:		
Taxes . . . . .	-	334,534
Accounts . . . . .	845	152
Accrued interest . . . . .	3,890	-
Total assets . . . . .	5,997,040	\$ 426,942
<b>Liabilities:</b>		
Accounts payable . . . . .	-	\$ 3,537
Intergovernmental payable . . . . .	-	337,132
Due to students . . . . .	-	86,273
Total liabilities . . . . .	-	\$ 426,942
<b>Net Assets:</b>		
Held in trust for scholarships . . . . .	5,997,040	
Total net assets . . . . .	\$ 5,997,040	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<b>Private-Purpose Trust</b>
<b>Additions:</b>	
Interest . . . . .	\$ 134,420
Gifts and contributions. . . . .	643,653
Total additions. . . . .	778,073
<b>Deductions:</b>	
Scholarships awarded . . . . .	200,029
Change in net assets . . . . .	578,044
Net assets at beginning of year. . . . .	5,418,996
Net assets at end of year . . . . .	\$ 5,997,040

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

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

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

The District ranks as the 99<sup>th</sup> largest by total enrollment among the 613 public school districts in the state. It currently operates 8 elementary schools, 2 alternative schools, 2 junior high schools, and 1 comprehensive high school. The District employs 193 non-certified employees, 352 certified employees, 7 full-time adult education instructors and 30 administrators, to provide services to approximately 4,186 students in grades K through 12, more than 5,000 adult education students, and various community groups.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activity and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The District also has the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitations. The government has elected not to follow subsequent private-sector guidance. The District's significant accounting policies are described below.

**A. Reporting Entity**

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

*JOINTLY GOVERNED ORGANIZATION*

Northern Ohio Educational Computer Association (NOECA)

The District is a participant in the Northern Ohio Educational Computer Association (NOECA), which is a computer consortium. NOECA is an association of 41 public school districts formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The NOECA Board of Directors consists of two representatives from each county in which participating school districts are located, the chairman of each of the operating committees, and a representative from the fiscal agent. The District paid \$84,344 to NOECA in fiscal year 2004 for services. Financial information can be obtained from Betty Schwiefert, who serves as Controller, 2900 South Columbus Avenue, Sandusky, Ohio 44870.

*PUBLIC ENTITY RISK POOL*

Workers' Compensation

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

The Executive Director of the OASBO, or his designee, serves as coordinator of the Plan. Each year, the participating school district pays an enrollment fee to the Plan to cover the costs of administering the program

**B. Fund Accounting**

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

*GOVERNMENTAL FUNDS*

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

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

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



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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

*PROPRIETARY FUNDS*

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

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

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

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

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

*FIDUCIARY FUNDS*

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into two classifications: private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust which accounts for scholarship programs for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**C. Basis of Presentation**

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's internal service fund is charges for sales and services. Operating expenses for internal service funds include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

**D. Basis of Accounting**

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

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

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

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

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

**E. Budgets**

The District is required by state statute to adopt an annual appropriated cash basis budget for all funds. The specific timetable for fiscal year 2004 is as follows.

1. Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the board-adopted budget is filed with the Erie County Budget Commission for tax rate determination.
3. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the final budgeted amount in the budgetary statement reflect the amounts set forth in the final Amended Certificate issued for fiscal year 2004.
4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.)

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

5. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions within a fund must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All departments/functions and funds completed the year within the amount of their legally authorized cash basis appropriation.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, increased or decreased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal 2004, none were significant.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

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

8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Cash disbursements plus encumbrances may not legally exceed budgeted appropriations at the fund, function and/or object level.

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On fund financial statements, encumbrances outstanding at year end (not already recorded in accounts payable) are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds. A reserve for encumbrances is not reported on government-wide financial statements.

**F. Cash and Investments**

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

During fiscal year 2004, investments were limited to U.S. government securities, shares of common stock, a repurchase agreement, investments in the State Asset Treasury Reserve of Ohio (STAR Ohio) and open-ended mutual funds.

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

The District has invested funds in STAR Ohio during fiscal 2004. 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, 2004.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. The Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2004 amounted to \$80,208, which includes \$34,231 assigned from other District funds.

While common stock is not an allowable investment according to Ohio Statute, the District has been endowed with a gift of stock to its private-purpose trust fund. No public funds were used to acquire the stock. At the time the common stock was endowed to the District its value was \$3,373,011. Due to changes in fair market value, at June 30, 2004, the common stock has increased in value by \$340,284. The amount of common stock available for expenditure is reported in net assets available in trust for scholarships on the statement of fiduciary net assets. A committee has been created to authorize the spending of the investment income.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

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

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

**G. Inventory**

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

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

**H. Capital Assets**

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

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

**I. Interfund Balances**

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

**J. Compensated Absences**

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

In accordance with the provisions of GASB Statement No. 16 “Accounting for Compensated Absences”, a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for severance is based on a policy whereby an employee is compensated for sixty five (65) days of severance pay regardless of the employee's sick leave balance. This liability exists for employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future and is reported as a component of “future retirement obligation” in the basic financial statements.

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

The total liability for vacation and severance payments has been calculated using pay rates in effect at June 30, 2004, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**K. Accrued Liabilities and Long-Term Obligations**

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

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

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

**L. Fund Balance Reserves**

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

**M. Net Assets**

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

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

**N. Prepayments**

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

**O. Parochial Schools**

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



**SANDUSKY CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

**P. Sandusky Public Library**

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

**Q. Estimates**

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

**R. Operating Revenues and Expenses**

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

**S. Contributions of Capital**

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

**T. Interfund Activity**

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**Deficit Fund Balances**

Fund balances at June 30, 2004 included the following individual fund deficits:

	<u>Deficit</u>
Food Service	\$ 83,270
<u>Nonmajor Funds</u>	
Teacher Development	5,390
Entry Year Programs	22
Vocational Education Enhancements	159
Alternative Education	10,463
Title VI-B	69,599
Title I	88,848
Preschool	662
Improving Teacher Quality	22,629

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

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS**

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

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

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days in an amount not to exceed 25% of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt instruments rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

*Deposits:* At year-end, the carrying amount of the District's deposits was \$(50,587) and the bank balance was \$44,943. A liability was not recorded for the negative carrying amount of deposits because there was no actual overdraft, due to the "zero-balance" nature of the District's bank accounts. The negative carrying amount of deposits is due to the sweeping of monies into overnight repurchase agreements which are reported as "investments". The entire bank balance was covered by federal depository insurance.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

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

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

	Category 1	Category 3	Reported Amount	Fair Value
Repurchase agreements	\$ -	\$ 2,602,000	\$ 2,602,000	\$ 2,602,000
U.S. Government securities	41,500	-	41,500	41,500
Stock	3,713,295	-	3,713,295	3,713,295
Total	<u>\$ 3,754,795</u>	<u>\$ 2,602,000</u>		
Investment in STAR Ohio			8,367,020	8,367,020
Mutual funds			142,035	142,035
Total investments			<u>\$ 14,865,850</u>	<u>\$ 14,865,850</u>

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

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$ 11,101,968	\$ 3,713,295
Investments of the cash management pool:		
Repurchase agreements	(2,602,000)	2,602,000
Investment in STAR Ohio	(8,367,020)	8,367,020
U.S. Government securities	(41,500)	41,500
Mutual funds	(142,035)	142,035
GASB Statement No. 3	<u>\$ (50,587)</u>	<u>\$14,865,850</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 5 - INTERFUND TRANSACTIONS**

- A. Interfund loans receivable/payable consisted of the following at June 30, 2004, as reported on the fund statements:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 76,600
	Food Service	49,000
	Adult Education	<u>53,300</u>
Total		<u>\$ 178,900</u>

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

- B. Interfund transfers for the year ended June 30, 2004, consisted of the following, as reported on the fund statements:

Transfers to Adult Education fund from:	
General Fund	\$ 25,000
Transfers to General fund from:	
Nonmajor Governmental Funds	40,000

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

**NOTE 6 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar 2004 represents collections of calendar year 2003 taxes. Real property taxes received in calendar year 2004 were levied after April 1, 2003, on the assessed value listed as of January 1, 2003, the lien date. Assessed values for real property taxes are established by state law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, state statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2004 represents collections of calendar year 2003 taxes. Public utility real and tangible personal property taxes received in calendar year 2004 became a lien December 31, 2002, were levied after April 1, 2003 and are collected in 2004 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 6 - PROPERTY TAXES - (Continued)**

Tangible personal property tax revenue received during calendar 2004 (other than public utility property) represents the collection of 2004 taxes. Tangible personal property taxes received in calendar year 2004 were levied after April 1, 2003, on the value as of December 31, 2003. Tangible personal property is currently assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

The District receives property taxes from Erie County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2004, are available to finance fiscal year 2004 operations. The amount available to be advanced can vary based on the date tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2004 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2004 was \$560,450 in the general fund, \$14,456 in the debt service fund and \$24,732 in the capital projects funds. These amounts have been recorded as revenue. The amount available as an advance at June 30, 2003 was \$2,299,434 in the general fund, \$31,738 in the debt service fund, and \$78,751 in the capital projects funds.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2004 taxes were collected are:

	2004 First Half Collections		2003 Second Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 421,567,300	83.75	\$ 361,711,830	80.38
Public utility personal	17,514,670	3.48	17,798,430	3.95
Tangible personal property	<u>64,275,034</u>	<u>12.77</u>	<u>70,518,286</u>	<u>15.67</u>
Total	<u>\$ 503,357,004</u>	<u>100.00</u>	<u>\$ 450,028,546</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 71.35		\$ 66.00	

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2004 consisted of taxes, accounts (billings for user charged services and student fees), internal loans and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the Statement of Net Assets follows:

**Governmental Activities**

Taxes - current and delinquent	\$ 20,528,698
Accounts	51,916
Intergovernmental	702,845
Internal loans	78,681

**Business-Type Activities**

Accounts	27,497
Intergovernmental	<u>145,893</u>

Total receivables	<u>\$ 21,535,530</u>
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Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2004, was as follows:

	<u>Balance June 30, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2004</u>
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 2,280,969	\$ -	\$ -	\$ 2,280,969
Total capital assets, not being depreciated	<u>2,280,969</u>	<u>-</u>	<u>-</u>	<u>2,280,969</u>
Capital assets, being depreciated:				
Land improvements	192,255	-	-	192,255
Building/improvements	13,440,055	1,073,446	-	14,513,501
Furniture/equipment	1,679,697	461,472	(20,830)	2,120,339
Vehicles	<u>2,087,175</u>	<u>82,581</u>	<u>(76,843)</u>	<u>2,092,913</u>
Total capital assets, being depreciated	<u>17,399,182</u>	<u>1,617,499</u>	<u>(97,673)</u>	<u>18,919,008</u>
Less: accumulated depreciation				
Land improvements	(36,928)	(8,651)	-	(45,579)
Building/improvements	(7,269,637)	(262,488)	-	(7,532,125)
Furniture/equipment	(970,738)	(114,494)	28,031	(1,057,201)
Vehicles	<u>(939,691)</u>	<u>(156,553)</u>	<u>64,116</u>	<u>(1,032,128)</u>
Total accumulated depreciation	<u>(9,216,994)</u>	<u>(542,186)</u>	<u>92,147</u>	<u>(9,667,033)</u>
Governmental activities capital assets, net	<u>\$10,463,157</u>	<u>\$1,075,313</u>	<u>\$ (5,526)</u>	<u>\$ 11,532,944</u>
<b>Business-Type Activities</b>				
Capital assets, being depreciated:				
Furniture/equipment	\$ 279,088	\$ 10,480	\$ -	\$ 289,568
Less: accumulated depreciation	<u>(163,897)</u>	<u>(7,392)</u>	<u>-</u>	<u>(171,289)</u>
Business-type activities capital assets, net	<u>\$ 115,191</u>	<u>\$ 3,088</u>	<u>\$ -</u>	<u>\$ 118,279</u>



**SANDUSKY CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 8 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 144,263
Special	11,022
Vocational	33,155
Support Services:	
Pupil	13,187
Instructional staff	7,827
Administration	11,740
Operations and maintenance of plant	40,107
Pupil transportation	165,238
Central	24,013
Operation of non-instructional services	30,931
Extracurricular activities	<u>60,703</u>
Total depreciation expense	<u>\$ 542,186</u>

**NOTE 9 - CAPITAL LEASES - LESSEE DISCLOSURE**

During a prior fiscal year, the District entered into capitalized leases for fiber optic and telephone equipment. These lease agreements meet the criteria of 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. Capital lease payments have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

Capital assets consisting of building improvements and equipment have been capitalized in the amount of \$746,516 and \$322,443, respectively. These amounts represent the present value of the minimum lease payments at the time of acquisition. A corresponding liability is recorded in the government-wide financial statements. Principal payments in fiscal year 2004 totaled \$101,878 paid by the general fund.

**SANDUSKY CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 9 - CAPITAL LEASES - LESSEE DISCLOSURE - (Continued)**

The following is a schedule of the future long-term minimum lease payments required under capital lease and the present value of the future minimum lease payments as of June 30, 2004:

<u>Fiscal Year Ending June 30.</u>	<u>Amount</u>
2005	\$ 148,222
2006	148,222
2007	148,222
2008	148,222
2009	148,222
2010 - 2013	<u>358,501</u>
Total minimum lease payments	1,099,611
Less amount representing interest	<u>(181,710)</u>
Total	<u>\$ 917,901</u>

**NOTE 10 - LONG-TERM OBLIGATIONS**

- A. On March 3, 2003, the District issued general obligation bonds (Series 2003 School Improvement Refunding Bonds) to currently refund the callable portion of the Series 1991 School Improvement General Obligation Bonds (principal \$1,395,000; interest rate 7.088%). The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net assets.

The refunding issue is comprised of current interest bonds, par value \$1,090,000. The annual interest rate on the bonds is 4.450%.

The refunding bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund. The source of payment is derived from a current 0.60 mill bonded debt tax levy.

**SANDUSKY CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a description of the District's bonds outstanding as of June 30, 2004:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Outstanding June 30, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding June 30, 2004</u>
Elementary building additions - 2003	4.450%	03/03/03	12/01/08	\$ 1,090,000	\$ -	\$ (205,000)	\$ 885,000

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

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Loan Maturity Date</u>	<u>Outstanding June 30, 2003</u>	<u>Reductions</u>	<u>Outstanding June 30, 2004</u>
Asbestos Abatement	None	03/01/88	07/31/08	\$ 276,605	\$ (61,468)	\$ 215,137

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

<u>Year Ending June 30</u>	<u>Principal on Bonds/EPA Loan</u>	<u>Interest on Bonds/EPA Loan</u>	<u>Total</u>
2005	\$ 251,468	\$ 35,155	\$ 286,623
2006	251,468	26,700	278,168
2007	246,468	18,356	264,824
2008	215,733	10,124	225,857
2009	135,000	3,004	138,004
Total	\$ 1,100,137	\$ 93,339	\$ 1,193,476

**SANDUSKY CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

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

	Balance			Balance	Amounts
	June 30, 2003	Increase	Decrease	June 30, 2004	Due in
					One Year
<b>Governmental Activities</b>					
Future retirement obligation	\$ 2,588,184	\$ 488,264	\$ (260,419)	\$ 2,816,029	\$ 301,800
Compensated absences payable	261,359	203,634	(215,669)	249,324	249,324
General obligation bonds payable	1,090,000	-	(205,000)	885,000	190,000
Asbestos loan payable	276,605	-	(61,468)	215,137	61,468
Capital lease obligation	<u>1,019,779</u>	<u>-</u>	<u>(101,878)</u>	<u>917,901</u>	<u>106,758</u>
Total governmental activities long-term liabilities	<u>\$ 5,235,927</u>	<u>\$ 691,898</u>	<u>\$ (844,434)</u>	5,083,391	<u>\$ 909,350</u>
Less: Unamortized deferred charge on refunding				(28,971)	
Add: Unamortized premium of refunding				<u>61,256</u>	
Total on statement of net assets				<u>\$ 5,115,676</u>	
<b>Business-Type Activities</b>					
Compensated absences payable	\$ 11,502	\$ 4,229	\$ (5,053)	\$ 10,678	\$ 10,678
Future retirement obligation	<u>116,935</u>	<u>12,090</u>	<u>(10,940)</u>	<u>118,085</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 128,437</u>	<u>\$ 16,319</u>	<u>\$ (15,993)</u>	<u>\$ 128,763</u>	<u>\$ 10,678</u>

Compensated absences and the future retirement obligation will be paid from the fund from which the employee is paid. The payments will be made from the general, nonmajor special revenue, food service and adult education funds. Further detail on the future retirement obligation is provided in Note 2.J.

**E. Legal Debt Margin**

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

The effects of these debt limitations at June 30, 2004 are a voted debt margin of \$44,539,366 (including available funds of \$122,236) and an unvoted debt margin of \$503,357.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 11 - RISK MANAGEMENT**

**A. Comprehensive**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2004, the District has contracted with Indiana Insurance Company to provide insurance coverage in the following amounts:

<u>Limits of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
General liability:		
Each occurrence	\$ 1,000,000	\$ 2,500
Aggregate	2,000,000	0
Fleet:		
Comprehensive/collision	1,000,000	250/500
Umbrella liability and fleet	3,000,000	10,000
Building and contents	84,992,200	10,000
Boiler and machinery		

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

**B. Health Benefits**

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 11 - RISK MANAGEMENT - (Continued)**

The claims liability of \$611,310 reported in the basic financial statements at June 30, 2004, is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Changes in claims activity for the current and previous fiscal year are as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2003-2004	\$ 448,858	\$ 3,498,077	\$ (3,335,625)	\$ 611,310
2002-2003	380,000	3,766,012	(3,697,154)	448,858

**C. Workers' Compensation Rating Program**

The District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 2.A.). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. Participants in the GRP are placed on tiers according to their loss history. Participants with low loss histories are rewarded with greater savings than participants with higher loss histories. Each participant pays its workers' compensation premium to the state based on the rate for its GRP tier rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley UniService, Inc. provides administrative, cost control, assistance with safety programs, and actuarial services to the GRP.

**NOTE 12 - 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 retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State Statute Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476, or by calling (614) 222-5853.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14% of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2004, 9.09% of annual covered salary was the portion used to fund pension obligations. For fiscal year 2003, 8.17% of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The adequacy of the contribution rates is determined annually. The District's required contributions to SERS for the fiscal years ended June 30, 2004, 2003, and 2002 were \$474,381, \$430,319, and \$278,587, respectively; 45.98% has been contributed for fiscal year 2004 and 100% for the fiscal years 2003 and 2002. \$256,283 represents the unpaid contribution for fiscal year 2004.

**A. State Teachers Retirement System**

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing, multiple-employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771, or by calling (614) 227-4090.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14% of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2004, 13% of annual covered salary was the portion used to fund pension obligations. For fiscal year 2003, 13% of annual covered salary 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. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employee contributions. The District's required contributions to STRS for the fiscal years ended June 30, 2004, 2003, and 2002 were \$2,566,308, \$2,524,868, and \$1,791,959, respectively; 83.75% has been contributed for fiscal year 2004 and 100% for the fiscal years 2003 and 2002. \$417,148 represents the unpaid contribution for fiscal year 2004.

