



**Auditor of State  
Betty Montgomery**



WAVERLY CITY SCHOOL DISTRICT  
PIKE COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Schedule of Federal Awards Receipts and Expenditures.....	1
Notes to the Schedule of Federal Awards Receipts and Expenditures .....	2
Independent Accountants' Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	3
Independent Accountants' Report on Compliance with Requirements Applicable to Major Federal Programs and Internal Control Over Compliance in Accordance with OMB Circular A-133 .....	5
Schedule of Findings and Questioned Costs - <i>OMB Circular A-133 §.505</i> .....	7
Corrective Action Plan - <i>OMB Circular A-133 §.315(c)</i> .....	10

**This page intentionally left blank.**

**WAVERLY CITY SCHOOL DISTRICT  
PIKE COUNTY**

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

<b>FEDERAL GRANTOR</b> <i>Pass-Through Grantor</i> Program Title	Federal CFDA Number	Pass Through Entity Number	Receipts	Noncash Receipts	Disbursements	Noncash Disbursements
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>						
<i>Passed through the Ohio Department of Education</i>						
Nutrition Cluster:						
Food Donation	10.550	N/A	\$	\$44,337	\$	\$44,337
School Breakfast Program	10.553	05-PU-03	11,362		11,362	
		05-PU-04	64,392		64,392	
Total School Breakfast Program			75,754	0	75,754	0
National School Lunch Program	10.555	LL-P4-03	41,048		41,048	
		LL-P4-04	209,573		209,573	
Total National School Lunch Program			250,621	0	250,621	0
Total Nutrition Cluster			326,375	44,337	326,375	44,337
Total United States Department of Agriculture			326,375	44,337	326,375	44,337
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>						
<i>Passed through the Ohio Department of Education</i>						
Title I Grants to Local Educational Agencies	84.010	C1-S1-03	79,074		61,547	
		C1-S1-04	497,611		497,611	
Total Title I Grants to Local Educational Agencies			576,685	0	559,158	0
Special Education - Grants to States	84.027	6B-SF-03-P	53,643		52,523	
		6B-SF-04	250,783		265,571	
Total Special Education - Grants to States			304,426	0	318,094	0
Safe and Drug-Free Schools and Communities - State Grants	84.186	DR-S1-03	6,281		8,367	
		DR-S1-04	8,032		13,934	
Total Safe and Drug-Free Schools and Communities - State Grants			14,313	0	22,301	0
State Grants for Innovative Programs	84.298	C2-S1-02			612	
		C2-S1-03	(2,512)			
		C2-S1-04	4,910		1,825	
Total State Grants for Innovative Programs			2,398	0	2,437	0
Education Technology State Grants	84.318	TJ-S1 2003	1,426		1,263	
		TJ-S1 2004	6,855		3,374	
Total Education Technology State Grants			8,281	0	4,637	0
Assistance Technology Infusion Project	84.352A	AT-S4-02	6,327	0	6,327	0
Rural Education	84.358	RU-S1-03	5,732	0	0	0
Improving Teacher Quality State Grants	84.367	TR-S1-03	44,193		45,007	
		TR-S1-04	143,655		142,309	
Total Improving Teacher Quality State Grants			187,848	0	187,316	0
Total United States Department of Education			1,106,010	0	1,100,270	0
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
<i>Passed through the Ohio Department of Mental Retardation and Developmental Disabilities</i>						
Medical Assistance Program	93.778	N/A	105,098	0	105,098	0
Total United States Department of Health and Human Services			105,098	0	105,098	0
<b>Total Federal Awards Receipts and Expenditures</b>			<b>\$ 1,537,483</b>	<b>\$ 44,337</b>	<b>\$ 1,531,743</b>	<b>\$ 44,337</b>

*The Notes to the Schedule of Federal Awards Receipts and Expenditures is an integral part of the Schedule.*

**WAVERLY CITY SCHOOL DISTRICT  
PIKE COUNTY**

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

**NOTE A – BASIS OF ACCOUNTING**

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

**NOTE B – CHILD NUTRITION CLUSTER**

Program regulations do not require the Government to maintain separate inventory records for purchased food and food received from the United States Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.

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

**NOTE C – NEGATIVE RECEIPTS**

State Grants for Innovative Programs, CFDA #84.298, funds in the amount of \$2,512 were carried over from 2003 to the next program year, resulting in a negative receipt of \$2,512.



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED  
BY GOVERNMENT AUDITING STANDARDS**

Waverly City School District  
Pike County  
411 East Third Street  
Waverly, Ohio 45690

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 Waverly City School District, Pike County, Ohio (the School District), as of and for the year ended June 30, 2004, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 21, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the School District's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to opine 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when 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. In a separate letter to the School District's management dated March 4, 2005, we reported other matters involving internal control over financial reporting.

**Compliance and Other Matters**

As part of reasonably assuring whether the School District's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance we must report under *Government Auditing Standards*. In a separate letter to the School District's management dated March 4, 2005, we reported other matters related to noncompliance we deemed immaterial.

743 E. State St. / Athens Mall Suite B / Athens, OH 45701  
Telephone: (740) 594-3300 (800) 441-1389 Fax: (740) 594-2110  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Waverly City School District  
Pike County  
Independent Accountants' Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Required by *Government Auditing Standards*  
Page 2

We intend this report solely for the information and use of management, the Board of Education, and federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

December 21, 2004





**Auditor of State  
Betty Montgomery**

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

Waverly City School District  
Pike County  
411 East Third Street  
Waverly, Ohio 45690

To the Board of Education:

**Compliance**

We have audited the compliance of the Waverly City School District, Pike County, Ohio (the School District), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The School District's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major federal programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

As described in items 2004-001 and 2004-002 in the accompanying Schedule of Findings and Questioned Costs, the School District did not comply with requirements regarding Allowable Costs/Cost Principles and Period of Availability that are applicable to its Special Education – Grants to States program. Compliance with such requirements is necessary, in our opinion, for the School District to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004. In a separate letter to the School District's management dated March 4, 2005, we reported an other matter related to noncompliance we deemed immaterial.

### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grant agreements that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. In a separate letter to the School District's management dated March 4, 2005, we reported other matters involving the internal control over federal compliance..

### **Schedule of Federal Awards Receipts and Expenditures**

We have audited the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Waverly City School District, Pike County, as of and for the year ended June 30, 2004, and have issued our report thereon dated December 21, 2004. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Federal Awards Receipts and Expenditures is presented for the purpose of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of management, the Board of Education, and federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

March 4, 2005

**WAVERLY CITY SCHOOL DISTRICT  
PIKE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 §.505  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Qualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Nutrition Cluster – CFDA #10.550, #10.553, and #10.555 Special Education – Grants to States – CFDA #84.027
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

There were no findings required to be reported in accordance with GAGAS.

**WAVERLY CITY SCHOOL DISTRICT  
PIKE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 §.505  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
--

Finding Number	2004-001
CFDA Title and Number	Special Education - Grants to States – CFDA # 84.027
Federal Award Number/Year	6B-SF-03-P, 6B-SF-04
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

**Noncompliance Citation/Questioned Costs – Period of Availability**

34 C.F.R 80.23 (a) states that where a funding period is specified, a grantee may charge to the award only costs resulting from obligations of the funding period unless carryover of the unobligated balances is permitted, in which case the carryover balances may be charged for costs resulting from obligations of the subsequent funding period.

The Ohio Department of Education’s Consolidated Application Assurances for Waverly City School District at number 36 states that the subgrantee will obligate funds within the approved project period as set forth in the approved application and will liquidate said obligations not later than 90 days after the end of the project period for grants applied for electronically. The Consolidated Application defines the funding period as Fiscal Year 2004, which consists of the period July 1, 2003 through June 30, 2004 inclusive.

In a memo dated June 7, 2004 and titled “IDEA and ESCE Project Administration Guidelines”, the Ohio Department of Education provided guidance which states that Special Education Part-B IDEA funds may not be used to fund program activities or expenditures prior to the Substantially Approved Date. The Substantially Approved Date for the Waverly City School District for this audit period began July 1, 2003. Therefore, expenditures charged to the Fiscal Year 2004 grant must not have been obligated prior to July 1, 2003.

The School District charged salaries and related fringe benefits amounting to \$24,174 during July, 2003 and August, 2003 to the Fiscal Year 2004 Special Education Grant. While these *cash* payments were made after July 1, 2003, which was the beginning of the period of availability, the *obligation* for these payments was incurred prior to July 1, 2003. The contracts for the teachers, teachers’ aides and the Special Programs Secretary run from September 1, 2002 through August 31, 2003. These employees had fulfilled their obligations before June 30, 2003 under the contracts. Therefore, the obligations for these payments were incurred prior to the beginning of the Period of Availability for the Fiscal Year 2004 Grant. As a result, the payments for the salaries and related fringe benefits during July, 2003 and August, 2003 amounting to \$24,174 are considered to be questioned costs.

We recommend the School District not charge grants for costs for which obligations are incurred prior to the beginning of the Period of Availability. We further recommend the School District review period of availability requirements for grants and consider these requirements as well as contract requirements when budgeting for the grant expenditures. Such activities would help to ensure that funds are properly obligated and obligations are properly liquidated within the period of availability.

**WAVERLY CITY SCHOOL DISTRICT  
PIKE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 §.505  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(Continued)**

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

Finding Number	2004-002
CFDA Title and Number	Special Education - Grants to States – CFDA # 84.027
Federal Award Number/Year	6B-SF-03-P, 6B-SF-04
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

**Noncompliance Citation/Questioned Costs – Allowable Costs/Cost Principles**

OMB Cost Principles Circular A-87 Attachment B Section 11(a) [now Section 8(a), effective June 9, 2004] provides that compensation for personnel services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under Federal awards, including but not necessarily limited to wages, salaries, and fringe benefits. The costs of such compensation are allowable to the extent that they satisfy the specific requirements of the Circular.

OMB Cost Principles Circular A-87 Attachment B Section 11h(4) [now Section 8h(4), effective June 9, 2004] provides that where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which must, according to subsection (h)(5), (a) reflect an after-the-fact distribution of the actual activity of each employee, (b) account for the total activity for which each employee is compensated, (c) be prepared at least monthly and must coincide with one or more pay periods, and (d) be signed by the employee. Subsection (h)(5)(e) provides that budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:

1. The system for establishing the estimates produces reasonable approximations of the activity actually performed;
2. At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charge to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent and;
3. The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

Waverly City School District charged 80 percent of the salary and related fringe benefits of the Special Programs Director to the Special Education Grant without the supporting documentation required by OMB Cost Principles Circular A-87. There was no documentation to support the reasoning for the allocation of his salary and related fringe benefits. As a result, the costs for salary and related fringe benefits of the Special Programs Director amounting to \$52,876 as charged to the Special Education Grant are considered to be questioned costs.

We recommend the School District develop a method whereby the various activities of the Special Programs Director are documented as they relate to the various Programs and Awards. This documentation should be used to determine the allocation of his salary among the various programs, grants, activities, etc. We further recommend the School District's management review the requirements of OMB Cost Principles Circular A-87 to determine the documentation needed and other requirements related to the allowability of costs to Federal awards to prevent such errors in the future.

**WAVERLY CITY SCHOOL DISTRICT  
PIKE COUNTY**

**CORRECTIVE ACTION PLAN  
OMB CIRCULAR A -133 § .315 (c)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2004-001	The School District will not charge grants for costs for which obligations are incurred prior to the beginning of the Period of Availability.	March 1, 2005	Rebecca L. Peden, Treasurer
2004-002	School District personnel whose salaries are charged to two or more federal grants will be required to document daily activities to support the allocation of salaries.	March 1, 2005	Rebecca L. Peden, Treasurer

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2004



WAVERLY CITY SCHOOL DISTRICT

WAVERLY, OHIO





***WAVERLY CITY SCHOOL DISTRICT***

**WAVERLY, OHIO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

Issued by:

Treasurer's Office

Rebecca L. Peden, Treasurer/Chief Financial Officer

**This Page is Intentionally Left Blank.**

WAVERLY CITY SCHOOL DISTRICT

---

# INTRODUCTORY SECTION



**Waverly City School District**  
*Table of Contents*

<b>I. Introductory Section</b>	<u>Page</u>
Table of Contents .....	i
Letter of Transmittal .....	iv
GFOA Certificate of Achievement for Excellence in Financial Reporting .....	xi
ASBO Certificate of Excellence in Financial Reporting .....	xii
List of Principal Officials.....	xiii
Organizational Chart.....	xiv
<b>II. Financial Section</b>	
Independent Accountants' 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.....	18
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual:	
General Fund.....	22
Statement of Fiduciary Assets and Liabilities - Agency Fund .....	23
Notes to the Basic Financial Statements.....	24

**Waverly City School District**  
*Table of Contents*

Combining and Individual Fund Statements and Schedules:

Combining Statements - Nonmajor Funds:

Fund Descriptions .....	56
Combining Balance Sheet - Nonmajor Governmental Funds.....	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	61
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	68
Combining Balance Sheet - Nonmajor Capital Projects Funds .....	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds .....	75

Statement of Changes in Fiduciary Assets and Liabilities - Agency Fund.....	76
---	----

Individual Fund Schedules of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Basis) and Actual:

Major Funds:

General .....	78
Construction .....	82

Nonmajor Funds:

Food Services.....	83
Uniform School Supplies.....	84
Public School Support.....	85
Latchkey.....	87
Underground Storage Tank.....	88
Classroom Facilities Maintenance .....	89
Athletics .....	90
Auxiliary Services.....	91
Teacher Development .....	92
Education Management Information Systems .....	93
Preschool.....	94
Disadvantaged Pupil Impact Aid .....	95
OneNet .....	96
SchoolNet Professional Development .....	97
Ohio Reads.....	98
Reading Intervention.....	99
Alternative Education .....	100
Extended Learning .....	101
Title VI-B.....	102
Title I.....	103
Title VI .....	104
Drug Free Schools.....	105
Title VI-R.....	106
Title II-D .....	107

**Waverly City School District**  
*Table of Contents*

Debt Service.....	108
Permanent Improvement.....	109
SchoolNet.....	110

**III. Statistical Section**

Governmental-wide Expenses by Function - Last Four Fiscal Years.....	111
Governmental-wide Revenues by Source - Last Four Fiscal Years .....	112
General Government Expenditures by Function - Last Ten Fiscal Years .....	114
General Government Revenues by Source - Last Ten Fiscal Years.....	116
Property Tax Levies and Collections - Real and Public Utility Property - Last Ten Collection (Calendar) Years .....	118
Assessed and Estimated Actual Value of Taxable Property - Last Ten Collection (Calendar) Years .....	120
Property Tax Rates (Per \$1,000 of Assessed Valuation) - Direct and Overlapping Governments - Last Ten Collection (Calendar) Years .....	122
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita - Last Ten Fiscal Years .....	124
Computation of Legal Debt Margin.....	125
Computation of Direct and Overlapping Debt.....	126
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Government Expenditures - Last Ten Fiscal Years .....	127
Demographic Statistics - Last Ten Calendar Years .....	128
Construction, Bank Deposits and Property Values - Last Ten Calendar Years .....	130
Top Ten Principal Taxpayers - Real Property .....	131
Miscellaneous Statistical Data .....	132
Per Pupil Cost - Last Ten Fiscal Years .....	133
Enrollment - Last Ten Fiscal Years .....	134

# Waverly City Schools

## Board of Education

Linda Blaum Shoemaker, President

Randy Armbruster, Vice President

John Boyer

Sharon Manson

Gary Towler

500 E. Second Street

Waverly, Ohio 45690

(740) 947-4770

Fax (740) 947-4483

[www.waverly.k12.oh.us](http://www.waverly.k12.oh.us)

December 21, 2004

To the Citizens and  
Board of Education of the  
Waverly City School District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Waverly City School District for the fiscal year ended June 30, 2004. This Comprehensive Annual Financial Report contains financial statements, supplemental statements and statistical information, providing complete and full disclosure of all material financial aspects of the School District for the 2004 fiscal year.

The School District is responsible for the accuracy, completeness, and fairness of the data presented. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. We have included all disclosures necessary to enable the reader to gain an understanding of the School District's financial activities. This report is prepared in conformity with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

The Comprehensive Annual Financial Report is divided into three sections:

The **Introductory Section** includes a title page, the table of contents, this transmittal letter, a Certificate of Achievement for Excellence in Financial Reporting, a Certificate of Excellence in Financial Reporting, a list of principal officials, and the School District's organizational chart.

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

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

The School District provides a full range of traditional and non-traditional educational programs, services and facilities. These include elementary and secondary curriculum offerings at general, college preparatory and vocational levels; a broad range of co-curricular and extracurricular activities; and special education programs and facilities.

## **REPORTING ENTITY**

Waverly 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 operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and federal guidelines.

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations of the School District.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board for all financial operations, investments, and custody of all School District funds and assets, and also serves as Secretary to the Board.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements of the School District 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. 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 organization’s budget, the issuance of its debt, or the levying of its taxes. The School District has no component units.

The School District participates in four jointly governed organizations and two insurance purchasing pools. These organizations are the South Central Ohio Computer Association (SCOCA), the Pike County Joint Vocational School, the Coalition of Rural and Appalachian Schools, the Pilasco-Ross Special Education Regional Resource Center, the Ohio School Plan and the Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan. These organizations are presented in Notes 17 and 18 to the basic financial statements.



## **ECONOMIC CONDITION AND OUTLOOK**

The Waverly City School District encompasses 119 square miles in Pike County, in south central Ohio. The county itself is located approximately 60 miles south of Columbus on U.S. Route 23, 75 miles east of Cincinnati on U.S. Route 32, and 50 miles north of Ashland, Kentucky. This central position provides a strategic location for the future development of business and industry.

The latest unemployment rate of the county was 9.1 percent. This is a slight decrease from last year's figure, which shows that the local job market is rebounding somewhat.

Southern Ohio was the first part of the State to be settled and is rich in historic communities and buildings. Because of its heritage, the area has a strong and proud work ethic among its citizens, who are renowned for their professionalism, craftsmanship, and loyalty.

## **THE DISTRICT AND ITS FACILITIES**

The School District served 2,098 students during the 2004 fiscal year. Facilities include one high school, one junior high school, and two elementary schools which includes preschool. The enrollment per school is as follows:

<u>School</u>	<u>Grades</u>	<u>Enrollment</u>
East Elementary	PK-2	463
West Elementary	3-5	475
North Junior High	6-8	486
Waverly High School	9-12	674

## **MAJOR INITIATIVES**

### **For the Year**

The major initiative during the 2004 fiscal year was the continuation of the construction of new facilities for the School District. The end of fiscal year 2004 saw the project nearing completion. The School District anticipates opening a new high school, new middle school, and two new elementary schools for the 2004-2005 school year. These new facilities will replace the four existing buildings operated by the District. At this time, work is approximately 90% complete and is on schedule.

Many scholarships and academic awards were received by students throughout the year. The School District maintained its continuous improvement status on the 2003-2004 Report Card and met Adequate Yearly Progress.

## **FINANCIAL INFORMATION**

The School District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records are maintained during the fiscal year on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

### **Internal Controls**

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

### **Federal and State Assistance**

As a recipient of federal and state financial assistance, the School District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the School District. The independent audit of the financial statements of the School District was part of a broader, federally mandated "Single Audit" designed to meet the special need of federal grantor agencies.

### **Budgetary Controls**

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The Treasurer has been given authority to allocate Board appropriations to the function and object level within each fund. The School District has chosen to present budgetary information at the function level in the basic financial statements and at the object level in the individual fund statements.

The School District maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Unencumbered appropriation balances are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year end are carried forward to succeeding years and are not re-appropriated. As demonstrated by the statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management.

## **Financial Condition**

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

***Government-wide financial statements*** - These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by 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. Fiduciary funds use the accrual basis of accounting.

***Statements of budgetary comparisons*** - These statements present comparisons of actual information to the legally adopted budget for the general fund and any major special revenue funds. 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 School District. This discussion is located in the financial section of this report following the audit opinion, and provides an assessment of the School District finances for 2004.

## **Cash Management**

The School District operates a cash management program designed to provide safety, liquidity and yield in that order. Funds are invested in the State Treasury Asset Reserve of Ohio (STAROhio), money market mutual funds, Federal Home Loan Bank Discount Notes, Federal Home Loan Mortgage Corporation Notes, Federal Home Loan Mortgage Corporation Discount Notes, Federal Home Loan Bank Bonds, a Federal Home Loan Mortgage Corporation Bond, and a Federal National Mortgage Association Discount Note. The amount of interest income in fiscal year 2004 for all School District funds was \$168,619, of which \$73,803 was credited to the General Fund and \$94,816 was credited to the Construction Fund. A more detailed description of the School District's investment functions is provided in Note 6 to the financial statements.

