



**Auditor of State  
Betty Montgomery**



**SYCAMORE COMMUNITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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**SYCAMORE COMMUNITY SCHOOL DISTRICT  
HAMILTON COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2003**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program	N/A	10.550	\$0	\$58,850	\$0	\$58,850
National School Breakfast Program		10.553	21,593		21,593	
National School Lunch Program		10.555	151,572		151,572	
Total U.S. Department of Agriculture - Nutrition Cluster			<b>173,165</b>	<b>58,850</b>	<b>173,165</b>	<b>58,850</b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States (IDEA Part B)	6B-SF	84.027	477,332		497,425	
Special Education - Preschool Grant	PG-S1	84.173	19,881		19,881	
Total Special Education Cluster			<b>497,213</b>	-	<b>517,306</b>	-
Grants to Local Educational Agencies (ESEA Title I)	C1-S1	84.010	227,540		227,190	
Emergency Immigration Assistance	E1-S1	84.162	-		2,683	
Drug-Free Schools Grant	DR-S1	84.186	24,479		35,337	
Eisenhower Professional Development State Grant	MS-S1	84.281	(2,695)		10,258	
Innovative Educational Program Strategies	C2-S1	84.298	47,304		49,120	
Technology Literacy Challenge Fund Grants	TJ-S1	84.318	5,521		5,521	
Advanced Placement Program	AV-S1	84.330	150		150	
Classroom Size Reduction	CR-S1	84.340	-		16,681	
Grants for School Repair and Renovation	AT-S1	84.352	4,057		2,984	
English Language Acquisition	T3-S1	84.365	56,108		55,924	
Improving Teacher Quality	TR-S1	84.367	119,888		117,608	
Total Department of Education			<b>979,565</b>		<b>1,040,762</b>	
U.S. DEPARTMENT OF LABOR						
<i>Passed through Miami University</i>						
Ohio School to Work Grant	N/A	17.249	-		2,608	
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION						
NASA Education Grant	N/A	43.001	1,416		1,416	
<b>Totals</b>			<b>1,152,730</b>	<b>58,850</b>	<b>1,217,951</b>	<b>58,850</b>

The accompanying notes to this schedule are an integral part of this schedule.

**SYCAMORE COMMUNITY SCHOOL DISTRICT  
HAMILTON COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2003**

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Government'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 Government to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary 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 Government contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Government has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

**NOTE D – TRANSFERS**

CFDA No. 84.281 has been eliminated. Amounts remaining in the fund were transferred to CFDA No. 84.367.

CFDA Number	Transfer In	Transfer Out
84.281		\$ 2,561
84.367	\$ 2,561	



**Auditor of State  
Betty Montgomery**

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

Sycamore Community School District  
Hamilton County  
4881 Cooper Road  
Cincinnati, Ohio 45242

To the Board of Education:

We have audited the accompanying financial statements of Sycamore Community School District, Hamilton County, Ohio (the District), as of and for the fiscal year ended June 30, 2003, and have issued our report thereon dated January 9, 2004, in which we noted that the District adopted Governmental Accounting Standards Board Statement No. 34. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated January 9, 2004.

Sycamore Community School District  
Hamilton County  
Independent Accountants' Report on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

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

**Betty Montgomery**  
Auditor of State

January 9, 2004





## Auditor of State Betty Montgomery

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

Sycamore Community School District  
Hamilton County  
4881 Cooper Road  
Cincinnati, Ohio 45242

To the Board of Education:

#### Compliance

We have audited the compliance of the Sycamore Community School District, Hamilton County, Ohio (the District), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2003. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2003.

#### Internal Control Over Compliance

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

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

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

We have audited the general purpose financial statements of the District as of and for the year ended June 30, 2003, and have issued our report thereon dated January 9, 2004. Our audit was performed for the purpose of forming an opinion on the general purpose 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 general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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



**Betty Montgomery**  
Auditor of State

January 9, 2004

**SYCAMORE COMMUNITY SCHOOL DISTRICT  
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 §.505  
JUNE 30, 2003**

**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 non-compliance 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>	Special Education Cluster: Special Education Grants to States CFDA # 84.027  Special Education – Preschool Grant CFDA # 84.173
<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

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

None

**3. FINDINGS FOR FEDERAL AWARDS**

None

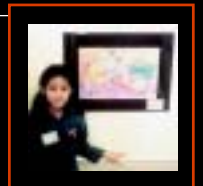


**C**OMPREHENSIVE

**A**NNUAL

**F**INANCIAL

**R**EPORT



ANNUAL REPORT for the fiscal year ended June 30, 2003



SYCAMORE COMMUNITY SCHOOL DISTRICT • CINCINNATI, OHIO





**Sycamore Community School District  
Cincinnati, Ohio**

**Comprehensive Annual Financial Report  
for the fiscal year ended June 30, 2003**



**Prepared by:  
Office of the Treasurer**

**Beth A. Weber  
Treasurer**



# Sycamore Board of Education



S. Patrick Raffel  
President



Peter Hershberger  
Vice President



Mary Overman  
Board Member



Jean Staubach  
Board Member



Charles Wilfong  
Board Member



Beth Weber  
Treasurer



Karen Mantia  
Superintendent



# I NTRODUCTORY

# S ECTION



## FEATURING THE NEW MONTGOMERY SCHOOL

### BUILDING FACTS

- ARCHITECTS Cole/Russell & Fanning/Howey
- CONSTRUCTION FIRM Turner Construction
- GROUNDBREAKING February 22, 2002
- COST \$10.5 million
- OPEN FOR STUDENTS August 25, 2003



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Sycamore Community School District, Ohio  
 Comprehensive Annual Financial Report  
 For the Year Ended June 30, 2003

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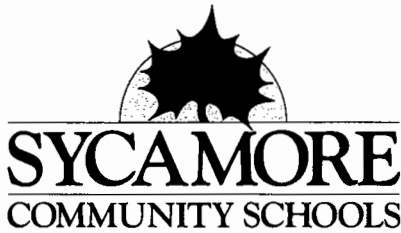
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4881 Cooper Road • Cincinnati, Ohio 45242-6996  
(513) 791-4848 • Fax (513) 791-4873

January 9, 2004

To The Citizens and Board of Education of the Sycamore Community School District:

The Comprehensive Annual Financial Report [CAFR] of the Sycamore Community School District [District] for the fiscal year ended June 30, 2003, is hereby submitted. This report, prepared by the Treasurer's office, includes an unqualified opinion from the Auditor of State and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report will provide the taxpayers of the Sycamore Community School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs.

The Comprehensive Annual Financial Report is divided into three sections:

**Introductory Section** - This section introduces the reader to the report and includes a table of contents, this transmittal letter, a list of principal and elected officials, the District's organizational chart, the District's consultants and advisors, and the GFOA and ASBO certificates for financial reporting received for the June 30, 2002 CAFR. Also included are the District's major current and future initiatives.

**Financial Section** - This section includes the independent accountants' report on the financial statements, management's discussion and analysis, basic financial statements, notes to the basic financial statements, and the combining statements for non-major funds and other schedules that provide detailed information relative to the basic financial statements.

**Statistical Section** - This section includes selective financial, economic and demographic information, generally presented on a multi-year basis for comparative purposes.

Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Northwest Chamber of Commerce, the Greater Cincinnati Chamber of Commerce, the major businesses located within the District, other governments in Hamilton County, the branches of the Hamilton County Public Library located within the District, Moody's and Standard and Poor's financial rating services, major banks, realtors, the District Planning Commission and any other interested parties upon request.

## **THE REPORTING ENTITY AND SERVICES PROVIDED**

The District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory, advanced placement, gifted, special education and vocational levels; a broad range of co-curricular and extra-curricular activities; adult and community education offerings and community recreation activities.

The District receives pass through grants from the State and distributes these grants to parochial/private schools located within the District. This activity is included in the entity as the Auxiliary Services Special Revenue Fund, because of the District's administrative involvement in the program. The parochial/private schools served are: Cincinnati Hills Christian Academy, Ursuline Academy, Archbishop Moeller High School, Blue Ash Educational Building, Tutor Time Childcare, and Ohio Valley Voices. While these organizations share operational and service similarity with the District, each is a legally separate and distinct entity. Because of their independent nature, none of these organizations are included in this report.

## **ECONOMIC CONDITION AND OUTLOOK**

The District is located in southwestern Ohio, a suburb of Cincinnati, in the northeast part of Hamilton County. Approximately 50.8% of the District's tax base are agricultural and residential properties; the remainder is composed of a wide range of manufacturing, commercial and other business properties. The overall economic outlook for the area remains stable with low unemployment rates and low inflationary pressures.

The District is continually challenged by the responsibility bestowed upon it by the community at large. We are always striving to provide the very best opportunities to every student, while carefully guarding the District's resources.

## **THE DISTRICT AND ITS FACILITIES**

Located in Hamilton County, north of Cincinnati, the Sycamore Community School District serves a population of approximately 37,500 people. Within the District boundaries are the Cities of Blue Ash and Montgomery, portions of Sycamore and Symmes Townships and small portions of the Cities of Evendale and Loveland. These growing and thriving communities are a blend of residential, business, high technology, and light industrial areas. Convenient access to interstate highways I-71, I-75 and interstate connector I-275 has helped in the spectacular growth of the area during the last twenty years. The greater Cincinnati area has long been known as one of the premier areas to live and work in the United States.

The District has a very strong industrial base in Blue Ash, along with a stable tax base in Symmes and Sycamore Townships and the City of Montgomery. The diversity of the tax base has protected the District during what have been unstable economic times through much of the nation and region.



The District houses 5,667 students in one high school, one junior high, one middle school, and four elementary schools. Enrollment listed below includes pre-kindergarten at Symmes Elementary of 72 students and 51 joint vocational students at Sycamore High School.

<b>Constructed</b>	<b>School Address</b>	<b>Enrollment As of October 2002</b>
2002	Blue Ash Elementary 9541 Plainfield Road	458
1960	Maple Dale Elementary 6100 Hagewa Road	526
1953	Montgomery Elementary 9609 Montgomery Road	377
1989	Symmes Elementary 3173 Springdale Road	486
1964	E.H. Greene Intermediate 5200 Aldine Drive	880
1926	Sycamore Junior High 5757 Cooper Road	964
1974	Sycamore High School 7400 Cornell Road	1,976

### **ORGANIZATION OF THE SCHOOL DISTRICT**

The Board of Education is a five member body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all the general laws of the State of Ohio are followed in the expenditures of the District's tax dollars and approves the annual appropriation resolution and tax budget.

The Board members represent a cross section of professions in the community. The board members on June 30, 2003, were as follows:

<b>Board Member</b>	<b>Began Service</b>	<b>Term Expires</b>	<b>Profession</b>
Peter Hershberger	January, 1986	December, 2005	Travel Agency CEO
Mary Overman	January, 2002	December, 2005	Teacher
S. Patrick Raffel	January, 2000	December, 2003	President, Catering Co.
Jean Staubach	January, 1998	December, 2005	Technical Writer
Charles Wilfong	January, 2000	December, 2003	Manager, Private Club

The Superintendent is the chief executive officer of the District, responsible directly to the Board for all educational and support operations. Dr. Karen Mantia was appointed Superintendent in September 2000, after serving the Northmont (Ohio) City Schools for twenty-four years. Dr. Mantia was a classroom teacher, assistant principal and director of curriculum there, prior to spending the last eight years of her tenure as assistant superintendent. She received undergraduate and master's degrees in education from Wright State University and a doctorate from the University of Sarasota.

The Treasurer of the District is Beth Weber. Ms. Weber joined the Sycamore administrative team in January 1999, bringing with her eight years of experience as a public school treasurer in Ohio. She received undergraduate degrees in finance and business economics, as well as a Masters in Business Administration, from Miami University in Oxford, Ohio. Ms. Weber is a member of the Ohio Association of Business Officials, serving on the organization's Professional Development Committee.

## **EMPLOYEE RELATIONS**

The District employs 484 certified personnel and 383 non-certified personnel. The starting salary for a teacher with a bachelor's degree for the period beginning September 1, 2003 will be \$35,250. The maximum teacher salary in 2003-2004 will be \$80,993.

The Sycamore Education Association (SEA), an affiliate of the Ohio Education Association (OEA), represents certificated employees of the District. The District and the SEA have entered into a collective bargaining agreement that expires July 31, 2005.

Classified employees are represented by the Ohio Association of Public School Employees. The School District and OAPSE entered into a three-year collective bargaining agreement which expires June 20, 2004.

## **SERVICES PROVIDED**

The District provides a wide variety of educational and support services, as mandated by the Ohio Revised Code or board directives.

The food service department served 298,399 plate lunches through the District's seven kitchens. This is accomplished through the full operation of three kitchens and four satellite sites, as well as a central bakery. The District currently offers a breakfast program at five sites.

In addition to transportation and school lunch support services, students in the District also receive guidance, psychological, and limited health services free of charge. The guidance services are designed to help students match their natural skills with vocational and/or academic programs to help them achieve their full potential in life. Psychological services include the testing and identification of students for special education and gifted programs. Health services are provided by licensed nurses at each of the seven school sites.

The District offers regular instructional programs daily to students in grades K-12. Over 446 students receive special services, due to physical or mental handicapping conditions. Gifted services are provided in grades three and four in the area of math and in grades five and six in the areas of math and language arts. Advanced placement classes are provided at the high school in the areas of English, Math, Science, Social Studies, Art, Global Languages, and Computer Science. The District presented 473 high school diplomas in June, 2003.

## **CURRENT INITIATIVES**

### Strategic Planning

Strategic planning is a process by which the Sycamore Schools and its local community jointly created a vision of where and what the school district will be in five years and outlined the steps to get there. After a year of work by Sycamore staff members, parents and residents, the Board of Education adopted a new five-year strategic plan in June 2002. The strategies are:

- We will develop and implement programs to improve school climate.
- We will develop and implement a program to significantly improve transitions from building to building.
- We will develop and implement ways to meet individual student needs.
- We will develop and implement methodology reflecting twenty-first century teaching.
- We will design and implement a plan to leverage technology to improve all facets of the Sycamore School District's effectiveness.
- We will design a plan to restructure and implement options to the school day.

Each year the District will prioritize action plans to accomplish for that school year. For the 2002-03 school year, the strategies implemented or studied were as follows:

- Implement the ASSET Framework training district-wide.
- Establish a Diversity Unification Committee.
- Establish and communicate consistent procedures for implementing the district code of conduct.
- Develop a structured program that better prepares both student and parents for building to building transition.
- Implement the consistent use of differentiated instruction and/or interdisciplinary teams to increase instructional outcomes for all students.
- Implement, monitor and evaluate the success of and satisfaction with the ALOFT program.
- Establish a district-wide teacher showcase where Sycamore teachers would share best practices and learn from each other.
- Promote professional teaching standards by encouraging teachers to explore National Board Certification.
- Improve infrastructure to support technology future needs that meet or exceed national and state standards.
- Evaluate administrative, staff and student technology proficiency to meet or exceed national or state standards.
- Establish a significantly stronger communications link between Sycamore School and key stakeholders. (externally focused web-site)
- Develop one all-day kindergarten class option in each elementary school.
- Develop the additional option of zero and eighth period for high school students.
- Further explore changing the daily schedule so that elementary schools start earlier and high school starts later.

In the spring the Strategic Planning team re-convened to evaluate progress on these strategies. They also prioritized strategies for the 2003-04 school year.

## **FUTURE INITIATIVES**

### **All-Day Kindergarten**

In response to the Sycamore Community School District's Strategic Plan, a study was conducted to investigate the feasibility of establishing a full-day kindergarten program at the four elementary sites for the 2003-04 school year. The elementary principals along with the Director of Curriculum reviewed research regarding full-day kindergarten, benefits to student growth, and implementation issues, i.e. staffing, materials, curriculum and initial program parameters. The Board of Education approved a proposal to implement one section of full-day kindergarten per building. Tuition is charged for the portion of the day that is not mandated by the State. Students utilizing the Federal lunch programs can attend tuition-free. The Board of Education will review an assessment of the full day kindergarten program and determine its future for subsequent years.

## **FINANCIAL INFORMATION**

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles [GAAP] as promulgated by the Governmental Accounting Standards Board [GASB].

## **INTERNAL ACCOUNTING AND BUDGETARY CONTROL**

The 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 statement in conformity with GAAP. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that: (1) the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

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

At the beginning of each fiscal year, the Board adopts a temporary appropriation measure. The Board then adopts a permanent appropriation measure in September.

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

All disbursements and transfers of cash between funds and functions require appropriation authority from the Board. Budgets are controlled at the function level within a fund. All purchase order requests must be approved by the individual program managers and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors.

The accounting system used by the District allows on-line immediate financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. The financial statements are available to each approved District user and budget authority.

As an additional safeguard, all employees involved with receiving and depositing funds are covered by a blanket bond and certain individuals in policy-making roles are covered by a separate, higher bond.

The basis of accounting and the various funds utilized by the District are fully described in the notes to the general purpose financial statements. Additional information on the District's budgetary accounts can also be found in the notes to the general purpose financial statements.

## **FINANCIAL CONDITION**

This is the first year the District has prepared financial statements following GASB Statement 34, "Basic Financial Statements - and Management's Discussion and Analysis -- for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the School 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. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in 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 responsible for preparing a Management's Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for 2003 and the outlook for the future.

## **CASH MANAGEMENT**

Begun in fiscal year 1991, the District's cash management program addresses the issue of safety, liquidity, and yield while maximizing returns. The District uses the Star Ohio program investment pool operated by the Treasurer of State for ready cash and yield. Certificates of deposit, and obligations of the United States Treasury are utilized for both short and intermediate terms. Treasury notes, treasury bills and agency notes are utilized for longer-term investments. Investment earnings for all funds during the fiscal year were \$773,453.

The District's investment policy is to minimize market risk while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by FDIC or collateralized. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

## **RISK MANAGEMENT**

The District constantly faces the risk of loss of assets by fire, storm, theft, accident or other catastrophes. Generally, the District shifts the burden of such losses by entering into a casualty insurance contract whereby an insurance company, in consideration of a premium payment, assumes the risk of all or a portion of these losses. During fiscal year 2003, the District contracted with Indiana Insurance for general liability, property, boiler and machinery insurance.