**B. Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement Systems/State Teachers Retirement System. As of June 30, 2004, certain members of the Board of Education have elected Social Security. The Board's liability is 6.2% of wages paid.

**NOTE 13 - POSTEMPLOYMENT BENEFITS**

The District provides comprehensive health care benefits to retired teachers and their dependents through STRS, and to retired non-certified employees and their dependents through SERS. Benefits include hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare Part B premiums. Benefit provisions and the obligations to contribute are established by STRS and SERS based on authority granted by state statute. Both STRS and SERS are funded on a pay-as-you-go-basis.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll. For this fiscal year, the State Teachers Retirement Board allocated employer contributions equal to 1% of covered payroll to the Health Care Reserve fund. For the District, this amount equaled \$197,408 during fiscal 2004.

STRS pays health care benefits from the Health Care Reserve fund. The balance in the Health Care Reserve fund was \$2.8 billion at June 30, 2003 (the latest information available). For the fiscal year ended June 30, 2003 (the latest information available), net health care costs paid by STRS were \$352.301 million and STRS had 108,294 eligible benefit recipients.

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



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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**NOTE 13 - POSTEMPLOYMENT BENEFITS - (Continued)**

For this fiscal year, employer contributions to fund health care benefits were 4.91% 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 2004, the minimum pay has been established at \$14,500. 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, 2003 (the latest information available) were \$204.931 million and the target level was \$307.4 million. At June 30, 2003, (the latest information available) SERS had net assets available for payment of health care benefits of \$303.6 million and SERS had approximately 50,000 participants receiving health care benefits. For the District, the amount to fund health care benefits, including surcharge, equaled \$311,308 during the 2004 fiscal year.

**NOTE 14 - BUDGETARY BASIS OF ACCOUNTING**

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 14 - 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 general fund is as follows:

	<u>General Fund</u>
Budget basis	\$ (1,157,163)
Net adjustment for revenue accruals	(1,709,238)
Net adjustment for expenditure accruals	(211,966)
Net adjustment for other sources/uses	(76,112)
Adjustment for encumbrances	<u>383,076</u>
GAAP basis	<u>\$ (2,771,403)</u>

**NOTE 15 - CONTINGENCIES**

**A. Grants**

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

**B. Litigation**

The District is involved in no current or pending litigation as either plaintiff or defendant.

**C. State School Funding Decision**

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**NOTE 16 - STATUTORY RESERVES**

The District is required by state law to set-aside certain general fund revenue amounts, as defined by statute, into various reserves. These reserves are calculated and presented on a cash basis. During the fiscal year ended June 30, 2004, the reserve activity was as follows:

	<u>Textbooks</u>	<u>Capital Acquisition</u>
Set-aside cash balance as of June 30, 2003	\$ (513,187)	\$ -
Current year set-aside requirement	623,574	623,574
Current year offsets	-	(569,506)
Qualifying disbursements	<u>(505,112)</u>	<u>(635,401)</u>
Total	<u>\$ (394,725)</u>	<u>\$ (581,333)</u>
Balance carried forward to FY 2005	<u>\$ (394,725)</u>	<u>\$ -</u>

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

**NOTE 17 - SIGNIFICANT SUBSEQUENT EVENTS**

Voters approved two renewal levies on the November 2, 2004, ballot:

- 1) 2 mill permanent improvement levy renewal for 5 years (expires December 31, 2005).
- 2) \$1.5 million emergency levy renewal for 5 years (expires December 31, 2004).

Tentative agreements were reached in June with SEA and SNTEA bargaining units. Membership ratification occurred at the end of August 2004.

In July 2004 there was a change in the Board of Education. Jeffrey Krabill resigned and Faith A. Denslow was appointed.

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COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

**SANDUSKY CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds**

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

***Special Trust***

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

***Public School Support***

Section 5705.12, Revised Code

A fund provided to account for specific local revenue sources that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

***Other Grant***

Sections 5705.09 and 5705.13, Revised Code

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

***Venture Capital***

Section 3302.07 Revised Code

A fund used to account for professional development activities.

***District Managed Student Activity***

Section 3313.062

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

***Auxiliary Services (NPSS)***

AM SUB H.B. 291

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

***Post Secondary Vocational Education***

Current Budget Bill  
appropriation line item 200-514

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

***Teacher Development***

Current Budget Bill  
appropriation line item 200-527

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

***Management Information Systems***

Am Sub H B 111

A fund used to account for funds associated with the state-wide requirements of the Education Management System (EMIS).

***Entry Year Programs***

Current Budget Bill  
appropriation line item 200-410

A fund used to implement entry-year programs.

**SANDUSKY CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds - (Continued)**

***Disadvantaged Pupil Impact Aid***

Current Budget Bill

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

***Data Communications***

Section 5705.09, Revised Code

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

***SchoolNet Professional Development***

Section 5705.09, Revised Code

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

***Ohio Reads Grant***

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

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

***Summer Intervention***

Current Budget Bill  
appropriation line item 200-513

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

***Vocational Education Enhancement***

Current Budget Bill  
appropriation line item 200-545

A fund used to account for the Vocational Education Enhancements that expand the number of students enrolled in tech prep programs, enable students to develop career plans and replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

***Alternative Education Grant***

Current Budget Bill  
appropriation line item 200-520

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

***Able/Jobs Grant***

State of Ohio (4P1 200-629)

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

**SANDUSKY CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds - (Continued)**

***Adult Basic Education***

P L Law 91-230, Title III

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

***Title VI-B***

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

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

***Vocational Education***

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

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

***Basic Educational Opportunity Grant***

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

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

***Title I***

P L 97-35; Title I ESEA 1965

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

***Title V***

P L 97-35; ESEA 1965

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

***Drug-Free School Grant***

Catalog of Federal Domestic Assistance #84-166

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



**SANDUSKY CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds - (Continued)**

***EHA Preschool Grant***

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

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

***GOALS 2000***

Catalog of Federal Domestic Assistance #84.276

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

***Improving Teacher Quality***

Catalog of Federal Domestic Assistance #84.340

A fund used to account for monies to hire additional classroom teachers in grades one through three so that the number of students per teacher will be reduced.

***Youth Involvement***

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

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. A separate cost center must be used for each grant and be approved by the Auditor of State.

**Nonmajor Debt Service Fund**

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

**Nonmajor Capital Projects Funds**

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

***Permanent Improvement***

Section 5705.10, Revised Code

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

***Replacement***

Section 3314.11, Revised Code

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

**SANDUSKY CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
FUND DESCRIPTIONS**

**Nonmajor Capital Projects Funds - (Continued)**

*SchoolNet*

Section 5705.09, Revised Code

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

**Nonmajor Permanent Fund**

A fund used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the District's programs.

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

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2004

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Nonmajor Permanent Fund</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . .	\$ 1,370,918	\$ 107,780	\$ 1,037,520	\$ 98,778
Receivables:				
Property taxes . . . . .	-	301,581	632,109	-
Accounts. . . . .	1,292	-	-	-
Intergovernmental . . . . .	639,640	-	-	-
Prepayments . . . . .	66	-	-	-
Total assets. . . . .	<u>\$ 2,011,916</u>	<u>\$ 409,361</u>	<u>\$ 1,669,629</u>	<u>\$ 98,778</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 97,868	\$ -	\$ 112,425	\$ -
Accrued wages and benefits . . . . .	566,513	-	-	-
Future retirement obligation. . . . .	26,838	-	-	-
Pension obligation payable. . . . .	65,477	-	-	-
Intergovernmental payable . . . . .	19,732	-	-	-
Interfund loan payable . . . . .	76,600	-	-	-
Deferred revenue. . . . .	639,640	287,125	607,377	-
Total liabilities. . . . .	<u>1,492,668</u>	<u>287,125</u>	<u>719,802</u>	<u>-</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	79,882	-	405,368	-
Reserved for prepayments. . . . .	66	-	-	-
Reserved for property tax unavailable for appropriation. . . . .	-	14,456	24,732	-
Reserved for scholarships . . . . .	-	-	-	23,129
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	439,300	-	-	-
Debt service fund . . . . .	-	107,780	-	-
Capital projects funds . . . . .	-	-	519,727	-
Permanent fund. . . . .	-	-	-	75,649
Total fund balances. . . . .	<u>519,248</u>	<u>122,236</u>	<u>949,827</u>	<u>98,778</u>
Total liabilities and fund balances . . . . .	<u>\$ 2,011,916</u>	<u>\$ 409,361</u>	<u>\$ 1,669,629</u>	<u>\$ 98,778</u>

**Total  
Nonmajor  
Governmental  
Funds**

\$ 2,614,996  
933,690  
1,292  
639,640  
66  
\$ 4,189,684

\$ 210,293  
566,513  
26,838  
65,477  
19,732  
76,600  
1,534,142  
2,499,595

485,250  
66  
39,188  
23,129  
439,300  
107,780  
519,727  
75,649  
1,690,089  
\$ 4,189,684

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Fund</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Nonmajor Permanent Fund</u>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ -	\$ 249,823	\$ 515,487	\$ -
Earnings on investments . . . . .	6,393	-	-	1,900
Extracurricular . . . . .	238,795	-	-	-
Other local revenues . . . . .	90,736	-	11,000	6,885
Other revenue . . . . .	-	65	157	-
Intergovernmental - state . . . . .	2,164,379	33,100	163,592	-
Intergovernmental - federal . . . . .	2,996,794	-	-	-
	<u>5,497,097</u>	<u>282,988</u>	<u>690,236</u>	<u>8,785</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	1,530,416	-	-	-
Special . . . . .	1,693,110	-	-	-
Vocational . . . . .	116,694	-	-	-
Other . . . . .	145,696	-	-	-
Support services:				
Pupil . . . . .	111,319	-	-	-
Instructional staff . . . . .	532,073	-	-	-
Administration . . . . .	147,689	-	-	-
Fiscal . . . . .	45,879	5,061	10,788	-
Central . . . . .	47,237	-	-	-
Operation of non-instructional services . . . . .	153,566	-	-	-
Extracurricular activities . . . . .	331,859	-	-	-
Facilities acquisition and construction . . . . .	-	-	1,630,296	-
Intergovernmental pass through . . . . .	483,133	-	-	-
Debt service:				
Principal retirement . . . . .	-	266,468	-	-
Interest and fiscal charges . . . . .	-	56,070	-	-
	<u>5,338,671</u>	<u>327,599</u>	<u>1,641,084</u>	<u>-</u>
Excess of revenues over (under) expenditures . . . . .	<u>158,426</u>	<u>(44,611)</u>	<u>(950,848)</u>	<u>8,785</u>
<b>Other financing sources (uses):</b>				
Transfers (out) . . . . .	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses) . . . . .	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	118,426	(44,611)	(950,848)	8,785
<b>Fund balances at beginning of year . . . . .</b>	<u>400,822</u>	<u>166,847</u>	<u>1,900,675</u>	<u>89,993</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 519,248</u>	<u>\$ 122,236</u>	<u>\$ 949,827</u>	<u>\$ 98,778</u>

**Total  
Nonmajor  
Governmental  
Funds**

\$ 765,310  
8,293  
238,795  
108,621  
222  
2,361,071  
2,996,794

---

6,479,106

1,530,416  
1,693,110  
116,694  
145,696

111,319  
532,073  
147,689  
61,728  
47,237  
153,566  
331,859  
1,630,296  
483,133

266,468  
56,070

---

7,307,354

---

(828,248)

---

(40,000)

---

(40,000)

(868,248)

---

2,558,337

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\$ 1,690,089

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

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2004

	<u>Special Trust</u>	<u>Public School Support</u>	<u>Other Grant</u>	<u>District Managed Student Activity</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . .	\$ 406,177	\$ 110,316	\$ 3,748	\$ 84,714
Receivables:				
Accounts. . . . .	-	-	-	1,292
Intergovernmental . . . . .	-	-	-	-
Prepayments . . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 406,177</u>	<u>\$ 110,316</u>	<u>\$ 3,748</u>	<u>\$ 86,006</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 2,985	\$ 1,878	\$ 1,276
Accrued wages and benefits . . . . .	-	-	-	-
Future retirement obligation. . . . .	-	-	-	-
Pension obligation payable. . . . .	-	-	-	-
Intergovernmental payable . . . . .	-	-	-	-
Interfund loan payable . . . . .	-	-	-	37,000
Deferred revenue. . . . .	-	-	-	-
Total liabilities. . . . .	<u>-</u>	<u>2,985</u>	<u>1,878</u>	<u>38,276</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	4,745	-	24,793
Reserved for prepayments . . . . .	-	-	-	-
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	<u>406,177</u>	<u>102,586</u>	<u>1,870</u>	<u>22,937</u>
Total fund balances (deficits). . . . .	<u>406,177</u>	<u>107,331</u>	<u>1,870</u>	<u>47,730</u>
Total liabilities and fund balances . . . . .	<u>\$ 406,177</u>	<u>\$ 110,316</u>	<u>\$ 3,748</u>	<u>\$ 86,006</u>



<u>Auxiliary Services</u>	<u>Post Secondary Vocational Education</u>	<u>Teacher Development</u>	<u>Management Information Systems</u>	<u>Entry Year Programs</u>	<u>Disadvantaged Pupil Impact Aid</u>
\$ 70,899	\$ 236	\$ 9,588	\$ 28,648	\$ -	\$ 249,443
-	-	-	-	-	-
-	-	43,679	-	-	-
66	-	-	-	-	-
<u>\$ 70,965</u>	<u>\$ 236</u>	<u>\$ 53,267</u>	<u>\$ 28,648</u>	<u>\$ -</u>	<u>\$ 249,443</u>
\$ 2,337	\$ -	\$ 10,800	\$ 18,198	\$ -	\$ 176
33,848	-	3,250	-	-	212,936
7,076	-	-	-	-	-
3,438	-	910	-	-	24,336
3,160	-	18	-	22	6,630
-	-	-	-	-	-
-	-	43,679	-	-	-
<u>49,859</u>	<u>-</u>	<u>58,657</u>	<u>18,198</u>	<u>22</u>	<u>244,078</u>
6,847	-	9,502	264	-	529
66	-	-	-	-	-
<u>14,193</u>	<u>236</u>	<u>(14,892)</u>	<u>10,186</u>	<u>(22)</u>	<u>4,836</u>
<u>21,106</u>	<u>236</u>	<u>(5,390)</u>	<u>10,450</u>	<u>(22)</u>	<u>5,365</u>
<u>\$ 70,965</u>	<u>\$ 236</u>	<u>\$ 53,267</u>	<u>\$ 28,648</u>	<u>\$ -</u>	<u>\$ 249,443</u>

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

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2004

	<u>SchoolNet Professional Development</u>	<u>Ohio Reads Grant</u>	<u>Summer Intervention</u>	<u>Vocational Education Enhancement</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . .	\$ 122	\$ 3,792	\$ 81,785	\$ 52
Receivables:				
Accounts. . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	34,671	647
Prepayments . . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 122</u>	<u>\$ 3,792</u>	<u>\$ 116,456</u>	<u>\$ 699</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 2,747	\$ 28,471	\$ -
Accrued wages and benefits . . . . .	-	-	2,100	-
Due to other governments . . . . .	-	-	-	-
Pension obligation payable. . . . .	-	-	588	-
Intergovernmental payable . . . . .	-	-	11	11
Interfund loan payable . . . . .	-	-	26,000	200
Deferred revenue. . . . .	-	-	34,671	647
Total liabilities. . . . .	<u>-</u>	<u>2,747</u>	<u>91,841</u>	<u>858</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	-	215	13,113	-
Reserved for prepayments . . . . .	-	-	-	-
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	122	830	11,502	(159)
Total fund balances (deficits). . . . .	<u>122</u>	<u>1,045</u>	<u>24,615</u>	<u>(159)</u>
Total liabilities and fund balances . . . . .	<u>\$ 122</u>	<u>\$ 3,792</u>	<u>\$ 116,456</u>	<u>\$ 699</u>

<u>Alternative Education Grant</u>	<u>Able/Jobs Grant</u>	<u>Adult Basic Education</u>	<u>Title VI-B</u>	<u>Vocational Education</u>	<u>Title I</u>
\$ 2,006	\$ 57,868	\$ 16,688	\$ 53,641	\$ 5,572	\$ 121,776
-	-	-	-	-	-
11,826	-	11,680	131,932	7,363	316,275
-	-	-	-	-	-
<u>\$ 13,832</u>	<u>\$ 57,868</u>	<u>\$ 28,368</u>	<u>\$ 185,573</u>	<u>\$ 12,935</u>	<u>\$ 438,051</u>
\$ -	\$ -	\$ 231	\$ 12,672	\$ -	\$ 5,505
11,041	-	3,877	69,314	1,416	181,462
-	-	-	19,762	-	-
1,092	-	2,700	7,108	1,340	18,345
336	-	309	1,984	350	5,312
-	-	-	12,400	1,000	-
11,826	-	11,680	131,932	7,363	316,275
<u>24,295</u>	<u>-</u>	<u>18,797</u>	<u>255,172</u>	<u>11,469</u>	<u>526,899</u>
-	-	90	-	-	1,497
-	-	-	-	-	-
<u>(10,463)</u>	<u>57,868</u>	<u>9,481</u>	<u>(69,599)</u>	<u>1,466</u>	<u>(90,345)</u>
<u>(10,463)</u>	<u>57,868</u>	<u>9,571</u>	<u>(69,599)</u>	<u>1,466</u>	<u>(88,848)</u>
<u>\$ 13,832</u>	<u>\$ 57,868</u>	<u>\$ 28,368</u>	<u>\$ 185,573</u>	<u>\$ 12,935</u>	<u>\$ 438,051</u>

- - Continued

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

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2004

	<u>Title V</u>	<u>Drug-Free School Grant</u>	<u>EHA Preschool Grant</u>	<u>Improving Teacher Quality</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 2,987	\$ 20,781	\$ 3,883	\$ 27,554
Receivables:				
Accounts. . . . .	-	-	-	-
Intergovernmental . . . . .	64	9,314	7,414	64,775
Prepayments . . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 3,051</u>	<u>\$ 30,095</u>	<u>\$ 11,297</u>	<u>\$ 92,329</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 2,880	\$ 4,250	\$ -	\$ 2,479
Accrued wages and benefits . . . . .	-	-	4,050	42,119
Due to other governments . . . . .	-	-	-	-
Pension obligation payable. . . . .	-	986	410	4,224
Intergovernmental payable . . . . .	-	10	85	1,361
Interfund loan payable . . . . .	-	-	-	-
Deferred revenue. . . . .	64	9,314	7,414	64,775
Total liabilities. . . . .	<u>2,944</u>	<u>14,560</u>	<u>11,959</u>	<u>114,958</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	94	12,647	-	5,537
Reserved for prepayments . . . . .	-	-	-	-
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	13	2,888	(662)	(28,166)
Total fund balances (deficits). . . . .	<u>107</u>	<u>15,535</u>	<u>(662)</u>	<u>(22,629)</u>
Total liabilities and fund balances . . . . .	<u>\$ 3,051</u>	<u>\$ 30,095</u>	<u>\$ 11,297</u>	<u>\$ 92,329</u>