## **Risk Management**

The School District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, property loss and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio. The maximum deductible amount for these coverages is \$10,000 per loss incurred. Insurance policies for general liability, employer's liability, employee benefits liability and educational legal liability are purchased through the Ohio School Plan, a public entity insurance purchasing pool. The maximum deductible amount for these coverages is \$2,500 per loss incurred.

For fiscal year 2004, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 18). 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 workers' 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. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage 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's selection criteria. The firm of Sheakley Uniservice, Inc. provides administrative, cost control and actuarial services to the GRP.

## **OTHER INFORMATION**

### **INDEPENDENT AUDIT**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The Auditor of State's Audit Division conducted the School District's audit for fiscal year 2004. The Auditor's report on the School District's basic financial statements, combining statements, and individual fund schedules is included in the financial section of this comprehensive annual financial report.

## **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 the Waverly City School District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2003. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **ASBO CERTIFICATE**

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Waverly City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003.

A Certificate of Excellence is awarded to those school districts who have voluntarily submitted their system's Comprehensive Annual Financial Report (CAFR) for review by an ASBO Panel of Review. Upon completion of a vigorous technical review, the panel members conclude whether the school system's financial report has met the criteria for excellence in financial reporting.

## **ACKNOWLEDGMENTS**

Sincere gratitude goes to the Waverly City Board of Education, Linda Shoemaker, Randy Armbruster, John Boyer, Sharon Manson, and Gary Towler, where the commitment to excellence begins, for their support in granting funds for this project. Special acknowledgment is extended to the Auditor of State's Local Government Services Division for their efforts and contributions in the preparation of this Comprehensive Annual Financial Report. A special thank you also goes to Linda Jordan, Lari Patton, and Nancy Voorhes of the Waverly City Schools Fiscal Office for their assistance in compiling information for this report.

Respectfully submitted,

Rebecca L. Peden  
Treasurer

Cheryl Francis  
Superintendent

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Waverly City School District,  
Ohio

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

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



President

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

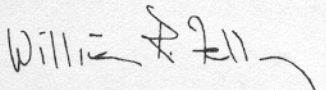


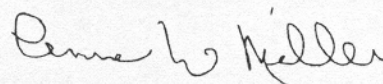
This Certificate of Excellence in Financial Reporting is presented to

**WAVERLY CITY SCHOOL DISTRICT**

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

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

  
President

  
Executive Director

*Waverly City School District*

*List of Principal Officials*  
*June 30, 2004*

ELECTED OFFICIALS

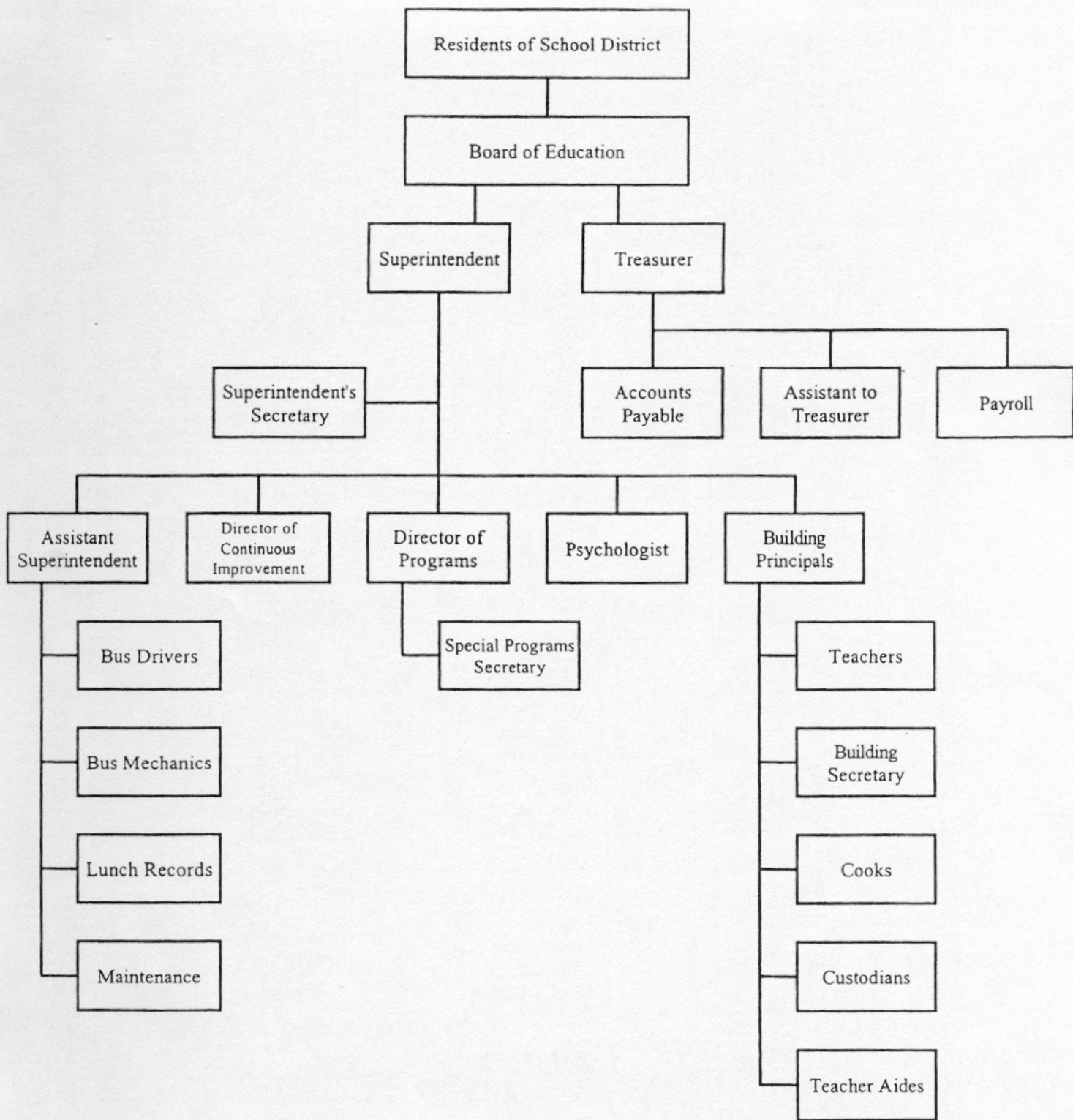
President, Board of Education ..... Linda Shoemaker  
Vice President, Board of Education.....Randy Armbruster  
Board Member ..... Sharon Manson  
Board Member ..... John Boyer  
Board Member ..... Gary Towler

ADMINISTRATIVE OFFICIALS

Superintendent ..... Cheryl Francis  
Treasurer ..... Rebecca L. Peden  
Assistant Superintendent..... Roger Ramsey  
Director of Programs.....Michael Roback  
Director of Continuous Improvement.....Rick Teeters  
Principal, Waverly High School .....David Surrey  
Principal, North Junior High..... Ruth Teeters  
Assistant Principal, North Junior High ..... Bill Hoover  
Principal, West Elementary ..... Andrew Seddelmeyer  
Principal, East Elementary ..... Ed Dickens  
Assistant Principal, East Elementary ..... William Hobbs



Waverly City School District



# WAVERLY CITY SCHOOL DISTRICT

---

## FINANCIAL SECTION





## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Waverly City School District  
Pike County  
500 East Second Street  
Waverly, Ohio 45690

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 the Waverly City School District, Pike County, Ohio (the School District), as of and for the year ended June 30, 2004, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School 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 Waverly City School District, Pike County, 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 21, 2004 on our consideration of the School 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 School District's basic financial statements. The introductory section, combining and individual nonmajor fund statements and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

**Betty Montgomery**  
Auditor of State

December 21, 2004

**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

---

As management of the Waverly City School District, we offer readers of the Waverly City School District's Comprehensive Annual Financial Report this narrative, overview and analysis of the financial activities for the fiscal year ended June 30, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, notes to the basic financial statements and financial statements 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 Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government issued June 1999.

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

#### **Financial Highlights**

- The assets of Waverly City School District exceeded its liabilities at June 30, 2004 by \$46,331,802.
- In total, net assets increased by \$170,760, which represents an increase of four tenths of a percent from 2003.
- General revenues accounted for \$12,988,716 or 76 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$4,165,361 or 24 percent of total revenues of \$17,154,077.
- The School District had \$16,983,317 in expenses related to governmental activities; only \$4,165,361 of these expenses were offset by program specific charges for services, grants or contributions.
- Construction on new classroom facilities buildings began in fiscal year 2001 and continued in 2004 with total expenditures for the project of \$41,279,436.

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

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Waverly 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.

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. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's major funds with all other non-major funds presented in total in one column. The major funds for the Waverly City School District are the General Fund and the Construction Capital Projects Fund.

**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

---

**Reporting the School District as a Whole**

One of the most important questions asked about the School District is "How did we do financially during 2004?" The *Statement of Net Assets* and the *Statements of Activities*, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. However, the School District's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the School District's property tax base, current property tax laws in Ohio restricting revenue growth, required educational programs and other factors.

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

**Fund Financial Statements**

The analysis of the School District's major funds begins on page 8. Fund financial statements 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 major funds.

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

**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.

**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

---

**The School District as a Whole**

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

Table 1 provides a summary of the School District's net assets for 2004 and 2003:

(Table 1)  
**Net Assets**

	2004	2003
<b>Assets</b>		
Current and Other Assets	\$16,626,858	\$36,283,522
Capital Assets	46,663,108	27,948,157
Total Assets	63,289,966	64,231,679
<b>Liabilities</b>		
Long-Term Liabilities	(9,307,818)	(9,607,648)
Other Liabilities	(7,650,346)	(8,462,989)
Total Liabilities	(16,958,164)	(18,070,637)
<b>Net Assets</b>		
Invested in Capital Assets, Net of Related Debt	42,498,447	27,254,160
Restricted	639,393	15,081,772
Unrestricted	3,193,962	3,825,110
Total Net Assets	\$46,331,802	\$46,161,042

Total assets decreased \$941,713. This was primarily due to the net effect of an increase in capital assets related to the construction project and decreases in cash and cash equivalents and intergovernmental receivable related to the School District's expenditures for the construction of its new buildings and its receipt of capital grant monies from the Ohio School Facilities Commission Program.

Table 2 shows the changes in net assets for fiscal year 2004.

**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

---

(Table 2)  
**Change in Net Assets**

	2004	2003
<b>Revenues</b>		
Program Revenues:		
Charges for Services and Sales	\$908,589	\$698,083
Operating Grants and Contributions	3,210,572	2,904,380
Capital Grants and Contributions	46,200	0
Total Program Revenues	4,165,361	3,602,463
General Revenues:		
Property Taxes	4,162,373	3,741,367
Grants and Entitlements not Restricted to Specific Programs	8,449,946	8,090,100
Revenue in Lieu of Taxes	0	120,000
Investment Earnings	161,814	348,772
Gifts and Donations	2,900	2,000
Miscellaneous	211,683	33,280
Total General Revenues	12,988,716	12,335,519
Total Revenues	\$17,154,077	\$15,937,982

(continued)



**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

(Table 2)  
**Change in Net Assets**  
(continued)

	2004	2003
<b>Program Expenses</b>		
Instruction		
Regular	7,621,366	6,708,113
Special	1,190,478	1,069,035
Vocational	147,756	171,496
Support Services		
Pupil	827,706	781,774
Instructional Staff	1,158,050	1,095,531
Board of Education	45,493	63,940
Administration	1,158,011	1,018,692
Fiscal	425,265	376,787
Operation and Maintenance of Plant	1,249,016	1,156,317
Pupil Transportation	988,140	886,792
Central	16,945	12,339
Operation of Non-Instructional Services		
Food Services	693,429	655,797
Other	1,257	33,801
Extracurricular Activities	504,173	449,068
Intergovernmental	534,151	425,391
Interest and Fiscal Charges	422,081	591,291
Total Expenses	16,983,317	15,496,164
Increase in Net Assets	\$170,760	\$441,818

**Governmental Activities**

Grants and Entitlements made up 68 percent of revenues for governmental activities of the Waverly City School District for fiscal year 2004. The Ohio School Facilities Commission Program is providing 82 percent of the funding for our construction project. The School District is benefiting from State funding received for instructional purposes, professional development and facilities construction.

Instruction comprises 53 percent of governmental program expenses. Support services expenses make up 35 percent of governmental expenses.

**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

The Statement of Activities shows the cost of program services and the 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. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

(Table 3)  
**Governmental Activities**

	Total Cost of Services 2004	Total Cost of Services 2003	Net Cost of Services 2004	Net Cost of Services 2003
Instruction	\$8,959,600	\$7,948,644	\$6,697,475	\$6,198,274
Support Services	5,868,626	5,392,172	5,208,898	4,726,645
Operation of Non-				
Instructional Services	694,686	689,598	126,223	125,760
Extracurricular Activities	504,173	449,068	360,858	251,731
Intergovernmental	534,151	425,391	2,421	0
Interest and Fiscal Charges	422,081	591,291	422,081	591,291
<b>Total Expenses</b>	<b>\$16,983,317</b>	<b>\$15,496,164</b>	<b>\$12,817,956</b>	<b>\$11,893,701</b>

Program revenues increased by \$562,898, due primarily to an increase in restricted grants received from other governments. Operating grants and contributions increased by \$306,192 due to an increase in grant funding primarily relating to the 21<sup>st</sup> Century Grant, the IDEA-B Special Education Grant, and the Reading Intervention Grant. Property taxes increased by \$421,006 due to an increase in tax collections and the amounts available as advances against August 2004 tax settlements. Grants and entitlements not restricted for specific purposes increased by \$359,846 due to increases in state foundation allocation, including parity aid receipts.

Program expenses increased by \$1,487,153. Instruction expenses increased \$1,010,956 from the prior year due to salary increases, the hiring of additional teachers and uncapitalized expenditures, including the purchase of new textbooks for the fiscal year and equipment purchases related to the ongoing construction projects. Support services and intergovernmental expenses increased \$476,454 and \$108,760, respectively, over the prior year due primarily to a general increase in salaries and benefits and operational costs.

**The School District's Funds**

Information about the School District's major funds starts on page 18. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$27,477,320 and expenditures of \$36,017,590. The net change in fund balance for the year was most significant in the construction capital projects fund, a decrease of \$8,123,639. This was due to more funds being spent on the building project through the Ohio School Facilities Commission Program.

**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2004  
Unaudited

---

The fund balance in the General Fund decreased by \$630,347. General Fund revenues increased in fiscal year 2004 by \$1,342,135, due primarily to an increase in state foundation settlements, collection of taxes, and the proper recognition of tuition and fees revenue generated from open enrollment. General Fund expenditures increased in fiscal year 2004 by \$2,138,216, due primarily to increased instruction and support services expenditures and increased capital outlay expenditures relating to the School District's payment for construction of a new auditorium.

**General Fund - Budget Highlights**

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. During the course of fiscal year 2004 the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures.

The School District's ending unobligated cash balance was \$1,103,480 above the final budgeted amount in the General Fund.

For the general fund, budget basis revenue was \$13,027,173 with original budget estimates of \$11,949,550. This 9% difference of \$1,077,623 was due primarily to increases in intergovernmental revenue (grants), interest, tuition, rent, payment in lieu of taxes, and miscellaneous revenue coupled with decreases in property taxes and gifts and donations.

**Capital Assets and Debt Administration**

*Capital Assets*

At the end of fiscal year 2004 the School District had \$46,663,108 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles and books and educational media. Table 4 shows fiscal year 2004 balances compared to 2003:

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

	2004	2003
Land	\$852,800	\$852,800
Construction in Progress	41,279,436	22,210,062
Land Improvements	347,412	387,376
Buildings and Improvements	2,724,212	2,913,739
Furniture and Equipment	763,990	919,000
Vehicles	695,258	665,180
Totals	\$46,663,108	\$27,948,157

The primary increase occurred in construction in progress. This is due to the continuation of construction of a new high school, middle school and two elementary schools, which were begun in 2001.

For more information on capital assets, refer to Note 9 in the notes to the basic financial statements.

**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2003  
Unaudited

**Debt**

At June 30, 2004, the School District had \$8,205,014 in bonds and loans outstanding, as well as \$119,587 of accretion on capital appreciation bonds outstanding. \$271,111 of the bonds and loans outstanding represent the amounts due within one year. Table 5 summarizes bonds and notes outstanding:

(Table 5)  
**Outstanding Debt, at Year End**

	2004	2003
Loans Payable		
1998-Energy Conservation Loan	\$479,108	\$547,465
General Obligation Bonds:		
2001-Classroom Facilities Bonds	7,725,906	7,915,906
Accretion on Capital		
Appreciation Bonds	119,587	75,902
Totals	\$8,324,601	\$8,539,273

Energy Conservation Loan - On December 1, 1998, the School District entered into a loan in the amount of \$794,000 in unvoted general obligation notes for the purpose of providing energy conversion measures for the School District, under the authority of Ohio Revised Code sections 133.06(G) and 3313.372. The notes were issued for an eleven year period with final maturity during fiscal year 2010. The loan will be retired by transfers from the General Fund to the Debt Service Fund. It is anticipated that the savings over eleven years will offset the costs.

General Obligation Bonds - On June 14, 2001, the School District issued \$8,085,906 in voted general obligation bonds for the purpose of constructing new classroom facilities. Current interest bonds were issued in an aggregate principal amount of \$7,810,000. Of these bonds, \$6,610,000 are serial bonds, \$1,200,000 are term bonds, and \$275,906 are capital appreciation bonds. The bonds were issued for a twenty-three year period with final maturity in December 2023. The bonds will be retired from the Debt Service Fund.

The term bonds issued at \$1,200,000 and maturing on December 1, 2023, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption, on December 1, in the years and in the respective principal amounts as follows:

Year	Amount
2022	\$585,000
2023	615,000
Total	\$1,200,000

The serial bonds issued at \$6,610,000 and with maturity date of December 1, 2002 to December 1, 2021, are subject to optional redemption, in whole or in part on any date at the option of the Issuer on or after December 1, 2010, at the redemption price of 100%.

**Waverly City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2003  
Unaudited

---

The capital appreciation bonds, issued at \$275,906, are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years in 2007 thru 2008, with a maturity amount of \$280,000 each year. For fiscal year 2004, the capital appreciation bonds were accreted \$43,685.

As of June 30, 2004, \$4,146,317 of the bond proceeds had been spent toward the project.

The School District's overall legal debt margin was \$6,207,447, with an unvoted debt margin of \$151,034 and an Energy Conservation debt margin of \$880,199 at June 30, 2004.

For more information on debt, refer to Note 15 in the notes to the basic financial statements.

### **Current Issues**

Waverly City School District is considered to be a low wealth district. Therefore, as indicated in the preceding financial information, the State of Ohio provides the majority of the funding received by the School District. Careful financial planning and the passage of a building levy have permitted our School District to provide a quality education for our students along with new and renovated facilities for the future, despite our low wealth status.

The future of our School District is difficult to predict. The financial situation is stable at the present time; however, the School District is unable to predict what effect the budget problems of the State of Ohio may have on its financial operations. Waverly City School District is very concerned with the State budget decisions because the School District receives such a substantial amount of funding from the State of Ohio.

The student enrollment remains stable and is projected to gradually increase for the next several years. The continued growth in student enrollment and the continued business and residential growth in the School District will provide additional income for the School District and will help offset any reductions, if any, in state funding due to the state budget cuts.

With careful planning and monitoring of our finances, Waverly City School District's Board of Education is committed to providing a quality education for our students and a secure financial future for the School District.

### **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 receives. If you have any questions about this report or need additional information contact Rebecca L. Peden, Treasurer/Chief Financial Officer of Waverly City Board of Education, 500 East Second Street, Waverly, OH 45690-1297 or e-mail at [bpeden\\_wc@scoca-k12.org](mailto:bpeden_wc@scoca-k12.org).