The District maintains an umbrella liability policy with limits of \$10,000,000 each occurrence, \$10,000,000 aggregate.

Boiler and machinery coverage has a \$1,000 deductible with a \$50,000,000 limit of liability per accident. Professional liability is protected by Indiana Insurance Company with a \$1,000,000 each occurrence, \$3,000,000 aggregate limit.

Vehicles are covered by Indiana Insurance Company with a \$100 deductible for comprehensive and a \$500 deductible for collision.

Public officials bond insurance is provided by Backus Insurance Company. The Treasurer, Superintendent and Board President are covered by bonds in the amounts \$100,000, \$50,000, and \$50,000 respectively. Honesty Blanket Position Coverage is \$15,000 per employee.

Employee health insurance is provided by Humana/Choice Care, a preferred provider organization.

## **INDEPENDENT AUDIT**

Provisions of State statute require that the District's financial statements be subjected to an annual examination by an independent auditor. The Auditor of State's unqualified opinion rendered on the District's basic financial statements, combining statements and individual fund schedules, is included in the financial section of this Comprehensive Annual Financial Report. Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio: The District adopted and has been in conformance with that system.

## **AWARDS**

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada [GFOA] awarded a Certificate of Achievement to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2002. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **ASBO Certificate**

The Association of School Business Officials International [ASBO] awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by all expert panel of certified public accountants and practicing school business officials.

The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2002. The District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2003, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.




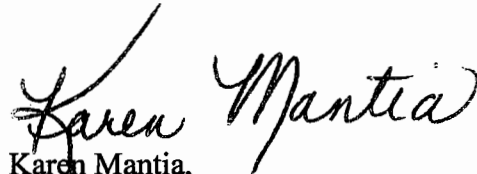
## ACKNOWLEDGEMENTS

The preparation of the 2003 Comprehensive Annual Financial Report of the Sycamore Community School District was made possible by the dedicated service of Susan Crabill, Tina Triplett, Rita Clark, Patti Gardner, and Lisa Myers. Special recognition is given to Plattenburg and Associates, Incorporated, Certified Public Accountants for their assistance in the preparation of the CAFR and, the office of the Auditor of State for their audit of the CAFR. Finally, this report would not have been possible without the leadership and support of the District's Board of Education and the Sycamore Schools community.

The publication of this Comprehensive Annual Financial Report for the District is a major step in reinforcing the accountability of the District to the taxpayers of the community.

Respectfully submitted,

  
Beth A. Weber,  
Treasurer

  
Karen Mantia,  
Superintendent



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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sycamore Community  
School District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2002

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



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**SYCAMORE COMMUNITY CITY SCHOOLS**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2002

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

President

Executive Director

**SYCAMORE COMMUNITY SCHOOL DISTRICT, OHIO  
CONSULTANTS, ADVISORS AND LEGAL COUNSEL  
AS OF JUNE 30, 2003**

**CONSULTANTS AND ADVISORS**

---

**Architects:** Baxter, Hodell, Donnelly & Preston  
3500 Red Bank Road  
Cincinnati, OH 45227-4188

Cole + Russell Architects  
537 E. Pete Rose Way, Suite 200  
Cincinnati, OH 45202

McClory & Savage  
618 Mt. Moriah Drive  
Cincinnati, OH 45245-2113

**Asbestos:** Construction Alternatives  
1158 Hoover Ave.  
Hamilton, OH 45015-1635

**Bond Counsel:** Peck, Shaffer & Williams  
425 Walnut Street  
Cincinnati, OH 45202

**Bond Underwriter:** Seasongood & Mayer  
300 Mercantile Library Building  
414 Walnut Street  
Cincinnati, OH 45202-3910

**Construction Management:** Turner Construction  
250 W. Court Street, Suite 300  
Cincinnati, OH 45202

**Data Processing:** Beechglens Development, Inc.  
5576 Glenway Avenue  
Cincinnati, OH 45238

Hamilton/Clermont Computer Association  
7615 Harrison Avenue  
Cincinnati, OH 45231

**SYCAMORE COMMUNITY SCHOOL DISTRICT, OHIO  
CONSULTANTS, ADVISORS AND LEGAL COUNSEL  
AS OF JUNE 30, 2003**

**CONSULTANTS AND ADVISORS, cont.**

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**Financial Reporting:**           Plattensburg & Associates  
8280 Montgomery Road  
Cincinnati, OH 45236

**Independent Auditor:**       Betty Montgomery, Auditor of State  
250 West Court Street, Suite 150E  
Cincinnati, OH 45202

**LEGAL COUNSEL**

---

**Attorneys:**                   John Podgurski  
9155 Chillecothe Road  
Kirtland, OH 44094

                                      Frost Brown Todd LLC  
2500 PNC Center  
201 East Fifth Street  
Cincinnati, OH 45202-4182

                                      Strauss & Troy  
150 East Fourth Street  
Cincinnati, OH 45202-4018

                                      Taft Stettanius & Hollister  
1800 Firststar Tower  
425 Walnut Street  
Cincinnati, OH 45202-3957

                                      Bricker & Eckler LLP  
100 South Third Street  
Columbus, OH 43215-4291

                                      Ennis, Roberts & Fischer  
121 W. Ninth Street  
Cincinnati, OH 45202

**SYCAMORE COMMUNITY SCHOOL DISTRICT, OHIO**

**LIST OF PRINCIPAL OFFICIALS**

**JUNE 30, 2003**

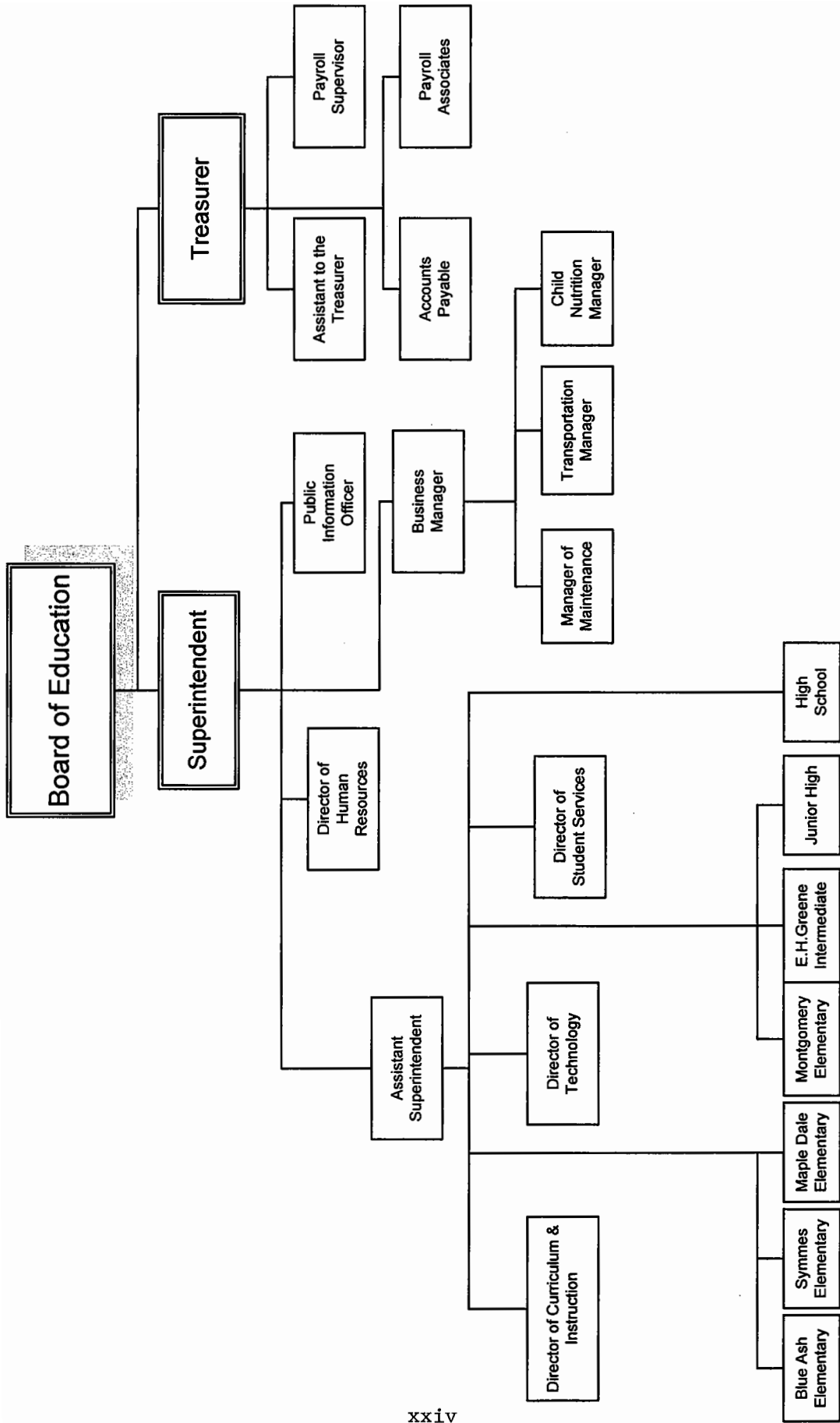
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Elected Officials

President, Board of Education	S. Patrick Raffel
Vice President, Board of Education	Peter Hershberger
Board Member	Charles Wilfong
Board Member	Jean Staubach
Board Member	Mary Overman

Administrative Officials

Superintendent	Karen L. Mantia
Treasurer	Beth A. Weber
Assistant Superintendent	Charles Mason
Director of Human Resources	Robert J. Szakovits
Business Manager	Richard D. Camp, Jr.
Director of Student Services	Martha Angello
Director of Curriculum and Instruction	Peggy Phillips
Director of Technology	Mark E. Souders





# F INANCIAL

# S ECTION



**FEATURING** Cheryl Tallman (right) who received the Edyth May Sliffe Award for Distinguished Junior High Math Teaching, and Kat Rakel-Ferguson who published a children's art book, **Artistic Drawing**.



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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Sycamore Community School District  
Hamilton County  
4881 Cooper Rd.  
Cincinnati, Ohio 45242

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Sycamore Community School District, Hamilton County, Ohio (the District), as of and for the year ended June 30, 2003, 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, each major fund, and the aggregate remaining fund information of the Sycamore Community School District, as of June 30, 2003 and, the respective changes in financial position and the cash flows, where applicable, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2003, the District implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*. The District also adopted Governmental Accounting Standards Board Statements 37, 38, 41 and Interpretation 6.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 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 and the budgetary schedules are not a required part of the basic financial statements, but are supplementary information the Governmental Accounting Standards Board requires. We applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

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



**Betty Montgomery**  
Auditor of State

January 9, 2004

**SYCAMORE COMMUNITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2003  
(Unaudited)**

The discussion and analysis of Sycamore Community School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2003. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standard Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government issued June, 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. Considering the financial resources necessary to prepare this information for the prior year, and that the GASB Statement No. 34 permits the omission of the comparative information in the first year of adoption of the new reporting model, the Board has elected to exclude the information in this report. Subsequent reports will include the comparative information.

**Financial Highlights**

Key financial highlights for 2003 are as follows:

- In total, net assets decreased \$0.22 million. Net assets of governmental activities decreased \$0.31 million which represents a 0.5% decrease from 2002. Net assets of business-type activities increased \$0.09 million or 190.5% from 2002.
- General revenues accounted for \$67.74 million in revenue or 92.3% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$5.64 million or 7.7% of total revenues of \$73.38 million.
- Total assets of governmental activities decreased by \$5.17 million as taxes receivable increased by \$0.54 million and cash and other receivables decreased by \$15.06 million.
- The District had \$71.99 million in expenses related to governmental activities; \$3.96 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$67.71 million were also used to provide for these programs.
- As a major fund, the General Fund had \$64.92 million in revenues and \$66.41 million in expenditures. The General Fund balance decreased from \$42.53 to \$38.45 million. The Debt Service Fund had \$3.58 million in revenues and \$4.60 million in expenditures. The Debt Service Fund balance increased from \$7.75 to \$7.81 million.

## **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 *Statements 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. The General and Debt Service Funds are the major funds of the District.

## **Reporting the School 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 questions, "How did we do financially during 2003?" The *Statement of Net Assets* and the *Statement of Activities* answers this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. 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 of the expenses of the goods or services provided. The District's food service, adult education and community school are reported as business activities.

## Reporting the District's Most Significant Funds

### *Fund Financial Statements*

The analysis of the District's major funds is presented in the Fund Financial Statements (see Table of Contents). 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.

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

**Proprietary Funds** Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

### The District as a Whole

Recall that the Statement of Net Assets provides the perspective of the District as a whole.

Table 1 provides a summary of the District's net assets for 2002 compared to 2003:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>
<b>Assets</b>						
Current and Other Assets	\$111,843,447	\$97,312,739	\$170,288	\$218,670	\$112,013,735	\$97,531,409
Capital Assets	<u>65,750,218</u>	<u>75,107,624</u>	<u>121,594</u>	<u>110,245</u>	<u>65,871,812</u>	<u>75,217,869</u>
<b>Total Assets</b>	<u>177,593,665</u>	<u>172,420,363</u>	<u>291,882</u>	<u>328,915</u>	<u>177,885,547</u>	<u>172,749,278</u>
<b>Liabilities</b>						
Long-Term Liabilities	61,138,599	64,722,402	95,594	58,136	61,234,193	64,780,538
Other Liabilities	<u>55,472,449</u>	<u>47,027,534</u>	<u>148,786</u>	<u>132,764</u>	<u>55,621,235</u>	<u>47,160,298</u>
<b>Total Liabilities</b>	<u>116,611,048</u>	<u>111,749,936</u>	<u>244,380</u>	<u>190,900</u>	<u>116,855,428</u>	<u>111,940,836</u>
<b>Net Assets</b>						
Invested in Capital						
Assets Net of Debt	16,572,654	16,487,817	121,594	110,245	16,694,248	16,598,062
Restricted	11,618,700	11,559,221	0	0	11,618,700	11,559,221
Unrestricted	<u>32,791,263</u>	<u>32,623,389</u>	<u>(74,092)</u>	<u>27,770</u>	<u>32,717,171</u>	<u>32,651,159</u>
<b>Total Net Assets</b>	<u>\$60,982,617</u>	<u>\$60,670,427</u>	<u>\$47,502</u>	<u>\$138,015</u>	<u>\$61,030,119</u>	<u>\$60,808,442</u>

Total assets decreased \$5.14 million. Equity in pooled cash and cash equivalents decreased \$14.48 million. Taxes receivable increased \$0.54 million. Total liabilities decreased \$4.91 million, resulting in a net asset decrease of \$0.22 million.

The net assets of the District business-type activities increased by \$0.09 million. Since the increase was slight, management has reviewed and, where feasible, increased fees. This action should ensure that business-type activities remain self-supporting.

Table 2 shows the change in net assets for fiscal year 2003. Since this is the first year the District has prepared financial statements following GASB Statement 34, revenue and expense comparisons to fiscal year 2002 are not available.

Table 2  
Changes in Net Assets

	Governmental Activities <u>2003</u>	Business-Type Activities <u>2003</u>	Total <u>2003</u>
<b>Revenues</b>			
<b>Program Revenues:</b>			
Charges for Services	\$1,141,396	\$1,436,130	\$2,577,526
Operating Grants	2,665,674	239,407	2,905,081
Capital Grants	156,517	0	156,517
<b>General Revenue:</b>			
Property Taxes	57,846,974	0	57,846,974
Grants and Entitlements	8,908,534	0	8,908,534
Other	<u>957,653</u>	<u>30,986</u>	<u>988,639</u>
<b>Total Revenues</b>	<u><b>71,676,748</b></u>	<u><b>1,706,523</b></u>	<u><b>73,383,271</b></u>
<b>Program Expenses:</b>			
Instruction	35,579,336	0	35,579,336
<b>Support Services:</b>			
Pupil and Instructional Staff	10,139,360	0	10,139,360
School Administrative, General			
Administration, Fiscal and Business	6,828,387	0	6,828,387
Operations and Maintenance	6,920,404	0	6,920,404
Pupil Transportation	4,155,109	0	4,155,109
Central	2,383,469	0	2,383,469
Community Services	1,577,919	0	1,577,919
Extracurricular Activities	1,639,991	0	1,639,991
Interest and Fiscal Charges	2,764,963	0	2,764,963
Food Service	0	1,546,952	1,546,952
Adult Education	0	24,430	24,430
Community School	<u>0</u>	<u>44,628</u>	<u>44,628</u>
<b>Total Expenses</b>	<u><b>71,988,938</b></u>	<u><b>1,616,010</b></u>	<u><b>73,604,948</b></u>
<b>Change in Net Assets</b>	<u><b>(\$312,190)</b></u>	<u><b>\$90,513</b></u>	<u><b>(\$221,677)</b></u>



## Governmental Activities

The District revenues came from mainly two sources. Property taxes levied for general purposes, Debt Service and grants and entitlements comprised 93% of the District's revenues for governmental activities.

The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus Ohio districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 81% of revenue for governmental activities for the District in fiscal year 2003.

Instruction comprises 49% of governmental program expenses. Support services expenses were 42% of governmental program expenses. All other expenses including interest expense were 9%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements. Comparisons to 2002 have not been made since they are not available.

Table 3  
Governmental Activities

	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2003</u>
Instruction	\$35,579,336	\$34,154,868
Support Services:		
Pupil and Instructional Staff	10,139,360	9,528,018
School Administrative, General Administration, Fiscal and Business	6,828,387	6,799,748
Operations and Maintenance	6,920,404	6,906,728
Pupil Transportation	4,155,109	4,089,891
Central	2,383,469	2,318,567
Community Services	1,577,919	213,913
Extracurricular Activities	1,639,991	1,248,655
Interest and Fiscal Charges	<u>2,764,963</u>	<u>2,764,963</u>
Total Expenses	<u>\$71,988,938</u>	<u>\$68,025,351</u>

## **Business-Type Activities**

Business-type activities, include the food service operation, the adult education operation and community school operation. These programs had revenues of \$1.71 million and expenses of \$1.62 million for fiscal year 2003. Business activities receive no support from tax revenues.