<u>Youth Involvement</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 8,642	\$ 1,370,918
-	1,292
-	639,640
-	66
<u>\$ 8,642</u>	<u>\$ 2,011,916</u>
\$ 983	\$ 97,868
1,100	566,513
-	26,838
-	65,477
133	19,732
-	76,600
-	639,640
<u>2,216</u>	<u>1,492,668</u>
9	79,882
-	66
<u>6,417</u>	<u>439,300</u>
<u>6,426</u>	<u>519,248</u>
<u>\$ 8,642</u>	<u>\$ 2,011,916</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Special Trust</u>	<u>Public School Support</u>	<u>Other Grant</u>	<u>District Managed Student Activity</u>
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ 5,394	\$ -	\$ -	\$ -
Extracurricular . . . . .	-	48,667	-	190,128
Other local revenues . . . . .	1,132	39,315	11,093	39,196
Intergovernmental - state . . . . .	-	-	-	-
Intergovernmental - federal . . . . .	-	-	-	-
<b>Total revenue.</b> . . . .	<u>6,526</u>	<u>87,982</u>	<u>11,093</u>	<u>229,324</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	-	10,154	-
Special . . . . .	-	-	-	-
Vocational . . . . .	-	-	-	-
Other . . . . .	-	51	-	-
Support services:				
Pupil . . . . .	-	12	-	-
Instructional staff . . . . .	-	-	-	-
Administration . . . . .	-	-	-	-
Fiscal . . . . .	-	-	-	-
Central . . . . .	-	-	-	-
Operation of non-instructional services . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	114,567	-	217,292
Intergovernmental pass through . . . . .	-	-	-	-
<b>Total expenditures</b> . . . . .	<u>-</u>	<u>114,630</u>	<u>10,154</u>	<u>217,292</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	6,526	(26,648)	939	12,032
<b>Other financing sources (uses):</b>				
Transfers (out) . . . . .	(40,000)	-	-	-
<b>Total other financing sources (uses)</b> . . . . .	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(33,474)	(26,648)	939	12,032
<b>Fund balances at beginning of year</b> . . . . .	<u>439,651</u>	<u>133,979</u>	<u>931</u>	<u>35,698</u>
<b>Fund balances at end of year</b> . . . . .	<u>\$ 406,177</u>	<u>\$ 107,331</u>	<u>\$ 1,870</u>	<u>\$ 47,730</u>

<u>Auxiliary Services</u>	<u>Post Secondary Vocational Education</u>	<u>Teacher Development</u>	<u>Management Information Systems</u>	<u>Entry Year Program</u>	<u>Disadvantaged Pupil Impact Aid</u>
\$ 999	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
474,829	19,845	9,588	15,949	4,400	1,324,856
-	-	-	-	-	-
<u>475,828</u>	<u>19,845</u>	<u>9,588</u>	<u>15,949</u>	<u>4,400</u>	<u>1,324,856</u>
-	-	4,178	-	4,422	1,316,125
-	-	-	-	-	-
-	-	-	-	-	-
-	17,763	-	-	-	-
-	-	-	-	-	-
-	-	10,800	-	-	-
-	-	-	-	-	-
-	-	-	45,879	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
483,133	-	-	-	-	-
<u>483,133</u>	<u>17,763</u>	<u>14,978</u>	<u>45,879</u>	<u>4,422</u>	<u>1,316,125</u>
(7,305)	2,082	(5,390)	(29,930)	(22)	8,731
-	-	-	-	-	-
-	-	-	-	-	-
(7,305)	2,082	(5,390)	(29,930)	(22)	8,731
28,411	(1,846)	-	40,380	-	(3,366)
<u>\$ 21,106</u>	<u>\$ 236</u>	<u>\$ (5,390)</u>	<u>\$ 10,450</u>	<u>\$ (22)</u>	<u>\$ 5,365</u>

-- Continued

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Data Communications</u>	<u>SchoolNet Professional Development</u>	<u>Ohio Reads Grant</u>	<u>Summer Intervention</u>
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ -	\$ -	\$ -	\$ -
Extracurricular . . . . .	-	-	-	-
Other local revenues . . . . .	-	-	-	-
Intergovernmental - state . . . . .	36,000	4,140	19,577	122,213
Intergovernmental - federal . . . . .	-	-	-	-
Total revenue . . . . .	<u>36,000</u>	<u>4,140</u>	<u>19,577</u>	<u>122,213</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	-	20,455	73,740
Special . . . . .	-	-	-	-
Vocational . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff . . . . .	-	8,618	-	23,858
Administration . . . . .	-	-	-	-
Fiscal . . . . .	-	-	-	-
Central . . . . .	43,527	-	-	-
Operation of non-instructional services . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	-	-	-
Intergovernmental pass through . . . . .	-	-	-	-
Total expenditures . . . . .	<u>43,527</u>	<u>8,618</u>	<u>20,455</u>	<u>97,598</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(7,527)	(4,478)	(878)	24,615
<b>Other financing sources (uses):</b>				
Transfers (out) . . . . .	-	-	-	-
Total other financing sources (uses) . . . . .	-	-	-	-
Net change in fund balances . . . . .	(7,527)	(4,478)	(878)	24,615
<b>Fund balances at beginning of year . . . . .</b>	<u>7,527</u>	<u>4,600</u>	<u>1,923</u>	<u>-</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 122</u>	<u>\$ 1,045</u>	<u>\$ 24,615</u>



<u>Vocational Education Enhancement</u>	<u>Alternative Education Grant</u>	<u>Able/Jobs Grant</u>	<u>Adult Basic Education</u>	<u>Title VI-B</u>	<u>Vocational Education</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
19,280	58,034	1,460	54,208	-	-
-	-	-	89,831	717,052	341,963
<u>19,280</u>	<u>58,034</u>	<u>1,460</u>	<u>144,039</u>	<u>717,052</u>	<u>341,963</u>
-	60,584	4,822	-	-	-
-	-	-	-	311,041	-
17,912	-	-	-	-	98,782
-	-	-	127,882	-	-
-	-	-	-	110,023	1,209
-	2,081	-	12,445	111,753	95,851
-	-	-	2,285	138,508	1,742
-	-	-	-	-	-
-	-	3,710	-	-	-
-	-	-	-	78,783	1,177
-	-	-	-	-	-
-	-	-	-	-	-
<u>17,912</u>	<u>62,665</u>	<u>8,532</u>	<u>142,612</u>	<u>750,108</u>	<u>198,761</u>
1,368	(4,631)	(7,072)	1,427	(33,056)	143,202
-	-	-	-	-	-
-	-	-	-	-	-
1,368	(4,631)	(7,072)	1,427	(33,056)	143,202
<u>(1,527)</u>	<u>(5,832)</u>	<u>64,940</u>	<u>8,144</u>	<u>(36,543)</u>	<u>(141,736)</u>
<u>\$ (159)</u>	<u>\$ (10,463)</u>	<u>\$ 57,868</u>	<u>\$ 9,571</u>	<u>\$ (69,599)</u>	<u>\$ 1,466</u>

-- Continued

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<b>Basic Educational Opportunity Grant</b>	<b>Title I</b>	<b>Title V</b>	<b>Drug-Free School Grant</b>
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ -	\$ -	\$ -	\$ -
Extracurricular . . . . .	-	-	-	-
Other local revenues . . . . .	-	-	-	-
Intergovernmental - state . . . . .	-	-	-	-
Intergovernmental - federal . . . . .	37,897	1,344,078	30,228	34,662
<b>Total revenue.</b> . . . . .	<b>37,897</b>	<b>1,344,078</b>	<b>30,228</b>	<b>34,662</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	-	-	35,936
Special . . . . .	-	1,082,215	25,391	-
Vocational . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff . . . . .	-	168,547	-	-
Administration . . . . .	-	-	-	-
Fiscal . . . . .	-	-	-	-
Central . . . . .	-	-	-	-
Operation of non-instructional services . . . . .	37,897	30,963	4,746	-
Extracurricular activities . . . . .	-	-	-	-
Intergovernmental pass through . . . . .	-	-	-	-
<b>Total expenditures</b> . . . . .	<b>37,897</b>	<b>1,281,725</b>	<b>30,137</b>	<b>35,936</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	62,353	91	(1,274)
<b>Other financing sources (uses):</b>				
Transfers (out) . . . . .	-	-	-	-
<b>Total other financing sources (uses)</b> . . . . .	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances . . . . .	-	62,353	91	(1,274)
<b>Fund balances at beginning of year</b> . . . . .	<b>-</b>	<b>(151,201)</b>	<b>16</b>	<b>16,809</b>
<b>Fund balances at end of year</b> . . . . .	<b>\$ -</b>	<b>\$ (88,848)</b>	<b>\$ 107</b>	<b>\$ 15,535</b>

<b>EHA Preschool Grant</b>	<b>Improving Teacher Quality</b>	<b>Youth Involvement</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ 6,393
-	-	-	238,795
-	-	-	90,736
-	-	-	2,164,379
<u>33,969</u>	<u>328,617</u>	<u>38,497</u>	<u>2,996,794</u>
<u>33,969</u>	<u>328,617</u>	<u>38,497</u>	<u>5,497,097</u>
-	-	-	1,530,416
1,602	271,878	983	1,693,110
-	-	-	116,694
-	-	-	145,696
74	-	1	111,319
28,214	31,689	38,217	532,073
5,154	-	-	147,689
-	-	-	45,879
-	-	-	47,237
-	-	-	153,566
-	-	-	331,859
-	-	-	483,133
<u>35,044</u>	<u>303,567</u>	<u>39,201</u>	<u>5,338,671</u>
(1,075)	25,050	(704)	158,426
-	-	-	(40,000)
-	-	-	(40,000)
(1,075)	25,050	(704)	118,426
<u>413</u>	<u>(47,679)</u>	<u>7,130</u>	<u>400,822</u>
<u>\$ (662)</u>	<u>\$ (22,629)</u>	<u>\$ 6,426</u>	<u>\$ 519,248</u>

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

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2004

	<b>Permanent Improvement</b>	<b>Replacement</b>	<b>SchoolNet</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . .	\$ 922,572	\$ 26,673	\$ 88,275	\$ 1,037,520
Receivables:				
Taxes . . . . .	632,109	-	-	632,109
Total assets. . . . .	<u>\$ 1,554,681</u>	<u>\$ 26,673</u>	<u>\$ 88,275</u>	<u>\$ 1,669,629</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 112,425	\$ -	\$ -	\$ 112,425
Deferred revenue. . . . .	607,377	-	-	607,377
Total liabilities. . . . .	719,802	-	-	719,802
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	317,093	-	88,275	405,368
Reserved for property tax unavailable for appropriation . . . . .	24,732	-	-	24,732
Unreserved, undesignated, reported in: Capital projects . . . . .	493,054	26,673	-	519,727
Total fund balances . . . . .	834,879	26,673	88,275	949,827
Total liabilities and fund balances . . . . .	<u>\$ 1,554,681</u>	<u>\$ 26,673</u>	<u>\$ 88,275</u>	<u>\$ 1,669,629</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<b>Permanent Improvement</b>	<b>Replacement</b>	<b>SchoolNet</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 515,487	\$ -	\$ -	\$ 515,487
Other local revenues . . . . .	11,000	-	-	11,000
Other revenue . . . . .	157	-	-	157
Intergovernmental - state . . . . .	75,317	-	88,275	163,592
Total revenue . . . . .	601,961	-	88,275	690,236
<b>Expenditures:</b>				
Current:				
Support services:				
Fiscal . . . . .	10,788	-	-	10,788
Facilities acquisition and construction . . . . .	1,630,296	-	-	1,630,296
Total expenditures . . . . .	1,641,084	-	-	1,641,084
Net change in fund balances . . . . .	(1,039,123)	-	88,275	(950,848)
<b>Fund balances at beginning of year . . . . .</b>	<b>1,874,002</b>	<b>26,673</b>	<b>-</b>	<b>1,900,675</b>
<b>Fund balances at end of year. . . . .</b>	<b>\$ 834,879</b>	<b>\$ 26,673</b>	<b>\$ 88,275</b>	<b>\$ 949,827</b>

**SANDUSKY CITY SCHOOL DISTRICT  
FIDUCIARY FUNDS  
FUND DESCRIPTIONS**

**Fiduciary Funds**

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into two classifications: private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

**Private Purpose Trust Funds**

***Endowment Fund***

A fund provided to account for monies set aside from endowments for scholarships for students enrolled in the District. The income from such a fund may be expended, but the principal must remain intact.

***Scholarship Trust Fund***

A fund provided to account for monies set aside from endowments for scholarships for students enrolled in the District. The principal and income from such a fund may be expended.

**Agency Funds**

***Student Managed Activity***

Section 3315.062, Revised Code

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

***District Agency***

Section 5705.12, Revised Code

A fund used to account for those assets held by a school district as an agent for individuals, private organization, other governmental units, and/or other funds.

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

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2004**

	<u>Endowment Fund</u>	<u>Scholarship Trust Fund</u>	<u>Total Private Purpose Trust</u>	<u>Agency</u>	<u>Totals</u>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents . . . . .	\$ 1,806,694	\$ 472,316	\$ 2,279,010	\$ 92,256	\$ 2,371,266
Investments . . . . .	3,713,295	-	3,713,295		3,713,295
Receivables					
Taxes . . . . .	-	-	-	334,534	334,534
Accounts . . . . .	700	145	845	152	997
Accrued interest . . . . .	3,890	-	3,890	-	3,890
Total assets . . . . .	<u>5,524,579</u>	<u>472,461</u>	<u>5,997,040</u>	<u>426,942</u>	<u>6,423,982</u>
<b>Liabilities:</b>					
Accounts payable . . . . .	-	-	-	3,537	3,537
Intergovernmental payable . . . . .	-	-	-	337,132	337,132
Due to students . . . . .	-	-	-	86,273	86,273
Total liabilities . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 426,942</u>	<u>426,942</u>
<b>Net Assets:</b>					
Held in trust for scholarships . . . . .	<u>5,524,579</u>	<u>472,461</u>	<u>5,997,040</u>		<u>5,997,040</u>
Total net assets . . . . .	<u>\$ 5,524,579</u>	<u>\$ 472,461</u>	<u>\$ 5,997,040</u>		<u>\$ 5,997,040</u>



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

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Endowment Fund</u>	<u>Scholarship Trust Fund</u>	<u>Total</u>
<b>Additions:</b>			
Interest . . . . .	\$ 129,842	\$ 4,578	\$ 134,420
Gifts and contributions . . . . .	590,073	53,580	643,653
	<hr/>	<hr/>	<hr/>
Total additions . . . . .	719,915	58,158	778,073
	<hr/>	<hr/>	<hr/>
<b>Deductions:</b>			
Scholarships awarded . . . . .	139,446	60,583	200,029
	<hr/>	<hr/>	<hr/>
Change in net assets . . . . .	580,469	(2,425)	578,044
	<hr/>	<hr/>	<hr/>
<b>Net assets at beginning of year . . . . .</b>	<b>4,944,110</b>	<b>474,886</b>	<b>5,418,996</b>
	<hr/>	<hr/>	<hr/>
<b>Net assets at end of year . . . . .</b>	<b>\$ 5,524,579</b>	<b>\$ 472,461</b>	<b>\$ 5,997,040</b>
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**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
JUNE 30, 2004

	<u>Beginning Balance July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2004</u>
<b>District Agency</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 2,333	\$ 344,547	\$ 344,282	\$ 2,598
Receivables				
Taxes . . . . .	340,915	334,534	340,915	334,534
Total assets . . . . .	<u>\$ 343,248</u>	<u>\$ 679,081</u>	<u>\$ 685,197</u>	<u>\$ 337,132</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	132	-	132	-
Due to other governments . . . . .	343,116	679,081	685,065	337,132
Total liabilities . . . . .	<u>\$ 343,248</u>	<u>\$ 679,081</u>	<u>\$ 685,197</u>	<u>\$ 337,132</u>
<b>Student Managed Activity</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 87,441	\$ 151,346	\$ 149,129	\$ 89,658
Receivables				
Accounts . . . . .	192	152	192	152
Total assets . . . . .	<u>\$ 87,633</u>	<u>\$ 151,498</u>	<u>\$ 149,321</u>	<u>\$ 89,810</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 397	\$ 3,537	\$ 397	\$ 3,537
Due to students . . . . .	87,236	147,961	148,924	86,273
Total liabilities . . . . .	<u>\$ 87,633</u>	<u>\$ 151,498</u>	<u>\$ 149,321</u>	<u>\$ 89,810</u>
<b>Total</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 89,774	\$ 495,893	\$ 493,411	\$ 92,256
Receivables				
Taxes . . . . .	340,915	334,534	340,915	334,534
Accounts . . . . .	192	152	192	152
Total assets . . . . .	<u>\$ 430,881</u>	<u>\$ 830,579</u>	<u>\$ 834,518</u>	<u>\$ 426,942</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 529	\$ 3,537	\$ 529	\$ 3,537
Due to other governments . . . . .	343,116	679,081	685,065	337,132
Due to students . . . . .	87,236	147,961	148,924	86,273
Total liabilities . . . . .	<u>\$ 430,881</u>	<u>\$ 830,579</u>	<u>\$ 834,518</u>	<u>\$ 426,942</u>