THIS PAGE INTENTIONALLY LEFT BLANK

## **Basic Financial Statements**

THIS PAGE INTENTIONALLY LEFT BLANK



**Waverly City School District**  
*Statement of Net Assets*  
*June 30, 2004*

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$10,606,480
Accrued Interest Receivable	13,251
Accounts Receivable	80,000
Prepaid Items	102,189
Materials and Supplies Inventory	5,348
Intergovernmental Receivable	603,893
Taxes Receivable	4,401,392
Cash and Cash Equivalents with Escrow Agents	699,745
Deferred Charges	114,560
Capital Assets:	
Land and Construction in Progress	42,132,236
Depreciable Capital Assets, Net	4,530,872
<i>Total Assets</i>	63,289,966
 <b>Liabilities</b>	
Accounts Payable	193,416
Contracts Payable	1,237,423
Accrued Wages	1,265,013
Intergovernmental Payable	392,818
Deferred Revenue	3,669,303
Undistributed Monies	202
Accrued Interest Payable	192,426
Retainage Payable	699,745
Long-Term Liabilities:	
Due Within One Year	356,619
Due Within More Than One Year	8,951,199
<i>Total Liabilities</i>	16,958,164
 <b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	42,498,447
Restricted for:	
Capital Projects	428,569
Debt Service	72,149
Set Asides	57,076
Other Purposes	81,599
Unrestricted	3,193,962
<i>Total Net Assets</i>	\$46,331,802

See accompanying notes to the basic financial statements

**Waverly City School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2004

	Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions
<b>Governmental Activities</b>			
Instruction:			
Regular	\$7,621,366	\$531,435	\$762,204
Special	1,190,478	0	881,843
Vocational	147,756	0	40,443
Support Services:			
Pupils	827,706	18,046	22,412
Instructional Staff	1,158,050	2,538	500,901
Board of Education	45,493	0	0
Administration	1,158,011	0	89,938
Fiscal	425,265	0	0
Operation and Maintenance of Plant	1,249,016	2,030	0
Pupil Transportation	988,140	0	0
Central	16,945	0	23,863
Operation of Non-Instructional Services:			
Food Services	693,429	218,782	349,566
Other	1,257	0	115
Extracurricular Activities	504,173	135,758	7,557
Intergovernmental	534,151	0	531,730
Interest and Fiscal Charges	422,081	0	0
<i>Total Governmental Activities</i>	<u>\$16,983,317</u>	<u>\$908,589</u>	<u>\$3,210,572</u>

**General Revenues**

Property Taxes Levied for:

General Purposes

Debt Service

Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Unrestricted Gifts and Donations

Miscellaneous

*Total General Revenues*

Change in Net Assets

*Net Assets Beginning of Year (Restated - Note 3)*

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets	
Capital Grants and Contributions	Governmental Activities
\$46,200	(\$6,281,527)
0	(308,635)
0	(107,313)
0	(787,248)
0	(654,611)
0	(45,493)
0	(1,068,073)
0	(425,265)
0	(1,246,986)
0	(988,140)
0	6,918
0	(125,081)
0	(1,142)
0	(360,858)
0	(2,421)
0	(422,081)
<u>\$46,200</u>	<u>(12,817,956)</u>
	3,485,175
	607,668
	69,530
	8,449,946
	161,814
	2,900
	<u>211,683</u>
	<u>12,988,716</u>
	170,760
	<u>46,161,042</u>
	<u><u>\$46,331,802</u></u>

**Waverly City School District**

*Balance Sheet*

*Governmental Funds*

*June 30, 2004*

	General	Construction	Other Governmental Funds	Total Governmental Funds
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$4,785,055	\$4,988,990	\$775,359	\$10,549,404
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	57,076	0	0	57,076
Cash and Cash Equivalents with Escrow Agents	0	699,745	0	699,745
Receivables:				
Taxes	3,683,114	0	718,278	4,401,392
Accounts	80,000	0	0	80,000
Intergovernmental	0	532,705	71,188	603,893
Accrued Interest	12,053	1,198	0	13,251
Interfund Receivable	83,697	0	0	83,697
Prepaid Items	52,882	49,055	252	102,189
Materials and Supplies Inventory	0	0	5,348	5,348
<i>Total Assets</i>	<i>\$8,753,877</i>	<i>\$6,271,693</i>	<i>\$1,570,425</i>	<i>\$16,595,995</i>
<b><u>Liabilities and Fund Balances:</u></b>				
<b><u>Liabilities:</u></b>				
Accounts Payable	\$152,260	\$8,038	\$33,118	\$193,416
Contracts Payable	0	1,237,423	0	1,237,423
Accrued Wages	1,059,730	0	205,283	1,265,013
Payable from Restricted Assets:				
Retainage Payable	0	699,745	0	699,745
Interfund Payable	0	0	83,697	83,697
Intergovernmental Payable	218,770	0	32,080	250,850
Deferred Revenue	3,355,540	420,348	638,374	4,414,262
Undistributed Monies	202	0	0	202
<i>Total Liabilities</i>	<i>4,786,502</i>	<i>2,365,554</i>	<i>992,552</i>	<i>8,144,608</i>
<b><u>Fund Balances:</u></b>				
Reserved for Encumbrances	495,713	3,990,149	135,391	4,621,253
Reserved for Property Taxes	277,602	0	62,592	340,194
Reserved for Budget Stabilization	57,076	0	0	57,076
Unreserved (Deficit):				
Undesignated, Reported in:				
General Fund	3,136,984	0	0	3,136,984
Special Revenue Funds	0	0	87,117	87,117
Debt Service Fund	0	0	284,026	284,026
Capital Projects Funds	0	(84,010)	8,747	(75,263)
<i>Total Fund Balances</i>	<i>3,967,375</i>	<i>3,906,139</i>	<i>577,873</i>	<i>8,451,387</i>
<i>Total Liabilities and Fund Balances</i>	<i>\$8,753,877</i>	<i>\$6,271,693</i>	<i>\$1,570,425</i>	<i>\$16,595,995</i>

See accompanying notes to the basic financial statements

**Waverly City School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2004*

**Total Governmental Fund Balances** \$8,451,387

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	852,800	
Construction in progress	41,279,436	
Other capital assets	13,830,050	
Accumulated depreciation	(9,299,178)	
Total capital assets	46,663,108	46,663,108

Some of the School District's revenues 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.

Taxes	243,447	
Accounts	80,000	
Intergovernmental	421,512	
Total deferred	744,959	744,959

Intergovernmental payable includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds. (141,968)

Bond issuance costs reported as an expenditure in governmental funds are allocated as an expense over the life of the debt on a full accrual basis. 114,560

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds and loans payable	(8,324,601)	
Premium on debt issue	(114,640)	
Accrued interest on bonds	(192,426)	
Capital leases	(13,796)	
Compensated absences	(854,781)	
Total liabilities	(9,500,244)	(9,500,244)

**Net Assets of Governmental Activities** \$46,331,802

See accompanying notes to the basic financial statements

**Waverly City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Fiscal Year Ended June 30, 2004*

	General	Construction	Other Governmental Funds	Total Governmental Funds
<b><u>Revenues:</u></b>				
Property Taxes	\$3,475,332	\$0	\$674,970	\$4,150,302
Intergovernmental	9,043,945	10,138,042	2,802,865	21,984,852
Interest	73,803	94,816	0	168,619
Tuition and Fees	502,353	0	26,042	528,395
Extracurricular Activities	0	0	159,017	159,017
Customer Services	0	0	218,782	218,782
Rent	2,030	0	365	2,395
Gifts and Donations	2,900	0	10,375	13,275
Payment in Lieu of Taxes	40,000	0	0	40,000
Miscellaneous	127,378	2,200	82,105	211,683
<i>Total Revenues</i>	<u>13,267,741</u>	<u>10,235,058</u>	<u>3,974,521</u>	<u>27,477,320</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	6,498,037	0	795,987	7,294,024
Special	787,344	0	423,259	1,210,603
Vocational	165,901	0	0	165,901
Support Services:				
Pupils	804,342	0	40,299	844,641
Instructional Staff	642,754	0	491,944	1,134,698
Board of Education	45,493	0	0	45,493
Administration	1,042,202	0	119,086	1,161,288
Fiscal	398,208	0	23,854	422,062
Operation and Maintenance of Plant	1,207,345	0	0	1,207,345
Pupil Transportation	1,025,166	0	3,397	1,028,563
Central	13,807	0	0	13,807
Operation of Non-Instructional Services - Food Services	15,727	0	677,642	693,369
Operation of Non-Instructional Services - Other	0	0	155	155
Extracurricular Activities	313,469	0	223,665	537,134
Capital Outlay	705,952	18,358,697	0	19,064,649
Intergovernmental	8,928	0	525,281	534,209
Debt Service:				
Principal Retirement	16,724	0	258,357	275,081
Interest and Fiscal Charges	1,969	0	382,599	384,568
<i>Total Expenditures</i>	<u>13,693,368</u>	<u>18,358,697</u>	<u>3,965,525</u>	<u>36,017,590</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(425,627)</u>	<u>(8,123,639)</u>	<u>8,996</u>	<u>(8,540,270)</u>
<b><u>Other Financing Sources (Uses):</u></b>				
Proceeds from Sale of Capital Assets	4,400	0	0	4,400
Transfers In	0	0	209,120	209,120
Transfers Out	(209,120)	0	0	(209,120)
<i>Total Other Financing Sources (Uses)</i>	<u>(204,720)</u>	<u>0</u>	<u>209,120</u>	<u>4,400</u>
<i>Net Change in Fund Balances</i>	<u>(630,347)</u>	<u>(8,123,639)</u>	<u>218,116</u>	<u>(8,535,870)</u>
<i>Fund Balances at Beginning of Year</i>	<u>4,597,722</u>	<u>12,029,778</u>	<u>359,757</u>	<u>16,987,257</u>
<i>Fund Balances at End of Year</i>	<u>\$3,967,375</u>	<u>\$3,906,139</u>	<u>\$577,873</u>	<u>\$8,451,387</u>

See accompanying notes to the basic financial statements

**Waverly 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** (\$8,535,870)

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital asset additions	19,370,905	
Depreciation expense	(579,733)	
Excess of capital outlay over depreciation expense	18,791,172	18,791,172

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of the capital assets are removed from the capital asset account in the statement of net assets and offset against the proceeds from the sale of capital assets resulting in a loss on the sale of capital assets in the statement of activities.

Proceeds from Sale of Capital Assets	(4,400)	
Loss on Disposal of Capital Assets	(71,821)	
	(76,221)	(76,221)

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues changed by this amount this year.

Delinquent Property Taxes	12,071	
Accounts	(40,000)	
Intergovernmental	(10,288,509)	
Interest	(6,805)	
	(10,323,243)	(10,323,243)

Governmental funds report premiums and bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of bond issuance costs	(5,728)	
Amortization of bond premium	5,732	
	4	4

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

Loan principal retirement	68,357	
Bond principal retirement	190,000	
Capital lease payments	16,724	
Total long-term debt repayment	275,081	275,081

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	62,702	
Decrease in accrued interest payable	6,168	
Accretion on bonds	(43,685)	
Decrease in intergovernmental payable	14,652	
Total additional expenditures	39,837	39,837

**Change in Net Assets of Governmental Activities** \$170,760

See accompanying notes to the basic financial statements

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

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Property Taxes	\$3,534,451	\$3,287,213	\$3,287,213	\$0
Intergovernmental	7,765,206	8,974,713	8,974,713	0
Interest	69,686	80,300	96,639	16,339
Tuition and Fees	435,935	502,353	502,353	0
Rent	1,762	2,030	2,030	0
Gifts and Donations	37,228	2,900	2,900	0
Payments in Lieu of Taxes	0	40,000	40,000	0
Miscellaneous	105,282	121,325	121,325	0
<i>Total Revenues</i>	<u>11,949,550</u>	<u>13,010,834</u>	<u>13,027,173</u>	<u>16,339</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction	5,875,146	6,488,521	6,288,615	199,906
Special Instruction	848,057	842,393	799,591	42,802
Vocational Instruction	156,285	183,868	178,869	4,999
Other Instruction	130,507	379,270	379,270	0
Support Services:				
Pupils	790,307	842,269	810,116	32,153
Instructional Staff	522,966	673,776	627,904	45,872
Board of Education	84,047	84,336	42,927	41,409
Administration	1,045,177	1,120,586	1,031,499	89,087
Fiscal	419,141	444,584	406,770	37,814
Operation and Maintenance of Plant	1,252,921	1,487,933	1,282,085	205,848
Pupil Transportation	1,229,399	1,299,232	1,118,655	180,577
Central	10,084	13,942	13,942	0
Operation of Non-Instructional Services	4,639	42,654	41,624	1,030
Extracurricular Activities	244,187	344,939	329,241	15,698
Capital Outlay	748,771	790,945	742,635	48,310
Intergovernmental	0	8,928	8,928	0
<i>Total Expenditures</i>	<u>13,361,634</u>	<u>15,048,176</u>	<u>14,102,671</u>	<u>945,505</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,412,084)</u>	<u>(2,037,342)</u>	<u>(1,075,498)</u>	<u>961,844</u>
<b><u>Other Financing Sources (Uses):</u></b>				
Proceeds from Sale of Capital Assets	4,400	4,400	4,400	0
Refund of Prior Year Expenditures	1,635	1,635	1,635	0
Refund of Prior Year Receipts	(1,540)	(1,540)	(1,540)	0
Advances In	207,404	207,404	207,404	0
Advances Out	(214,159)	(214,159)	(72,523)	141,636
Transfers Out	(178,769)	(212,120)	(212,120)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(181,029)</u>	<u>(214,380)</u>	<u>(72,744)</u>	<u>141,636</u>
<i>Net Change in Fund Balance</i>	<u>(1,593,113)</u>	<u>(2,251,722)</u>	<u>(1,148,242)</u>	<u>1,103,480</u>
<i>Fund Balance at Beginning of Year</i>	<u>4,879,848</u>	<u>4,879,848</u>	<u>4,879,848</u>	<u>0</u>
<i>Unexpended Prior Year Encumbrances</i>	<u>478,863</u>	<u>478,863</u>	<u>478,863</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,765,598</u></u>	<u><u>\$3,106,989</u></u>	<u><u>\$4,210,469</u></u>	<u><u>\$1,103,480</u></u>

See accompanying notes to the basic financial statements



**Waverly City School District**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Fund*  
*June 30, 2004*

<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$31,787</u>
<i>Total Assets</i>	<u><u>\$31,787</u></u>
<b>Liabilities</b>	
Undistributed Monies	<u>\$31,787</u>
<i>Total Liabilities</i>	<u><u>\$31,787</u></u>

See accompanying notes to the basic financial statements

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

Waverly 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 operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and federal guidelines.

The School District was established in 1969 through the consolidation of existing land areas and school districts. The School District serves an area of approximately 119 square miles. It is located in Pike County, and includes all of the City of Waverly and portions of Pebble, Pee Pee, Jackson, and Franklin Townships. It is staffed by 99 non-certificated employees, 128 certificated full-time teaching personnel and 15 administrative employees who provide services to 2,098 students and other community members. The School District currently operates four instructional buildings, one administrative building, and one garage.

*Reporting Entity:*

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements 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 Waverly City School District, this includes general operations, food service, and student related activities of the School District. The following activities are also included within the reporting entity:

*Parochial School* – Within the School District boundaries, Pike Christian Academy is operated as a private school. Current State legislation provides funding to this parochial school. These monies are received and disbursed on behalf of the parochial school by the Treasurer of the School District, as directed by the parochial school. This activity is reflected in a special revenue fund and as part of governmental activities for financial reporting purposes.

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 participates in four jointly governed organizations and two insurance purchasing pools. These organizations are the South Central Ohio Computer Association (SCOCA), the Pike County Joint Vocational School, the Coalition of Rural and Appalachian Schools, the Pilasco-Ross Special Education Regional Resource Center, the Ohio School Plan, and the Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan. These organizations are presented in Notes 17 and 18 to the basic financial statements.

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

The financial statements of the Waverly 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 School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

**A. Basis of Presentation**

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

**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 fiscal 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 and interest earned on grants that is required to be used to support 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 governmental function is self-financing or draws from the general revenues of the School District.

**Fund Financial Statements**

During the fiscal year, the School District segregates transactions related to certain School 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.

**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. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a 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 - The General 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.

Construction Fund - The Construction Fund is used to account for all intergovernmental monies, debt proceeds and interest received and expended in connection with the contracts entered into by the School District and the Ohio School Facilities Commission for the building and equipping of new classroom facilities.

The other governmental funds of the School District account for grants and other resources, debt service, and capital projects 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 School District's only fiduciary fund is an agency fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency fund accounts for those student managed activities which consist of a student body, student president, student treasurer, and faculty advisor.

**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. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

**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 balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include 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 Non-exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "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 an 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 fiscal year-end: property taxes available for advance, grants and interest.

**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 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The 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 School District records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. The School District also utilizes an escrow agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as "Restricted Assets: Cash and Cash Equivalents with Escrow Agents."

During fiscal year 2004, the District invested in the State Treasury Asset Reserve of Ohio (STAROhio), money market mutual funds, Federal Home Loan Bank Discount Notes, Federal Home Loan Mortgage Corporation Notes, Federal Home Loan Mortgage Corporation Discount Notes, Federal Home Loan Bank Bonds, a Federal Home Loan Mortgage Corporation Bond, and a Federal National Mortgage Association Discount Note. Except for non-participating investment contracts, investments are reported at fair value which is based on quoted market prices. For investments in open-end mutual funds, the fair value is determined by the fund's current share price. 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 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 \$73,803, which includes \$8,964 assigned from other School District funds.

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 reported as cash equivalents.

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

**F. Inventory**

Inventories are presented at cost on a first-in, first-out basis and are expensed/expensed when used.

Inventories consist of purchased food held for resale and consumable supplies.

**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.

**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. Restricted assets in the General Fund are amounts required by statute to be set-aside by the School District to create a reserve for budget stabilization. See Note 19 for additional information regarding set-asides.

**I. Capital Assets**

All capital assets of the School District are general capital assets that are associated with governmental activities. General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

Capital assets 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 costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not 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	5 - 20 years
Buildings and Improvements	10 - 50 years
Furniture and Equipment	5 - 20 years
Vehicles	10 years
Books and Educational Media	5 years

**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 columns of the statement of net assets.

**K. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the 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 payment 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 classified and certified employees and administrators after 20 years of current service with the School District.

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

All payables, accrued liabilities and long-term obligations 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 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 loans and capital leases are recognized as a liability on the government-wide 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. Net assets restricted for other purposes include activities for food service operations, music and athletic programs, and federal and state grants restricted to expenditures for specified purposes.

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



**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 balance reserves have been established for encumbrances, property taxes and budget stabilization.

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

**O. 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 fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

**P. Bond Premiums/Issuance Costs/Compounded Interest on Capital Appreciation Bonds**

Bond premiums and issuance costs are deferred and amortized over the term of the bonds using the straight line method since the results are not significantly different from the effective interest method. Capital appreciation bonds are accreted each year for the compounded interest accrued during the year. Bond premiums and the compounded interest on the capital appreciation bonds are presented as a reduction/addition of the face amount of the bonds payable whereas issuance costs are recorded as deferred charges.

**Q. 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.

**R. Budgetary Process**

All funds, other than the agency fund, are legally required to be budgeted and appropriated. 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 control has been established by the Board of Education at the fund level. The treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

Waverly 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)

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 original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate in effect at the time the final appropriations were passed.

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 – CHANGE IN ACCOUNTING PRINCIPLE AND CORRECTION OF AN ERROR**

**A. Change in Accounting Principle**

For fiscal year 2004, the School District has implemented GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units.” This Statement further defines the guidelines of GASB Statement No. 14, “The Financial Reporting Entity.” The implementation of this new statement has no effect on the School District’s financial statements for fiscal year 2004.

**B. Correction of an Error**

During fiscal year 2004, the School District determined that receivables in governmental funds at June 30, 2003, were overstated. This resulted in the following restatement of net assets and change in net assets:

	Governmental Activities
Net Assets, June 30, 2003, as reported	\$46,423,851
Restatement of Receivables	(262,809)
Net Assets, June 30, 2003, as restated	\$46,161,042
	Governmental Activities
Change in Net Assets, June 30, 2003, as reported	\$704,627
Restatement of Receivables	(262,809)
Change in Net Assets, June 30, 2003, as restated	\$441,818

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

---

**NOTE 4 – ACCOUNTABILITY**

At June 30, 2004, the Food Services, Uniform School Supplies, Preschool, Disadvantaged Pupil Impact Aid, Reading Intervention, Alternative Education, Title VI-B, Title I, and Title VI-R nonmajor special revenue funds had deficit fund balances of \$26,855, \$9,663, \$18,048, \$20,938, \$43, \$6,038, \$25,118, \$63,327, and \$18,058, respectively. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual 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 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 are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

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

Net Change in Fund Balance	
GAAP Basis	(\$630,347)
Adjustments:	
Revenue Accruals	(257,303)
Net Increase in Fair Value of Investments - Fiscal Year 2003	3,104
Net Decrease in Fair Value of Investments - Fiscal Year 2004	15,266
Expenditure Accruals	236,085
Encumbrances	(646,928)
Transfers	(3,000)
Advances	134,881
Budget Basis	(\$1,148,242)

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

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

Protection of the 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 monies deposited with the institution.

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

---

**NOTE 6 - DEPOSITS AND INVESTMENTS** (continued)

7. Certain bankers' 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 the interim monies available for investment at any one time; and
8. Under limited circumstances, 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 (including Repurchase Agreements), and Reverse Repurchase Agreements."

