



**Auditor of State
Betty Montgomery**

WHITEHALL CITY SCHOOL DISTRICT
FRANKLIN COUNTY

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**WHITEHALL CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Donation		10.550	\$ -	\$ 115,110	\$ -	\$ 115,110
School Breakfast Program	05PU	10.553	60,108		60,108	
National School Lunch Program	LLP4	10.555	476,238		476,238	
Special Milk Program for Children	02PU	10.556	8,938		8,938	
Total - Nutrition Cluster			<u>545,284</u>	<u>115,110</u>	<u>545,284</u>	<u>115,110</u>
Child and Adult Care Food Program	CCCP/CCMO	10.558	15,373		15,373	
Total U.S. Department of Agriculture			<u>560,657</u>	<u>115,110</u>	<u>560,657</u>	<u>115,110</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed Through Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies	C1S1	84.010	755,645		798,828	
Special Education Cluster:						
Special Education_Grants to States	6BSF	84.027	449,934		464,313	
Special Education_Preschool Grants	PGS1	84.173	13,139		13,139	
Total Special Education Cluster			<u>463,073</u>	<u>-</u>	<u>477,452</u>	<u>-</u>
Safe and Drug-Free Schools and Communities State Grants	DRS1	84.186	16,974		16,974	
State Grants for Innovative Programs	C2S1	84.298	27,882		28,023	
Education Technology State Grants	TJS1	84.318	660		1,324	
Advance Placement Program	AVS1	84.330	50		50	
Comprehensive School Reform Demonstration	RFS1/RFS2	84.332	83,200		94,887	
School Renovation, IDEA and Technology	ATS3	84.352A	2,132		2,132	
English Language Acquisition Grants	T3S1/T3S2	84.365	62,317		63,424	
Improving Teacher Quality State Grants	TRS1	84.367	198,889		169,918	
Total U.S. Department of Education			<u>1,610,822</u>	<u>-</u>	<u>1,653,012</u>	<u>-</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>						
<i>Passed Through the Ohio Department of Education:</i>						
Temporary Assistance for Needy Families		93.558	96,687		96,687	
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>						
Medical Assistance Program		93.778	51,210		51,210	
Total U.S. Department of Health and Human Services			<u>147,897</u>	<u>-</u>	<u>147,897</u>	<u>-</u>
Totals			<u>\$2,319,376</u>	<u>\$115,110</u>	<u>\$2,361,566</u>	<u>\$115,110</u>

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

**WHITEHALL CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

Note A. Significant Accounting Policies

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

Note B. Food Distribution

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

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

Note C. Transferability

During fiscal year 2004, and as allowed by the requirements of the related grants, the District transferred \$7,500 originally allocated for Education Technology State Grants (CFDA # 84.318) to the Innovative Education Program Strategies Grant (CFDA # 84.298). The related funds were received into and disbursed out of the Education Program Strategies Grant.



Auditor of State Betty Montgomery

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

Whitehall City School District
Franklin County
625 South Yearling Road
Whitehall, Ohio 43213

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Whitehall City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 1, 2004, wherein we disclosed the District restated net assets in Governmental Activities and Business-Type Activities as of July 1, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance we must report under *Government Auditing Standards*. However, we noted a certain immaterial instance of noncompliance that we have reported to the District's management in a separate letter dated December 1, 2004.

Internal Control Over Financial Reporting

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

Whitehall City School District
Franklin County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

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 1, 2004



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133, AND SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES

Whitehall City School District
Franklin County
625 South Yearling Road
Whitehall, Ohio 43213

To the Board of Education:

Compliance

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

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2004. However, we noted an instance of noncompliance that does not require inclusion in this report that we have reported to the management of the District in a separate letter dated December 1, 2004.

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Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted a matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 1, 2004.

Schedule of Federal Awards Receipts and Expenditures

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Whitehall City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 1, 2004, wherein we disclosed the District restated net assets in Governmental Activities and Business-Type Activities as of July 1, 2003. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

December 1, 2004

**WHITEHALL CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505**

JUNE 30, 2004

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Nutrition Cluster – CFDA #10.550, #10.553, #10.555, #10.559
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

Comprehensive Annual Financial Report

WHITEHALL CITY SCHOOL DISTRICT



**Board of Education
Of
Whitehall City School District
Whitehall, Ohio**

For Fiscal Year Ended June 30, 2004

Whitehall City School District

Whitehall, Ohio

Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2004

Issued by:

Office of the Treasurer

Timothy J. Penton
Treasurer

WHITEHALL CITY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
June 30, 2004

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WHITEHALL CITY SCHOOL DISTRICT

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Whitehall City School District

625 South Yearling Road

Whitehall, Ohio 43213

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December 1, 2004

To the Board of Education and the Citizens of the Whitehall City School District:

As the Superintendent and the Treasurer of the Whitehall City School District (the District), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2004. This CAFR is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

This CAFR has three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes management's discussion and analysis, the basic financial statements, required supplementary information, and the supplemental data, as well as the report of the independent accountants on the financial statements and schedules. The statistical section provides pertinent financial, economic, and demographic information indicating ten-year historical trends.

This letter of transmittal is designed to complement the Management's Discussion and Analysis included within the financial section of the CAFR, and should be read in conjunction with it.

The Office of the Treasurer is responsible for the accuracy of the data presented and the completeness and fairness of this presentation. We believe the data presented are accurate in all material respects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the District's financial activity are included herein.

Reporting Entity

The District is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution and various sections of the Revised Code. Under such laws, there is no authority for the District to have a charter or adopt local laws. The District is not a part of, nor under the control of, the City of Whitehall.

The District encompasses approximately five (5) square miles. The District's boundaries all are within the City of Whitehall and include the Baltimore & Ohio Railroad to the north, the New York Central Railroad on the west, Main Street/Mound Street on the south and Big Walnut Creek on the east.

The accompanying basic financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities and functions for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of a component unit's board and either (i) the District's ability to impose its will over a component unit, or (ii) the possibility that the component unit will provide a financial benefit or impose a financial burden on the District. On that basis, the reporting entity of the District includes the services of the school district only (i.e. there are no component units).

Organization of the School District

An elected five-member Board of Education serves as the taxing authority and policy maker for the District. The Board adopts an annual tax budget and an annual appropriations resolution which serves as the basis for control over the authorization for all expenditures of District tax monies. The Board directly approves all personnel-related expenditures.

The Superintendent is the chief executive officer of the District, responsible to the Board for total educational and support operations. The Treasurer is the chief financial officer of the District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing idle funds as permitted by Ohio law. Other administrative personnel reporting to the Superintendent include the Assistant Superintendent, the Director of Administrative Services, the Director of Business Affairs, and the school principals.

Economic Outlook

The present financial integrity of the Whitehall City School District remains sound through June 30, 2008, per the District's current 5-year forecast. The forecast assumes a steady, or slightly declining, student enrollment, no major building initiatives, and maintaining existing staffing levels. Barring all unforeseen disruptions of established revenue streams (i.e., reduction of state foundation funding, loss of major manufacturing tax base, or national economic crisis, etc.), there is no need at this time to seek additional tax revenue from District property owners.

In June of 2003, the District approved 3-year labor agreements (7/01/03-6/30/06) with the Whitehall Education Association (WEA) and the Ohio Association of Public School Employees (OAPSE). This was made possible, in part, based on a 5-year financial forecast which, at the time, showed a positive year-end general fund balance through FY07. All factors of anticipated revenues and expenditures, be they contractual or otherwise, are included in developing the 5-year forecast.

Fully realizing the impact on the community taxpayers of the 1995 13-mill operating levy, the current administration remains committed to conservative, planned spending in hopes of extending the “life” of the levy as far as possible. Major budget initiatives such as curriculum adoptions, computer network upgrades, all-day kindergarten, and building construction of any sort, continue to be assessed on a cost/benefit basis.

TECHNOLOGY INITIATIVES 2003-2004: OVERVIEW

The major problem faced by technology operations in our District over the past year was the same as that facing most districts—how to continue to support and expand technology services and expectations with reduced funding. We have addressed this issue in a number of ways, as you will see below. Despite this challenge, there have been some very exciting new additions to technologies available to our students and staff.

Data Network

The need to extend the life of some 850 eight-and nine-year old computers in the District was the motivation for our most extensive project of the year: the complete restructuring of our District data network. During the summer of 2004, we moved our entire District network from NetWare to a Windows 2003 server network. We were able to maintain services to our summer staff while systematically moving each NetWare server to a Windows 2003 server, and migrating all network services to Microsoft products (for instance, moving from GroupWise e-mail to Microsoft Exchange e-mail). At the beginning of the 2004-

2005 school year, there was literally not a single piece of software in the District that had been there at the end of the previous school year.

Student Computers

Each of the District's three elementary schools received thirty-five new computers for media center labs. Thirty-five computers were also purchased to replace the thirty-two computer media center lab in Whitehall-Yearling High School.

Moving the network to the Microsoft network software allowed us to implement Microsoft's Terminal Services. This product allows the oldest computers in the District, which had become barely functional over time, to be used as "terminals." As terminals, they actually connect just to the servers and use the servers to run the software. As a result, these 850 old student and staff computers that were barely able to run five year old software now run like brand new machines, allowing students and staff access to all the latest software products.

To provide the processing power for all the terminal services users, three new servers were purchased. As last summer, the Storage Area Network purchased in 2003 allowed us to purchase servers with configurations that cost the District less than half what they would have cost if we had not implemented the SAN.

New and Relocated Student Specific-Use Computer Labs

To accommodate a new athletics and health fitness center, the health computer lab was relocated. Wiring and distribution points for both telephones and computers in the new health lab were installed.

A new family science class was offered at the high school and a new computer lab was implemented to respond to the program's curricular needs. The lab has ten new student computers and one teacher computer.

Cafeteria Point-of-Sale Software

To better serve our students, a new point-of-sale software was implemented in all of our cafeterias. This software allows us to more accurately track Free- and Reduced-Price Lunch membership, and allows the student participants of these programs to use their student IDs as "credit cards" to avoid any embarrassment they may feel from participating in the program. The software also allows a greater accuracy in reporting and inventory control.

Special Education Technology

To address teacher concerns about increasing record maintenance burdens, a new District-wide Individualized Educational Program (IEP) creation and maintenance

software was implemented. This software allows teachers to electronically enter and track special needs students IEPs, allowing greater accuracy in serving student needs and meeting federal and state requirements while simultaneously reducing teacher time required to create and maintain those records.

New Student Report Cards

To better reflect the goals of the District curricular program and federal initiatives such as No Child Left Behind (NCLB), a new elementary student report card format was developed for use with the District's electronic gradebook program. The new report card more directly addresses individual student progress, and the resulting report cards will be printed in-district so no report card printing charges will be incurred beyond the cost of printer consumables.

Student and Staff Safety

The success of the IP Video Security System implemented last year has been so successful, there has been a major expansion of the system this year. In the high school, for example, the number of security cameras was doubled during the last school year. This system allows for better control and protection of students and staff in areas that are not easily monitored, as well as increasing the security of District equipment, student and staff vehicles, District buses, and more.

Telephone Network

The District PBX system has again been very trouble free, so there have been no major replacements in this area. As noted in last year's CAFR report, we note increasing equipment failure rates as the system ages. However, like last year, the failures have been limited to telephone user stations rather than the much more expensive phone system infrastructure, and the failed stations have been replaced.

A thorough security and "system health" evaluation was performed during the summer of 2004, and no major problems were found. The system was expanded minimally to address increased staff numbers.

Equipment "Environmentals"

The environmental conditions (temperature, humidity, air cleanliness) in which expensive data network and telephone systems equipment are used is a major factor in the life of that equipment. In an effort to keep existing equipment running as long as possible, air conditioning equipment was added to each of our major equipment "closets."