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

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 15,560,000	\$ 16,600,000	\$ 16,554,175	\$ (45,825)
Tuition . . . . .	41,000	21,000	14,189	(6,811)
Earnings on investments . . . . .	200,000	100,000	80,215	(19,785)
Extracurricular . . . . .	12,995	12,750	11,359	(1,391)
Classroom materials and fees . . . . .	69,850	69,900	58,536	(11,364)
Other local revenues . . . . .	496,930	402,932	364,732	(38,200)
Other revenue . . . . .	5,000	5,000	4,395	(605)
Intergovernmental-state . . . . .	17,005,225	16,651,000	16,603,610	(47,390)
Intergovernmental-federal . . . . .	200,000	285,000	219,899	(65,101)
Total revenues . . . . .	<u>33,591,000</u>	<u>34,147,582</u>	<u>33,911,110</u>	<u>(236,472)</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .	10,485,174	11,045,474	10,833,119	212,355
Fringe benefits . . . . .	3,607,012	3,689,138	3,631,511	57,627
Purchased services . . . . .	114,014	415,649	379,723	35,926
Supplies . . . . .	367,551	398,714	360,443	38,271
Capital outlay . . . . .	113,656	429,247	403,575	25,672
Dues and fees . . . . .	400	200	200	-
Total instruction-regular . . . . .	<u>14,687,807</u>	<u>15,978,422</u>	<u>15,608,571</u>	<u>369,851</u>
Instruction-special				
Salaries and wages . . . . .	2,512,001	2,502,757	2,434,513	68,244
Fringe benefits . . . . .	950,457	901,357	870,427	30,930
Purchased services . . . . .	918,005	1,120,720	1,114,361	6,359
Supplies . . . . .	32,178	65,004	45,706	19,298
Capital outlay . . . . .	3,000	15,830	8,887	6,943
Dues and fees . . . . .	551,200	551,200	531,000	20,200
Total instruction-special . . . . .	<u>4,966,841</u>	<u>5,156,868</u>	<u>5,004,894</u>	<u>151,974</u>
Instruction-vocational				
Salaries and wages . . . . .	877,319	755,318	743,987	11,331
Fringe benefits . . . . .	297,783	270,483	255,358	15,125
Purchased services . . . . .	17,400	24,400	18,929	5,471
Supplies . . . . .	204,813	184,013	157,177	26,836
Capital outlay . . . . .	72,612	87,559	75,067	12,492
Total instruction-vocational . . . . .	<u>1,469,927</u>	<u>1,321,773</u>	<u>1,250,518</u>	<u>71,255</u>
Support services-pupil				
Salaries and wages . . . . .	1,094,288	1,133,288	1,105,766	27,522
Fringe benefits . . . . .	367,861	367,931	354,162	13,769
Purchased services . . . . .	77,700	76,800	64,257	12,543
Supplies . . . . .	14,200	15,300	7,320	7,980
Total support services-pupil . . . . .	<u>1,554,049</u>	<u>1,593,319</u>	<u>1,531,505</u>	<u>61,814</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Support services-instructional staff				
Salaries and wages . . . . .	\$ 752,065	\$ 581,065	\$ 545,037	\$ 36,028
Fringe benefits . . . . .	321,286	288,286	264,606	23,680
Purchased services . . . . .	229,883	170,683	152,202	18,481
Supplies . . . . .	87,781	114,313	84,718	29,595
Capital outlay . . . . .	2,000	2,000	1,221	779
Dues and fees . . . . .	75,000	75,000	64,283	10,717
Total support services-instructional staff . . . . .	<u>1,468,015</u>	<u>1,231,347</u>	<u>1,112,067</u>	<u>119,280</u>
Support services-board of education				
Salaries and wages . . . . .	15,000	15,000	8,250	6,750
Fringe benefits . . . . .	1,100	1,100	334	766
Purchased services . . . . .	199,294	149,294	110,038	39,256
Supplies . . . . .	600	600	356	244
Dues and fees . . . . .	93,871	48,482	42,034	6,448
Total support services-board of education . . . . .	<u>309,865</u>	<u>214,476</u>	<u>161,012</u>	<u>53,464</u>
Support services-administration				
Salaries and wages . . . . .	2,008,042	2,035,360	1,987,210	48,150
Fringe benefits . . . . .	643,710	837,402	802,767	34,635
Purchased services . . . . .	52,078	41,078	12,815	28,263
Supplies . . . . .	3,099	16,239	8,297	7,942
Capital outlay . . . . .	2,000	600	561	39
Dues and fees . . . . .	2,700	2,700	-	2,700
Total support services-administration . . . . .	<u>2,711,629</u>	<u>2,933,379</u>	<u>2,811,650</u>	<u>121,729</u>
Support services-fiscal				
Salaries and wages . . . . .	218,400	201,400	196,024	5,376
Fringe benefits . . . . .	88,542	88,952	84,131	4,821
Purchased services . . . . .	32,000	32,000	25,585	6,415
Supplies . . . . .	3,225	3,225	2,557	668
Capital outlay . . . . .	2,000	2,000	-	2,000
Dues and fees . . . . .	352,250	387,400	380,969	6,431
Total support services-fiscal . . . . .	<u>696,417</u>	<u>714,977</u>	<u>689,266</u>	<u>25,711</u>
Support services-business				
Salaries and wages . . . . .	176,792	80,791	79,687	1,104
Fringe benefits . . . . .	53,936	38,356	34,044	4,312
Purchased services . . . . .	53,836	53,836	37,466	16,370
Supplies . . . . .	8,093	8,093	7,980	113
Capital outlay . . . . .	2,000	2,000	110	1,890
Total support services-business . . . . .	<u>294,657</u>	<u>183,076</u>	<u>159,287</u>	<u>23,789</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Support services-operations and maintenance				
Salaries and wages . . . . .	\$ 1,778,213	\$ 1,716,213	\$ 1,647,128	\$ 69,085
Fringe benefits . . . . .	674,804	651,814	636,137	15,677
Purchased services . . . . .	1,728,896	1,814,095	1,651,554	162,541
Supplies . . . . .	158,867	158,867	141,489	17,378
Capital outlay . . . . .	16,801	33,801	25,765	8,036
Total support services-operations and maintenance . . . . .	<u>4,357,581</u>	<u>4,374,790</u>	<u>4,102,073</u>	<u>272,717</u>
Support services-pupil transportation				
Salaries and wages . . . . .	723,940	762,870	744,154	18,716
Fringe benefits . . . . .	316,934	326,334	312,599	13,735
Purchased services . . . . .	32,933	32,933	6,678	26,255
Supplies . . . . .	115,374	124,373	119,594	4,779
Capital outlay . . . . .	67,000	68,100	67,619	481
Dues and fees . . . . .	60,000	25,000	21,422	3,578
Total support services-pupil transportation . . . . .	<u>1,316,181</u>	<u>1,339,610</u>	<u>1,272,066</u>	<u>67,544</u>
Support services-central				
Salaries and wages . . . . .	119,936	85,936	69,505	16,431
Fringe benefits . . . . .	21,608	39,908	31,174	8,734
Purchased services . . . . .	360,386	468,387	452,572	15,815
Supplies . . . . .	33,156	60,813	59,218	1,595
Capital outlay . . . . .	166,124	167,999	167,921	78
Total support services-central . . . . .	<u>701,210</u>	<u>823,043</u>	<u>780,390</u>	<u>42,653</u>
Operation of non-instructional services				
Salaries and wages . . . . .	1,050	1,050	732	318
Fringe benefits . . . . .	225	225	96	129
Total operation of non-instructional services . . . . .	<u>1,275</u>	<u>1,275</u>	<u>828</u>	<u>447</u>
Extracurricular activities				
Salaries and wages . . . . .	602,772	583,872	554,330	29,542
Fringe benefits . . . . .	101,717	114,132	96,818	17,314
Purchased services . . . . .	32,420	33,035	23,767	9,268
Supplies . . . . .	5,243	5,243	1,570	3,673
Dues and fees . . . . .	50	50	-	50
Total extracurricular activities . . . . .	<u>742,202</u>	<u>736,332</u>	<u>676,485</u>	<u>59,847</u>
Total expenditures . . . . .	<u>35,277,656</u>	<u>36,602,687</u>	<u>35,160,612</u>	<u>1,442,075</u>
Excess of revenues over (under) expenditures . . . . .	<u>(1,686,656)</u>	<u>(2,455,105)</u>	<u>(1,249,502)</u>	<u>1,205,603</u>

-- Continued

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Other financing sources (uses):</b>				
Refund of prior year's expenditures . . . . .	\$ 40,000	\$ 5,000	\$ 2,097	\$ (2,903)
Transfers in . . . . .	14,000	49,000	40,000	(9,000)
Transfers (out). . . . .	(25,000)	(25,000)	(25,000)	-
Advances in . . . . .	-	252,915	254,015	1,100
Advances (out). . . . .	-	-	(180,000)	(180,000)
Proceeds from sale of capital assets . . . . .	5,000	5,000	1,227	(3,773)
Total other financing sources (uses) . . . . .	<u>34,000</u>	<u>286,915</u>	<u>92,339</u>	<u>(194,576)</u>
Net change in fund balance . . . . .	(1,652,656)	(2,168,190)	(1,157,163)	1,011,027
<b>Fund balance at beginning of year . . . . .</b>	4,350,186	4,350,186	4,350,186	-
<b>Prior year encumbrances appropriated . . . . .</b>	393,517	393,517	393,517	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 3,091,047</u>	<u>\$ 2,575,513</u>	<u>\$ 3,586,540</u>	<u>\$ 1,011,027</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SPECIAL TRUST FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ 13,000	\$ 13,000	\$ 5,394	\$ (7,606)
Other local revenues . . . . .	1,050	1,450	1,132	(318)
Total revenues. . . . .	<u>14,050</u>	<u>14,450</u>	<u>6,526</u>	<u>(7,924)</u>
<b>Expenditures:</b>				
Current:				
Support services-business				
Supplies . . . . .	2,300	2,300	-	2,300
Other. . . . .	-	10,000	-	10,000
Total support services-business . . . . .	<u>2,300</u>	<u>12,300</u>	<u>-</u>	<u>12,300</u>
Extracurricular activities				
Supplies . . . . .	500	500	-	500
Capital outlay . . . . .	5,000	5,000	-	5,000
Other . . . . .	13,000	3,000	-	3,000
Total extracurricular activities. . . . .	<u>18,500</u>	<u>8,500</u>	<u>-</u>	<u>8,500</u>
Facilities acquisition and construction				
Capital outlay . . . . .	30,000	30,000	-	30,000
Total facilities acquisition and construction . . . . .	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total expenditures . . . . .	<u>50,800</u>	<u>50,800</u>	<u>-</u>	<u>50,800</u>
Excess of revenues over (under) expenditures . . . . .	<u>(36,750)</u>	<u>(36,350)</u>	<u>6,526</u>	<u>42,876</u>
<b>Other financing sources (uses):</b>				
Transfers (out). . . . .	(15,000)	(50,000)	(40,000)	10,000
Total other financing sources (uses) . . . . .	<u>(15,000)</u>	<u>(50,000)</u>	<u>(40,000)</u>	<u>10,000</u>
Net change in fund balance . . . . .	(51,750)	(86,350)	(33,474)	52,876
<b>Fund balance at beginning of year . . . . .</b>	439,651	439,651	439,651	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 387,901</u>	<u>\$ 353,301</u>	<u>\$ 406,177</u>	<u>\$ 52,876</u>



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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PUBLIC SCHOOL SUPPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Extracurricular . . . . .	\$ 97,187	\$ 69,419	\$ 49,107	\$ (20,312)
Other local revenues . . . . .	77,813	55,581	39,315	(16,266)
Total revenues . . . . .	<u>175,000</u>	<u>125,000</u>	<u>88,422</u>	<u>(36,578)</u>
<b>Expenditures:</b>				
Instruction-other				
Purchased services . . . . .	250	-	-	-
Supplies . . . . .	300	51	51	-
Other . . . . .	100	-	-	-
Total instruction-other . . . . .	<u>650</u>	<u>51</u>	<u>51</u>	<u>-</u>
Support services-pupil				
Other . . . . .	100	100	12	-
Total support services-pupil . . . . .	<u>100</u>	<u>100</u>	<u>12</u>	<u>-</u>
Extracurricular activities				
Purchased services . . . . .	195,058	114,808	45,227	69,581
Supplies . . . . .	35,045	37,185	18,512	18,673
Capital outlay . . . . .	34,308	60,297	43,014	17,283
Other . . . . .	21,500	25,436	15,672	9,764
Total extracurricular activities . . . . .	<u>285,911</u>	<u>237,726</u>	<u>122,425</u>	<u>115,301</u>
Total expenditures . . . . .	<u>286,661</u>	<u>237,877</u>	<u>122,488</u>	<u>115,389</u>
Net change in fund balance . . . . .	(111,661)	(112,877)	(34,066)	78,811
<b>Fund balance at beginning of year . . . . .</b>	123,794	123,794	123,794	-
<b>Prior year encumbrances appropriated . . . . .</b>	12,951	12,951	12,951	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 25,084</u>	<u>\$ 23,868</u>	<u>\$ 102,679</u>	<u>\$ 78,811</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
OTHER GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Other local revenues . . . . .	\$ 30,000	\$ 20,000	\$ 11,151	\$ (8,849)
Total revenues . . . . .	<u>30,000</u>	<u>20,000</u>	<u>11,151</u>	<u>(8,849)</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Purchased services . . . . .	-	400	400	-
Supplies . . . . .	71	5,195	4,084	1,111
Capital outlay . . . . .	-	5,742	5,741	1
Total instruction-regular . . . . .	<u>71</u>	<u>11,337</u>	<u>10,225</u>	<u>1,112</u>
Instruction-vocational				
Supplies . . . . .	-	25	-	25
Capital outlay . . . . .	-	734	-	734
Total instruction-vocational . . . . .	<u>-</u>	<u>759</u>	<u>-</u>	<u>759</u>
Total expenditures . . . . .	<u>71</u>	<u>12,096</u>	<u>10,225</u>	<u>1,871</u>
Excess of revenues over (under) expenditures . . . . .	<u>29,929</u>	<u>7,904</u>	<u>926</u>	<u>(6,978)</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's (receipts) . . . . .	-	(58)	(58)	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>(58)</u>	<u>(58)</u>	<u>-</u>
Net change in fund balance . . . . .	29,929	7,846	868	(6,978)
<b>Fund balance at beginning of year . . . . .</b>	931	931	931	-
<b>Prior year encumbrances appropriated . .</b>	71	71	71	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 30,931</u>	<u>\$ 8,848</u>	<u>\$ 1,870</u>	<u>\$ (6,978)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VENTURE CAPITAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 10,000	\$ -	\$ -	\$ -
Total revenues . . . . .	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures . . . . .	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance . . . . .	10,000	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 10,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DISTRICT MANAGED STUDENT ACTIVITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Extracurricular . . . . .	\$ 227,342	\$ 227,342	\$ 189,052	\$ (38,290)
Other local revenues . . . . .	47,658	47,658	39,631	(8,027)
Total revenues . . . . .	<u>275,000</u>	<u>275,000</u>	<u>228,683</u>	<u>(46,317)</u>
<b>Expenditures:</b>				
Extracurricular activities				
Purchased services . . . . .	142,453	111,902	104,158	7,744
Supplies . . . . .	67,818	75,562	68,462	7,100
Capital outlay . . . . .	28,420	33,723	32,468	1,255
Other . . . . .	38,599	58,622	52,815	5,807
Total extracurricular activities . . . . .	<u>277,290</u>	<u>279,809</u>	<u>257,903</u>	<u>21,906</u>
Total expenditures . . . . .	<u>277,290</u>	<u>279,809</u>	<u>257,903</u>	<u>21,906</u>
Excess of revenues over (under) expenditures . . . . .	<u>(2,290)</u>	<u>(4,809)</u>	<u>(29,220)</u>	<u>(24,411)</u>
<b>Other financing sources (uses):</b>				
Advances in . . . . .	-	-	37,000	37,000
Advances (out) . . . . .	-	-	(10,500)	(10,500)
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>26,500</u>	<u>26,500</u>
Net change in fund balance . . . . .	(2,290)	(4,809)	(2,720)	2,089
<b>Fund balance at beginning of year . . . . .</b>	46,475	46,475	46,475	-
<b>Prior year encumbrances appropriated . . . . .</b>	14,890	14,890	14,890	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 59,075</u>	<u>\$ 56,556</u>	<u>\$ 58,645</u>	<u>\$ 2,089</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AUXILLARY SERVICES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ 1,260	\$ 1,050	\$ 999	\$ (51)
Intergovernmental-state . . . . .	598,740	498,950	474,829	(24,121)
Total revenues . . . . .	<u>600,000</u>	<u>500,000</u>	<u>475,828</u>	<u>(24,172)</u>
<b>Expenditures:</b>				
Intergovernmental pass through				
Salaries and wages . . . . .	156,430	197,078	180,759	16,319
Fringe benefits . . . . .	47,080	62,758	52,717	10,041
Purchased services . . . . .	184,385	180,149	178,368	1,781
Supplies . . . . .	157,655	87,271	80,904	6,367
Capital outlay . . . . .	1,097	5,178	3,252	1,926
Total intergovernmental pass through . . . . .	<u>546,647</u>	<u>532,434</u>	<u>496,000</u>	<u>36,434</u>
Total expenditures . . . . .	<u>546,647</u>	<u>532,434</u>	<u>496,000</u>	<u>36,434</u>
Excess of revenues over (under) expenditures . . . . .	<u>53,353</u>	<u>(32,434)</u>	<u>(20,172)</u>	<u>12,262</u>
<b>Other financing sources (uses):</b>				
Refund of prior years (receipts) . . . . .	-	(5,679)	(5,679)	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>(5,679)</u>	<u>(5,679)</u>	<u>-</u>
Net change in fund balance . . . . .	53,353	(38,113)	(25,851)	12,262
<b>Fund balance at beginning of year . . . . .</b>	49,522	49,522	49,522	-
<b>Prior year encumbrances appropriated . . . . .</b>	35,851	35,851	35,851	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 138,726</u>	<u>\$ 47,260</u>	<u>\$ 59,522</u>	<u>\$ 12,262</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
POST SECONDARY VOCATIONAL EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 25,000	\$ 25,000	\$ 19,845	\$ (5,155)
Total revenues . . . . .	<u>25,000</u>	<u>25,000</u>	<u>19,845</u>	<u>(5,155)</u>
<b>Expenditures:</b>				
Current:				
Instruction-other				
Purchased services . . . . .	16,548	18,548	18,539	9
Supplies . . . . .	<u>4,136</u>	<u>1,462</u>	<u>1,234</u>	<u>228</u>
Total instruction-other . . . . .	<u>20,684</u>	<u>20,010</u>	<u>19,773</u>	<u>237</u>
Total expenditures . . . . .	<u>20,684</u>	<u>20,010</u>	<u>19,773</u>	<u>237</u>
Net change in fund balance . . . . .	4,316	4,990	72	(4,918)
<b>Fund balance at beginning of year . . . . .</b>	(2,520)	(2,520)	(2,520)	-
<b>Prior year encumbrances appropriated . . . . .</b>	2,684	2,684	2,684	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 4,480</u>	<u>\$ 5,154</u>	<u>\$ 236</u>	<u>\$ (4,918)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TEACHER DEVELOPMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 10,000	\$ 12,000	\$ 9,588	\$ (2,412)
Total revenues . . . . .	<u>10,000</u>	<u>12,000</u>	<u>9,588</u>	<u>(2,412)</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Supplies . . . . .	-	9,502	9,502	-
Total instruction-regular . . . . .	<u>-</u>	<u>9,502</u>	<u>9,502</u>	<u>-</u>
Total expenditures . . . . .	<u>-</u>	<u>9,502</u>	<u>9,502</u>	<u>-</u>
Net change in fund balance . . . . .	10,000	2,498	86	(2,412)
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 10,000</u>	<u>\$ 2,498</u>	<u>\$ 86</u>	<u>\$ (2,412)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MANAGEMENT INFORMATION SYSTEMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 20,000	\$ 20,000	\$ 15,949	\$ (4,051)
Total revenues . . . . .	<u>20,000</u>	<u>20,000</u>	<u>15,949</u>	<u>(4,051)</u>
<b>Expenditures:</b>				
Current:				
Support services-fiscal				
Salaries and wages . . . . .	-	3,000	-	3,000
Supplies . . . . .	1,406	1,792	1,792	-
Capital outlay . . . . .	27,114	44,351	44,351	-
Total support services-fiscal . . . . .	<u>28,520</u>	<u>49,143</u>	<u>46,143</u>	<u>3,000</u>
Total expenditures . . . . .	<u>28,520</u>	<u>49,143</u>	<u>46,143</u>	<u>3,000</u>
Net change in fund balance . . . . .	(8,520)	(29,143)	(30,194)	(1,051)
<b>Fund balance at beginning of year . . . . .</b>	37,860	37,860	37,860	-
<b>Prior year encumbrances appropriated . . . . .</b>	2,520	2,520	2,520	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 31,860</u>	<u>\$ 11,237</u>	<u>\$ 10,186</u>	<u>\$ (1,051)</u>