## **The District's Funds**

Information about the District's major funds is presented in the Fund Financial Statements (see Table of Contents). These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$74,889,695 and expenditures and other financing uses of \$87,005,074. The net change in fund balance for the year was \$12,115,379, or 19.4%.

## **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 2003, the District amended its general fund budget numerous times, however none were 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. During the course of the year, the District revised the Budget in an attempt to deal with unexpected changes in revenues and expenditures.

For the General Fund, budget basis revenue was \$62.09 million, below original budget estimates of \$62.91 million. Of this \$0.82 million difference, most was due to a conservative estimate for taxes and intergovernmental revenue.

The District's ending unobligated actual fund balance for the General Fund was \$0.85 million above the final budgeted amount.

## Capital Assets and Debt Administration

### Capital Assets

At the end of fiscal 2003, the District had \$75.22 million invested in land, buildings, equipment and construction in progress. Table 4 shows fiscal 2003 balances compared to fiscal 2002:

Table 4  
Capital Assets at June 30  
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2002	2003	2002	2003	2002	2003
Land	\$1,602,371	\$1,602,371	\$0	\$0	\$1,602,371	\$1,602,371
Land Improvements	1,823,744	1,962,702	0	0	1,823,744	1,962,702
Buildings	6,199,309	16,698,611	0	0	6,199,309	16,698,611
Buildings Improvements	43,675,286	42,062,879	0	0	43,675,286	42,062,879
Equipment and Vehicles	1,616,714	2,475,448	121,594	110,245	1,738,308	2,585,693
Construction in Progress	<u>10,832,794</u>	<u>10,305,613</u>	<u>0</u>	<u>0</u>	<u>10,832,794</u>	<u>10,305,613</u>
Total Net Assets	<u>\$65,750,218</u>	<u>\$75,107,624</u>	<u>\$121,594</u>	<u>\$110,245</u>	<u>\$65,871,812</u>	<u>\$75,217,869</u>

The increase in capital assets is due to \$10.39 million increase for the construction of new school buildings. The District continues its ongoing commitment to maintaining and improving its capital assets.

### Debt

At June 30, 2003, the District had \$58,619,807 in bonds and capital leases payable, \$2,223,462 due within one year. Table 5 summarizes bonds and capital leases outstanding at year end.

Table 5  
Outstanding Debt, at Year End

	Governmental Activities 2002	Governmental Activities 2003
Total:		
General Obligation Bonds:		
School Improvement	\$100,000	\$0
Technology Bonds I	370,000	0
Technology Bonds II	585,000	0
Symmes Refunding	2,203,599	1,818,599
Bond Issue I	3,350,000	3,295,000
Bond Issue II	29,550,000	28,825,000
Bond Issue III	<u>8,690,000</u>	<u>8,435,000</u>
Subtotal Bonds	44,848,599	42,373,599
Capital Lease Payable:		
Sycamore High School	10,820,000	10,410,000
Blue Ash Elementary	5,470,000	5,335,000
Phone System	<u>0</u>	<u>501,208</u>
Subtotal Capital Lease Payable	<u>16,290,000</u>	<u>16,246,208</u>
Total Outstanding Debt at Year End	<u>\$61,138,599</u>	<u>\$58,619,807</u>

In 1998 the District passed a 2.39 mill bond issue, providing \$45 million for two new elementary buildings along with facility improvements at the other elementary schools, and the intermediate, junior high and high schools. The District maintains an AA+ bond rating from Standard and Poor's.

### **For the Future**

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.

This scenario requires management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

With no increase in state funding projected, the District must increase revenues by submitting an operating levy to the community in the near future. At this time, the Board has not set the date and amount for the levy, but is likely to submit an issue to the voters in 2004. Financially, the future of the District is not without challenges. Management must diligently plan future expenditures.

The District has committed itself to financial excellence for many years. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1992 and the GFOA Budget Award since 1992. This report represents the first report using this new financial reporting model.

In addition, the District's system of budgeting and internal controls is well regarded. All of the District's financial abilities will be needed to meet the challenges of the future. With careful planning and monitoring of the District's finances, the District's management is confident that the District can continue to provide a quality education for our students and provide a secure financial future.

### **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 Beth Weber, Treasurer at Sycamore Community School District, 4881 Cooper Road, Cincinnati, Ohio 45242.

Sycamore Community School District, Ohio  
Statement of Net Assets  
June 30, 2003

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$41,877,573	\$177,083	\$42,054,656
Restricted Cash and Investments	468,958	0	468,958
<b>Receivables:</b>			
Taxes	54,729,400	0	54,729,400
Accounts	9,463	1,078	10,541
Intergovernmental	153,896	25,370	179,266
Inventory	73,449	15,139	88,588
Nondepreciable Capital Assets	11,907,984	0	11,907,984
Depreciable Capital Assets, Net	63,199,640	110,245	63,309,885
<b>Total Assets</b>	<b>172,420,363</b>	<b>328,915</b>	<b>172,749,278</b>
<b>Liabilities:</b>			
Accounts Payable	791,884	10,200	802,084
Accrued Wages and Benefits	7,177,441	116,190	7,293,631
Retainage Payable	317,943	0	317,943
Accrued Interest Payable	268,066	0	268,066
Deferred Revenue	38,472,200	6,374	38,478,574
<b>Long-Term Liabilities:</b>			
Due Within One Year	3,302,540	8,131	3,310,671
Due In More Than One Year	61,419,862	50,005	61,469,867
<b>Total Liabilities</b>	<b>111,749,936</b>	<b>190,900</b>	<b>111,940,836</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	16,487,817	110,245	16,598,062
<b>Restricted for:</b>			
Special Revenue	279,832	0	279,832
Debt Service	7,544,709	0	7,544,709
Capital Projects	3,734,680	0	3,734,680
Unrestricted	32,623,389	27,770	32,651,159
<b>Total Net Assets</b>	<b>\$60,670,427</b>	<b>\$138,015</b>	<b>\$60,808,442</b>

See accompanying notes.

Sycamore Community School District, Ohio  
Statement of Activities  
For the Fiscal Year Ended June 30, 2003

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$29,384,301	\$558,011	\$567,747	\$91,377
Special	5,892,398	109,391	59,725	0
Vocational	233,511	0	0	0
Other	69,126	37,832	385	0
<b>Support Services:</b>				
Pupil	3,850,910	0	61,917	0
Instructional Staff	6,288,450	3,452	545,973	0
General Administration	36,236	0	0	0
School Administration	5,126,429	28,639	0	0
Fiscal	1,434,229	0	0	0
Business	231,493	0	0	0
Operations and Maintenance	6,920,404	12,598	1,078	0
Pupil Transportation	4,155,109	78	0	65,140
Central	2,383,469	0	64,902	0
Community Services	1,577,919	59	1,363,947	0
Extracurricular Activities	1,639,991	391,336	0	0
Interest and Fiscal Charges	2,764,963	0	0	0
<b>Total Governmental Activities</b>	<b>71,988,938</b>	<b>1,141,396</b>	<b>2,665,674</b>	<b>156,517</b>
<b>Business-Type Activities:</b>				
Food Service	1,546,952	1,362,309	239,407	0
Adult Education	24,430	19,290	0	0
Community School	44,628	54,531	0	0
<b>Total Business-Type Activities</b>	<b>1,616,010</b>	<b>1,436,130</b>	<b>239,407</b>	<b>0</b>
<b>Totals</b>	<b>\$73,604,948</b>	<b>\$2,577,526</b>	<b>\$2,905,081</b>	<b>\$156,517</b>

General Revenues:  
Property Taxes Levied for:  
    General Purposes  
    Debt Service  
Grants and Entitlements not Restricted to Specific Programs  
Investment Earnings  
Other Revenues

Total General Revenues & Transfers

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$28,167,166)	\$0	(\$28,167,166)
(5,723,282)	0	(5,723,282)
(233,511)	0	(233,511)
(30,909)	0	(30,909)
(3,788,993)	0	(3,788,993)
(5,739,025)	0	(5,739,025)
(36,236)	0	(36,236)
(5,097,790)	0	(5,097,790)
(1,434,229)	0	(1,434,229)
(231,493)	0	(231,493)
(6,906,728)	0	(6,906,728)
(4,089,891)	0	(4,089,891)
(2,318,567)	0	(2,318,567)
(213,913)	0	(213,913)
(1,248,655)	0	(1,248,655)
(2,764,963)	0	(2,764,963)
<u>(68,025,351)</u>	<u>0</u>	<u>(68,025,351)</u>
0	54,764	54,764
0	(5,140)	(5,140)
0	9,903	9,903
<u>0</u>	<u>59,527</u>	<u>59,527</u>
<u>(\$68,025,351)</u>	<u>\$59,527</u>	<u>(\$67,965,824)</u>
54,264,719	0	54,264,719
3,582,255	0	3,582,255
8,908,534	0	8,908,534
773,453	403	773,856
184,200	30,583	214,783
<u>67,713,161</u>	<u>30,986</u>	<u>67,744,147</u>
(312,190)	90,513	(221,677)
<u>60,982,617</u>	<u>47,502</u>	<u>61,030,119</u>
<u>\$60,670,427</u>	<u>\$138,015</u>	<u>\$60,808,442</u>

Sycamore Community School District, Ohio  
 Balance Sheet  
 Governmental Funds  
 June 30, 2003

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$30,289,248	\$6,814,275	\$4,774,050	\$41,877,573
Restricted Cash and Investments	468,958	0	0	468,958
<b>Receivables:</b>				
Taxes	51,796,360	2,933,040	0	54,729,400
Accounts	5,792	0	3,671	9,463
Intergovernmental	0	0	153,896	153,896
Interfund	118,336	0	0	118,336
Inventory	73,449	0	0	73,449
<b>Total Assets</b>	<b>82,752,143</b>	<b>9,747,315</b>	<b>4,931,617</b>	<b>97,431,075</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	503,718	0	288,166	791,884
Accrued Wages and Benefits	6,675,686	0	126,534	6,802,220
Compensated Absences	588,301	0	0	588,301
Retainage Payable	0	0	317,943	317,943
Interfund Payable	0	0	118,336	118,336
Deferred Revenue	36,537,660	1,934,540	72,358	38,544,558
<b>Total Liabilities</b>	<b>44,305,365</b>	<b>1,934,540</b>	<b>923,337</b>	<b>47,163,242</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	565,521	0	1,866,600	2,432,121
Reserved for Inventory	73,449	0	0	73,449
Reserved for Property Tax Advances	15,258,700	998,500	0	16,257,200
Reserved for Set Aside	468,958	0	0	468,958
<b>Unreserved, Undesignated, Reported in:</b>				
General Fund	22,080,150	0	0	22,080,150
Special Revenue Funds	0	0	140,989	140,989
Debt Service Funds	0	6,814,275	0	6,814,275
Capital Projects Funds	0	0	2,000,691	2,000,691
<b>Total Fund Balances</b>	<b>38,446,778</b>	<b>7,812,775</b>	<b>4,008,280</b>	<b>50,267,833</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$82,752,143</b>	<b>\$9,747,315</b>	<b>\$4,931,617</b>	<b>\$97,431,075</b>

See accompanying notes.



Sycamore Community School District, Ohio  
Reconciliation of Total Governmental Fund Balance to  
Net Assets of Governmental Activities  
June 30, 2003

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Total Governmental Fund Balance	\$50,267,833
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	75,107,624
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	72,358
In the statement of net assets, interest is accrued, whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.	(268,066)
Some liabilities, such as compensated absences and accrued benefits, do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.	(5,889,515)
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.	<u>(58,619,807)</u>
Net Assets of Governmental Activities	<u><u>\$60,670,427</u></u>

See accompanying notes.

Sycamore Community School District, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2003

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$54,264,718	\$3,230,015	\$0	\$57,494,733
Tuition and Fees	654,090	0	67,930	722,020
Investment Earnings	655,560	0	117,893	773,453
Intergovernmental	8,974,058	352,240	2,524,771	11,851,069
Extracurricular Activities	0	0	375,036	375,036
Other Revenues	366,916	0	150,319	517,235
<b>Total Revenues</b>	<b>64,915,342</b>	<b>3,582,255</b>	<b>3,235,949</b>	<b>71,733,546</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	29,699,806	0	934,390	30,634,196
Special	5,868,248	0	64,392	5,932,640
Vocational	203,123	0	0	203,123
Other	69,126	0	0	69,126
<b>Support Services:</b>				
Pupil	3,756,987	0	60,725	3,817,712
Instructional Staff	5,832,714	0	528,066	6,360,780
General Administration	36,329	0	0	36,329
School Administration	5,071,535	0	115	5,071,650
Fiscal	1,362,290	40,946	0	1,403,236
Business	221,471	0	0	221,471
Operations and Maintenance	6,936,162	0	1,063	6,937,225
Pupil Transportation	3,486,230	0	306,113	3,792,343
Central	1,310,626	0	941,589	2,252,215
Community Services	1,881	0	1,549,663	1,551,544
Extracurricular Activities	1,299,186	0	487,695	1,786,881
Capital Outlay	0	0	8,465,130	8,465,130
<b>Debt Service:</b>				
Principal Retirement	545,000	2,475,000	59,992	3,079,992
Interest and Fiscal Charges	713,021	2,080,241	5,170	2,798,432
<b>Total Expenditures</b>	<b>66,413,735</b>	<b>4,596,187</b>	<b>13,404,103</b>	<b>84,414,025</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,498,393)</b>	<b>(1,013,932)</b>	<b>(10,168,154)</b>	<b>(12,680,479)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds of Capital Leases	0	0	561,200	561,200
Proceeds from Sale of Capital Assets	3,900	0	0	3,900
Transfers In	1,447	1,079,245	1,510,357	2,591,049
Transfers (Out)	(2,587,041)	0	(4,008)	(2,591,049)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,581,694)</b>	<b>1,079,245</b>	<b>2,067,549</b>	<b>565,100</b>
<b>Net Change in Fund Balance</b>	<b>(4,080,087)</b>	<b>65,313</b>	<b>(8,100,605)</b>	<b>(12,115,379)</b>
<b>Fund Balance Beginning of Year (restated)</b>	<b>42,532,178</b>	<b>7,747,462</b>	<b>12,108,885</b>	<b>62,388,525</b>
<b>Change in Reserve for Inventory</b>	<b>(5,313)</b>	<b>0</b>	<b>0</b>	<b>(5,313)</b>
<b>Fund Balance End of Year</b>	<b>\$38,446,778</b>	<b>\$7,812,775</b>	<b>\$4,008,280</b>	<b>\$50,267,833</b>

See accompanying notes.

Sycamore Community School District, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2003

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Net Change in Fund Balance - Total Governmental Funds (12,115,379)

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

Governmental funds report capital asset purchases as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital asset additions in the current period.

9,490,319

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the deduction for the loss on the disposal of capital assets must also be recognized.

(132,913)

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

72,215

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

3,079,992

In the statement of activities, interest is accrued, whereas in governmental funds, an interest expenditure is reported when due.

33,469

Some expenses reported in the statement of activities, such as compensated absences and accrued benefits, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

(173,380)

Consumable inventory is reported using the purchase method on a modified accrual basis, but is reported using the consumption method for full accrual.

(5,313)

Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net assets.

(561,200)

Change in Net Assets of Governmental Activities

(312,190)

See accompanying notes.

Sycamore Community School District, Ohio  
Statement of Net Assets  
Proprietary Funds  
June 30, 2003

	<u>Business-Type Activities Enterprise Funds</u>
Assets:	
Equity in Pooled Cash and Investments	\$177,083
Receivables:	
Accounts	1,078
Intergovernmental	25,370
Inventory	<u>15,139</u>
Total Current Assets	<u>218,670</u>
Depreciable Capital Assets, Net	<u>110,245</u>
Total Assets	<u>328,915</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	10,200
Accrued Wages and Benefits	116,190
Compensated Absences	8,131
Deferred Revenue	<u>6,374</u>
Total Current Liabilities	<u>140,895</u>
Long-Term Liabilities:	
Compensated Absences	<u>50,005</u>
Total Liabilities	<u>190,900</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	110,245
Unrestricted	<u>27,770</u>
Total Net Assets	<u><u>\$138,015</u></u>

See accompanying notes.

Sycamore Community School District, Ohio  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2003

	Business-Type Activities Enterprise Funds
Operating Revenues:	
Sales	\$1,361,231
Tuition and Fees	73,821
Charges for Services	1,078
Other Revenues	30,583
Total Operating Revenues	<u>1,466,713</u>
Operating Expenses:	
Personal Services	836,882
Contactual Services	40,880
Materials and Supplies	714,704
Depreciation	22,644
Other Expenses	900
Total Operating Expenses	<u>1,616,010</u>
Operating Income (Loss)	<u>(149,297)</u>
Non-Operating Revenues (Expenses):	
Investment Earnings	403
Donated Commodities	58,850
Operating Grants	180,557
Total Non-Operating Revenues (Expenses)	<u>239,810</u>
Change in Net Assets	90,513
Net Assets Beginning of Year (restated)	<u>47,502</u>
Net Assets End of Year	<u><u>\$138,015</u></u>

See accompanying notes.