*Deposits:* At fiscal year-end, the carrying amount of the School District's deposits was \$4,922,751 and the bank balance was \$5,331,355. Of the bank balance, \$103,524 was covered by federal depository insurance and \$5,227,831 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging financial institution's 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 FDIC.

*Investments:* The School District's investments are required to be categorized 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 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 counterparty'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. Investments in STAROhio, an investment pool operated by the Ohio State Treasurer, and money market mutual funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**NOTE 6 - DEPOSITS AND INVESTMENTS** (continued)

	<u>Unclassified</u>	<u>Category 2</u>	<u>Fair Value</u>
STAROhio	\$184,753	\$0	\$184,753
Money Market Mutual Funds	725,209	0	725,209
Federal Home Loan Bank			
Discount Notes	0	749,475	749,475
Federal Home Loan Mortgage			
Corporation Notes	0	499,202	499,202
Federal Home Loan Mortgage			
Corporation Discount Notes	0	1,207,266	1,207,266
Federal Home Loan Bank Bonds	0	1,986,563	1,986,563
Federal Home Loan Mortgage			
Corporation Bond	0	224,618	224,618
Federal National Mortgage			
Association Discount Note	0	838,175	838,175
Totals	<u>\$909,962</u>	<u>\$5,505,299</u>	<u>\$6,415,261</u>

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

A reconciliation between the classifications of cash and cash equivalents and investments on the basic financial statements and the classification of deposits and investments presented above per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$11,338,012	\$0
Investments:		
STAROhio	(184,753)	184,753
Money Market Mutual Funds	(725,209)	725,209
Federal Home Loan Bank Discount Notes	(749,475)	749,475
Federal Home Loan Mortgage Corporation Notes	(499,202)	499,202
Federal Home Loan Mortgage Corporation Discount Notes	(1,207,266)	1,207,266
Federal Home Loan Bank Bonds	(1,986,563)	1,986,563
Federal Home Loan Mortgage Corporation Bond	(224,618)	224,618
Federal National Mortgage Association Discount Note	(838,175)	838,175
GASB Statement No. 3	<u>\$4,922,751</u>	<u>\$6,415,261</u>

Waverly 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 while the School District's fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

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

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

Tangible personal property tax revenue received during calendar 2004 (other than public utility property) represents the collection of 2004 taxes. Tangible personal property taxes received in calendar year 2004 were levied after April 1, 2003, on the value as of December 31, 2003. Tangible personal property is currently assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30. This year, however, the June 2004 tangible personal property tax from Pike County was not received until August 2004.

The School District receives property taxes from Pike and Ross Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the Counties 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 includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2004, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current year operations.

The amount available as an advance at June 30, 2004, was \$277,602 in the General Fund, \$6,334 in the Classroom Facilities Maintenance Special Revenue Fund, and \$56,258 in the Debt Service Fund. The amount available as an advance at June 30, 2003, was \$219,455 in the General Fund, \$4,991 in the Classroom Facilities Maintenance Special Revenue Fund, and \$44,774 in the Debt Service Fund.

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

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

---

**NOTE 7 - PROPERTY TAXES** (continued)

The assessed values upon which 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	\$113,872,000	76.82%	\$114,607,680	75.88%
Public Utility	10,924,400	7.37%	11,421,250	7.56%
Tangible Personal Property	23,441,485	15.81%	25,005,172	16.56%
Total Assessed Value	\$148,237,885	100.00%	\$151,034,102	100.00%

Tax rate per \$1,000 of assessed valuation	\$37.12	\$37.12
---	---------	---------

**NOTE 8 - RECEIVABLES**

Receivables at June 30, 2004, consisted of property taxes, accounts, intergovernmental grants, accrued interest, and interfund. 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 fiscal year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities:	
Classroom Facilities Grant	\$532,705
Student Reading Intervention Grant	15,449
Title VI-B	19,124
Title V	22,342
Drug Free Schools	7,659
Title II-D	6,614
Total Intergovernmental Receivables	\$603,893

During fiscal year 2001, the School District was awarded \$36,836,323 for the renovations and additions to the School District's buildings under the State's "Classroom Facilities Program." Under this program, the School District entered into an agreement with the State of Ohio in which the State paid for a portion of the estimated project costs. As part of the process, the School District maintains a fund into which a one-half mill levy is receipted for facilities maintenance. In addition, the School District must submit a maintenance plan to the Ohio School Facilities Commission every five years until the twenty-three year period expired. As of June 30, 2004, the School District had received \$36,303,618 of the amount awarded under this program. It is anticipated that all receivables will be collected within one year.



Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**NOTE 9 - CAPITAL ASSETS**

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

	Ending Balance 6/30/2003	Additions	Deletions	Ending Balance 6/30/2004
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated				
Land	\$852,800	\$0	\$0	\$852,800
Construction in Progress	22,210,062	19,069,374	0	41,279,436
Total Capital Assets, Not Being Depreciated	<u>23,062,862</u>	<u>19,069,374</u>	<u>0</u>	<u>42,132,236</u>
Capital Assets Being Depreciated				
Land Improvements	1,145,296	0	0	1,145,296
Buildings and Improvements	6,843,310	0	0	6,843,310
Furniture and Equipment	3,358,484	146,111	(117,627)	3,386,968
Vehicles	1,726,613	155,420	(117,709)	1,764,324
Books and Educational Media	690,152	0	0	690,152
Total Capital Assets, Being Depreciated	<u>13,763,855</u>	<u>301,531</u>	<u>(235,336)</u>	<u>13,830,050</u>
Less Accumulated Depreciation:				
Land Improvements	(757,920)	(39,964)	0	(797,884)
Buildings and Improvements	(3,929,571)	(189,527)	0	(4,119,098)
Furniture and Equipment	(2,439,484)	(224,900)	41,406	(2,622,978)
Vehicles	(1,061,433)	(125,342)	117,709	(1,069,066)
Books and Educational Media	(690,152)	0	0	(690,152)
Total Accumulated Depreciation	<u>(8,878,560)</u>	<u>(579,733) *</u>	<u>159,115</u>	<u>(9,299,178)</u>
Total Capital Assets Being Depreciated, Net	<u>4,885,295</u>	<u>(278,202)</u>	<u>(76,221)</u>	<u>4,530,872</u>
Governmental Activities Capital Assets, Net	<u>\$27,948,157</u>	<u>\$18,791,172</u>	<u>(\$76,221)</u>	<u>\$46,663,108</u>

Waverly 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 follows:

Instruction:	
Regular	\$310,290
Special	11,145
Vocational	153
Support Services:	
Pupils	7,322
Instructional Staff	4,387
Administration	19,327
Fiscal	5,347
Operation and Maintenance of Plant	65,420
Pupil Transportation	130,339
Central	3,138
Operation of Non-Instruction Services:	
Food Services	1,877
Other	4,860
Extracurricular Activities	16,128
Total Depreciation Expense	\$579,733

**NOTE 10 - RISK MANAGEMENT**

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 Harcum-Schuett Insurance for fleet insurance and Cincinnati Insurance for property insurance. Coverage is as follows:

Building and Contents - replacement cost (\$1,000 deductible)	\$24,303,974
Builders' Risk Coverage (\$10,000 deductible)	32,000,000
Builders' Risk Coverage - Earthquake (\$2,500 deductible)	1,000,000
Blanket Business - Personal Property	4,974,158
Including: Inland Marine Coverage (\$100 deductible)	33,150
Boiler and Machinery (\$250 deductible)	300,000
Crime Insurance (\$100 deductible)	6,000
Automobile Liability (\$1,000 deductible for buses; \$500 for other)	1,000,000

The School District, along with other school districts in Ohio, participates in the Ohio School Plan (OSP), a public entity insurance purchasing pool. Each individual school district enters into an agreement with the OSP and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The District pays this annual premium to the OSP (See Note 18).

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

---

**NOTE 10 - RISK MANAGEMENT** (continued)

The types and amounts of coverage provided by the Ohio School Plan are as follows:

General Liability:	
Aggregate Limit	\$3,000,000
Bodily Injury and Property Damage Limit - Each Occurrence and Sexual Abuse Injury Limit - Each Offense	1,000,000
Personal and Advertising Injury Limit - Each Offense	1,000,000
Medical Expense Limit - Per Person/Accident	10,000
- Each Accident	10,000
Fire Damage Limit - Any One Event	500,000
Products - Completed Operations Limit	1,000,000
Employer's Liability:	
Bodily Injury - Each Accident	1,000,000
Bodily Injury - Endorsement Limit	1,000,000
Bodily Injury by Disease - Each Employee	1,000,000
Employee Benefits Liability:	
Per Claim	1,000,000
Aggregate Limit	3,000,000
Educational Legal Liability:	
Errors and Omissions Injury Limit (\$2,500 deductible)	1,000,000
Errors and Omissions Aggregate Limit	2,000,000
Employment Practices Injury Limit (\$2,500 deductible)	1,000,000
Defense Costs Cap	1,000,000
Defense Costs Aggregate Cap	1,000,000

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

The Ohio Casualty Insurance Company maintains a \$100,000 public official bond for the Treasurer, position bonds of \$20,000 each for the Superintendent and Board President, and a \$5,000 blanket bond for other employees.

For fiscal year 2004, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 18). 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 workers' 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. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage 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's selection criteria. The firm of Sheakley Uniservice, Inc. provides administrative, cost control, and actuarial services to the GRP.

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

**A. 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 Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 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 annual covered salary was the portion used to fund pension obligations. For fiscal year 2003, 8.17 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2004, 2003, and 2002, were \$191,188, \$187,937, and \$124,135, respectively; 47.85 percent has been contributed for fiscal year 2004 and 100 percent for the fiscal years 2003 and 2002.

**B. State Teachers Retirement System**

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to the STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (614) 227-4090, or by visiting the STRS Ohio web site at [www.strsoh.org](http://www.strsoh.org).

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 20, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

**NOTE 11 - DEFINED BENEFIT PENSION PLANS** (continued)

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.

For the fiscal year ended June 30, 2004, plan members were required to contribute 10 percent of their annual covered salaries. The School District was 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 the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2004, 2003, and 2002, were \$908,167, \$959,354, and \$640,937, respectively; 83.07 percent has been contributed for fiscal year 2004 and 100 percent for fiscal years 2003 and 2002. Contributions to the DC and Combined Plans for fiscal year 2004 were \$5,736 made by the School District and \$8,713 made by the plan members.

**C. 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, one member of the Board of Education has elected Social Security. The Board's liability is 6.2 percent of wages paid.

**NOTE 12 - POSTEMPLOYMENT BENEFITS**

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS Ohio), and to retired non-certified 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 on a pay-as-you-go basis.

All STRS Ohio benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2004, the STRS Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$69,859 for fiscal year 2004.

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

**NOTE 12 - POSTEMPLOYMENT BENEFITS** (continued)

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 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 the fiscal year ended June 30, 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 was established at \$25,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2004 fiscal year equaled \$142,875.

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 the annual health care expenses. Expenses for health care for the fiscal year ended 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. SERS has approximately 50,000 participants currently receiving health care benefits.

**NOTE 13 - EMPLOYEE BENEFITS**

**A. Compensated Absences**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and administrators 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. Sick leave may be accumulated up to a maximum of 220 days for all certified and classified personnel. Upon retirement, payment is made to certified employees for 30 percent of accrued but unused sick leave. Classified employees receive 40 percent of accrued but unused sick leave up to a maximum of 55 days. Classified employees also receive an amount equal to 10 percent of accumulated sick leave days over 75.

**B. Insurance Benefits**

Medical/surgical and prescription drug insurance is offered to employees through United Health Care. 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 Coresource.

The School District provides life insurance and accidental death and dismemberment insurance to employees through CoreSource.

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

---

**NOTE 13 - EMPLOYEE BENEFITS** (continued)

**C. Deferred Compensation**

School District employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

**NOTE 14 - CAPITALIZED LEASES - LESSEE DISCLOSURE**

In prior years, the School District entered into leases for duplicating equipment and a modular building. The leases meet 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.

The assets acquired through capital leases are as follows:

	Asset Value	Accumulated Depreciation	Net Book Value
Asset:			
Modular Classroom	\$65,000	\$26,000	\$39,000
Copier Equipment	35,005	10,002	25,003
Totals	\$100,005	\$36,002	\$64,003

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

Fiscal Year Ending June 30,	Total Payments
2005	\$12,630
2006	2,161
Total Minimum Lease Payments	14,791
Less: Amount Representing Interest	(995)
Present Value of Net Minimum Lease Payments	\$13,796

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**NOTE 15 - LONG-TERM OBLIGATIONS**

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

	Amount Outstanding 6/30/03	Additions	Deductions	Amount Outstanding 6/30/04	Amounts Due in One Year
<u>Governmental Activities:</u>					
1998 Energy Conservation					
Loan - 4.35%	\$547,465	\$0	\$68,357	\$479,108	\$71,111
General Obligation Bonds:					
2001 Classroom Facilities:					
Term Bonds 5.10%	1,200,000	0	0	1,200,000	0
Serial Bonds 4.00 to 5.10%	6,440,000	0	190,000	6,250,000	200,000
Capital Appreciation					
Bonds 12.26%	275,906	0	0	275,906	0
Accretion on Capital					
Appreciation Bonds	75,902	43,685	0	119,587	0
Premium on Debt Issue	120,372	0	5,732	114,640	0
Compensated Absences	917,483	14,440	77,142	854,781	73,873
Capital Leases	30,520	0	16,724	13,796	11,635
Total Governmental Activities					
Long-Term Obligations	<u>\$9,607,648</u>	<u>\$58,125</u>	<u>\$357,955</u>	<u>\$9,307,818</u>	<u>\$356,619</u>

1998 Energy Conservation Loan

On December 1, 1998, Waverly City School District entered into a loan in the amount of \$794,000 in unvoted general obligation notes for the purpose of providing energy conservation measures for the School District, under the authority of Ohio Revised Code sections 133.06(G) and 3313.372. The notes were issued for an eleven year period with final maturity during fiscal year 2010. The loan will be retired by transfers from the General Fund to the Debt Service Fund. It is anticipated that the savings over eleven years will offset the costs.

2001 Classroom Facilities General Obligation Bonds

On June 14, 2001, the School District issued \$8,085,906 in voted general obligation bonds for the purpose of constructing new classroom facilities. Current interest bonds were issued in an aggregate principal amount of \$7,810,000. Of these bonds, \$6,610,000 are serial bonds, \$1,200,000 are term bonds, and \$275,906 are capital appreciation bonds. The bonds were issued for a twenty-three year period with final maturity in December 2023. The bonds will be retired from the Debt Service Fund.

The term bonds issued at \$1,200,000 and maturing on December 1, 2023, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption, on December 1, in the years and in the respective principal amounts as follows:



Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

---

**NOTE 15 - LONG-TERM OBLIGATIONS** (continued)

Year	Amount
2022	\$585,000
2023	615,000
Total	\$1,200,000

The serial bonds issued at \$6,610,000 and with maturity date of December 1, 2002 to December 1, 2021, are subject to optional redemption, in whole or in part on any date at the option of the issuer on or after December 1, 2010, at the redemption price of 100%.

The capital appreciation bonds, issued at \$275,906, are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years in 2007 thru 2008, with a maturity amount of \$280,000 each year. For fiscal year 2004, the capital appreciation bonds were accreted \$43,685.

As of June 30, 2004, \$4,146,317 of the bond proceeds had been spent toward the project.

Compensated absences will be paid from the General, Food Service, Disadvantaged Pupil Impact Aid, and Title I Funds. Capital lease obligations will be paid from the General Fund.

The School District's overall legal debt margin was \$6,207,447 with an unvoted debt margin of \$151,034, and an Energy Conservation debt margin of \$880,199 at June 30, 2004.

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

Energy Conservation Loan - 1998			
Fiscal year Ending June 30,	Principal	Interest	Total
2005	\$71,111	\$21,242	\$92,353
2006	74,272	18,081	92,353
2007	77,574	14,779	92,353
2008	81,023	11,330	92,353
2009	84,625	7,728	92,353
2010	90,503	1,518	92,021
Total	\$479,108	\$74,678	\$553,786

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

**NOTE 15 - LONG-TERM OBLIGATIONS** (continued)

Classroom Facilities General Obligation Bonds - 2001

Fiscal Year Ending June 30,	Term Bonds Principal	Term Bonds Interest	Serial Bonds Principal	Serial Bonds Interest	Capital Appreciation Principal	Capital Appreciation Interest	Total
2005	\$0	\$0	\$200,000	\$350,803	\$0	\$0	\$550,803
2006	0	0	255,000	341,703	0	0	596,703
2007	0	0	0	336,603	146,151	133,849	616,603
2008	0	0	0	336,603	129,755	150,245	616,603
2009	0	0	280,000	330,932	0	0	610,932
2010-2014	0	0	1,720,000	1,447,664	0	0	3,167,664
2015-2019	0	0	2,200,000	989,590	0	0	3,189,590
2020-2024	1,200,000	92,565	1,595,000	276,774	0	0	3,164,339
Total	<u>\$1,200,000</u>	<u>\$92,565</u>	<u>\$6,250,000</u>	<u>\$4,410,672</u>	<u>\$275,906</u>	<u>\$284,094</u>	<u>\$12,513,237</u>

**NOTE 16 - INTERFUND ACTIVITY**

**A. Interfund Transfers**

Transfers made during the year ended June 30, 2004, were as follows:

Transfer To	Transfer From General
All Other Nonmajor Governmental Funds	<u>\$209,120</u>

Transfers were made to make annual loan debt service payments and to move unrestricted balances to support programs and projects accounted for in other funds.

**B. Interfund Receivables/Payables**

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

Payable	Receivable General
All Other Nonmajor Governmental Funds	<u>\$83,697</u>

The amounts due to the General Fund are the result of the School District moving unrestricted balances to support programs and projects accounted for in other funds. The General Fund will be reimbursed when funds become available in the special revenue funds.

**NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS**

**A. South Central Ohio Computer Association**

The School District is a participant in the South Central Ohio Computer Association (SCOCA) which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Pickaway, Gallia, Highland, Adams, Pike, Scioto, Brown, Ross, Vinton, Jackson and Lawrence Counties. 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 body of SCOCA consists of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, and a representative of the fiscal agent. The School District paid SCOCA \$26,900 for services provided during the year. Financial information can be obtained from their fiscal agent, the Pike County Joint Vocational School District, Tonya Cooper, who serves as Treasurer, at P. O. Box 577, 175 Beaver Creek Road, Piketon, Ohio 45661.

**B. Pike County Joint Vocational School**

The Pike County Joint Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of the Pike County Board of Education and one representative from the Waverly City Schools Board of Education, which possesses its own budgeting and taxing authority. To obtain financial information write to the Pike County Joint Vocational School, Tonya Cooper, who serves as Treasurer, at P.O. Box 577, 175 Beaver Creek Road, Piketon, Ohio 45661.

**C. Coalition of Rural and Appalachian Schools**

The Coalition of Rural and Appalachian Schools is a jointly governed organization of over one hundred school districts in southeastern Ohio. The Coalition is operated by a board which is composed of fourteen members. The board members are composed of one superintendent from each county elected by the school districts within that county.

The Council provides various services for school district administrative personnel; gathers data regarding conditions of education in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for school district personnel. The Council is not dependent upon the continued participation of the School District and the School District does not maintain an equity interest in or a financial responsibility for the Council. The School District paid \$300 to the Coalition for services provided during the year.

**NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS** (continued)

**D. Pilasco-Ross Special Education Regional Resource Center**

The Pilasco-Ross Special Education Regional Resource Center (Pilasco-Ross) is a special education service center which selects its own board, adopts its own budget and receives direct Federal and State grants for its operation. The jointly governed organization was formed for the purpose of initiating, expanding, and improving special education programs and services for children with disabilities and their parents.

Pilasco-Ross is governed by a board composed of superintendents of participating schools, parents of children with disabilities, representatives of chartered nonpublic schools, representatives of county boards of MR/DD, Shawnee State University, and the Southeast Regional Professional Development Centers whose terms rotate every year. The degree of control exercised by any participating school district is limited to its representation on the Board. Financial information can be obtained by contacting the fiscal agent, Jim Tordiff, Treasurer, at Dawson-Bryant Local School District, 222 Lane Street, Coal Grove, Ohio 45638.

**NOTE 18 - INSURANCE PURCHASING POOLS**

**A. Ohio School Plan**

The School District participates in the Ohio School Plan (OSP), an insurance purchasing pool. The Ohio School Plan (OSP) is created and organized pursuant to and as authorized by Section 2744.081 of the Ohio Revised Code. The OSP is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the Plan to provide for a formalized, joint insurance purchasing program to maintain adequate insurance protection, risk management programs and other administrative services. The OSP's business and affairs are conducted by a fifteen member Board of directors consisting of school district superintendents and treasurers, as well as the president of Harcum-Schuett Insurance Agency, Inc. and a partner of the Hylant Group, Inc. Hylant Group, Inc. is the Administrator of the OSP and is responsible for processing claims. Harcum-Schuett Insurance Agency, Inc. is the sales and marketing representative, which establishes agreements between OSP and member schools.

