



**Auditor of State
Betty Montgomery**

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	1
Schedule of Findings.....	3
Schedule of Prior Audit Findings.....	8

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Auditor of State Betty Montgomery

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

Oakwood City School District
Montgomery County
20 Rubicon Road
Dayton, Ohio 45409

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Oakwood City School District (the District) as of and for the fiscal year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2004-001 thru 2004-003. We also noted immaterial instances of noncompliance that we have reported to the District's management in a separate letter dated December 22, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered District's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the District's management in a separate letter dated December 22, 2004.

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Oakwood City School District
Montgomery 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, and is not intended to be and should not be used by anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

December 22, 2004

**OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
FISCAL YEAR ENDED JUNE 30, 2004**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2004-001

Noncompliance

Ohio Rev. Code Section 5705.41(B) requires that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

The following funds and line items had expenditures in excess of amounts appropriated at January 31, 2004:

<u>Fund/Function/Object</u>	<u>Appropriated</u>	<u>Expended</u>	<u>Variance</u>
<u>General Fund:</u>			
Instruction:			
Other			
Purchased Services	\$40,000	\$87,506	(\$47,506)
Support Services:			
Pupils			
Other Expenditures	150,000	171,784	(21,784)
Administration			
Purchased Services	55,700	130,619	(74,919)
Central			
Purchased Services	181,000	321,059	(140,059)
Extracurricular Activities			
Sports Oriented			
Purchased Services	6,000	18,891	(12,891)
<u>Ohio SchoolNet Professional Development</u>	10,400	28,020	(17,620)
<u>Bond Retirement Fund:</u>			
Repayment of Interest	204,000	477,145	(273,145)
<u>Building Fund:</u>			
Instruction:			
Regular			
Capital Outlay – Equipment	0	166,960	(166,960)
Capital Outlay:			
Site Improvement			
Purchased Services	38,000	123,554	(85,554)
Building Improvement			
Purchased Services	483,000	10,964,524	(10,481,524)
Transfers-Out	0	30,854	(30,854)
Other Misc. Use of Funds	0	1,900,000	(1,900,000)

**FINDING NUMBER 2004-001
 (Continued)**

The following funds and line items had expenditures in excess of amounts appropriated at June 30, 2004:

<u>Fund/Function/Object</u>	<u>Appropriated</u>	<u>Expended</u>	<u>Variance</u>
<u>General Fund:</u>			
Instruction:			
Regular			
Employee Salaries and Wages	\$6,870,300	\$6,958,228	(\$87,928)
Purchased Services	219,300	456,091	(236,791)
Supplies and Materials	404,000	458,787	(54,787)
Other			
Purchased Services	40,000	160,936	(120,936)
Support Services			
Pupils			
Other Expenditures	150,000	290,292	(140,292)
Board of Education			
Purchased Services	9,000	27,488	(18,488)
Administration			
Purchased Services	55,700	119,597	(63,897)
Supplies and Materials	37,100	62,161	(25,061)
Operation and Maintenance of Plant			
Purchased Services	580,000	679,003	(99,003)
Central			
Purchased Services	181,000	351,355	(170,355)
Extracurricular Activities			
Sports Oriented			
Purchased Services	6,000	18,891	(12,891)
Capital Outlay			
Architectural and Engineering Services			
Purchased Services	41,000	154,517	(113,517)
<u>School Support Fund</u>	74,300	118,345	(44,045)
<u>District Managed Activities Fund</u>	162,000	186,432	(24,432)
<u>SchoolNet OneNet</u>	0	15,000	(15,000)
<u>Ohio SchoolNet Professional Development</u>	10,400	30,966	(20,566)
<u>Summer School Subsidy</u>	0	34,471	(34,471)
<u>E-Rate Fund</u>	2,800	12,986	(10,186)

**FINDING NUMBER 2004-001
 (Continued)**

Additionally, the following funds and line items had material expenditures in excess of amounts appropriated at June 30, 2004:

<u>Fund/Function/Object</u>	<u>Appropriated</u>	<u>Expended</u>	<u>Variance</u>
<u>Bond Retirement Fund:</u>			
Debt Service			
Payment of Interest	204,000	916,944	(712,944)
<u>Permanent Improvement Fund:</u>			
Capital Outlay			
Building Improvement			
Capital Outlay – Replacement	58,800	102,636	(43,836)
<u>Building Fund:</u>			
Instruction:			
Regular			
Capital Outlay – Equipment	0	597,597	(597,597)
Capital Outlay:			
Site Improvement			
Purchased Services	38,000	154,893	(116,893)
Building Improvement			
Purchased Services	483,000	14,451,817	(13,968,817)
Transfers-Out	0	30,854	(30,854)
Other Misc. Use of Funds	0	1,900,000	(1,900,000)
<u>Student Managed Activities Fund:</u>	127,000	176,422	(49,422)

Other lesser variances were also noted.

The District should develop and implement procedures to properly monitor its budgetary activity as it relates to appropriations and expenditures. This will enable the District to comply with budgetary requirements and make necessary amendments to the budget or to actual spending and reduce the possibility of overspending available funds.

FINDING NUMBER 2004-002

Noncompliance

Ohio Rev. Code Section 5705.39 states that the total appropriation from each fund should not exceed the total estimated resources for the respective fund. Further, no appropriation measure is to become effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate of resources.

The following funds had appropriations in excess of estimated resources at June 30, 2004:

**FINDING NUMBER 2004-002
 (Continued)**

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Variance</u>
<u>Special Revenue Funds:</u>			
Food Service	\$196,469	\$239,300	(\$42,831)
District Managed Activities	161,539	162,000	(461)
Eisenhower Grant	6,791	10,000	(3,209)
Title VI-B	22,787	260,000	(237,213)
Perkins Grant	435	5,700	(5,265)
Title I	22,253	41,000	(18,747)
Title VI	5,693	8,800	(3,107)
Title VI-R	13,390	35,900	(22,510)
Misc. Federal Grants	33	30,000	(29,967)
<u>Capital Projects Fund:</u>			
SchoolNet	(1,049)	28,900	(29,949)

There was no evidence in the County's budgetary files to indicate the District submitted appropriation measures to the county budget commission. Accordingly, the District had no certificates from the county auditor that appropriations from each fund did not exceed the total official estimate of resources.

The District should develop and implement procedures to properly develop and monitor its budgetary expectations relating to appropriations and available resources. When additional money becomes available, the District should amend its certificate and appropriations accordingly if the money is intended to be spent. This would enable the District to comply with budgetary requirements and make necessary amendments to the budget or actual spending and reduce the possibility of overspending available funds.

FINDING NUMBER 2004-003

Noncompliance

Ohio Rev. Code Section 5705.10 requires that monies paid into any fund shall be used only for the purpose such fund was established. The existence of a deficit balance in any fund indicates that money from another fund or funds have been used to pay the obligations of the fund or funds carrying the deficit balance.

Several negative fund balances were noted throughout the year per review of the District's monthly financial reports. They are as follows:

**FINDING NUMBER 2004-003
 (Continued)**

<u>Fund & Month</u>	<u>Balance</u>	<u>Fund & Month</u>	<u>Balance</u>
Bond Retirement		Title VI-B	
September 2003	(\$262,428)	September 2003	(\$112,905)
April 2004	(853,194)	April 2004	(97,400)
June 2004	(1,185,333)	June 2004	(137,736)
Lunchroom		Perkins Grant	
September 2003	(28,491)	April 2004	(197)
April 2004	(26,240)	Title I	
June 2004	(41,695)	September 2003	(18,320)
District Managed Activities		April 2004	(16,043)
September 2003	(8,597)	June 2004	(21,736)
Entry Year Program		Title VI	
June 2004	(115)	September 2003	(9,307)
SchoolNet OneNet		April 2004	(9,529)
September 2003	(63,901)	June 2004	(8,012)
April 2004	(63,901)	Drug Free	
June 2004	(63,901)	September 2003	(2,829)
Ohio SchoolNet Prof. Dev.		April 2004	(2,467)
September 2003	(9,035)	June 2004	(2,567)
April 2004	(7,841)	E-Rate	
June 2004	(7,841)	September 2003	(6,773)
Summer School Subsidy		April 2004	(1,573)
June 2004	(9,676)	Misc. Federal Grants	
Eisenhower Prof. Dev.		September 2003	(5,607)
September 2003	(209)	April 2004	(6,178)
April 2004	(209)	June 2004	(5,373)

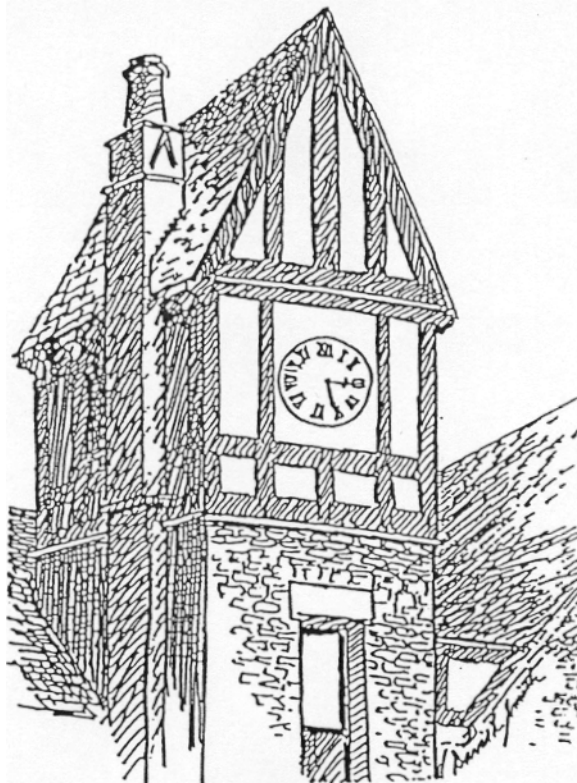
The District should develop and implement procedures to routinely monitor fund cash balances to prevent the inappropriate or illegal use of funds. When expenditures are anticipated to temporarily exceed available resources, the District may consider an advance from the General Fund, or changing spending from the affected funds. This will help in the financial decision making by reducing the possibility of overspending available resources and help prevent using resources inappropriately.

**OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
FISCAL YEAR ENDED JUNE 30, 2004**

<u>Finding Number</u>	<u>Finding Summary</u>	Fully <u>Corrected</u> ?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No <u>Longer Valid</u> : <u>Explain:</u>
2003-001	ORC Sec. 5705.41(B) - Expenditures in excess of appropriations.	No	Will be repeated as Finding 2004-001
2003-002	ORC Sec. 5705.39 - Appropriations in excess of estimated resources.	No	Will be repeated as Finding 2004-002
2003-003	ORC Sec. 5705.10 - Incurring deficit cash fund balances	No	Will be repeated as finding 2004-003
2003-004	Inaccurate Fixed Asset Records	No	Progress has been made in correcting this finding. Finding will not be reported in the current audit.

INTRODUCTORY SECTION



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

**OAKWOOD CITY
SCHOOL DISTRICT**

20 RUBICON ROAD, DAYTON, OHIO 45409

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Oakwood City School District
Montgomery County, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2004

Issued By:
Treasurer's Office

Kevin Philo
Treasurer

OAKWOOD CITY SCHOOL DISTRICT

Table of Contents

For the Fiscal Year Ended June 30, 2004

I. INTRODUCTORY SECTION:

Transmittal Letter i

List of Principal Officials viii

Organizational Chart ix

GFOA Certificate of Achievement x

ASBO Certificate of Achievement xi

II. FINANCIAL SECTION:

Independent Accountant’s Report 1

Management’s Discussion and Analysis 3

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Assets 15

Statement of Activities 16

Fund Financial Statements:

Balance Sheet - Governmental Funds 17

Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities 18

Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds 19

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities 20

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund 21

Statement of Fiduciary Assets and Liabilities - Fiduciary Funds 25

Notes to the Basic Financial Statements 26

OAKWOOD CITY SCHOOL DISTRICT

Table of Contents

For the Fiscal Year Ended June 30, 2004

Combining and Individual Fund Statements and Schedules:

Combining Statements - Nonmajor Funds:

Description of Funds	58
Combining Balance Sheet - Nonmajor Governmental Funds	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	63
Combining Balance Sheet - Nonmajor Special Revenue Funds	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	68
Combining Balance Sheet - Nonmajor Capital Projects Funds	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	73
Statement of Changes in Assets and Liabilities - Agency Fund	74
Schedule of Revenues, Expenditures and Changes in Funds Balance - Budget and Actual (Budget Basis):	
Bond Retirement Fund	75
Building Fund	76
Food Service Fund	77
Faculty Fund	78
Uniform School Supplies Fund	79
Special Rotary Fund	80
School Support Fund	81
Career Education Fund	82
Latchkey Fund	83
Library Automation System Fund	84
District Managed Activities Fund	85
Local Professional Development Fund	86
Education Management Information Systems Fund	87
Entry Year Program Fund	88
SchoolNet OneNet Fund	89
Ohio SchoolNet Professional Development Fund	90
Textbooks/Materials Subsidy Fund	91
Ohio Reads Fund	92
Summer School Subsidy Fund	93
Emergency Repairs Grant Fund	94
Safe School Help Line Fund	95

OAKWOOD CITY SCHOOL DISTRICT

Table of Contents

For the Fiscal Year Ended June 30, 2004

Eisenhower Grant Fund	96
Title VI-B Fund	97
Perkins Grant Fund	98
Title I Fund	99
Title VI Fund	100
Drug Free Schools Program Fund	101
E-Rate Fund	102
Title VI-R Fund	103
Miscellaneous Federal Grants Fund	104
Permanent Improvement Fund	105
Harman Playground Project Fund	106
SchoolNet Fund	107
Interactive Video Distance Learning Fund	108
Scholarship Fund	109

III. STATISTICAL SECTION

Governmental Expenses by Function - Last Ten Fiscal Years	110
Governmental Expenses by Source - Last Ten Fiscal Years	111
Property Tax Levies and Collections - Last Ten Years	112
Assessed and Estimated Actual Value of Taxable Property - Last Ten Years	113
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years	114
Computation of Legal Debt Margin	115
Computation of Direct and Overlapping General Obligation Bonded Debt	116
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Fund Expenditures - Last Ten Fiscal Years	117
Demographics Statistics - Last Ten Years	118
Property Values, Construction and Bank Deposits - Last Ten Years	119
Principal Property Taxpayers - Real Estate Tax	120
Miscellaneous Statistics	121



Board of Education

Oakwood City School District

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BOARD OF EDUCATION

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Superintendent of Schools

KEVIN S. PHILO
Treasurer

KATHLEEN R. JOHNSON
Director of Educational Services

POSITION CURRENTLY OPEN
Director of Curriculum and Instruction

December 22, 2004

The Citizens of Oakwood and the Board of Education
Oakwood City School District

It is my honor to present the Comprehensive Annual Financial Report (CAFR) for the Oakwood City School District. This report provides full disclosures of the financial operations of the School District for the fiscal year ended June 30, 2004. The CAFR, which includes an opinion from the Auditor of State of Ohio, 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 management of the School District. To the best of our knowledge and belief, the data presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School District. This report will provide the taxpayers, employees, parents, and other parties interested in the operation of the Oakwood City School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be available to the Chamber of Commerce, major commercial and personal property taxpayers, the Wright Public Library, the Oakwood Schools Education Foundation, banking institutions and other interested parties.

The CAFR is composed of three distinct sections. The introductory section includes the title page, table of contents, this letter of transmittal, list of principal officials, an organizational chart, the GFOA Certificate of Achievement For Excellence in Financial Reporting, and the ASBO Certificate of Excellence in Financial Reporting. The financial section includes the report of independent auditors', the basic financial statements and explanatory notes, and the combining statements for nonmajor funds and other schedules that provide detailed information relative to the financial statements. The statistical section includes various tables reflecting social and economic information, financial trends and fiscal capacity of the School District.

THE SCHOOL DISTRICT

The School District is located in the City of Oakwood in Montgomery County. The City of Oakwood is located immediately south of the City of Dayton and adjacent to the University of Dayton. The City of Oakwood encompasses 2.97 square miles and the population is 8,981. Currently, the enrollment at the School District is 2,032.

The citizens of the City of Oakwood have voted in 95.05 mills for operating funds with an effective millage rate of 42.238 as of June 30, 2004. A bond issue of \$20.2 million was approved in November 2002 for the renovation of school facilities. The effective millage of the bond issue was 4.38 as of June 30, 2004.

The Oakwood City School District offers a wide range of courses. The students also have a wide range of extra-curricular activities from which to choose.

THE REPORTING ENTITY

Oakwood City School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement Number 14, "The Financial Reporting Entity" and Governmental Accounting Standards Board Statement Number 39, "Determining Whether Certain Organization are Component Units." In evaluating how to define the District for financial reporting purposes, management has considered all funds, departments, boards, organizations, and agencies making up the Oakwood City School District, the primary government. Numerous entities conduct their activities within the School District's boundaries but these entities have been excluded from the financial statements. The School District cannot legally access their resources; the School District has no obligation to finance deficits or provide financial support to them; and the School District is not obligated for their debts.

SERVICES PROVIDED

The School District provides a wide variety of instruction and support services as mandated by state statute or public desire. These services include regular instruction, special instruction, vocational instruction, student guidance services, and extracurricular activities. Support services are necessary to complete the educational process. These services include administration, technical, and other community services. Other activities include uniform school supply sales, food service operation, and a latchkey program. Uniform school supply sales consist of workbooks used by the students. The food service operation provides an opportunity for the children to receive a hot meal every school day, and the latchkey program provides care for School District students before and after school, during the summer, and during winter and spring breaks.

ORGANIZATION OF THE SCHOOL DISTRICT

The first official body designated as the Oakwood City Board of Education was formed in 1907. Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised code for the purpose of providing educational services authorized by charter and further mandated by State and/or Federal Agencies.

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

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

ECONOMIC CONDITION AND OUTLOOK

The City of Oakwood consists of 93 percent residential properties. No industrial operations are permitted within the city. Many of the residents are involved in business and professional careers. Given this fact, residential property values, which are the basis for most of the Oakwood City School District's revenues, have significantly increased in the past. The School District, along with many other public schools in the state, relies heavily on local property tax as a primary source of funds. Ohio law limits the growth in real estate revenues by reducing millage as assessed values increase following re-appraisals. Consequently, revenues generated from each levy remain relatively constant. As a result, the District must periodically seek additional funding from its taxpaying constituents. While statewide, voters have proved reluctant to increase their property taxes, the Oakwood City School District has received positive support from its taxpayers. The economic condition of the School District remains very strong and is projected to remain as such.

MAJOR INITIATIVES AND ACCOMPLISHMENTS FOR THE SCHOOL DISTRICT

Major accomplishments at Oakwood City Schools are nothing new to this School District. The Oakwood City School District prides itself on being one of the top performing public school districts in the State of Ohio and is working to continue that tradition. Some interesting facts about the District are:

- In 2004, the Oakwood City School District was one of a very few in the State of Ohio to meet all 27 of 27 State Indicators of Excellence.
- Five year postgraduate surveys indicate that over 90 percent of Oakwood graduates complete college.
- The dropout rate for Oakwood students is less than two percent per year.
- Over 80 percent of the secondary students participate in sports or co-curricular activities.
- The percentages of students passing the ninth grade proficiency tests are consistently one of the tops in the state.
- The school district voters in May 2002 approved a 6 mill operating levy with 69 percent approval. In November 2002, the Oakwood voters approved a 20.2 million dollar bond issue for facility additions and improvements with 65 percent of the vote and also passed a Permanent Improvement Renewal levy with 72 percent approval. In November 2004, the Oakwood voters approved a 5.50 mill operating levy with 60 percent approval. The voters in Oakwood have consistently valued excellent education and shown their overwhelming support at the polls.
- The school district opened up their newest building in August 2000 for kindergarten, latchkey and preschool programs due to a generous \$1,000,000 donation by an alum in the summer of 2000.
- The school district built an ornamental garden complete with bronze statues to honor a long time educator, built a fiber optic infrastructure and upgraded technology throughout the district due to a generous \$1,000,000 donation by an alum in the summer of 2001.