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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ENTRY YEAR PROGRAMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ -	\$ 4,400	\$ 4,400	\$ -
Total revenues . . . . .	<u>-</u>	<u>4,400</u>	<u>4,400</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .		4,400	4,400	-
Total instruction-regular . . . . .	<u>-</u>	<u>4,400</u>	<u>4,400</u>	<u>-</u>
Total expenditures . . . . .	<u>-</u>	<u>4,400</u>	<u>4,400</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DISADVANTAGED PUPIL IMPACT AID  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 1,324,856	\$ 1,324,856	\$ 1,324,856	\$ -
Total revenues . . . . .	<u>1,324,856</u>	<u>1,324,856</u>	<u>1,324,856</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .	1,151,982	1,348,671	1,130,743	217,928
Fringe benefits . . . . .	161,277	184,059	163,535	20,524
Supplies . . . . .	14,202	41,145	40,859	286
Total instruction-regular . . . . .	<u>1,327,461</u>	<u>1,573,875</u>	<u>1,335,137</u>	<u>238,738</u>
Total expenditures . . . . .	<u>1,327,461</u>	<u>1,573,875</u>	<u>1,335,137</u>	<u>238,738</u>
Net change in fund balance . . . . .	(2,605)	(249,019)	(10,281)	238,738
<b>Fund balance at beginning of year . . . . .</b>	256,414	256,414	256,414	-
<b>Prior year encumbrances appropriated . . . . .</b>	2,605	2,605	2,605	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 256,414</u>	<u>\$ 10,000</u>	<u>\$ 248,738</u>	<u>\$ 238,738</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DATA COMMUNICATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 50,000	\$ 50,000	\$ 36,000	\$ (14,000)
Total revenues . . . . .	<u>50,000</u>	<u>50,000</u>	<u>36,000</u>	<u>(14,000)</u>
<b>Expenditures:</b>				
Current:				
Support services-central				
Purchased services . . . . .	42,000	43,527	43,527	-
Total support services-central . . . . .	<u>42,000</u>	<u>43,527</u>	<u>43,527</u>	<u>-</u>
Total expenditures . . . . .	<u>42,000</u>	<u>43,527</u>	<u>43,527</u>	<u>-</u>
Net change in fund balance . . . . .	8,000	6,473	(7,527)	(14,000)
<b>Fund balance at beginning of year . . . . .</b>	7,527	7,527	7,527	-
<b>Prior year encumbrances appropriated . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 15,527</u>	<u>\$ 14,000</u>	<u>\$ -</u>	<u>\$ (14,000)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOOLNET PROFESSIONAL DEVELOPMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 10,000	\$ 10,000	\$ 4,140	\$ (5,860)
Total revenues . . . . .	<u>10,000</u>	<u>10,000</u>	<u>4,140</u>	<u>(5,860)</u>
<b>Expenditures:</b>				
Current:				
Support services-instructional staff				
Salaries and wages . . . . .	-	3,525	3,525	-
Fringe benefits . . . . .	-	615	493	122
Purchased services . . . . .	4,600	4,600	4,600	-
Total support services-instructional staff . . . . .	<u>4,600</u>	<u>8,740</u>	<u>8,618</u>	<u>122</u>
Total expenditures . . . . .	<u>4,600</u>	<u>8,740</u>	<u>8,618</u>	<u>122</u>
Net change in fund balance . . . . .	5,400	1,260	(4,478)	(5,738)
<b>Fund balance at beginning of year . . . . .</b>	4,600	4,600	4,600	-
<b>Prior year encumbrances appropriated . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 10,000</u>	<u>\$ 5,860</u>	<u>\$ 122</u>	<u>\$ (5,738)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
OHIO READS GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 75,000	\$ 30,000	\$ 21,500	\$ (8,500)
Total revenues . . . . .	<u>75,000</u>	<u>30,000</u>	<u>21,500</u>	<u>(8,500)</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Purchased services . . . . .	10,000	6,000	6,000	-
Supplies . . . . .	-	15,500	14,670	830
Total instruction-regular. . . . .	<u>10,000</u>	<u>21,500</u>	<u>20,670</u>	<u>830</u>
Total expenditures . . . . .	<u>10,000</u>	<u>21,500</u>	<u>20,670</u>	<u>830</u>
Excess of revenues over (under) expenditures . . . . .	<u>65,000</u>	<u>8,500</u>	<u>830</u>	<u>(7,670)</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's (receipts) . . . . .	-	(1,923)	(1,923)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,923)</u>	<u>(1,923)</u>	<u>-</u>
Net change in fund balance . . . . .	65,000	6,577	(1,093)	(7,670)
<b>Fund balance at beginning of year . . . . .</b>	1,923	1,923	1,923	-
<b>Prior year encumbrances appropriated . .</b>	-	-	-	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 66,923</u>	<u>\$ 8,500</u>	<u>\$ 830</u>	<u>\$ (7,670)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SUMMER INTERVENTION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 20,000	\$ 124,000	\$ 122,213	\$ (1,787)
Total revenues . . . . .	<u>20,000</u>	<u>124,000</u>	<u>122,213</u>	<u>(1,787)</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Supplies . . . . .	-	92,500	86,637	5,863
Total instruction-regular . . . . .	<u>-</u>	<u>92,500</u>	<u>86,637</u>	<u>5,863</u>
Support services-instructional staff				
Salaries and wages . . . . .	-	2,200	-	2,200
Fringe benefits . . . . .	-	400	-	400
Purchased services . . . . .	-	26,102	21,250	4,852
Supplies . . . . .	-	3,492	125	3,367
Total support services-instructional staff . . . . .	<u>-</u>	<u>32,194</u>	<u>21,375</u>	<u>10,819</u>
Total expenditures . . . . .	<u>-</u>	<u>124,694</u>	<u>108,012</u>	<u>16,682</u>
Excess of revenues over (under) expenditures . . . . .	<u>20,000</u>	<u>(694)</u>	<u>14,201</u>	<u>14,895</u>
<b>Other financing sources (uses):</b>				
Advances in . . . . .	-	26,000	26,000	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>26,000</u>	<u>26,000</u>	<u>-</u>
Net change in fund balance . . . . .	20,000	25,306	40,201	14,895
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 20,000</u>	<u>\$ 25,306</u>	<u>\$ 40,201</u>	<u>\$ 14,895</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VOCATIONAL EDUCATION ENHANCEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 25,000	\$ 25,000	\$ 19,280	\$ (5,720)
Total revenues . . . . .	<u>25,000</u>	<u>25,000</u>	<u>19,280</u>	<u>(5,720)</u>
<b>Expenditures:</b>				
Current:				
Instruction-vocational				
Salaries and wages . . . . .	11,900	2,000	2,000	-
Fringe benefits . . . . .	2,396	360	309	51
Purchased services . . . . .	-	2,259	2,018	241
Supplies . . . . .	-	4,685	4,487	198
Capital outlay . . . . .	-	9,133	9,125	8
Total expenditures . . . . .	<u>14,296</u>	<u>18,437</u>	<u>17,939</u>	<u>498</u>
Excess of revenues over (under) expenditures . . . . .	<u>10,704</u>	<u>6,563</u>	<u>1,341</u>	<u>(5,222)</u>
<b>Other financing sources (uses):</b>				
Advances in . . . . .	-	-	200	200
Advances (out) . . . . .	-	-	(1,500)	(1,500)
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>(1,300)</u>	<u>(1,300)</u>
Net change in fund balance . . . . .	10,704	6,563	41	(6,522)
<b>Fund balance at beginning of year . . . . .</b>	11	11	11	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 10,715</u>	<u>\$ 6,574</u>	<u>\$ 52</u>	<u>\$ (6,522)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ALTERNATIVE EDUCATION GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 90,000	\$ 75,000	\$ 59,095	\$ (15,905)
Total revenues . . . . .	<u>90,000</u>	<u>75,000</u>	<u>59,095</u>	<u>(15,905)</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .	43,250	53,468	44,884	8,584
Fringe benefits . . . . .	9,909	20,728	16,121	4,607
Total instruction-regular . . . . .	<u>53,159</u>	<u>74,196</u>	<u>61,005</u>	<u>13,191</u>
Support services-instructional staff				
Salaries and wages . . . . .	14,750	1,858	1,857	1
Fringe benefits . . . . .	4,161	223	223	-
Total support services-instructional staff . . . . .	<u>18,911</u>	<u>2,081</u>	<u>2,080</u>	<u>1</u>
Total expenditures . . . . .	<u>72,070</u>	<u>76,277</u>	<u>63,085</u>	<u>13,192</u>
Excess of revenues over (under) expenditures . . . . .	<u>17,930</u>	<u>(1,277)</u>	<u>(3,990)</u>	<u>(2,713)</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's (receipts) . . . . .	-	(1,061)	(1,061)	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>(1,061)</u>	<u>(1,061)</u>	<u>-</u>
Net change in fund balance . . . . .	17,930	(2,338)	(5,051)	(2,713)
<b>Fund balance at beginning of year . . . . .</b>	<b>7,057</b>	<b>7,057</b>	<b>7,057</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ 24,987</u></u>	<u><u>\$ 4,719</u></u>	<u><u>\$ 2,006</u></u>	<u><u>\$ (2,713)</u></u>