**B. Ohio Association of School Business Officials Workers' Compensation Group Rating Plan**

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

The GRP's business and affairs are conducted by a five member Board of Directors. Each year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

---

**NOTE 19 - SET-ASIDE CALCULATIONS**

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

The School District is no longer required to set aside funds in the budget reserve, with the exception of monies received from the Bureau of Workers' Compensation prior to April 10, 2001, which must be retained for budget stabilization or spent for specified purposes.

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

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside Reserve Balance as of June 30, 2003	(\$714,865)	\$0	\$57,076
Current Year Set-aside Requirement	291,729	291,729	0
Current Year Offsets	0	(73,646)	0
Qualifying Disbursements	(249,458)	(830,158)	0
Totals	<u>(\$672,594)</u>	<u>(\$612,075)</u>	<u>\$57,076</u>
Set-aside Reserve Balance as of June 30, 2004	<u>\$0</u>	<u>\$0</u>	<u>\$57,076</u>
Required Set-aside Balances Carried Forward to FY 2004	<u>(\$672,594)</u>	<u>\$0</u>	<u>\$57,076</u>

The School District has qualifying disbursements during the fiscal year that reduced the textbooks set-aside amount to below zero. This extra amount may be used to reduce the set-aside requirement in future fiscal years.

Waverly City School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2004

---

**NOTE 20 – CONSTRUCTION COMMITMENTS**

The School District contracted for the design and construction of new buildings and renovations to existing buildings. An estimated 90% of the construction of the new buildings and renovations has been completed as of June 30, 2004. The outstanding construction commitments at June 30, 2004 are:

<u>Contractor</u>	<u>Contract Amount</u>	<u>Amount Expended</u>	<u>Balance At June 30, 2004</u>
Crace Construction Company	\$9,025,553	\$8,684,641	\$340,912
J&H Reinforcing and Steel (General Trades)	8,822,543	8,383,027	439,516
A.J. Stockmeister, Inc.	5,641,519	5,614,539	26,980
Claypool Electric, Inc.	3,318,818	3,304,788	14,030
George J. Igel & Company, Inc.	2,984,608	2,654,353	330,255
Triad Architects, Inc.	2,687,812	2,573,026	114,786
BBL Construction Services	2,342,360	1,859,523	482,837
Glennco Systems, Inc.	1,778,070	1,771,984	6,086
Staggs Roofing, Inc.	1,771,655	1,760,155	11,500
J&H Reinforcing and Steel (Structural and Miscellaneous Steel)	1,759,726	1,758,726	1,000
Pomeroy IT Solutions	788,800	658,047	130,753
Wasserstrom	775,231	762,831	12,400
Sidewinder Electric Company, Inc.	573,104	571,564	1,540
Buchanan Sound Company	486,207	208,144	278,063
Dalmatian Fire, Inc.	450,853	448,873	1,980
SOTA Technologies	399,510	261,131	138,379
Zimmerman School Equipment	270,793	560	270,233
King Business Interiors	187,827	0	187,827
Farnham Equipment Company	131,600	606	130,994
School Specialty	19,019	0	19,019
Continental Education Environmental Company	17,944	16,150	1,794
Boise Office Solutions	2,647	0	2,647
Total	<u>\$44,236,199</u>	<u>\$41,292,668</u>	<u>\$2,943,531</u>

**NOTE 21 - CONTINGENCIES**

**A. 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 21 – CONTINGENCIES** (continued)

**B. Litigation**

The School District is not currently party to any legal proceedings.

**NOTE 22 – STATE SCHOOL-FUNDING DECISION**

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State’s school funding plan. The decision reaffirmed earlier decisions that Ohio’s current school-funding decision 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 EVENT**

On October 13, 2004, a decision was reached regarding a suit filed by the Community Action Committee of Pike County, Inc. against the School District, in which the plaintiff requested a halt to the School District and the Ohio School Facilities Commission’s plan of demolishing four separate school buildings which were formerly used by the School District. The decision was reached by the Pike County Court of Common Pleas and concluded that the School District could proceed with the demolition project, and use such monies generated by its bond issue, as well as interest earned on these monies, to fund the demolition of the four buildings.

THIS PAGE INTENTIONALLY LEFT BLANK



Waverly City School District  
Combining and Individual Fund Statements and Schedules

*Waverly City School District*

*Fund Descriptions*

*Special Revenue Funds*

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes. The following are descriptions of the School District's nonmajor special revenue funds:

*Nonmajor Special Revenue Funds*

**FOOD SERVICES**

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

**UNIFORM SCHOOL SUPPLIES**

To account for the purchase and reimbursement of consumable supplies (workbooks) used by the students as a supplemental learning tool.

**PUBLIC SCHOOL SUPPORT**

To account for local revenue sources such as vending machine receipts. Revenues are used to fund special events and purchase achievement awards.

**LATCHKEY**

A fund established to account for the tuition received and expenses made in securing an after-school latchkey program for students of the School District.

**UNDERGROUND STORAGE TANK**

A fund established to hold the mandated amount for school districts who have underground storage tanks on their property.

**CLASSROOM FACILITIES MAINTENANCE**

To account for property tax revenues that are restricted to expenditures for the maintenance and upkeep of School District classroom facilities.

**ATHLETICS**

A fund provided to account for those student activity programs which charge admission. Most expenditures include referee and security compensation, equipment and supplies needed to run a successful athletic program.

**AUXILIARY SERVICES**

To account for monies which provide services and materials to pupils attending non-public schools within the School District.

*(continued)*

*Waverly City School District*

*Fund Descriptions*

*Nonmajor Special Revenue Funds (Continued)*

**TEACHER DEVELOPMENT**

To account for assistance provided to local school districts for the development of in-service programs.

**EDUCATION MANAGEMENT INFORMATION SYSTEMS**

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

**PRESCHOOL**

A fund to account for the monies received from the State to assist in paying the costs of preschool programs for three and four-year-olds.

**DISADVANTAGED PUPIL IMPACT AID**

To account for monies which are provided for the improvement of the educational and cultural status of disadvantaged pupils.

**ONENET**

A fund used to account for monies appropriated for Ohio Educational Computer Network Connections.

**SCHOOLNET PROFESSIONAL DEVELOPMENT**

Grant monies to be used for the provision of hardware, software, telecommunication services, and staff development to support educational uses of technology in the classroom.

**OHIO READS**

Grant monies used to purchase the HOSTS (Help One Student to Succeed) research based, structured mentoring program in reading and the language arts.

**READING INTERVENTION**

To account for State monies and expenditures for educational programs for children in grades 1 through 4 to assist in adequate preparation for the reading portion of the fourth grade proficiency exam.

**ALTERNATIVE EDUCATION**

Grant monies to serve students who are on suspension from school, truant, serving expulsions, court placed or those with a history of class disruption.

**EXTENDED LEARNING**

To account for State monies and expenditures for educational programs for children most at-risk of not passing the reading portion of the fourth grade proficiency exam.

*(continued)*

*Waverly City School District*

*Fund Descriptions*

*Nonmajor Special Revenue Funds (Continued)*

**TITLE VI-B**

This fund accounts for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels, and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

**TITLE I**

To account for federal funds expended for services provided to meet special educational needs of educationally deprived children.

**TITLE VI**

To account for federal funds used to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; and programs to enhance personal excellence of students and student achievement.

**DRUG FREE SCHOOLS**

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

**TITLE VI-R**

To account for federal funds used to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

**TITLE II-D**

To account for federal funds used to provide programs of professional development and to purchase equipment to enhance the technology of the School District.

*Nonmajor Debt Service Fund*

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest and certain other long-term obligations when the School District is obligated for the payment. There is only one debt service fund.

*(continued)*

*Waverly City School District*

*Fund Descriptions  
(Continued)*

*Capital Projects Funds*

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, and for major renovation projects including equipment purchases. The following are descriptions of the School District's nonmajor capital projects funds:

*Nonmajor Capital Projects Funds*

**PERMANENT IMPROVEMENT**

To account for all transactions relating to the acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705, Revised Code.

**SCHOOLNET**

To account for State grant monies used for the installation of wiring and the purchase of a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.

*Agency Fund*

Agency Funds are used to account for assets held by the School District as an agent for individuals, private organizations, other governmental units, and/or other funds.

**STUDENT MANAGED ACTIVITY**

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

**Waverly City School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2004*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$466,138	\$267,550	\$41,671	\$775,359
Receivables:				
Taxes	73,642	644,636	0	718,278
Intergovernmental	71,188	0	0	71,188
Prepaid Items	252	0	0	252
Materials and Supplies Inventory	5,348	0	0	5,348
<i>Total Assets</i>	<u>\$616,568</u>	<u>\$912,186</u>	<u>\$41,671</u>	<u>\$1,570,425</u>
<b><u>Liabilities and Fund Balances:</u></b>				
<b><u>Liabilities:</u></b>				
Accounts Payable	\$33,118	\$0	\$0	\$33,118
Accrued Wages	205,283	0	0	205,283
Interfund Payable	83,697	0	0	83,697
Intergovernmental Payable	32,080	0	0	32,080
Deferred Revenue	66,472	571,902	0	638,374
<i>Total Liabilities</i>	<u>420,650</u>	<u>571,902</u>	<u>0</u>	<u>992,552</u>
<b><u>Fund Balances:</u></b>				
Reserved for Encumbrances	102,467	0	32,924	135,391
Reserved for Property Taxes	6,334	56,258	0	62,592
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	87,117	0	0	87,117
Debt Service Funds	0	284,026	0	284,026
Capital Projects Funds	0	0	8,747	8,747
<i>Total Fund Balances</i>	<u>195,918</u>	<u>340,284</u>	<u>41,671</u>	<u>577,873</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$616,568</u>	<u>\$912,186</u>	<u>\$41,671</u>	<u>\$1,570,425</u>

**Waverly 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 Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b><u>Revenues:</u></b>				
Property Taxes	\$69,335	\$605,635	\$0	\$674,970
Intergovernmental	2,750,200	6,465	46,200	2,802,865
Tuition and Fees	26,042	0	0	26,042
Extracurricular Activities	159,017	0	0	159,017
Customer Services	218,782	0	0	218,782
Rent	365	0	0	365
Gifts and Donations	10,375	0	0	10,375
Miscellaneous	82,105	0	0	82,105
<i>Total Revenues</i>	<u>3,316,221</u>	<u>612,100</u>	<u>46,200</u>	<u>3,974,521</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	782,711	0	13,276	795,987
Special	423,259	0	0	423,259
Support Services:				
Pupil	40,299	0	0	40,299
Instructional Staff	491,944	0	0	491,944
Administration	119,086	0	0	119,086
Fiscal	2,449	21,405	0	23,854
Pupil Transportation	3,397	0	0	3,397
Operation of Non-Instructional Services - Food Services	677,642	0	0	677,642
Operation of Non-Instructional Services - Other	155	0	0	155
Extracurricular Activities	223,665	0	0	223,665
Intergovernmental	525,281	0	0	525,281
Debt Service:				
Principal Retirement	0	258,357	0	258,357
Interest and Fiscal Charges	0	382,599	0	382,599
<i>Total Expenditures</i>	<u>3,289,888</u>	<u>662,361</u>	<u>13,276</u>	<u>3,965,525</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	26,333	(50,261)	32,924	8,996
<b><u>Other Financing Sources:</u></b>				
Transfers In	116,767	92,353	0	209,120
<i>Net Change in Fund Balances</i>	143,100	42,092	32,924	218,116
<i>Fund Balances at Beginning of Year</i>	<u>52,818</u>	<u>298,192</u>	<u>8,747</u>	<u>359,757</u>
<i>Fund Balances at End of Year</i>	<u>\$195,918</u>	<u>\$340,284</u>	<u>\$41,671</u>	<u>\$577,873</u>

**Waverly City School District**  
*Combining Balance Sheet*  
**Nonmajor Special Revenue Funds**  
*June 30, 2004*

	Food Services	Uniform School Supplies	Public School Support
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$7,881	\$651	\$50,303
Receivables:			
Taxes	0	0	0
Intergovernmental	0	0	0
Prepaid Items	252	0	0
Materials and Supplies Inventory	5,348	0	0
<i>Total Assets</i>	\$13,481	\$651	\$50,303
<b><u>Liabilities and Fund Balances:</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$0	\$0	\$0
Accrued Wages	35,635	0	0
Interfund Payable	0	10,314	0
Intergovernmental Payable	4,701	0	0
Deferred Revenue	0	0	0
<i>Total Liabilities</i>	40,336	10,314	0
<b><u>Fund Balances:</u></b>			
Reserved for Encumbrances	7,882	650	1,272
Reserved for Property Taxes	0	0	0
Unreserved, Undesignated (Deficit)	(34,737)	(10,313)	49,031
<i>Total Fund Balances (Deficit)</i>	(26,855)	(9,663)	50,303
<i>Total Liabilities and Fund Balances</i>	\$13,481	\$651	\$50,303



Underground Storage Tank	Classroom Facilities Maintenance	Athletics	Auxiliary Services	Teacher Development
\$11,000	\$227,684	\$48,488	\$6,691	\$666
0	73,642	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$11,000</u>	<u>\$301,326</u>	<u>\$48,488</u>	<u>\$6,691</u>	<u>\$666</u>
\$0	\$0	\$7,439	\$3,158	\$0
0	0	0	0	0
0	0	3,359	0	0
0	0	0	39	0
0	65,308	0	0	0
<u>0</u>	<u>65,308</u>	<u>10,798</u>	<u>3,197</u>	<u>0</u>
0	0	1,943	3,331	0
0	6,334	0	0	0
<u>11,000</u>	<u>229,684</u>	<u>35,747</u>	<u>163</u>	<u>666</u>
<u>11,000</u>	<u>236,018</u>	<u>37,690</u>	<u>3,494</u>	<u>666</u>
<u>\$11,000</u>	<u>\$301,326</u>	<u>\$48,488</u>	<u>\$6,691</u>	<u>\$666</u>

(continued)

**Waverly City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2004*  
*(Continued)*

	Education Management Information Systems	Preschool	Disadvantaged Pupil Impact Aid
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$7,800	\$16	\$38,907
Receivables:			
Taxes	0	0	0
Intergovernmental	0	0	0
Prepaid Items	0	0	0
Materials and Supplies Inventory	0	0	0
 <i>Total Assets</i>	 \$7,800	 \$16	 \$38,907
 <b><u>Liabilities and Fund Balances:</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$0	\$0	\$0
Accrued Wages	0	15,574	52,141
Interfund Payable	0	0	0
Intergovernmental Payable	0	2,490	7,704
Deferred Revenue	0	0	0
 <i>Total Liabilities</i>	 0	 18,064	 59,845
 <b><u>Fund Balances:</u></b>			
Reserved for Encumbrances	7,800	17	38,908
Reserved for Property Taxes	0	0	0
Unreserved, Undesignated (Deficit)	0	(18,065)	(59,846)
 <i>Total Fund Balances (Deficit)</i>	 7,800	 (18,048)	 (20,938)
 <i>Total Liabilities and Fund Balances</i>	 \$7,800	 \$16	 \$38,907

SchoolNet Professional Development	Ohio Reads	Reading Intervention	Alternative Education	Extended Learning
\$2,605	\$475	\$19,353	\$809	\$755
0	0	0	0	0
0	0	15,449	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$2,605</u>	<u>\$475</u>	<u>\$34,802</u>	<u>\$809</u>	<u>\$755</u>
\$1,305	\$450	\$19,354	\$0	\$0
0	0	0	5,989	0
0	0	15,449	0	0
0	6	42	858	0
0	0	0	0	0
<u>1,305</u>	<u>456</u>	<u>34,845</u>	<u>6,847</u>	<u>0</u>
300	25	0	809	0
0	0	0	0	0
<u>1,000</u>	<u>(6)</u>	<u>(43)</u>	<u>(6,847)</u>	<u>755</u>
<u>1,300</u>	<u>19</u>	<u>(43)</u>	<u>(6,038)</u>	<u>755</u>
<u>\$2,605</u>	<u>\$475</u>	<u>\$34,802</u>	<u>\$809</u>	<u>\$755</u>

(continued)

**Waverly City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2004*  
*(Continued)*

	Title VI-B	Title I	Title VI
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$4,336	\$0	\$24,833
Receivables:			
Taxes	0	0	0
Intergovernmental	19,124	0	22,342
Prepaid Items	0	0	0
Materials and Supplies Inventory	0	0	0
 <i>Total Assets</i>	 \$23,460	 \$0	 \$47,175
 <b><u>Liabilities and Fund Balances:</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$0	\$0	\$492
Accrued Wages	24,268	54,830	0
Interfund Payable	19,124	0	21,489
Intergovernmental Payable	5,186	8,497	0
Deferred Revenue	0	0	853
 <i>Total Liabilities</i>	 48,578	 63,327	 22,834
 <b><u>Fund Balances:</u></b>			
Reserved for Encumbrances	4,336	0	24,574
Reserved for Property Taxes	0	0	0
Unreserved, Undesignated (Deficit)	(29,454)	(63,327)	(233)
 <i>Total Fund Balances (Deficit)</i>	 (25,118)	 (63,327)	 24,341
 <i>Total Liabilities and Fund Balances</i>	 \$23,460	 \$0	 \$47,175

Drug Free Schools	Title VI-R	Title II-D	Total Nonmajor Special Revenue Funds
\$1,756	\$1,345	\$9,784	\$466,138
0	0	0	73,642
7,659	0	6,614	71,188
0	0	0	252
0	0	0	5,348
<u>\$9,415</u>	<u>\$1,345</u>	<u>\$16,398</u>	<u>\$616,568</u>
\$0	\$0	\$920	\$33,118
0	16,846	0	205,283
7,659	0	6,303	83,697
0	2,557	0	32,080
0	0	311	66,472
<u>7,659</u>	<u>19,403</u>	<u>7,534</u>	<u>420,650</u>
1,756	0	8,864	102,467
0	0	0	6,334
0	(18,058)	0	87,117
<u>1,756</u>	<u>(18,058)</u>	<u>8,864</u>	<u>195,918</u>
<u>\$9,415</u>	<u>\$1,345</u>	<u>\$16,398</u>	<u>\$616,568</u>

**Waverly 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 Services	Uniform School Supplies	Public School Support
<b><u>Revenues:</u></b>			
Property Taxes	\$0	\$0	\$0
Intergovernmental	349,566	0	0
Tuition and Fees	0	5,458	0
Extracurricular Activities	0	0	23,259
Customer Services	218,782	0	0
Rent	0	0	365
Gifts and Donations	0	0	2,943
Miscellaneous	0	0	19,503
<i>Total Revenues</i>	<u>568,348</u>	<u>5,458</u>	<u>46,070</u>
<b><u>Expenditures:</u></b>			
Current:			
Instruction:			
Regular	0	17,692	11,377
Special	0	0	1,715
Support Services:			
Pupils	0	0	9,725
Instructional Staff	0	0	1,771
Administration	0	0	11,994
Fiscal	0	0	0
Pupil Transportation	0	0	701
Operation of Non-Instructional Services - Food Services	677,642	0	0
Operation of Non-Instructional Services - Other	0	0	0
Extracurricular Activities	0	0	1,961
Intergovernmental	0	0	0
<i>Total Expenditures</i>	<u>677,642</u>	<u>17,692</u>	<u>39,244</u>
Excess of Revenues Over (Under) Expenditures	(109,294)	(12,234)	6,826
<b><u>Other Financing Sources:</u></b>			
Transfers In	<u>111,332</u>	<u>5,435</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	2,038	(6,799)	6,826
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>(28,893)</u>	<u>(2,864)</u>	<u>43,477</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>(\$26,855)</u></u>	<u><u>(\$9,663)</u></u>	<u><u>\$50,303</u></u>

Latchkey	Underground Storage Tank	Classroom Facilities Maintenance	Athletics	Auxiliary Services	Teacher Development
\$0	\$0	\$69,335	\$0	\$0	\$0
0	0	446	0	46,790	0
20,584	0	0	0	0	0
0	0	0	135,758	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	7,432	0	0
0	0	0	62,422	0	0
<u>20,584</u>	<u>0</u>	<u>69,781</u>	<u>205,612</u>	<u>46,790</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
6,919	0	0	0	0	0
1,027	0	0	0	0	0
0	0	0	0	0	0
0	0	2,449	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	221,704	0	0
0	0	0	0	46,644	0
<u>7,946</u>	<u>0</u>	<u>2,449</u>	<u>221,704</u>	<u>46,644</u>	<u>0</u>
12,638	0	67,332	(16,092)	146	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
12,638	0	67,332	(16,092)	146	0
<u>(12,638)</u>	<u>11,000</u>	<u>168,686</u>	<u>53,782</u>	<u>3,348</u>	<u>666</u>
<u>\$0</u>	<u>\$11,000</u>	<u>\$236,018</u>	<u>\$37,690</u>	<u>\$3,494</u>	<u>\$666</u>