ACCOUNTING, INTERNAL CONTROL AND FINANCIAL REPORTING

Internal Accounting and Budgetary Control

The School District's accounting system is organized on a "fund" basis. Each fund is a self-balancing accounting entity. In developing the School District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding (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 the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The School 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 of education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted once the County Auditor has completed the tax duplicate for the upcoming calendar year, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates. State law permits the School District to make adjustments to estimated revenues and appropriations at any time prior to year-end.

All disbursements and transfers of cash between funds require appropriation authority from the Board of Education. Budgets for each of the different funds are controlled at various levels within each 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 released to vendors.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any supplemental appropriations made to date.

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 Oakwood City School District are fully described in the notes to the basic financial statements. Additional information on the School District's budgetary accounts can also be found in the notes to the basic financial statements.

FINANCIAL CONDITION

The School District has prepared its financial statements in accordance with GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments". GASB 34 created 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 many businesses.

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 presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statement of budgetary comparisons – This statement presents 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 Discussion and Analysis of the District. This discussion is located in the financial section of this report following the audit opinion, and provides an assessment of the District finances for fiscal year 2004.

CASH MANAGEMENT

The Board of Education has an aggressive cash management program, which consists of expediting the receipt of revenues and prudently depositing available cash in financial institutions where it is collateralized by obligations of the United States Government or the State of Ohio or insured by the Federal Deposit Insurance Corporation. The total amount of interest earned in the General Fund was \$172,764 for the year ended June 30, 2004. The figure in the General Fund is higher than in the previous fiscal year due to more cash on hand for investment purposes. Also, the various nonmajor governmental funds received interest of \$865.

The Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets provides protection of the School District's deposits. 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 School District constantly faces the risk of loss of assets by fire, storm, theft, accident or other catastrophes. Generally, the School 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. The Indiana Insurance Agency provides property insurance coverage. Indiana Insurance also provides general liability insurance and vehicle insurance coverage.

The School District is a member of the Ohio School Boards Association Workers' Compensation Group Rating Plan, which has reduced the yearly State Workers' Compensation rate.

INDEPENDENT AUDIT

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

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

AWARDS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Oakwood City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003.

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

A Certificate of Achievement is valid for a period of one year only. This was the seventh year that the School District has received this prestigious award. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for review.

ASBO Certificate

The Association of School Business Officials international (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2003, to the Oakwood City School District.

This award certifies that the Comprehensive Annual Financial Report substantially conformed 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 an expert panel of certified public accountants and practicing school business officials. This was the seventh year that the School District has received this prestigious award.

Management believes that the Comprehensive Annual Financial Report for the current year, which will be submitted to ASBO for review, will again conform to ASBO's principles and standards.

ACKNOWLEDGMENTS

The publication of this eighth Comprehensive Annual financial Report for the Oakwood City School District is a major step in reinforcing the accountability of the School District to the taxpayers of the community.

We wish to express appreciation to the members of the Oakwood City School District Board of Education for supporting us in this endeavor and to the staff of the Treasurer's Office and various administrators and employees of the Oakwood City School District who contributed their time and effort to complete this project.

As always, a special thank you is given to the taxpayers, voters, parents and community, who demonstrate their continuing faith in the Oakwood City School District.

Respectfully Submitted,

Kevin S. Philo, Treasurer

Dr. Mary Jo Scalzo, Superintendent

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
LIST OF PRINCIPAL OFFICIALS
June 30, 2004

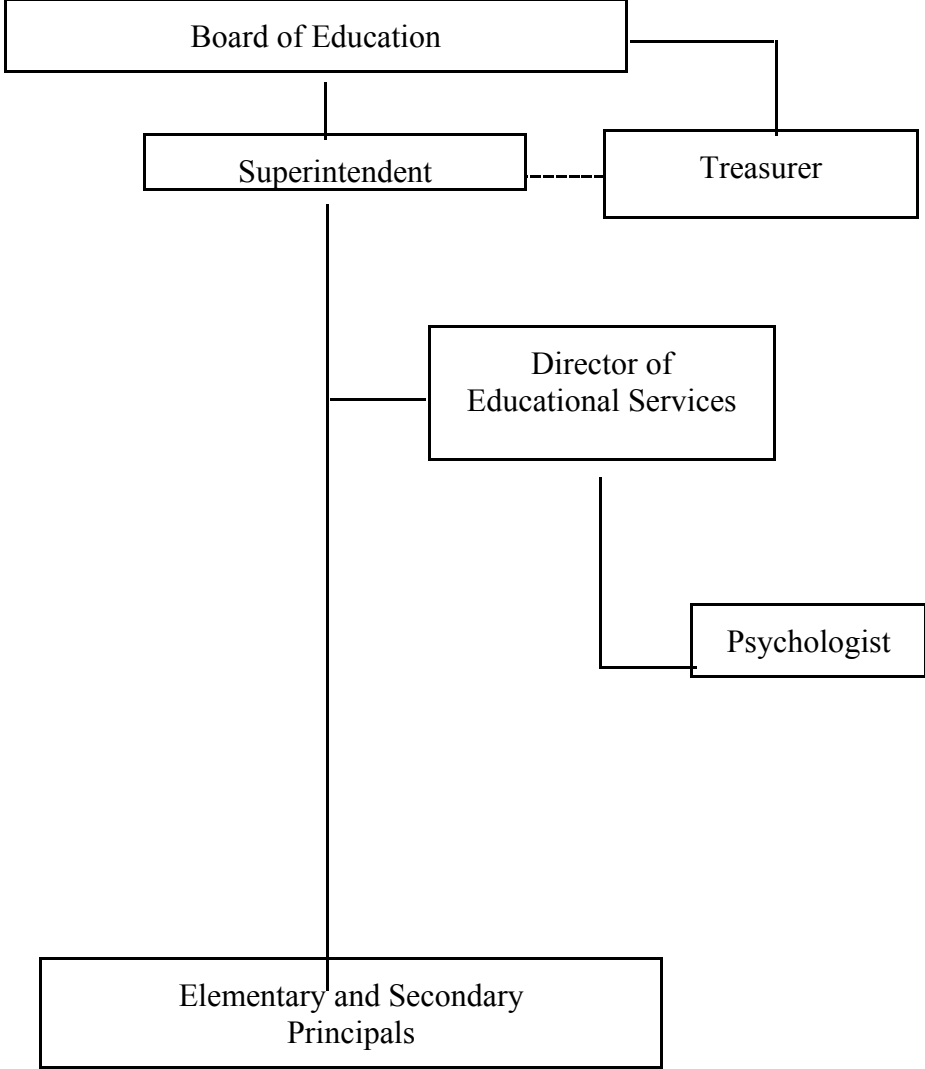
Elected Officials

President, Board of Education Dr. James Uphoff
Board Member Debra Hershey
Board Member Thomas Mays
Board Member Beth Merritt
Board Member Dr. Paul Vanderburgh

Administrative Officials

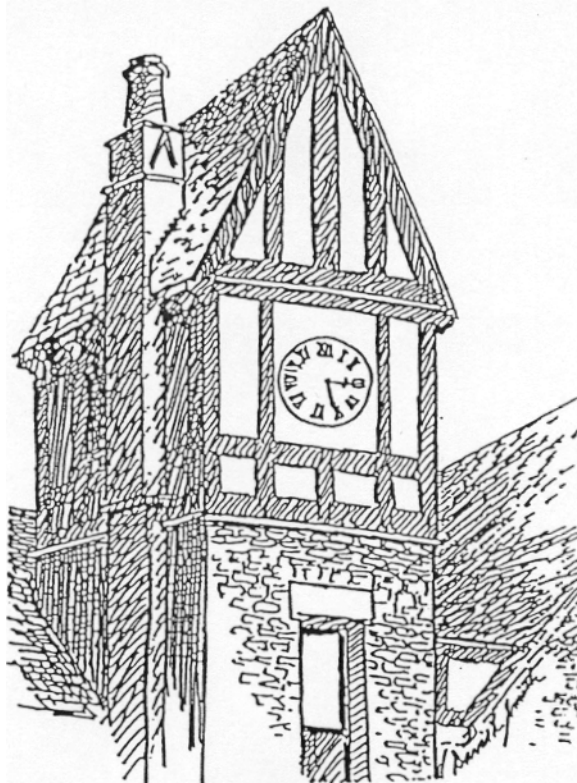
Superintendent Dr. Mary Jo Scalzo
Treasurer Kevin Philo
Director of Educational Services Kathleen Johnson

ORGANIZATIONAL CHART



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FINANCIAL SECTION



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

**OAKWOOD CITY
SCHOOL DISTRICT**

20 RUBICON ROAD, DAYTON, OHIO 45409

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Oakwood City School District
Montgomery County
20 Rubicon Road
Dayton, Ohio 45409

To the Board of Education:

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2004, and the respective changes in financial position, and the respective budgetary comparison for the General fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2004 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

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

Betty Montgomery
Auditor of State

December 22, 2004

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

The discussion and analysis of the Oakwood City School District's financial performance provides an overview and analysis of the School District's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review our letter of transmittal, notes to the basic financial statements and the financial statements themselves to enhance their understanding of the School District's financial 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 Statements No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government" issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

- ▶ The liabilities of Oakwood City School District exceeded its assets at June 30, 2004 by \$233,140. Of this amount, \$1,573,826 represents the difference between capital assets and related debt and net asset amounts restricted for specific purposes. The remaining deficit amount represents unrestricted net assets.
- ▶ In total, net assets of governmental activities decreased by \$293,036, which represents a 489.24 percent decrease from 2003.
- ▶ General revenues accounted for \$18,984,572 or 95.23 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$948,703 or 4.77 percent of total revenues of \$19,933,275.
- ▶ The School District had \$20,226,311 in expenses related to governmental activities; only \$948,703 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes and grants and entitlements) of \$18,984,572 were not sufficient to provide for these programs.
- ▶ The School District recognizes three major governmental funds: the General Fund, the Bond Retirement Fund, and the Building Fund. In terms of dollars received and spent, the General Fund is significantly larger than all the other funds of the School District combined. The General Fund had \$17,020,007 in revenues and \$17,922,306 in expenses in fiscal year 2004.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are presented following the requirements of GASB Statement No. 34, and are organized so the reader can understand Oakwood City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements are comprised of three components: the government-wide financial statements, fund financial statements and notes to the basic financial statements.

Reporting the School District as a Whole

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances, in a manner similar to private-sector business. The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances.

The Statement of Net Assets presents information on all of the School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets are important because they serve as a useful indicator of whether the financial position of the School District as a whole is improving or deteriorating. The cause of this change may be the result of several factors, some financial and some not. Nonfinancial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required but unfunded educational programs, and other factors. Ultimately, the School District's goal is to provide services to our students, not to generate profits as commercial entities do.

The Statement of Activities presents information showing how the government's net assets changed during the recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some item that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

In both of the government-wide financial statements, the School District activities are shown as Governmental Activities. All of the School District's programs and services are reported here including instructional services, support services and operation of non-instructional services. These services are funded primarily by taxes, tuition and fees, and intergovernmental revenues including federal and state grants and other shared revenues.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 17. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General, Bond Retirement, and Building.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objective. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into one of two categories: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Fiduciary Funds

The School District's only fiduciary fund is an agency fund. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

Government-Wide Financial Analysis

Recall that the Statement of Net Assets provides the perspective of the School District as a whole, showing assets, liabilities, and the difference between them (net assets). Table 1 provides a summary of the School District's net assets for 2004 compared to fiscal year 2003:

Table 1
Net Assets

	<u>Governmental Activities</u>	
	2004	2003
<u>Assets:</u>		
Current and Other Assets	\$21,381,258	\$32,500,282
Capital Assets, Net	16,412,331	4,854,414
<i>Total Assets</i>	<u>37,793,589</u>	<u>37,354,696</u>
<u>Liabilities:</u>		
Long-Term Liabilities	20,857,262	21,683,241
Other Liabilities	17,169,467	15,611,559
<i>Total Liabilities</i>	<u>38,026,729</u>	<u>37,294,800</u>
<u>Net Assets:</u>		
Invested in Capital Assets, Net of Related Debt	909,094	2,416,391
Restricted	664,732	196,712
Unrestricted	(1,806,966)	(2,553,207)
<i>Total Net Assets</i>	<u><u>(\$233,140)</u></u>	<u><u>\$59,896</u></u>

Current assets decreased \$11,119,024 from fiscal year 2003 due to a decrease in cash and cash equivalents held by the District, which is the result of payments made for construction costs. Capital assets increased by \$11,557,917 as a result of the construction in progress for the current year renovation of school facilities.

Other (current) liabilities increased \$1,557,908 as a result of a decrease in contracts payable for the renovation of school facilities and an increase in notes payable for the \$1,900,000 tax anticipation note.

Long-term liabilities decreased by \$825,979 due to the retirement of principal on general obligation debt.

The School District's largest portion of net assets is related to invested in capital assets, net of related debt. The School District used these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to pay these liabilities.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

The School District's smallest portion of net assets is unrestricted. These net assets represent resources that may be used to meet the School District's ongoing obligations to its students and creditors.

The remaining balance of \$664,732 is restricted assets. The restricted net assets are subject to external restrictions on how they may be used.

Table 2 shows the changes in net assets for fiscal year 2004 and provides a comparison to fiscal year 2003.

Table 2
Changes in Net Assets

	Governmental Activities	
	2004	2003
<u>Revenues:</u>		
<i>Program Revenue:</i>		
Charges for Services and Sales	\$651,310	\$615,379
Operating Grants and Contributions	297,393	295,987
Capital Grants and Contributions	0	101,427
<i>General Revenue:</i>		
Property Taxes	11,891,489	11,384,943
Unrestricted Grants and Entitlements	6,622,309	6,158,788
Gain on Sale of Capital Assets	0	525
Unrestricted Contributions	47,694	37,797
Investment Earnings	173,629	301,644
Miscellaneous	249,451	246,784
<i>Total Revenues</i>	19,933,275	19,143,274
<u>Expenses:</u>		
<i>Program Expenses:</i>		
<i>Instruction:</i>		
Regular	9,581,298	9,495,259
Special	1,576,437	1,590,993
Vocational	500	9,073
Other	160,936	92,798

(Continued)

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

Table 2
Changes in Net Assets

	Governmental Activities	
	2004	2003
<i>Support Services:</i>		
Pupil	1,239,061	1,084,045
Instructional Staff	399,700	442,710
Board of Education	26,337	17,279
Administration	1,473,852	1,492,354
Fiscal	564,327	563,052
Business	3,104	901
Operation and Maintenance of Plant	1,772,021	1,544,836
Pupil Transportation	217,193	153,561
Central	719,190	513,884
<i>Operation of Non-Instructional Services:</i>		
Food Service	285,543	250,545
Latchkey	206,124	167,914
Other	29,509	78,651
Extracurricular Activities	1,041,156	797,479
Interest and Fiscal Charges	930,023	328,280
<i>Total Expenses</i>	<u>20,226,311</u>	<u>18,623,614</u>
<i>Change in Net Assets</i>	(293,036)	519,660
Net Assets – Beginning of Year	<u>59,896</u>	<u>(459,764)</u>
Net Assets – End of Year	<u><u>(\$223,140)</u></u>	<u><u>\$59,896</u></u>

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

The most significant program expenses for the School District are Regular Instruction, Operation and Maintenance of Plant, Special Instruction, Administration and Pupil. These programs account for 77.33 percent of the total governmental activities. Regular Instruction, which accounts for 47.37 percent of the total, represents costs associated with providing general educational services. Operation and Maintenance of Plant, which represents 8.76 percent of the total, represent costs associated with the operating and maintaining the School District's facilities. Special Instruction, which represents 7.79 percent of the total, represent costs associated with providing educational services for handicapped, disadvantaged and other special needs students. Administration, which represents 7.29 percent of the total, represents costs associated with the overall administrative responsibility for each building and the School District as a whole. Pupil, which represents 6.12 percent of the total cost, represents costs associated with activities designed to assess and improve the well-being of pupils and supplement the teaching process.

The majority of the funding for the most significant programs indicated above is from property taxes and grants and entitlements not restricted for specific programs. Property taxes and grants and entitlements not restricted for specific programs accounts for 92.88 percent of total revenues.

As noted previously, the net assets for the governmental activities decreased \$293,036 or 489.24 percent. This is a change from last year when net assets increased \$519,660 or 19506.75 percent. Total revenues increased \$790,001 or 4.13 percent over last year and expenses increased \$1,602,697 or 8.61 percent over last year.

The District had program revenue decreases of \$64,090, as well as increases in general revenues of \$854,091. The decrease in program revenue is mostly due to the School District not receiving any capital grants during fiscal year 2004. There were two significant increases in general revenues. Property taxes increased \$506,546 or 4.45 percent due to the increase in the tax rates for the bond retirement tax levy passed in November 2002. Also, grants and entitlements not restricted to specific programs increased \$463,521 or 7.53 percent due to increases in the school foundation receipts and homestead/rollback receipts.

The total expenses for governmental activities increased as a result of two factors. Interest and fiscal charges increased \$601,743 due to the additional general obligation bonds that the School District began paying for in fiscal year 2004. The remaining portion of the increase in expenses is due to increases to salaries and fringe benefits.

Governmental Activities

Over the past several fiscal years, the School District has remained in stable financial condition. This has been accomplished through strong voter support and good fiscal management. The School District is heavily dependent on property taxes and, like most Ohio schools, is hampered by a lack of revenue growth. Property taxes made up 62.79 percent of the total revenue for our three most significant funds in fiscal year 2004.

The Ohio Legislature passed H.B. 920 (1976) and changed the way property taxes function in the State. The overall revenue generated by a levy will not increase solely as a result of inflation. As an example, the School District would receive from a home valued at \$100,000 and taxed at 1.0 mill, \$35.00 annually. If three years later the home were reappraised and the value increased to \$200,000 (and this increase in value is comparable to other property owners) the effective tax rate would become 0.5 mill and the School District would still receive \$35.00 annually. Therefore, the School District must regularly return to the voters to maintain a constant level of service.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

The School District's 1.8 mill Permanent Improvement Levy is an important piece of the financial picture. It funds not only facility maintenance and upkeep issues but also provides the bulk of the School District's technology needs and a large percentage of the State's set-aside requirements for both textbooks and instructional materials and capital improvements. The 5-year levy was first passed by School District voters in 1992 and has been approved twice, the last time in 2002.

The School District voters also approved a bond retirement tax levy for 4.95 mills. It was passed in November 2002 as part of a \$20,200,000 bond issue for facility improvements. This levy generates approximately \$1.4 million dollars in revenue for debt service payments.

Instruction accounts for 55.96 percent of governmental program expenses. Support services expenses make up 31.72 percent of governmental expenses. The Statement of Activities shows the cost of program services and charges for services and grants offsetting those services.

Table 3 shows, for governmental activities, the total cost of services and the net cost of services for fiscal year 2004 compared with fiscal year 2003. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Net Cost of Governmental Activities

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
	2004	2004	2003	2003
<i>Program Expenses:</i>				
Instruction	\$11,319,171	\$11,032,258	\$11,188,123	\$10,859,281
Support Services	6,414,785	6,373,736	5,812,622	5,742,902
Operation of Non-Instructional Services	521,176	38,524	497,110	38,281
Extracurricular Activities	1,041,156	903,067	797,479	642,077
Interest and Fiscal Charges	930,023	930,023	328,280	328,280
Total Expenses	<u>\$20,226,311</u>	<u>\$19,277,608</u>	<u>\$18,623,614</u>	<u>\$17,610,821</u>

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. (See Note 2 for discussion of significant accounting policies and procedures). All governmental funds had total revenues and other financing sources of \$20,165,748 and expenditures and other financing uses of \$32,717,798.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

Total governmental funds balances decreased by \$12,552,050. This decrease is due to the increased expenditures in the Building Fund related to the renovation of school facilities.

Budget Highlights - General Fund

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

During the course of fiscal year 2004, the District did not amend its General Fund budget. The School District uses a modified site-based budget technique that is designed to control site budgets while providing building administrators and supervisors flexibility for site management.