District Web Site

A new District web site was developed this year that allows for more effective interaction between the students, parents, general community, potential employees, and the District. The major benefit of the new web site is that specific building and District staff members can administer their own areas of responsibility, increasing the timeliness of the content of our web site. Teachers can better communicate with students and parents via an “online classroom” to which they can post homework assignments, test schedules, notes for students (particularly useful when a student is absent), and more. School and District calendars are available to the community and those interested in possible employment by the District can access District information, job postings, application forms, and contact information via the Human Resources area of the Web.

Technology Department Intranet

Due to the scope of the technology changes in the District during the summer of 2004, it was critical that staff be given information and instructions regarding these changes. To address this need effectively and efficiently, a new Intranet was developed. While the site is actually available to our staff from outside the District, the Intranet’s main benefit is to those employees trying to use the new services from within the District. “How To” sheets have been created for all the major new services and, for each of these services, Word and PDF files are available for download and printing for staff to review at their leisure. This Intranet will be expanded as needed during the coming school years.

Projections for 2004 – 2005

For the next school year, we will be implementing new 7th and 8th grade classroom computers from our SchoolNet funding. Over 100 computers originally slated for removal from the District due to “obsolescence” will be moved into our classrooms, as this summer’s implementation of Terminal Services has made them usable equipment again. We also expect to expand network printing capabilities to continue our movement from high-cost inkjet printing to the much less expensive shared network laser printing. While we have met that goal in each of our elementary schools, we still need to address that area in our middle school and high school more effectively.

We will be carefully evaluating our Terminal Services during the year to ensure that new paradigm continues to meet the expanding needs of our students and staff. As always, we will remain focused on new technologies that offer value to our students, staff, and operations that can be cost-effectively employed by our District to meet District goals.

CURRICULUM INITIATIVES 2003-2004

The following goals, established by the curriculum department, continue to be developed and aligned with the District's Continuous Improvement Plan (CIP):

GOAL A: Coordinate K-12 Proficiency efforts.

1. *Coordinate a K- 12 assessment and intervention plan.*
 - Coordinate Proficiency and Achievement Testing efforts K-12;
 - Coordinate a K-12 assessment plan and use of its data
 - Articulate a K-12 intervention plan.

2. *Increase Math Proficiency to 75% proficiency in grades 4, 6, and 10.*
 - Map and align K-12 expectations (pacing charts)
 - Implement course options at the middle school and high school
 - In-service effective instructional strategies that increase achievement
 - Coordinate effective use of resources
 - Develop a series of benchmark assessments for grades K-4 and 5-10.
 - Implement Mathematics Course of Study
 - Use materials for during the 2003-2004 school year.

3. *Increase Reading and Writing to 75% proficiency in grades 4, 6, and 10.*
 - Study and develop a plan of K-12 Language Arts expectations (pacing charts)
 - Train a coordinator for the Literacy Collaborative K-2 Program
 - Literacy Collaborative Coordinators provide training for teachers, grades 3-5
 - Develop a plan of in-service of Reading and Writing in the Content Areas
 - Develop a series of reading benchmark assessments for grades K-4, 5-10.
 - Participate with the CORPDC in SIRI training opportunities.
 - Develop reading in-service integrating reading and writing for grades 3-5
 - Provide reading materials for literacy instruction.
 - Train K-2 teachers in diagnostic assessment.
 - Train third grade teachers in storing the Writing Diagnostic Assessment.

NEED: Senate Bill 55 specifies State of Ohio Performance Standards, such as proficiency assessment:

- 75% of our students at fourth grade must be proficient in mathematics, reading, writing, citizenship, and science
- 75% of our students at the sixth grade level must be proficient in mathematics, reading, writing, citizenship, and science
- 75% of our tenth grade students must be proficient in mathematics, reading, writing, citizenship, and science

- High School curriculum standards (3313.603; Section 5):
 - 21 high school graduation credits, specifying 4 units of English; 3 Mathematics, 3 Science, 3 Social Studies and 7 electives
- Revise Music Course of Study
 - Provide needed materials
 - Provide in-service in assessment
 - Develop assessment measures
- Rewrite Consumer Family Science Course of Study
 - Purchase materials
 - Align course grades 7-12 to vocational standards (ITACs)
- Rewrite Health and Physical Education Course of Study
 - Provided needed materials.

NEED: Whitehall 2003-2004 proficiency results indicate priority needs for this year:

- 65.7% of our fourth grade students passed reading
- 53.9% of our fourth grade students passed mathematics
- 42.2% of our sixth grade students passed reading
- 41.7% of our sixth grade students passed mathematics
- 72.6% of our tenth grade students passed the 9th grade math proficiency test

NEED: Whitehall 2003-2004 proficiency results indicate priority needs for this year:

- 51.0% of our fourth grade students passed science
- 40.3% of our sixth grade students passed science
- 78.4% of our ninth grade students passed science
- Revise pacing charts for Science Standards

NEED: Whitehall 2003-2004 proficiency results indicate priority needs for this year:

- 46.6% of our fourth grade students passed citizenship
- 49.0% of our sixth grade students passed citizenship
- Study and write an aligned course of study for grades K-12
- Provide needed materials

GOAL B: Focus instruction on increasing engaged student learning.

1. In-service strategies that increase student motivation to learn.

- Map K-12 curriculum expectations and develop a plan to coordinate thematic unit implementation
- Provide Baldrige orientation training to all staff members

2. *Study effective technology and software tools.*
 - Research tools which support K-12 curriculum needs
 - Develop a plan of software implementation based on curriculum needs
 - Implement the JOSTENS Mathematics and Writing Expedition Proficiency Programs in K-8 classrooms and labs

3. *In-service the use of technology to support performance based learning and alternative assessments.*
 - Promote strategies which use technology for problem based learning
 - In-service staff on how to develop rubrics for assessment of projects (cadre teachers)
 - Use virtual courses to supplement high school courses

4. *Restructure the role of the library to accommodate information technology.*
 - In-service librarians on changing role and tools of information specialists
 - Implement a long-range plan for information media services in the schools
 - Implement Library Media Course of Study
 - Coordinate information services with content area expectations (mapping and pacing charts)

5. *Recommend a District intervention plan to increase graduate rate.*
 - Review Safe and Drug Free Schools plan and recommend improvement based on District needs
 - Continue in-school suspension teacher at Rosemore and Whitehall-Yearling High School
 - Implement District-wide Safety Plan as specified in Senate Bill 1
 - Recruit and train a cadre of teachers and administrators in No Disposable Kids Protocol
 - Train elementary staff employees at Kae Avenue and Etna Road in No Disposable Kids Protocol
 - Train administrators and teachers in the Framework For Poverty, Ruby Payne, Ph.D.

NEED: Senate Bill 55 specifies Standards for Ohio Schools, Performance Accountability, indicating an expectation of a 90% Graduation Rate.

NEED: Research indicates that schools which increase attendance and decrease drop out are those which implement successful strategies to motivate students through engaged learning which is meaningful in the real world.

GOAL C: Develop an improvement performance plan for the District Title I program.

1. *Coordinate school-wide improvement plans for each K-5 building.*
 - Create District guidelines for the systematic collection of:
 - Student performance data
 - Needs assessment which includes staff, students and parents
 - Program evaluation and review
 - Recruit parents for participation in literacy initiatives
 - Write building improvement goals based on student performance and needs assessment data.

2. *Pursue strategies to strengthen the Reading Recovery and Early Literacy Program.*
 - Study and recommend summer school options;
 - Collect data on longitudinal effects of Reading Recovery
 - Implement Kindergarten Intervention Program

3. *Develop formal procedures for increased parent and community involvement*

NEED: Federal assurances of the Improving America's Schools Act of 1994 (P.L.103-382) mandate:

- Policy and procedures for placement and services to disadvantaged students;
- Collection of two forms of student performance achievement data
- School based needs assessment
- Involvement of parents in decision making
- Annual performance review and recommendations for improvement

NEED: Our District needs to systematically document and submit each of the above.

GOAL D: Develop an annual performance plan for our District's gifted education program.

1. *Establish a comprehensive identification plan.*
 - Write formal procedures for the identification and notification of superior cognitive, specific academic, visual and performing arts and creative thinking gifted students;
 - Implement in-service on the new standards and identification of gifted students (cluster grouping);

2. *Coordinate program services K- 12.*
 - Document current services for K-12 gifted students
 - Implement a committee study, comprised of parents and staff, to recommend expanded services, after school or summer enrichment, primary grade services.

3. *Design a 2-year In-service plan on differentiated curriculum in the regular classroom.*
 - Develop a plan of improvement based on data
 - Implement a teacher consultant model for the promotion of technology tools and distance learning
 - Implement cluster group service delivery model

NEED: Standards for Ohio Schools, Rule # 3301-35-021, mandate that each funded district:

- Clearly define policy and procedures for the identification of gifted;
- Document how it serves gifted learners, and
- Ensure that the parent(s) and regular classroom teachers receive written notice of such identification.

NEED: Our District needs to formally document each of the above.

GOAL E: Develop a Limited English Proficient Program.

1. *Pursue sources of support for a District-wide program*
 - Seek grants and federal and state funding
 - Provide adaptive guidelines within current federally funded programs
 - Develop a plan for parent and community involvement, as stipulated in the District continuous improvement plan.

2. *In-service staff on adaptations for curriculum, instruction, assessment, and intervention.*
 - *Participate in regional S.I.O.P. Training (Sheltered Instruction Observation Protocol)*

3. *Develop guidelines for a plan of operation and continued improved performance.*
 - Develop TESOL Handbook for Administrators and Teachers
 - Provide interpreters for parents of ESL students for parent-teacher conferences and IEP meetings.

4. *Increase staffing based on student need*

NEED: Standards for the State of Ohio, Rule # 3301-35-04, establishes that the District shall adopt a written curriculum to "{g} provide the flexibility for

adaptations and/or extensions to address the breadth, depth, and pace of learning and language development; and to meet the diverse educational needs of learners including learners from varied cultural and language backgrounds..."

NEED: Data collected, September 2004, indicates an enrollment of 274 English as a Second Language Students in need of adaptive curriculum support.

GOAL F: Create a District Professional Development Plan

1. *Develop a plan for professional licensure.*
 - Continuation of a Local Professional Development Committee to study and recommend District standards in licensure.
2. *Refine the Entry-Year Program and align with state licensure expectations.*
 - Study effective entry year plans
 - Provide Pathwise training to mentors
 - Provide OhioFIRST training to mentors
3. *Develop a results-driven Professional Development Plan.*
 - In-service staff on the use of classroom data to develop instructional improvement plans
 - Develop procedures for personal improvement plans, based on the collection and review of student performance data
 - Develop a long range plan based on District Continuous Improvement Plan goals and instructional needs
 - Train staff members in use of Aha! Educator

NEED: Senate Bill 230 specifies procedures for Rules # 3301-24-04, Teacher Education and Licensure Standards, and mandates that by September 1998, the District have in place a Local Professional Development Committee for the purpose of reviewing coursework and other professional development activities completed by educators for renewal of certificates or licenses.

NEED: National research indicates that successful districts tie the improvement of classroom performance to the licensure process.

GOAL G: Develop performance review procedures for District curriculum, based on state standards.