(continued)

**Waverly 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*  
*(Continued)*

	Education Management Information Systems	Preschool	Disadvantaged Pupil Impact Aid
<b><u>Revenues:</u></b>			
Property Taxes	\$0	\$0	\$0
Intergovernmental	7,800	124,450	506,199
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Customer Services	0	0	0
Rent	0	0	0
Gifts and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>7,800</u>	<u>124,450</u>	<u>506,199</u>
<b><u>Expenditures:</u></b>			
Current:			
Instruction:			
Regular	3,672	111,232	319,405
Special	0	0	0
Support Services:			
Pupils	4,000	0	0
Instructional Staff	0	12,765	140,076
Administration	0	0	0
Fiscal	0	0	0
Pupil Transportation	0	0	0
Operation of Non-Instructional Services - Food Services	0	0	0
Operation of Non-Instructional Services - Other	0	0	0
Extracurricular Activities	0	0	0
Intergovernmental	0	0	0
<i>Total Expenditures</i>	<u>7,672</u>	<u>123,997</u>	<u>459,481</u>
Excess of Revenues Over (Under) Expenditures	128	453	46,718
<b><u>Other Financing Sources:</u></b>			
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	128	453	46,718
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>7,672</u>	<u>(18,501)</u>	<u>(67,656)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$7,800</u></u>	<u><u>(\$18,048)</u></u>	<u><u>(\$20,938)</u></u>



OneNet	SchoolNet Professional Development	Ohio Reads	Reading Intervention	Alternative Education	Extended Learning
\$0	\$0	\$0	\$0	\$0	\$0
12,000	4,140	23,000	40,567	46,184	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	0	0
12,000	4,140	23,000	40,567	46,184	0
15,200	0	27,168	23,131	43,858	0
0	0	0	17,437	0	0
0	0	0	0	0	0
0	3,840	2,488	42	1,500	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	0	0
0	0	0	0	0	0
15,200	3,840	29,656	40,610	45,358	0
(3,200)	300	(6,656)	(43)	826	0
0	0	0	0	0	0
(3,200)	300	(6,656)	(43)	826	0
3,200	1,000	6,675	0	(6,864)	755
\$0	\$1,300	\$19	(\$43)	(\$6,038)	\$755

(continued)

**Waverly 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*  
*(Continued)*

	Title VI-B	Title I	Title VI
<b><u>Revenues:</u></b>			
Property Taxes	\$0	\$0	\$0
Intergovernmental	323,550	526,521	23,887
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Customer Services	0	0	0
Rent	0	0	0
Gifts and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>323,550</u>	<u>526,521</u>	<u>23,887</u>
<b><u>Expenditures:</u></b>			
Current:			
Instruction:			
Regular	0	6,066	612
Special	141,736	262,371	0
Support Services:			
Pupils	0	19,655	0
Instructional Staff	88,038	230,226	2,317
Administration	92,928	13,655	0
Fiscal	0	0	0
Pupil Transportation	0	2,696	0
Operation of Non-Instructional Services - Food Services	0	0	0
Operation of Non-Instructional Services - Other	0	0	0
Extracurricular Activities	0	0	0
Intergovernmental	0	0	0
<i>Total Expenditures</i>	<u>322,702</u>	<u>534,669</u>	<u>2,929</u>
Excess of Revenues Over (Under) Expenditures	848	(8,148)	20,958
<b><u>Other Financing Sources:</u></b>			
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	848	(8,148)	20,958
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>(25,966)</u>	<u>(55,179)</u>	<u>3,383</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>(\$25,118)</u></u>	<u><u>(\$63,327)</u></u>	<u><u>\$24,341</u></u>

Drug Free Schools	Title VI-R	Title II-D	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$69,335
21,972	187,848	505,280	2,750,200
0	0	0	26,042
0	0	0	159,017
0	0	0	218,782
0	0	0	365
0	0	0	10,375
0	0	180	82,105
<u>21,972</u>	<u>187,848</u>	<u>505,460</u>	<u>3,316,221</u>
22,300	180,998	0	782,711
0	0	0	423,259
0	0	0	40,299
0	6,054	1,800	491,944
0	509	0	119,086
0	0	0	2,449
0	0	0	3,397
0	0	0	677,642
0	155	0	155
0	0	0	223,665
0	0	478,637	525,281
<u>22,300</u>	<u>187,716</u>	<u>480,437</u>	<u>3,289,888</u>
(328)	132	25,023	26,333
<u>0</u>	<u>0</u>	<u>0</u>	<u>116,767</u>
(328)	132	25,023	143,100
<u>2,084</u>	<u>(18,190)</u>	<u>(16,159)</u>	<u>52,818</u>
<u>\$1,756</u>	<u>(\$18,058)</u>	<u>\$8,864</u>	<u>\$195,918</u>

**Waverly City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2004*

	Permanent Improvement	SchoolNet	Total Nonmajor Capital Projects Funds
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$8,747	\$32,924	\$41,671
<i>Total Assets</i>	\$8,747	\$32,924	\$41,671
 <b><u>Liabilities and Fund Balances:</u></b>			
<b><u>Liabilities:</u></b>			
<i>Total Liabilities</i>	0	0	0
 <b><u>Fund Balances:</u></b>			
Reserved for Encumbrances	0	32,924	32,924
Unreserved, Undesignated	8,747	0	8,747
<i>Total Fund Balances</i>	8,747	32,924	41,671
<i>Total Liabilities and Fund Balances</i>	\$8,747	\$32,924	\$41,671

**Waverly 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	SchoolNet	Total Nonmajor Capital Projects Funds
<b><u>Revenues:</u></b>			
Intergovernmental	\$0	\$46,200	\$46,200
<b><u>Expenditures:</u></b>			
Current:			
Instruction:			
Regular	0	13,276	13,276
<i>Net Change in Fund Balances</i>	0	32,924	32,924
<i>Fund Balances at Beginning of Year</i>	8,747	0	8,747
<i>Fund Balances at End of Year</i>	\$8,747	\$32,924	\$41,671

**Waverly City School District**  
*Statement of Changes in Fiduciary Assets and Liabilities*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Balance at 6/30/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at 6/30/04</u>
<b><u>STUDENT MANAGED ACTIVITY</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$25,354	\$38,618	\$32,185	\$31,787
Total Assets	<u>\$25,354</u>	<u>\$38,618</u>	<u>\$32,185</u>	<u>\$31,787</u>
<b><u>Liabilities:</u></b>				
Undistributed Monies	\$25,354	\$38,618	\$32,185	\$31,787
Total Liabilities	<u>\$25,354</u>	<u>\$38,618</u>	<u>\$32,185</u>	<u>\$31,787</u>

Waverly City School District

Individual Fund Schedules of Revenues, Expenditures  
and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2004*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Property Taxes	\$3,534,451	\$3,287,213	\$3,287,213	\$0
Intergovernmental	7,765,206	8,974,713	8,974,713	0
Interest	69,686	80,300	96,639	16,339
Tuition and Fees	435,935	502,353	502,353	0
Rent	1,762	2,030	2,030	0
Gifts and Donations	37,228	2,900	2,900	0
Payments in Lieu of Taxes	0	40,000	40,000	0
Miscellaneous	105,282	121,325	121,325	0
<b>Total Revenues</b>	<b>11,949,550</b>	<b>13,010,834</b>	<b>13,027,173</b>	<b>16,339</b>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	4,266,079	4,311,574	4,242,868	68,706
Fringe Benefits	1,028,598	1,300,874	1,299,560	1,314
Purchased Services	187,453	228,903	202,877	26,026
Materials and Supplies	253,028	430,728	367,715	63,013
Capital Outlay - New	132,192	207,143	167,518	39,625
Capital Outlay - Replacement	1,247	1,247	40	1,207
Other	6,549	8,052	8,037	15
<b>Total Regular Instruction</b>	<b>5,875,146</b>	<b>6,488,521</b>	<b>6,288,615</b>	<b>199,906</b>
Special Instruction:				
Salaries and Wages	624,885	577,681	568,894	8,787
Fringe Benefits	151,557	165,326	146,500	18,826
Purchased Services	45,458	71,987	67,931	4,056
Materials and Supplies	19,619	20,444	11,393	9,051
Capital Outlay - New	5,426	5,780	3,698	2,082
Other	1,112	1,175	1,175	0
<b>Total Special Instruction</b>	<b>848,057</b>	<b>842,393</b>	<b>799,591</b>	<b>42,802</b>
Vocational Instruction:				
Salaries and Wages	115,926	136,531	136,181	350
Fringe Benefits	31,773	38,647	38,647	0
Purchased Services	2,000	2,000	385	1,615
Materials and Supplies	6,448	6,448	3,414	3,034
Other	138	242	242	0
<b>Total Vocational Instruction</b>	<b>156,285</b>	<b>183,868</b>	<b>178,869</b>	<b>4,999</b>
Other Instruction:				
Purchased Services	130,507	379,270	379,270	0
<b>Total Instruction</b>	<b>\$7,009,995</b>	<b>\$7,894,052</b>	<b>\$7,646,345</b>	<b>\$247,707</b>

*(continued)*



**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2004*  
*(Continued)*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Support Services:				
Pupils:				
Salaries and Wages	\$450,357	\$444,184	\$433,852	\$10,332
Fringe Benefits	113,772	132,707	131,334	1,373
Purchased Services	197,825	236,486	232,744	3,742
Materials and Supplies	10,791	11,022	8,372	2,650
Capital Outlay - New	16,954	16,954	2,898	14,056
Other	608	916	916	0
Total Pupils	790,307	842,269	810,116	32,153
Instructional Staff:				
Salaries and Wages	323,637	384,201	369,530	14,671
Fringe Benefits	122,691	194,527	176,642	17,885
Purchased Services	48,428	65,351	58,896	6,455
Materials and Supplies	20,150	22,498	17,811	4,687
Capital Outlay - New	6,350	6,350	4,226	2,124
Other	1,710	849	799	50
Total Instructional Staff	522,966	673,776	627,904	45,872
Board of Education:				
Salaries and Wages	8,640	8,640	7,440	1,200
Fringe Benefits	1,766	2,099	2,008	91
Purchased Services	9,895	10,180	7,739	2,441
Materials and Supplies	1,088	1,387	1,336	51
Other	62,658	62,030	24,404	37,626
Total Board of Education	84,047	84,336	42,927	41,409
Administration:				
Salaries and Wages	691,327	733,280	700,278	33,002
Fringe Benefits	214,188	254,664	223,548	31,116
Purchased Services	91,725	87,263	77,015	10,248
Materials and Supplies	29,163	31,182	22,090	9,092
Capital Outlay - New	15,633	10,047	4,484	5,563
Capital Outlay - Replacement	500	500	434	66
Other	2,641	3,650	3,650	0
Total Administration	1,045,177	1,120,586	1,031,499	89,087
Fiscal:				
Salaries and Wages	135,058	136,295	135,615	680
Fringe Benefits	44,700	52,197	49,301	2,896
Purchased Services	48,424	50,491	23,683	26,808
Materials and Supplies	4,665	4,665	3,318	1,347
Capital Outlay - New	7,593	7,593	1,510	6,083
Other	178,701	193,343	193,343	0
Total Fiscal	\$419,141	\$444,584	\$406,770	\$37,814

*(continued)*

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2004*  
*(Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation and Maintenance of Plant:				
Salaries and Wages	\$423,746	\$460,212	\$444,837	\$15,375
Fringe Benefits	155,215	200,068	200,068	0
Purchased Services	479,912	597,650	459,392	138,258
Materials and Supplies	155,415	166,061	126,113	39,948
Capital Outlay - New	21,321	46,030	33,763	12,267
Other	17,312	17,912	17,912	0
<b>Total Operation and Maintenance of Plant</b>	<b>1,252,921</b>	<b>1,487,933</b>	<b>1,282,085</b>	<b>205,848</b>
Pupil Transportation:				
Salaries and Wages	439,450	400,668	378,956	21,712
Fringe Benefits	201,815	295,858	236,984	58,874
Purchased Services	51,993	62,582	57,871	4,711
Materials and Supplies	135,118	142,915	133,818	9,097
Capital Outlay - New	66,932	66,932	62,299	4,633
Capital Outlay - Replacement	309,190	309,190	228,714	80,476
Other	24,901	21,087	20,013	1,074
<b>Total Pupil Transportation</b>	<b>1,229,399</b>	<b>1,299,232</b>	<b>1,118,655</b>	<b>180,577</b>
Central:				
Purchased Services	10,084	13,942	13,942	0
<b>Total Support Services</b>	<b>5,354,042</b>	<b>5,966,658</b>	<b>5,333,898</b>	<b>632,760</b>
Operation of Non-Instructional Services:				
Food Service Operations:				
Salaries and Wages	\$1,061	\$1,137	\$1,137	\$0
Fringe Benefits	193	208	208	0
Materials and Supplies	3,385	3,385	2,355	1,030
Capital Outlay - New	0	37,924	37,924	0
<b>Total Operation of Non-Instructional Services</b>	<b>4,639</b>	<b>42,654</b>	<b>41,624</b>	<b>1,030</b>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	28,783	29,031	28,031	1,000
Fringe Benefits	4,798	4,828	4,001	827
Purchased Services	1,400	1,400	75	1,325
Materials and Supplies	0	503	503	0
<b>Total Academic and Subject Oriented Activities</b>	<b>34,981</b>	<b>35,762</b>	<b>32,610</b>	<b>3,152</b>
Sports Oriented Activities:				
Salaries and Wages	142,118	172,802	170,805	1,997
Fringe Benefits	27,272	31,986	31,552	434
Purchased Services	10,294	28,347	27,910	437
Materials and Supplies	1,800	1,800	1,170	630
Capital Outlay - New	10,135	55,074	47,634	7,440
Other	0	58	58	0
<b>Total Sports Oriented Activities</b>	<b>\$191,619</b>	<b>\$290,067</b>	<b>\$279,129</b>	<b>\$10,938</b>

*(continued)*

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2004*  
*(Continued)*

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
School and Public Service Activities:				
Salaries and Wages	\$15,295	\$16,580	\$15,409	\$1,171
Fringe Benefits	2,292	2,530	2,093	437
Total School and Public Service Activities	<u>17,587</u>	<u>19,110</u>	<u>17,502</u>	<u>1,608</u>
Total Extracurricular Activities	<u>244,187</u>	<u>344,939</u>	<u>329,241</u>	<u>15,698</u>
Capital Outlay:				
Site Improvement Services:				
Capital Outlay - New	626,666	626,666	626,666	0
Building Acquisition and Construction Services:				
Purchased Services	95,896	138,070	103,249	34,821
Capital Outlay - New	26,135	26,135	12,646	13,489
Other	74	74	74	0
Total Building Acquisition and Construction Services	<u>122,105</u>	<u>164,279</u>	<u>115,969</u>	<u>48,310</u>
Total Capital Outlay	<u>748,771</u>	<u>790,945</u>	<u>742,635</u>	<u>48,310</u>
Intergovernmental:				
Other	0	8,928	8,928	0
<i>Total Expenditures</i>	<u>13,361,634</u>	<u>15,048,176</u>	<u>14,102,671</u>	<u>945,505</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,412,084)</u>	<u>(2,037,342)</u>	<u>(1,075,498)</u>	<u>961,844</u>
<b><i>Other Financing Sources (Uses):</i></b>				
Proceeds from Sale of Capital Assets	4,400	4,400	4,400	0
Refund of Prior Year Expenditures	1,635	1,635	1,635	0
Refund of Prior Year Receipts	(1,540)	(1,540)	(1,540)	0
Advances In	207,404	207,404	207,404	0
Advances Out	(214,159)	(214,159)	(72,523)	141,636
Transfers Out	(178,769)	(212,120)	(212,120)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(181,029)</u>	<u>(214,380)</u>	<u>(72,744)</u>	<u>141,636</u>
<i>Net Change in Fund Balance</i>	<u>(1,593,113)</u>	<u>(2,251,722)</u>	<u>(1,148,242)</u>	<u>1,103,480</u>
Fund Balance at Beginning of Year	4,879,848	4,879,848	4,879,848	0
Prior Year Encumbrances Appropriated	<u>478,863</u>	<u>478,863</u>	<u>478,863</u>	<u>0</u>
Fund Balance at End of Year	<u>\$3,765,598</u>	<u>\$3,106,989</u>	<u>\$4,210,469</u>	<u>\$1,103,480</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Construction Capital Projects Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$9,677,304	\$10,142,747	\$10,142,747	\$0
Interest	103,107	105,866	111,828	5,962
Miscellaneous	0	2,200	2,200	0
<i>Total Revenues</i>	<u>9,780,411</u>	<u>10,250,813</u>	<u>10,256,775</u>	<u>5,962</u>
<b><u>Expenditures:</u></b>				
Current:				
Capital Outlay:				
Site Improvement Services:				
Purchased Services	20,000	74,434	74,434	0
Capital Outlay - New	8,822,404	8,816,404	8,816,404	0
Total Site Improvement Services	<u>8,842,404</u>	<u>8,890,838</u>	<u>8,890,838</u>	<u>0</u>
Architecture and Engineering Services:				
Purchased Services	910,795	1,512,813	1,512,813	0
Building Acquisition and Construction Services:				
Purchased Services	93,976	60,430	60,430	0
Materials and Supplies	0	12,412	12,412	0
Capital Outlay - New	12,838,610	11,938,224	11,938,224	0
Total Building Acquisition and Construction Services	<u>12,932,586</u>	<u>12,011,066</u>	<u>12,011,066</u>	<u>0</u>
Building Improvement Services:				
Capital Outlay - New	950,000	1,530,050	1,530,050	0
<i>Total Expenditures</i>	<u>23,635,785</u>	<u>23,944,767</u>	<u>23,944,767</u>	<u>0</u>
Excess of Revenues Under Expenditures	(13,855,374)	(13,693,954)	(13,687,992)	5,962
<b><u>Other Financing Sources:</u></b>				
Transfers In	769,961	0	0	0
<i>Net Change in Fund Balance</i>	(13,085,413)	(13,693,954)	(13,687,992)	5,962
Fund Balance at Beginning of Year	14,765,260	14,765,260	14,765,260	0
Prior Year Encumbrances Appropriated	271,646	271,646	271,646	0
Fund Balance at End of Year	<u>\$1,951,493</u>	<u>\$1,342,952</u>	<u>\$1,348,914</u>	<u>\$5,962</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Food Services Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$297,604	\$345,760	\$345,760	\$0
Customer Services	199,496	218,782	218,782	0
<i>Total Revenues</i>	<u>497,100</u>	<u>564,542</u>	<u>564,542</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
Current:				
Operation of Non-Instructional Services:				
Food Service:				
Salaries	227,014	229,751	229,751	0
Fringe Benefits	103,856	117,400	117,400	0
Purchased Services	14,817	14,252	14,252	0
Materials and Supplies	259,002	313,407	313,407	0
Capital Outlay - New	330	0	0	0
Capital Outlay - Replacement	1,170	0	0	0
Other	1,973	1,291	1,291	0
<i>Total Expenditures</i>	<u>608,162</u>	<u>676,101</u>	<u>676,101</u>	<u>0</u>
Excess of Revenues Under Expenditures	(111,062)	(111,559)	(111,559)	0
<b><u>Other Financing Sources:</u></b>				
Transfers In	111,332	111,332	111,332	0
<i>Net Change in Fund Balance</i>	270	(227)	(227)	0
Fund Balance at Beginning of Year	<u>227</u>	<u>227</u>	<u>227</u>	<u>0</u>
Fund Balance at End of Year	<u>\$497</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*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		
<b><u>Revenues:</u></b>				
Tuition and Fees	\$11,140	\$5,458	\$5,458	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	26,246	20,564	20,564	0
Excess of Revenues Under Expenditures	(15,106)	(15,106)	(15,106)	0
<b><u>Other Financing Sources:</u></b>				
Transfers In	5,435	5,435	5,435	0
<i>Net Change in Fund Balance</i>	(9,671)	(9,671)	(9,671)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	9,671	9,671	9,671	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Positive (Negative)
<b><u>Revenues:</u></b>				
Rent	\$410	\$365	\$365	\$0
Extracurricular Activities	26,114	23,259	23,259	0
Gifts and Donations	3,304	2,943	2,943	0
Miscellaneous	21,897	19,503	19,503	0
<i>Total Revenues</i>	<u>51,725</u>	<u>46,070</u>	<u>46,070</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Purchased Services	1,709	1,709	710	999
Materials and Supplies	15,011	14,166	10,909	3,257
Total Regular	16,720	15,875	11,619	4,256
Special:				
Purchased Services	1,296	1,715	1,715	0
Total Instruction	<u>18,016</u>	<u>17,590</u>	<u>13,334</u>	<u>4,256</u>
Support Services:				
Pupils:				
Purchased Services	3,768	4,255	3,932	323
Materials and Supplies	7,890	8,210	6,393	1,817
Capital Outlay - New	1,370	170	138	32
Total Pupils	<u>13,028</u>	<u>12,635</u>	<u>10,463</u>	<u>2,172</u>
Instructional Staff:				
Purchased Services	4,620	2,412	1,775	637
Materials and Supplies	332	0	0	0
Total Instructional Staff	<u>\$4,952</u>	<u>\$2,412</u>	<u>\$1,775</u>	<u>\$637</u>