The School District prepares and monitors a detailed cashflow plan for the General Fund. Actual cashflow is compared to monthly and year-to-date estimates, and a monthly report is prepared for top management and the Board of Education.

For the General Fund, the final budget basis revenue was \$19,786,737 representing no change from the original budget estimates. The final budget reflected no change since there were no amendments made during the year. For the General Fund, the final budget basis expenditures were \$17,680,000 representing no change from the original budget estimates.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2004, the School District had \$22.0 million invested in land, buildings and improvements, furniture and equipment, and vehicles, of which all was in governmental activities. That total carries an accumulated depreciation of \$5.6 million. Table 4 shows fiscal year 2004 balances compared to fiscal year 2003.

Table 4
Capital Assets & Accumulated Depreciation at June 30, 2004

	<u>Governmental Activities</u>	
	<u>2004</u>	<u>2003</u>
<i>Nondepreciable Capital Assets:</i>		
Land	\$488,237	\$488,237
Construction in Progress	14,033,957	2,410,204
<i>Depreciable Capital Assets:</i>		
Buildings and Improvements	4,008,910	4,008,910
Furniture and Equipment	3,443,066	3,312,100
Vehicles	11,224	8,326
<i>Total Capital Assets</i>	<u>21,985,394</u>	<u>10,227,777</u>
<i>Less Accumulated Depreciation:</i>		
Buildings and Improvements	3,013,471	2,989,877
Furniture and Equipment	2,551,193	2,375,160
Vehicles	8,399	8,326
<i>Total Accumulated Depreciation</i>	<u>5,573,063</u>	<u>5,373,363</u>
Capital Assets, Net	<u><u>\$16,412,331</u></u>	<u><u>\$4,854,414</u></u>

More detailed information pertaining to the School District's capital asset activity can be found in the notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

Debt Administration

At June 30, 2004, the School District had \$19,737,542 in bonds outstanding with \$335,000 due within one year. Table 5 summarizes the long-term bonds and leases outstanding for fiscal year 2004 compared to fiscal year 2003.

Table 5
Outstanding Debt, Governmental Activities at Year End

Purpose	2004	2003
Facility Renovation	\$19,730,000	\$20,200,000
Issuance Premiums on Bonds	7,542	7,885
Capital Leases	0	27,819
Total	<u>\$19,737,542</u>	<u>\$20,235,704</u>

More detailed information pertaining to the School District's long-term debt activity can be found in the notes to the basic financial statements.

Current Issues

Although considered a mid-wealth district, Oakwood City School District is financially stable, and has been over the past several years. As indicated in the preceding financial information, the School District is heavily dependent on property taxes. Property tax revenue does not increase solely as a result of inflation. Therefore, in the long-term, the current program and staffing levels will be dependent on increased funding to meet inflation. Careful financial planning and the passage of a building levy have permitted the School District to provide a quality education for our students along with renovated facilities for the future.

In the spring of 2002, the Ohio Supreme Court issued its fourth split decision regarding the State's school funding plan. The majority opinion identified aspects of the current plan the require modification if the plan is to be considered constitutional. However, in December of 2002 the Court again ruled in a split decision that the State's plan was not acceptable. The Ohio Supreme Court will have two new Justices beginning in calendar year 2003 and the new court may be called upon to address the issue. At this time there can be no reasonable estimate of the decision or it's impact on school funding.

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

The State Legislature has also made several significant changes impacting local taxes:

In 2003 the Ohio Legislature modified the provisions of the 1999 HB283. This bill was designed to reduce the assessed valuation of the inventory component of personal property tax from 25 percent to 0 percent by 2031. The modification speeds up the reduction of assessed valuation to be completed in half the original time.

OAKWOOD CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
(Unaudited)

Effective January 1, 2001 non-municipal owned electric utilities and rural cop-ops were deregulated in the State of Ohio. All electric company personal property was reduced from 100 percent assessed value (from 50 percent for rural co-ops) to 25 percent. (Distribution and transmission of personal property will continue to be assessed at 88 percent.) This significantly reduced revenues to certain school districts and moderately affects others.

Effective May 1, 2001 a kilowatt hour (KWH) tax began being collected. 37.8 percent of these new dollars would be deposited in a new Property Tax Replacement Fund (PTRF). 70 percent of the PTRF will be paid to school districts that lost revenue as determined by the Ohio Department of Taxation. First, distribution will be made to cover costs of fixed sum levies such as debt issues and emergency levies. Next, fixed rate levies would be replaced from 2002 through 2006; after this a phase out formula would begin.

The Oakwood City School District does not anticipate any meaningful growth or loss in revenue as a result of these changes. Based on these factors, the Board of Education and the administration of the District must maintain careful financial planning and prudent fiscal management in order to preserve the financial stability of the School District.

The Oakwood City School District has committed itself to the highest standards of financial excellence for several years. The District has prepared a Comprehensive Annual Financial Report (CAFR) since fiscal year 1997 and has received the Government Finance Officers Association Certificate of Achievement for Excellence each year since. The commitment continues with this financial report using GASB Statement No. 34 reporting model.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it received. If you have any questions about this report or need additional information, contact Kevin S. Philo, Treasurer of Oakwood City School Board of Education, 20 Rubicon Road, Oakwood, OH 45409.

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OAKWOOD CITY SCHOOL DISTRICT

Statement of Net Assets

June 30, 2004

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$6,994,767
Cash and Cash Equivalents with Fiscal Agent	2,468
Property Taxes Receivable	12,434,806
Intergovernmental Receivable	43,309
Accrued Interest Receivable	4,172
Notes Receivable	1,900,000
Inventory Held for Resale	1,736
Nondepreciable Capital Assets	14,522,194
Depreciable Capital Assets, Net	<u>1,890,137</u>
<i>Total Assets</i>	<u>37,793,589</u>
<u>Liabilities:</u>	
Accounts Payable	110,904
Accrued Wages and Benefits	1,377,219
Contracts Payable	410,064
Intergovernmental Payable	988,208
Accrued Interest Payable	80,258
Deferred Revenue	11,562,814
Notes Payable	2,640,000
<i>Long-Term Liabilities:</i>	
Due Within One Year	422,251
Due In More Than One Year	<u>20,435,011</u>
<i>Total Liabilities</i>	<u>38,026,729</u>
<u>Net Assets:</u>	
Invested in Capital Assets, Net of Related Debt	909,094
<i>Restricted for:</i>	
<i>Permanent Fund Purpose:</i>	
Expendable	68,602
Nonexpendable	20,000
Other Purposes	576,130
Unrestricted	<u>(1,806,966)</u>
<i>Total Net Assets</i>	<u><u>(\$233,140)</u></u>

See accompanying notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2004

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<u>Governmental Activities:</u>				
<i>Instruction:</i>				
Regular	\$9,581,298	\$64,717	\$10,727	(\$9,505,854)
Special	1,576,437	0	211,469	(1,364,968)
Vocational	500	0	0	(500)
Other	160,936	0	0	(160,936)
<i>Support Services:</i>				
Pupil	1,239,061	0	0	(1,239,061)
Instructional Staff	399,700	0	6,140	(393,560)
Board of Education	26,337	0	0	(26,337)
Administration	1,473,852	0	0	(1,473,852)
Fiscal	564,327	0	0	(564,327)
Business	3,104	0	0	(3,104)
Operation and Maintenance of Plant	1,772,021	0	0	(1,772,021)
Pupil Transportation	217,193	0	0	(217,193)
Central	719,190	4,841	30,068	(684,281)
<i>Operation of Non-Instructional Services:</i>				
Food Services	285,543	193,909	38,989	(52,645)
Latchkey	206,124	249,754	0	43,630
Other	29,509	0	0	(29,509)
Extracurricular Activities	1,041,156	138,089	0	(903,067)
Interest and Fiscal Charges	930,023	0	0	(930,023)
Total Governmental Activities	\$20,226,311	\$651,310	\$297,393	(19,277,608)

General Revenues:

Property Taxes Levied for:

General Purposes	10,655,205
Debt Service	1,032,053
Capital Outlay	204,231
Grants and Entitlements not Restricted to Specific Programs	6,622,309
Unrestricted Contributions	47,694
Investment Earnings	173,629
Miscellaneous	249,451
Total General Revenues	18,984,572
Change in Net Assets	(293,036)
<i>Net Assets at Beginning of Year - As Restated (See Note 3)</i>	<u>59,896</u>
<i>Net Assets at End of Year</i>	<u><u>(\$233,140)</u></u>

See accompanying notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT

*Balance Sheet
Governmental Funds
June 30, 2004*

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$2,081,977	\$0	\$4,226,763	\$686,027	\$6,994,767
<i>Cash and Cash Equivalents:</i>					
With Fiscal Agents	2,468	0	0	0	2,468
Property Taxes Receivable	11,135,167	1,086,287	0	213,352	12,434,806
Intergovernmental Receivable	0	0	0	43,309	43,309
Accrued Interest Receivable	4,172	0	0	0	4,172
Interfund Receivable	1,483,989	0	0	0	1,483,989
Notes Receivable	0	0	1,900,000	0	1,900,000
Inventory Held for Resale	0	0	0	1,736	1,736
<i>Total Assets</i>	<u>\$14,707,773</u>	<u>\$1,086,287</u>	<u>\$6,126,763</u>	<u>\$944,424</u>	<u>\$22,865,247</u>
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$81,504	\$0	\$2,391	\$27,009	\$110,904
Accrued Wages and Benefits	1,354,609	0	0	22,610	1,377,219
Contracts Payable	0	0	399,216	10,848	410,064
Intergovernmental Payable	537,134	0	0	20,946	558,080
Accrued Interest Payable	2,419	0	0	0	2,419
Interfund Payable	0	1,185,333	0	298,656	1,483,989
Deferred Revenue	10,737,812	1,045,082	0	205,737	11,988,631
Notes Payable	2,640,000	0	0	0	2,640,000
Compensated Absences Payable	45,143	0	0	0	45,143
<i>Total Liabilities</i>	<u>15,398,621</u>	<u>2,230,415</u>	<u>401,607</u>	<u>585,806</u>	<u>18,616,449</u>
<u>Fund Balances:</u>					
Reserved for Encumbrances	444,012	0	4,912,087	108,437	5,464,536
Reserved for Property Taxes	397,355	41,205	0	7,615	446,175
Reserved for Notes Receivable	0	0	1,900,000	0	1,900,000
Reserved for Contributions	0	0	0	20,000	20,000
<i>Unreserved, Undesignated, Reported in:</i>					
General Fund	(1,532,215)	0	0	0	(1,532,215)
Special Revenue Funds	0	0	0	1,670	1,670
Debt Service Fund	0	(1,185,333)	0	0	(1,185,333)
Capital Projects Funds	0	0	(1,086,931)	152,294	(934,637)
Permanent Fund	0	0	0	68,602	68,602
<i>Total Fund Balances (Deficits)</i>	<u>(690,848)</u>	<u>(1,144,128)</u>	<u>5,725,156</u>	<u>358,618</u>	<u>4,248,798</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$14,707,773</u>	<u>\$1,086,287</u>	<u>\$6,126,763</u>	<u>\$944,424</u>	<u>\$22,865,247</u>

See accompanying notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2004*

Total Governmental Funds Balances	\$4,248,798
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	16,412,331
Some of the District's receivables will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. These receivables consist of:	
Property taxes	425,817
Intergovernmental payables include contractually required pension contributions not expected to be paid with expendable available financial resources and therefore are not reported in the funds.	(430,128)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:	
General obligation bonds	(19,730,000)
Premium on issuance of bonds	(7,542)
Accrued interest on notes and bonds	(77,839)
Compensated absences	<u>(1,074,577)</u>
Total liabilities that are not reported in the funds	<u>(20,889,958)</u>
<i>Net Assets of Governmental Activities</i>	<u><u>(\$233,140)</u></u>

See accompanying notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2004

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>					
Property Taxes	\$10,407,565	\$1,006,106	\$0	\$199,481	\$11,613,152
Intergovernmental	6,348,320	150,007	0	421,375	6,919,702
Interest	172,764	0	0	865	173,629
Tuition and Fees	59,288	0	0	64,717	124,005
Extracurricular Activities	0	0	0	230,087	230,087
Charges for Services	0	0	0	421,244	421,244
Contributions and Donations	5,651	0	0	68,254	73,905
Miscellaneous	26,419	0	0	72,454	98,873
<i>Total Revenues</i>	<u>17,020,007</u>	<u>1,156,113</u>	<u>0</u>	<u>1,478,477</u>	<u>19,654,597</u>
<u>Expenditures:</u>					
<i>Current:</i>					
<i>Instruction:</i>					
Regular	9,396,864	0	241,093	142,781	9,780,738
Special	1,371,343	0	0	183,966	1,555,309
Vocational	0	0	0	500	500
Other	160,936	0	0	0	160,936
<i>Support Services:</i>					
Pupil	1,211,128	0	0	43,086	1,254,214
Instructional Staff	288,352	0	0	78,607	366,959
Board of Education	26,637	0	0	0	26,637
Administration	1,446,002	0	0	4,845	1,450,847
Fiscal	553,515	0	17,076	2,085	572,676
Business	3,104	0	0	0	3,104
Operation and Maintenance of Plant	1,719,344	0	0	0	1,719,344
Pupil Transportation	166,877	0	0	446	167,323
Central	695,968	0	0	37,708	733,676
<i>Operation of Non-Instructional Services:</i>					
Food Service Operations	0	0	0	259,683	259,683
Community Services	0	0	0	206,124	206,124
Other	17,314	0	0	12,195	29,509
Extracurricular Activities	638,603	0	0	278,113	916,716
Capital Outlay	123,116	0	11,398,062	53,388	11,574,566
<i>Debt Service:</i>					
Principal Retirement	27,819	470,000	0	0	497,819
Interest and Fiscal Charges	75,384	854,583	0	0	929,967
<i>Total Expenditures</i>	<u>17,922,306</u>	<u>1,324,583</u>	<u>11,656,231</u>	<u>1,303,527</u>	<u>32,206,647</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(902,299)</u>	<u>(168,470)</u>	<u>(11,656,231)</u>	<u>174,950</u>	<u>(12,552,050)</u>
<u>Other Financing Sources (Uses):</u>					
Transfers In	493,822	0	0	17,329	511,151
Transfers Out	(17,329)	(356,646)	(137,176)	0	(511,151)
<i>Total Other Financing Sources (Uses)</i>	<u>476,493</u>	<u>(356,646)</u>	<u>(137,176)</u>	<u>17,329</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(425,806)</u>	<u>(525,116)</u>	<u>(11,793,407)</u>	<u>192,279</u>	<u>(12,552,050)</u>
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>(265,042)</u>	<u>(619,012)</u>	<u>17,518,563</u>	<u>166,339</u>	<u>16,800,848</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>(\$690,848)</u>	<u>(\$1,144,128)</u>	<u>\$5,725,156</u>	<u>\$358,618</u>	<u>\$4,248,798</u>

See accompanying notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2004*

Net Change in Fund Balances - Total Governmental Funds	(\$12,552,050)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	11,558,487
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	(570)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These revenues consist of: Property taxes	278,337
Repayment of long-term notes principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	470,000
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(56)
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:	
Decrease in compensated absences	189,776
Increase in intergovernmental payables	(265,122)
Decrease in capital lease payable	27,819
Amortization of debt premium	343
Total expenditures not reported in the funds	(47,184)
<i>Change in Net Assets of Governmental Activities</i>	(\$293,036)

See accompanying notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$12,286,738	\$12,286,738	\$10,960,038	(\$1,326,700)
Intergovernmental	5,493,255	5,493,255	6,348,320	855,065
Interest	256,262	256,262	296,151	39,889
Tuition and Fees	51,302	51,302	59,288	7,986
Miscellaneous	28,396	28,396	32,816	4,420
<i>Total Revenues</i>	18,115,953	18,115,953	17,696,613	(419,340)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular</i>				
Salaries and Wages	6,870,300	6,870,300	6,958,228	(87,928)
Fringe Benefits	1,724,000	1,724,000	1,717,295	6,705
Purchased Services	219,300	219,300	456,091	(236,791)
Supplies and Materials	404,000	404,000	458,787	(54,787)
Capital Outlay	147,000	147,000	188,287	(41,287)
<i>Total Regular</i>	9,364,600	9,364,600	9,778,688	(414,088)
<i>Special</i>				
Salaries and Wages	1,071,000	1,071,000	1,053,441	17,559
Fringe Benefits	326,000	326,000	322,609	3,391
Supplies and Materials	8,000	8,000	449	7,551
<i>Total Special</i>	1,405,000	1,405,000	1,376,499	28,501
<i>Vocational</i>				
Fringe Benefits	800	800	0	800
<i>Other</i>				
Purchased Services	40,000	40,000	160,936	(120,936)
<i>Total Instruction</i>	10,810,400	10,810,400	11,316,123	(505,723)
<i>Support Services:</i>				
<i>Pupils</i>				
Salaries and Wages	725,000	725,000	724,256	744
Fringe Benefits	183,000	183,000	174,898	8,102
Purchased Services	5,000	5,000	4,768	232
Supplies and Materials	3,300	3,300	5,221	(1,921)
Other	150,000	150,000	290,292	(140,292)
Capital Outlay	1,100	1,100	197	903
<i>Total Pupils</i>	1,067,400	1,067,400	1,199,632	(132,232)

See accompanying notes to the basic financial statements.

(Continued)

OAKWOOD CITY SCHOOL DISTRICT
*Statement of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
 General Fund
 For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Instructional Staff				
Salaries and Wages	237,700	237,700	213,716	23,984
Fringe Benefits	51,500	51,500	47,972	3,528
Purchased Services	14,300	14,300	12,941	1,359
Supplies and Materials	8,300	8,300	10,410	(2,110)
Total Instructional Staff	311,800	311,800	285,039	26,761
Board of Education				
Salaries and Wages	5,000	5,000	5,440	(440)
Fringe Benefits	1,400	1,400	1,736	(336)
Purchased Services	9,000	9,000	27,488	(18,488)
Supplies and Materials	300	300	1,327	(1,027)
Total Board of Education	15,700	15,700	35,991	(20,291)
Administration				
Salaries and Wages	1,144,000	1,144,000	1,021,404	122,596
Fringe Benefits	340,000	340,000	334,642	5,358
Purchased Services	55,700	55,700	119,597	(63,897)
Supplies and Materials	37,100	37,100	62,161	(25,061)
Capital Outlay	11,900	11,900	16,445	(4,545)
Total Administration	1,588,700	1,588,700	1,554,249	34,451
Fiscal				
Salaries and Wages	269,000	269,000	274,480	(5,480)
Fringe Benefits	82,000	82,000	84,736	(2,736)
Purchased Services	9,000	9,000	11,134	(2,134)
Supplies and Materials	9,000	9,000	17,000	(8,000)
Other	181,000	181,000	169,757	11,243
Capital Outlay	6,000	6,000	2,826	3,174
Total Fiscal	556,000	556,000	559,933	(3,933)
Business				
Other	2,000	2,000	1,988	12
Operation and Maintenance of Plant				
Salaries and Wages	755,000	755,000	754,927	73
Fringe Benefits	197,000	197,000	190,864	6,136
Purchased Services	580,000	580,000	679,003	(99,003)
Supplies and Materials	79,000	79,000	105,492	(26,492)
Other	7,000	7,000	7,093	(93)
Capital Outlay	14,000	14,000	13,015	985
Total Operation and Maintenance of Plant	1,632,000	1,632,000	1,750,394	(118,394)

See accompanying notes to the basic financial statements.