Sycamore Community School District, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2003

	<u>Business-Type Activities Enterprise Funds</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$1,467,609
Cash Payments to Employees	(883,695)
Cash Payments to Suppliers	(687,453)
Cash Payments for Other Expenses	(900)
	<u>(104,439)</u>
Net Cash Provided (Used) by Operating Activities	
Cash Flows from Noncapital Financing Activities:	
Operating Grants Received	180,622
Payments from Other Funds	50,000
Payments to Other Funds	(50,000)
	<u>180,622</u>
Net Cash Provided (Used) by Noncapital Financing Activities	
Cash Flows from Capital and Related Financing Activities:	
Payments for Capital Acquisitions	(12,255)
	<u>(12,255)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	
Cash Flows from Investing Activities:	
Earnings on Investments	403
	<u>403</u>
Net Cash Provided (Used) by Cash Flows from Investing Activities	
	<u>64,331</u>
Net Increase (Decrease) in Cash and Cash Equivalents	
Cash and Cash Equivalents Beginning of Year	<u>112,752</u>
Cash and Cash Equivalents End of Year	<u><u>177,083</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(149,297)
Adjustments:	
Depreciation	22,644
Donated Commodities	58,850
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	896
(Increase) Decrease in Inventory	14,988
Increase (Decrease) in Payables	(2,335)
Increase (Decrease) in Accrued Liabilities	(46,813)
Increase (Decrease) in Deferred Revenue	(3,372)
	<u>(104,439)</u>
Net Cash Provided (Used) by Operating Activities	

Schedule of Noncash Capital Activities:

During the fiscal year, the Food Service Fund received contributed food commodities valued at	\$58,850
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See accompanying notes.

Sycamore Community School District, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2003

	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$30,794	\$84,344
Accounts Receivable	0	10,000
<b>Total Assets</b>	<b>30,794</b>	<b>\$94,344</b>
Liabilities:		
Accounts Payable	0	600
Other Liabilities	0	93,744
<b>Total Liabilities</b>	<b>0</b>	<b>\$94,344</b>
Net Assets:		
Held in Trust for Scholarships	30,794	
<b>Total Net Assets</b>	<b>\$30,794</b>	

See accompanying notes.

Sycamore Community School District, Ohio  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
For the Fiscal Year Ended June 30, 2003

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	Private Purpose Trust
Additions:	
Investment Earnings	\$824
Other	3,120
Total Additions	<u>3,944</u>
Deductions:	
Scholarships	<u>5,004</u>
Total Deductions	<u>5,004</u>
Change in Net Assets	(1,060)
Net Assets Beginning of Year	<u>31,854</u>
Net Assets End of Year	<u><u>\$30,794</u></u>

See accompanying notes.



**SYCAMORE COMMUNITY SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2003**

**1. DESCRIPTION OF THE DISTRICT**

The District was chartered by the Ohio State Legislature in 1949. In 1863 State laws were enacted to create the local Boards of Education. Today, the Sycamore Community School District ("District") operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 199.01 of the Ohio Revised Code.

The District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. This Board controls the District's instructional and support facilities staffed by 383 non-certified personnel and 484 certificated personnel to provide services to students and other community members.

The District is the 6th largest in Hamilton County in terms of enrollment. It currently operates 4 elementary schools, 1 intermediate school (grades 5-6), 1 junior high school (grades 7-8), and 1 high school (grades 9-12).

**REPORTING ENTITY**

In accordance with Governmental Accounting Standards Board [GASB] Statement 14, the financial reporting entity consists of a primary government. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

There are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds and account groups of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

## **MEASUREMENT FOCUS**

### **Government-wide Financial Statements**

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements which provide a more detailed level of financial information.

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net assets. Fiduciary Funds are not included in entity-wide statements.

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 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 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, with certain limited exceptions. 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**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Fiduciary Funds are reported using the economic resources measurement focus.

## **FUND ACCOUNTING**

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories governmental, proprietary and fiduciary. The focus of government 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.

### **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 are the District's major governmental funds:

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.

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment.

### **Proprietary Funds**

Proprietary fund reporting focuses on the determination of operating income changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the District has no internal service funds.

Enterprise Funds – The enterprise fund may be used to account for any activity for which a fee is charged to external users for goods or services. The District's enterprise funds are:

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

Adult Education – This fund accounts for educational opportunities offered on a tuition basis to adults living within the community.

Community School – This fund accounts for educational opportunities offered on a tuition basis to preschoolers and youths living within the community.

### **Fiduciary Funds**

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

### **3. BASIS OF ACCOUNTING**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the actual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

#### 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, included 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. 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 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 year end: property taxes available for advance, grants and interest.

### 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, 2003, but which were levied to finance fiscal year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

### Expenses/Expenditures

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

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 the governmental funds.

## **CASH AND CASH EQUIVALENTS**

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

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

The District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2003. 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, 2003.

Following Ohio statutes, the Board has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue during fiscal year 2003 amounted to \$773,453.

For purposes of the statement of cash flows, the Enterprise Funds' portion of pooled cash and investments is considered a cash equivalent because the District is able to withdraw resources from the enterprise funds without prior notice or penalty.

## **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 and is considered an expenditure when purchased.

The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of enterprise funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

## **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 enterprise 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 two thousand dollars (\$2,000). 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.

## **RESTRICTED ASSETS**

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other government or imposed by enabling legislation. Restricted assets include the amount required by state statute to be set aside to create a reserve for textbooks and instructional material.

All reported capital assets are depreciated, except land. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is allocated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	N/A
Buildings	20 years	N/A
Building Improvements	45 years	N/A
Equipment and Vehicles	5 - 20 years	5 - 20 years

### **COMPENSATED ABSENCES**

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the District's past experience of making termination payments.

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount due to the employee at year end. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The entire amount of compensated absences is reported as a fund liability in Proprietary Funds.

The District's policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How Earned	Not Eligible	25-30 days per year or 2.08-2.50 per month	10-25 days for each service year depending on length of service
Maximum Accumulation	Not Applicable	30 days Payoff up to 10 days/yr. unused earned	Double the max accumulated
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
<u>Sick Leave</u>			
How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	325 days	325 days	325 days
Vested	As Earned	As Earned	As Earned
Termination Entitlement	1/3 paid upon retirement	1/3 paid upon retirement	1/3 paid upon retirement

## NET ASSETS

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

## 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 sales for food service, adult education and community school. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.



## **FUND BALANCE RESERVES AND DESIGNATIONS**

The School 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 property taxes, loans, budget stabilization and encumbrances.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The reserve for budget stabilization represents monies required to be set aside by State statute to protect against cyclical changes in revenues and expenditures. The designation for budget stabilization represents revenues set aside that exceed statutorily required amounts.

## **CONTRIBUTIONS OF CAPITAL**

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

## **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.

## **BUDGETARY PROCESS**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund and function level within each individual fund. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The Treasurer is authorized to further allocate appropriations to the function and object level for all funds.

### Tax Budget

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 express purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the Hamilton County Budget Commission for rate determination.

### Estimated Resources

Prior to April 1, the Board accepts, by formal resolution, the tax rates as determined by the County 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 the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. 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 original budgeted amounts in the budgetary statements reflect the amounts in the amended certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2003.

### Appropriations

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund and function level of expenditures, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at the fund and function level of control.

Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted. The budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions.

### Encumbrances

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 appropriations and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent year expenditures for governmental funds.

### Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

## **FUND EQUITY**

Reserved fund balances indicate a portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, supplies inventory, budget stabilization and property taxes. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute. The unreserved portion of fund equity, reflected for the Governmental Funds, is available for use within the specific purpose of those funds.

## **CHANGES IN ACCOUNTING PRINCIPLES**

For fiscal year 2003, the School District has implemented GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus", GASB Statement No. 38, "Certain Financial Statement Note Disclosures", GASB Statement No. 41, "Budgetary Comparison Schedules - Perspective Differences", and GASB Interpretation No. 6 "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements."

GASB 34 creates new basic financial statements for reporting on the School District's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

GASB Statement No. 41 allows the presentation of budgetary schedules as required supplementary information based on the fund, organization or program structure that the government uses for its legally adopted budget when significant budgetary perspective differences result in the school district not being able to present budgetary comparisons for the general and each major special revenue fund.

At June 30, 2003, there was no effect on fund balance as a result of implementing GASB statements 37 and 38. GASB interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice. The School District restated the fund liability of compensated absences that had not matured during fiscal year 2002.

The government-wide financial statements split the District's programs between business-type and governmental activities. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the Enterprise Funds from last year. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at June 30, 2003.

### RESTATEMENT OF FUND BALANCE

The implementation of these statements had the following effects on fund balance of the major and non-major funds of the District as they were previously reported. The transition from governmental fund balances to net assets of the governmental activities is also presented.

	<u>General</u>	<u>Debt Service</u>	<u>Nonmajor</u>	<u>Total</u>
Fund Balances, June 30, 2002	\$42,517,412	\$7,747,462	\$12,108,885	\$62,373,759
Fund Reclassification	<u>14,766</u>	<u>0</u>	<u>0</u>	<u>14,766</u>
Adjusted Fund Balances, June 30, 2002	<u>\$42,532,178</u>	<u>\$7,747,462</u>	<u>\$12,108,885</u>	<u>\$62,388,525</u>
GASB 34 Adjustments:				
Capital Assets				\$65,750,218
Accrued Interest Payable				(301,535)
Compensated Absences Payable				(5,265,140)
Deferred Revenue				143
Accrued Pension Liability				(450,995)
Long Term Liabilities				<u>(61,138,599)</u>
Governmental Activities Net Assets, June 30, 2002				<u>\$60,982,617</u>

At June 30, 2002, fixed assets were restated in the Enterprise Funds. This restatement had the following effect on fund equity as it was previously reported:

	<u>Food</u>	<u>Adult</u>	<u>Community</u>	<u>Total</u>
	<u>Service</u>	<u>Education</u>	<u>School</u>	
Fund Equity June 30, 2002	(\$41,741)	\$8,881	\$24,081	(\$8,779)
Fixed Assets	<u>56,681</u>	<u>0</u>	<u>(400)</u>	<u>56,281</u>
Adjusted Net Assets, June 30, 2002	<u>\$14,940</u>	<u>\$8,881</u>	<u>\$23,681</u>	<u>\$47,502</u>

#### 4. CASH AND CASH EQUIVALENTS

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the financial statements as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) Repurchase agreements in the securities enumerated above.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds, and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.

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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits – At the year end, the carrying amount of the District's deposits was \$106,392. The bank balance of deposits was \$1,011,810 of which \$266,255 was covered by federal depository insurance. The remaining balance of \$745,555 was covered by 110% public depository pool, which was collateralized with securities held by the pledging financial institution's trust department but not in the District's name.

Investments – The District's investments are categorized to give an indication of the level of risk assumed by the entity at year end (GASB Statement 3):

- Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name.
- Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name.
- Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its department or agent, but not in the District's name.

Based on the above criteria, the District's investments at year-end are classified as follows:

<u>Description</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Amount/ Fair Value</u>
Repurchase Agreement	\$0	\$0	\$511,943	\$511,943
Federal Agency Security	0	0	25,125,483	25,125,483
Money Market Funds*	0	0	0	297,985
State Treasury Pool*	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,596,949</u>
Total Investments	<u>\$0</u>	<u>\$0</u>	<u>\$25,637,426</u>	<u>\$42,532,360</u>

\*The District's Investment in the Ohio State Treasury Pool and Money Market Funds are not categorized because they are not evidenced by securities that exist in physical or book entry form.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 110% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

## **5. PROPERTY TAXES**

Real property taxes collected in 2003 were levied in April on the assessed values as of January 1, 2002, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. A re-evaluation of real property is required to be completed no less than every six years, with a statistical update every third year.

Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 25 percent of true value (as defined). In 2003, each business was eligible to receive a \$10,000 exemption in assessed value which was reimbursed by the State.

Real property taxes are payable annually or semi-annually. In 2003, if paid annually, payment was due by January 20th. If paid semi-annually, the first payment (at least 1/2 amount billed) was due January 20th with the remainder due on June 20th.

The Hamilton County Auditor remits portions of the taxes collected to all taxing districts with periodic settlements of real and public utility property taxes in February and August and tangible personal property taxes in June and October. The District records billed but uncollected property taxes as receivables at their estimated net realizable value.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2003 and for which there is an enforceable legal claim. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2003. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available to finance current year operations. The receivable is, therefore, offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2003, was \$15,258,700 for General Fund and \$998,500 for Debt Service, and is recognized as revenue, with a corresponding reserve to fund balance since the Board did not appropriate these receivables for fiscal year 2003 operations. The amount available for advance at June 30, 2002 was \$12,677,800 for General Fund and \$879,900 for Debt Service, with a corresponding reserve to fund balance since the Board did not appropriate those receivables for fiscal year 2002 operations.

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 2003 taxes were collected are:

	<u>Amount</u>
Agricultural/Residential and Other Real Estate	\$1,367,631,060
Public Utility Personal	31,224,690
Tangible Personal Property	<u>227,523,320</u>
<b>Total</b>	<b><u>\$1,626,379,070</u></b>

## 6. RECEIVABLES

Receivables at June 30, 2003, consisted of taxes, accounts (rent and student fees), intergovernmental grants and interest. 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.

## 7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2003, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Government Activities</b>				
Land	\$1,602,371	\$0	\$0	\$1,602,371
Land Improvements	2,630,279	281,244	69,300	2,842,223
Buildings	15,256,200	10,915,211	640,100	25,531,311
Building Improvements	44,352,953	168,212	0	44,521,165
Equipment and Vehicles	7,676,620	1,423,459	503,154	8,596,925
Construction in Progress	<u>10,832,794</u>	<u>10,388,030</u>	<u>10,915,211</u>	<u>10,305,613</u>
<b>Totals at Historical Cost</b>	<b><u>\$82,351,217</u></b>	<b><u>\$23,176,156</u></b>	<b><u>\$12,127,765</u></b>	<b><u>\$93,399,608</u></b>
<b>Less Accumulated Depreciation:</b>				
Land Improvements	\$806,535	\$120,901	\$47,915	\$879,521
Building	9,056,891	310,768	534,959	8,832,700
Building Improvements	677,667	1,780,619	0	2,458,286
Equipment and Vehicles	<u>6,059,906</u>	<u>558,338</u>	<u>496,767</u>	<u>6,121,477</u>
<b>Total Accumulated Depreciation</b>	<b><u>\$16,600,999</u></b>	<b><u>\$2,770,626</u></b>	<b><u>\$1,079,641</u></b>	<b><u>\$18,291,984</u></b>
<b>Governmental Activities Capital Assets, Net</b>	<b><u>\$65,750,218</u></b>	<b><u>\$20,405,530</u></b>	<b><u>\$11,048,124</u></b>	<b><u>\$75,107,624</u></b>



**Business-Type Activities**

Equipment	<u>\$524,299</u>	<u>\$11,455</u>	<u>\$36,800</u>	<u>\$498,954</u>
Total at Historical Cost	<u>\$524,299</u>	<u>\$11,455</u>	<u>\$36,800</u>	<u>\$498,954</u>
Less Accumulated Depreciation:				
Equipment	<u>\$402,705</u>	<u>\$22,644</u>	<u>\$36,640</u>	<u>\$388,709</u>
Total at Accumulated Depreciation	<u>\$402,705</u>	<u>\$22,644</u>	<u>\$36,640</u>	<u>\$388,709</u>
Business-Type Activities Capital Assets, Net	<u>\$121,594</u>	<u>(\$11,189)</u>	<u>\$160</u>	<u>\$110,245</u>

\*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,916,213
Special	81,617
Support Services:	
Pupil	3,170
Instructional Staff	5,367
General Administration	403
School Administration	115,613
Fiscal	2,930
Business	210
Operations and Maintenance	153,216
Pupil Transportation	331,270
Central	91,251
Community Services	20,951
Extracurricular Activities	<u>48,415</u>
Total Depreciation Expense	<u>\$2,770,626</u>

**8. 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 percent of the property valuation of the District.

The effects of these debt limitations at June 30, 2003, are a voted debt margin of \$110,814,792 and an unvoted debt margin of \$1,626,379.

The bond issue is a general obligation of the District for which the full faith and credit of the District is pledged for repayment. Payment of principal and interest relating to this liability is recorded as an expenditure in the Debt Service Fund.

## 9. LONG-TERM LIABILITIES

	<u>Maturity Dates</u>	<u>Beginning Principal Outstanding</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Principal Outstanding</u>	<u>Due In One Year</u>
<u>Governmental Activities:</u>						
<u>General Obligation Bonds:</u>						
School Improvement 1993 4.11%	12/01/02	\$ 100,000	\$ 0	\$ 100,000	\$ 0	\$0
Technology Bonds I 1998 4.65%	12/01/02	370,000	0	370,000	0	0
Symmtes Refunding 1998 4.60%	12/01/23	2,203,599	0	385,000	1,818,599	385,000
Technology Bonds II 1999 4.60%	12/01/02	585,000	0	585,000	0	0
Bond Issue I 1998 3.25%	12/01/23	3,350,000	0	55,000	3,295,000	55,000
Bond Issue II 1998 3.00%	12/01/23	29,550,000	0	725,000	28,825,000	765,000
Bond Issue III 1998 3.40%	12/01/23	<u>8,690,000</u>	<u>0</u>	<u>255,000</u>	<u>8,435,000</u>	<u>265,000</u>
Total General Obligation Bonds		44,848,599	0	2,475,000	42,373,599	1,470,000
Compensated Absences		5,265,140	837,455	0	6,102,595	1,079,078
Capital Leases		<u>16,290,000</u>	<u>561,200</u>	<u>604,992</u>	<u>16,246,208</u>	<u>753,462</u>
Total Governmental Activities Long-Term Liabilities		<u>\$66,403,739</u>	<u>\$1,398,655</u>	<u>\$3,079,992</u>	<u>\$64,722,402</u>	<u>\$3,302,540</u>
<u>Business-Type Activities</u>						
Compensated Absences		<u>\$95,594</u>	<u>\$0</u>	<u>\$37,458</u>	<u>\$58,136</u>	<u>\$8,131</u>

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid. Capital lease obligations will be paid from the general fund and permanent improvement fund.

The District's Board of Education approved an Early Retirement Incentive program. Participation is open to employees who are at least fifty years of age, qualify for retirement with years purchased by the Board, and agree to retire within ninety days after notification that credit has been purchased. The credit may not exceed the lesser of two years or one-fifth of each member's total Ohio teaching service. The Board of Education limits the number of employees participating in the plan in any one year. The Board of Education has the option of paying the liability in its entirety or in installments. The year-end liability will be paid from the fund from which the person is paid in its entirety in January of 2004.