*(continued)*

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*  
(Continued)

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Administration:				
Purchased Services	\$169	\$517	\$517	\$0
Materials and Supplies	11,067	11,511	8,896	2,615
Capital Outlay - New	307	307	0	307
Other	3,306	3,820	2,962	858
<b>Total Administration</b>	<u>14,849</u>	<u>16,155</u>	<u>12,375</u>	<u>3,780</u>
Pupil Transportation:				
Purchased Services	483	701	701	0
<b>Total Support Services</b>	<u>33,312</u>	<u>31,903</u>	<u>25,314</u>	<u>6,589</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Materials and Supplies	8,548	2,048	1,961	87
<b>Total Expenditures</b>	<u>59,876</u>	<u>51,541</u>	<u>40,609</u>	<u>10,932</u>
<b>Net Change in Fund Balance</b>	(8,151)	(5,471)	5,461	10,932
Fund Balance at Beginning of Year	42,389	42,389	42,389	0
Prior Year Encumbrances Appropriated	1,180	1,180	1,180	0
<b>Fund Balance at End of Year</b>	<u>\$35,418</u>	<u>\$38,098</u>	<u>\$49,030</u>	<u>\$10,932</u>



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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Tuition and Fees	\$33,863	\$20,584	\$20,584	\$0
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	2,450	0	0	0
Fringe Benefits	873	420	420	0
Materials and Supplies	3,454	2,081	2,081	0
Total Pupils	<u>6,777</u>	<u>2,501</u>	<u>2,501</u>	<u>0</u>
Instructional Staff:				
Salaries and Wages	23,395	0	0	0
Fringe Benefits	3,691	1,027	1,027	0
Total Instructional Staff	<u>27,086</u>	<u>1,027</u>	<u>1,027</u>	<u>0</u>
<i>Total Expenditures</i>	<u>33,863</u>	<u>3,528</u>	<u>3,528</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	17,056	17,056	0
<b><u>Other Financing Uses:</u></b>				
Advances Out	<u>0</u>	<u>(17,056)</u>	<u>(17,056)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Underground Storage Tank Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	<u>11,000</u>	<u>11,000</u>	<u>11,000</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$11,000</u></u>	<u><u>\$11,000</u></u>	<u><u>\$11,000</u></u>	<u><u>\$0</u></u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Classroom Facilities Maintenance Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<b><u>Revenues:</u></b>				
Property Taxes	\$67,463	\$65,992	\$65,992	\$0
Intergovernmental	0	7,654	7,654	0
<i>Total Revenues</i>	67,463	73,646	73,646	0
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Fiscal:				
Other	2,384	2,449	2,449	0
<i>Net Change in Fund Balance</i>	65,079	71,197	71,197	0
Fund Balance at Beginning of Year	156,487	156,487	156,487	0
Fund Balance at End of Year	<u>\$221,566</u>	<u>\$227,684</u>	<u>\$227,684</u>	<u>\$0</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Athletics Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Extracurricular Activities	\$128,462	\$135,758	\$135,758	\$0
Gifts and Donations	7,033	7,432	7,432	0
Miscellaneous	58,735	62,069	62,422	353
<i>Total Revenues</i>	<u>194,230</u>	<u>205,259</u>	<u>205,612</u>	<u>353</u>
<b><u>Expenditures:</u></b>				
Current:				
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Purchased Services	2,790	10,626	10,626	0
Materials and Supplies	14,481	14,487	14,487	0
Other	41,291	76,346	75,413	933
Total Academic and Subject Oriented Activities	<u>58,562</u>	<u>101,459</u>	<u>100,526</u>	<u>933</u>
Sports Oriented Activities:				
Purchased Services	58,712	49,113	49,038	75
Materials and Supplies	53,103	50,150	48,970	1,180
Capital Outlay - New	6,376	6,685	6,685	0
Capital Outlay - Replacement	5,758	2,027	2,027	0
Other	21,808	15,482	15,482	0
Total Sports Oriented Activities	<u>145,757</u>	<u>123,457</u>	<u>122,202</u>	<u>1,255</u>
<i>Total Expenditures</i>	<u>204,319</u>	<u>224,916</u>	<u>222,728</u>	<u>2,188</u>
Excess of Revenues Over (Under) Expenditures	(10,089)	(19,657)	(17,116)	2,541
<b><u>Other Financing Sources:</u></b>				
Advances In	2,500	2,500	2,500	0
<i>Net Change in Fund Balance</i>	(7,589)	(17,157)	(14,616)	2,541
Fund Balance at Beginning of Year	54,427	54,427	54,427	0
Prior Year Encumbrances Appropriated	5,094	5,094	5,094	0
Fund Balance at End of Year	<u>\$51,932</u>	<u>\$42,364</u>	<u>\$44,905</u>	<u>\$2,541</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Auxiliary Services Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	\$44,125	\$46,790	\$46,790	\$0
<b><u>Expenditures:</u></b>				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	28,543	25,918	25,918	0
Fringe Benefits	4,341	4,087	4,087	0
Purchased Services	1,764	511	511	0
Materials and Supplies	10,135	15,639	15,639	0
Capital Outlay - New	10,703	11,996	11,996	0
<i>Total Expenditures</i>	<u>55,486</u>	<u>58,151</u>	<u>58,151</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(11,361)	(11,361)	(11,361)	0
Fund Balance at Beginning of Year	202	202	202	0
Prior Year Encumbrances Appropriated	<u>11,362</u>	<u>11,362</u>	<u>11,362</u>	<u>0</u>
Fund Balance at End of Year	<u>\$203</u>	<u>\$203</u>	<u>\$203</u>	<u>\$0</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Teacher Development Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	<u>666</u>	<u>666</u>	<u>666</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$666</u></u>	<u><u>\$666</u></u>	<u><u>\$666</u></u>	<u><u>\$0</u></u>

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$3,000	\$7,800	\$7,800	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Purchased Services	3,672	7,472	7,472	0
Support Services:				
Pupils:				
Salaries and Wages	4,000	8,000	8,000	0
<i>Total Expenditures</i>	<u>7,672</u>	<u>15,472</u>	<u>15,472</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(4,672)	(7,672)	(7,672)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>7,672</u>	<u>7,672</u>	<u>7,672</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Preschool Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$124,450	\$124,450	\$124,450	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	91,281	92,560	92,560	0
Fringe Benefits	21,651	20,039	20,039	0
Total Instruction	112,932	112,599	112,599	0
Support Services:				
Instructional Staff:				
Salaries and Wages	10,835	10,476	10,476	0
Fringe Benefits	1,965	2,657	2,657	0
Total Support Services	12,800	13,133	13,133	0
<i>Total Expenditures</i>	125,732	125,732	125,732	0
<i>Net Change in Fund Balance</i>	(1,282)	(1,282)	(1,282)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	1,282	1,282	1,282	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0



**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Disadvantaged Pupil Impact Aid Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$506,199	\$506,199	\$506,199	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	298,629	295,778	295,778	0
Fringe Benefits	82,628	85,479	85,479	0
Total Instruction	381,257	381,257	381,257	0
Support Services:				
Instructional Staff:				
Salaries and Wages	103,894	91,165	91,165	0
Fringe Benefits	38,071	50,800	50,800	0
Total Support Services	141,965	141,965	141,965	0
<i>Total Expenditures</i>	523,222	523,222	523,222	0
<i>Net Change in Fund Balance</i>	(17,023)	(17,023)	(17,023)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	17,023	17,023	17,023	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$12,000	\$12,000	\$12,000	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Purchased Services	<u>15,200</u>	<u>15,200</u>	<u>15,200</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(3,200)	(3,200)	(3,200)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>3,200</u>	<u>3,200</u>	<u>3,200</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$4,140	\$4,140	\$4,140	\$0
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	4,140	4,140	4,140	0
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	1,000	1,000	1,000	0
Fund Balance at End of Year	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$0</u>

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

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$23,000	\$23,000	\$23,000	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	2,000	2,000	2,000	0
Purchased Services	13,200	13,200	13,200	0
Materials and Supplies	14,350	14,368	14,368	0
Total Instruction	29,550	29,568	29,568	0
Support Services:				
Instructional Staff:				
Purchased Services	3,121	3,103	3,103	0
<i>Total Expenditures</i>	32,671	32,671	32,671	0
<i>Net Change in Fund Balance</i>	(9,671)	(9,671)	(9,671)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	9,671	9,671	9,671	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Reading Intervention Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$25,119	\$25,119	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	0	23,131	23,131	0
Special:				
Salaries and Wages	0	15,180	15,180	0
Fringe Benefits	0	2,257	2,257	0
Total Special	0	17,437	17,437	0
<i>Total Expenditures</i>	0	40,568	40,568	0
Excess of Revenues Under Expenditures	0	(15,449)	(15,449)	0
<b><u>Other Financing Sources:</u></b>				
Advances In	0	15,449	15,449	0
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Alternative Education Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><i>Revenues:</i></b>				
Intergovernmental	\$46,605	\$46,184	\$46,184	\$0
<b><i>Expenditures:</i></b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	37,186	34,886	34,886	0
Fringe Benefits	9,419	8,989	8,989	0
Total Instruction	<u>46,605</u>	<u>43,875</u>	<u>43,875</u>	<u>0</u>
Support Services:				
Instructional Staff:				
Purchased Services	0	1,500	1,500	0
Administration:				
Salaries and Wages	<u>0</u>	<u>809</u>	<u>809</u>	<u>0</u>
Total Support Services	<u>0</u>	<u>2,309</u>	<u>2,309</u>	<u>0</u>
<i>Total Expenditures</i>	<u>46,605</u>	<u>46,184</u>	<u>46,184</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Extended Learning Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	<u>755</u>	<u>755</u>	<u>755</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$755</u></u>	<u><u>\$755</u></u>	<u><u>\$755</u></u>	<u><u>\$0</u></u>

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b><u>Revenues:</u></b>				
Intergovernmental	\$250,783	\$304,426	\$304,426	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	136,257	109,708	109,708	0
Fringe Benefits	33,290	28,654	28,654	0
Capital Outlay - New	2,400	2,340	2,340	0
Total Instruction	171,947	140,702	140,702	0
Support Services:				
Instructional Staff:				
Salaries and Wages	71,810	67,014	67,014	0
Fringe Benefits	23,654	23,478	23,478	0
Total Instructional Staff	95,464	90,492	90,492	0
Administration:				
Salaries and Wages	44,426	63,611	63,611	0
Fringe Benefits	10,593	27,625	27,625	0
Total Administration	55,019	91,236	91,236	0
Total Support Services	150,483	181,728	181,728	0
<i>Total Expenditures</i>	322,430	322,430	322,430	0
Excess of Revenues Under Expenditures	(71,647)	(18,004)	(18,004)	0
<b><u>Other Financing Sources (Uses):</u></b>				
Advances In	19,124	19,124	19,124	0
Advances Out	0	(53,643)	(53,643)	0
<i>Total Other Financing Sources (Uses)</i>	19,124	(34,519)	(34,519)	0
<i>Net Change in Fund Balance</i>	(52,523)	(52,523)	(52,523)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	52,523	52,523	52,523	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0



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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$553,932	\$576,684	\$576,684	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	9,438	6,066	6,066	0
Capital Outlay - New	4,000	0	0	0
Total Regular	13,438	6,066	6,066	0
Special:				
Salaries and Wages	221,751	225,288	225,288	0
Fringe Benefits	51,723	51,171	51,171	0
Materials and Supplies	4,067	4,044	4,044	0
Total Special	277,541	280,503	280,503	0
Total Instruction	290,979	286,569	286,569	0
Support Services:				
Pupils:				
Salaries and Wages	15,055	14,995	14,995	0
Fringe Benefits	6,726	6,271	6,271	0
Materials and Supplies	1,000	925	925	0
Total Pupils	22,781	22,191	22,191	0
Instructional Staff:				
Salaries and Wages	160,543	160,603	160,603	0
Fringe Benefits	42,738	62,426	62,426	0
Purchased Services	33,688	13,910	13,910	0
Total Instructional Staff	236,969	236,939	236,939	0
Administration:				
Salaries and Wages	11,944	10,815	10,815	0
Fringe Benefits	2,643	2,643	2,643	0
Total Administration	14,587	13,458	13,458	0
Total Support Services	274,337	272,588	272,588	0
<b>Total Expenditures</b>	<b>565,316</b>	<b>559,157</b>	<b>559,157</b>	<b>0</b>
Excess of Revenues Over (Under) Expenditures	(11,384)	17,527	17,527	0
<b><u>Other Financing Uses:</u></b>				
Advances Out	0	(79,074)	(79,074)	0
<b>Net Change in Fund Balance</b>	<b>(11,384)</b>	<b>(61,547)</b>	<b>(61,547)</b>	<b>0</b>
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	61,547	61,547	61,547	0
<b>Fund Balance at End of Year</b>	<b>\$50,163</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$3,278	\$2,398	\$2,398	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	870	612	612	0
Support Services:				
Pupils:				
Purchased Services	0	23,779	23,779	0
Instructional Staff:				
Purchased Services	0	2,620	2,620	0
Total Support Services	0	26,399	26,399	0
<i>Total Expenditures</i>	870	27,011	27,011	0
Excess of Revenues Over (Under) Expenditures	2,408	(24,613)	(24,613)	0
<b><u>Other Financing Sources:</u></b>				
Advances In	21,489	21,489	21,489	0
Transfers In	2,512	0	0	0
<i>Total Other Financing Sources</i>	24,001	21,489	21,489	0
<i>Net Change in Fund Balance</i>	26,409	(3,124)	(3,124)	0
Fund Balance at Beginning of Year	2,513	2,513	2,513	0
Prior Year Encumbrances Appropriated	870	870	870	0
Fund Balance at End of Year	<u>\$29,792</u>	<u>\$259</u>	<u>\$259</u>	<u>\$0</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Free Schools Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$8,043	\$14,313	\$14,313	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	16,474	20,309	20,309	0
Fringe Benefits	356	382	382	0
Purchased Services	4,754	479	479	0
Materials and Supplies	2,445	2,887	2,887	0
<i>Total Expenditures</i>	24,029	24,057	24,057	0
Excess of Revenues Under Expenditures	(15,986)	(9,744)	(9,744)	0
<b><u>Other Financing Sources (Uses):</u></b>				
Advances In	7,659	7,659	7,659	0
Advances Out	0	(6,281)	(6,281)	0
<i>Total Other Financing Sources (Uses)</i>	7,659	1,378	1,378	0
<i>Net Change in Fund Balance</i>	(8,327)	(8,366)	(8,366)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	8,366	8,366	8,366	0
Fund Balance at End of Year	\$39	\$0	\$0	\$0

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$143,997	\$187,848	\$187,848	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	143,954	143,954	143,954	0
Fringe Benefits	35,388	36,644	36,644	0
Total Instruction	179,342	180,598	180,598	0
Support Services:				
Instructional Staff:				
Purchased Services	6,161	6,054	6,054	0
Administration:				
Purchased Services	2,000	509	509	0
Total Support Services	8,161	6,563	6,563	0
Operation of Non-Instructional Services:				
Other Operation of Non-				
Instructional Services:				
Purchased Services	1,500	155	155	0
<i>Total Expenditures</i>	189,003	187,316	187,316	0
Excess of Revenues Over (Under) Expenditures	(45,006)	532	532	0
<b><u>Other Financing Uses:</u></b>				
Advances Out	0	(44,193)	(44,193)	0
<i>Net Change in Fund Balance</i>	(45,006)	(43,661)	(43,661)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	45,006	45,006	45,006	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$1,345</u>	<u>\$1,345</u>	<u>\$0</u>

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title II-D Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$10,767	\$20,339	\$20,339	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	8,057	8,863	8,863	0
Special:				
Materials and Supplies	1,574	1,574	1,574	0
Capital Outlay - New	4,753	4,753	4,753	0
Total Special	6,327	6,327	6,327	0
Total Instruction	14,384	15,190	15,190	0
Support Services:				
Instructional Staff:				
Purchased Services	3,949	5,557	5,557	0
<i>Total Expenditures</i>	18,333	20,747	20,747	0
Excess of Revenues Under Expenditures	(7,566)	(408)	(408)	0
<b><u>Other Financing Sources:</u></b>				
Refund of Prior Year Expenditures	180	180	180	0
Advances In	6,303	6,303	6,303	0
Advances Out	0	(7,158)	(7,158)	0
<i>Total Other Financing Sources (Uses)</i>	6,483	(675)	(675)	0
<i>Net Change in Fund Balance</i>	(1,083)	(1,083)	(1,083)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	1,083	1,083	1,083	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

**WAVERLY CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Debt Service Fund*  
*For the Fiscal Year Ended June 30, 2004*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Property Taxes	\$576,318	\$577,675	\$577,675	\$0
Intergovernmental	0	68,489	68,489	0
<i>Total Revenues</i>	<u>576,318</u>	<u>646,164</u>	<u>646,164</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Fiscal:				
Other	20,237	21,405	21,405	0
Debt Service:				
Principal Retirement	255,696	258,357	258,357	0
Interest and Fiscal Charges	392,460	382,599	382,599	0
Total Debt Service	<u>648,156</u>	<u>640,956</u>	<u>640,956</u>	<u>0</u>
<i>Total Expenditures</i>	<u>668,393</u>	<u>662,361</u>	<u>662,361</u>	<u>0</u>
Excess of Revenues Under Expenditures	(92,075)	(16,197)	(16,197)	0
<b><u>Other Financing Sources:</u></b>				
Transfers In	92,353	92,353	92,353	0
<i>Net Change in Fund Balance</i>	278	76,156	76,156	0
Fund Balance at Beginning of Year	<u>191,394</u>	<u>191,394</u>	<u>191,394</u>	<u>0</u>
Fund Balance at End of Year	<u>\$191,672</u>	<u>\$267,550</u>	<u>\$267,550</u>	<u>\$0</u>

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	<u>8,747</u>	<u>8,747</u>	<u>8,747</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$8,747</u></u>	<u><u>\$8,747</u></u>	<u><u>\$8,747</u></u>	<u><u>\$0</u></u>

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$46,200	\$46,200	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	0	13,276	13,276	0
Capital Outlay - New	0	32,924	32,924	0
<i>Total Expenditures</i>	<u>0</u>	<u>46,200</u>	<u>46,200</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>



# WAVERLY CITY SCHOOL DISTRICT

---

## STATISTICAL SECTION





**TABLE 1****WAVERLY CITY SCHOOL DISTRICT**Government-wide Expenses by Function  
Last Four Fiscal Years

Fiscal Year (1)	2001	2002	2003	2004
Current:				
Instruction:				
Regular	\$5,924,366	\$7,209,505	\$6,708,113	\$7,621,366
Special	1,109,969	1,248,682	1,069,035	1,190,478
Vocational	149,069	123,634	171,496	147,756
Other	45,511	67,823	0	0
Support Services:				
Pupil	607,246	827,551	781,774	827,706
Instructional Staff	947,256	816,270	1,095,531	1,158,050
Board of Education	38,851	46,775	63,940	45,493
Administration	973,537	1,017,178	1,018,692	1,158,011
Fiscal	360,285	445,742	376,787	425,265
Business	44,894	0	0	0
Operation and Maintenance				
of Plant	1,068,241	1,054,328	1,156,317	1,249,016
Pupil Transportation	797,019	788,353	886,792	988,140
Central	16,224	19,844	12,339	16,945
Operation of Non-Instructional				
Services - Food Services	645,419	699,050	655,797	693,429
Operation of Non-Instructional				
Services - Other	605	864	33,801	1,257
Extracurricular Activities	414,154	412,523	449,068	504,173
Intergovernmental	42,109	297,617	425,391	534,151
Interest and Fiscal Charges	256,783	461,276	591,291	422,081
<b>Total</b>	<b>\$13,441,538</b>	<b>\$15,537,015</b>	<b>\$15,496,164</b>	<b>\$16,983,317</b>

Source: Waverly City School District records.