1. *Collect data and chart improvement for each annual goal.*
2. *Document and present an annual District curriculum improvement plan.*
3. *Develop a consolidated plan for District grant application.*

NEED: Senate Bill 55 requires that "Effective school districts meet 94% of the state standards." Districts not at this level are required to:

- Develop three-year continuous improvement plans which
 - a) must contain an analysis of the reasons for the District's failure to meet the performance standards and
 - b) must specify strategies and resources to address the problem.
- Set monthly meetings for the writing of the Continuous Improvement Plan
- Used Technical Assistance from the Ohio Department of Education for the development of the CIP. Used assistance from Jim Shipley and Associates (Mary Hooper) for ongoing support of continuous improvement.
- District personnel provides Baldrige Level I and Teacher Tool Training
- Provide year-long staff development on the use of quality tools as a way to measure student growth
- Participated in Data Analysis provided by Battelle
- Continued work with the Continuous Improvement Advisory Board
- Continuous Improvement Plan Executive Summaries filed for the 2003-2004 implementation year

NEED: According to 1996 national research on “results driven” improved performance, districts which utilize data to monitor and set goals, accomplish successful and continuous improvements.

BUILDING INITIATIVES AND DEVELOPMENTS

Beechwood Elementary School

Beechwood Elementary School has a student enrollment of approximately 500 students in grades K-5. We are staffed with nineteen classroom teachers, two reading recovery teachers, two literacy coordinators, four intervention specialists, a student intervention coordinator, a library media specialist, and a host of traveling teachers and support staff. We serve a diverse community of special needs students, gifted and talented students, and limited English proficient students from a broad range of countries. Our percentage of disadvantaged students is around 60%. The staff at Beechwood Elementary is raising achievement by using all educational opportunities available, in a safe learning environment. “We envision a safe, harmonious, and professional atmosphere conducive to pride and accomplishment.”

- **Character Education Program** – Beechwood Elementary is a Character Education School that focuses on teaching children core values such as respect, responsibility, honesty, perseverance, and caring. It is our hope that, through curriculum integration, adult modeling, building climate, and community outreach projects, we will see young learners develop into kind, caring young citizens equipped with the tools to make good decisions.

- **Literacy Collaborative** - The Literacy Collaborative was implemented to assist and aid young learners in reading and writing in the primary grades. Because of programmatic successes, our school is now implementing the Literacy Collaborative in the intermediate grades. The program continues to evolve and brings challenging strategies and learning opportunities into the classroom.
- **Kindergarten Intervention Program** – Beechwood Elementary has implemented a Kindergarten Intervention Program, through Title I funds, designed to identify kindergarten students with the greatest reading needs and provides them with additional support. This is an extended day kindergarten program and is staffed with two reading teachers.
- **Technology** – Beechwood Elementary is equipped with computers and a printer in every classroom. K-2 classrooms have at least three computers and grades 3-5 have at least four computers. Each classroom has internet connectivity. A computer lab provides access to computer-aided instruction through our Compass Learning software.
- **Star Tutoring** – Under the direction of both our Social Worker and Student Intervention, Beechwood Elementary has an extensive after school volunteer tutoring program serving approximately sixty students. Tutors come to us through a variety of partnerships. We have tutors from Faith Lutheran Church and Whitehall-Yearling High School, as well as the Columbus School for Girls.
- **Academic Improvement Meetings** – Our staff gets together quarterly to assess our progress toward our goal of having every student performing at or above grade level in Language Arts and Math. Using a variety of data from formative assessments, our teachers will look at our strengths and weaknesses and develop our plan of action for the next nine weeks. Teachers work in cross grade level teams to identify common trends and discuss interventions to help individual students.

Etna Road Elementary School

Etna Road Elementary School has a student enrollment of approximately 500 in kindergarten through fifth grade. The elementary school is staffed with eighteen classroom teachers, three Title I reading teachers, four special education teachers, an intervention specialist, two literacy coordinators, a library-media specialist, a part-time social worker, and several traveling teachers. This school serves a diverse community of special needs students from those with learning disabilities, developmental handicaps, severe emotional disturbances and/or multiple handicaps.

The staff and faculty are dedicated to developing in each child the necessary tools to succeed in life. The focus is on the child. The vision we hold for our school is one that provides a nurturing, safe, and stimulating environment.

Etna Road Elementary operates a very extensive student recognition program, from quarterly awards ceremonies to a weekly Eagles Proud Card Drawing. Classrooms are recognized daily for perfect attendance, excellent behavior, and meeting academic goals. Student behavior has improved, tardy rates have declined, and students' achievement has continuously improved by the development of a supportive and kind school environment.

The Literacy Collaborative was implemented to assist and aid our young readers in reading and writing in the primary grades. Because of programmatic successes, our school is investigating and participating in the planning phase of implementing the Literacy Collaborative in the intermediate grades three through five. The program continues to evolve and consistently brings challenging strategies and learning opportunities into the classroom for the students.

Three computers and a printer equip each kindergarten through second grade classroom and four computers and a printer equip each third through fifth grade classroom. A computer lab has been installed with thirty-two computers with Internet connectivity and a building server that provides access to computer aided instruction through Compass Learning software. In addition, the school's library-media center was completely remodeled and enlarged three-fold.

Etna Road Elementary has implemented a Kindergarten Intervention Program (K.I.P.) through Title funds. The program identifies kindergarten students with the greatest reading needs and provides them with additional support and intervention. This is an extended day kindergarten program and is staffed with two reading teachers.

Etna Road Elementary had set three goals for the school year:

- 1) All students will read at or above grade level as measured by quarterly District benchmarks and literacy collaborative September and May data.
- 2) All students will perform their mathematical skills at or above grade level as measured by the quarterly District benchmarks.
- 3) All students will experience a positive learning environment as measured by student discipline and surveys.

Educate A Generation for Lifelong Educational Success.....EAGLES!

Kae Avenue Elementary School

Kae Avenue Elementary School's mission is to prepare children to live and work in the 21st century with a commitment and capacity for life-long learning. The learning process is the shared responsibility of children, family, teachers, and the community. Children will take pride in themselves, pride in learning, and pride in service to their community.

Goals for the 2002-2003 school year were to increase student achievement and parent/community involvement.

- **Ohio Reads Grant**

1. Continued a volunteer reading program for primary students.
2. Purchased books for classroom libraries.
3. Expanded the parent library.
4. Coordinated two family reading nights and gave new books to all students who attended.

- **Literacy Collaborative**

1. Completed the training year for a new primary literacy collaborative coordinator.
2. Continued implementation of the intermediate literacy collaborative model.

- **Benchmark Assessment**

1. Began administering quarterly benchmark assessments to define student needs.

- **Team Process Skills**

1. Continued training staff and new staff in the Malcolm Baldrige Process for continuous improvement.
2. Continued implementation of revised school-wide discipline plan. (We are moving to a more intrinsic approach.)
3. Trained teachers in Level One of the "No Disposable Kids" Program.
4. Trained numerous teachers in classroom "tools" based upon the Baldrige systems approach.

Rosemore Middle School

Rosemore Middle School is a sixth, seventh, and eighth grade building with many programs available to promote student success. In addition to core classes, modular technology, computer skills, family and consumer science, physical education, health, a variety of music programs, art, and special education services are available to students. Other special activities include the annual musical, pep band, band and choir concerts, student recognition breakfast, Youth to Youth, Student Council, many interscholastic sports, and the STARS Program.

Rosemore's staff focuses on preparing students and parents for the proficiency test:

- **Proficiency Preparation** – Rosemore Middle School provides many activities in order to help students and parents prepare for the proficiency test. Tutoring in the WOW lab and coaching are continually available to help students who struggle with various proficiency concepts. In addition, a quarterly newsletter and a Curriculum Night are offered to assist parents in helping their children do well on the test. Many activities are provided during proficiency week as an incentive for attendance, and a daily breakfast, sponsored by the PTA, helps students be physically prepared to take the test.
- **Technology** – Rosemore Middle School offers keyboarding and software application programs for all students. Rosemore Middle School has continued the implementation of the modular technology classes, a library media computer lab, computers with Internet-access in each classroom, proficiency software.
- **Curriculum** – Algebra, Spanish, French, and English 9 are offered for high school credit.

Whitehall-Yearling High School

Whitehall-Yearling High School is a four-year comprehensive high school accredited by the North Central Association of Secondary Schools and Colleges and the Ohio Department of Education. Enrollment for the 2003-2004 school year was approximately 871 in grades 9-12. By having fifty-eight faculty members, the school is able to offer an optimal student-teacher ratio of 15:1 in most classrooms. The following are some of the programs that enrich student learning:

- **Modular Tech** - This program is an integrated technology program, which allows students to work in pairs in problem-solving situations. Each unit requires students to research information and then use the information to perform or complete an activity. Modules include a wind tunnel, graphic communications, aerodynamics, CAD and many more.
- **Vocational Education** – Vocational students attend Eastland-Fairfield Career/Technical School District to learn trades or may avail themselves of extended vocational opportunities through our collaboration with neighboring high schools.

- **Comprehensive Fine Arts, Music, and Drama Programs** -- Students are able to explore their own creativity through the many offerings in the arts. The art department offers courses ranging from fundamental art and design to theatre set design and virtual studio, an integrated art and technology course. Theatre students are involved in two major productions each year: a drama/comedy in the fall and a spring musical. The State of Ohio has honored each on numerous occasions as showing exemplary technical and artistic talent. The Whitehall-Yearling High School Rams Band is an integral part of the high school experience. Consisting of nearly 100 musicians plus a dance team and flag corps auxiliary, the band is well known for its show-stopping style and tremendous musical accomplishments.
- **Computer Technology** – Computers are in every classroom at Whitehall-Yearling High School. In addition, students have access to word processing, business, and accounting software as part of their curriculum. They may work on research at a separate computer bank in the high school library.
- **Intervention Services** – In addition to an extensive special education department, Whitehall-Yearling High School offers a wide variety of resources for students who need help in a particular subject area. Our Power Reading Class enables students to become better readers. Intervention is also offered in Algebra I and Geometry classes. After school tutoring helps students in all subject areas. Summer Proficiency Academy is designed for students that need to pass the Ninth Grade Proficiency Test.
- **Extra Curricular Activities and Athletics** – Whitehall-Yearling High School has a full array of interscholastic sports including golf, football, soccer, tennis, volleyball, cross country, wrestling, basketball, track and field, baseball, cheerleading, and softball. Teachers sponsor groups such as Computer Club, Foreign Travel, Photography Club, Quest Club, Theatre, Student Council, Newspaper, Yearbook, National Honor Society, Key Club, class activities, and many more.
- **The RAMS Card Program** – A unique incentive by which we reward students is our RAMS card program. Students who earn RAMS cards through high academic achievement, exemplary attendance, and behavior, earn prizes and school rewards for their efforts.
- **Freshman Academy** - Ninth grade students are a part of an interdisciplinary flexibly scheduled team. Two teams of four teachers work together to provide a smoother transition to high school life. Freshman Academy students learn in a thematic, hands-on approach.

- **Honors and Advanced Placement** – A variety of honor courses and advanced placement courses are offered to students in English, Mathematics, Social Studies, and Music.

EDUCATIONAL PROGRAMS AND SERVICES

Art Education

All children of Whitehall are introduced to art history. In addition, they develop creative and technical skills throughout their elementary and junior high school years. This foundation in the visual arts enables the high school student to experiment with advanced concepts. Graduating seniors who choose to major in art are competitive scholastically. Highlights of the Whitehall art program include:

- Whitehall graduates enrolled in art education departments of local universities have expressed a desire to return to Whitehall-Yearling for their student teaching experience.
- Art students in grades 1-12 have excelled in local, state and national art exhibitions such as the Cultural Arts Festival, Governors Youth Art Competition, The Ohio Art Education Association Young Peoples' Exhibition, and the National Scholastic Art Competition.
- Graduating seniors participate in the Ohio Capital Conference Academic League Art Exhibition and donate their selected art work to the high school for permanent display.
- Five pieces of art are donated to the Board of Education for permanent display annually. One selection is donated from each school.