Principal and interest requirements to retire general obligation debt outstanding at year end are as follows:

Fiscal Year Ending June 30,	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$1,470,000	\$1,999,781	\$3,469,781
2005	1,535,000	1,940,189	3,475,189
2006	1,595,000	1,876,907	3,471,907
2007	1,655,000	1,809,853	3,464,853
2008	1,478,247	1,978,775	3,457,022
2009-2013	8,070,352	8,174,113	16,244,465
2014-2018	10,445,000	5,387,902	15,832,902
2019-2023	13,255,000	2,418,456	15,673,456
2024	<u>2,870,000</u>	<u>71,750</u>	<u>2,941,750</u>
Totals	<u>\$42,373,599</u>	<u>\$25,657,726</u>	<u>\$68,031,325</u>

## 10. LEASES

### CAPITAL LEASES

The District is leasing the project site from the University of Cincinnati where the construction occurred and is leasing the land to PS&W Holding Company. PS&W Holding Company has constructed the building and has assigned the land and building to US Bank, which is leasing the building to the District. US Bank, sold certificates of participation in the building lease. The District will make repayment every six months to US Bank. Interest rates range between 3.250% and 5.125%. The lease is renewable annually and expires in 2025. The intention of the District is to renew the lease annually.

The District has entered into a new capital lease for June 30, 2003 for a phone system.

The leases for Sycamore High School, Blue Ash Elementary and the phone system meet the criteria of capital lease as defined by statement of Financial Accounting Standards No. 13 "Accounting for Leases", which defines a capital lease generally as one that transfers benefits and risks of ownership to the lessee. Capital lease payments for the high school and elementary school will be made from the General fund and lease payments for the phone system will be made from the Permanent Improvement Fund.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of fiscal year end.

Fiscal Year <u>Ending June 30,</u>	Long-Term <u>Debt</u>
2004	\$1,472,324
2005	1,470,160
2006	1,401,472
2007	1,271,235
2008	1,274,775
Thereafter	<u>17,491,469</u>
Total Minimum Lease Payments	24,381,435
Less: Amount Representing Interest	<u>(8,135,227)</u>
Present Value of Minimum Lease Payments	<u>\$16,246,208</u>

## **OPERATING LEASES**

As described in the capital lease footnote above, the District has one operating lease involving the lease of School District land to PS&W Holding Company for \$1 per year.

## **11. PENSION PLANS**

### **SCHOOL EMPLOYEES RETIREMENT SYSTEM**

The School District contributes to the School Employees Retirement System (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 Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

Plan members are required to contribute 9% of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14% of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2003, 8.17% of annual covered salary was the portion being used to fund pension obligations. For fiscal year 2002, 5.46% 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 School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$1,510,224, \$1,365,204, and \$1,226,172 respectively; 47.7% has been contributed for fiscal year 2003 and 100% for fiscal year 2002 and 2001.

## **STATE TEACHERS RETIREMENT SYSTEM**

The School District participates in State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371 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 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 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.

For the fiscal year ended June 30, 2003, plan members were required to contribute 9.3% of their annual covered salaries. The School District was required to contribute 14%; 13% was the portion used to fund pension obligations. For fiscal year 2002, the portion used to fund pension obligations was 9.5%. Contribution rates are established by the State Teachers Retirement Board, upon recommendations 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 members and employer contributions.

The School District's required contributions for pension obligations for the fiscal years ended June 30, 2003, 2002, and 2001 were \$4,847,064, \$4,296,900, and \$3,880,380 respectively; 97.7% has been contributed for fiscal year 2003 and 100% for fiscal year 2002 and 2001.

## **12. POST EMPLOYMENT BENEFITS**

The District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits included hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provision and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

For STRS, all benefit recipients are required to pay a portion of health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll. The Board currently allocates employer contributions equal to 4.5% of covered payroll to the Health Care Reserve Fund for which payments for health care benefits are paid. For the District, this amount equaled \$1,557,985 during the 2003 fiscal year. As of July 1, 2003, eligible benefit recipients totaled 105,300. For the fiscal year ended June 30, 2002, net health care costs paid by STRS were \$354,697,000.

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

For 2002 fiscal year, employer contributions to fund health care benefits were 8.54% 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 2002, the minimum pay has been established at \$12,400. The surcharge rate added to the unallocated portion of the 14% employer contribution rate provides for maintenance of the asset target level for the health care fund. For the District, this amount equaled \$921,237 during the 2003 fiscal year. The number of participants currently receiving health care benefits is approximately 50,000. For the fiscal year ended June 30, 2002, net health care costs paid by SERS were \$182,946,777.

## **13. CONTINGENT LIABILITIES**

### **GRANTS**

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.

However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District as of June 30, 2003.

## **LITIGATION**

The District's attorney estimates that all other potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

## **14. RISK MANAGEMENT**

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 2003, the District contracted with Nationwide for general liability insurance and with Indiana Insurance for property, boiler and machinery insurance.

The District maintains an umbrella liability policy with limits of \$10,000,000 each occurrence, \$10,000,000 aggregate.

Boiler and machinery coverage has a \$1,000 deductible with a \$50,000,000 limit of liability per accident. Professional liability is protected by Indiana Insurance Company with a \$1,000,000 each occurrence, \$3,000,000 aggregate limit.

Vehicles are covered by Indiana Insurance Company with a \$100 deductible for comprehensive and a \$500 deductible for collision.

Public officials bond insurance is provided by Backus Insurance Company. The Treasurer, Superintendent and Board President are covered by bonds in the amounts \$100,000, \$25,000 and \$25,000 respectively. Honesty Blanket Position Coverage is \$15,000 per employee.

The amounts of settlements did not exceed insurance coverage for any of the past three fiscal years.

For fiscal year 2003 the District provided employee medical/surgical benefits through Humana/Choice Care, a Cincinnati based health maintenance organization.

## **15. 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.

## 16. COMPLIANCE AND ACCOUNTABILITY

The following individual funds had a deficit in fund balance at year end:

<u>Fund</u>	<u>Deficit</u>
Special Revenue Fund:	
Title VI B Pre-school	\$6,613
Title I	14,042

## 17. FUND BALANCE RESERVES FOR SET-ASIDES

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years.

For fiscal year ended June 30, 2003, the School District was no longer required to set aside funds in the budget reserve set-aside, with the exception of refund monies received from the Bureau of Workers' Compensation, which must be spent for specified purposes.

The following cash basis information describes the change in the year-end set-aside amounts for textbooks and capital acquisition. Disclosure of this information is required by State statute.

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside Reserve Balance as of June 30, 2002	(\$971,848)	\$ 0	\$ 468,958
Current Year Set-aside Requirement	811,124	811,124	0
Qualified Disbursements	(1,160,094)	0	0
Current Year Offsets	<u>0</u>	<u>(811,124)</u>	<u>0</u>
Set-Aside Reserve Balance as of June 30, 2003	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 468,958</u>
Restricted Cash as of June 30, 2003	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 468,958</u>
Carry Forward to FY2004	<u>(\$1,320,818)</u>	<u>\$ 0</u>	<u>\$ 0</u>

Offset credits for capital activity during the year exceeded the amount required for the set-aside, resulting in offset credits of \$63,611,440 available for carryover to offset capital reserve requirements of future years. Qualifying disbursements and carryover from prior years for textbooks totaled \$2,131,942, resulting in \$1,320,818 for carryover to offset textbook requirements in future years.

## 18. INTERFUND TRANSACTIONS



Interfund transactions at June 30, 2003, consisted of the following individual fund receivables and payables:

	Interfund Loan <u>Receivable</u>	Interfund Loan <u>Payable</u>
General Fund	\$118,336	
Special Revenue Fund:		
Title VI-B/Preschool		\$51,967
Title I		28,826
Title VI		13,700
Drug-Free Schools		1,000
Title VI-R	_____	<u>22,843</u>
	<u>\$118,336</u>	<u>\$118,336</u>



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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

Sycamore Community School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2003

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$52,184,945	\$51,683,818	\$51,683,818	\$0
Tuition and Fees	659,355	642,425	653,023	10,598
Interest	661,924	602,396	655,568	53,172
Intergovernmental	9,031,491	8,944,761	8,944,762	1
Other Revenues	371,207	217,710	367,642	149,932
<b>Total Revenues</b>	<b>62,908,922</b>	<b>62,091,110</b>	<b>62,304,813</b>	<b>213,703</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	28,231,845	29,723,598	29,520,659	202,939
Special	5,593,742	5,996,135	5,849,102	147,033
Vocational	193,473	212,283	202,305	9,978
Other	66,108	69,200	69,126	74
<b>Support Services:</b>				
Pupil	3,544,469	3,711,520	3,706,278	5,242
Instructional Staff	5,501,113	5,822,414	5,752,245	70,169
General Administration	42,156	44,688	44,080	608
School Administration	4,893,291	5,198,645	5,116,675	81,970
Fiscal	1,200,309	1,267,827	1,255,104	12,723
Business	216,678	227,230	226,570	660
Operations and Maintenance	7,011,874	7,349,695	7,331,974	17,721
Pupil Transportation	3,366,537	3,563,961	3,520,223	43,738
Central	1,348,504	1,426,999	1,410,065	16,934
Community Services	1,799	0	1,881	(1,881)
Extracurricular Activities	1,065,798	1,142,100	1,114,453	27,647
Capital Outlay	55,784	58,960	58,331	629
<b>Debt Service:</b>				
Principal Retirement	545,000	545,000	545,000	0
Interest and Fiscal Charges	658,098	713,800	713,021	779
<b>Total Expenditures</b>	<b>63,536,578</b>	<b>67,074,055</b>	<b>66,437,092</b>	<b>636,963</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(627,656)</b>	<b>(4,982,945)</b>	<b>(4,132,279)</b>	<b>850,666</b>
<b>Other financing sources (uses):</b>				
Proceeds from Sale of Fixed Assets	3,938	3,900	3,900	0
Advances In	101,979	101,000	101,000	0
Advances (Out)	(208,804)	(218,336)	(218,336)	0
Transfers In	1,461	1,447	1,447	0
Transfers (Out)	(2,474,096)	(2,587,041)	(2,587,041)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(2,575,522)</b>	<b>(2,699,030)</b>	<b>(2,699,030)</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(3,203,178)</b>	<b>(7,681,975)</b>	<b>(6,831,309)</b>	<b>850,666</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>36,584,280</b>	<b>36,584,280</b>	<b>36,584,280</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$33,381,102</b>	<b>\$28,902,305</b>	<b>\$29,752,971</b>	<b>\$850,666</b>

See accompanying notes to required supplementary information.

**SYCAMORE COMMUNITY SCHOOL DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For The Year Ended June 30, 2003**

**1. BUDGETARY PROCESS**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Board. The legal level of control has been established by Board at the fund and function level within each individual fund. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2003.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Board during the year.

While the District is 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, disbursements and encumbrances. The Combined Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) 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 GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance

	<u>General</u>
GAAP Basis	(\$4,080,087)
Net Adjustment for Revenue Accruals	(2,509,529)
Net Adjustment for Expenditure Accruals	734,245
Encumbrances	<u>(975,938)</u>
Budget Basis	<u>(\$6,831,309)</u>

**COMBINING STATEMENTS  
AND INDIVIDUAL  
FUND SCHEDULES**

Sycamore Community School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$454,922	\$4,319,128	\$4,774,050
<b>Receivables:</b>			
Accounts	3,671	0	3,671
Intergovernmental	153,896	0	153,896
<b>Total Assets</b>	<b>612,489</b>	<b>4,319,128</b>	<b>4,931,617</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts Payable	21,661	266,505	288,166
Accrued Wages and Benefits	126,534	0	126,534
Retainage Payable	0	317,943	317,943
Interfund Payable	118,336	0	118,336
Deferred Revenue	72,358	0	72,358
<b>Total Liabilities</b>	<b>338,889</b>	<b>584,448</b>	<b>923,337</b>
<b>Fund Balances:</b>			
Reserved for Encumbrances	132,611	1,733,989	1,866,600
<b>Unreserved, Undesignated, Reported in:</b>			
Special Revenue Funds	140,989	0	140,989
Capital Projects Funds	0	2,000,691	2,000,691
<b>Total Fund Balances</b>	<b>273,600</b>	<b>3,734,680</b>	<b>4,008,280</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$612,489</b>	<b>\$4,319,128</b>	<b>\$4,931,617</b>



Sycamore Community School District, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Tuition and Fees	\$67,930	\$0	\$67,930
Investment Earnings	1,800	116,093	117,893
Intergovernmental	2,433,394	91,377	2,524,771
Extracurricular Activities	375,036	0	375,036
Other Revenues	150,319	0	150,319
<b>Total Revenues</b>	<b>3,028,479</b>	<b>207,470</b>	<b>3,235,949</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	574,978	359,412	934,390
Special	64,392	0	64,392
<b>Support Services:</b>			
Pupil	60,725	0	60,725
Instructional Staff	528,066	0	528,066
School Administration	115	0	115
Operations and Maintenance	1,063	0	1,063
Pupil Transportation	127	305,986	306,113
Central	72,930	868,659	941,589
Community Services	1,543,869	5,794	1,549,663
Extracurricular Activities	487,695	0	487,695
Capital Outlay	0	8,465,130	8,465,130
<b>Debt Service:</b>			
Principal Retirement	0	59,992	59,992
Interest and Fiscal Charges	0	5,170	5,170
<b>Total Expenditures</b>	<b>3,333,960</b>	<b>10,070,143</b>	<b>13,404,103</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(305,481)</b>	<b>(9,862,673)</b>	<b>(10,168,154)</b>
<b>Other Financing Sources (Uses):</b>			
Proceeds of Capital Leases	0	561,200	561,200
Transfers In	107,561	1,402,796	1,510,357
Transfers (Out)	(4,008)	0	(4,008)
<b>Total Other Financing Sources (Uses)</b>	<b>103,553</b>	<b>1,963,996</b>	<b>2,067,549</b>
<b>Net Change in Fund Balance</b>	<b>(201,928)</b>	<b>(7,898,677)</b>	<b>(8,100,605)</b>
<b>Fund Balance Beginning of Year</b>	<b>475,528</b>	<b>11,633,357</b>	<b>12,108,885</b>
<b>Fund Balance End of Year</b>	<b>\$273,600</b>	<b>\$3,734,680</b>	<b>\$4,008,280</b>

Sycamore Community School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2003

	Public School Support	Other Grants	Extracurricular Student Activities	Auxiliary Services	Teacher Development
Assets:					
Equity in Pooled Cash and Investments	\$134,137	\$22,086	\$106,557	\$13,302	\$0
Receivables:					
Accounts	573	0	3,098	0	0
Intergovernmental	0	0	0	0	0
<b>Total Assets</b>	<b>134,710</b>	<b>22,086</b>	<b>109,655</b>	<b>13,302</b>	<b>0</b>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	729	0	12,541	197	0
Accrued Wages and Benefits	0	0	0	10,428	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
<b>Total Liabilities</b>	<b>729</b>	<b>0</b>	<b>12,541</b>	<b>10,625</b>	<b>0</b>
Fund Balances:					
Reserved for Encumbrances	4,352	660	12,648	593	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	129,629	21,426	84,466	2,084	0
<b>Total Fund Balances</b>	<b>133,981</b>	<b>22,086</b>	<b>97,114</b>	<b>2,677</b>	<b>0</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$134,710</b>	<b>\$22,086</b>	<b>\$109,655</b>	<b>\$13,302</b>	<b>\$0</b>

Excellence in Education	Gifted Education	Management Information	OneNet Network	School Net Professional Development	Ohio Reads	Career Education State
\$0	\$0	\$0	\$22,930	\$1,325	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	22,930	1,325	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	5,880	0	0	0
0	0	0	17,050	1,325	0	0
0	0	0	22,930	1,325	0	0
\$0	\$0	\$0	\$22,930	\$1,325	\$0	\$0

(continued)

Sycamore Community School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2003

	School Conflict Grant	JTPA	Eisenhower Professional Development	Title VI B / Pre-School	Vocational Education
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$3,000	\$0	\$0	\$74,728	\$0
<b>Receivables:</b>					
Accounts	0	0	0	0	0
Intergovernmental	0	0	0	86,967	0
<b>Total Assets</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>161,695</b>	<b>0</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	0	0	0	3,900	0
Accrued Wages and Benefits	0	0	0	52,744	0
Interfund Payable	0	0	0	51,967	0
Deferred Revenue	0	0	0	59,697	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>168,308</b>	<b>0</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	0	0	0	55,047	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	3,000	0	0	(61,660)	0
<b>Total Fund Balances</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>(6,613)</b>	<b>0</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$3,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$161,695</b>	<b>\$0</b>

Title III	Title I	Title VI	Emergency Immigrant Educational Assistance	Drug Free Schools	EHA Pre-School	Title VI R
\$184	\$29,176	\$18,409	\$0	\$2,863	\$0	\$25,123
0	0	0	0	0	0	0
0	28,825	1,481	0	11,219	0	25,404
184	58,001	19,890	0	14,082	0	50,527
137	0	3,084	0	0	0	0
0	43,217	0	0	0	0	20,145
0	28,826	13,700	0	1,000	0	22,843
0	0	1,481	0	8,619	0	2,561
137	72,043	18,265	0	9,619	0	45,549
0	29,175	786	0	2,828	0	20,642
47	(43,217)	839	0	1,635	0	(15,664)
47	(14,042)	1,625	0	4,463	0	4,978
\$184	\$58,001	\$19,890	\$0	\$14,082	\$0	\$50,527

(continued)

Sycamore Community School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2003

	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
<b>Assets:</b>		
Equity in Pooled Cash and Investments	\$1,102	\$454,922
<b>Receivables:</b>		
Accounts	0	3,671
Intergovernmental	0	153,896
<b>Total Assets</b>	<b>1,102</b>	<b>612,489</b>
<b>Liabilities and Fund Balances:</b>		
<b>Liabilities:</b>		
Accounts Payable	1,073	21,661
Accrued Wages and Benefits	0	126,534
Interfund Payable	0	118,336
Deferred Revenue	0	72,358
<b>Total Liabilities</b>	<b>1,073</b>	<b>338,889</b>
<b>Fund Balances:</b>		
Reserved for Encumbrances	0	132,611
Unreserved, Undesignated, Reported in: Special Revenue Funds	29	140,989
<b>Total Fund Balances</b>	<b>29</b>	<b>273,600</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,102</b>	<b>\$612,489</b>