- (1) Fiscal year 2001 is the first year the School District has prepared full accrual statements.

**WAVERLY CITY SCHOOL DISTRICT**

Government-wide Revenues by Source (1)

Last Four Fiscal Years

Fiscal Year (2)	Program Revenues			Property Taxes	Intergovernmental
	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions		
2001	\$459,581	\$2,152,351	\$145,870	\$3,372,688	\$43,146,697
2002	621,763	2,632,270	62,320	3,700,687	7,686,735
2003	698,083	2,904,380	0	3,741,367	8,090,100
2004	908,589	3,210,572	46,200	4,162,373	8,449,946

Source: Waverly City School District records.

- (1) Includes all governmental activities on a full accrual basis.
- (2) Fiscal year 2001 is the first year the School District has prepared full accrual statements.

**TABLE 2**

General Revenues

---

Revenue in Lieu of Taxes	Investment Earnings	Gift and Donations	Miscellaneous	Total
\$0	\$666,613	\$202,680	\$202,680	\$50,349,160
0	522,908	151,493	151,493	15,529,669
382,809	348,772	2,000	33,280	16,200,791
0	161,814	2,900	211,683	17,154,077

**WAVERLY CITY SCHOOL DISTRICT**  
 General Government Expenditures by Function (1)  
 Last Ten Fiscal Years

Fiscal Year	1995	1996	1997	1998	1999
Current:					
Instruction:					
Regular	\$3,830,074	\$3,938,313	\$4,007,877	\$4,389,495	\$4,866,826
Special	1,153,901	1,106,999	1,205,487	1,089,027	902,764
Vocational	111,478	110,030	112,470	121,060	123,038
Other	1,233	22,640	3,927	12,926	119,062
Support Services:					
Pupils	385,354	389,383	432,439	407,533	539,019
Instructional Staff	342,307	393,643	451,168	520,007	726,336
Board of Education	35,626	26,124	32,973	35,177	28,111
Administration	766,465	914,295	913,406	950,130	835,648
Fiscal	219,064	230,623	231,869	267,207	283,291
Operation and Maintenance of Plant	909,522	740,055	860,555	1,023,360	996,183
Pupil Transportation	573,827	559,768	684,222	662,391	640,420
Central	14,027	14,998	7,052	9,231	19,900
Operation of Non-Instructional Services - Food Services	514,428	504,274	559,245	576,291	587,371
Operation of Non-Instructional Services - Other	4,722	2,106	13,281	35,669	15,071
Extracurricular Activities	239,057	246,506	242,755	254,895	276,137
Capital Outlay	75,546	86,288	804,560	15,896	838,693
Intergovernmental	0	0	0	0	0
Debt Service	45,250	43,150	41,050	0	0
Totals	<u>\$9,221,881</u>	<u>\$9,329,195</u>	<u>\$10,604,336</u>	<u>\$10,370,295</u>	<u>\$11,797,870</u>

Source: Waverly City School District records.

(1) Includes general, special revenue, capital projects and debt service funds.

**TABLE 3**

2000	2001	2002	2003	2004
\$5,507,128	\$5,723,795	\$6,158,416	\$6,521,806	\$7,294,024
1,043,354	1,093,346	1,151,152	1,104,049	1,210,603
127,188	138,735	122,075	167,640	165,901
128,174	45,511	67,823	0	0
741,203	634,446	775,912	801,604	844,641
779,537	873,238	883,151	1,083,854	1,134,698
26,911	38,851	46,775	63,940	45,493
795,523	940,271	988,641	1,038,788	1,161,288
329,174	357,037	442,136	378,073	422,062
1,178,454	1,084,478	1,023,502	1,111,581	1,207,345
729,455	890,040	891,906	927,128	1,028,563
17,542	20,877	15,902	8,524	13,807
592,688	550,677	646,606	647,394	693,369
54,997	4,312	4,770	6,412	155
371,834	377,709	399,507	449,744	537,134
1,226,795	830,277	3,912,379	18,665,024	19,064,649
0	42,109	297,617	425,391	534,209
92,353	451,267	497,829	664,408	659,649
<u>\$13,742,310</u>	<u>\$14,096,976</u>	<u>\$18,326,099</u>	<u>\$34,065,360</u>	<u>\$36,017,590</u>

**WAVERLY CITY SCHOOL DISTRICT**

General Government Revenues by Source (1)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Property Taxes	\$2,302,055	\$2,876,153	\$2,350,285	\$2,177,489	\$2,635,177
Intergovernmental	6,182,041	6,770,612	7,484,162	7,179,533	7,950,445
Interest	170,234	214,944	227,483	319,303	322,757
Tuition and Fees	37,433	28,736	38,670	49,547	47,296
Extracurricular	162,401	201,034	149,750	135,651	132,451
Customer Services	169,215	275,285	300,828	304,411	208,742
Rent	4,095	2,400	3,177	6,888	6,548
Gifts and Donations	5,487	6,183	4,828	63,318	55,140
Payment in Lieu of Taxes	0	0	0	0	0
Miscellaneous	<u>118,819</u>	<u>33,653</u>	<u>42,535</u>	<u>115,224</u>	<u>123,665</u>
Totals	<u>\$9,151,780</u>	<u>\$10,409,000</u>	<u>\$10,601,718</u>	<u>\$10,351,364</u>	<u>\$11,482,221</u>

Source: Waverly City School District records.

(1) Includes general, special revenue, capital projects and debt service funds.



**TABLE 4**

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
\$3,185,571	\$3,343,746	\$3,669,150	\$3,687,133	\$4,150,302
8,014,263	9,792,308	19,212,770	27,154,546	21,984,852
299,330	648,335	531,497	368,844	168,619
55,484	57,379	211,796	266,892	528,395
152,569	168,150	163,593	220,974	159,017
236,999	231,812	242,024	208,122	218,782
7,005	2,240	4,350	2,095	2,395
60,759	54,681	55,296	14,382	13,275
0	0	0	0	40,000
<u>141,479</u>	<u>202,680</u>	<u>151,493</u>	<u>33,280</u>	<u>211,683</u>
<u>\$12,153,459</u>	<u>\$14,501,331</u>	<u>\$24,241,969</u>	<u>\$31,956,268</u>	<u>\$27,477,320</u>

## **WAVERLY CITY SCHOOL DISTRICT**

### Property Tax Levies and Collections - Real and Public Utility Property Last Ten Collection (Calendar) Years

<u>Collection Year</u>	<u>Tax Levied (1)</u>	<u>Current Tax Collection (2)</u>	<u>Percent Collected</u>	<u>Delinquent Collection</u>
1995	\$2,790,197	\$2,210,156	79.21%	\$192,187
1996	3,128,083	2,308,787	73.81	200,764
1997	3,256,946	2,333,614	71.65	202,923
1998	3,380,729	2,405,642	71.16	209,186
1999	3,495,612	2,441,723	69.85	127,677
2000	3,873,633	2,788,433	71.98	208,909
2001	3,874,436	3,051,964	78.77	142,151
2002	2,948,066	2,695,731	91.44	259,864
2003	3,924,294	2,351,992	59.93	147,150
2004	4,193,107	4,142,408	98.79	95,804

Source: Pike County Auditor

- (1) Taxes levied and collected are presented on a cash basis because that is the manner that information is maintained by the County Auditor.
- (2) State reimbursements of rollback and homestead exemptions are not included.
- (3) Penalties and interest are included since, by Ohio law, they become part of the tax obligation as assessment occurs.

**TABLE 5**

<u>Total Tax Collections</u>	<u>Percent Of Total Collections To Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Percent of Outstanding Delinquent Taxes To Tax Levied</u>
\$2,402,343	86.10%	\$346,115	12.40%
2,509,551	80.23	105,293	3.37
2,536,537	77.88	104,694	3.21
2,614,828	77.35	131,283	3.88
2,569,400	73.50	149,704	4.28
2,997,342	77.38	116,663	3.01
3,194,115	82.44	145,605	3.76
2,955,595	100.25	171,842	5.83
2,499,142	63.68	231,375	5.90
4,238,212	101.08	211,268	5.04

**WAVERLY CITY SCHOOL DISTRICT**  
 Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Collection (Calendar) Years (1)

Collection Year	Real Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1995	\$70,587,280	\$201,677,943	\$15,221,072	\$60,884,288
1996	71,845,890	205,273,971	17,708,846	70,835,384
1997	78,964,110	225,611,743	19,869,133	79,476,532
1998	78,017,170	222,906,200	22,389,505	89,558,020
1999	80,312,350	229,463,857	23,447,763	93,791,052
2000	104,556,410	298,732,600	26,168,773	104,675,092
2001	104,310,020	298,028,629	25,656,945	102,627,780
2002	103,127,340	294,649,543	24,956,078	99,824,312
2003	113,872,000	325,348,571	23,441,485	93,765,940
2004	114,607,680	327,450,514	25,005,172	108,718,139

Source: Pike County Auditor

- (1) Pike County Auditor property tax records are maintained on a calendar year basis.
- (2) Ratio represents assessed value/total estimated actual value.

**TABLE 6**

Public Utilities		Total		Ratio (2)
Assessed Value	Estimated Actual Value	Assessed Value	Actual Value	
\$12,968,870	\$14,737,352	\$98,777,222	\$277,299,583	35.62%
8,270,640	9,398,455	97,825,376	285,507,810	34.26
12,652,470	14,377,807	111,485,713	319,466,082	34.90
12,286,090	13,961,466	112,692,765	326,425,686	34.52
13,173,640	14,970,045	116,933,753	338,224,955	34.57
12,444,000	14,140,909	143,169,183	417,548,601	34.29
11,948,020	13,577,295	141,914,985	414,233,704	34.26
9,982,750	11,344,034	138,066,168	405,817,889	34.02
10,924,400	12,414,091	148,237,885	431,528,602	34.35
11,421,250	12,978,693	151,034,102	449,147,347	33.63

**WAVERLY CITY SCHOOL DISTRICT**

Property Tax Rates (Per \$1,000 of Assessed Valuation)

Direct and Overlapping Governments

Last Ten Collection (Calendar) Years

<u>Collection Year</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
Waverly City School District	\$32.50	\$32.50	\$32.50	\$32.50
Pike County	9.20	9.20	9.20	9.20
City of Waverly	16.30	16.30	16.30	16.30
Pike County Joint Vocational School	6.80	6.80	6.50	6.50

Source: Pike County Auditor

**TABLE 7**

<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
\$32.50	\$39.00	\$37.12	\$37.12	\$37.12	\$37.12
9.20	9.20	14.20	14.20	14.20	14.20
16.30	16.30	16.30	15.30	15.30	16.30
6.50	6.50	6.50	6.50	6.50	6.50

**TABLE 8**

**WAVERLY CITY SCHOOL DISTRICT**  
Ratio of Net General Bonded Debt to Assessed Value  
And Net Bonded Debt per Capita  
Last Ten Fiscal Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Assessed Value (2)</u>	<u>Net Bonded Debt (3)</u>	<u>Ratio of Net Bonded Debt To Assessed Value (%)</u>	<u>Net Bonded Debt Per Capita</u>
1995	5,084	\$98,777,222	\$80,000	0.08%	\$16
1996	5,084	97,825,376	40,000	0.04	8
1997	5,084	111,485,713	0	0.00	0
1998	5,084	112,692,765	0	0.00	0
1999	5,084	116,933,753	0	0.00	0
2000	4,433	143,169,183	0	0.00	0
2001	4,433	141,914,985	7,779,076	5.48	1,755
2002	4,433	138,066,168	7,911,530	5.73	1,785
2003	4,433	148,237,885	7,617,714	5.14	1,718
2004	4,433	151,034,102	7,385,622	4.89	1,666

## Sources:

- (1) 1991 through 1999 population data from 1990 U.S. census.  
After 1999, population data is from 2000 U.S. census.
- (2) Pike County Auditor, calendar year basis.
- (3) Net bonded debt does not include Energy Conservation Loan.



**TABLE 9****WAVERLY CITY SCHOOL DISTRICT**

## Computation of Legal Debt Margin

June 30, 2004

(1) Assessed Valuation of District		<u><u>\$151,034,102</u></u>
 <b>Overall Direct Debt Limitation</b> <hr/>		
Direct debt limitation		
9% of assessed valuation (1)		\$13,593,069
Gross indebtedness	\$8,205,014	
Less Exempt Debt:		
Energy Conservation Loan	<u>479,108</u>	
Debt within 9.0% limitation	7,725,906	
Less amount available for debt service	<u>340,284</u>	
Net indebtedness		<u>7,385,622</u>
Legal debt margin within 9% limitation		<u><u>\$6,207,447</u></u>
 <b>Unvoted Direct Debt Limitation</b> <hr/>		
Unvoted debt limitation		
0.1% of assessed valuation (1)		\$151,034
Gross indebtedness	\$479,108	
Less Exempt Debt:		
Energy Conservation Loan	<u>(479,108)</u>	
Net indebtedness		<u>0</u>
Legal debt margin within 0.1% limitation		<u><u>\$151,034</u></u>
 <b>Energy Conservation Debt Limitation</b> <hr/>		
Debt limitation		
0.9% of assessed valuation (1)		\$1,359,307
Net debt within 0.9% limitation		<u>(479,108)</u>
Energy Conservation Debt Margin		<u><u>\$880,199</u></u>

Source: Waverly City School District records.

**TABLE 10****WAVERLY CITY SCHOOL DISTRICT**

Computation of Direct and Overlapping Debt

June 30, 2004

Governmental Unit	General Obligation Debt (1)	Percent Applicable to District	Amount Applicable to District
Direct:			
Waverly City School District	\$7,385,622	100.00%	\$7,385,622
Overlapping:			
Pike County Joint Vocational School	35,000	N/A	N/A
Total direct and overlapping debt:	\$7,420,622		\$7,385,622

Source: Pike County Auditor

For fiscal year 2004, the Pike County Auditor was unable to provide the necessary information.

(1) Net General Bonded Debt - Excludes Energy Conservation Loan

**TABLE 11**

**WAVERLY CITY SCHOOL DISTRICT**  
 Ratio of Annual Debt Service Expenditures  
 For General Bonded Debt to Total General Government Expenditures  
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Government Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
1995	\$40,000	\$5,250	\$45,250	\$9,221,881	0.49%
1996	40,000	3,150	43,150	9,329,195	0.46
1997	40,000	1,050	41,050	10,604,336	0.39
1998	0	0	0	10,370,295	0.00
1999	0	0	0	11,797,870	0.00
2000	0	0	0	13,742,310	0.00
2001	0	0	0	14,096,976	0.00
2002	0	355,870	355,870	18,326,099	1.94
2003	170,000	365,803	535,803	34,065,360	1.57
2004	190,000	358,603	548,603	36,017,590	1.52

Source: Waverly City School District records.

## **WAVERLY CITY SCHOOL DISTRICT**

Demographic Statistics  
Last Ten Calendar Years

<u>Year</u>	<u>Pike County Population (1)</u>	<u>Population of District (1)</u>	<u>School Enrollment (2)</u>
1995	24,249	5,084	2,115
1996	24,249	5,084	2,064
1997	24,249	5,084	2,130
1998	24,249	5,084	2,107
1999	24,249	5,084	2,093
2000	27,695	4,433	2,112
2001	27,695	4,433	2,082
2002	27,695	4,433	2,050
2003	27,695	4,433	2,066
2004	27,695	4,433	2,098

Sources: (1) 1991 through 1999 population data from  
1990 U.S. census.

2000 through 2003 population data from  
2000 U.S. census.

(2) Waverly City School District

(3) Ohio Department of Jobs and Family Services -  
Data for 2001 through 2003 based upon  
June 2001 through 2003.  
Prior years based on annual averages.

**TABLE 12**

<u>Unemployment Rate Pike County (3)</u>	<u>Unemployment Rate State of Ohio (3)</u>	<u>Unemployment Rate U.S.A (3)</u>
8.80%	4.80%	5.60%
9.10	4.90	5.40
9.10	4.60	4.90
8.80	4.40	4.70
11.70	4.36	4.42
7.10	3.90	4.10
7.70	5.70	6.30
6.40	5.70	5.40
10.70	6.30	6.40
9.10	5.80	5.60

**TABLE 13**

**WAVERLY CITY SCHOOL DISTRICT**  
 Construction, Bank Deposits and Property Values  
 Last Ten Calendar Years

<u>Year</u>	<u>Value of Permits Issued (1)</u>	<u>County Bank Deposits (2) (in thousands)</u>	<u>Property Values (3)</u>
1995	\$1,378,200	\$97,573	\$70,587,280
1996	2,015,770	100,565	71,845,890
1997	1,535,060	107,546	78,964,110
1998	1,150,440	127,298	78,017,170
1999	1,325,080	127,973	80,312,350
2000	1,438,590	135,918	104,556,410
2001	1,451,350	146,843	104,309,730
2002	1,951,635	136,756	103,127,340
2003	1,140,000	137,148	113,872,000
2004	N/A	144,397	151,034,102

- Sources: (1) Pike County Auditor  
 The Pike County Auditor was unable to provide the value for calendar year 2004.
- (2) Federal Reserve Bank of Cleveland
- (3) Pike County Auditor, calendar year basis of real property only.

**TABLE 14****WAVERLY CITY SCHOOL DISTRICT**

Top Ten Principal Taxpayers  
Real Property (1)

Name of Taxpayer	Total Assessed Valuation	% of Total School District Assessed Valuation
National Church Residences	\$10,803,380	7.15%
Mills Pride Limited	2,576,730	1.71%
Wal-Mart Stores, Inc.	1,252,040	0.83%
HTW Associates, Ltd.	754,070	0.50%
Pinehurst, Ltd.	550,250	0.36%
Wausau Homes, Inc.	475,110	0.31%
Clough Commons, Ltd.	471,370	2.62%
Parker Hannifin Corporation	470,730	2.62%
Emmett Station, Ltd.	338,150	0.22%
Waverly Manor Association	294,710	0.20%
Total Principal Taxpayers	\$17,986,540	11.91%
Total School District	\$151,034,102	100.00%

Source: Pike County Auditor.

(1) Taxpayers and amounts are for fiscal year 2004.

**TABLE 15****WAVERLY CITY SCHOOL DISTRICT**

Miscellaneous Statistical Data

June 30, 2004

<u>School</u>	<u>Grade Levels</u>	<u>Enrollment</u>
East Elementary	K-2	459
West Intermediate	3-5	480
North Junior High	6-8	489
Waverly High School	9-12	670
Total		<u>2,098</u>
<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor	8	7.25%
Bachelor +	36	24.64
Masters	48	39.85
Masters +15	36	28.26
Total	<u>128</u>	<u>100.00%</u>
<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	22	15.22%
6 - 10	26	23.91
11 - 15	27	17.39
16 - 20	15	11.59
21 - 25	13	11.59
26 and over	25	20.30
Total	<u>128</u>	<u>100.00%</u>

Source: Waverly City School records.



**TABLE 16****WAVERLY CITY SCHOOL DISTRICT**Per Pupil Cost  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Fund Expenditures</u>	<u>Average Daily Membership</u>	<u>Per Pupil Cost</u>
1995	\$7,356,589	2,115	\$3,478
1996	7,429,591	2,064	3,600
1997	7,973,294	2,130	3,743
1998	8,499,571	2,107	4,034
1999	9,107,326	2,093	4,351
2000	10,628,632	2,112	5,032
2001	10,642,906	2,082	5,112
2002	11,083,809	2,050	5,407
2003	11,555,152	2,066	5,593
2004	13,693,368	2,098	6,527

Source: Waverly City School District records.

**WAVERLY CITY SCHOOL DISTRICT**

Enrollment  
Last Ten Fiscal Years

<u>Year</u>	<u>K</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
1995	159	181	156	137	143	139	170
1996	150	178	148	149	136	148	147
1997	143	178	168	147	158	140	157
1998	148	184	157	180	144	161	153
1999	164	152	153	163	156	159	160
2000	180	161	152	159	165	165	157
2001	166	181	168	154	166	158	172
2002	159	154	181	157	152	170	161
2003	133	148	155	177	155	156	173
2004	175	145	139	153	173	154	146

Source: Waverly City School District records.

**TABLE 17**

<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>Total</u>
178	185	178	162	140	187	2,115
162	182	200	161	140	163	2,064
145	165	209	191	159	170	2,130
147	140	189	168	169	167	2,107
154	151	161	168	158	194	2,093
161	161	156	149	166	180	2,112
161	148	165	138	149	156	2,082
161	155	169	158	146	127	2,050
168	159	173	171	160	138	2,066
167	176	182	169	164	155	2,098





**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**WAVERLY CITY SCHOOL DISTRICT**

**PIKE 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  
MAY 5, 2005**