Music Education

Whitehall City Schools are fortunate to have a strong, varied, vibrant and active music program. Approximately eighty-five percent of all Whitehall students are involved in a music program. All the music programs have active performance schedules both within school and in the community. Highlights of the Whitehall K- 12 music programs are:

- Elementary & Junior High School - Students participate in general music, choir, band, and perform at community events.
- High School - Courses offered include mixed choir, show choir, a cappella choir, vocal ensembles, piano, marching band, concert band, symphonic

band, stage band and Advanced Placement music. High school band and choir students also perform at local churches and community events.

Title I

The purpose of Title I is to enable schools to provide opportunities for disadvantaged children served to acquire the knowledge and skills contained in the states challenging content and student performance standards that all children are expected to meet. The Title I program in Whitehall City Schools embraces fundamental strategies to address the needs of the children served through school-wide projects that focus on teaching and learning.

Reading Recovery

Reading Recovery is an early intervention program for young readers who are experiencing difficulty in their first year of reading instruction. By intervening early on, Reading Recovery can enable children to become independent readers and writers who can fully participate with other first grade students in their classroom instruction. In the Reading Recovery program, children receive individual daily lessons from a specially trained Title I teacher.

Literacy Collaborative

The Literacy Collaborative (LC) is a collaborative effort between Whitehall City Schools and The Ohio State University. The overall goal of the LC is to raise the level of literacy achievement of kindergarten, first, and second grade students. The project provides long-term professional development and systematic support for educators in components related to literacy learning and teaching, assessment and research.

Identified teacher coordinators from each elementary school provide ongoing job embedded staff development to teachers in grades 3-5. The coaches teach the elements of the framework, practice techniques with students in their own classes, videotape, and write reflective journals and case studies.

Kindergarten Intervention Program

The purpose of the Kindergarten Intervention Program is to enable each elementary school to provide focused small group (2:15) instruction for disadvantaged children to acquire the knowledge and skills contained in the Language Arts Standards. This program addresses these needs by extending the learning day and providing highly qualified instructors (Literacy Coordinators and Reading Recovery Teachers).

C. Ray Williams Early Childhood Center

The C. Ray Williams Early Childhood Center is in its fourteenth year of operation. It is an exciting place for young children in Whitehall and surrounding communities. The curriculum is play-based and developmentally appropriate. Teachers prepare the classrooms daily for hands-on learning experiences. Children have opportunities for individual, small, and large group activities throughout the day. Teachers provide the children with many diverse and engaging activities throughout the day.

The center operates with grant funding from the Ohio Department of Education Early Childhood Division, Title XX and Champion of Children, parent tuition, and in-kind donations. The center also serves as a placement site for education students from The Ohio State University, Capital University, Columbus State Community College, and Ashland University.

In the 2003-2004 school year, 105 students participated in classes at the center. The Center has five classrooms: One LEAPP special education class, one Child Development Council Head Start Classroom, and three public preschool classrooms.

Gifted & Talented Services 2003-2004 Overview

Whitehall City School District services for gifted and talented students have evolved over a period of twenty-five years. During this time, a wide range of individuals from the District and community, have been closely involved in the process. A director administers the programs and two gifted intervention specialists and numerous essential classroom and specific content area teachers instruct students within a variety of available programs and/or special classes. The director and the gifted specialists are funded through our two and one-half gifted foundation units granted through the Ohio Department of Education. The funding is meant to serve identified gifted and talented students according to *Identification And Services For Children Who Are Gifted* (Ohio Administrative Code 3301-51-15).

Whitehall City School District's services for gifted include several strands. They represent a continuum of services designed to meet the diverse learning needs of children who are gifted. Services are provided within the content areas of mathematics, science, social studies, language arts, and the visual and performing arts. Gifted services were initiated at the primary level (grades 1-3) during the 1998-99 school year. The emphasis is intervention within the regular classroom through collaboration with cluster teachers, as well as some work outside of the regular classroom.

Academic Program

The Academic Programs have always emphasized the development of thinking skills as its top priority. From its beginning, the curriculum focused upon critical and creative thinking. Other components are creative problem solving, research methods, interpersonal relationships, and oral and written communication. The needs of gifted learners are represented within each District course of study developed by teacher committees. Per state guidelines, each identified student who is served by one of our state funded gifted specialists has a written education plan.

Beginning in the fall of 2004 one Gifted Intervention Specialist (GIS) will serve superior cognitive and specific academic ability students in grades 3-5 within the three elementary schools. The GIS instructor will serve as a resource for teachers of students in grades 1-2. The second GIS instructor will serve students in grades 6-8. The middle school program uses a collaborative model for enrichment and extensions, as well as accelerated classes in math, language arts, and foreign languages.

We also offer two courses at Whitehall-Yearling High School designed for academically able students. The ninth and tenth grade courses involve collaboration between the history and literature teachers in a humanities approach. In these classes, teachers and students pose questions encouraging higher levels of thinking. An exploration of connections between the subjects is encouraged.

A number of Advanced Placement classes are also available for high school juniors and seniors. These classes offer an opportunity for students to acquire college credit for coursework completed at Whitehall-Yearling High School. Likewise, high school students are encouraged to consider Post Secondary Enrollment within area colleges, universities, and specialized programs such as the arts satellite provided through Reynoldsburg City Schools.

Art and Music

Students entering high school who have been identified for Art are encouraged to pursue advanced level courses within the art department, enroll in the Advanced Placement Art class, and participate in the existing art program.

Students entering the high school who are identified in Music are encouraged to pursue advanced courses, enroll in the Advanced Placement Music class, and participate in the extensive music program.

Identification

The K-12 identification is conducted in three phases, including screening followed by possible assessment and identification. The process involves referrals from teachers, staff, students and/or parents. Students are screened for additional testing on the basis of performance levels on nationally-normed standardized ability and/or achievement test scores and behavioral checklists.

Special Education

In 2003-2004, Whitehall City School District served 542 special education students, which is approximately 18% of the District's population. Pupil expenditure for each special education student was \$9,835. Total annual expenditure, including federal funding, was \$3,905,099 (per ODE formula for calculating excess cost).

Whitehall City School District provides the following Special Education programs for students in the District:

Multiple Category classrooms serve students with Cognitive Disabilities and Specific Learning Disabilities along with a few students with Traumatic Brain Injury, Other Health Impairment, Orthopedic Impairment, and Hearing Impairment. Other classrooms include Emotional Disturbance and Special Needs Preschool. Students are provided the related services of speech and language, physical therapy, work-study, nursing services, psychological services, occupational therapy, and transportation as needed.

Whitehall City School District provides some students out-of-district services for the following: Multiple Disability, Autism, Emotional Disturbance, Deafness, Orthopedic Impairment, Hearing Impairment, and preschool programs for disabled students. Some students are served at Eastland and Fairfield Career Centers.

Whitehall City School District has a special education staff of thirty-one full-time teachers, eleven full-time classroom aides, two psychologists, two speech therapists, one nurse, one nurses' aide, one occupational therapist, and one part-time physical therapist.

2003-2004 Facility Improvements

The following facility improvements were completed during the 2003-2004 school year:

Beechwood Elementary School

1. Expand parking lot and stripe all parking areas
2. Upgrade two restrooms (sinks, counters, fixtures)
3. Replace base cove in halls & gym
4. Install video security system
5. Re-pipe boilers and add air separator
6. Edge and mulch plant beds and trees
7. Mulch enlarged playground equipment area
8. Install water coolers
9. Paint selected interior and exterior areas
10. Install Knox Box (safety security feature) at front door

Etna Road Elementary School

1. Install video security system
2. Repair EPDM roof areas
3. Replace plastic hall panels with rocklath
4. Edge and mulch plant beds and trees
5. Mulch playground equipment area
6. Install water coolers
7. Replace selected window shades
8. Paint selected interior and exterior areas
9. Install Knox Box (safety security feature) at front door

Kae Avenue Elementary School

1. Install classroom partitions in open areas
2. Install four single sink cabinets in classrooms
3. Replace foyer wall panels
4. Replace curbing/sidewalk on south side
5. Repair/seal blacktop on north side for buses
6. Install enlarged blacktop playground
7. Install water coolers
8. Edge and mulch plant beds and trees
9. Mulch playground equipment area
10. Paint selected interior and exterior areas
11. Install Knox Box (safety security feature) at front door

Rosemore Middle School

1. Replace building roof
2. Paint entrance ceiling
3. Install storage building in courtyard
4. Install two partitions with electric in open areas
5. Install fifty (50) new lockers
6. Expand video security system
7. Install blacktop walkway along south driveway
8. Replace selected interior doors
9. Install overlay floor tile in select hall
10. Install A/C in technology closet
11. Install concrete dumpster pad and enclosure
12. Repair roof area that was not replaced
13. Edge and mulch plant beds and trees
14. Paint selected interior and exterior areas
15. Install Knox Box (safety security feature) at front door

Whitehall-Yearling High School

1. Install wall (with electric) between rooms 127 & 129
2. Overlay floor tile in selected halls
3. Install additional exterior lighting
4. Expand video security system
5. Install purge fan and emergency shower in chemistry room
6. Replace front window shads
7. Scrape and paint wrestling room and activity gym
8. Repair EPDM roof areas
9. Repair/seal/crack-fill blacktop areas
10. Repair/replace fencing at athletic field
11. Paint, overlay floor, install new doors in fitness center
12. Renovate health classroom
13. Renovate family living classroom
14. Install stair treads
15. Install lockers secured from golf club
16. Edge and mulch plant beds and trees
17. Paint selected interior and exterior areas
18. Replace selected window A/C units
19. Install Knox Box (safety security feature) at front door

Austin E. Peel Administration Building

1. Install downspout drain pipe on north side
2. Clean roof shingles
3. Edge and mulch plant beds and trees
4. Install Knox Box (safety security feature) at front door

Bus Garage

1. Replace furnace in office and driver room
2. Expand video security system
3. Repair EPDM roof

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund is a separate self-balancing accounting entity. Records for all District funds, except Proprietary, are maintained on a modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due. Proprietary funds are accounted for on the full-accrual basis of accounting. Both basis of accounting are in accordance with generally accepted accounting principles (GAAP) as applied to governmental units and consistent with GASB Cod. Sec. 1600; "Basis of Accounting."

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* (GASB 34). This statement represents a significant change in the way state and local governments present basic financial information. This statement is effective for periods beginning after June 15, 2002. The District implemented this statement starting with FY02.

GASB 34 creates new basic financial statements for reporting on the Districts financial activities. The financial statements now include entity wide statements prepared on the accrual basis of accounting, and fund financial statements, which presents information for individual major funds and aggregate non-major funds rather than by fund type. The entity-wide financial statements split the District's programs between business-type and governmental activities.

Sections 3315.17 and 3315.18 of the Ohio Revised Code (of Am. Sub. H.B. 412) require school districts to spend a certain portion of their revenues on specific categories of expenditures as specified in the law. In the event that the District does not meet the required expenditure level, the shortfall would be reserved and carried forward to the next fiscal year and would be expected to be spent in addition to any requirement for that fiscal year.

The two categories of "set-aside" or reserves which are pertinent to the District include the textbook and instructional materials fund and the capital and maintenance fund. (The budget reserve fund requirement was eliminated in April 2001 with passage of S.B. 345.) For the two required categories, 3% of the formula amount for the preceding fiscal year multiplied by the District's student population (ADM) for prior fiscal year is to be spent in each of the funds. The required expenditure level in each fund for FY04 was \$420,000 with *actual* expenditures for the year being \$760,000 and \$875,000 respectively. Therefore, as actual expenditures met and exceeded the required expenditures, the District will not have to carry forward reserves to FY05.