(Continued)

OAKWOOD CITY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation				
Salaries and Wages	62,000	62,000	60,986	1,014
Fringe Benefits	20,000	20,000	19,791	209
Purchased Services	55,000	55,000	49,220	5,780
Supplies and Materials	12,000	12,000	17,862	(5,862)
Total Pupil Transportation	149,000	149,000	147,859	1,141
Central				
Salaries and Wages	246,000	246,000	255,341	(9,341)
Fringe Benefits	82,000	82,000	103,019	(21,019)
Purchased Services	181,000	181,000	351,355	(170,355)
Supplies and Materials	2,000	2,000	3,622	(1,622)
Other	5,000	5,000	5,145	(145)
Capital Outlay	50,000	50,000	26,557	23,443
Total Central	566,000	566,000	745,039	(179,039)
Total Support Services	5,888,600	5,888,600	6,280,124	(391,524)
Non-Instructional Services:				
Community Services				
Fringe Benefits	2,000	2,000	0	2,000
Purchased Services	58,000	58,000	20,048	37,952
Total Non-Instructional Services	60,000	60,000	20,048	39,952
Extracurricular Activities:				
Academic Oriented Activities				
Salaries and Wages	80,000	80,000	82,312	(2,312)
Fringe Benefits	14,000	14,000	13,865	135
Purchased Services	0	0	256	(256)
Total Academic Oriented Activities	94,000	94,000	96,433	(2,433)
Occupation Oriented Activities				
Salaries and Wages	9,000	9,000	8,436	564
Fringe Benefits	1,600	1,600	1,827	(227)
Total Occupation Oriented Activities	10,600	10,600	10,263	337
Sports Oriented Activities				
Salaries and Wages	345,000	345,000	349,672	(4,672)
Fringe Benefits	72,000	72,000	71,430	570
Purchased Services	6,000	6,000	18,891	(12,891)
Total Sports Oriented Activities	423,000	423,000	439,993	(16,993)

See accompanying notes to the basic financial statements.

(Continued)

OAKWOOD CITY SCHOOL DISTRICT
*Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)*
General Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
School and Public Service Activities				
Salaries and Wages	11,000	11,000	5,634	5,366
Fringe Benefits	2,700	2,700	3,608	(908)
Purchased Services	1,700	1,700	600	1,100
Supplies and Materials	7,000	7,000	11,956	(4,956)
Other	0	0	11,915	(11,915)
Total School and Public Service Activities	<u>22,400</u>	<u>22,400</u>	<u>33,713</u>	<u>(11,313)</u>
Total Extracurricular Activities	<u>550,000</u>	<u>550,000</u>	<u>580,402</u>	<u>(30,402)</u>
Capital Outlay:				
Architecture and Engineering Services				
Purchased Services	<u>41,000</u>	<u>41,000</u>	<u>154,517</u>	<u>(113,517)</u>
Building Improvement Services				
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Outlay	<u>41,000</u>	<u>41,000</u>	<u>154,517</u>	<u>(113,517)</u>
<i>Total Expenditures</i>	<u>17,350,000</u>	<u>17,350,000</u>	<u>18,351,214</u>	<u>(1,001,214)</u>
Excess of Revenues Under Expenditures	765,953	765,953	(654,601)	(1,420,554)
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Notes	1,644,086	1,644,086	1,900,000	255,914
Transfers In	26,698	26,698	30,854	4,156
Transfers Out	<u>(330,000)</u>	<u>(330,000)</u>	<u>(17,329)</u>	<u>312,671</u>
<i>Total Other Financing Sources (Uses)</i>	<u>1,340,784</u>	<u>1,340,784</u>	<u>1,913,525</u>	<u>572,741</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,106,737	2,106,737	1,258,924	(847,813)
Fund Balance at Beginning of Year	1,020,898	1,020,898	1,020,898	0
Prior Year Encumbrances Appropriated	<u>786,551</u>	<u>786,551</u>	<u>786,551</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$3,914,186</u>	<u>\$3,914,186</u>	<u>\$3,066,373</u>	<u>(\$847,813)</u>

See accompanying notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
June 30, 2004

	<u>Agency</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	<u>\$17,820</u>
<u>Liabilities:</u>	
Accounts Payable	\$3,258
Due To Students	<u>14,562</u>
<i>Total Liabilities</i>	<u>\$17,820</u>

See accompanying notes to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Description of the School District

Oakwood City School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by state statute and/or federal guidelines. It is staffed by 63 non-certificated employees, 168 certificated full-time teaching personnel and 9 administrative employees who provide services to 2,032 students and other community members. The School District currently operates 4 instructional buildings and 1 administrative building.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Oakwood City School District, this includes general operations, food service, and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The School District is associated with two jointly governed organizations, an insurance purchasing pool and two related organizations. These organizations are the Metropolitan Dayton Educational Cooperative Association (MDECA), the Southwestern Ohio Educational Purchasing Council (SOEPC), the Ohio School Boards Association Worker's Compensation Group Rating Plan (GRP), the Oakwood Schools Education Foundation and the Wright Memorial Public Library, respectively. These organizations are presented in Notes 19, 20 and 21 to the basic financial statements.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Oakwood City School 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 more significant of the School District's accounting policies are described below.

A. Basis of Presentation

The School District's basic financial statement consists of government-wide financial 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.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no business-type activities.

The statement of net assets presents the financial condition of the governmental activities of the School District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School 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 School District.

Fund Financial Statements

During the year, the School District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

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

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with self-balancing set of accounts. The funds of the School District fall within two categories: governmental and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the School District are financed. 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 School District's major governmental funds:

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

Bond Retirement Fund- This fund is used to account for financial resources accumulated for the payment of general long-term debt principal, interest and related costs.

Building Fund- This fund is used to account for the receipts and expenditures related to all special bond funds in the School District, including the proceeds from the sale of the bonds, notes or certificates of indebtedness. Expenditures of the fund represent the costs of renovating, constructing, or acquiring capital facilities including real property.

The other governmental funds of the School District account for grants and other resources of the School District whose use is restricted to a particular purpose.

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 School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary fund is an agency fund which is used to account for student managed activities.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the statement of net assets.

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

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

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 balance 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the financial statements of the fiduciary fund are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual 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 Nonexchange 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. "Measurable" means the amount of the transaction can be determined, and "available" means that the resources are collectible 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 School District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). 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 School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School 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 the fiscal year-end: property taxes available for advance, grants and interest.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

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

Deferred Revenue

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

Property taxes for which there is an enforceable legal claim as of June 30, 2004, but which were levied to finance fiscal year 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 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.

E. Cash and Cash Equivalents

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

During the fiscal year 2004, the School District's investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio), money market mutual funds and U.S. government securities. Except for non-participating investment contracts, investments are reported at fair value which is based on quoted market prices. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price which is the price the investments the investment could be sold for on June 30, 2004.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2004 amounted to \$172,764, which includes \$153,670 assigned from other District funds. The Special Rotary Fund and the Permanent Fund received interest during the year of \$149 and \$716 respectively.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

F. 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.

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

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

On fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in, first-out. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed or used.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed. As of June 30, 2004, the School District reported no prepaid items.

H. Restricted Assets

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors or laws of other governments or imposed by enabling legislation. As of June 30, 2004, the School District reported no restricted assets.

I. Capital Assets

General capital assets are associated with and generally arise from governmental activities. 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.

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

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings and Improvements	20 - 50 years
Furniture and Equipment	5 - 30 years
Vehicles	7 - 10 years
Books and Educational Media	4 - 5 years

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

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

J. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables" and "Interfund Payables". These amounts are eliminated in the governmental activities column of the statement of net assets.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributed to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School 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 vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payments in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees after 7 years of service with the School District.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees will be paid.

L. Accrued Liabilities and Long-Term Liabilities

All payables, accrued liabilities and long-term liabilities are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination of benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term notes and capital leases are recognized as a liability on the fund financial statements when due.

M. Net Assets

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

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

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

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

N. Fund Balance Reserves

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, contributions, notes receivable, 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 reserve for contributions represents principal in the permanent fund that cannot be spent. The reserve for notes receivable represents notes due to the School District recognized as revenue under generally accepted accounting principles but not available for appropriations.

O. Encumbrances

Encumbrances are commitments under purchase orders, board resolutions and contracts (as opposed to expenditures) and are shown in the governmental funds as a reserved portion of fund balance for subsequent fiscal year expenditure.

P. Interfund Transactions

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

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. For the fiscal year 2004, the School District reported no extraordinary or special items.

R. Estimates

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

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

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

S. Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The Library Automation, Textbooks/Materials Subsidy, and the Emergency Repairs Grant Special Revenue Funds and the Harman Playground Project Capital Projects Fund had no anticipated revenues/expenditures and were not budgeted. However, budgetary schedules have been presented for these funds to disclose their remaining fund balances. The major documents prepared are the tax budget, the appropriation 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 amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of budgetary control for general fund, debt service fund, and capital projects funds is at the object level within each fund and function. All other funds are budgeted at the fund function level with the exception of grant funds which are budgeted at the fund level. 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 in the budgetary statements reflect the amounts in the certificate when the 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 2004.

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

NOTE 3 - PRIOR PERIOD ADJUSTMENTS

It was found that the School District's June 30, 2003 capital asset valuation included errors in the calculation of accumulated depreciation, which resulted in an adjustment to increase the accumulated depreciation. Therefore, the capital assets at June 30, 2003 were overstated.

	<u>Governmental Activities</u>
Net Assets at June 30, 2003 as Previously Reported	\$516,996
Overstatement of Capital Assets	<u>(457,100)</u>
Restated Net Assets at June 30, 2003	<u><u>\$59,896</u></u>

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE

Accountability

At June 30, 2004, the following funds had deficit fund balances/retained earnings:

Fund	Amount
General Fund	\$690,848
Bond Retirement Fund	1,144,128
<i>Nonmajor Special Revenue Funds:</i>	
Food Service	66,921
Entry Year Program	119
Ohio SchoolNet Professional Development	8,005
Title VI-B	125,141
Title I	18,454
Title VI	9,345
Drug Free Schools Program	2,666
Title VI-R	105
Miscellaneous Federal Grants	5,374
<i>Nonmajor Capital Projects Funds:</i>	
SchoolNet	63,901

The deficits in these funds resulted from the application of generally accepted accounting principles. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is needed, rather than when accruals occur. The deficit in the General Fund will be eliminated through an increase in intergovernmental revenues. The School District is analyzing the situation in the Food Service Special Revenue Fund and is still considering the possibility of increasing lunch rates to reduce the current retained earnings deficit.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

Compliance

At June 30, 2004, the following cash basis deficit fund balances existed:

Bond Retirement Fund	\$1,185,333
<i>Nonmajor Special Revenue Funds:</i>	
Food Service	41,697
Entry Year Program	115
Ohio SchoolNet Professional Development	7,841
Summer School Subsidy	9,676
Title VI-B	137,737
Title I	21,736
Title VI	8,012
Drug Free Schools Program	2,567
Miscellaneous Federal Grants	5,374
<i>Nonmajor Capital Projects Fund:</i>	
SchoolNet	63,901

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The following funds had total expenditures in excess of total appropriations for the fiscal year ended June 30, 2004:

General Fund	\$688,543
Bond Retirement Fund	678,229
Building Fund	4,148,826
<i>Nonmajor Special Revenue Funds:</i>	
Food Service	6,884
Faculty	2,716
School Support	44,045
District Managed Activities	24,432
Education Management Information Systems	2,165
Entry Year Program	4,515
SchoolNet OneNet	15,000
Ohio SchoolNet Professional Development	20,566
Summer School Subsidy	34,471
Safe School Help Line	98
Perkins Grant	4,360
Title VI	632
Drug Free Schools Program	1,140
E-Rate	10,186
<i>Nonmajor Capital Project Funds:</i>	
Permanent Improvement	28,917

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 4 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The following funds had appropriations in excess of estimated resources plus available balances for the fiscal year ended June 30, 2004:

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
<i>Nonmajor Special Revenue Funds:</i>			
Food Service	\$196,469	\$239,300	(\$42,831)
District Managed Activities	161,539	162,000	(461)
Eisenhower Grant	6,791	10,000	(3,209)
Title VI-B	22,787	260,000	(237,213)
Perkins Grant	435	5,700	(5,265)
Title I	22,253	41,000	(18,747)
Title VI	5,693	8,800	(3,107)
Title VI-R	13,390	35,900	(22,510)
Miscellaneous Federal Grants	32	30,000	(29,968)
<i>Nonmajor Capital Projects Funds:</i>			
SchoolNet	(1,050)	28,900	(29,950)

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While the School 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 and described earlier is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) is presented for the General Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and modified accrual GAAP basis are that:

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

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

<u>Net Change in Fund Balance</u>	
GAAP Basis	(\$425,806)
<i>Adjustments:</i>	
Revenue Accruals	676,606
Expenditure Accruals	94,814
Encumbrances	(523,722)
Other Sources (Uses)	1,437,032
Budget Basis	<u><u>\$1,258,924</u></u>

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

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

At fiscal year end, the School District had \$4,803 in undeposited cash on hand which is included on the balance sheet of District as part of "equity in pooled cash and cash equivalents."

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

Deposits: At fiscal year-end, the carrying amount of the School District's deposits was (\$119,867), and the bank balance was \$48,781. All the bank balance was covered by federal depository insurance. Although the securities serving as collateral were held by the pledging financial institutions' trust department in the School District's name and all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

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

	Category 3	Carrying Value	Fair Value
U.S. Government Securities	\$4,906,962	\$4,906,962	\$4,906,962
Money Market Mutual Funds	423,234	423,234	423,234
STAR Ohio	0	1,799,923	1,799,923
Totals	<u>\$5,330,196</u>	<u>\$7,130,119</u>	<u>\$7,130,119</u>

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

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$7,015,055	\$0
Cash on Hand	(4,803)	0
<i>Investments:</i>		
U.S. Government Securities	(4,906,962)	4,906,962
Money Market Mutual Funds	(423,234)	423,234
STAR Ohio	(1,799,923)	1,799,923
GASB Statement No. 3	<u>(\$119,867)</u>	<u>\$7,130,119</u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 7 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31, of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 35 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31. Tangible personal property assessments are 25 percent of true value.

Real property taxes are paid by taxpayers annually or semi-annually. If paid annually, payment is due December 31, unless extended; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20, unless extended. Under certain circumstances, State statute permits earlier or later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

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

Accrued property taxes receivable represents the June 2004 personal property tax settlement, delinquent taxes outstanding and real property, tangible personal property, and public utility taxes which become measurable as of June 30, 2004. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The total amount available as an advance at June 30, 2004 was \$446,175 and is recognized as revenue. Of this total amount, \$397,355 was available to the General Fund, \$41,205 was available to the Bond Retirement Fund, and \$7,615 was available to the Permanent Improvement Fund.

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

	2003 Second- Half Collections		2004 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$272,682,320	97.95%	\$272,703,590	97.95%
Public Utility Personal	3,671,630	1.32%	3,631,430	1.30%
Tangible Personal Property	2,029,247	0.73%	2,075,283	0.75%
Total Assessed Value	<u>\$278,383,197</u>	<u>100.00%</u>	<u>\$278,410,303</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$105.95		\$105.95	

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 8 - RECEIVABLES

Receivables at June 30, 2004 consisted of property taxes, accounts (student fees), interfund, interest, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities:	
<hr/>	
<i>Nonmajor Special Revenue Funds:</i>	
Food Service	\$2,527
Summer School Subsidy	14,516
Title VI-B	15,773
Title I	9,242
Drug Free Schools Program	1,251
	<hr/>
Total Intergovernmental Receivables	<u><u>\$43,309</u></u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 9 - CAPITAL ASSETS

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

<u>Asset Category</u>	<u>Balance at July 1, 2003</u>	<u>Transfers/ Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance at June 30, 2004</u>
<i>Nondepreciable Capital Assets:</i>				
Land	\$488,237	\$0	\$0	\$488,237
Construction in Progress	2,410,204	11,623,753	0	14,033,957
Total Nondepreciable Capital Assets	2,898,441	11,623,753	0	14,522,194
<i>Depreciable Capital Assets:</i>				
Buildings and Improvements	4,008,910	0	0	4,008,910
Furniture, Fixtures and Equipment	3,312,100	214,667	(83,701)	3,443,066
Vehicles	8,326	2,898	0	11,224
Total Depreciable Capital Assets	7,329,336	217,565	(83,701)	7,463,200
Total Capital Assets	10,227,777	11,841,318	(83,701)	21,985,394
<i>Accumulated Depreciation:</i>				
Buildings and Improvements	(2,989,877)	(23,594)	0	(3,013,471)
Furniture, Fixtures and Equipment	(2,375,160)	(259,164)	83,131	(2,551,193)
Vehicles	(8,326)	(73)	0	(8,399)
Total Accumulated Depreciation	(5,373,363)	(282,831)	83,131	(5,573,063)
Total Net Capital Assets	<u>\$4,854,414</u>	<u>\$11,558,487</u>	<u>(\$570)</u>	<u>\$16,412,331</u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follow:

<i>Instruction:</i>	
Regular	\$164,387
Special	2,233
<i>Support Services:</i>	
Pupil	9,129
Instructional Staff	23,183
Administration	42,052
Fiscal	3,295
Operation and Maintenance	33,729
Operation of Non-Instructional Services	620
Extracurricular Activities	4,203
	<hr/>
Total Depreciation Expense	<u><u>\$282,831</u></u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 10 - RISK MANAGEMENT

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2004, the School District contracted with Indiana Insurance for general liability insurance with a \$1,000,000 single occurrence limit and a \$2,000,000 aggregate. Property is protected by Indiana Insurance and hold a \$1,000 deductible. The total amount of property covered is \$37,767,500. The School District's vehicles are covered under a business policy with Indiana Insurance Agency which carries a \$1,000,000 limit on any accident. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from last year.

Worker's Compensation

For fiscal year 2004, the School District participated in the Ohio School Boards Association Worker's Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 20). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The worker's compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percent of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP selection criteria. The firm of Gates McDonald and Company of Ohio provides administrative, cost control, and actuarial services to the GRP.

NOTE 11 - DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute, Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215 or by calling (614) 222-5853.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14 percent 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 2004, 9.09 percent of the annual covered salary was the portion used to fund pension obligations. For fiscal year 2003, 8.17 percent was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS Retirement Board. The School District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2004, 2003, and 2002 were \$206,487, \$204,478, and \$111,653, respectively; 51.37 percent has been contributed for fiscal year 2004 and 100 percent for the fiscal years 2003 and 2002. \$100,405 representing the unpaid contribution for fiscal year 2004, is recorded as a liability within the respective funds.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

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

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

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District is required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2003, the portion used to fund pension obligations was 13 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's contributions for pension obligations to STRS for the fiscal years ended June 30, 2004, 2003, and 2002 were \$1,392,809, \$1,237,664, and \$832,203, respectively; 79.77 percent has been contributed for fiscal year 2004 and 100 percent for the fiscal years 2003 and 2002. \$281,773 representing the unpaid contribution for fiscal year 2004, is recorded as a liability within the respective funds.

Social Security System

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

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 12 - POSTEMPLOYMENT BENEFITS

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

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. All benefit recipients 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 percent of covered payroll. For fiscal year 2004, the Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$107,139 during fiscal year 2004.

STRS pays health care benefits from the Health Care Stabilization Fund. The balance in the Fund was \$2.8 billion at June 30, 2003 (the latest information available). For the year ended June 30, 2003, net health care costs paid by STRS were \$352,301,000 and STRS had 108,294 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivorship 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 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For fiscal year 2004, employer contributions to fund health care benefits were 4.91 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2004, the minimum pay has been established at \$14,500. The surcharge added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 2003 (the latest information available) were \$204,930,737 and the target level was \$307.4 million. At June 30, 2003, SERS had net assets available for payment of health care benefits of \$303.6 million. The number of participants currently receiving health care benefits is approximately 50,000. For the School District, the amount to fund health care benefits, including the surcharge, equaled \$197,561 during the 2004 fiscal year.

NOTE 13 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. There is no maximum number of sick days that can be accumulated. A pro-rated portion of accumulated sick leave is paid upon retirement from the School District.

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 13 - EMPLOYEE BENEFITS - (Continued)

Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through CoreSource. The School District has elected to provide employee medical/surgical benefits through Blue Cross/Blue Shield. The employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. Dental insurance is provided by the School District to most employees through CoreSource.

Special Termination Benefit

The School District offers a special termination benefit to employees who retire in the first year that they become eligible. For classified employees, they must give written notice to the Superintendent by March 30 of the year he/she first becomes eligible for "full retirement" and they must meet the eligibility requirements set forth by the State Employees Retirement System to receive a bonus. For certified employees, they must have at least 30 years of service to retire as set forth by the State Teachers Retirement System. No employees retired during fiscal years 2004 that qualified for the special termination benefit.