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Sycamore Community School District, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2003

	Public School Support	Other Grants	Extracurricular Student Activities	Auxiliary Services	Teacher Development
Revenues:					
Tuition and Fees	\$67,905	\$0	\$25	\$0	\$0
Investment Earnings	0	0	0	1,800	0
Intergovernmental	0	10,700	0	1,335,709	0
Extracurricular Activities	50,220	0	324,816	0	0
Other Revenues	59,220	38,850	51,919	0	0
<b>Total Revenues</b>	<b>177,345</b>	<b>49,550</b>	<b>376,760</b>	<b>1,337,509</b>	<b>0</b>
Expenditures:					
Current:					
Instruction:					
Regular	151,059	23,941	597	0	0
Special	9	3,194	0	0	0
Support Services:					
Pupil	0	0	0	0	0
Instructional Staff	0	3,000	0	0	249
School Administration	115	0	0	0	0
Operations and Maintenance	0	0	0	0	0
Pupil Transportation	127	0	0	0	0
Central	0	0	0	0	0
Community Services	0	0	0	1,520,078	302
Extracurricular Activities	0	0	487,695	0	0
<b>Total Expenditures</b>	<b>151,310</b>	<b>30,135</b>	<b>488,292</b>	<b>1,520,078</b>	<b>551</b>
Excess of Revenues Over (Under) Expenditures	26,035	19,415	(111,532)	(182,569)	(551)
Other Financing Sources (Uses):					
Transfers In	0	0	105,000	0	0
Transfers (Out)	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>105,000</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>26,035</b>	<b>19,415</b>	<b>(6,532)</b>	<b>(182,569)</b>	<b>(551)</b>
Fund Balance Beginning of Year	107,946	2,671	103,646	185,246	551
<b>Fund Balance End of Year</b>	<b>\$133,981</b>	<b>\$22,086</b>	<b>\$97,114</b>	<b>\$2,677</b>	<b>\$0</b>



Excellence in Education	Gifted Education	Management Information	OneNet Network	School Net Professional Development	Ohio Reads	Career Education State
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	15,902	20,909	24,500	4,600	8,000	6,212
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	15,902	20,909	24,500	4,600	8,000	6,212
0	0	0	0	0	8,000	6,212
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	7,461	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	15,902	20,909	32,340	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	15,902	20,909	32,340	7,461	8,000	6,212
0	0	0	(7,840)	(2,861)	0	0
0	0	0	0	0	0	0
(221)	0	0	0	0	0	0
(221)	0	0	0	0	0	0
(221)	0	0	(7,840)	(2,861)	0	0
221	0	0	30,770	4,186	0	0
\$0	\$0	\$0	\$22,930	\$1,325	\$0	\$0

(continued)

Sycamore Community School District, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2003

	School Conflict Grant	JTPA	Eisenhower Professional Development	Title VI B / Pre-School	Vocational Education
<b>Revenues:</b>					
Tuition and Fees	\$0	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	0	0
Intergovernmental	0	0	0	503,162	10,182
Extracurricular Activities	0	0	0	0	0
Other Revenues	0	0	330	0	0
<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>330</b>	<b>503,162</b>	<b>10,182</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	0	0	0	4,589	11,293
Special	0	0	0	0	0
<b>Support Services:</b>					
Pupil	3	0	0	40,841	0
Instructional Staff	0	0	4,436	468,055	0
School Administration	0	0	0	0	0
Operations and Maintenance	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Central	595	0	0	0	0
Community Services	0	0	1,101	1,780	0
Extracurricular Activities	0	0	0	0	0
<b>Total Expenditures</b>	<b>598</b>	<b>0</b>	<b>5,537</b>	<b>515,265</b>	<b>11,293</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(598)</b>	<b>0</b>	<b>(5,207)</b>	<b>(12,103)</b>	<b>(1,111)</b>
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	0	0
Transfers (Out)	0	(1,226)	(2,561)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(1,226)</b>	<b>(2,561)</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(598)</b>	<b>(1,226)</b>	<b>(7,768)</b>	<b>(12,103)</b>	<b>(1,111)</b>
<b>Fund Balance Beginning of Year (restated)</b>	<b>3,598</b>	<b>1,226</b>	<b>7,768</b>	<b>5,490</b>	<b>1,111</b>
<b>Fund Balance End of Year</b>	<b>\$3,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$6,613)</b>	<b>\$0</b>

Title III	Title I	Title VI	Emergency Immigrant Educational Assistance	Drug Free Schools	EHA Pre-School	Title VI R
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
56,108	201,650	42,984	0	21,732	19,881	140,170
0	0	0	0	0	0	0
0	0	0	0	0	0	0
56,108	201,650	42,984	0	21,732	19,881	140,170
0	200,512	28,009	0	24,550	0	113,830
55,188	0	0	1,944	0	0	0
0	0	0	0	0	19,881	0
873	10,085	10,000	0	0	0	21,570
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	12,512	0	7,211	0	885
0	0	0	0	0	0	0
56,061	210,597	50,521	1,944	31,761	19,881	136,285
47	(8,947)	(7,537)	(1,944)	(10,029)	0	3,885
0	0	0	0	0	0	2,561
0	0	0	0	0	0	0
0	0	0	0	0	0	2,561
47	(8,947)	(7,537)	(1,944)	(10,029)	0	6,446
0	(5,095)	9,162	1,944	14,492	0	(1,468)
\$47	(\$14,042)	\$1,625	\$0	\$4,463	\$0	\$4,978

(continued)

Sycamore Community School District, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2003

	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
Revenues:		
Tuition and Fees	\$0	\$67,930
Investment Earnings	0	1,800
Intergovernmental	10,993	2,433,394
Extracurricular Activities	0	375,036
Other Revenues	0	150,319
<b>Total Revenues</b>	<b>10,993</b>	<b>3,028,479</b>
Expenditures:		
Current:		
Instruction:		
Regular	2,386	574,978
Special	4,057	64,392
Support Services:		
Pupil	0	60,725
Instructional Staff	2,337	528,066
School Administration	0	115
Operations and Maintenance	1,063	1,063
Pupil Transportation	0	127
Central	3,184	72,930
Community Services	0	1,543,869
Extracurricular Activities	0	487,695
<b>Total Expenditures</b>	<b>13,027</b>	<b>3,333,960</b>
Excess of Revenues Over (Under) Expenditures	(2,034)	(305,481)
Other Financing Sources (Uses):		
Transfers In	0	107,561
Transfers (Out)	0	(4,008)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>103,553</b>
Net Change in Fund Balance	(2,034)	(201,928)
Fund Balance Beginning of Year (restated)	2,063	475,528
<b>Fund Balance End of Year</b>	<b>\$29</b>	<b>\$273,600</b>

Sycamore Community School District, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2003

	Permanent Improvement	Building	School Net	Total Nonmajor Capital Projects Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$1,426,699	\$2,841,368	\$51,061	\$4,319,128
<b>Total Assets</b>	<b>1,426,699</b>	<b>2,841,368</b>	<b>51,061</b>	<b>4,319,128</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	232,772	33,733	0	266,505
Retainage Payable	0	317,943	0	317,943
<b>Total Liabilities</b>	<b>232,772</b>	<b>351,676</b>	<b>0</b>	<b>584,448</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	721,328	981,143	31,518	1,733,989
Unreserved, Undesignated, Reported in: Capital Projects Funds	472,599	1,508,549	19,543	2,000,691
<b>Total Fund Balances</b>	<b>1,193,927</b>	<b>2,489,692</b>	<b>51,061</b>	<b>3,734,680</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,426,699</b>	<b>\$2,841,368</b>	<b>\$51,061</b>	<b>\$4,319,128</b>

Sycamore Community School District, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2003

	Permanent Improvement	Building	School Net	Total Nonmajor Capital Projects Funds
Revenues:				
Investment Earnings	\$19,097	\$96,996	\$0	\$116,093
Intergovernmental	0	0	91,377	91,377
<b>Total Revenues</b>	<b>19,097</b>	<b>96,996</b>	<b>91,377</b>	<b>207,470</b>
Expenditures:				
Current:				
Instruction:				
Regular	319,096	0	40,316	359,412
Support Services:				
Pupil Transportation	305,986	0	0	305,986
Central	868,659	0	0	868,659
Community Services	5,794	0	0	5,794
Capital Outlay	1,511,393	6,953,737	0	8,465,130
Debt Service:				
Principal Retirement	59,992	0	0	59,992
Interest and Fiscal Charges	5,170	0	0	5,170
<b>Total Expenditures</b>	<b>3,076,090</b>	<b>6,953,737</b>	<b>40,316</b>	<b>10,070,143</b>
Excess of Revenues Over (Under) Expenditures	(3,056,993)	(6,856,741)	51,061	(9,862,673)
Other Financing Sources (Uses):				
Proceeds of Capital Leases	561,200	0	0	561,200
Transfers In	1,402,796	0	0	1,402,796
<b>Total Other Financing Sources (Uses)</b>	<b>1,963,996</b>	<b>0</b>	<b>0</b>	<b>1,963,996</b>
Net Change in Fund Balance	(1,092,997)	(6,856,741)	51,061	(7,898,677)
Fund Balance Beginning of Year (restated)	2,286,924	9,346,433	0	11,633,357
<b>Fund Balance End of Year</b>	<b>\$1,193,927</b>	<b>\$2,489,692</b>	<b>\$51,061</b>	<b>\$3,734,680</b>

Sycamore Community School District, Ohio  
Combining Statement of Net Assets  
Nonmajor Enterprise Funds  
June 30, 2003

	Business-Type Activities -Enterprise Funds			
	Food Service	Adult Education	Community School	Total
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$133,761	\$3,741	\$39,581	\$177,083
<b>Receivables:</b>				
Accounts	1,078	0	0	1,078
Intergovernmental	25,370	0	0	25,370
Inventory	15,139	0	0	15,139
<b>Total Current Assets</b>	<b>175,348</b>	<b>3,741</b>	<b>39,581</b>	<b>218,670</b>
Depreciable Capital Assets, Net	106,360	0	3,885	110,245
<b>Total Assets</b>	<b>281,708</b>	<b>3,741</b>	<b>43,466</b>	<b>328,915</b>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Accounts Payable	318	0	9,882	10,200
Accrued Wages and Benefits	116,190	0	0	116,190
Compensated Absences	8,131	0	0	8,131
Deferred Revenue	6,374	0	0	6,374
<b>Total Current Liabilities</b>	<b>131,013</b>	<b>0</b>	<b>9,882</b>	<b>140,895</b>
<b>Long-Term Liabilities:</b>				
Compensated Absences	50,005	0	0	50,005
<b>Total Liabilities</b>	<b>181,018</b>	<b>0</b>	<b>9,882</b>	<b>190,900</b>
<b>Net Assets:</b>				
Invested in Capital Assets, Net of Related Debt	106,360	0	3,885	110,245
Unrestricted	(5,670)	3,741	29,699	27,770
<b>Total Net Assets</b>	<b>\$100,690</b>	<b>\$3,741</b>	<b>\$33,584</b>	<b>\$138,015</b>

Sycamore Community School District, Ohio  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
 Nonmajor Enterprise Funds  
 For the Fiscal Year Ended June 30, 2003

	Business-Type Activities -Enterprise Funds			
	Food Service	Adult Education	Community School	Total
<b>Operating Revenues:</b>				
Sales	\$1,361,231	\$0	\$0	\$1,361,231
Tuition and Fees	0	19,290	54,531	73,821
Charges for Services	1,078	0	0	1,078
Other Revenues	30,583	0	0	30,583
<b>Total Operating Revenues</b>	<b>1,392,892</b>	<b>19,290</b>	<b>54,531</b>	<b>1,466,713</b>
<b>Operating Expenses:</b>				
Personal Services	802,579	13,901	20,402	836,882
Contactual Services	13,632	10,429	16,819	40,880
Materials and Supplies	708,533	100	6,071	714,704
Depreciation	22,208	0	436	22,644
Other Expenses	0	0	900	900
<b>Total Operating Expenses</b>	<b>1,546,952</b>	<b>24,430</b>	<b>44,628</b>	<b>1,616,010</b>
<b>Operating Income (Loss)</b>	<b>(154,060)</b>	<b>(5,140)</b>	<b>9,903</b>	<b>(149,297)</b>
<b>Non-Operating Revenues (Expenses):</b>				
Investment Earnings	403	0	0	403
Donated Commodities	58,850	0	0	58,850
Operating Grants	180,557	0	0	180,557
<b>Total Non-Operating Revenues (Expenses)</b>	<b>239,810</b>	<b>0</b>	<b>0</b>	<b>239,810</b>
<b>Change in Net Assets</b>	<b>85,750</b>	<b>(5,140)</b>	<b>9,903</b>	<b>90,513</b>
<b>Net Assets Beginning of Year (restated)</b>	<b>14,940</b>	<b>8,881</b>	<b>23,681</b>	<b>47,502</b>
<b>Net Assets End of Year</b>	<b>\$100,690</b>	<b>\$3,741</b>	<b>\$33,584</b>	<b>\$138,015</b>



Sycamore Community School District, Ohio  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended June 30, 2003

Business-Type Activities -Enterprise Funds				
	Food Service	Adult Education	Community School	Total
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Customers	\$1,393,768	\$19,310	\$54,531	\$1,467,609
Cash Payments to Employees	(849,392)	(13,901)	(20,402)	(883,695)
Cash Payments to Suppliers	(652,676)	(12,174)	(22,603)	(687,453)
Cash Payments for Other Expenses	0	0	(900)	(900)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(108,300)</b>	<b>(6,765)</b>	<b>10,626</b>	<b>(104,439)</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Operating Grants Received	180,622	0	0	180,622
Payments from Other Funds	50,000	0	0	50,000
Payments to Other Funds	(50,000)	0	0	(50,000)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>180,622</b>	<b>0</b>	<b>0</b>	<b>180,622</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Payments for Capital Acquisitions	(11,455)	0	(800)	(12,255)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(11,455)</b>	<b>0</b>	<b>(800)</b>	<b>(12,255)</b>
<b>Cash Flows from Investing Activities:</b>				
Earnings on Investments	403	0	0	403
<b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>	<b>403</b>	<b>0</b>	<b>0</b>	<b>403</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>61,270</b>	<b>(6,765)</b>	<b>9,826</b>	<b>64,331</b>
Cash and Cash Equivalents Beginning of Year	72,491	10,506	29,755	112,752
Cash and Cash Equivalents End of Year	133,761	3,741	39,581	177,083
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	(154,060)	(5,140)	9,903	(149,297)
<b>Adjustments:</b>				
Depreciation	22,208	0	436	22,644
Donated Commodities	58,850	0	0	58,850
<b>Changes in Assets &amp; Liabilities:</b>				
(Increase) Decrease in Receivables	876	20	0	896
(Increase) Decrease in Inventory	14,988	0	0	14,988
Increase (Decrease) in Payables	(977)	(1,645)	287	(2,335)
Increase (Decrease) in Accrued Liabilities	(46,813)	0	0	(46,813)
Increase (Decrease) in Deferred Revenue	(3,372)	0	0	(3,372)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(\$108,300)</b>	<b>(\$6,765)</b>	<b>\$10,626</b>	<b>(\$104,439)</b>

Schedule of Noncash Capital Activities:

During the fiscal year, the Food Service Fund  
received contributed food commodities valued at \$58,850

Sycamore Community School District, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended June 30, 2003

	Beginning Balance	Student Activity		Ending Balance
		Additions	Deductions	
Assets:				
Restricted Cash and Investments	\$84,768	\$1,752	\$2,176	\$84,344
Receivables:				
Accounts	10,000	0	0	10,000
Total Assets	<u>\$94,768</u>	<u>\$1,752</u>	<u>\$2,176</u>	<u>\$94,344</u>
Liabilities:				
Accounts Payable	\$1,152	\$600	\$1,152	\$600
Other Liabilities	93,616	1,152	1,024	93,744
Total Liabilities	<u>\$94,768</u>	<u>\$1,752</u>	<u>\$2,176</u>	<u>\$94,344</u>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Public School Support Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Tuition and Fees	\$53,854	\$67,905	\$67,905	\$0
Extracurricular Activities	39,828	50,220	50,220	0
Other Revenues	48,023	60,369	60,553	184
<b>Total Revenues</b>	<b>141,705</b>	<b>178,494</b>	<b>178,678</b>	<b>184</b>
Expenditures:				
Current:				
Instruction:				
Regular	238,538	212,070	156,929	55,141
Special	14	9	9	0
Support Services:				
School Administration	175	248	115	133
Operations and Maintenance	160	26,000	105	25,895
Pupil Transportation	193	300	127	173
<b>Total Expenditures</b>	<b>239,080</b>	<b>238,627</b>	<b>157,285</b>	<b>81,342</b>
Net Change in Fund Balance	(97,375)	(60,133)	21,393	81,526
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	107,656	107,656	107,656	0
<b>Fund Balance End of Year</b>	<b>\$10,281</b>	<b>\$47,523</b>	<b>\$129,049</b>	<b>\$81,526</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Other Grants Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$9,631	\$10,700	\$10,700	\$0
Other Revenues	34,969	38,850	38,850	0
<b>Total Revenues</b>	<b>44,600</b>	<b>49,550</b>	<b>49,550</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Regular	34,714	44,160	24,602	19,558
Special	4,505	3,193	3,193	0
Support Services:				
Instructional Staff	4,233	3,000	3,000	0
<b>Total Expenditures</b>	<b>43,452</b>	<b>50,353</b>	<b>30,795</b>	<b>19,558</b>
<b>Net Change in Fund Balance</b>	<b>1,148</b>	<b>(803)</b>	<b>18,755</b>	<b>19,558</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,714	2,714	2,714	0
<b>Fund Balance End of Year</b>	<b>\$3,862</b>	<b>\$1,911</b>	<b>\$21,469</b>	<b>\$19,558</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Extracurricular Student Activities Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Tuition and Fees	\$24	\$25	\$25	\$0
Extracurricular Activities	304,621	321,130	321,985	855
Other Revenues	53,267	56,303	56,303	0
<b>Total Revenues</b>	<b>357,912</b>	<b>377,458</b>	<b>378,313</b>	<b>855</b>
Expenditures:				
Current:				
Instruction:				
Regular	602	600	597	3
Extracurricular Activities	502,778	529,190	498,720	30,470
<b>Total Expenditures</b>	<b>503,380</b>	<b>529,790</b>	<b>499,317</b>	<b>30,473</b>
Excess of Revenues Over (Under) Expenditures	(145,468)	(152,332)	(121,004)	31,328
Other financing sources (uses):				
Advances In	9,461	10,000	10,000	0
Advances (Out)	(10,081)	(10,000)	(10,000)	0
Transfers In	99,412	105,079	105,079	0
Transfers (Out)	(80)	(79)	(79)	0
<b>Total Other Financing Sources (Uses)</b>	<b>98,712</b>	<b>105,000</b>	<b>105,000</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(46,756)</b>	<b>(47,332)</b>	<b>(16,004)</b>	<b>31,328</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	108,991	108,991	108,991	0
<b>Fund Balance End of Year</b>	<b>\$62,235</b>	<b>\$61,659</b>	<b>\$92,987</b>	<b>\$31,328</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Auxiliary Services Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest	\$1,723	\$1,800	\$1,800	\$0
Intergovernmental	1,278,837	1,335,709	1,335,709	0
Total Revenues	1,280,560	1,337,509	1,337,509	0
Expenditures:				
Current:				
Community Services	585,629	1,612,863	1,600,354	12,509
Total Expenditures	585,629	1,612,863	1,600,354	12,509
Net Change in Fund Balance	694,931	(275,354)	(262,845)	12,509
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	275,354	275,354	275,354	0
Fund Balance End of Year	\$970,285	\$0	\$12,509	\$12,509