Senate Bill 345 eliminated the budgetary reserve set-aside in its entirety. However, several restrictions were placed on the disillusionment of the existing

reserve fund. Any BWC rebates placed in this fund cannot be removed and must be used solely to offset future deficits, purchase textbook and instructional supplies, maintain facilities, purchase school buses, or provide staff development. Under S.B. 345, districts have the option of transferring prior general fund contributions back to the general fund or establishing an optional budget reserve fund allowed by O.R.C. 5705.13. In June 2001, the District Board of Education acted to establish the optional reserve fund. It is their desire to maintain the existing reserve balance of \$497,896 using fund 001-9993 (\$158,536) and fund 001-9994 (\$339,360). The \$158,536 is externally restricted, whereas the \$339,360 is internally restricted.

Section 3317.0217 of Am. Sub. H.B. 94 created "parity aid" funding beginning in FY02. This funding was restricted state foundation money to be used for 'new' programming opportunities until HB40, passed in May 2003, removed all spending restrictions. Parity aid payments are being phased in over a five-year period. FY04 payments were funded at 58% and Whitehall City Schools received \$915,000.

Internal Control

In developing and revising the District's accounting and internal control system, the Treasurer has considered the adequacy of internal controls to provide reasonable, but not absolute, assurance regarding:

1. the safeguarding of assets against loss from unauthorized use or disposition;
2. the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

1. the cost of a control should not exceed the benefits likely to be derived;
2. the evaluation of costs and benefits requires estimates and judgments by management.

Management believes that the internal controls adequately meet the above objectives.

Budgetary Controls

All governmental, proprietary and fiduciary fund types are subject to annual expenditure budgets. The procedures below outline the District's budgetary procedures:

1. A Tax Budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by January 20 of each year, for the fiscal year commencing the following

- July 1. The Whitehall Board of Education normally adopts the Tax Budget at its organization meeting in early January.
2. The County Budget Commission certifies its actions to the District prior to March 1. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about July 1, this certificate is amended to include any unencumbered balances from the preceding year.
 3. An annual appropriation measure must be passed by October 1 of each year for the period July 1 to June 30. Unencumbered appropriations lapse at year-end. Encumbered appropriations are reported as expenditures in the current year budget basis statement of revenue, expenditures and changes in fund balance. The Board of Education adopted a temporary appropriation measure to allow the District to operate until its annual appropriations were adopted. The legal level of budgetary control is at the function and object level. The appropriation measure may be amended or supplemented during the year as new information becomes available. Management controls the budget at their building or department level and may transfer funds within their individual budgets throughout the year. Supplemental appropriations are presented during the year and include the transfers requested by management and any amendments to fund unanticipated expenditures. Appropriations for advances-in/advances-out are not required by law and are not budgeted. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund at the function and object level. Appropriations did not exceed estimated resources and expenditures did not exceed appropriations in any fund at the function and object level.

Additionally, the District maintains an encumbrance accounting system as a useful technique of accomplishing budgetary control. Under encumbrance accounting, purchase orders, contracts, and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation.

The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual results of the general fund operations are presented in the Budgetary Comparison Schedule-General Fund included in the required supplementary section of this document.

As noted in the District's budgetary procedures above, expenditures may not exceed appropriations at the function and object level. This "level of expenditure detail" is defined by the Auditor of State of Ohio Uniform School Accounting System User Manual. The object identifies the service or commodity obtained as the result of a specific expenditure (e.g. salaries and wages, purchased services, supplies and materials). The function describes the activity a person performs or

the purpose for which an expenditure is made. The following is a summary of the definitions used when categorizing governmental expenditures by function:

Regular Instructional Services - Instructional activities designed primarily to prepare pupils for the necessary activities as citizens, family members, and workers. Regular instructional services include those instructional services that are not otherwise categorized as special, vocational or continuing instructional services.

Special Instructional Services - Instructional activities designed primarily to deal with pupil exceptionalities. The special instruction service areas include Pre-primary, Elementary, and Secondary services for the: i) academically gifted; ii) handicapped; iii) culturally different; iv) disadvantaged; and v) other special.

Vocational Instructional Services - Instructional activities designed to prepare youths and adults, in an efficient and timely fashion, to make informed career choices and to successfully enter, complete, and advance in a changing work environment.

Continuing Instructional Services - Instructional activities designed to develop knowledge and skills to meet immediate and long-range educational objectives for pupils who have completed or interrupted formal schooling and have accepted adult roles and responsibilities.

Operation and Maintenance of Plant Support Services - Those activities concerned with keeping the physical facilities open, comfortable and safe for use. This includes activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools.

School Administration Support Services - Those activities concerned with overall administrative responsibilities for a single school, group of schools, or the entire District.

Pupils Support Services - Those activities which are designed to assess and improve the well-being of pupils and to supplement the teaching process (e.g. guidance services, health services, psychological services).

Instructional Staff Support Services - Activities associated with assisting the instructional staff with the content and process of providing learning experiences for pupils (e.g. instructional staff training services, educational media services).

Business Operations Support Services - Those fiscal services activities related to the financial operations of the District. This includes budgeting, accounting, payroll and other fiscal services provided by the treasurer's office. In addition, the business operations function comprises those activities related to the business

manager's operational unit including, purchasing, receiving, transporting, exchanging and maintaining goods and services for the District.

Student Transportation Support Services - Those activities concerned with the conveyance of individuals to and from school, as provided by state law. It includes transportation to school and school-related activities.

Central Support Services - Those activities (other than general administration which support each of the other instructional and supporting services programs) including planning, research, development, evaluation, information staff, statistical, and data processing services.

General Administration Support Services - Activities concerned with establishing and administering policy in connection with the operation of the District.

Facilities Acquisitions and Construction Services - Those activities concerned with acquiring land and buildings, remodeling or constructing buildings, making additions to buildings, and initially installing or extending service systems and other built-up equipment, and improvement sites.

Co-curricular Activities - Student activities, which are supervised by qualified adults, designed to provide opportunities for pupils to participate in such experiences on an individual basis, in small groups, or in large groups - at school events, public events, or a combination of these - for the purposes such as motivation, enjoyment and skill improvement. In practice, participation usually is not required and credit usually is not given. When participation is required, or credit given, the activity generally is considered to be a curricular course.

Community Services - Payments made by the District to support activities that do not directly relate to providing education for pupils in the District. These include services, such as community recreation programs, civic activities, and community welfare activities, provided to the District for the community as a whole or for some segment of it.

General Government Functions

Revenue Narrative

Revenues for all governmental fund types were \$30,085,540 in 2004, as compared to \$26,159,018 in 2003. The following table summarizes the composition of the 2004 and 2003 revenues by source:

<u>Revenue by Source</u>	<u>2004</u>	<u>2003</u>	<u>%Increase/ (Decrease)</u>
Property Taxes	\$13,204,717	\$11,232,228	17.56%
Intergovernmental	16,106,815	13,893,404	15.93%
Investment Income	146,477	284,587	-48.53%
Other	627,531	748,799	-16.20%
Total	<u>\$30,085,540</u>	<u>\$26,159,018</u>	15.01%

Property taxes increased \$2 million due to irregularities in the timing of tax advances. In June of each fiscal year, the District receives advances on the 2nd half property tax settlement. The amount of tax available for advance as certified by the county auditor varies from year to year. Consequently, property tax revenue as reflected on the GAAP statements is either inflated or deflated depending on the size of advance available at fiscal year end. On a cash basis these revenues have remained stable over the past five (5) years.

The 15.93% (\$2.2M) increase in intergovernmental revenue in FY04 is a result of additional funding from both state and federal sources. The District's total amount of state foundation funding rose by \$1.4M in FY04. This was caused primarily by increases in both formula aid (\$.9M) and parity aid (\$.4M). The District also received a significant boost in Title I funding (\$350,000) and IDEA-B funding (\$100,000) this year, as well as \$100,000 federal reimbursement for at-risk student intervention expenses and nearly \$150,000 in academic emergency state grant money. Title III (ESL) saw an increase of \$50,000 in FY04. All of these numbers are significant and deserve recognition as contributing to the continued financial health and stability of Whitehall City Schools.

Investment income for the District is driven primarily by prevailing interest rates being offered on discount notes, certificates of deposit, and savings sweep accounts. Once again, rates continued their downward trend throughout most of FY04 with a slight increase in the fourth quarter (April-June). (The 1-year discount note hit a low of 1.3% in December 2003.) The average weighted yield of the District's investment portfolio as of 6/30/04 was 1.75% as compared to 6.5% on 6/30/00. While the amount of money being invested has remained relatively unchanged from 2000 through 2004, the rate of return has consistently declined each year. This would explain yet another 48% drop in interest revenue in FY04.

Expenditure Narrative

Expenditures for all governmental fund types were \$30,231,201 in 2004, as compared to \$26,234,981 in 2003. The following table summarizes the composition of the 2004 and 2003 expenditure by major function:

Expenditure by Function	2004	2003	% Increase/ (Decrease)
<i>Current:</i>			
Instructional services	\$16,444,609	\$15,069,973	9.12%
Support services	9,203,900	8,798,120	4.61%
Co-curricular student activities	580,125	596,372	-2.72%
Community Service	252,580	259,682	-2.73%
<i>Capital Outlay</i>	445,685	735,212	-39.38%
<i>Debt Service</i>	3,304,302	775,622	326.02%
Total	\$30,231,201	\$26,234,981	15.23%

Excluding debt service, overall District spending increased 5.76% in FY04. This increase is reasonable and is largely the result of wage and benefit increases outlined in the negotiated agreements with the certified and classified staff. One and one-half percent (1.5%) of the 9.12% increase in the Instructional Services can once again be attributed to the community/charter school expense line. (\$530,000 in FY02 vs. \$725,000 in FY03 vs. \$925,000 in FY04) A 1%-2% annual increase in the cost of goods and services is to be expected.

With regards to capital outlay, the District continued its commitment to seriously maintaining and improving physical facilities. The District has spent roughly \$.5M/year over the last three years in the capital maintenance set-aside spending category required by ORC. (GAAP required that some very large FY04 projects that were encumbered in June 2003 be recognized as payables in FY03 rather than FY04.) Re-roofing our old school buildings continues to be a number one prior. In the summer of 2003, we were able to completely re-roof Kae Avenue Elementary at a cost of \$250,000.

The disproportional increase in FY04 debt service expenditures is due to the \$2.6M refinancing of our 1993 bond issue. The original 1993, 20-year bond issue was refinanced in November 2003 as a 10-year issue, resulting in an estimated savings to the District of \$316,168 over the next ten years. Refinancing aside, the debt service principal and interest expenditures are solely a reflection of the debt service repayment schedule. Payments are fully anticipated, but are not consistent from one year to the next. (The FY04 debt payment of approximately \$700,000 was inline with past payments and future year expectations.)

Proprietary Operations

Enterprise Funds

The District's Enterprise Funds consist of two separate distinct activities: the Food Service Fund and the Uniform School Supplies Fund. The Food Service Fund operates cafeterias at each of the District's schools and provides catering services for various school functions and other community social events. The Uniform School Supplies Fund is a fund provided to account for the purchase and sale of school supplies.

Internal Service Funds

The District's Internal Service Fund consists of the Employee Benefit Self-Insurance Fund. The Employee Benefit Self-Insurance Fund is a fund used to account for the transactions related to the District's self-insured employee benefit programs.

Fiduciary Funds

Agency Funds

The District's Agency Fund is comprised of Student Activities Fund. The Student Activities Fund is comprised of assets held by the co-curricular activities that are controlled directly by the students.

Debt Administration

On June 30, 2004, the District had \$2,568,819 in general obligation bonds and \$591,000 in general obligation long-term notes outstanding. The bonds consist of a 2003 10-year issue (originally a 1993 20-year issue refinanced in 2003) used for the improvement of facilities. The notes consist of a 1996 10-year energy-conservation project issue. Repayment of long-term bonds and notes is made from the Debt Service Fund with money allocated from property tax revenues.