NOTE 14 - CAPITAL LEASES - LESSEE DISCLOSURE

During the year, the School District did not enter into any new capital leases. The School District does have two capital leases outstanding from prior years. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized in the amount of \$214,403 which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded by the School District. The final principal payment was made during fiscal year 2004 totaling \$27,819.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 15 - NOTE OBLIGATIONS

The changes in the School District's short-term note obligations during fiscal year 2004 were as follows:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Principal Outstanding at July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Principal Outstanding at June 30, 2004</u>
<u>Governmental Activities:</u>						
Tax Anticipation Note	1999	4.71%	\$300,000	\$0	\$150,000	\$150,000
Tax Anticipation Note	2002	3.79%	724,000	0	134,000	590,000
Revenue Anticipation Note	2004	1.50%	0	1,900,000	0	1,900,000
Total Governmental Activities Note Obligations			<u>\$1,024,000</u>	<u>\$1,900,000</u>	<u>\$284,000</u>	<u>\$2,640,000</u>

On June 17, 1999, Oakwood City School District issued a \$750,000 tax anticipation note to cover general operating expenses. The tax anticipation note is being paid from the General Fund using the proceeds of the thirteen mill continuing operating levy.

On June 20, 2002, Oakwood City School District issued a \$724,000 tax anticipation note to cover general operating expenses. The tax anticipation note will be paid from the General Fund using the proceeds of the thirteen mill continuing operating levy. The final payment on the note will be made in December, 2007.

On December 16, 2003, Oakwood City School District issued a \$1,900,000 current revenue anticipation note to cover general operating expenses. This debt was issued by the Building Fund and then loaned to the General Fund for general operating expenses. The note matures on December 15, 2004 and will be paid out of the General Fund.

Principal and interest requirements to retire the tax anticipation notes outstanding at June 30, 2004, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$2,190,000	\$51,799	\$2,241,799
2006	145,000	14,307	159,307
2007	150,000	8,717	158,717
2008	155,000	2,937	157,937
Totals	<u>\$2,640,000</u>	<u>\$77,760</u>	<u>\$2,717,760</u>

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 16 - LONG-TERM LIABILITIES

The changes in the School District's long-term liabilities during fiscal year 2004 were as follows:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Principal Outstanding at July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Principal Outstanding at June 30, 2004</u>	<u>Amount Due in One Year</u>
<u>Governmental Activities:</u>							
Renovation Bonds	2004	4.80%	\$20,200,000	\$0	\$470,000	\$19,730,000	\$335,000
Add Deferred Amounts:							
Issuance Premiums on Bonds			7,885	0	343	7,542	0
Capital Leases			27,819	0	27,819	0	0
Compensated Absences			1,447,537	508,350	836,167	1,119,720	87,251
Total Governmental Activities Long-Term Liabilities			<u>\$21,683,241</u>	<u>\$508,350</u>	<u>\$1,334,329</u>	<u>\$20,857,262</u>	<u>\$422,251</u>

Renovation General Obligation Bonds - On April 1, 2003, Oakwood City School District issued voted general obligation bonds for the purpose of renovating the Middle School, High School, and Elementary buildings. The bonds were issued for a twenty-seven year period with final maturity at December 1, 2030. The proceeds from the sale of these bonds were recorded in the Building Fund. These bonds are retired through the Bond Retirement Fund using tax revenues.

Compensated absences will be paid from the fund from which the person is paid. Most of the District's employees are paid from the General Fund, with the remainder being paid from the Food Service and Title I Funds. Capital leases are being paid from the General Fund.

OAKWOOD CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 16 - LONG-TERM LIABILITIES - (Continued)

The School District's overall legal debt margin was \$5,326,927 with an unvoted debt margin of \$278,410 at June 30, 2004.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2004, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$335,000	\$846,532	\$1,181,532
2006	340,000	839,783	1,179,783
2007	425,000	832,132	1,257,132
2008	435,000	822,880	1,257,880
2009	260,000	814,432	1,074,432
2010-2014	4,765,000	3,817,489	8,582,489
2015-2019	655,000	3,990,500	4,645,500
2020-2024	2,820,000	2,813,750	5,633,750
2025-2029	6,410,000	1,655,825	8,065,825
2030-2031	3,285,000	169,125	3,454,125
Total	<u>\$19,730,000</u>	<u>\$16,602,448</u>	<u>\$36,332,448</u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 17 - INTERFUND ACTIVITY

As of June 30, 2004, receivables and payables that resulted from various interfund transactions were as follows:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$1,483,989	\$0
Bond Retirement Fund	0	1,185,333
<i>Nonmajor Special Revenue Funds:</i>		
Food Service	0	41,697
Entry Year Program	0	115
Ohio SchoolNet Professional Development	0	7,841
Summer School Subsidy	0	9,676
Title VI-B	0	137,737
Title I	0	21,736
Title VI	0	8,012
Drug Free Schools Program	0	2,567
Miscellaneous Federal Grants	0	5,374
Total Nonmajor Special Revenue Funds	0	234,755
<i>Nonmajor Capital Project Fund:</i>		
SchoolNet	0	63,901
Total	<u>\$1,483,989</u>	<u>\$1,483,989</u>

The balance of \$1,483,989 due to the General Fund from the funds listed is a result of negative cash balances in these funds. The General Fund is responsible for any deficit in these funds and interfund transactions were established to cover these expenditures.

Transfers From	Transfers To		
	General	Nonmajor Special Revenue Funds	Total
General	\$0	\$17,329	\$17,329
Bond Retirement	356,646	0	356,646
Building	137,176	0	137,176
Totals	<u>\$493,822</u>	<u>\$17,329</u>	<u>\$511,151</u>

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 17 - INTERFUND ACTIVITY - (Continued)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During the fiscal year 2004, the District made transfers from the Bond Retirement Debt Service Fund of \$356,646 to the General Fund to make debt payments for notes reported in that fund.

NOTE 18 - STATUTORY SET-ASIDES

The following changes occurred in the School District's set-aside reserve accounts during fiscal year 2004:

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Totals</u>
Set-Aside Balance as of July 1, 2003	\$0	\$0	\$0
Current Year Set-Aside Requirement	295,069	295,069	590,138
Prior Year Carryover	(616,297)	0	(616,297)
Current Year Offsets	0	(210,066)	(210,066)
Qualifying Disbursements	<u>(575,126)</u>	<u>(1,275,532)</u>	<u>(1,850,658)</u>
Total	<u>(896,354)</u>	<u>(1,190,529)</u>	<u>(2,086,883)</u>
Set-Aside Balance as of June 30, 2004	<u>\$0</u>	<u>\$0</u>	
Total Restricted Assets			<u>\$0</u>

Although the School District can have qualifying disbursements during the year that exceed the current year set-aside requirements in both the textbook and capital improvement reserve accounts, only the excess in the textbook reserve account can be carried forward to offset future years' textbook set-aside requirements. Each reserve must be represented by restricted cash at year-end and carried forward to be used for the same purposes in future years.

NOTE 19 - JOINTLY GOVERNED ORGANIZATION

Metropolitan Dayton Educational Cooperative Association - The School District is a participant in the Metropolitan Education Cooperative Association (MDECA) which is a computer consortium. MDECA is an association of public school districts in a geographic region determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts.

The governing board of MDECA consists of one representative from each of the participating members. The School District paid MDECA \$69,668 for services provided during the year. Financial information can be obtained from Jerry C. Woodyard, Executive Director of MDECA, located at 201 Riverside Drive Suite 1C, Dayton, Ohio 45405.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 19 - JOINTLY GOVERNED ORGANIZATION - (Continued)

Southwestern Ohio Educational Purchasing Council - The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing cooperative made up of nearly 100 school districts in 12 counties. The purpose of the cooperative is to obtain reduced prices for quality merchandise and services commonly used by schools. All member school districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member School District has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member school districts. Any school district withdrawing from the SOEPC forfeits its claim to any and all SOEPC assets. A one year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member will be liable for all member obligations for a one year period. Payments to SOEPC are made from the General Fund. The School District did not have any contributions to the SOEPC during the 2004 fiscal year. To obtain financial information, write to the Southwestern Ohio Purchasing Council, Robert Brown, who serves as Director, 1831 Harshman Road, Dayton, Ohio 45424.

NOTE 20 - INSURANCE PURCHASING POOL

Ohio School Boards Association Worker's Compensation Group Rating Plan

The School District participates in the Ohio School Boards Association Worker's Compensation Group Rating Program (GRP), and insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of directors consisting of the President, the President Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 21 - RELATED ORGANIZATIONS

Oakwood Schools Education Foundation - The Education Foundation is a legally separate body politic. Two of the board members of the Oakwood Schools Education Foundation are appointed by the School District, while the other seventeen members are appointed by the two. The School District is not able to impose its will on the Oakwood Schools Education Foundation and no financial benefit/burden relationship exists. The Oakwood Schools Education Foundation is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities.

Wright Memorial Public Library - The Wright Memorial Public Library is a related organization to Oakwood City School District. The School Board members are responsible for appointing the trustees of the Public Library; however, the School Board cannot influence the Library's operation nor does the Library represent a potential financial benefit or burden to Oakwood City School District. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. Once the Library determines to present a levy to the voters, including the determination of the rate and duration, the School District must place the levy on the ballot. The Library may issue debt and determines its own budget. The Library did not receive any funding from the School District during fiscal year 2004.

OAKWOOD CITY SCHOOL DISTRICT

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

NOTE 22 - CONTINGENCIES

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure 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 adverse effect on the overall financial position of the School District at June 30, 2004.

NOTE 23 - SCHOOL FUNDING

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 School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

NOTE 23 - SUBSEQUENT EVENTS

On December 13, 2004, the School District entered into two new debt agreements. The School District issued \$1,300,000 in Current Revenue Anticipation Notes and \$749,000 in Tax Anticipation Notes. This debt is to be repaid with the additional 5.5 mill property tax levy (in excess of 10 mill), which passed on the November 2004 ballot.

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

OAKWOOD CITY SCHOOL DISTRICT

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than amounts related to permanent purposes or major capital projects) that are legally restricted by law and administrative action to expenditures for specified purposes. The following are descriptions of the School District's nonmajor special revenue funds:

Nonmajor Special Revenue Funds

Food Service

To account for the financial transactions related to the food service operations of the School District.

Faculty

To account for resources from the teachers of the various schools for the purchase of flowers for various reasons.

Uniform School Supplies

To account for the purchase and sale of school supplies as adopted by the Board of Education for use in the School District.

Special Rotary

To account for monies collected on behalf of the Oakwood Alumni Association for the benefit of the students.

School Support

To account for school site sales and expenditures for field trips, assemblies, and other activity costs approved by Board Resolution.

Career Education

To account for instructional programs for persons nineteen years of age and older who are enrolled in school and who have less than a twelfth-grade education or its equivalent.

Latchkey

To account for fees used to support the latchkey program for children.

Library Automation System

To account for hardware and software development, or other costs associated with the requirements of the computerization in the library. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented. Fund balance was \$566 at June 30, 2004.

District Managed Activities

To account for student activity programs which have student participation in the activity but do not have student management of the programs.

Local Professional Development

To account for monies received under House Bill 117 to be used for locally held professional development and teacher training activities which are guided by Ohio's model competency based education programming or comparable models to support student achievement, including proficiency test performance.

OAKWOOD CITY SCHOOL DISTRICT

Nonmajor Special Revenue Funds (Continued)

Education Management Information Systems

To account for hardware and software development, or other costs associated with the requirements of the management information system.

Entry Year Program

To account for grant monies that are used to implement entry year programs pursuant to Section 3317.024(T) of the Ohio Revised Code.

SchoolNet OneNet

To account for monies that are used for Ohio Educational Computer Network Connections.

Ohio SchoolNet Professional Development

To account for grant monies used to provide hardware, software, telecommunication services, and staff development to support educational uses of technology in the classroom.

Textbooks/Materials Subsidy

To account for grant monies that are used for instructional materials, including textbooks. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented. Fund balance was \$4,070 at June 30, 2004.

Ohio Reads

To account for grant monies used to improve reading outcomes, and for volunteer coordinators in public school buildings.

Summer School Subsidy

To account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Ohio Revised Code.

Emergency Repairs Grant

To account for grant monies used to make emergency maintenance repairs. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented. Fund balance was \$691 at June 30, 2004.

Safe School Help Line

To account for grant monies to establish a help line students can call if they do not feel comfortable talking directly to their parents, teachers, or other authoritative individuals if they are aware of a potential violent act.

Eisenhower Grant

To account for monies used to strengthen instruction in science, mathematics, modern foreign languages, English, the arts and computer learning.

Title VI-B

To account for federal monies to assist in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the elementary and secondary levels.

OAKWOOD CITY SCHOOL DISTRICT

Nonmajor Special Revenue Funds (Continued)

Perkins Grant

To account for federal monies used to develop vocational education programs in the areas of secondary, adult, disadvantaged and handicapped persons, and work-study projects.

Title I

To account for federal monies used to assist in meeting the special needs of educationally deprived children.

Title VI

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

Drug Free Schools Program

To account for federal revenues which support the implementation of programs for drug abuse education and prevention.

E-Rate

To account for grant monies paid directly to the telecommunications service provider.

Title VI-R

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

Miscellaneous Federal Grants

To account for various monies received from the federal government which are not classified elsewhere. These grants include Title II-D and ATIP.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The following is a description of the School District's nonmajor capital projects funds.

Nonmajor Capital Projects Funds

Permanent Improvement

To account for the acquisition, construction or improvement of capital facilities. This fund receives an annual allocation of property taxes from the General Fund.

Harman Playground Project

To account for improvement costs of the Harman Playground. Because there were no anticipated revenues/ expenditures in this fund and none occurred, no budgetary information was presented. Fund balance was \$80 at June 30, 2004.

SchoolNet

To account for monies received that are used to help obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

OAKWOOD CITY SCHOOL DISTRICT

Nonmajor Capital Projects Funds (Continued)

Interactive Video Distance Learning

To account for monies used to finance the interactive video distance learning project. This money will be spent by the State for necessary fixed assets which are then be sent to the participating school districts.

PERMANENT FUND

The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The following is a description of the School District's nonmajor permanent fund.

Nonmajor Permanent Fund

Scholarship

To account for assets which have been set aside to earn interest that is distributed in the form of scholarships.

FIDUCIARY FUND

To account for assets held by the School District in trust or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Fund

Student Managed Activities

To account for those student activity programs which have student participation in the activity and have student involvement in the management of the program.

OAKWOOD CITY SCHOOL DISTRICT

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$319,332	\$278,093	\$88,602	\$686,027
Property Taxes Receivable	0	213,352	0	213,352
Intergovernmental Receivable	43,309	0	0	43,309
Inventory Held for Resale	1,736	0	0	1,736
<i>Total Assets</i>	<u>\$364,377</u>	<u>\$491,445</u>	<u>\$88,602</u>	<u>\$944,424</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$27,009	\$0	\$0	\$27,009
Accrued Wages and Benefits	22,610	0	0	22,610
Contracts Payable	0	10,848	0	10,848
Intergovernmental Payable	20,946	0	0	20,946
Interfund Payable	234,755	63,901	0	298,656
Deferred Revenue	0	205,737	0	205,737
<i>Total Liabilities</i>	<u>305,320</u>	<u>280,486</u>	<u>0</u>	<u>585,806</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	57,387	51,050	0	108,437
Reserved for Property Taxes	0	7,615	0	7,615
Reserved for Endowments	0	0	20,000	20,000
<i>Unreserved, Undesignated, Reported in:</i>				
Special Revenue Funds	1,670	0	0	1,670
Capital Projects Funds	0	152,294	0	152,294
Permanent Fund	0	0	68,602	68,602
<i>Total Fund Balances</i>	<u>59,057</u>	<u>210,959</u>	<u>88,602</u>	<u>358,618</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$364,377</u>	<u>\$491,445</u>	<u>\$88,602</u>	<u>\$944,424</u>

OAKWOOD CITY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$0	\$199,481	\$0	\$199,481
Intergovernmental	392,224	29,151	0	421,375
Interest	149	0	716	865
Tuition and Fees	64,717	0	0	64,717
Extracurricular Activities	230,087	0	0	230,087
Charges for Services	421,244	0	0	421,244
Contributions and Donations	64,462	0	3,792	68,254
Miscellaneous	70,466	1,988	0	72,454
<i>Total Revenues</i>	<u>1,243,349</u>	<u>230,620</u>	<u>4,508</u>	<u>1,478,477</u>
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular	142,781	0	0	142,781
Special	183,966	0	0	183,966
Vocational	500	0	0	500
<i>Support Services:</i>				
Pupil	43,086	0	0	43,086
Instructional Staff	76,592	2,015	0	78,607
Administration	4,845	0	0	4,845
Fiscal	0	2,085	0	2,085
Pupil Transportation	0	446	0	446
Central	37,708	0	0	37,708
<i>Operation of Non-Instructional Services:</i>				
Food Services Operations	259,683	0	0	259,683
Latch Key	206,124	0	0	206,124
Other	12,195	0	0	12,195
Extracurricular Activities	274,773	0	3,340	278,113
Capital Outlay	0	53,388	0	53,388
<i>Total Expenditures</i>	<u>1,242,253</u>	<u>57,934</u>	<u>3,340</u>	<u>1,303,527</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,096</u>	<u>172,686</u>	<u>1,168</u>	<u>174,950</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	17,329	0	0	17,329
<i>Net Change in Fund Balances</i>	18,425	172,686	1,168	192,279
<i>Fund Balances at Beginning of Year</i>	<u>40,632</u>	<u>38,273</u>	<u>87,434</u>	<u>166,339</u>
<i>Fund Balances at End of Year</i>	<u><u>\$59,057</u></u>	<u><u>\$210,959</u></u>	<u><u>\$88,602</u></u>	<u><u>\$358,618</u></u>

OAKWOOD CITY SCHOOL DISTRICT

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2004

	Food Service	Faculty	Uniform School Supplies	Special Rotary	School Support	Career Education
<u>Assets:</u>						
Equity In Pooled Cash and Cash Equivalents	\$1	\$8,923	\$48,137	\$15,240	\$66,236	\$14,984
Intergovernmental Receivable	2,527	0	0	0	0	0
Inventory Held for Resale	1,736	0	0	0	0	0
<i>Total Assets</i>	<u>\$4,264</u>	<u>\$8,923</u>	<u>\$48,137</u>	<u>\$15,240</u>	<u>\$66,236</u>	<u>\$14,984</u>
<u>Liabilities and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts Payable	\$2,494	\$37	\$135	\$0	\$207	\$2,320
Accrued Wages and Benefits	10,467	0	0	0	0	0
Intergovernmental Payable	16,527	0	0	0	0	0
Interfund Payable	41,697	0	0	0	0	0
<i>Total Liabilities</i>	<u>71,185</u>	<u>37</u>	<u>135</u>	<u>0</u>	<u>207</u>	<u>2,320</u>
<u>Fund Balances:</u>						
Reserved for Encumbrances	13,516	0	0	0	16,579	1,484
<i>Unreserved, Undesignated, Reported in:</i> Special Revenue Funds	<u>(80,437)</u>	<u>8,886</u>	<u>48,002</u>	<u>15,240</u>	<u>49,450</u>	<u>11,180</u>
<i>Total Fund Balances (Deficits)</i>	<u>(66,921)</u>	<u>8,886</u>	<u>48,002</u>	<u>15,240</u>	<u>66,029</u>	<u>12,664</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,264</u>	<u>\$8,923</u>	<u>\$48,137</u>	<u>\$15,240</u>	<u>\$66,236</u>	<u>\$14,984</u>