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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ABLE/JOBS GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 50,000	\$ 10,000	\$ 3,710	\$ (6,290)
Total revenues . . . . .	<u>50,000</u>	<u>10,000</u>	<u>3,710</u>	<u>(6,290)</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .	10,500	7,526	-	7,526
Fringe benefits . . . . .	1,000	-	-	-
Purchased services . . . . .	250	26,689	818	25,871
Supplies . . . . .	250	15,739	113	15,626
Capital outlay . . . . .	-	7,281	1,910	5,371
Other . . . . .	-	5,500	2,026	3,474
Total instruction-regular . . . . .	<u>12,000</u>	<u>62,735</u>	<u>4,867</u>	<u>57,868</u>
Support services-central				
Purchased services . . . . .	3,614	3,710	3,710	-
Total support services-central . . . . .	<u>3,614</u>	<u>3,710</u>	<u>3,710</u>	<u>-</u>
Total expenditures . . . . .	<u>15,614</u>	<u>66,445</u>	<u>8,577</u>	<u>57,868</u>
Excess of revenues over (under) expenditures . . . . .	<u>34,386</u>	<u>(56,445)</u>	<u>(4,867)</u>	<u>51,578</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's (receipts) . . . . .	-	(2,250)	(2,250)	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>(2,250)</u>	<u>(2,250)</u>	<u>-</u>
Net change in fund balance . . . . .	34,386	(58,695)	(7,117)	51,578
<b>Fund balance at beginning of year . . . . .</b>	64,985	64,985	64,985	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 99,371</u>	<u>\$ 6,290</u>	<u>\$ 57,868</u>	<u>\$ 51,578</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ADULT BASIC EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 52,055	\$ 74,364	\$ 54,208	\$ (20,156)
Intergovernmental-federal . . . . .	121,840	174,057	126,880	(47,177)
Total revenues . . . . .	<u>173,895</u>	<u>248,421</u>	<u>181,088</u>	<u>(67,333)</u>
<b>Expenditures:</b>				
Current:				
Instruction-other				
Salaries and wages . . . . .	91,508	112,969	102,391	10,578
Fringe benefits . . . . .	25,092	29,883	25,013	4,870
Supplies . . . . .	26,715	21,070	21,070	-
Capital outlay . . . . .	9,773	7,773	7,773	-
Total instruction-other . . . . .	<u>153,088</u>	<u>171,695</u>	<u>156,247</u>	<u>15,448</u>
Support services-instructional staff				
Salaries and wages . . . . .	18,201	19,598	8,947	10,651
Fringe benefits . . . . .	2,916	3,141	1,403	1,738
Purchased services . . . . .	3,387	3,475	3,265	210
Dues and fees . . . . .	1,482	1,585	1,585	-
Total support services-instructional staff . . . . .	<u>25,986</u>	<u>27,799</u>	<u>15,200</u>	<u>12,599</u>
Support services-administration				
Salaries and wages . . . . .	2,000	2,000	2,000	-
Fringe benefits . . . . .	298	298	298	-
Total support services-administration . . . . .	<u>2,298</u>	<u>2,298</u>	<u>2,298</u>	<u>-</u>
Total expenditures . . . . .	<u>181,372</u>	<u>201,792</u>	<u>173,745</u>	<u>28,047</u>
Excess of revenues over (under) expenditures . . . . .	<u>(7,477)</u>	<u>46,629</u>	<u>7,343</u>	<u>(39,286)</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	1,105	1,579	1,151	(428)
Transfers (out) . . . . .	-	(1,151)	(1,151)	-
Refund of prior year's (receipts) . . . . .	-	(2,152)	(2,152)	-
Total other financing sources (uses) . . . . .	<u>1,105</u>	<u>(1,724)</u>	<u>(2,152)</u>	<u>(428)</u>
Net change in fund balance . . . . .	(6,372)	44,905	5,191	(39,714)
<b>Fund balance at beginning of year . . . . .</b>	(19,183)	(19,183)	(19,183)	-
<b>Prior year encumbrances appropriated . . . . .</b>	30,359	30,359	30,359	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 4,804</u>	<u>\$ 56,081</u>	<u>\$ 16,367</u>	<u>\$ (39,714)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE VI - B  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 600,000	\$ 775,000	\$ 717,052	\$ (57,948)
Total revenues . . . . .	<u>600,000</u>	<u>775,000</u>	<u>717,052</u>	<u>(57,948)</u>
<b>Expenditures:</b>				
Current:				
Instruction-special				
Salaries and wages . . . . .	105,304	143,446	143,446	-
Fringe benefits . . . . .	25,585	44,511	44,511	-
Purchased services . . . . .	2,775	734	734	-
Supplies . . . . .	8,661	8,061	8,061	-
Capital outlay . . . . .	78,187	102,928	102,928	-
Total instruction-special . . . . .	<u>220,512</u>	<u>299,680</u>	<u>299,680</u>	<u>-</u>
Support services-pupil				
Salaries and wages . . . . .	6,400	35,471	35,471	-
Fringe benefits . . . . .	3,320	11,645	11,645	-
Purchased services . . . . .	101,734	49,301	49,301	-
Supplies . . . . .	11,870	12,604	12,604	-
Capital outlay . . . . .	8,540	3,670	3,670	-
Total support services-pupil . . . . .	<u>131,864</u>	<u>112,691</u>	<u>112,691</u>	<u>-</u>
Support services-instructional staff				
Salaries and wages . . . . .	72,337	61,980	61,980	-
Fringe benefits . . . . .	48,906	49,969	49,969	-
Purchased services . . . . .	100	23	23	-
Total support services-instructional staff . . . . .	<u>121,343</u>	<u>111,972</u>	<u>111,972</u>	<u>-</u>
Support services-administration				
Salaries and wages . . . . .	63,229	93,341	93,341	-
Fringe benefits . . . . .	20,061	38,425	38,425	-
Purchased services . . . . .	700	25	25	-
Supplies . . . . .	750	684	684	-
Capital outlay . . . . .	1,772	1,543	1,543	-
Total support services-administration . . . . .	<u>86,512</u>	<u>134,018</u>	<u>134,018</u>	<u>-</u>
Operation of non-instructional services				
Salaries and wages . . . . .	51,844	57,403	57,403	-
Fringe benefits . . . . .	18,353	19,917	19,917	-
Purchased services . . . . .	200	20	20	-
Supplies . . . . .	250	209	209	-
Capital outlay . . . . .	200	1,195	1,195	-
Total operation of non-instructional services . . . . .	<u>70,847</u>	<u>78,744</u>	<u>78,744</u>	<u>-</u>
Total expenditures . . . . .	<u>631,078</u>	<u>737,105</u>	<u>737,105</u>	<u>-</u>
Excess of revenues over (under) expenditures . . . . .	<u>(31,078)</u>	<u>37,895</u>	<u>(20,053)</u>	<u>(57,948)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE VI - B (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Other financing sources (uses):</b>				
Advances in . . . . .	\$ -	\$ -	\$ 12,400	\$ 12,400
Total other financing sources (uses) . . . . .	<u>-</u>	<u>-</u>	<u>12,400</u>	<u>12,400</u>
Net change in fund balance . . . . .	(31,078)	37,895	(7,653)	(45,548)
<b>Fund balance at beginning of year . . . . .</b>	(36,707)	(36,707)	(36,707)	-
<b>Prior year encumbrances appropriated . . . . .</b>	86,692	86,692	86,692	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 18,907</u>	<u>\$ 87,880</u>	<u>\$ 42,332</u>	<u>\$ (45,548)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VOCATIONAL EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 400,000	\$ 500,000	\$ 341,963	\$ (158,037)
Total revenues . . . . .	<u>400,000</u>	<u>500,000</u>	<u>341,963</u>	<u>(158,037)</u>
<b>Expenditures:</b>				
Current:				
Instruction-vocational				
Salaries and wages . . . . .	8,500	37,209	33,593	3,616
Fringe benefits . . . . .	1,525	10,667	9,138	1,529
Purchased services . . . . .	3,000	3,497	3,497	-
Supplies . . . . .	1,000	4,653	4,240	413
Capital outlay . . . . .	-	50,637	47,539	3,098
Dues and fees . . . . .	-	1,000	1,000	-
Total instruction-vocational . . . . .	<u>14,025</u>	<u>107,663</u>	<u>99,007</u>	<u>8,656</u>
Support services-pupil				
Salaries and wages . . . . .	49,000	-	-	-
Fringe benefits . . . . .	2,520	-	-	-
Purchased services . . . . .	8,000	-	-	-
Supplies . . . . .	1,562	595	595	-
Capital outlay . . . . .	33,324	614	614	-
Total support services-pupil . . . . .	<u>94,406</u>	<u>1,209</u>	<u>1,209</u>	<u>-</u>
Support services-instructional staff				
Salaries and wages . . . . .	18,000	59,030	57,982	1,048
Fringe benefits . . . . .	9,531	20,322	18,097	2,225
Purchased services . . . . .	3,500	18,424	18,418	6
Supplies . . . . .	3,200	1,000	1,000	-
Total support services-instructional staff . . . . .	<u>34,231</u>	<u>98,776</u>	<u>95,497</u>	<u>3,279</u>
Support services-administration				
Salaries and wages . . . . .	-	1,491	1,491	-
Fringe benefits . . . . .	-	243	243	-
Purchased services . . . . .	9,531	-	-	-
Total support services-administration . . . . .	<u>9,531</u>	<u>1,734</u>	<u>1,734</u>	<u>-</u>
Support services-central				
Salaries and wages . . . . .	24,000	1,445	1,445	-
Fringe benefits . . . . .	4,320	223	223	-
Purchased services . . . . .	500	-	-	-
Supplies . . . . .	1,500	-	-	-
Total support services-central . . . . .	<u>30,320</u>	<u>1,668</u>	<u>1,668</u>	<u>-</u>
Total expenditures . . . . .	<u>182,513</u>	<u>211,050</u>	<u>199,115</u>	<u>11,935</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VOCATIONAL EDUCATION (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Excess of revenues over (under) expenditures . . . . .	\$ 217,487	\$ 288,950	\$ 142,848	\$ (146,102)
<b>Other financing sources (uses):</b>				
Advances in . . . . .	-	-	1,000	1,000
Advances (out) . . . . .	(35,920)	-	(138,400)	(138,400)
Total other financing sources (uses) . . . . .	(35,920)	-	(137,400)	(137,400)
Net change in fund balance . . . . .	181,567	288,950	5,448	(283,502)
<b>Fund balance at beginning of year . . . . .</b>	(1,076)	(1,076)	(1,076)	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,200	1,200	1,200	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 181,691</u>	<u>\$ 289,074</u>	<u>\$ 5,572</u>	<u>\$ (283,502)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BASIC EDUCATIONAL OPPORUNITY GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 75,000	\$ 50,000	\$ 37,897	\$ (12,103)
Total revenues . . . . .	<u>75,000</u>	<u>50,000</u>	<u>37,897</u>	<u>(12,103)</u>
<b>Expenditures:</b>				
Current:				
Operation of non-instructional services				
Purchased services . . . . .	52,450	37,897	37,897	-
Total operation of non-instructional services . . . . .	<u>52,450</u>	<u>37,897</u>	<u>37,897</u>	<u>-</u>
Total expenditures . . . . .	<u>52,450</u>	<u>37,897</u>	<u>37,897</u>	<u>-</u>
Net change in fund balance . . . . .	22,550	12,103	-	(12,103)
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . .</b>	-	-	-	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 22,550</u>	<u>\$ 12,103</u>	<u>\$ -</u>	<u>\$ (12,103)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE I  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 1,600,000	\$ 1,500,000	\$ 1,346,475	\$ (153,525)
Total revenues . . . . .	<u>1,600,000</u>	<u>1,500,000</u>	<u>1,346,475</u>	<u>(153,525)</u>
<b>Expenditures:</b>				
Current:				
Instruction-special				
Salaries and wages . . . . .	712,305	723,018	714,864	8,154
Fringe benefits . . . . .	213,824	241,202	238,392	2,810
Purchased services . . . . .	1,250	1,250	1,250	-
Supplies . . . . .	105,475	116,017	102,906	13,111
Capital outlay . . . . .	25,146	30,206	29,318	888
Total instruction-special . . . . .	<u>1,058,000</u>	<u>1,111,693</u>	<u>1,086,730</u>	<u>24,963</u>
Support services-instructional staff				
Salaries and wages . . . . .	74,037	111,763	85,808	25,955
Fringe benefits . . . . .	14,263	35,670	29,581	6,089
Purchased services . . . . .	59,024	84,702	38,491	46,211
Supplies . . . . .	400	500	216	284
Capital outlay . . . . .	830	820	820	-
Total support services-instructional staff . . . . .	<u>148,554</u>	<u>233,455</u>	<u>154,916</u>	<u>78,539</u>
Support services-administration				
Salaries and wages . . . . .	24,200	-	-	-
Fringe benefits . . . . .	3,738	-	-	-
Total support services-administration . . . . .	<u>27,938</u>	<u>-</u>	<u>-</u>	<u>-</u>
Support services-pupil transportation				
Salaries and wages . . . . .	26,000	-	-	-
Fringe benefits . . . . .	4,000	-	-	-
Total support services-pupil transportation . . . . .	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operation of non-instructional services				
Salaries and wages . . . . .	37,400	44,517	20,896	23,621
Fringe benefits . . . . .	11,425	12,911	9,746	3,165
Purchased services . . . . .	400	2,817	-	2,817
Supplies . . . . .	400	1,784	630	1,154
Total operation of non-instructional services . . . . .	<u>49,625</u>	<u>62,029</u>	<u>31,272</u>	<u>30,757</u>
Total expenditures . . . . .	<u>1,314,117</u>	<u>1,407,177</u>	<u>1,272,918</u>	<u>134,259</u>
Excess of revenues over (under) expenditures . . . . .	<u>285,883</u>	<u>92,823</u>	<u>73,557</u>	<u>(19,266)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE I (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Other financing sources (uses):</b>				
Refund of prior year's (receipts) . . . . .	\$ -	\$ (2,397)	\$ (2,397)	\$ -
Total other financing sources (uses) . . . . .	<u>-</u>	<u>(2,397)</u>	<u>(2,397)</u>	<u>-</u>
Net change in fund balance . . . . .	285,883	90,426	71,160	(19,266)
<b>Fund balance at beginning of year . . . . .</b>	(2,187)	(2,187)	(2,187)	-
<b>Prior year encumbrances appropriated . .</b>	45,801	45,801	45,801	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 329,497</u>	<u>\$ 134,040</u>	<u>\$ 114,774</u>	<u>\$ (19,266)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE V  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 50,000	\$ 50,000	\$ 30,245	\$ (19,755)
Total revenues . . . . .	<u>50,000</u>	<u>50,000</u>	<u>30,245</u>	<u>(19,755)</u>
<b>Expenditures:</b>				
Current:				
Instruction-special				
Supplies . . . . .	27,481	25,940	25,926	14
Total instruction-special . . . . .	<u>27,481</u>	<u>25,940</u>	<u>25,926</u>	<u>14</u>
Operation of non-instructional services				
Purchased services . . . . .	3,509	4,745	4,745	-
Capital outlay . . . . .	2,564	805	805	-
Total operation of non-instructional services . . . . .	<u>6,073</u>	<u>5,550</u>	<u>5,550</u>	<u>-</u>
Total expenditures . . . . .	<u>33,554</u>	<u>31,490</u>	<u>31,476</u>	<u>14</u>
Excess of revenues over (under) expenditures . . . . .	<u>16,446</u>	<u>18,510</u>	<u>(1,231)</u>	<u>(19,741)</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's (receipts) . . . . .	-	(17)	(17)	-
Total other financing sources (uses) . . . . .	<u>-</u>	<u>(17)</u>	<u>(17)</u>	<u>-</u>
Net change in fund balance . . . . .	16,446	18,493	(1,248)	(19,741)
<b>Fund balance at beginning of year . . . . .</b>	9	9	9	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,252	1,252	1,252	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 17,707</u>	<u>\$ 19,754</u>	<u>\$ 13</u>	<u>\$ (19,741)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DRUG-FREE SCHOOL GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 47,292	\$ 47,292	\$ 34,662	\$ (12,630)
Total revenues . . . . .	<u>47,292</u>	<u>47,292</u>	<u>34,662</u>	<u>(12,630)</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .	3,775	3,060	3,060	-
Fringe benefits . . . . .	1,200	428	428	-
Purchased services . . . . .	31,849	10,679	10,679	-
Supplies . . . . .	20,267	22,294	22,294	-
Capital outlay . . . . .	5,850	12,161	12,161	-
Total instruction-regular . . . . .	<u>62,941</u>	<u>48,622</u>	<u>48,622</u>	<u>-</u>
Total expenditures . . . . .	<u>62,941</u>	<u>48,622</u>	<u>48,622</u>	<u>-</u>
Excess of revenues over (under) expenditures . . . . .	<u>(15,649)</u>	<u>(1,330)</u>	<u>(13,960)</u>	<u>(12,630)</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	12,708	12,708	9,314	(3,394)
Transfers (out) . . . . .	-	(9,314)	(9,314)	-
Total other financing sources (uses) . . . . .	<u>12,708</u>	<u>3,394</u>	<u>-</u>	<u>(3,394)</u>
Net change in fund balance . . . . .	(2,941)	2,064	(13,960)	(16,024)
<b>Fund balance at beginning of year . . . . .</b>	(1,997)	(1,997)	(1,997)	-
<b>Prior year encumbrances appropriated . . . . .</b>	19,841	19,841	19,841	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 14,903</u>	<u>\$ 19,908</u>	<u>\$ 3,884</u>	<u>\$ (16,024)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EHA PRESCHOOL GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 75,000	\$ 50,000	\$ 33,969	\$ (16,031)
Total revenues . . . . .	<u>75,000</u>	<u>50,000</u>	<u>33,969</u>	<u>(16,031)</u>
<b>Expenditures:</b>				
Current:				
Instruction-special				
Purchased services . . . . .	1,800	2,150	461	1,689
Supplies . . . . .	1,098	1,076	1,071	5
Capital outlay . . . . .	800	300	170	130
Total instruction-special . . . . .	<u>3,698</u>	<u>3,526</u>	<u>1,702</u>	<u>1,824</u>
Support services-pupil				
Supplies . . . . .	545	349	74	275
Total support services-pupil . . . . .	<u>545</u>	<u>349</u>	<u>74</u>	<u>275</u>
Support services-instructional staff				
Salaries and wages . . . . .	18,949	22,278	18,708	3,570
Fringe benefits . . . . .	11,828	15,064	9,594	5,470
Purchased services . . . . .	75	100	-	100
Total support services-instructional staff . . . . .	<u>30,852</u>	<u>37,442</u>	<u>28,302</u>	<u>9,140</u>
Support services-administration				
Salaries and wages . . . . .	5,608	4,500	4,500	-
Fringe benefits . . . . .	824	670	637	33
Supplies . . . . .	100	25	-	25
Total support services-administration . . . . .	<u>6,532</u>	<u>5,195</u>	<u>5,137</u>	<u>58</u>
Total expenditures . . . . .	<u>41,627</u>	<u>46,512</u>	<u>35,215</u>	<u>11,297</u>
Net change in fund balance . . . . .	33,373	3,488	(1,246)	(4,734)
<b>Fund balance at beginning of year . . . . .</b>	4,984	4,984	4,984	-
<b>Prior year encumbrances appropriated . . . . .</b>	145	145	145	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 38,502</u>	<u>\$ 8,617</u>	<u>\$ 3,883</u>	<u>\$ (4,734)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GOALS 2000  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 30,000	\$ -	\$ -	\$ -
Total revenues . . . . .	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .	4,000	-	-	-
Fringe benefits . . . . .	1,000	-	-	-
Purchased services . . . . .	15,000	-	-	-
Supplies . . . . .	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total instruction-regular . . . . .	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures . . . . .	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
IMPROVING TEACHER QUALITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 50,000	\$ 350,000	\$ 328,617	\$ (21,383)
Total revenues . . . . .	<u>50,000</u>	<u>350,000</u>	<u>328,617</u>	<u>(21,383)</u>
<b>Expenditures:</b>				
Current:				
Instruction-special				
Salaries and wages . . . . .	-	198,508	198,508	-
Fringe benefits . . . . .	27,871	76,071	76,071	-
Total instruction-special . . . . .	<u>27,871</u>	<u>274,579</u>	<u>274,579</u>	<u>-</u>
Support services-instructional staff				
Salaries and wages . . . . .	10,000	7,425	7,425	-
Fringe benefits . . . . .	4,200	1,113	1,113	-
Purchased services . . . . .	5,075	28,757	28,757	-
Total support services-instructional staff . . . . .	<u>19,275</u>	<u>37,295</u>	<u>37,295</u>	<u>-</u>
Total expenditures . . . . .	<u>47,146</u>	<u>311,874</u>	<u>311,874</u>	<u>-</u>
Net change in fund balance . . . . .	2,854	38,126	16,743	(21,383)
<b>Fund balance at beginning of year . . . . .</b>	2,720	2,720	2,720	-
<b>Prior year encumbrances appropriated . . . . .</b>	75	75	75	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 5,649</u>	<u>\$ 40,921</u>	<u>\$ 19,538</u>	<u>\$ (21,383)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
YOUTH INVOLVEMENT GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-federal . . . . .	\$ 127,206	\$ 63,603	\$ 38,762	\$ (24,841)
Total revenues . . . . .	<u>127,206</u>	<u>63,603</u>	<u>38,762</u>	<u>(24,841)</u>
<b>Expenditures:</b>				
Current:				
Instruction - regular				
Purchased services . . . . .	-	350	-	350
Supplies . . . . .	-	50	-	50
Capital outlay . . . . .	-	1,850	992	858
Total instruction-regular . . . . .	<u>-</u>	<u>2,250</u>	<u>992</u>	<u>1,258</u>
Instruction-special				
Capital outlay . . . . .	22,554	8,152	8,152	-
Total instruction-special . . . . .	<u>22,554</u>	<u>8,152</u>	<u>8,152</u>	<u>-</u>
Instruction-other				
Purchased services . . . . .	9,500	-	-	-
Supplies . . . . .	705	5	5	-
Total instruction-other . . . . .	<u>10,205</u>	<u>5</u>	<u>5</u>	<u>-</u>
Support services-pupil				
Purchased services . . . . .	2,022	508	508	-
Supplies . . . . .	150	-	-	-
Total support services-pupil . . . . .	<u>2,172</u>	<u>508</u>	<u>508</u>	<u>-</u>
Support services-instructional staff				
Salaries and wages . . . . .	22,500	28,212	27,112	1,100
Fringe benefits . . . . .	5,826	4,229	4,229	-
Purchased services . . . . .	6,402	16,045	5,724	10,321
Total support services-instructional staff . . . . .	<u>34,728</u>	<u>48,486</u>	<u>37,065</u>	<u>11,421</u>
Support services-pupil transportation				
Purchased services . . . . .	918	243	243	-
Total support services-pupil transportation . . . . .	<u>918</u>	<u>243</u>	<u>243</u>	<u>-</u>
Operation of non-instructional services				
Supplies . . . . .	150	-	-	-
Total operation of non-instructional services . . . . .	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures . . . . .	<u>70,727</u>	<u>59,644</u>	<u>46,965</u>	<u>12,679</u>
Excess of revenues over (under) expenditures . . . . .	<u>56,479</u>	<u>3,959</u>	<u>(8,203)</u>	<u>(12,162)</u>

-- Continued

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
YOUTH INVOLVEMENT GRANT (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	\$ 22,794	\$ 11,397	\$ 6,946	\$ (4,451)
Transfers (out) . . . . .	-	-	(6,946)	(6,946)
Refund of prior year's (receipts) . . . . .	-	(265)	(265)	-
Total other financing sources (uses) . . . . .	<u>22,794</u>	<u>11,132</u>	<u>(265)</u>	<u>(11,397)</u>
Net change in fund balance . . . . .	79,273	15,091	(8,468)	(23,559)
<b>Fund balance at beginning of year . . . . .</b>	6,948	6,948	6,948	-
<b>Prior year encumbrances appropriated . . . . .</b>	9,170	9,170	9,170	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 95,391</u>	<u>\$ 31,209</u>	<u>\$ 7,650</u>	<u>\$ (23,559)</u>