Cash Management

The District maintains a cash management program whereby it expedites the receipt of revenues and prudently invests available cash. Temporarily idle cash during the year was invested in State Treasury Asset Reserve of Ohio (STAR Ohio), KeyBank Money Market Mutual Funds for the Public Sector, Fifth Third Bank Savings Account and U.S. Treasury and agency securities. The District earned \$148,425 on all investments for the year ended June 30, 2004. The Treasurer, as custodian of all District money, is responsible for investing idle funds and directing the investment policies of the District.

The District's investment policy establishes the following objectives:

- Liquidity: Funds shall be available to meet immediate payment requirements including payroll, accounts payable, and debt service.
- Safety: Investments shall be consistent with the requirements of the Ohio Revised Code, shall seek the preservation of public funds, and speculation is prohibited.
- Income: The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account investment risk constraints and the cash flow characteristics of the portfolio.

The District continued to invest all liquid funds in Star Ohio, KeyBank, and Fifth Third Bank and U.S. Treasury and agency securities. Deposits with financial institutions were either insured by federal depository insurance or collateralized in accordance with the requirement of the State of Ohio. Substantially all collateral on deposits was held either by the District's agent or a financial institution's trust department, not in the District's name.

STAR Ohio is an investment pool managed by the Treasurer of the State of Ohio and is similar in concept to a registered investment company issuing redeemable securities, of the type commonly called a "money market mutual fund." The investment objective of STAR Ohio is to seek as high a level of current income as is consistent with prudent investment management, the preservation of capital and maintenance of liquidity. STAR Ohio's investments are prescribed in the Ohio Revised Code and include U.S. Treasury and government agency securities, certificates of deposit, repurchase agreements, commercial paper, and bankers' acceptances.

Risk Management

The District is part of a state-wide plan for workers' compensation insurance coverage. Additionally, the District carries all-risk property insurance, liability and excess liability insurance, as well as officers' liability insurance. The District provides medical coverage for its employees on a self-insurance basis. The District pays into the Employee Benefit Self-Insurance Internal Service Fund at various rates based on the coverage selected by the employee. Claims are reviewed by a claims administrator and then paid by the District. A claims liability of approximately \$233,000 at June 30, 2004, in the Internal Service Fund, reflects an estimate of incurred but unpaid claims liability. This liability was determined in accordance with acceptable reserving standards and was certified by an accredited actuary, as required by state statute.

Independent Accountants

The Basic Financial Statements of the District for the year ended June 30, 2004, were audited by the Auditor of State, of Ohio, whose unqualified opinion thereon is included at the beginning of the Financial Section of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements, which follow the basic financial statements in the Financial Section of this report, contain additional information and are an integral part of such statements.

OTHER INFORMATION

Awards

GFOA Certificate of Excellence

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Whitehall City School District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2003. This was the eighth consecutive year that the District has achieved this prestigious award.

In order to be awarded the 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 our current comprehensive annual financial report continues to meet the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

The publication of the ninth Comprehensive Annual Financial Report on a timely basis was made possible by the Treasurer's office staff, Assistant Treasurer Diane Spears, and GAAP Consultants Dave Weaver and Darlene Short. Their initiative and conscientious work ensured the integrity of the information contained herein and guaranteed this report's successful completion.

In closing, we would like to thank the Board of Education for their support without which the preparation of this report would not have been possible.

Respectfully submitted,

Timothy J. Penton, Treasurer

Judyth Dobbert-Meloy, Superintendent

ELECTED OFFICIALS AND ADMINISTRATIVE STAFF

June 30, 2004

Board of Education Members

President	Walter Armes
Vice-President	Darlene Jessup
Member	Michael Capozziello
Member	Ronda Howard
Member	Carolyn Litton

Appointed Officials

Superintendent	Judyth Dobbert-Meloy
Treasurer	Timothy J. Penton

Administrative Staff

Director of Administrative Services	Robert Wallace
Ass't Supt. of Curriculum & Instruction	Susie J. Carr
Director of Business Affairs	Roger D. Wolfe
Director of Gifted & Talented	Gene Rust
Director of Special Education Services	Karen McGuire
Director of Technology	Joseph Schiska
Coordinator of Professional Development	Juliet Boling
Coordinator of Title I & Special Projects	Linda Wait

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Whitehall 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

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Whitehall City School District
Franklin County
625 South Yearling Road
Whitehall, Ohio 43213

To the Board of Education:

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

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

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

As described in Note 16, the District restated net assets in Governmental Activities and Business-Type Activities as of July 1, 2003, to properly reflect the portion of the internal service fund net assets which were related to the District's enterprise funds.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2004, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

35 N. Fourth St. / Second Floor / Columbus, OH 43215
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199
www.auditor.state.oh.us

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

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

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

Betty Montgomery
Auditor of State

December 1, 2004

Whitehall City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

As management of the Whitehall City School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2004. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the District's financial statements, which follow this section.

Financial Highlights

The District's net assets are \$17,651,216 as of June 30, 2004 according to the Statement of Net Assets. This represents an increase of \$3,446,719 or 24.3% over last year. The increase in net assets is due to: a \$2.1 million (or 18%) increase in property taxes resulting from irregularities in the timing of tax advances; a \$1.5 million (or 14%) increase in our state funding level; and approximately \$750 thousand increase program revenue from various operating grants. Passage of House Bill 94 resulted in increases in State Foundation payments of 14%, 10% and 25% in fiscal years 2004, 2003 and 2002, respectively. These increases were offset by a \$1.4 million (or 5%) increase in spending in fiscal year 2004 as compared with 2003.

The current five-year forecast prepared by the District as mandated by state law reflects a positive operating cash balance through June 2008. No additional operating levies are being considered at this time. The District has no current need for additional classroom facilities due to a slightly declining enrollment trend. Options to significantly renovate existing school buildings continue to be explored via the Ohio Schools Facilities Commission. Such renovations would be financed in part by the issuance of additional long-term debt.

The General Fund reported a positive fund balance of \$11,221,779.

Reporting the District as a Whole

The Statement of Net Assets and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's major funds appears on the fund financial statements beginning with the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. These statements provide detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary, and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds

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

Proprietary Funds

Proprietary funds use the accrual basis of accounting; the same as on the entity-wide statements. The proprietary fund statements will only differ from the business-type activities portion of the entity-wide statements by the activity of the internal service fund which relates to business-type activities.

Fiduciary Funds

The District's only fiduciary fund is for Student Managed activities. The District's fiduciary activities are reported in the Statement of Net Assets, Fiduciary Funds. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$17,651,216 according to the Statement of Net Assets at the close of the most recent fiscal year.

One of the largest portions of the District's net assets (26.4%) reflects its investment in capital assets less depreciation and any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A comparative analysis of fiscal year 2004 to 2003 follows from the Statements of Net Assets:

	Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Current assets	\$ 27,333,494	25,291,106	336,759	307,699	27,670,253	25,598,805
Capital assets	<u>7,836,689</u>	<u>7,610,592</u>	<u>32,680</u>	<u>37,658</u>	<u>7,869,369</u>	<u>7,648,250</u>
Total assets	<u>35,170,183</u>	<u>32,901,698</u>	<u>369,439</u>	<u>345,357</u>	<u>35,539,622</u>	<u>33,247,055</u>
Current liabilities	13,071,799	13,988,629	76,103	71,907	13,147,902	14,060,536
Long-term liabilities	<u>4,669,072</u>	<u>4,923,424</u>	<u>71,432</u>	<u>58,598</u>	<u>4,740,504</u>	<u>4,982,022</u>
Total liabilities	<u>17,740,871</u>	<u>18,912,053</u>	<u>147,535</u>	<u>130,505</u>	<u>17,888,406</u>	<u>19,042,558</u>
Net Assets:						
Invested in capital, net of debt	4,631,505	4,160,947	32,680	37,658	4,664,185	4,198,605
Restricted	605,206	622,307	-	-	605,206	622,307
Unrestricted	<u>12,192,601</u>	<u>9,206,391</u>	<u>189,224</u>	<u>177,194</u>	<u>12,381,825</u>	<u>9,383,585</u>
Total net assets	<u>\$ 17,429,312</u>	<u>\$ 13,989,645</u>	<u>\$ 221,904</u>	<u>\$ 214,852</u>	<u>\$ 17,651,216</u>	<u>\$ 14,204,497</u>

A portion of the District's net assets (3.4%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities.

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Program revenues:						
Charges for services	\$ 457,810	537,179	344,737	334,107	802,547	871,286
Federal grants	1,732,594	1,139,792	568,499	509,926	2,301,093	1,649,718
State grants	1,075,221	1,016,989	28,876	24,355	1,104,097	1,041,344
General revenues:						
Property taxes	13,471,758	11,350,104	-	-	13,471,758	11,350,104
State entitlements	13,299,000	11,736,623	-	-	13,299,000	11,736,623
Interest income	146,477	284,587	1,948	1,626	148,425	286,213
Other	<u>153,224</u>	<u>208,529</u>	<u>-</u>	<u>-</u>	<u>153,224</u>	<u>208,529</u>
Total revenues	<u>30,336,084</u>	<u>26,273,803</u>	<u>944,060</u>	<u>870,014</u>	<u>31,280,144</u>	<u>27,143,817</u>
Program expenses:						
Instructional	16,391,814	15,492,026	-	-	16,391,814	15,492,026
Support services	9,173,057	8,757,725	-	-	9,173,057	8,757,725
Co-curricular student activities	580,936	565,043	-	-	580,936	565,043
Community services	264,037	228,238	-	-	264,037	228,238
Interest on long-term debt	486,573	494,244	-	-	486,573	494,244
Food service	-	-	898,848	865,418	898,848	865,418
Uniform school supplies	-	-	<u>38,160</u>	<u>44,991</u>	<u>38,160</u>	<u>44,991</u>
Total expenses	<u>26,896,417</u>	<u>25,537,276</u>	<u>937,008</u>	<u>910,409</u>	<u>27,833,425</u>	<u>26,447,685</u>
Increase(decrease) in net assets	<u>\$ 3,439,667</u>	<u>736,527</u>	<u>7,052</u>	<u>(40,395)</u>	<u>3,446,719</u>	<u>696,132</u>

Governmental Activities

Net assets of the District’s governmental activities increased by \$3,439,667. As discussed above, the increase in net asset is primarily due to an increase in fiscal year 2004 property taxes and State Foundation; offset by an increase in 2004 spending.

The property tax laws in Ohio create the need periodically to seek voter approval for additional operating funds. Tax revenues generated from voted tax levies do not increase as a result of inflation. An operating levy is approved for a fixed millage rate, but the rate is reduced for inflation with the effect of providing the District the same amount of tax dollars as originally approved. Therefore, school districts such as ours that are dependent upon property taxes as a primary source of revenue must periodically return to the ballot and ask voters for additional resources to maintain current programs. Since the District must rely heavily on voter approval of operating tax issues, management of the resources is of paramount concern to the District’s administration and the voting public.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. General revenues including tax revenue, investment earnings and unrestricted State entitlements must support the net cost of program services.

Programs	Total Cost of Services		Net Cost of Service	
	2004	2003	2004	2003
Instructional services	\$ 16,391,814	15,492,026	14,401,711	13,913,219
Support services	9,173,057	8,757,725	8,238,934	8,022,073
Co-curricular student activities	580,936	565,043	454,582	425,094
Community services	264,037	228,238	48,992	(11,314)
Interest on long-term debt	486,573	494,244	486,573	494,244
Total	<u>26,896,417</u>	<u>25,537,276</u>	<u>23,630,792</u>	<u>22,843,316</u>

Local property taxes make up 44% of total revenues for governmental activities. The net services column reflecting the need for \$23,630,792 of support indicates the reliance on general revenues to support governmental activities.