Latchkey	Library Automation System	District Managed Activities	Local Professional Development	Education Management Information Systems	Entry Year Program	Ohio SchoolNet Professional Development	Textbook Subsidy
\$114,801	\$566	\$14,689	\$364	\$23,958	\$0	\$0	\$4,070
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>\$114,801</u>	<u>\$566</u>	<u>\$14,689</u>	<u>\$364</u>	<u>\$23,958</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,070</u>
\$17,395	\$0	\$4,401	\$0	\$0	\$0	\$0	\$0
306	0	0	0	0	0	0	0
190	0	290	0	0	4	164	0
0	0	0	0	0	115	7,841	0
<u>17,891</u>	<u>0</u>	<u>4,691</u>	<u>0</u>	<u>0</u>	<u>119</u>	<u>8,005</u>	<u>0</u>
844	0	3,302	0	0	0	0	0
<u>96,066</u>	<u>566</u>	<u>6,696</u>	<u>364</u>	<u>23,958</u>	<u>(119)</u>	<u>(8,005)</u>	<u>4,070</u>
<u>96,910</u>	<u>566</u>	<u>9,998</u>	<u>364</u>	<u>23,958</u>	<u>(119)</u>	<u>(8,005)</u>	<u>4,070</u>
<u>\$114,801</u>	<u>\$566</u>	<u>\$14,689</u>	<u>\$364</u>	<u>\$23,958</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,070</u>

OAKWOOD CITY SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2004

	Ohio Reads Grants	Summer School Subsidy	Emergency Repairs Grant	Safe School Help Line	Eisenhower Grant	Title VI-B
<u>Assets:</u>						
Equity In Pooled Cash and Cash Equivalents	\$2,051	\$0	\$691	\$294	\$2	\$0
Intergovernmental Receivable	0	14,516	0	0	0	15,773
Inventory Held for Resale	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$2,051</u>	<u>\$14,516</u>	<u>\$691</u>	<u>\$294</u>	<u>\$2</u>	<u>\$15,773</u>
<u>Liabilities and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	0	0	0
Intergovernmental Payable	0	0	0	17	0	3,177
Interfund Payable	0	9,676	0	0	0	137,737
<i>Total Liabilities</i>	<u>0</u>	<u>9,676</u>	<u>0</u>	<u>17</u>	<u>0</u>	<u>140,914</u>
<u>Fund Balances:</u>						
Reserved for Encumbrances	0	500	0	0	0	20,831
<i>Unreserved, Undesignated, Reported in:</i> Special Revenue Funds	<u>2,051</u>	<u>4,340</u>	<u>691</u>	<u>277</u>	<u>2</u>	<u>(145,972)</u>
<i>Total Fund Balances (Deficits)</i>	<u>2,051</u>	<u>4,840</u>	<u>691</u>	<u>277</u>	<u>2</u>	<u>(125,141)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,051</u>	<u>\$14,516</u>	<u>\$691</u>	<u>\$294</u>	<u>\$2</u>	<u>\$15,773</u>

Perkins Grant	Title I	Title VI	Drug Free Schools Program	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$639	\$0	\$0	\$0	\$3,686	\$0	\$319,332
0	9,242	0	1,251	0	0	43,309
0	0	0	0	0	0	1,736
<u>\$639</u>	<u>\$9,242</u>	<u>\$0</u>	<u>\$1,251</u>	<u>\$3,686</u>	<u>\$0</u>	<u>\$364,377</u>
\$0	\$0	\$0	\$20	\$0	\$0	\$27,009
0	5,791	1,277	1,136	3,633	0	22,610
0	169	56	194	158	0	20,946
0	21,736	8,012	2,567	0	5,374	234,755
0	27,696	9,345	3,917	3,791	5,374	305,320
0	0	0	331	0	0	57,387
639	(18,454)	(9,345)	(2,997)	(105)	(5,374)	1,670
639	(18,454)	(9,345)	(2,666)	(105)	(5,374)	59,057
<u>\$639</u>	<u>\$9,242</u>	<u>\$0</u>	<u>\$1,251</u>	<u>\$3,686</u>	<u>\$0</u>	<u>\$364,377</u>

OAKWOOD CITY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004

	Food Service	Faculty	Uniform School Supplies	Special Rotary	School Support	Career Education
<u>Revenues:</u>						
Intergovernmental	\$38,990	\$0	\$0	\$0	\$0	\$3,788
Interest	0	0	0	149	0	0
Tuition and Fees	0	0	64,717	0	0	0
Extracurricular Activities	0	4,841	0	0	90,949	0
Charges for Services	193,909	0	0	0	0	0
Contributions and Donations	0	6,000	0	6,364	9,833	19,846
Miscellaneous	0	0	0	24,093	13,142	0
<i>Total Revenues</i>	<u>232,899</u>	<u>10,841</u>	<u>64,717</u>	<u>30,606</u>	<u>113,924</u>	<u>23,634</u>
<u>Expenditures:</u>						
<i>Current:</i>						
<i>Instruction:</i>						
Regular	0	0	54,813	0	0	13,174
Special	0	0	0	0	0	0
Vocational	0	0	0	0	0	0
<i>Support Services:</i>						
Pupil	0	0	0	0	21,022	7,667
Instructional Staff	0	0	0	5,993	0	9,717
Administration	0	0	0	0	4,845	0
Central	0	6,794	0	0	0	0
<i>Operation of Non-Instructional Services:</i>						
Food Services Operations	259,683	0	0	0	0	0
Latch Key	0	0	0	0	0	0
Other	0	0	0	8,542	1,772	0
Extracurricular Activities	0	0	0	24,566	70,639	0
<i>Total Expenditures</i>	<u>259,683</u>	<u>6,794</u>	<u>54,813</u>	<u>39,101</u>	<u>98,278</u>	<u>30,558</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(26,784)	4,047	9,904	(8,495)	15,646	(6,924)
<u>Other Financing Sources (Uses):</u>						
Transfers In	0	0	0	0	0	1,028
<i>Net Change in Fund Balances</i>	(26,784)	4,047	9,904	(8,495)	15,646	(5,896)
<i>Fund Balances (Deficits) at Beginning of Year</i>	(40,137)	4,839	38,098	23,735	50,383	18,560
<i>Fund Balances (Deficits) at End of Year</i>	<u>(\$66,921)</u>	<u>\$8,886</u>	<u>\$48,002</u>	<u>\$15,240</u>	<u>\$66,029</u>	<u>\$12,664</u>

Latchkey	Library Automation System	District Managed Activities	Local Professional Development	Education Management Information Systems	Entry Year Program	SchoolNet OneNet	Ohio SchoolNet Professional Development	Textbooks/ Materials Subsidy
\$0	\$0	\$0	\$0	\$7,426	\$4,400	\$15,000	\$4,140	\$0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	134,297	0	0	0	0	0	0
227,335	0	0	0	0	0	0	0	0
22,419	0	0	0	0	0	0	0	0
0	0	33,231	0	0	0	0	0	0
<u>249,754</u>	<u>0</u>	<u>167,528</u>	<u>0</u>	<u>7,426</u>	<u>4,400</u>	<u>15,000</u>	<u>4,140</u>	<u>0</u>
0	0	0	0	0	647	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	0	0	3,209	0	5,587	0
0	0	0	0	0	0	0	0	0
0	0	0	0	2,265	663	15,000	0	0
0	0	0	0	0	0	0	0	0
206,124	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	179,568	0	0	0	0	0	0
<u>206,124</u>	<u>0</u>	<u>179,568</u>	<u>0</u>	<u>2,265</u>	<u>4,519</u>	<u>15,000</u>	<u>5,587</u>	<u>0</u>
43,630	0	(12,040)	0	5,161	(119)	0	(1,447)	0
0	0	14,383	0	0	0	0	0	0
43,630	0	2,343	0	5,161	(119)	0	(1,447)	0
53,280	566	7,655	364	18,797	0	0	(6,558)	4,070
<u>\$96,910</u>	<u>\$566</u>	<u>\$9,998</u>	<u>\$364</u>	<u>\$23,958</u>	<u>(\$119)</u>	<u>\$0</u>	<u>(\$8,005)</u>	<u>\$4,070</u>

OAKWOOD CITY SCHOOL DISTRICT
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Fiscal Year Ended June 30, 2004

	Ohio Reads	Summer School Subsidy	Emergency Repairs Grant	Safe School Help Line	Eisenhower Grant	Title VI-B
<u>Revenues:</u>						
Intergovernmental	\$2,000	\$36,540	\$0	\$1,881	\$0	\$173,807
Interest	0	0	0	0	0	0
Tuition and Fees	0	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0	0
Charges for Services	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
<i>Total Revenues</i>	<u>2,000</u>	<u>36,540</u>	<u>0</u>	<u>1,881</u>	<u>0</u>	<u>173,807</u>
<u>Expenditures:</u>						
<i>Current:</i>						
<i>Instruction:</i>						
Regular	0	28,971	0	1,328	0	0
Special	0	0	0	0	0	144,160
Vocational	0	0	0	0	0	0
<i>Support Services:</i>						
Pupil	0	0	0	0	0	0
Instructional Staff	2,000	5,000	0	0	0	41,883
Administration	0	0	0	0	0	0
Central	0	0	0	0	0	0
<i>Operation of Non-Instructional Services:</i>						
Food Services Operations	0	0	0	0	0	0
Latch Key	0	0	0	0	0	0
Other	0	0	0	1,881	0	0
Extracurricular Activities	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>2,000</u>	<u>33,971</u>	<u>0</u>	<u>3,209</u>	<u>0</u>	<u>186,043</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	2,569	0	(1,328)	0	(12,236)
<u>Other Financing Sources (Uses):</u>						
Transfers In	0	0	0	9	210	0
<i>Net Change in Fund Balances</i>	0	2,569	0	(1,319)	210	(12,236)
<i>Fund Balances (Deficits) at Beginning of Year</i>	2,051	2,271	691	1,596	(208)	(112,905)
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$2,051</u>	<u>\$4,840</u>	<u>\$691</u>	<u>\$277</u>	<u>\$2</u>	<u>(\$125,141)</u>

Perkins Grant	Title I	Title VI	Drug Free Schools Program	E-Rate	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$9,562	\$37,660	\$10,727	\$5,202	\$7,642	\$32,439	\$1,020	\$392,224
0	0	0	0	0	0	0	149
0	0	0	0	0	0	0	64,717
0	0	0	0	0	0	0	230,087
0	0	0	0	0	0	0	421,244
0	0	0	0	0	0	0	64,462
0	0	0	0	0	0	0	70,466
<u>9,562</u>	<u>37,660</u>	<u>10,727</u>	<u>5,202</u>	<u>7,642</u>	<u>32,439</u>	<u>1,020</u>	<u>1,243,349</u>
0	0	10,765	0	0	32,545	538	142,781
0	35,867	0	0	0	0	3,939	183,966
500	0	0	0	0	0	0	500
9,358	0	0	5,039	0	0	0	43,086
0	0	0	0	0	2,400	803	76,592
0	0	0	0	0	0	0	4,845
0	0	0	0	12,986	0	0	37,708
0	0	0	0	0	0	0	259,683
0	0	0	0	0	0	0	206,124
0	0	0	0	0	0	0	12,195
0	0	0	0	0	0	0	274,773
<u>9,858</u>	<u>35,867</u>	<u>10,765</u>	<u>5,039</u>	<u>12,986</u>	<u>34,945</u>	<u>5,280</u>	<u>1,242,253</u>
(296)	1,793	(38)	163	(5,344)	(2,506)	(4,260)	1,096
<u>0</u>	<u>34</u>	<u>0</u>	<u>0</u>	<u>1,573</u>	<u>74</u>	<u>18</u>	<u>17,329</u>
(296)	1,827	(38)	163	(3,771)	(2,432)	(4,242)	18,425
<u>935</u>	<u>(20,281)</u>	<u>(9,307)</u>	<u>(2,829)</u>	<u>3,771</u>	<u>2,327</u>	<u>(1,132)</u>	<u>40,632</u>
<u>\$639</u>	<u>(\$18,454)</u>	<u>(\$9,345)</u>	<u>(\$2,666)</u>	<u>\$0</u>	<u>(\$105)</u>	<u>(\$5,374)</u>	<u>\$59,057</u>

OAKWOOD CITY SCHOOL DISTRICT

*Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2004*

	<u>Permanent Improvement</u>	<u>Harman Playground Project</u>	<u>SchoolNet</u>	<u>Total Nonmajor Capital Projects Funds</u>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$278,013	\$80	\$0	\$278,093
Property Taxes Receivable	<u>213,352</u>	<u>0</u>	<u>0</u>	<u>213,352</u>
<i>Total Assets</i>	<u>\$491,365</u>	<u>\$80</u>	<u>\$0</u>	<u>\$491,445</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Contracts Payable	\$10,848	0	0	10,848
Interfund Payable	0	0	63,901	63,901
Deferred Revenue	<u>205,737</u>	<u>0</u>	<u>0</u>	<u>205,737</u>
<i>Total Liabilities</i>	<u>216,585</u>	<u>0</u>	<u>63,901</u>	<u>280,486</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	51,050	0	0	51,050
Reserved for Property Taxes	7,615	0	0	7,615
<i>Unreserved, Undesignated, Reported in:</i> Capital Projects Funds	<u>216,115</u>	<u>80</u>	<u>(63,901)</u>	<u>152,294</u>
<i>Total Fund Balances (Deficits)</i>	<u>274,780</u>	<u>80</u>	<u>(63,901)</u>	<u>210,959</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$491,365</u>	<u>\$80</u>	<u>\$0</u>	<u>\$491,445</u>

OAKWOOD CITY SCHOOL DISTRICT
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 For the Fiscal Year Ended June 30, 2004

	Permanent Improvement	Harman Playground Project	SchoolNet	Interactive Video Distance Learning	Total Nonmajor Capital Projects Funds
<u>Revenues:</u>					
Property Taxes	\$199,481	\$0	\$0	\$0	\$199,481
Intergovernmental	29,151	0	0	0	29,151
Miscellaneous	1,988	0	0	0	1,988
<i>Total Revenues</i>	<u>230,620</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>230,620</u>
<u>Expenditures:</u>					
<i>Current:</i>					
<i>Support Services:</i>					
Instructional Staff	0	0	0	2,015	2,015
Fiscal	2,085	0	0	0	2,085
Pupil Transportation	446	0	0	0	446
Capital Outlay	53,388	0	0	0	53,388
<i>Total Expenditures</i>	<u>55,919</u>	<u>0</u>	<u>0</u>	<u>2,015</u>	<u>57,934</u>
<i>Net Change in Fund Balances</i>	174,701	0	0	(2,015)	172,686
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>100,079</u>	<u>80</u>	<u>(63,901)</u>	<u>2,015</u>	<u>38,273</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$274,780</u></u>	<u><u>\$80</u></u>	<u><u>(\$63,901)</u></u>	<u><u>\$0</u></u>	<u><u>\$210,959</u></u>

OAKWOOD CITY SCHOOL DISTRICT
Statement of Changes in Assets and Liabilities
 Agency Fund
 June 30, 2004

	<u>Student Activity</u>	<u>Additions</u>	<u>Deductions</u>	<u>Total</u>
<u>Assets:</u>				
Equity Pooled in Cash and Cash Equivalents	\$37,628	\$148,502	\$168,310	\$17,820
<u>Liabilities:</u>				
Accounts Payable	\$1,935	\$3,258	\$1,935	\$3,258
Intergovernmental Payable	2	0	2	0
Due to Students	35,691	145,244	166,373	14,562
<i>Total Liabilities</i>	<u>\$37,628</u>	<u>\$148,502</u>	<u>\$168,310</u>	<u>\$17,820</u>

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Bond Retirement Debt Service Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$1,197,486	\$1,197,486	\$1,063,560	(\$133,926)
Intergovernmental	2,000,000	2,000,000	150,007	(1,849,993)
<i>Total Revenues</i>	3,197,486	3,197,486	1,213,567	(1,983,919)
<u>Expenditures:</u>				
<i>Debt Service:</i>				
Principal Retirement	791,000	791,000	754,000	37,000
Interest and Fiscal Charges	204,000	204,000	916,944	(712,944)
Dues and Fees	8,000	8,000	10,285	(2,285)
<i>Total Expenditures</i>	1,003,000	1,003,000	1,681,229	(678,229)
Excess of Revenues Over (Under) Expenditures	2,194,486	2,194,486	(467,662)	(2,662,148)
Fund Balance (Deficit) at Beginning of Year	(717,671)	(717,671)	(717,671)	0
Fund Balance (Deficit) at End of Year	\$1,476,815	\$1,476,815	(\$1,185,333)	(\$2,662,148)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Building Capital Projects Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Capital Outlay	0	0	597,597	(597,597)
Total Instruction	<u>0</u>	<u>0</u>	<u>597,597</u>	<u>(597,597)</u>
<i>Support Services:</i>				
Fiscal				
Other	7,000	7,000	17,076	(10,076)
Capital Outlay				
Site Improvement Services				
Purchased Services	38,000	38,000	154,893	(116,893)
Architecture and Engineering				
Purchased Services	15,000,000	15,000,000	2,662,864	12,337,136
Building Improvement Services				
Purchased Services	483,000	483,000	14,451,817	(13,968,817)
Capital Outlay	0	0	5,725	(5,725)
Total Capital Outlay	<u>15,521,000</u>	<u>15,521,000</u>	<u>17,275,299</u>	<u>(1,754,299)</u>
<i>Debt Service:</i>				
Interest and Fiscal Charges	144,000	144,000	0	144,000
Total Expenditures	<u>15,672,000</u>	<u>15,672,000</u>	<u>17,889,972</u>	<u>(2,217,972)</u>
Excess of Revenues Over (Under) Expenditures	(15,672,000)	(15,672,000)	(17,889,972)	(2,217,972)
<u>Other Financing Sources (Uses):</u>				
Loan to General Fund	0	0	(1,900,000)	(1,900,000)
Transfers Out	0	0	(30,854)	(30,854)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(1,930,854)</u>	<u>(1,930,854)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(15,672,000)	(15,672,000)	(19,820,826)	(4,148,826)
Fund Balance at Beginning of Year	17,173,484	17,173,484	17,173,484	0
Prior Year Encumbrances Appropriated	1,617,563	1,617,563	1,617,563	0
Fund Balance (Deficit) at End of Year	<u>\$3,119,047</u>	<u>\$3,119,047</u>	<u>(\$1,029,779)</u>	<u>(\$4,148,826)</u>

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Food Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$20,077	\$20,077	\$18,301	(\$1,776)
Charges for Services	214,923	214,923	195,908	(19,015)
<i>Total Revenues</i>	235,000	235,000	214,209	(20,791)
 <u>Expenditures:</u>				
<i>Current:</i>				
Non-Instructional Services				
Food Service Operations				
Salaries and Wages	85,200	85,200	86,973	(1,773)
Fringe Benefits	32,000	32,000	33,622	(1,622)
Supplies and Materials	122,000	122,000	125,589	(3,589)
Capital Outlay	100	100	0	100
<i>Total Expenditures</i>	239,300	239,300	246,184	(6,884)
Excess of Revenues Over (Under) Expenditures	(4,300)	(4,300)	(31,975)	(27,675)
Fund Balance (Deficit) at Beginning of Year	(38,531)	(38,531)	(38,531)	0
Prior Year Encumbrances Appropriated	12,800	12,800	12,800	0
Fund Balance (Deficit) at End of Year	(\$30,031)	(\$30,031)	(\$57,706)	(\$27,675)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Faculty Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Extracurricular Activities	\$3,572	\$3,572	\$4,841	\$1,269
Miscellaneous	4,428	4,428	6,000	1,572
<i>Total Revenues</i>	8,000	8,000	10,841	2,841
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Central				
Purchased Services	1,300	1,300	1,373	(73)
Supplies and Materials	3,900	3,900	6,543	(2,643)
<i>Total Expenditures</i>	5,200	5,200	7,916	(2,716)
Excess of Revenues Over (Under) Expenditures	2,800	2,800	2,925	125
Fund Balance at Beginning of Year	4,638	4,638	4,638	0
Prior Year Encumbrances Appropriated	450	450	450	0
Fund Balance at End of Year	\$7,888	\$7,888	\$8,013	\$125