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Teacher Development Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Support Services:				
Instructional Staff	249	249	249	0
Community Services	303	303	303	0
Total Expenditures	552	552	552	0
Net Change in Fund Balance	(552)	(552)	(552)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	552	552	552	0
Fund Balance End of Year	\$0	\$0	\$0	\$0

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Excellence in Education Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Instruction:				
Regular	0	0	0	0
Total Expenditures	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Other financing sources (uses):				
Transfers (Out)	0	(221)	(221)	0
Total Other Financing Sources (Uses)	0	(221)	(221)	0
Net Change in Fund Balance	0	(221)	(221)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	221	221	221	0
Fund Balance End of Year	<u>\$221</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Gifted Education Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$16,000	\$15,902	\$15,902	\$0
<b>Total Revenues</b>	<b>16,000</b>	<b>15,902</b>	<b>15,902</b>	<b>0</b>
Expenditures:				
Current:				
Support Services:				
Central	16,000	15,902	15,902	0
<b>Total Expenditures</b>	<b>16,000</b>	<b>15,902</b>	<b>15,902</b>	<b>0</b>
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Management Information Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$20,000	\$20,909	\$20,909	\$0
<b>Total Revenues</b>	<b>20,000</b>	<b>20,909</b>	<b>20,909</b>	<b>0</b>
Expenditures:				
Current:				
Support Services:				
Central	20,000	20,909	20,909	0
<b>Total Expenditures</b>	<b>20,000</b>	<b>20,909</b>	<b>20,909</b>	<b>0</b>
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	OneNet Network Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$24,500	\$24,500	\$24,500	\$0
Total Revenues	24,500	24,500	24,500	0
Expenditures:				
Current:				
Support Services:				
Central	37,800	55,270	38,219	17,051
Total Expenditures	37,800	55,270	38,219	17,051
Net Change in Fund Balance	(13,300)	(30,770)	(13,719)	17,051
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	30,770	30,770	30,770	0
Fund Balance End of Year	\$17,470	\$0	\$17,051	\$17,051

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	School Net Professional Development Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$8,500	\$4,600	\$4,600	\$0
Total Revenues	8,500	4,600	4,600	0
Expenditures:				
Current:				
Instruction:				
Support Services:				
Instructional Staff	12,686	8,786	7,461	1,325
Total Expenditures	12,686	8,786	7,461	1,325
Net Change in Fund Balance	(4,186)	(4,186)	(2,861)	1,325
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	4,186	4,186	4,186	0
Fund Balance End of Year	\$0	\$0	\$1,325	\$1,325

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Ohio Reads Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$8,000	\$8,000	\$8,000	\$0
<b>Total Revenues</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Regular	8,000	8,000	8,000	0
<b>Total Expenditures</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>0</b>
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Career Education State Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$5,855	\$6,212	\$6,212	\$0
<b>Total Revenues</b>	<b>5,855</b>	<b>6,212</b>	<b>6,212</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Regular	5,855	6,212	6,212	0
<b>Total Expenditures</b>	<b>5,855</b>	<b>6,212</b>	<b>6,212</b>	<b>0</b>
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	School Conflict Grant Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Support Services:				
Central	5,747	6,747	6,747	0
Total Expenditures	5,750	6,750	6,750	0
Net Change in Fund Balance	(5,750)	(6,750)	(6,750)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	9,750	9,750	9,750	0
Fund Balance End of Year	\$4,000	\$3,000	\$3,000	\$0

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	JTPA Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Instruction:				
Regular	0	0	0	0
Total Expenditures	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Other financing sources (uses):				
Transfers In	0	1,383	1,383	0
Transfers (Out)	0	(2,608)	(2,608)	0
Total Other Financing Sources (Uses)	0	(1,225)	(1,225)	0
Net Change in Fund Balance	0	(1,225)	(1,225)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,225	1,225	1,225	0
Fund Balance End of Year	<u>\$1,225</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Eisenhower Professional Development Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Other Revenues	\$330	\$330	\$330	\$0
Total Revenues	330	330	330	0
Expenditures:				
Current:				
Support Services:				
Instructional Staff	4,898	6,230	6,230	0
Community Services	866	1,101	1,101	0
Total Expenditures	5,764	7,331	7,331	0
Excess of Revenues Over (Under) Expenditures	(5,434)	(7,001)	(7,001)	0
Other financing sources (uses):				
Transfers (Out)	(2,301)	(2,927)	(2,927)	0
Total Other Financing Sources (Uses)	(2,301)	(2,927)	(2,927)	0
Net Change in Fund Balance	(7,735)	(9,928)	(9,928)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	9,928	9,928	9,928	0
Fund Balance End of Year	\$2,193	\$0	\$0	\$0

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Title VI B / Pre-School Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$463,751	\$477,332	\$477,332	\$0
Total Revenues	463,751	477,332	477,332	0
Expenditures:				
Current:				
Instruction:				
Regular	4,595	4,589	4,589	0
Support Services:				
Pupil	43,732	44,484	43,675	809
Instructional Staff	506,984	521,300	506,329	14,971
Community Services	1,783	1,781	1,781	0
Total Expenditures	557,094	572,154	556,374	15,780
Excess of Revenues Over (Under) Expenditures	(93,343)	(94,822)	(79,042)	15,780
Other financing sources (uses):				
Advances In	50,488	51,967	51,967	0
Total Other Financing Sources (Uses)	50,488	51,967	51,967	0
Net Change in Fund Balance	(42,855)	(42,855)	(27,075)	15,780
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	42,855	42,855	42,855	0
Fund Balance End of Year	\$0	\$0	\$15,780	\$15,780

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Vocational Education Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$10,200	\$10,182	\$10,182	\$0
<b>Total Revenues</b>	<b>10,200</b>	<b>10,182</b>	<b>10,182</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Regular	9,057	11,402	11,402	0
<b>Total Expenditures</b>	<b>9,057</b>	<b>11,402</b>	<b>11,402</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>1,143</b>	<b>(1,220)</b>	<b>(1,220)</b>	<b>0</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>1,220</b>	<b>1,220</b>	<b>1,220</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$2,363</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Title III Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$44,904	\$56,108	\$56,108	\$0
<b>Total Revenues</b>	<b>44,904</b>	<b>56,108</b>	<b>56,108</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Special	44,197	55,235	55,188	47
Support Services:				
Instructional Staff	699	873	873	0
<b>Total Expenditures</b>	<b>44,896</b>	<b>56,108</b>	<b>56,061</b>	<b>47</b>
Excess of Revenues Over (Under) Expenditures	8	0	47	47
Other financing sources (uses):				
Advances In	11,204	14,000	14,000	0
Advances (Out)	(11,212)	(14,000)	(14,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(8)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>0</b>	<b>0</b>	<b>47</b>	<b>47</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$47</b>	<b>\$47</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Title I Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$227,584	\$227,540	\$227,540	\$0
Total Revenues	227,584	227,540	227,540	0
Expenditures:				
Current:				
Instruction:				
Regular	246,281	246,281	246,280	1
Support Services:				
Instructional Staff	10,085	10,085	10,085	0
Total Expenditures	256,366	256,366	256,365	1
Excess of Revenues Over (Under) Expenditures	(28,782)	(28,826)	(28,825)	1
Other financing sources (uses):				
Advances In	28,831	28,826	28,825	(1)
Total Other Financing Sources (Uses)	28,831	28,826	28,825	(1)
Net Change in Fund Balance	49	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
Fund Balance End of Year	\$49	\$0	\$0	\$0

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Title VI Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$37,673	\$47,623	\$47,623	\$0
Total Revenues	37,673	47,623	47,623	0
Expenditures:				
Current:				
Instruction:				
Regular	28,120	28,008	28,008	0
Support Services:				
Instructional Staff	10,040	10,000	10,000	0
Community Services	14,167	14,111	14,111	0
Total Expenditures	52,327	52,119	52,119	0
Excess of Revenues Over (Under) Expenditures	(14,654)	(4,496)	(4,496)	0
Other financing sources (uses):				
Advances In	10,838	13,700	13,700	0
Transfers In	689	871	871	0
Transfers (Out)	(874)	(871)	(871)	0
Total Other Financing Sources (Uses)	10,653	13,700	13,700	0
Net Change in Fund Balance	(4,001)	9,204	9,204	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,336	5,336	5,336	0
Fund Balance End of Year	\$1,335	\$14,540	\$14,540	\$0

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Emergency Immigrant Educational Assistance Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Instruction:				
Special	658	2,683	2,683	0
Total Expenditures	658	2,683	2,683	0
Net Change in Fund Balance	(658)	(2,683)	(2,683)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,683	2,683	2,683	0
Fund Balance End of Year	\$2,025	\$0	\$0	\$0

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Drug Free Schools Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$27,141	\$24,550	\$24,550	\$0
<b>Total Revenues</b>	<b>27,141</b>	<b>24,550</b>	<b>24,550</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Regular	27,543	26,569	26,533	36
Support Services:				
Community Services	8,362	8,055	8,055	0
<b>Total Expenditures</b>	<b>35,905</b>	<b>34,624</b>	<b>34,588</b>	<b>36</b>
Excess of Revenues Over (Under) Expenditures	(8,764)	(10,074)	(10,038)	36
Other financing sources (uses):				
Advances In	1,106	1,000	1,000	0
Transfers In	3,953	3,576	3,576	0
Transfers (Out)	(3,712)	(3,576)	(3,576)	0
<b>Total Other Financing Sources (Uses)</b>	<b>1,347</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>
Net Change in Fund Balance	(7,417)	(9,074)	(9,038)	36
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	9,074	9,074	9,074	0
<b>Fund Balance End of Year</b>	<b>\$1,657</b>	<b>\$0</b>	<b>\$36</b>	<b>\$36</b>



Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	EHA Pre-School Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$12,021	\$19,881	\$19,881	\$0
Total Revenues	12,021	19,881	19,881	0
Expenditures:				
Current:				
Support Services:				
Pupil	12,021	19,881	19,881	0
Total Expenditures	12,021	19,881	19,881	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Other financing sources (uses):				
Advances In	7,860	13,000	13,000	0
Advances (Out)	(7,860)	(13,000)	(13,000)	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
Fund Balance End of Year	\$0	\$0	\$0	\$0

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Title VI R Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$115,246	\$117,327	\$117,327	\$0
<b>Total Revenues</b>	<b>115,246</b>	<b>117,327</b>	<b>117,327</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Regular	132,478	130,976	130,976	0
Support Services:				
Instructional Staff	23,335	25,777	23,070	2,707
Community Services	895	2,659	885	1,774
<b>Total Expenditures</b>	<b>156,708</b>	<b>159,412</b>	<b>154,931</b>	<b>4,481</b>
Excess of Revenues Over (Under) Expenditures	(41,462)	(42,085)	(37,604)	4,481
Other financing sources (uses):				
Advances In	22,438	22,843	22,843	0
Transfers In	2,516	2,561	2,561	0
<b>Total Other Financing Sources (Uses)</b>	<b>24,954</b>	<b>25,404</b>	<b>25,404</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(16,508)</b>	<b>(16,681)</b>	<b>(12,200)</b>	<b>4,481</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	16,681	16,681	16,681	0
<b>Fund Balance End of Year</b>	<b>\$173</b>	<b>\$0</b>	<b>\$4,481</b>	<b>\$4,481</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Miscellaneous Federal Grants Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$6,500	\$12,056	\$12,056	\$0
<b>Total Revenues</b>	<b>6,500</b>	<b>12,056</b>	<b>12,056</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Regular	1,194	2,416	2,386	30
Special	2,030	4,056	4,056	0
Support Services:				
Instructional Staff	1,170	2,337	2,337	0
Operations and Maintenance	532	1,063	1,063	0
Central	1,594	3,184	3,184	0
<b>Total Expenditures</b>	<b>6,520</b>	<b>13,056</b>	<b>13,026</b>	<b>30</b>
<b>Net Change in Fund Balance</b>	<b>(20)</b>	<b>(1,000)</b>	<b>(970)</b>	<b>30</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,000	1,000	1,000	0
<b>Fund Balance End of Year</b>	<b>\$980</b>	<b>\$0</b>	<b>\$30</b>	<b>\$30</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$2,925,234	\$3,111,415	\$3,111,415	\$0
Intergovernmental	932,075	381,537	381,537	0
<b>Total Revenues</b>	<b>3,857,309</b>	<b>3,492,952</b>	<b>3,492,952</b>	<b>0</b>
Expenditures:				
Current:				
Support Services:				
Fiscal	40,984	45,000	40,946	4,054
Debt Service:				
Principal Retirement	2,475,000	2,475,000	2,475,000	0
Interest and Fiscal Charges	2,084,416	2,080,345	2,080,241	104
<b>Total Expenditures</b>	<b>4,600,400</b>	<b>4,600,345</b>	<b>4,596,187</b>	<b>4,158</b>
Excess of Revenues Over (Under) Expenditures	(743,091)	(1,107,393)	(1,103,235)	4,158
Other financing sources (uses):				
Transfers In	287,991	1,079,245	1,079,245	0
<b>Total Other Financing Sources (Uses)</b>	<b>287,991</b>	<b>1,079,245</b>	<b>1,079,245</b>	<b>0</b>
Net Change in Fund Balance	(455,100)	(28,148)	(23,990)	4,158
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,867,561	6,867,561	6,867,561	0
<b>Fund Balance End of Year</b>	<b>\$6,412,461</b>	<b>\$6,839,413</b>	<b>\$6,843,571</b>	<b>\$4,158</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Permanent Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Tuition and Fees	\$170,230	\$351,542	\$351,542	\$0
Interest	9,247	16,918	19,097	2,179
<b>Total Revenues</b>	<b>179,477</b>	<b>368,460</b>	<b>370,639</b>	<b>2,179</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	228,851	451,931	430,975	20,956
<b>Support Services:</b>				
Pupil Transportation	162,481	305,987	305,987	0
Central	500,830	1,127,909	943,169	184,740
Community Services	38,123	71,795	71,794	1
Capital Outlay	1,403,837	2,644,964	2,643,722	1,242
<b>Total Expenditures</b>	<b>2,334,122</b>	<b>4,602,586</b>	<b>4,395,647</b>	<b>206,939</b>
Excess of Revenues Over (Under) Expenditures	(2,154,645)	(4,234,126)	(4,025,008)	209,118
<b>Other financing sources (uses):</b>				
Proceeds of Bonds and Notes	272,238	562,200	562,200	0
Transfers In	679,285	1,402,794	1,402,796	2
Transfers (Out)	(531)	(1,000)	(1,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>950,992</b>	<b>1,963,994</b>	<b>1,963,996</b>	<b>2</b>
Net Change in Fund Balance	(1,203,653)	(2,270,132)	(2,061,012)	209,120
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,600,287	2,600,287	2,600,287	0
<b>Fund Balance End of Year</b>	<b>\$1,396,634</b>	<b>\$330,155</b>	<b>\$539,275</b>	<b>\$209,120</b>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	Building Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest	\$78,820	\$92,063	\$96,996	\$4,933
Total Revenues	78,820	92,063	96,996	4,933
Expenditures:				
Current:				
Capital Outlay	1,135,222	9,081,843	9,077,927	3,916
Total Expenditures	1,135,222	9,081,843	9,077,927	3,916
Excess of Revenues Over (Under) Expenditures	(1,056,402)	(8,989,780)	(8,980,931)	8,849
Other financing sources (uses):				
Transfers In	662,180	814,884	814,884	0
Transfers (Out)	(101,904)	(814,884)	(814,884)	0
Total Other Financing Sources (Uses)	560,276	0	0	0
Net Change in Fund Balance	(496,126)	(8,989,780)	(8,980,931)	8,849
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	10,807,422	10,807,422	10,807,422	0
Fund Balance End of Year	<u>\$10,311,296</u>	<u>\$1,817,642</u>	<u>\$1,826,491</u>	<u>\$8,849</u>

Sycamore Community School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2003

	School Net Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$91,400	\$91,377	\$91,377	\$0
Total Revenues	91,400	91,377	91,377	0
Expenditures:				
Current:				
Instruction:				
Regular	91,377	73,102	71,834	1,268
Support Services:				
Central	0	18,275	0	18,275
Total Expenditures	91,377	91,377	71,834	19,543
Net Change in Fund Balance	23	0	19,543	19,543
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0	0
Fund Balance End of Year	\$23	\$0	\$19,543	\$19,543



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# S STATISTICAL

# S SECTION



**FEATURING** the 2003 National Merit Semifinalists (left) and Japan-American Society of Central Ohio Language Speech Contest Finalists.