Business-Type Activities

Business-type activities include food service and school supply activities. These programs had a increase in net assets of \$7,052 for the fiscal year.

The District's Funds

The District's governmental funds reported a combined fund balance of \$11,673,207, which represents an increase of \$2,486,733 as compared to last year's total of \$9,186,474 according to the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances. The schedule below shows the fund balance and the total change in fund balance from June 30, 2003 to 2004.

	Fund Balance at June 30, 2004	Fund Balance at June 30, 2003	Increase (Decrease)
General Fund	\$ 11,221,779	8,675,310	2,546,469
Bond Retirement Fund	\$ 375,540	283,316	92,224
Other Governmental Funds	75,888	227,848	(151,960)
Total	<u>\$ 11,673,207</u>	<u>9,186,474</u>	<u>2,486,733</u>

General Fund

The District's General Fund balance increased primarily because of increases in revenues while expenditures remained stable. The tables that follow assist in illustrating the financial activities and balance of the General Fund.

Revenues by Source

	2004	2003	% Change
Property taxes	\$ 12,398,339	10,520,888	17.84%
Intergovernmental	13,322,273	11,761,380	13.27%
Investment income	146,236	283,355	-48.39%
Other revenue	294,021	376,118	-21.83%
Total	<u>\$ 26,160,869</u>	<u>22,941,741</u>	14.03%

The increase in property tax revenue is due to irregularities in the timing of tax advances. On a cash basis, these revenues have remained stable over the past five years. Intergovernmental revenue is up 13.27% as a result of changes in the State Foundation funding formula. Interest earnings are down 48.39% from fiscal 2003 due to declining interest rates.

As the table below indicates, the largest portion of General Fund expenditures is for instructional cost.

Expenditures by Function

	2004	2003	% Change
Instructional services	\$ 14,640,386	13,613,962	7.54%
Support services	8,085,389	7,983,543	1.28%
Co-curricular student activities	448,391	445,075	0.75%
Capital outlay	440,234	735,212	-40.12%
Total	<u>\$ 23,614,400</u>	<u>22,777,792</u>	3.67%

Expenditures are up 3.67% over the prior year mostly due to salary and benefit increases, including increased health insurance premiums, associated with existing staff. Revenues exceeded expenditures in the general fund during the fiscal year resulting in an increase in fund balance of \$2,546,469.

Bond Retirement Fund

The Bond Retirement Fund is the District's debt service fund. The fund balance in this fund increased by \$92,224 in 2004. The table that follows assists in illustrating the financial activities and balance of the Bond Retirement Fund.

Revenues by Source

	<u>2004</u>	<u>2003</u>	<u>% Change</u>
Property taxes	\$ 806,378	711,340	13.36%
Intergovernmental	<u>22,442</u>	<u>22,513</u>	-0.32%
Total	<u>\$ 828,820</u>	<u>733,853</u>	12.94%

Expenditures by Function

Business operations	\$ 64,688	4,658	1288.75%
Debt service:			
Principal retirement	2,809,821	278,355	909.44%
Interest	<u>494,481</u>	<u>497,267</u>	-0.56%
Total	<u>\$ 3,368,990</u>	<u>780,280</u>	331.77%
Other financing sources	<u>\$ 2,632,394</u>	<u>-</u>	
Net Change in Fund Balance	<u>\$ 92,224</u>	<u>\$ (46,427)</u>	

The overall increase in the Bond Retirement fund balance resulted from an increase in property tax revenue, due to irregularities in the timing of tax advances, and a current refunding transaction, which took place during the year. The refunding transaction resulted in a total of \$2,632,394 in proceeds and premium from debt issuance. The proceeds refunded a principal amount (included in principal retirement) of \$2,520,000 and paid issuance costs of \$61,995.

Other Governmental Funds

Other governmental funds consist of Special Revenue and Capital Projects funds. Fund balance in these funds decreased by \$151,960.

General Fund Budget Information

The District's budget is prepared in accordance with Ohio law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. Changes are made to the District's budget as changes in revenues and spending patterns are experienced.

The District uses the five-year forecast as the original document from which to form the operating budget. After updating the forecast for changes in revenue and expenditure assumptions, the operating budget begins at the school level. Each school in the District receives a per pupil allocation augmented with resources for special education students in the specific buildings. Budgets are reviewed periodically to ensure management becomes aware of any variations during the year.

Capital Assets

The District has \$7,869,369 invested in capital assets net of depreciation, with \$7,836,689 attributed to governmental activities. Detailed information regarding capital asset activity is included in the notes to the basic financial statements.

Debt

On June 30, 2004, the District had \$3,159,819 in outstanding notes and bonds. On November 13, 2003, the District sold \$2,519,995 of general obligation bonds dated November 1, 2003 with final maturities on December 1, 2013. These bonds refunded \$2,520,000 of the Whitehall City School District's 1993 Refunding Bond Issue, which had final maturities on December 1, 2013. The refunding resulted in a premium of \$112,400 and issuance cost of \$61,995. The transaction resulted in an economic gain (present value savings) of \$236,058 and a reduction of \$316,168 in future debt service payments. Detailed information regarding long-term debt is included in the notes to the basic financial statements.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total taxable valuation of real and personal property. As of June 30, 2004, the District's general obligation debt was below the legal limit.

Restrictions and Other Limitations

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

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

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BASIC FINANCIAL STATEMENTS

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WHITEHALL CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2004

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash and investments	\$ 14,265,749	165,182	14,430,931
Restricted cash	158,536	-	158,536
Receivables	12,725,972	1,732	12,727,704
Due from other-			
Governments	117,228	77,274	194,502
Inventory	-	27,459	27,459
Internal balance	(65,112)	65,112	-
Prepaid assets and deferred charges	131,121	-	131,121
Capital assets:			
Land	420,406	-	420,406
Depreciable capital assets, net	7,416,283	32,680	7,448,963
TOTAL ASSETS	<u>35,170,183</u>	<u>369,439</u>	<u>35,539,622</u>
LIABILITIES:			
Accounts payable	37,988	395	38,383
Due to other-			
Governments	519,653	10,365	530,018
Deferred revenue	10,368,904	-	10,368,904
Accrued wages	1,855,674	56,224	1,911,898
Interest payable	65,699	-	65,699
Claims payable	223,881	9,119	233,000
Long-term Liabilities:			
Due within one year	1,591,510	30,426	1,621,936
Due in more than one year	3,077,562	41,006	3,118,568
TOTAL LIABILITIES	<u>17,740,871</u>	<u>147,535</u>	<u>17,888,406</u>
NET ASSETS			
Invested in capital assets, net of related debt	4,631,505	32,680	4,664,185
Restricted for:			
Budget stabilization	158,536	-	158,536
Debt service	382,838	-	382,838
Other purposes	63,832	-	63,832
Unrestricted	12,192,601	189,224	12,381,825
TOTAL NET ASSETS	<u>\$ 17,429,312</u>	<u>221,904</u>	<u>17,651,216</u>

The notes to the financial statements are an integral part of this statement.

WHITEHALL 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	
Governmental Activities			
Instructional services:			
Regular	\$ 11,782,019	202,277	595,951
Special	3,968,458	33,808	1,157,258
Vocational	641,337	-	809
Support services:			
Operation and maintenance of plant	2,182,142	13,436	-
School administration	2,157,556	38,434	36,554
Pupils	1,511,851	12,142	461,869
Business operations	575,355	-	-
Instructional staff	1,181,466	6,900	323,010
Student transportation	975,546	-	-
Central services	503,051	-	41,778
General administration	86,090	-	-
Co-curricular student activities	580,936	126,354	-
Community services	264,037	24,459	190,586
Interest on long-term debt	486,573	-	-
Total Governmental Activities	26,896,417	457,810	2,807,815
Business-Type Activities			
Food Service	898,848	309,028	597,375
Uniform School Supplies	38,160	35,709	-
Total Business Type-Activities	937,008	344,737	597,375
Totals	\$ 27,833,425	802,547	3,405,190

General revenues:

Property taxes
Grants and entitlements not restricted to specific programs
Investment earnings
Loss on disposal of assets
Miscellaneous
Total general revenues

Change in Net Assets

Net Assets Beginning of Year, as restated
Net Assets End of Year

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
(10,983,791)	-	(10,983,791)
(2,777,392)	-	(2,777,392)
(640,528)	-	(640,528)
(2,168,706)	-	(2,168,706)
(2,082,568)	-	(2,082,568)
(1,037,840)	-	(1,037,840)
(575,355)	-	(575,355)
(851,556)	-	(851,556)
(975,546)	-	(975,546)
(461,273)	-	(461,273)
(86,090)	-	(86,090)
(454,582)	-	(454,582)
(48,992)	-	(48,992)
(486,573)	-	(486,573)
(23,630,792)	-	(23,630,792)
-	7,555	7,555
-	(2,451)	(2,451)
-	5,104	5,104
(23,630,792)	5,104	(23,625,688)
13,471,758	-	13,471,758
13,299,000	-	13,299,000
146,477	1,948	148,425
(16,497)	-	(16,497)
169,721	-	169,721
27,070,459	1,948	27,072,407
3,439,667	7,052	3,446,719
13,989,645	214,852	14,204,497
17,429,312	221,904	17,651,216

WHITEHALL CITY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2004

	GENERAL	BOND RETIREMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:				
Cash and investments	\$ 12,327,906	315,967	183,769	12,827,642
Restricted cash	158,536	-	-	158,536
Receivables	11,938,658	774,334	2,122	12,715,114
Due from other -				
Governments	12,026	-	105,202	117,228
Funds	14,357	-	-	14,357
Prepaid assets	75,326	-	-	75,326
TOTAL ASSETS	\$ 24,526,809	1,090,301	291,093	25,908,203
LIABILITIES:				
Accounts payable	\$ 37,085	-	903	37,988
Due to other:				
Governments	484,277	1,070	34,306	519,653
Funds	181,839	-	22,901	204,740
Deferred revenue	10,903,250	713,691	-	11,616,941
Accrued wages	1,698,579	-	157,095	1,855,674
TOTAL LIABILITIES	13,305,030	714,761	215,205	14,234,996
FUND BALANCES:				
Reserved for:				
Encumbrances	442,031	-	36,873	478,904
Prepaid assets	75,326	-	-	75,326
Future appropriations	920,804	60,643	-	981,447
Budget stabilization	158,536	-	-	158,536
Unreserved, reported in				
General fund	9,625,082	-	-	9,625,082
Special revenue fund	-	-	39,015	39,015
Debt Service fund	-	314,897	-	314,897
TOTAL FUND BALANCES	11,221,779	375,540	75,888	11,673,207
TOTAL LIABILITIES AND FUND BALANCES	\$ 24,526,809	1,090,301	291,093	25,908,203

The notes to the financial statements are an integral part of this statement.

WHITEHALL CITY SCHOOL DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2004

Total Governmental Fund Balances \$ 11,673,207

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

Capital assets used in governmental activities are not functional resources and therefore are not reported in the funds. 7,836,689

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. 1,248,037

An internal fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund, net of the amount related to enterprise activities (\$65,112), are included in governmental activities in the statement of net assets. 1,350,355

Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.

Deferred Charges (bond issuance costs)	55,795
Interest payable	(65,699)
Compensated absences	(1,256,215)
Pension obligation	(151,878)
Bonds payable	(2,568,819)
Unamortized bond premium	(101,160)
Notes payable	(591,000)

Net Assets of Governmental Activities \$ 17,429,312

The notes to the financial statements are an integral part of this statement.