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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 222,388	\$ 267,755	\$ 267,105	\$ (650)
Other revenue . . . . .	54	65	65	-
Intergovernmental-state . . . . .	27,558	33,180	33,100	(80)
Total revenues . . . . .	<u>250,000</u>	<u>301,000</u>	<u>300,270</u>	<u>(730)</u>
<b>Expenditures:</b>				
Current:				
Support services-fiscal				
Other . . . . .	5,500	5,625	5,061	564
Total support services-fiscal . . . . .	<u>5,500</u>	<u>5,625</u>	<u>5,061</u>	<u>564</u>
Debt service:				
Principal retirement . . . . .	266,468	266,468	266,468	-
Interest and fiscal charges . . . . .	36,379	56,079	56,070	9
Total debt service . . . . .	<u>302,847</u>	<u>322,547</u>	<u>322,538</u>	<u>9</u>
Total expenditures . . . . .	<u>308,347</u>	<u>328,172</u>	<u>327,599</u>	<u>573</u>
Net change in fund balance . . . . .	(58,347)	(27,172)	(27,329)	(157)
<b>Fund balance at beginning of year . . . . .</b>	135,109	135,109	135,109	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 76,762</u>	<u>\$ 107,937</u>	<u>\$ 107,780</u>	<u>\$ (157)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PERMANENT IMPROVEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 586,019	\$ 581,678	\$ 569,506	\$ (12,172)
Other revenue . . . . .	11,319	11,235	11,000	(235)
Intergovernmental-intermediate	161	160	157	(3)
Intergovernmental-state . . . . .	77,501	76,927	75,317	(1,610)
Total revenues . . . . .	<u>675,000</u>	<u>670,000</u>	<u>655,980</u>	<u>(14,020)</u>
<b>Expenditures:</b>				
Current:				
Support services-fiscal				
Other . . . . .	12,000	12,225	10,788	1,437
Total support services-fiscal . . . . .	<u>12,000</u>	<u>12,225</u>	<u>10,788</u>	<u>1,437</u>
Facilities acquisition and construction				
Purchased services . . . . .	1,908,196	1,948,195	1,946,363	1,832
Supplies . . . . .	100,000	25,000	8,173	16,827
Capital outlay . . . . .	412,171	112,171	56,915	55,256
Total facilities acquisition and construction. . . . .	<u>2,420,367</u>	<u>2,085,366</u>	<u>2,011,451</u>	<u>73,915</u>
Total expenditures . . . . .	<u>2,432,367</u>	<u>2,097,591</u>	<u>2,022,239</u>	<u>75,352</u>
Net change in fund balance . . . . .	(1,757,367)	(1,427,591)	(1,366,259)	61,332
<b>Fund balance at beginning of year . . . . .</b>	1,438,946	1,438,946	1,438,946	-
<b>Prior year encumbrances appropriated . . . . .</b>	420,367	420,367	420,367	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 101,946</u>	<u>\$ 431,722</u>	<u>\$ 493,054</u>	<u>\$ 61,332</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
REPLACEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOOLNET  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental-state . . . . .	\$ 50,000	\$ 100,000	\$ 88,275	\$ (11,725)
Total revenues . . . . .	<u>50,000</u>	<u>100,000</u>	<u>88,275</u>	<u>(11,725)</u>
<b>Expenditures:</b>				
Current:				
Support services-instructional staff				
Salaries and wages . . . . .	16,500	-	-	-
Fringe benefits . . . . .	3,155	-	-	-
Capital outlay . . . . .	<u>20,000</u>	<u>88,275</u>	<u>88,275</u>	<u>-</u>
Total support services-instructional staff . . . . .	<u>39,655</u>	<u>88,275</u>	<u>88,275</u>	<u>-</u>
Total expenditures . . . . .	<u>39,655</u>	<u>88,275</u>	<u>88,275</u>	<u>-</u>
Net change in fund balance . . . . .	10,345	11,725	-	(11,725)
Fund balance at beginning of year . . . . .	-	-	-	-
Prior year encumbrances appropriated . .	-	-	-	-
Fund balance at end of year . . . . .	<u>\$ 10,345</u>	<u>\$ 11,725</u>	<u>\$ -</u>	<u>\$ (11,725)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PERMANENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ 4,500	\$ 4,500	\$ 1,900	\$ (2,600)
Other local revenues . . . . .	10,000	10,000	6,885	(3,115)
Total revenues . . . . .	<u>14,500</u>	<u>14,500</u>	<u>8,785</u>	<u>(5,715)</u>
<b>Expenditures:</b>				
Current:				
Support services-business				
Other . . . . .	9,000	9,000	-	9,000
Total support services-business . . . . .	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Total expenditures . . . . .	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Net change in fund balance . . . . .	5,500	5,500	8,785	3,285
<b>Fund balance at beginning of year . . . . .</b>	89,993	89,993	89,993	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 95,493</u>	<u>\$ 95,493</u>	<u>\$ 98,778</u>	<u>\$ 3,285</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOOD SERVICE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
Sales/charges for services . . . . .	\$ 1,031,688	\$ 742,815	\$ 679,558	\$ (63,257)
Other operating revenues . . . . .	34,760	25,027	22,896	(2,131)
Total operating revenues . . . . .	<u>1,066,448</u>	<u>767,842</u>	<u>702,454</u>	<u>(65,388)</u>
<b>Operating expenses:</b>				
Salaries and wages . . . . .	682,000	680,025	646,575	33,450
Fringe benefits . . . . .	352,725	325,275	319,819	5,456
Purchased services . . . . .	8,000	10,500	8,793	1,707
Materials and supplies . . . . .	845,000	795,000	787,624	7,376
Capital outlay . . . . .	-	500	405	95
Total operating expenses . . . . .	<u>1,887,725</u>	<u>1,811,300</u>	<u>1,763,216</u>	<u>48,084</u>
Operating loss . . . . .	<u>(821,277)</u>	<u>(1,043,458)</u>	<u>(1,060,762)</u>	<u>(17,304)</u>
<b>Nonoperating revenues:</b>				
Interest revenue . . . . .	2,380	1,714	1,568	(146)
Operating grants . . . . .	1,431,172	1,030,444	942,697	(87,747)
Total nonoperating revenues . . . . .	<u>1,433,552</u>	<u>1,032,158</u>	<u>944,265</u>	<u>(87,893)</u>
Net income (loss) before advances . . . . .	<u>612,275</u>	<u>(11,300)</u>	<u>(116,497)</u>	<u>(105,197)</u>
<b>Advances:</b>				
Advances in . . . . .	-	-	49,000	49,000
Total advances . . . . .	<u>-</u>	<u>-</u>	<u>49,000</u>	<u>49,000</u>
Net change in fund balance . . . . .	612,275	(11,300)	(67,497)	(56,197)
<b>Fund balance at beginning of year . . . . .</b>	72,865	72,865	72,865	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 685,140</u>	<u>\$ 61,565</u>	<u>\$ 5,368</u>	<u>\$ (56,197)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ADULT EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>Final Budget (Negative)</u>
<b>Operating revenues:</b>				
Tuition and fees . . . . .	\$ 385,782	\$ 385,782	\$ 280,558	\$ (105,224)
Other operating revenues . . . . .	449,312	449,312	326,764	(122,548)
Total operating revenues . . . . .	<u>835,094</u>	<u>835,094</u>	<u>607,322</u>	<u>(227,772)</u>
<b>Operating expenses:</b>				
Salaries and wages . . . . .	545,432	624,875	591,376	33,499
Fringe benefits . . . . .	167,314	179,018	147,782	31,236
Purchased services . . . . .	124,660	126,642	103,922	22,720
Materials and supplies . . . . .	68,621	79,221	51,864	27,357
Capital outlay . . . . .	39,284	41,887	32,993	8,894
Total operating expenses . . . . .	<u>945,311</u>	<u>1,051,643</u>	<u>927,937</u>	<u>123,706</u>
Operating loss . . . . .	<u>(110,217)</u>	<u>(216,549)</u>	<u>(320,615)</u>	<u>(104,066)</u>
<b>Nonoperating revenues:</b>				
Operating grants . . . . .	364,906	364,906	265,377	(99,529)
Total nonoperating revenues . . . . .	<u>364,906</u>	<u>364,906</u>	<u>265,377</u>	<u>(99,529)</u>
Net income (loss) before advances . . . . .	<u>254,689</u>	<u>148,357</u>	<u>(55,238)</u>	<u>(203,595)</u>
<b>Advances/transfers:</b>				
Transfers in . . . . .	-	-	215,087	215,087
Transfers (out) . . . . .	(25,000)	(191,000)	(190,087)	913
Advances in . . . . .	-	-	53,300	53,300
Advances (out) . . . . .	-	-	(102,515)	(102,515)
Total advances/transfers-net . . . . .	<u>(25,000)</u>	<u>(191,000)</u>	<u>(24,215)</u>	<u>166,785</u>
Net change in fund balance . . . . .	229,689	(42,643)	(79,453)	(36,810)
<b>Fund balance at beginning of year . . . . .</b>	339,437	339,437	339,437	-
<b>Prior year encumbrances appropriated . . . . .</b>	43,885	43,885	43,885	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 613,011</u>	<u>\$ 340,679</u>	<u>\$ 303,869</u>	<u>\$ (36,810)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EMPLOYEE BENEFITS SELF-INSURANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
Other operating revenues . . . . .	\$ 4,980,000	\$ 4,980,000	\$ 4,788,058	\$ (191,942)
Total operating revenues . . . . .	<u>4,980,000</u>	<u>4,980,000</u>	<u>4,788,058</u>	<u>(191,942)</u>
<b>Operating expenses:</b>				
Purchased services . . . . .	4,642,973	3,767,973	3,341,500	426,473
Other operating expenses . . . . .	<u>1,100,000</u>	<u>1,100,000</u>	<u>879,041</u>	<u>220,959</u>
Total operating expenses . . . . .	<u>5,742,973</u>	<u>4,867,973</u>	<u>4,220,541</u>	<u>647,432</u>
Operating loss . . . . .	<u>(762,973)</u>	<u>112,027</u>	<u>567,517</u>	<u>455,490</u>
<b>Nonoperating revenues:</b>				
Interest revenue . . . . .	20,000	20,000	14,200	(5,800)
Total nonoperating revenues . . . . .	<u>20,000</u>	<u>20,000</u>	<u>14,200</u>	<u>(5,800)</u>
Net change in fund balance . . . . .	(742,973)	132,027	581,717	449,690
<b>Fund balance at beginning of year . . . . .</b>	1,207,017	1,207,017	1,207,017	-
<b>Prior year encumbrances appropriated . . . . .</b>	17,973	17,973	17,973	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 482,017</u>	<u>\$ 1,357,017</u>	<u>\$ 1,806,707</u>	<u>\$ 449,690</u>



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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ENDOWMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ 128,845	\$ 157,875	\$ 128,866	\$ (29,009)
Gifts and contributions . . . . .	22,200	122,200	594,012	471,812
Total revenues . . . . .	<u>151,045</u>	<u>280,075</u>	<u>722,878</u>	<u>442,803</u>
<b>Expenditures:</b>				
Current:				
Support services-business				
Purchased services . . . . .	1,700	-	-	-
Supplies . . . . .	2,300	-	-	-
Other . . . . .	204,550	204,458	139,805	64,653
Total support services-business . . . . .	<u>208,550</u>	<u>204,458</u>	<u>139,805</u>	<u>64,653</u>
Extracurricular activities				
Other . . . . .	908	-	-	-
Total extracurricular activities . . . . .	<u>908</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures . . . . .	<u>209,458</u>	<u>204,458</u>	<u>139,805</u>	<u>64,653</u>
Net change in fund balance . . . . .	(58,413)	75,617	583,073	507,456
<b>Fund balance at beginning of year . . . . .</b>	4,936,551	4,936,551	4,936,551	-
<b>Prior year encumbrances appropriated . . . . .</b>	65	65	65	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 4,878,203</u>	<u>\$ 5,012,233</u>	<u>\$ 5,519,689</u>	<u>\$ 507,456</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOLARSHIP TRUST FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ 12,565	\$ 12,565	\$ 4,578	\$ (7,987)
Other local revenues . . . . .	78,041	81,141	54,435	(26,706)
Total revenues . . . . .	<u>90,606</u>	<u>93,706</u>	<u>59,013</u>	<u>(34,693)</u>
<b>Expenditures:</b>				
Current:				
Support services-business				
Purchased services . . . . .	1,700	1,700	920	780
Supplies . . . . .	2,300	-	-	-
Other . . . . .	23,400	28,250	12,853	15,397
Total support services-business . . . . .	<u>27,400</u>	<u>29,950</u>	<u>13,773</u>	<u>16,177</u>
Extracurricular activities				
Other . . . . .	42,055	52,055	46,860	5,195
Total extracurricular activities . . . . .	<u>42,055</u>	<u>52,055</u>	<u>46,860</u>	<u>5,195</u>
Total expenditures . . . . .	<u>69,455</u>	<u>82,005</u>	<u>60,633</u>	<u>21,372</u>
<b>Fund balance at beginning of year . . . . .</b>	473,886	473,886	473,886	-
<b>Prior year encumbrances appropriated . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 495,037</u>	<u>\$ 485,587</u>	<u>\$ 472,266</u>	<u>\$ (13,321)</u>

# STATISTICAL SECTION



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

SUMMARY OF EXPENSES/EXPENDITURES AND OTHER FINANCING USES BY  
FUNCTION - GENERAL GOVERNMENTAL FUNDS\*  
LAST TEN FISCAL YEARS

	<u>2004</u>		<u>2003</u>		<u>2002</u>	
	<u>Full Accrual</u>	<u>Modified Accrual</u>	<u>Full Accrual</u>	<u>Modified Accrual</u>	<u>Full Accrual</u>	<u>Modified Accrual</u>
<b>Instruction:</b>						
Regular	\$16,827,737	\$17,166,133	\$16,782,965	\$16,414,963	\$16,420,485	\$15,811,739
Special	6,614,153	6,669,449	6,377,680	6,323,095	6,152,427	5,985,367
Vocational	1,270,983	1,286,642	1,413,514	1,386,612	1,473,087	1,453,929
Other instruction	144,899	145,696	169,770	169,924	146,898	145,869
Total instruction	<u>24,857,772</u>	<u>25,267,920</u>	<u>24,743,929</u>	<u>24,294,594</u>	<u>24,192,897</u>	<u>23,396,904</u>
<b>Support Services:</b>						
Pupils	1,713,629	1,671,810	1,699,311	1,693,620	1,484,322	1,541,838
Instructional staff	1,596,772	1,605,101	1,698,801	1,655,470	1,538,623	1,626,416
Board of education	200,544	200,544	202,519	202,519	187,936	185,540
Administration	2,899,700	2,933,747	3,082,433	3,012,020	2,916,382	2,830,156
Fiscal	776,412	751,115	679,525	661,892	674,661	661,551
Business	149,517	157,280	245,576	231,606	216,076	210,522
Operations and maintenance	4,607,211	3,988,505	5,474,006	3,922,833	3,743,299	3,622,467
Pupil transportation	1,408,368	1,301,927	1,375,321	1,425,327	1,269,200	1,280,744
Central	658,779	639,614	296,428	464,240	146,152	143,586
Total support services	<u>14,010,932</u>	<u>13,249,643</u>	<u>14,753,920</u>	<u>13,269,527</u>	<u>12,176,651</u>	<u>12,102,820</u>
Operation of non-instructional services	189,885	154,312	217,417	164,257	226,371	243,554
Extracurricular activities	1,057,758	1,040,791	1,006,609	1,017,789	1,114,411	1,118,394
Facilities acquisition and construction	-	1,630,296	-	2,359,729	-	610,757
Intergovernmental	483,133	483,133	501,876	501,876	454,538	454,538
Debt service	91,145	470,760	82,383	383,527	106,047	323,960
Total expenditures	<u>40,690,625</u>	<u>42,296,855</u>	<u>41,306,134</u>	<u>41,991,299</u>	<u>38,270,915</u>	<u>38,250,927</u>
Other financing uses	<u>25,000</u>	<u>65,000</u>	<u>32,188</u>	<u>1,302,717</u>	<u>101,352</u>	<u>39,000</u>
<b>Total expenditures and other financing uses</b>	<u><u>\$40,715,625</u></u>	<u><u>\$42,361,855</u></u>	<u><u>\$41,338,322</u></u>	<u><u>\$43,294,016</u></u>	<u><u>\$38,372,267</u></u>	<u><u>\$38,289,927</u></u>

Source: School District Financial Records

\* For fiscal years 2001-2004 includes general, special revenue, debt service, and capital projects funds.  
For fiscal years 1995-2000 includes general, special revenue, debt service, capital projects, and expendable trust funds.

<u>2001</u>		<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
<u>Full Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>
\$15,310,959	\$15,500,528	\$14,631,441	\$13,578,250	\$12,140,777	\$11,158,006	\$11,258,699	\$10,530,548
5,580,007	5,824,123	5,555,919	5,040,353	4,397,907	4,125,041	4,412,580	4,027,111
1,581,925	1,586,067	1,513,918	1,428,727	1,384,891	1,301,682	1,273,464	1,249,233
133,531	143,529	139,422	220,641	138,517	150,549	166,660	199,263
<u>22,606,422</u>	<u>23,054,247</u>	<u>21,840,700</u>	<u>20,267,971</u>	<u>18,062,092</u>	<u>16,735,278</u>	<u>17,111,403</u>	<u>16,006,155</u>
1,513,446	1,430,273	1,348,923	1,338,776	1,169,624	1,142,855	1,049,550	976,913
1,712,630	1,574,427	1,533,112	1,507,198	1,381,490	1,255,758	1,323,625	1,256,763
169,581	168,475	170,249	138,754	105,893	126,747	101,822	114,988
2,691,724	2,698,824	2,508,181	2,277,828	2,317,540	2,157,651	2,307,744	1,905,353
608,555	609,743	587,700	559,741	571,127	544,706	584,108	528,397
213,928	213,822	229,400	255,230	227,313	208,528	317,263	289,888
3,899,035	3,911,341	3,781,643	3,416,041	3,116,272	2,906,752	2,960,581	2,703,704
1,207,351	1,282,627	1,234,585	1,107,518	1,071,800	764,678	910,063	664,322
1,223,057	1,225,102	414,020	181,560	235,282	52,967	51,706	37,498
<u>13,239,307</u>	<u>13,114,634</u>	<u>11,807,813</u>	<u>10,782,646</u>	<u>10,196,341</u>	<u>9,160,642</u>	<u>9,606,462</u>	<u>8,477,826</u>
152,274	180,215	140,892	87,452	516,087	668,343	219,035	138,151
1,087,111	1,088,404	845,371	799,064	782,979	696,921	736,634	714,634
-	722,750	730,069	1,231,236	469,507	1,085,505	464,683	909,327
513,265	513,265	480,154	483,805	-	-	488,951	-
119,368	402,043	406,503	410,138	438,500	426,138	432,321	475,656
<u>37,717,747</u>	<u>39,075,558</u>	<u>36,251,502</u>	<u>34,062,312</u>	<u>30,465,506</u>	<u>28,772,827</u>	<u>29,059,489</u>	<u>26,721,749</u>
<u>25,000</u>	<u>248,184</u>	<u>632,166</u>	<u>289,272</u>	<u>5,000</u>	<u>-</u>	<u>5,074</u>	<u>1,500</u>
<u>\$37,742,747</u>	<u>\$39,323,742</u>	<u>\$36,883,668</u>	<u>\$34,351,584</u>	<u>\$30,470,506</u>	<u>\$28,772,827</u>	<u>\$29,064,563</u>	<u>\$26,723,249</u>

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

SUMMARY OF REVENUES AND OTHER FINANCING SOURCES - GENERAL GOVERNMENTAL FUNDS\*  
LAST TEN FISCAL YEARS

	2004		2003		2002	
	Full Accrual	Modified Accrual	Full Accrual	Modified Accrual	Full Accrual	Modified Accrual
<b>Program revenues:</b>						
Charges for services	\$ 483,333	N/A	\$ 516,324	N/A	\$ 871,026	N/A
Operating grants and contributions	5,138,728	N/A	4,934,226	N/A	4,870,600	N/A
Capital grants and contributions	88,275	N/A	451,653	N/A	1,546,950	N/A
Total program revenues	5,710,336	N/A	5,902,203	N/A	7,288,576	N/A
<b>General revenues:</b>						
Taxes	16,052,518	\$15,580,501	18,155,780	\$17,901,465	17,368,082	\$17,135,168
Tuition	-	14,179	-	15,138	-	53,183
Earning on investments	102,701	88,501	181,966	165,834	276,677	250,564
Extracurricular	-	250,147	-	301,273	-	441,808
Classroom materials and fees	-	61,982	-	-	-	-
Other local revenues	305,452	511,143	262,101	1,029,049	-	1,959,907
Other revenue	-	4,617	-	-	-	6,199
Intergovernmental	16,932,365	22,169,907	16,693,155	21,345,639	16,209,085	20,956,646
Total general revenues	33,393,036	38,680,977	35,293,002	40,758,398	33,853,844	40,803,475
Other financing sources	-	41,227	-	2,244,553	-	14,000
<b>Total revenue and other financing sources</b>	<b>\$39,103,372</b>	<b>\$38,722,204</b>	<b>\$41,195,205</b>	<b>\$43,002,951</b>	<b>\$41,142,420</b>	<b>\$40,817,475</b>

Source: School District Financial Records

\* For fiscal years 2001-2004 includes general, special revenue, debt service, and capital projects funds.

For fiscal years 1995-2000 includes general, special revenue, debt service, capital projects, and expendable trust funds.