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Uniform School Supplies Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Tuition and Fees	\$85,000	\$85,000	\$64,717	(\$20,283)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Supplies and Materials	80,000	80,000	59,735	20,265
<i>Total Expenditures</i>	80,000	80,000	59,735	20,265
Excess of Revenues Over (Under) Expenditures	5,000	5,000	4,982	(18)
Fund Balance at Beginning of Year	34,807	34,807	34,807	0
Prior Year Encumbrances Appropriated	3,543	3,543	3,543	0
Fund Balance (Deficit) at End of Year	\$43,350	\$43,350	\$43,332	(\$18)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Special Rotary Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Interest	\$156	\$156	\$149	(\$7)
Contributions and Donations	6,684	6,684	6,364	(320)
Miscellaneous	25,160	25,160	23,957	(1,203)
<i>Total Revenues</i>	32,000	32,000	30,470	(1,530)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	265	265	195	70
Supplies and Materials	2,444	2,444	1,800	644
Capital Outlay	6,012	6,012	4,429	1,583
<i>Total Support Services</i>	8,721	8,721	6,424	2,297
Non-Instructional Services				
Community Services				
Purchased Services	10,718	10,718	7,895	2,823
Supplies and Materials	829	829	611	218
Capital Outlay - Replacement	183	183	135	48
<i>Total Non-Instructional Services</i>	11,730	11,730	8,641	3,089
Extracurricular Activities:				
Academic Oriented Activities				
Purchased Services	3,168	3,168	2,334	834
School and Public Service Activities				
Purchased Services	29,844	29,844	21,984	7,860
Supplies and Materials	337	337	248	89
<i>Total School and Public Service Activities</i>	30,181	30,181	22,232	7,949
<i>Total Extracurricular Activities</i>	33,349	33,349	24,566	8,783
<i>Total Expenditures</i>	53,800	53,800	39,631	14,169
Excess of Revenues Over (Under) Expenditures	(21,800)	(21,800)	(9,161)	12,639
Fund Balance at Beginning of Year	23,140	23,140	23,140	0
Prior Year Encumbrances Appropriated	1,150	1,150	1,150	0
Fund Balance at End of Year	\$2,490	\$2,490	\$15,129	\$12,639

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
School Support Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Extracurricular Activities	\$87,712	\$87,712	\$90,949	\$3,237
Contributions and Donations	9,484	9,484	9,834	350
Miscellaneous	12,804	12,804	13,276	472
<i>Total Revenues</i>	110,000	110,000	114,059	4,059
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Pupils				
Purchased Services	70	70	112	(42)
Supplies and Materials	13,198	13,198	21,022	(7,824)
Total Pupils	13,268	13,268	21,134	(7,866)
Administration				
Purchased Services	7,600	7,600	12,106	(4,506)
Total Support Services	20,868	20,868	33,240	(12,372)
Non-Instructional Services				
Other Operation of Non-Instructional Services				
Purchased Services	213	213	339	(126)
Supplies and Materials	900	900	1,433	(533)
Total Non-Instructional Services	1,113	1,113	1,772	(659)
Extracurricular Activities				
Academic Oriented Activities				
Purchased Services	19,990	19,990	31,840	(11,850)
Supplies and Materials	25,163	25,163	40,079	(14,916)
Total Academic Oriented Activities	45,153	45,153	71,919	(26,766)
School and Public Service Activities				
Purchased Services	7,166	7,166	11,414	(4,248)
Total Extracurricular Activities	52,319	52,319	83,333	(31,014)
<i>Total Expenditures</i>	74,300	74,300	118,345	(44,045)
Excess of Revenues Over (Under) Expenditures	35,700	35,700	(4,286)	(39,986)
Fund Balance at Beginning of Year	46,444	46,444	46,444	0
Prior Year Encumbrances Appropriated	7,293	7,293	7,293	0
Fund Balance (Deficit) at End of Year	\$89,437	\$89,437	\$49,451	(\$39,986)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Career Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$11,520	\$11,520	\$3,788	(\$7,732)
Contributions and Donations	60,353	60,353	19,845	(40,508)
<i>Total Revenues</i>	71,873	71,873	23,633	(48,240)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Supplies and Materials	14,667	14,667	6,330	8,337
Capital Outlay	18,136	18,136	7,827	10,309
Total Instruction	32,803	32,803	14,157	18,646
<i>Support Services:</i>				
Pupils				
Purchased Services	16,152	16,152	6,971	9,181
Supplies and Materials	1,613	1,613	696	917
Total Pupils	17,765	17,765	7,667	10,098
Instructional Staff				
Purchased Services	17,378	17,378	7,500	9,878
Supplies and Materials	5,390	5,390	2,326	3,064
Capital Outlay	964	964	416	548
Total Instructional Staff	23,732	23,732	10,242	13,490
Total Support Services	41,497	41,497	17,909	23,588
<i>Total Expenditures</i>	74,300	74,300	32,066	42,234
Excess of Revenues Over (Under) Expenditures	(2,427)	(2,427)	(8,433)	(6,006)
<u>Other Financing Sources (Uses):</u>				
Transfers In	3,127	3,127	1,028	(2,099)
<i>Total Other Financing Sources (Uses)</i>	3,127	3,127	1,028	(2,099)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	700	700	(7,405)	(8,105)
Fund Balance at Beginning of Year	14,894	14,894	14,894	0
Prior Year Encumbrances Appropriated	3,691	3,691	3,691	0
Fund Balance (Deficit) at End of Year	\$19,285	\$19,285	\$11,180	(\$8,105)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)*
Latchkey Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Gifts and Donations	\$24,475	\$24,475	\$22,419	(\$2,056)
Miscellaneous	250,525	250,525	227,335	(23,190)
Total Revenues	275,000	275,000	249,754	(25,246)
<u>Expenditures:</u>				
<i>Current:</i>				
Non - Instructional Services				
Food Service Operations				
Salaries and Wages	2,519	2,519	2,174	345
Fringe Benefits	28	28	24	4
Supplies and Materials	3,173	3,173	2,739	434
Total Food Service Operations	5,720	5,720	4,937	783
Community Services				
Purchased Services	252,103	252,103	217,590	34,513
Supplies and Materials	177	177	153	24
Total Community Services	252,280	252,280	217,743	34,537
Total Expenditures	258,000	258,000	222,680	35,320
Excess of Revenues Over (Under) Expenditures	17,000	17,000	27,074	10,074
Fund Balance at Beginning of Year	33,012	33,012	33,012	0
Prior Year Encumbrances Appropriated	36,475	36,475	36,475	0
Fund Balance at End of Year	\$86,487	\$86,487	\$96,561	\$10,074

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Library Automation System Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>566</u>	<u>566</u>	<u>566</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$566</u></u>	<u><u>\$566</u></u>	<u><u>\$566</u></u>	<u><u>\$0</u></u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
District Managed Activities Special Revenue Fund
For the Fiscal Year Ended June 30, 2004*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Extracurricular Activities	\$114,430	\$114,430	\$134,297	\$19,867
Miscellaneous	28,315	28,315	33,231	4,916
<i>Total Revenues</i>	142,745	142,745	167,528	24,783
<u>Expenditures:</u>				
<i>Current:</i>				
Extracurricular Activities				
Sport Oriented Activities				
Salaries and Wages	1,312	1,312	1,510	(198)
Purchased Services	76,554	76,554	88,099	(11,545)
Supplies and Materials	81,885	81,885	94,235	(12,350)
Capital Outlay	2,249	2,249	2,588	(339)
<i>Total Expenditures</i>	162,000	162,000	186,432	(24,432)
Excess of Revenues Over (Under) Expenditures	(19,255)	(19,255)	(18,904)	351
<u>Other Financing Sources (Uses):</u>				
Transfers In	12,255	12,255	14,383	2,128
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(7,000)	(7,000)	(4,521)	2,479
Fund Balance at Beginning of Year	6,541	6,541	6,541	0
Prior Year Encumbrances Appropriated	4,965	4,965	4,965	0
Fund Balance at End of Year	\$4,506	\$4,506	\$6,985	\$2,479

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Local Professional Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$4,000	\$4,000	\$0	(\$4,000)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Supplies and Materials	1,600	1,600	0	1,600
<i>Total Expenditures</i>	1,600	1,600	0	1,600
Excess of Revenues Over (Under) Expenditures	2,400	2,400	0	(2,400)
Fund Balance at Beginning of Year	363	363	363	0
Fund Balance (Deficit) at End of Year	\$2,763	\$2,763	\$363	(\$2,400)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Education Management Information Systems Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$8,000	\$8,000	\$7,426	(\$574)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Central				
Capital Outlay	100	100	2,265	(2,165)
Excess of Revenues Over (Under) Expenditures	7,900	7,900	5,161	(2,739)
Fund Balance at Beginning of Year	18,797	18,797	18,797	0
Fund Balance (Deficit) at End of Year	<u>\$26,697</u>	<u>\$26,697</u>	<u>\$23,958</u>	<u>(\$2,739)</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Entry Year Program Special Revenue Fund
For the Fiscal Year Ended June 30, 2004*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$4,400	\$4,400
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Supplies and Materials	0	0	647	(647)
Total Instruction	0	0	647	(647)
<i>Support Services:</i>				
Instructional Staff				
Salaries and Wages	0	0	2,860	(2,860)
Fringe Benefits	0	0	345	(345)
Total Instructional Staff	0	0	3,205	(3,205)
Central				
Purchased Services	0	0	458	(458)
Supplies and Materials	0	0	205	(205)
Total Central	0	0	663	(663)
<i>Total Expenditures</i>	0	0	4,515	(4,515)
Excess of Revenues Over (Under) Expenditures	0	0	(115)	(115)
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance (Deficit) at End of Year	\$0	\$0	(\$115)	(\$115)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
SchoolNet OneNet Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$15,000	\$15,000
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Central				
Purchased Services	0	0	15,000	(15,000)
<i>Total Expenditures</i>	0	0	15,000	(15,000)
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Ohio SchoolNet Professional Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$4,000	\$4,000	\$4,140	\$140
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Salaries and Wages	228	228	680	(452)
Purchased Services	2,099	2,099	6,250	(4,151)
Supplies and Materials	8,072	8,072	24,035	(15,963)
<i>Total Expenditures</i>	10,399	10,399	30,965	(20,566)
Excess of Revenues Over (Under) Expenditures	(6,399)	(6,399)	(26,825)	(20,426)
Fund Balance at Beginning of Year	16,652	16,652	16,652	0
Prior Year Encumbrances Appropriated	2,332	2,332	2,332	0
Fund Balance (Deficit) at End of Year	\$12,585	\$12,585	(\$7,841)	(\$20,426)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Textbooks/Materials Subsidy Special Revenue Fund
 For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	4,070	4,070	4,070	0
Fund Balance at End of Year	\$4,070	\$4,070	\$4,070	\$0

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Ohio Reads Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$4,000	\$4,000	\$2,000	(\$2,000)
<u>Expenditures:</u>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	5,200	5,200	2,000	3,200
<i>Total Expenditures</i>	5,200	5,200	2,000	3,200
Excess of Revenues Over (Under) Expenditures	(1,200)	(1,200)	0	1,200
Fund Balance at Beginning of Year	2,051	2,051	2,051	0
Fund Balance at End of Year	\$851	\$851	\$2,051	\$1,200

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Summer School Subsidy Special Revenue Fund
For the Fiscal Year Ended June 30, 2004*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$22,024	\$22,024
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries and Wages	0	0	28,236	(28,236)
Fringe Benefits	0	0	34	(34)
Supplies and Materials	0	0	1,201	(1,201)
Total Instruction	0	0	29,471	(29,471)
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	0	0	5,000	(5,000)
Total Instructional Staff	0	0	5,000	(5,000)
Total Expenditures	0	0	34,471	(34,471)
Excess of Revenues Over (Under) Expenditures	0	0	(12,447)	(12,447)
Fund Balance at Beginning of Year	2,271	2,271	2,271	0
Fund Balance (Deficit) at End of Year	\$2,271	\$2,271	(\$10,176)	(\$12,447)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Emergency Repairs Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	691	691	691	0
Fund Balance at End of Year	<u>\$691</u>	<u>\$691</u>	<u>\$691</u>	<u>\$0</u>

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Safe School Help Line Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$1,990	\$1,990	\$1,881	(\$109)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries and Wages	1,210	1,210	1,308	(98)
Fringe Benefits	9	9	9	0
Total Instruction	1,219	1,219	1,317	(98)
<i>Non-Instructional Services</i>				
Community Services				
Purchased Services	1,881	1,881	1,881	0
Total Expenditures	3,100	3,100	3,198	(98)
Excess of Revenues Over (Under) Expenditures	(1,110)	(1,110)	(1,317)	(207)
<u>Other Financing Sources (Uses):</u>				
Transfers In	10	10	9	(1)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,100)	(1,100)	(1,308)	(208)
Fund Balance at Beginning of Year	1,603	1,603	1,603	0
Fund Balance (Deficit) at End of Year	\$503	\$503	\$295	(\$208)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Eisenhower Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	10,000	10,000	0	10,000
Excess of Revenues Over (Under) Expenditures	(10,000)	(10,000)	0	10,000
<u>Other Financing Uses:</u>				
Transfers In	7,000	7,000	210	(6,790)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,000)	(3,000)	210	3,210
Fund Balance (Deficit) at Beginning of Year	(209)	(209)	(209)	0
Fund Balance (Deficit) at End of Year	<u>(\$3,209)</u>	<u>(\$3,209)</u>	<u>\$1</u>	<u>\$3,210</u>

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$200,000	\$200,000	\$158,035	(\$41,965)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Special				
Purchased Services	218,354	218,354	202,942	15,412
<i>Support Services:</i>				
Instructional Staff				
Salaries and Wages	41,646	41,646	38,706	2,940
<i>Total Expenditures</i>	260,000	260,000	241,648	18,352
Excess of Revenues Over (Under) Expenditures	(60,000)	(60,000)	(83,613)	(23,613)
Fund Balance (Deficit) at Beginning of Year	(177,213)	(177,213)	(177,213)	0
Prior Year Encumbrances Appropriated	102,258	102,258	102,258	0
Fund Balance (Deficit) at End of Year	(\$134,955)	(\$134,955)	(\$158,568)	(\$23,613)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Perkins Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$9,562	\$9,562
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Vocational				
Purchased Services	283	283	500	(217)
<i>Support Services:</i>				
Pupil				
Purchased Services	2,853	2,853	5,035	(2,182)
Supplies and Materials	2,564	2,564	4,525	(1,961)
Total Pupil	<u>5,417</u>	<u>5,417</u>	<u>9,560</u>	<u>(4,143)</u>
<i>Total Expenditures</i>	<u>5,700</u>	<u>5,700</u>	<u>10,060</u>	<u>(4,360)</u>
Excess of Revenues Over (Under) Expenditures	(5,700)	(5,700)	(498)	5,202
Fund Balance at Beginning of Year	435	435	435	0
Prior Year Encumbrances Appropriated	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u><u>(\$4,765)</u></u>	<u><u>(\$4,765)</u></u>	<u><u>\$437</u></u>	<u><u>\$5,202</u></u>

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$31,962	\$31,962	\$28,419	(\$3,543)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Special				
Salaries and Wages	41,000	41,000	40,442	558
Excess of Revenues Over (Under) Expenditures	(9,038)	(9,038)	(12,023)	(2,985)
<u>Other Financing Sources (Uses):</u>				
Transfers In	38	38	34	(4)
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	(9,000)	(9,000)	(11,989)	(2,989)
Fund Balance (Deficit) at Beginning of Year	(9,747)	(9,747)	(9,747)	0
Fund Balance (Deficit) at End of Year	<u>(\$18,747)</u>	<u>(\$18,747)</u>	<u>(\$21,736)</u>	<u>(\$2,989)</u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Title VI Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$15,000	\$15,000	\$10,727	(\$4,273)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries and Wages	6,551	6,551	7,021	(470)
Fringe Benefits	2,249	2,249	2,411	(162)
<i>Total Expenditures</i>	8,800	8,800	9,432	(632)
Excess of Revenues Over (Under) Expenditures	6,200	6,200	1,295	(4,905)
Fund Balance (Deficit) at Beginning of Year	(9,307)	(9,307)	(9,307)	0
Fund Balance (Deficit) at End of Year	(\$3,107)	(\$3,107)	(\$8,012)	(\$4,905)

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
Drug Free Schools Program Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$10,000	\$10,000	\$3,959	(\$6,041)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Pupils				
Salaries and Wages	2,344	2,344	3,265	(921)
Purchased Services	197	197	275	(78)
Supplies and Materials	359	359	500	(141)
<i>Total Expenditures</i>	2,900	2,900	4,040	(1,140)
Excess of Revenues Over (Under) Expenditures	7,100	7,100	(81)	(7,181)
Fund Balance (Deficit) at Beginning of Year	(2,838)	(2,838)	(2,838)	0
Fund Balance (Deficit) at End of Year	\$4,262	\$4,262	(\$2,919)	(\$7,181)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
E-Rate Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$6,634	\$6,634	\$7,642	\$1,008
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Central				
Purchased Services	2,800	2,800	12,986	(10,186)
Excess of Revenues Over (Under) Expenditures	3,834	3,834	(5,344)	(9,178)
<u>Other Financing Sources (Uses):</u>				
Transfers In	1,366	1,366	1,573	207
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	5,200	5,200	(3,771)	(8,971)
Fund Balance at Beginning of Year	3,771	3,771	3,771	0
Fund Balance (Deficit) at End of Year	\$8,971	\$8,971	\$0	(\$8,971)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Title VI-R Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$13,969	\$13,969	\$33,089	\$19,120
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries and Wages	22,544	22,544	19,984	2,560
Fringe Benefits	9,894	9,894	8,770	1,124
Total Instruction	32,438	32,438	28,754	3,684
Instructional Staff				
Purchased Services	3,462	3,462	3,069	393
Total Expenditures	35,900	35,900	31,823	4,077
Excess of Revenues Over (Under) Expenditures	(21,931)	(21,931)	1,266	23,197
<u>Other Financing Sources (Uses):</u>				
Transfers In	31	31	74	43
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(21,900)	(21,900)	1,340	23,240
Fund Balance (Deficit) at Beginning of Year	(610)	(610)	(610)	0
Prior Year Encumbrances Appropriated	2,955	2,955	2,955	0
Fund Balance (Deficit) at End of Year	(\$19,555)	(\$19,555)	\$3,685	\$23,240

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)*
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$5,927	\$5,927	\$1,455	(\$4,472)
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Supplies and Materials	1,185	1,185	538	647
Special				
Supplies and Materials	1,581	1,581	718	863
Other	1,546	1,546	702	844
Capital Outlay	23,919	23,919	10,861	13,058
Total Special	27,046	27,046	12,281	14,765
Total Instruction	28,231	28,231	12,819	15,412
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	1,768	1,768	803	965
Total Expenditures	29,999	29,999	13,622	16,377
Excess of Revenues Over (Under) Expenditures	(24,072)	(24,072)	(12,167)	11,905
<u>Other Financing Sources (Uses):</u>				
Transfers In	73	73	18	(55)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(23,999)	(23,999)	(12,149)	11,850
Fund Balance (Deficit) at Beginning of Year	(5,968)	(5,968)	(5,968)	0
Prior Year Encumbrances Appropriated	12,743	12,743	12,743	0
Fund Balance (Deficit) at End of Year	(\$17,224)	(\$17,224)	(\$5,374)	\$11,850

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)*
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$205,118	\$205,118	\$210,065	\$4,947
Intergovernmental	28,465	28,465	29,151	686
Other	1,941	1,941	1,988	47
<i>Total Revenues</i>	235,524	235,524	241,204	5,680
<u>Expenditures:</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Fiscal				
Other	2,800	2,800	2,085	715
Pupil Transportation				
Purchased Services	400	400	446	(46)
<i>Total Support Services</i>	3,200	3,200	2,531	669
Capital Outlay				
Architecture and Engineering				
Purchased Services	15,000	15,000	5,750	9,250
Building Improvement Services				
Capital Outlay	58,800	58,800	102,636	(43,836)
Other	5,000	5,000	0	5,000
<i>Total Capital Outlay</i>	78,800	78,800	108,386	(29,586)
<i>Total Expenditures</i>	82,000	82,000	110,917	(28,917)
Excess of Revenues Over (Under) Expenditures	153,524	153,524	130,287	(23,237)
Fund Balance at Beginning of Year	46,408	46,408	46,408	0
Prior Year Encumbrances Appropriated	39,418	39,418	39,418	0
Fund Balance (Deficit) at End of Year	\$239,350	\$239,350	\$216,113	(\$23,237)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
Harman Playground Project Capital Projects Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>80</u>	<u>80</u>	<u>80</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$80</u></u>	<u><u>\$80</u></u>	<u><u>\$80</u></u>	<u><u>\$0</u></u>