#### ACHIEVEMENT INDICATORS

- Rating on Ohio School Report Card: Excellent (perfect score)
- National Merit Finalists and Commended Students: 24
- Advanced Placement Scholar Awards: 73
- State and/or National honors in mathematics, language arts, social studies, band, orchestra, Japanese, Latin and journalism.



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**Sycamore Community School District, Ohio**  
**General Fund Revenues By Source**  
**Last Ten Years**

**TABLE 1**

Fiscal Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Taxes	\$38,642,031	\$39,227,129	\$37,422,850	\$40,183,423	\$40,638,006	\$52,482,288	\$49,686,779	\$48,476,319	\$52,693,933	\$54,264,718
Intergovernmental	5,864,195	5,969,453	5,514,392	5,652,736	5,571,929	6,364,547	7,082,909	7,941,022	8,540,278	8,974,058
Investment Revenue	892,019	1,470,549	1,767,200	1,925,017	2,231,481	2,106,420	2,507,583	3,316,969	1,362,503	655,560
Tuition and Fees	101,548	236,716	118,644	218,302	139,774	377,671	594,533	646,098	428,576	654,090
Extracurricular Activities	4,852	4,851	9,223	2,990	2,272	1,404	531	30	0	0
Other Revenues	143,205	137,232	211,502	118,537	575,271	706,540	545,607	168,211	328,751	366,916
<b>Total Revenues</b>	<b>\$45,647,850</b>	<b>\$47,045,930</b>	<b>\$45,043,811</b>	<b>\$48,101,005</b>	<b>\$49,158,733</b>	<b>\$62,038,870</b>	<b>\$60,417,942</b>	<b>\$60,548,649</b>	<b>\$63,354,041</b>	<b>\$64,915,342</b>

Source: Sycamore Community School District records.

(1) The increase in taxes revenue between fiscal year 1998 and 1999 was the result of a 5.0 mill tax levy.

**Sycamore Community School District, Ohio**  
**General Fund Expenditures by Function**  
**Last Ten Years**

**TABLE 2**

Fiscal Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Regular Instruction	\$20,241,400	\$21,883,609	\$22,564,106	\$23,000,909	\$24,684,684	\$26,129,406	\$26,280,966	\$26,338,143	\$28,389,982	\$29,699,806
Special Instruction	2,010,238	1,736,945	2,779,142	3,220,520	3,547,398	3,598,887	3,998,918	5,088,783	4,940,095	5,868,248
Vocational Instruction	146,678	148,379	163,036	163,208	162,637	175,645	171,051	181,782	180,409	203,123
Other Instruction	36,073	27,226	52,883	56,413	32,077	85,052	63,000	70,576	56,871	69,126
Pupil	2,050,737	2,302,118	2,481,033	2,448,622	2,383,446	2,538,276	2,702,615	2,802,185	3,357,924	3,756,987
Instructional Staff	2,410,905	2,158,447	2,504,266	2,666,038	2,796,290	3,053,631	3,802,204	4,347,147	5,154,615	5,832,714
General Administration	20,837	26,028	29,062	26,855	22,135	32,830	17,016	28,832	30,843	36,329
School Administration	3,418,233	3,767,318	3,331,302	3,927,574	3,991,456	4,293,345	3,765,532	4,518,511	4,503,747	5,071,535
Fiscal	921,951	482,361	1,119,595	1,007,185	784,420	1,254,165	1,507,416	790,743	1,243,935	1,362,290
Business	154,386	144,570	154,959	158,024	179,271	154,754	138,391	211,648	186,068	221,471
Operations and Maintenance	4,167,258	4,659,730	4,131,654	4,463,118	4,678,335	4,588,150	5,453,764	5,746,358	6,460,214	6,936,162
Pupil Transportation	2,120,570	2,185,869	2,280,275	2,372,402	2,377,792	2,505,861	2,631,037	2,894,009	3,168,662	3,486,230
Central	217,294	691,084	869,022	367,400	1,067,335	772,181	803,005	916,078	1,094,381	1,310,626
Community Services	3,131	8,973	133,070	0	0	0	0	0	0	1,881
Extracurricular Activities	415,600	433,091	527,160	574,497	660,940	699,202	798,158	912,710	978,686	1,299,186
Capital Outlay	1,636,990	338,838	26,641	64,625	157,616	103,361	45,069	67,050	37,571	0
Debt Service	104,098	134,044	134,047	130,033	91,787	1,149,812	833,491	830,741	1,298,623	1,258,021
<b>Total Expenditures</b>	<b>\$40,076,379</b>	<b>\$41,128,630</b>	<b>\$43,281,253</b>	<b>\$44,647,423</b>	<b>\$47,617,619</b>	<b>\$51,134,558</b>	<b>\$53,011,633</b>	<b>\$55,745,296</b>	<b>\$61,082,626</b>	<b>\$66,413,735</b>

Source: Sycamore Community School District Records

**Sycamore Community School District, Ohio**  
**Property Tax Levies and Collections - Real and Public Utility Property**  
**Last Ten Collection (Calendar) Years (1)**

**TABLE 3**

Collection Year	Tax Levied (1)	Current Tax Collections (2)	Percent Collected	Delinquent Collection	Total Tax Collections	Percent Of Total Collections To Levy	Outstanding Delinquent Taxes (3)	Percent of Outstanding Delinquent Taxes To Tax Levied
1994	\$34,635,984	\$32,530,798	93.92%	\$1,104,937	\$33,635,735	97.11%	\$498,225	1.44%
1995	34,896,440	32,035,835	91.80%	328,626	32,364,461	92.74%	1,082,304	3.10%
1996	33,154,349	32,089,665	96.79%	592,643	32,682,308	98.58%	1,056,889	3.19%
1997	37,191,991	33,954,168	91.29%	695,281	34,649,449	93.16%	1,705,031	4.58%
1998	37,512,176	34,985,077	93.26%	817,634	35,802,711	95.44%	1,794,576	4.78%
1999	46,514,259	43,617,891	93.77%	1,389,336	45,007,227	96.76%	1,565,131	3.36%
2000	46,506,538	44,074,672	94.77%	792,973	44,867,645	96.48%	1,587,304	3.41%
2001	47,365,262	45,064,620	95.14%	665,666	45,730,286	96.55%	1,716,429	3.62%
2002	48,313,121	45,465,981	94.11%	847,542	46,313,523	95.86%	2,028,787	4.20%
2003	49,567,688	46,491,089	93.79%	1,021,764	47,512,853	95.85%	2,116,977	4.27%

Source: Hamilton County Auditor.

(1) Taxes levied and collected are presented on a cash basis.

(2) State reimbursements of rollback and homestead exemptions are included.

(3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

**Sycamore Community School District, Ohio**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Collection (Calendar) Years (1)**

**TABLE 4**

Collection Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total		Ratio (2)
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1994	\$912,482,710	\$2,607,093,457	\$206,959,380	\$827,837,520	\$46,848,820	\$58,561,025	\$1,166,290,910	\$3,493,492,002	33.38%
1995	935,136,080	2,671,817,371	182,609,260	730,437,040	51,075,420	63,844,275	1,168,820,760	3,466,098,686	33.72%
1996	953,788,060	2,725,108,743	202,321,640	809,286,560	45,169,080	56,461,350	1,201,278,780	3,590,856,653	33.45%
1997	1,007,767,960	2,879,337,029	216,675,850	866,703,400	47,728,840	59,661,050	1,272,172,650	3,805,701,479	33.43%
1998	1,026,114,180	2,931,754,800	216,675,850	866,703,400	47,596,770	59,495,963	1,290,386,800	3,857,954,163	33.45%
1999	1,047,097,340	2,991,706,686	223,554,970	894,219,880	48,722,610	60,903,263	1,319,374,920	3,946,829,828	33.43%
2000	1,172,883,770	3,351,096,486	234,472,590	937,890,360	47,597,380	59,496,725	1,454,953,740	4,348,483,571	33.46%
2001	1,198,351,640	3,423,861,829	225,264,070	901,056,280	43,922,870	54,903,588	1,467,538,580	4,379,821,697	33.51%
2002	1,225,919,880	3,502,628,229	222,216,830	888,867,320	34,779,800	43,474,750	1,482,916,510	4,434,970,299	33.44%
2003	1,367,631,060	3,907,517,314	227,523,320	910,093,280	31,224,690	39,030,863	1,626,379,070	4,856,641,457	33.49%

Source: Hamilton County Auditor.

(1) Hamilton County Auditor property tax records are maintained on a calendar year basis.

(2) Ratio represents assessed value/total estimated value.

**Sycamore Community School District, Ohio**  
**Property Tax Rates (Per \$1,000 of Assessed Valuation)**  
**Direct and Overlapping Governments**  
**Last Ten Collection (Calendar) Years**

**TABLE 5**

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Sycamore Community School District	\$60.49	\$60.84	\$60.84	\$60.84	\$61.53	\$54.14	\$54.14	\$54.14	\$54.14	\$54.14
Hamilton County	21.87	21.47	19.92	20.83	19.54	19.01	19.44	18.30	18.33	18.33
City of Blue Ash	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
City of Loveland	11.92	11.92	9.92	9.92	9.92	9.92	9.92	9.92	9.92	9.92
City of Montgomery	10.05	10.05	10.75	10.75	9.15	9.15	9.15	9.15	9.15	9.15
City of Sharonville	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Village of Evendale	0.00	0.00	0.00	0.00	3.34	3.34	3.34	3.34	3.34	3.34
Village of Indian Hill	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.00	0.00	0.00
Sycamore Township	7.75	7.75	7.75	7.75	7.75	7.60	7.60	7.60	7.60	7.59
Symmes Township	13.45	11.75	11.75	11.75	11.90	11.00	11.00	11.00	11.00	10.30
Great Oaks Joint Vocational School	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70

Source: Hamilton County Auditor.

TABLE 6

**Sycamore Community School District, Ohio**  
 Ratio of Net General Bonded Debt to Assessed Value  
 And Net Bonded Debt Per Capita  
 Last Ten Years

Year	Population (1)	Total Assessed Value (2)	Gross Bonded Debt	Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value (%)	Estimated Net Bonded Debt Per Capita
1994	33,362	\$1,166,290,910	\$6,050,000	\$1,938,838	\$4,111,162	0.35%	\$123
1995	33,362	1,168,820,760	5,625,000	3,026,463	2,598,537	0.22%	78
1996	33,362	1,201,278,780	5,200,000	3,361,356	1,838,644	0.15%	55
1997	33,362	1,272,172,650	4,775,000	4,080,080	694,920	0.05%	21
1998	33,362	1,290,386,800	5,948,599	6,651,807	0	0.00%	0
1999	36,076	1,319,374,920	52,373,599	7,099,000	45,274,599	3.43%	1,255
2000	36,076	1,454,953,740	49,538,599	6,874,826	42,663,773	2.93%	1,183
2001	37,447	1,467,538,580	47,228,599	6,838,321	40,390,278	2.75%	1,079
2002	37,447	1,482,916,510	44,848,599	6,867,562	37,981,037	2.56%	1,014
2003	37,447	1,626,379,070	42,373,599	6,814,275	35,559,324	2.19%	950

Sources: (1) Population estimates provided by the Cities of Blue Ash and Montgomery and Symmes Township.

(2) Hamilton County Auditor, calendar year basis.



**Sycamore Community School District, Ohio**  
**Computation of Legal Debt Margin**  
**June 30, 2003**

**TABLE 7**

Assessed Valuation of District		<u>\$1,626,379,070</u>
<u>Overall Direct Debt Limitation</u>		
Direct debt limitation		
9% of assessed valuation		
Amount available in Debt Service Fund	\$146,374,116	
Gross indebtedness	6,814,275	
Less: Debt exempt from limitation	\$42,373,599	
Debt subject to 9% limitation	<u>0</u>	
Legal debt margin within 9% limitation		<u>(42,373,599)</u>
		<u>\$110,814,792</u>
<u>Unvoted Direct Debt Limitation</u>		
Unvoted debt limitation		
0.1% of assessed valuation		\$1,626,379
Amount available in Debt Service Fund		0
related to unvoted debt		
Gross indebtedness authorized by the Board		0
Less: Debt exempt from limitation		0
Debt subject to 0.1% limitation		<u>0</u>
Legal debt margin within 0.1% limitation		<u>\$1,626,379</u>
<u>Energy Conservation Bond Limitation</u>		
Ohio Revised Code Section 133.042		
Debt limitation		
0.9% of assessed valuation		\$14,637,412
Energy conservation notes authorized		0
by the Board		
Legal debt margin within 0.9% limitation		<u>\$14,637,412</u>

Source: Sycamore Community School District records.

**Sycamore Community School District, Ohio**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2003**

**TABLE 8**

<u>Governmental Unit</u>	<u>Gross General Obligation</u>	<u>Percent Applicable to District (1)</u>	<u>Amount Applicable to District</u>
<b>Direct:</b>			
Sycamore Community School District	\$42,373,599	100.00%	\$42,373,599
<b>Overlapping:</b>			
City of Blue Ash	\$575,000	94.94%	\$545,905
City of Loveland	5,470,000	7.52%	411,344
City of Montgomery	9,885,000	100.00%	9,885,000
City of Sharonville	27,350,000	0.02%	5,470
Symmes Township	791,500	63.92%	505,927
Evendale Village	2,235,000	6.06%	135,441
Hamilton County	130,790,000	8.60%	11,247,940
Great Oaks Joint Vocational School	6,240,000	9.60%	599,040
<b>Total overlapping:</b>	<u>\$183,336,500</u>		<u>\$23,336,067</u>
<b>Total direct and overlapping debt:</b>	<u>\$225,710,099</u>		<u>\$65,709,666</u>

Source: Ohio Municipal Advisory Council

(1) Calculated by the Ohio Municipal Advisory Council.

**Sycamore Community School District, Ohio**  
**Ratio of Annual Debt Service Expenditures**  
**For General Bonded Debt to Total General Fund Expenditures**  
**Last Ten Years**

**TABLE 9**

Fiscal Year	Principal	Interest and Fiscal Charges	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (%)
1994	\$720,000	\$403,184	\$1,123,184	\$40,076,379	2.80%
1995	425,000	373,837	798,837	41,128,630	1.94%
1996	425,000	345,809	770,809	43,281,253	1.78%
1997	425,000	339,724	764,724	44,647,424	1.71%
1998	425,000	224,786	649,786	47,617,619	1.36%
1999	550,000	1,511,777	2,061,777	51,134,558	4.03%
2000	2,835,000	2,333,409	5,168,409	53,011,633	9.75%
2001	2,310,000	2,316,453	4,626,453	55,745,296	8.30%
2002	2,380,000	2,180,574	4,560,574	61,082,626	7.47%
2003	2,475,000	2,080,241	4,555,241	66,413,735	6.86%

Source: Sycamore Community School District records.

*Sycamore Community School District, Ohio*  
 Demographic Statistics  
 Last Ten Years

TABLE 10

Year	Population (1)	School Enrollment (2)	Unemployment Rate Cincinnati Metropolitan Area (3)
1994	33,362	5,933	5.4%
1995	33,362	6,073	4.4%
1996	33,362	6,136	4.2%
1997	33,362	6,240	4.5%
1998	33,362	6,259	3.6%
1999	36,076	6,274	3.4%
2000	36,076	6,079	3.4%
2001	37,447	5,891	3.4%
2002	37,447	5,677	4.8%
2003	37,447	5,667	4.7%

Sources: (1) Estimates provided by the Cities of Blue Ash and Montgomery and Symmes Township.

(2) Sycamore Community School District records.

(3) Greater Cincinnati "2003 Economic Outlook"

**Sycamore Community School District, Ohio**  
**Construction, Bank Deposits and Property Values**  
**Last Ten Years**

**TABLE 11**

<u>Calendar Year</u>	<u>Construction (1)</u>	<u>Bank Deposits (2) (in Thousands)</u>	<u>Property Values (3)</u>
1994	\$47,372,787	\$15,290,052	\$912,482,710
1995	47,946,368	17,301,493	935,136,080
1996	46,975,020	18,661,138	953,788,060
1997	73,701,554	21,598,936	1,007,767,960
1998	46,452,410	18,070,437	1,026,114,180
1999	64,902,234	24,305,322	1,047,097,340
2000	60,657,082	41,302,569	1,172,883,770
2001	103,005,627	76,137,192	1,198,351,640
2002	43,192,473	133,025,841	1,225,919,880
2003	53,283,955	145,359,134	1,367,631,060

- Sources:
- (1) Cities of Blue Ash and Montgomery, Department of Economic Development and Planning.
  - (2) Total deposits of all banks headquartered in Hamilton County, Ohio. (includes national and state chartered banks.) Data was not available for the District only. Federal Reserve Bank, Cleveland.
  - (3) Hamilton County Auditor, calendar year basis - real property assessed values.

**Sycamore Community School District, Ohio**  
**Real and Tangible Personal Property**  
**Top Ten Principal Taxpayers**  
**June 30, 2003**

**TABLE 12**

Name of Taxpayer	Tangible Personal & Real Property	% of Total Assessed Valuation
Duke Realty Limited	\$41,532,210	2.55%
Ethicon	24,694,540	1.52%
CINERGY	17,110,310	1.05%
Proctor and Gamble	15,039,810	0.92%
Duke-Weeks Realty	14,689,460	0.90%
Governor's Hill	13,676,020	0.84%
V.H.H., Ltd.	12,800,890	0.79%
Proctor and Gamble Paper Products Company	11,204,610	0.69%
Cincinnati Bell Telephone	9,279,430	0.57%
Harold R. Silverman LLC	8,638,440	0.53%
	<u>\$168,665,720</u>	<u>10.37%</u>

Source: Hamilton County Auditor.



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**SYCAMORE COMMUNITY SCHOOL DISTRICT**

**HAMILTON COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 4, 2004**