<u>2001</u>		<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
<u>Full Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>	<u>Modified Accrual</u>
\$ 608,765	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4,966,690	N/A	N/A	N/A	N/A	N/A	N/A	N/A
571,234	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>6,146,689</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
16,048,425	\$15,861,657	\$15,015,732	\$15,613,834	\$16,781,357	\$14,698,885	\$13,704,663	\$12,873,924
-	22,679	49,891	33,921	22,975	20,536	25,292	45,341
585,070	556,133	557,828	485,239	433,347	362,171	352,557	278,278
-	381,498	-	-	-	-	-	-
-	-	-	-	-	-	-	-
381,487	693,879	721,969	790,329	954,729	519,040	500,795	524,750
-	-	-	-	-	49,989	16,315	23,240
<u>15,494,850</u>	<u>20,457,854</u>	<u>19,271,926</u>	<u>17,432,834</u>	<u>15,996,874</u>	<u>13,893,101</u>	<u>13,467,591</u>	<u>12,513,647</u>
<u>32,509,832</u>	<u>37,973,700</u>	<u>35,617,346</u>	<u>34,356,157</u>	<u>34,189,282</u>	<u>29,543,722</u>	<u>28,067,213</u>	<u>26,259,180</u>
<u>3,615</u>	<u>226,799</u>	<u>585,114</u>	<u>408,127</u>	<u>275</u>	<u>249,754</u>	<u>1,299</u>	<u>2,921</u>
<u>\$38,660,136</u>	<u>\$38,200,499</u>	<u>\$36,202,460</u>	<u>\$34,764,284</u>	<u>\$34,189,557</u>	<u>\$29,793,476</u>	<u>\$28,068,512</u>	<u>\$26,262,101</u>

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

**PROPERTY TAX LEVIES AND COLLECTIONS  
REAL & PUBLIC UTILITY TAX (1) AND TANGIBLE PERSONAL PROPERTY  
LAST TEN CALENDAR YEARS**

<b>Tax Collection Year</b>	<b>Current Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Total Levy</b>	<b>Current Collection</b>	<b>Percent of Current Levy Collected</b>	<b>Delinquent Collection</b>	<b>Taxes Receivable As a % Of Total Levy</b>	<b>Total Collection</b>	<b>Total Collection As a % Of Total Levy</b>
1994	\$ 14,119,608	\$1,017,318	\$ 15,136,926	\$13,847,276	98.07%	\$ 414,994	3.98%	\$ 14,262,270	94.22%
1995	15,985,323	1,372,713	17,358,036	15,529,357	97.15%	648,922	4.17%	16,178,279	93.20%
1996	17,553,553	1,215,150	18,768,703	17,339,352	98.78%	451,143	4.07%	17,790,495	94.79%
1997	17,277,660	1,165,501	18,443,161	17,130,573	99.15%	426,687	4.01%	17,557,260	95.20%
1998	17,517,698	1,582,524	19,100,222	16,968,166	96.86%	506,297	5.63%	17,474,463	91.49%
1999	17,604,120	1,394,282	18,998,402	17,095,970	97.11%	527,908	4.56%	17,623,878	92.77%
2000	18,574,729	1,485,583	20,060,312	17,937,542	96.57%	499,639	4.91%	18,437,181	91.91%
2001	18,508,626	1,922,074	20,430,700	17,883,528	96.62%	637,845	6.29%	18,521,373	90.65%
2002	18,347,729	1,674,936	20,022,665	17,526,738	95.53%	537,681	5.68%	18,064,419	90.22%
2003 (2)	17,652,495	2,105,329	19,757,824	17,035,565	96.51%	704,363	7.09%	17,739,928	89.79%

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

- (1) Includes Homestead/Rollback on real and reimbursement on personal property taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenues.
- (2) "Taxes levied" in 2003 reflects a change in the reimbursement for the \$10,000 personal property taxes exempted. Historically, the State was billed for this portion of property taxes levied. This revenue source is now statutorily limited to specific dollar amounts. Therefore, amounts reimbursed by the State for the \$10,000 personal property tax exemption are not included in the 2003 calendar year collections as "taxes levied".

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

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

<b>Tax Year</b>	<b>Real Property (a)</b>	<b>Public Utility (b)</b>	<b>Personal Property (c)</b>	<b>Total</b>	<b>Total</b>
<b>Assessed Valuation</b>					<b>Estimated Actual Value</b>
1994	\$275,371,410	\$26,472,300	\$52,812,280	\$354,655,990	\$ 1,028,106,736
1995	272,559,650	26,597,930	56,443,305	355,600,885	1,034,739,998
1996	280,258,110	26,628,240	60,473,494	367,359,844	1,072,890,797
1997	311,447,790	28,747,840	61,487,103	401,682,733	1,168,467,241
1998	314,363,270	27,572,100	64,355,718	406,291,088	1,186,935,575
1999	315,366,380	25,835,010	64,159,264	405,360,654	1,187,041,822
2000	347,783,620	26,331,920	65,521,406	439,636,946	1,285,675,746
2001	354,750,740	19,941,130	76,042,536	450,734,406	1,340,404,062
2002	359,597,110	19,913,150	70,518,286	450,028,546	1,389,146,058
2003	419,250,650	19,831,320	64,275,034	503,357,004	1,534,284,416

Source: Erie County Auditor

- (a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.
- (b) Assumes public utilities are assessed at 25% of estimated actual value as of tax year 2003.
- (c) Tangible personal property used in business is assessed at 25% of true value and is determined pursuant to the rules of the State Tax Commissioner.

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

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN TAX YEARS  
(PER \$1000 OF ASSESSED VALUATION)**

Tax Year	Overlapping Governments			Sandusky City School District							Effective Rates	
	Erie County	City of Sandusky	Sandusky Library *	General Fund	Bond Retirement	Capital Improvement	Unvoted	Sandusky Library	Total	Ag/Res	Other	
1994	8.00	4.25	--	55.45	1.40	2.00	3.45	0.80	63.10	34.69	40.22	
1995	7.80	4.25	--	55.45	1.40	2.00	3.45	0.80	63.10	34.96	40.18	
1996	8.30	4.25	--	59.55	1.40	2.00	3.45	0.80	67.20	39.02	43.66	
1997	8.30	4.25	--	59.55	1.04	2.00	3.45	0.80	66.84	34.72	42.94	
1998	8.30	4.25	1.26	59.55	1.04	2.00	3.45	0.80	66.84	34.60	42.92	
1999	8.30	4.25	1.26	59.55	1.04	2.00	3.45	0.80	66.84	34.60	42.87	
2000	8.30	4.25	1.26	59.10	0.65	2.00	3.45	0.80	66.00	31.50	41.40	
2001	8.30	4.25	1.26	59.10	0.65	2.00	3.45	0.80	66.00	31.55	41.41	
2002	8.30	4.25	1.26	59.10	0.65	2.00	3.45	0.80	66.00	31.56	41.05	
2003	8.80	4.25	0.70	64.50	0.60	2.00	3.45	0.80	71.35	32.24	43.21	

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

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

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

DEMOGRAPHIC STATISTICS  
1960-2000

<b>Calendar Year</b>	<b>Total Population</b>	<b>Total Dwelling Units</b>	<b>Occupied Dwelling Units Households</b>	<b>Persons Per Household</b>	<b>Owner Occupied Units</b>	<b>Median Family Income</b>
1960	31,989	7,291	7,016	4.56	3,783	\$6,526
1970	32,674	11,803	10,867	3.01	6,742	8,915
1980	31,360	13,169	11,932	2.63	7,328	16,046
1990	29,764	13,416	12,059	2.47	6,931	28,544
2000	27,844	13,323	11,851	2.31	6,692	37,749

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

Note: This information is shown in increments of ten years, upon which the U.S. Bureau of the Census information is released.

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

PERCENT OF NET GENERAL OBLIGATION BONDED DEBT TO  
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>(a) Population</b>	<b>(b) Avg. Daily Membership</b>	<b>(c) Assessed Value</b>	<b>(d) Gross Bonded Debt</b>	<b>(e) Less Debt Service Funds</b>	<b>Net Bonded Debt</b>	<b>% of Net Bonded Debt To Assessed Value</b>	<b>Net Bonded Debt per Capita</b>	<b>Net Bonded Debt Per ADM</b>
1995	29,764	4,667	\$354,655,990	\$2,765,000	\$175,497	\$2,589,503	0.73%	87	555
1996	29,764	4,701	355,600,885	2,585,000	240,071	2,344,929	0.66%	79	499
1997	29,764	4,670	367,359,844	2,395,000	314,284	2,080,716	0.57%	70	446
1998	29,764	4,582	401,682,733	2,180,000	377,297	1,802,703	0.45%	61	393
1999	29,764	4,674	406,291,088	1,980,000	368,802	1,611,198	0.40%	54	345
2000	29,764	4,555	405,360,654	1,770,000	374,377	1,395,623	0.34%	47	306
2001	27,844	4,386	439,636,946	1,550,000	307,764	1,242,236	0.28%	45	283
2002	27,844	4,302	450,734,406	1,395,000	274,434	1,120,566	0.25%	40	260
2003	27,844	4,262	450,028,546	1,090,000	166,847	923,153	0.21%	33	217
2004	27,844	4,186	503,357,004	885,000	122,236	762,764	0.15%	27	182

## Sources:

- (a) County Auditor
- (b) School District Records - State Report OCCD-5
- (c) County Auditor
- (d) General Obligation debt outstanding at end of fiscal year. (School District Records)
- (e) Balance of General Obligation Bond Retirement fund at end of fiscal year.

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

COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 2004

**A. Voted Debt Margin**

Assessed Valuation (Tax Year 2003)	\$ 503,357,004
	<u>          x .09</u>
Bonded Debt Limit - 9% of Assessed Value (1)	45,302,130
Debt Service Fund Equity	122,236
Amount of Debt Applicable to Debt Limit: Bonded Debt	<u>(885,000)</u>
Voted Debt Margin	<u><u>\$ 44,539,366</u></u>

**B. Unvoted Debt Margin**

Bonded Debt Limit - 0.10% of Assessed Value (1)	\$ 503,357
Amount of Debt Applicable to Debt Limit:	<u>-</u>
Unvoted Debt Margin	<u><u>\$ 503,357</u></u>

Source Erie County Auditor and School District Financial records.

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

Note: For purposes of this table, the District's \$1,106,423 interest-free loan from the United States Environmental Protection Agency has been regarded as being exempt from the debt limitation. This 1988 loan was part of a \$1,756,227 asbestos abatement grant/loan award from the E.P.A. The outstanding debt on this loan as of June 30, 2003 was \$215,137.

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

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
JUNE 30, 2004

<u>Governmental Unit</u>	<u>Assessed Valuation</u>	<u>General Obligation Debt</u>	<u>Percent Applicable to School District</u>	<u>Amount Applicable to School District</u>
<b>Direct:</b>				
Sandusky City School District	\$ 503,357,004	\$ 885,000	100.00%	\$ 885,000
Total Direct	<u>503,357,004</u>	<u>885,000</u>		<u>885,000</u>
<b>Overlapping:</b>				
City of Sandusky (1)	503,357,004	32,597,467	100.00%	32,597,467
Erie County (2)	1,934,410,892	53,697,000	26.02%	13,972,606
Total Overlapping	<u>2,437,767,896</u>	<u>86,294,467</u>		<u>46,570,073</u>
<b>Grand Total Direct and Overlapping</b>	<u>\$ 2,941,124,900</u>	<u>\$ 87,179,467</u>		<u>\$ 47,455,073</u>

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

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



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

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

Fiscal Year	Debt Service On General Obligation Debt			General Expenditures (1)	Debt Service as Percent of General Expenditures
	Principal	Interest/ Fiscal Charges	Total		
1995	\$ 160,000	\$ 196,310	\$ 356,310	\$ 26,721,749	1.58%
1996	180,000	186,030	366,030	29,059,489	1.49%
1997	190,000	174,670	364,670	28,772,827	1.55%
1998	215,000	162,033	377,033	30,465,506	1.48%
1999	200,000	148,670	348,670	34,062,312	1.02%
2000	210,000	135,035	345,035	36,251,502	0.95%
2001	220,000	120,575	340,575	39,075,558	0.87%
2002	155,000	107,493	262,493	38,250,927	0.69%
2003	155,000	50,917	205,917	41,991,299	0.49%
2004	205,000	56,070	261,070	42,296,855	0.62%

(1) Includes not include other financing uses

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

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

Year	New Construction (1)				Bank Deposits (2)	Assessed Valuation (3)			
	Permits Issued	Commercial/Industrial	Permits Issued	Residential/Agricultural		Real Property	Public Utility	Personal Property	Total Property
1994	64	\$ 20,704,623	566	\$ 4,661,266	\$246,960,000	\$275,371,410	\$ 26,472,300	\$ 52,812,280	\$ 354,655,990
1995	96	13,438,185	584	4,602,110	245,973,000	272,559,650	26,597,930	56,443,305	355,600,885
1996	112	13,828,609	605	4,917,967	245,161,000	280,258,110	26,628,240	60,473,494	367,359,844
1997	135	10,170,285	574	4,874,666	268,944,000	311,447,790	28,747,840	61,487,103	401,682,733
1998	102	26,848,146	425	5,124,026	288,494,000	314,363,270	27,572,100	64,355,718	406,291,088
1999	109	34,400,988	491	7,184,258	283,288,000	315,366,380	25,835,010	64,159,264	405,360,654
2000	121	17,186,521	587	7,336,081	279,070,000	347,783,620	26,331,920	65,521,406	439,636,946
2001	206	28,269,740	1,063	8,121,450	298,753,000	354,750,740	19,941,130	76,042,536	450,734,406
2002	136	24,611,714	438	6,323,118	434,807,000	359,597,110	19,913,150	70,518,286	450,028,546
2003	139	15,116,918	278	6,358,300	405,863,000	419,250,650	19,831,320	64,275,034	503,357,004

(1) Source: City of Sandusky Building Department

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

(3) Assessed Value From Table 4

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

**MAJOR TAXPAYERS  
2003 TAX YEAR**

<b>PERSONAL PROPERTY</b>		
<b><u>Taxpayer</u></b>	<b><u>Assessed Valuation</u></b>	<b><u>% of Total Assessed Valuation</u></b>
Cedar Fair, L.P.	\$ 21,425,441	26.20%
Sandusky International, Inc.	4,851,633	5.93%
FMC Foodtech, Inc.	4,361,974	5.33%
Fort James Operating Co.	4,296,486	5.25%
Sandusky Limited	3,165,123	3.87%
U.S. Tsubaki, Inc.	2,411,492	2.95%
Industrial Nut Corporation	1,345,969	1.65%
Thermocolor LLC	1,286,228	1.57%
Kasper Buick, Jeep, GMC, Inc.	866,357	1.06%
Sandusky OK, Inc.	865,323	1.06%
Total Top Ten Taxpayers	<u>\$ 44,876,026</u>	<u>54.87%</u>
Total Assessed Valuation	\$ 81,789,704	

<b>REAL PROPERTY</b>		
<b><u>Taxpayer</u></b>	<b><u>Assessed Valuation</u></b>	<b><u>% of Total Assessed Valuation</u></b>
Cedar Fair, L.P.	\$ 36,402,540	8.64%
Firelands Regional Medical Center	4,066,550	0.96%
S & S Realty Ltd.	3,905,490	0.93%
Sandusky Foundry & Machine	2,060,600	0.49%
Sandusky Housing Trust Lmt. Part.	1,856,400	0.44%
Fort James Operating Co.	1,834,980	0.44%
Sandusky Limited	1,834,440	0.44%
Key Real Estate Ltd.	1,315,820	0.31%
Sandusky Bay Kiwanis	1,277,500	0.30%
Stein Associates	1,029,590	0.24%
Total Top Ten Taxpayers	<u>\$ 55,583,910</u>	<u>13.19%</u>
Total Assessed Valuation	\$ 421,567,300	

Source: Erie County Auditor

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

ATTENDANCE DATA  
LAST TEN SCHOOL YEARS

<b>School Year Ended</b>	<b>Number of Graduates</b>	<b>Average Daily Membership</b>	<b>Average Daily Attendance</b>	<b>% Incr./ (Decr.) in ADM From Prior Year</b>	<b>Attendance as % of Avg. Daily Membership</b>
1995	222	4,667	4,411	0.60%	94.51%
1996	222	4,701	4,291	0.73%	91.28%
1997	226	4,670	4,398	-0.66%	94.18%
1998	224	4,582	4,026	-1.88%	87.87%
1999	236	4,674	4,410	2.01%	94.35%
2000	290	4,555	4,499	-2.55%	98.77%
2001	230	4,386	4,022	-3.71%	91.70%
2002	226	4,302	4,045	-1.92%	94.03%
2003	220	4,262	4,019	-0.93%	94.30%
2004	226	4,186	4,087	-1.78%	97.63%

Source: EMIS District Summary Report

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

**SCHOOL DISTRICT EMPLOYEES  
(FULL AND PART TIME)  
AS OF JUNE 30, 2004**

**I. Certificated Staff by Training and Experience**

Years of Experience	Non-Deg	B.A.	B.A.+12	B.A.+24	M.A.	M.A.+12	M.A.+24	Total
0 - 5	0	41	14	6	19	1	2	83
6 - 10	0	8	15	12	24	7	1	67
11 - 15	1	3	7	9	17	9	6	52
16 - 20	0	3	1	17	12	4	5	42
21 - 25	0	3	4	19	8	5	15	54
26 - 30	0	0	2	19	6	2	8	37
31+	0	0	0	6	3	3	5	17
Total Certificated S	1	58	43	88	89	31	42	352

**II. Classified Staff**

Office Workers	32
Custodial/Maintenance	46
Cafeteria	40
Bus Drivers	26
Bus Aides	6
Teacher Aides	34
Library Aides	9
Total Classified Staff	<u>193</u>

**III. Adult Education**

Adult Education Instructors	<u>7</u>
Total Adult Education Instructors	<u>7</u>

**IV. Administration**

<b>Certificated:</b>		<b>Non-Certificated:</b>	
Superintendent	1	Treasurer	1
Assistant Superintendent	1	Assistant Treasurer	1
Directors/Coordinators	5	Executive Assistant	1
Principals	12	Coordinators/Supervisors	4
Assistant Principals	3	Total Non-Certificated	<u>7</u>
Athletic Director	1		
Total Certificated	<u>23</u>		

**Total School Employees** 582

Source: School District Personnel Records

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

SCHEDULE OF PROPERTY AND CASUALTY INSURANCE  
AS OF JUNE 30, 2004

<b>Company Policy Number</b>	<b>Policy Period</b>	<b>Coverage</b>	<b>Limits of Coverage</b>	<b>Deductible</b>	<b>Annual Premium</b>
Indiana Insurance Co. GL9680486	2/10/2004 to 6/30/2004	General Liability Each Occurrence Aggregate	\$1,000,000 \$2,000,000	\$2,500	\$28,479
Indiana Insurance Co. BA9561857	2/10/2004 to 6/30/2004	Fleet	\$1,000,000	Comprehensive: \$250 Collision: \$500	\$54,810
Indiana Insurance Co. CU9683187	2/10/2004 to 6/30/2004	Umbrella Liability & Fleet	\$3,000,000	\$10,000	\$17,130
Indiana Insurance Co. CBP9567856	2/10/2004 to 6/30/2004	Building & Contents Property, Crime, Inland Marine	\$84,992,200	\$10,000	\$95,616

Source: School District Records



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**SANDUSKY CITY SCHOOL DISTRICT  
ERIE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY 10, 2005**