OAKWOOD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Budget Basis)
SchoolNet Capital Projects Fund
For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$62,852	\$62,852	\$0	(\$62,852)
<u>Expenditures</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Capital Outlay	28,900	28,900	0	28,900
<i>Total Expenditures</i>	<u>28,900</u>	<u>28,900</u>	<u>0</u>	<u>28,900</u>
Excess of Revenues Over (Under) Expenditures	33,952	33,952	0	(33,952)
Fund Balance (Deficit) at Beginning of Year	<u>(63,902)</u>	<u>(63,902)</u>	<u>(63,902)</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u><u>(\$29,950)</u></u>	<u><u>(\$29,950)</u></u>	<u><u>(\$63,902)</u></u>	<u><u>(\$33,952)</u></u>

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)
 Interactive Video Distance Learning Capital Projects Fund
 For the Fiscal Year Ended June 30, 2004*

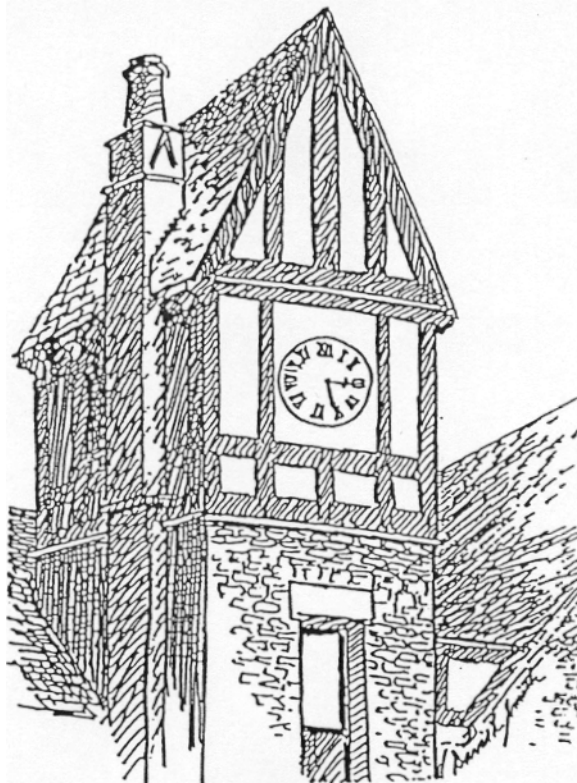
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>	\$7,500	\$7,500	\$0	(\$7,500)
<u>Expenditures</u>				
<i>Current:</i>				
<i>Support Services:</i>				
Instructional Staff				
Purchased Services	7,300	7,300	2,015	5,285
<i>Total Expenditures</i>	7,300	7,300	2,015	5,285
Excess of Revenues Over (Under) Expenditures	200	200	(2,015)	(2,215)
Fund Balance at Beginning of Year	290	290	290	0
Prior Year Encumbrances Appropriated	1,725	1,725	1,725	0
Fund Balance (Deficit) at End of Year	\$2,215	\$2,215	\$0	(\$2,215)

OAKWOOD CITY SCHOOL DISTRICT
*Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Budget Basis)*
 Scholarship Permanent Fund
 For the Fiscal Year Ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Interest	\$715	\$715	\$716	\$1
Contributions and Donations	9,285	9,285	3,792	(5,493)
<i>Total Revenues</i>	10,000	10,000	4,508	(5,492)
<u>Expenditures:</u>				
<i>Current:</i>				
Extracurricular Activities				
Academic Oriented Activities				
Purchased Services	2,000	2,000	1,840	160
Other	2,000	2,000	1,500	500
<i>Total Expenditures</i>	4,000	4,000	3,340	660
Excess of Revenues Over (Under) Expenditures	6,000	6,000	1,168	(4,832)
Fund Balance at Beginning of Year	87,434	87,434	87,434	0
Fund Balance (Deficit) at End of Year	\$93,434	\$93,434	\$88,602	(\$4,832)

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STATISTICAL SECTION



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

**OAKWOOD CITY
SCHOOL DISTRICT**

20 RUBICON ROAD, DAYTON, OHIO 45409

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OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
GENERAL GOVERNMENT EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS (1)

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Current:										
Instruction:										
Regular	\$9,581,298	\$9,495,259	\$8,393,683	\$7,452,493	\$6,965,846	\$6,785,765	\$6,607,368	\$6,133,738	\$5,830,199	\$5,344,230
Special	1,576,437	1,590,993	1,179,681	1,066,565	1,060,273	968,009	955,381	837,306	816,125	689,390
Vocational	500	9,073	1,356	3,506	6,638	53,394	45,986	0	763	0
Other	160,936	92,798	50,183	33,787	7,613	56,443	0	0	0	0
Support Services:										
Pupils	1,239,061	1,084,045	886,934	764,145	814,858	681,060	590,571	544,821	518,831	488,897
Instructional Staff	399,700	442,710	237,375	229,063	259,579	234,649	306,295	267,155	280,537	260,922
Board of Education	26,337	17,279	26,487	25,874	19,356	23,410	33,949	22,283	10,843	9,238
Administration	1,473,852	1,492,354	1,274,626	1,159,984	1,189,392	1,101,991	1,085,751	977,558	962,588	917,511
Fiscal	564,327	563,052	493,979	485,229	444,723	426,406	411,251	343,571	348,896	318,027
Business	3,104	901	2,624	0	11,227	931	931	745	25	1,490
Operation and Maintenance of Plant	1,772,021	1,544,836	1,538,324	1,385,844	1,247,423	1,155,176	1,149,302	1,065,938	1,045,055	1,003,441
Pupil Transportation	217,193	153,561	153,827	155,079	119,339	120,733	102,898	101,139	90,266	102,669
Central	719,190	513,884	621,493	624,333	562,936	449,351	429,025	636,787	389,766	346,390
Non-Instructional Services	521,176	497,110	155,544	80,811	81,597	27,237	19,649	16,033	30,234	8,311
Extracurricular Activities	1,041,156	797,479	490,056	447,299	455,969	411,615	397,762	404,563	376,132	334,058
Capital Outlay	0	0	806,629	272,942	1,125,161	28,017	284,361	10,679	0	0
Debt Service:										
Principal Retirement	0	0	52,340	49,537	56,119	32,086	28,248	0	0	0
Interest and Fiscal Charges	930,023	328,280	98,725	51,283	67,616	28,979	2,832	0	0	0
Total	\$20,226,311	\$18,623,614	\$16,463,866	\$14,287,774	\$14,495,665	\$12,585,252	\$12,451,560	\$11,362,316	\$10,700,260	\$9,824,574

Source: School District Financial Statements

(1) 1995 - 2002 are reported on a modified accrual GAAP basis for the General Fund only;
2003 - 2004 are reported on a full accrual GAAP basis but represent government-wide expenses.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
GENERAL GOVERNMENT REVENUES BY SOURCE
LAST TEN FISCAL YEARS (1)

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Property Taxes	\$11,891,489	\$11,384,943	\$9,690,818	\$10,116,078	\$9,305,208	\$8,096,998	\$8,535,469	\$8,075,855	\$8,071,647	\$7,940,242
Intergovernmental	6,919,702	6,556,202	5,675,838	3,945,452	3,511,338	3,214,472	3,039,606	2,576,738	2,333,476	2,236,607
Interest	173,629	301,644	97,724	218,763	76,033	82,987	117,939	122,257	140,687	132,527
Charges for Services and Sales	651,310	615,379	63,782	79,162	66,374	78,766	82,967	67,895	61,571	47,159
Contributions and Donations	47,694	37,797	3,000	6,100	1,013,670	25,661	0	0	0	0
Rent	0	0	0	0	0	1,712	2,566	0	0	0
Miscellaneous	249,451	247,309	829,023	525,849	59,992	4,447	221,445	130,751	22,352	1,603
Total	\$19,933,275	\$19,143,274	\$16,360,185	\$14,891,404	\$14,032,615	\$11,505,043	\$11,999,992	\$10,973,496	\$10,629,733	\$10,358,138

Source: School District Financial Statements

(1) 1995 - 2002 are reported on a modified accrual GAAP basis for the General Fund only;
2003 - 2004 are reported on a full accrual GAAP basis but represents government-wide revenues.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

<u>YEAR</u>	<u>CURRENT TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENT COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>PERCENT OF TOTAL COLLECTIONS TO CURRENT TAX LEVIES</u>	<u>OUTSTANDING DELINQUENT TAXES</u>	<u>PERCENT OF OUTSTANDING DELINQUENT TAXES TO CURRENT TAX LEVY</u>
2004	\$13,956,775	\$13,668,760	97.94%	\$232,023	\$13,900,783	99.60%	\$425,817	3.05%
2003	13,936,708	13,689,738	98.23	193,725	13,883,463	99.62	352,814	2.53
2002	11,122,595	10,989,722	98.81	126,588	11,116,310	99.94	114,264	1.03
2001	11,129,623	10,944,098	98.33	190,615	11,134,713	100.04	76,065	0.68
2000	9,665,106	9,481,810	98.11	190,256	9,672,066	100.07	175,576	1.82
1999	9,609,610	9,427,679	98.11	190,256	9,617,935	100.09	248,372	2.58
1998	9,646,326	9,463,898	98.11	198,589	9,662,487	100.17	249,649	2.59
1997	9,408,090	9,392,194	99.83	N/A (1)	9,392,194	99.83	207,201	2.21
1996	9,342,699	9,338,639	99.96	N/A (1)	9,338,639	99.96	217,998	2.33
1995	9,478,062	9,367,203	98.83	158,628	9,525,831	100.50	353,391	3.73

Source: Montgomery County, Ohio; County Auditor - Presented on calendar year basis because that is the manner that information is maintained by the County Auditor.

These amounts include state reimbursements of homestead and rollback exemptions.

(1) Information not available.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

YEAR	AGRICULTURAL, AND RESIDENTIAL REAL		COMMERCIAL AND INDUSTRIAL REAL		PUBLIC UTILITY PERSONAL		TANGIBLE PERSONAL		TOTAL		ASSESSED VALUE RATIO
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	
2004	\$256,535,140	\$732,957,543	\$16,168,450	\$46,195,571	\$3,631,430	\$4,126,625	\$2,075,283	\$8,301,132	\$278,410,303	\$791,580,871	35
2003	256,513,870	732,896,771	16,168,450	46,195,571	3,671,630	4,172,307	2,029,247	8,116,988	278,383,197	791,381,637	35
2002	224,891,570	642,547,343	15,354,680	43,870,514	3,678,190	4,179,761	2,573,525	10,294,100	246,497,965	700,891,718	35
2001	224,217,880	640,622,514	16,087,770	45,965,057	4,323,570	4,913,148	2,117,008	8,468,032	246,746,228	699,968,751	35
2000	225,216,200	643,474,857	16,112,130	46,034,657	4,464,190	5,072,943	1,909,209	7,636,836	247,701,729	702,219,293	35
1999	205,092,240	585,977,829	15,217,870	43,479,629	5,227,520	5,940,364	2,428,998	9,715,992	227,966,628	645,113,814	35
1998	205,061,480	585,889,943	15,397,210	43,992,029	5,221,010	5,932,966	2,632,901	10,531,604	228,312,601	646,346,542	35
1997	205,476,510	587,075,743	15,587,520	44,535,771	5,187,620	5,895,023	2,698,065	10,792,260	228,949,715	648,298,797	35
1996	174,348,390	498,138,257	14,276,300	40,789,429	5,327,570	6,054,057	2,882,070	11,528,280	196,834,330	556,510,023	35
1995	173,903,820	496,868,057	13,441,730	38,404,943	6,235,170	7,085,420	2,825,573	11,302,292	196,406,293	553,660,712	35

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

- (1) This amount is calculated based on the following percentages:
 All real property is assessed at 35 percent of actual value.
 Public Utility Personal is assessed at 88 percent of true value (with certain exceptions).
 Tangible Personal is assessed at 25 percent of actual value.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(per \$1,000 of Assessed Valuation)
LAST TEN YEARS

<u>YEAR (1)</u>	<u>SCHOOL LEVY</u>	<u>COUNTY LEVY</u>	<u>CITY LEVY</u>	<u>LIBRARY LEVY</u>	<u>TOTAL LEVY</u>	<u>DEBT SERVICE INCLUDED IN TOTAL LEVY</u>			
						<u>SCHOOL</u>	<u>COUNTY</u>	<u>CITY</u>	<u>TOTAL</u>
2004	105.95	18.24	11.80	0.90	136.89	4.38	0.00	0.00	4.38
2003	105.95	17.24	11.80	0.94	135.93	4.38	0.00	0.00	4.38
2002	95.57	17.24	11.80	0.94	125.55	0.00	0.00	0.00	0.00
2001	95.57	17.24	11.80	0.94	125.55	0.00	0.00	0.00	0.00
2000	95.57	16.64	11.80	0.94	124.95	0.00	0.00	0.00	0.00
1999	82.32	16.64	11.80	0.94	111.70	0.00	0.00	0.00	0.00
1998	88.82	16.64	11.80	0.94	118.20	0.00	0.00	0.00	0.00
1997	88.82	16.64	11.80	0.00	117.26	0.00	0.00	0.00	0.00
1996	88.82	16.64	11.80	0.00	117.26	0.00	0.00	0.00	0.00
1995	88.82	16.64	11.80	0.00	117.26	0.00	0.00	0.00	0.00

Source: Montgomery County Auditor

(1) Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2004

Assessed Value	<u>\$278,410,303</u>
Overall Debt Limit - 9% of Assessed Value (1)	\$25,056,927
Amount of Debt Applicable to Debt Limit: Bonded Debt	<u>(19,730,000)</u>
Overall Debt Margin	<u>\$5,326,927</u>
Unvoted Debt Limit - .10% of Assessed Value (1)	\$278,410
Amount of Debt Applicable	<u>0</u>
Unvoted Debt Margin	<u>\$278,410</u>

Source: Montgomery County Auditor and School District's financial records.

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

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
JUNE 30, 2004

<u>JURISDICTION</u>	<u>NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING (1)</u>	<u>PERCENTAGE APPLICABLE TO SCHOOL DISTRICT</u>	<u>AMOUNT APPLICABLE TO SCHOOL DISTRICT</u>
<u>Direct Debt:</u>			
Oakwood City School District	\$19,730,000	100%	\$19,730,000
<u>Overlapping Debt:</u>			
Montgomery County	35,982,639	3% (2)	<u>1,097,470</u>
Total Direct and Overlapping Debt			<u><u>\$20,827,470</u></u>

Source: Montgomery County Auditor

(1) Includes all general obligation bonded debt, not general obligation notes.

(2) Percentage of County's valuation within the School District compared to the total valuation of the County.

OAKWOOD CITY SCHOOL DISTRICT
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
 GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
 LAST TEN FISCAL YEARS

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL DEBT SERVICE</u>	<u>TOTAL GENERAL FUND EXPENDITURES (1)</u>	<u>RATIO OF DEBT SERVICE TO GENERAL FUND EXPENDITURES (PERCENTAGE)</u>
2004	\$470,000	\$854,583	\$1,324,583	\$17,922,306	7.39%
2003	58,000	35,359	93,359	16,875,394	0.55%
2002	58,000	9,598	67,598	16,463,866	0.41%
2001	58,000	5,568	63,568	14,287,774	0.44%
2000	58,000	4,022	62,022	14,495,665	0.43%
1999	58,000	10,741	68,741	12,585,252	0.55%
1998	0	12,259	12,259	12,451,560	0.10%
1997	0	0	0	11,362,316	0.00%
1996	0	0	0	10,700,260	0.00%
1995	0	0	0	9,824,574	0.00%

Source: School District Fund Financial Statements

(1) Fiscal years 1995 - 2004 are reported on a GAAP basis.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

<u>YEAR</u>	<u>POPULATION COUNT (1) (2)</u>
2004	N/A
2002	8,981
2000	9,215
1998	8,387
1996	9,000
1994	8,633
1992	8,862
1990	8,957
1988	8,580
1986	8,740

UNEMPLOYMENT STATISTICS:

<u>YEAR</u>	<u>PERCENT (3)</u>
2003	6.20%
2002	5.80
2001	5.30
2000	4.20
1999	3.90
1998	3.90
1997	4.00
1996	4.40
1995	4.00
1994	4.80

(1) Miami Valley Regional Planning Commission - Population for City of Oakwood, Ohio

(2) 1990 and 2000 are the actual census figures; all other years are estimates by the Census Bureau, given every two years.

(3) Ohio Department of Job & Family Services

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PROPERTY VALUES, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

YEAR (5)	CONSTRUCTION PERMITS (1)		AVERAGE MONTHLY BANK DEPOSITS (3) (4)	ASSESSED PROPERTY VALUE (2)
	NUMBER	VALUE		
2003	635	\$16,093,391	\$249,614,000	\$278,410,303
2002	631	5,698,844	241,447,000	278,383,197
2001	608	7,064,900	208,298,000	246,497,965
2000	603	7,363,809	191,473,000	246,746,228
1999	619	11,740,459	2,994,378,000	247,701,729
1998	683	6,706,076	3,264,705,000	227,966,628
1997	596	4,503,856	3,530,314,000	228,949,715
1996	602	4,002,826	3,899,145,000	196,834,330
1995	638	4,380,592	3,995,114,000	196,406,293
1994	660	5,447,901	4,034,766,000	196,309,530

(1) Source: City of Oakwood

(2) Source: Montgomery County Auditor

(3) Source: Federal Reserve Bank of Cleveland

(4) Data is presented for Montgomery County because there are no banks that have their main branch in the City of Oakwood. In 2000, the County's largest bank, Fifth Third of Western Ohio, moved its headquarters to Hamilton County.

(5) Data is presented on a calendar year basis because that is the manner in which the information is maintained by the City of Oakwood and the Federal Reserve Bank of Cleveland.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
PRINCIPAL PROPERTY TAXPAYERS
REAL ESTATE TAX
JUNE 30, 2004

NAME OF TAXPAYER	ASSESSED VALUE (1)	PERCENT OF TOTAL ASSESSED VALUE
National Cash Register	\$3,526,590	1.27%
Ohio Bell Telephone	2,067,100	0.74%
Dayton Power and Light	1,116,160	0.40%
Far Hills Building Partnership	752,960	0.27%
Karrington of Oakwood, Ltd.	653,650	0.23%
Vectren Energy Delivery	255,100	0.09%
John C. Gray	554,100	0.20%
Daniel S. German	534,230	0.19%
4101 Company LLC	529,520	0.19%
Marilee Oberheu, Trustee	<u>522,800</u>	<u>0.19%</u>
Subtotal	<u>10,512,210</u>	<u>3.78%</u>
All Other Taxpayers	<u>267,898,093</u>	<u>96.22%</u>
Total Assessed Valuation	<u><u>\$278,410,303</u></u>	<u><u>100.00%</u></u>

Source: Montgomery County Auditor

(1) Assessed values are for 2003 collection year.

OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
MISCELLANEOUS STATISTICS
JUNE 30, 2004

Year of Establishment	1907
Form of Government	Locally-elected five member Board
Number of Employees:	
Certificated	168
Non-Certificated	63
Administrative	9
Area - square miles	2.97
Average Daily Membership	2,032
Cost per Pupil	\$9,256
Average Number of Years Teaching Experience	11
Percentage of Teaching Staff Holding a Master's Degree	66%
<u>School Buildings</u>	<u>Teacher to Student Ratio</u>
Harman Elementary School	17 to 1
Edwin D. Smith Elementary School	18 to 1
Oakwood Junior High School	16 to 1
Oakwood High School	14 to 1
Lange Elementary School	18 to 1



**Auditor of State
Betty Montgomery**

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**OAKWOOD CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 10, 2005**