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

	GENERAL	BOND RETIREMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:				
Property taxes	\$ 12,398,339	806,378	-	13,204,717
Intergovernmental:				
Federal:				
Unrestricted Grants-in-aid	96,687	-	-	96,687
Restricted Grants-in-aid	45,715	-	1,686,879	1,732,594
State:				
Unrestricted Grants-in-aid	13,012,373	22,442	-	13,034,815
Restricted Grants-in-aid	167,498	-	1,075,221	1,242,719
Investment income	146,236	-	241	146,477
Co-curricular activities	4,975	-	121,379	126,354
Tuition fees	196,693	-	134,763	331,456
Other	92,353	-	77,368	169,721
TOTAL REVENUES	26,160,869	828,820	3,095,851	30,085,540
EXPENDITURES:				
Current:				
Instructional services:				
Regular	11,177,562	-	661,604	11,839,166
Special	2,832,557	-	1,141,810	3,974,367
Vocational	630,267	-	809	631,076
TOTAL INSTRUCTIONAL SERVICES	14,640,386	-	1,804,223	16,444,609
Support services:				
Operation and maintenance of plant	2,141,275	-	34,630	2,175,905
School administration	2,001,161	-	138,700	2,139,861
Pupils	1,058,246	-	467,460	1,525,706
Business operations	576,014	64,688	-	640,702
Instructional staff	788,926	-	364,336	1,153,262
Student transportation	1,000,191	-	-	1,000,191
Central services	433,486	-	48,697	482,183
General administration	86,090	-	-	86,090
TOTAL SUPPORT SERVICES	8,085,389	64,688	1,053,823	9,203,900
Co-curricular student activities	448,391	-	131,734	580,125
Community services	-	-	252,580	252,580
Capital outlay	440,234	-	5,451	445,685
Debt service:				
Principal retirement	-	2,809,821	-	2,809,821
Interest	-	494,481	-	494,481
TOTAL EXPENDITURES	23,614,400	3,368,990	3,247,811	30,231,201
Excess (deficiency) of revenues over expenditures	2,546,469	(2,540,170)	(151,960)	(145,661)
OTHER FINANCING SOURCES				
Proceeds from bonds issued	-	2,519,995	-	2,519,995
Premium on bond issuance	-	112,399	-	112,399
TOTAL OTHER FINANCING SOURCES	-	2,632,394	-	2,632,394
Net Change in Fund Balances	2,546,469	92,224	(151,960)	2,486,733
FUND BALANCES AT BEGINNING OF YEAR	8,675,310	283,316	227,848	9,186,474
FUND BALANCE AT END OF YEAR	\$ 11,221,779	375,540	75,888	11,673,207

The notes to the financial statements are an integral part of this statement.

WHITEHALL 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 Changes in Fund Balances - Total Governmental Funds **\$ 2,486,733**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. 242,594

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds. 267,041

Repayment of bond and note principal is an expenditure in governmental fund, but the repayment reduces long-term liabilities in the statement of net assets and does not result in an expense in the statement of activities. During 2004, the District issued some new debt and refunded some of its existing debt. The governmental funds report the effects of premiums and bond issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statements of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items. 244,461

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is recorded when due. 2,868

Some expenses 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.

Compensated absences	(103,990)
Pension obligation	169,676
Loss on disposal of fixed assets	(16,497)

An internal fund is used by management to charge the cost of insurance to individual funds is not reported in the district-wide statement of activities. Expenditures and the related internal service fund revenues are eliminated. The net revenue of the internal service fund (less the amount related to business-type activities of \$7,078) is allocated among governmental activities. 146,781

Change in Net Assets of Governmental Activities **\$ 3,439,667**

The notes to the financial statements are an integral part of this statement.

WHITEHALL CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2004

	<u>Aggregate Nonmajor Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Funds</u>	<u>Internal Service Fund</u>
ASSETS		
Cash and investments	\$ 165,182	1,438,107
Accounts receivable	1,732	10,858
Due from other governments	77,274	-
Due from other funds	-	199,502
Inventory	27,459	-
Total current assets	<u>271,647</u>	<u>1,648,467</u>
Capital Assets, Net	<u>32,680</u>	-
Total assets	<u>304,327</u>	<u>1,648,467</u>
LIABILITIES		
Accounts payable	395	-
Due to other governments	10,365	-
Due to other funds	9,119	-
Accrued wages and benefits	56,224	-
Claims payable	-	233,000
Current portion of long-term liabilities	30,426	-
Total current liabilities	<u>106,529</u>	<u>233,000</u>
Long-term liabilities	<u>41,006</u>	-
Total liabilities	<u>147,535</u>	<u>233,000</u>
NET ASSETS		
Invested in Capital Assets	32,680	-
Unrestricted	<u>124,112</u>	<u>1,415,467</u>
Total Net Assets	<u>\$ 156,792</u>	<u>1,415,467</u>
Adjustment to consolidate the internal service fund activities.	65,112	
Total net assets per the government-wide Statement of Activities \$	<u><u>221,904</u></u>	

The notes to the financial statements are an integral part of this statement.

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

	Aggregate Nonmajor Business-Type Activities	Governmental Activities
	<u>Enterprise Funds</u>	<u>Internal Service Fund</u>
Operating Revenues:		
Food service sales	\$ 308,290	-
Charges for services	-	1,949,314
Class fees	35,709	-
Other	738	28
Total operating revenues	<u>344,737</u>	<u>1,949,342</u>
Operating Expenses:		
Supplies and materials	326,044	-
Personal services	550,446	-
Purchased services	59,571	1,795,483
Depreciation	8,025	-
Total operating expenses	<u>944,086</u>	<u>1,795,483</u>
Operating income (loss)	(599,349)	153,859
Nonoperating Revenues:		
State sources	28,876	-
Federal sources	568,499	-
Investment income	1,948	-
Total nonoperating revenues	<u>599,323</u>	-
Change in Net Assets	(26)	153,859
Net assets at beginning of year	156,818	1,261,608
Net assets at end of year	<u>\$ 156,792</u>	<u>1,415,467</u>
Changes in Net Asset for Enterprise Funds	(26)	
Adjustment to consolidate the internal service fund activities.	7,078	
Total change in net assets of business-type activities	<u>\$ 7,052</u>	

The notes to the financial statements are an integral part of this statement.

WHITEHALL CITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Aggregate Nonmajor Business-Type Activities	Governmental Activities
	Enterprise Funds	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from tuition and fees	\$ 35,072	-
Cash received from sales	308,290	-
Cash received from charges for services	-	1,906,656
Other cash receipts	666	28
Cash payments for personal services	(532,826)	-
Cash payments for purchased services	(59,657)	(1,734,483)
Cash payments for supplies and materials	(316,088)	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(564,543)	172,201
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest	1,658	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	1,658	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State sources	28,876	-
Federal sources	545,284	-
NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	574,160	-
CASH FLOWS USED IN CAPITAL AND OTHER RELATED RELATED FINANCING ACTIVITIES-		
Acquisition of Property, plant and equipment	(3,047)	-
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,228	172,201
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	156,954	1,265,906
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 165,182	1,438,107
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Operating income (loss)	\$ (599,349)	153,859
Depreciation	8,025	-
Change in assets and liabilities:		
Receivables	(709)	(10,858)
Due from other funds	-	(31,800)
Inventory	10,460	-
Accounts payable	(590)	-
Due to other governments	25,157	-
Due to other funds	1,636	-
Accrued wages and benefits	(9,173)	-
Claims payable	-	61,000
Net cash provided (used) by operating activities	\$ (564,543)	172,201
Supplemental Information		
Noncash activities-		
Donated commodities	\$ 115,110	

The notes to the financial statements are an integral part of this statement.

WHITEHALL CITY SCHOOL DISTRICT
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUND
 JUNE 30, 2004

AGENCY FUND
STUDENT ACTIVITIES FUND

ASSETS	
Cash and investments	\$ 33,223
Accounts receivable	46
Total assets	33,269
 LIABILITIES	
Due to others	33,269
Total liabilities	33,269
NET ASSETS	\$ -

The notes to the financial statements are an integral part of this statement.

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WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements
June 30, 2004

1. Reporting Entity

The Whitehall City School District (the District) was organized on June 10, 1968 and is a fiscally independent political subdivision of the State of Ohio. The District is governed by a five-member board of education (the Board) elected by the citizens of the District.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of a component unit's board and either (i) the District's ability to impose its will over a component unit, or (ii) the possibility that the component unit will provide a financial benefit or impose a financial burden on the District. On that basis, the reporting entity of the District includes the services of the District only (i.e., there are no component units).

Jointly Governed Organizations:

The District is a participant among 120 educational-focused entities in a jointly governed organization to operate the Metropolitan Educational Council (MEC). MEC 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 districts. MEC is governed by a board of directors consisting of a member of the board of education and a member of the administrative staff from each of the participating members. The District does not have an ongoing financial interest in or ongoing financial responsibility for MEC. Financial statements for MEC can be obtained from MEC administrative offices at 2100 City Gate Dr., Columbus, Ohio 43219.

The Eastland Joint Vocational School District (EJVS) is a jointly governed organization of the District. The District's Board of Education appoints one member of the nine-member Board of Education of EJVS. However, the financial statements of EJVS are not included within the District's reporting entity, as the District cannot impose its will and there are no financial benefit or financial burden relationships or related-party transactions between the District and EJVS.

2. Summary of Significant Accounting Policies

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

a. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicant who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

b. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied, provided they are collected and certified by the county auditor by the fiscal year-end. Additionally, taxes collected within 60 days after fiscal year-end are recorded as a receivable with an offset to deferred revenue for amounts not collected and available for advance on June 30 by the county auditor. Tuition, grants, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District has two *major funds*, the *general fund* and the *bond retirement fund*, both governmental funds. The general fund is the District's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund. The bond retirement fund is a debt service fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

The District's nonmajor governmental funds include the following fund types:

Special revenue funds are used to account for the proceeds of specific revenue sources, other than major capital projects, that are legally restricted to expenditures for specified purposes.

Capital projects funds are used to account for financial resources to be used for the acquisition and/or construction of major capital facilities (other than those financed by enterprise funds).

The District's nonmajor proprietary funds include the following fund types:

Enterprise funds are used to account for the District's food service and uniform school supplies financial activities.

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or, agencies of the government generally on a cost-reimbursement basis. The District has one such fund, a Self-Insurance Fund.

Additionally, the District reports a *fiduciary fund*. Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds, a type of fiduciary fund, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District reports one agency fund, the Student Activities Agency Fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide(governmental activities) and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The District has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to those who benefit from the goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expense from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. Food service sales and class fees are the principal operating revenues of the District's enterprise funds. Charges for services (or charges for employee benefit costs) are the principal operating revenues for the District's internal service fund. Operating expenses for the enterprise funds and internal service fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

c. Cash and Investments

Monies received by the District are pooled in a central bank account with individual fund balance integrity retained throughout. In 1998, the District adopted GASB Statement No. 31 (GASB 31), *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records its investments at fair value.

d. Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis and inventories are determined by physical count.

e. Capital Assets and Depreciation

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by proprietary funds are reported on both statement types.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$500 and a useful life of less than one year. The District does not possess any infrastructure.

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

Land Improvements	10-30
Buildings & Improvements	10-30
Furniture and Equipment	5-15
Vehicles	5-10

f. Interfund Activity

Transfers between governmental and business-type activities on the entity-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

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

g. Compensated Absences

The District has implemented the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and state laws.

The entire compensated absence liability is reported on the entity-wide financial statements. The amount of accumulated vacation and sick leave of employees applicable to governmental type activities is not reflected in the fund financial statements. For proprietary funds, the entire amount of compensated absences is recorded as an expense and liability of the fund.

h. Accrued Liabilities and Long-term Debt

All accrued liabilities and long-term debt is reported in the entity-wide financial statements as well as the proprietary fund financial statements. For governmental fund financial statements, these accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims for judgments and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term debts paid from governmental funds are not recognized as a liability in the fund financial statements until due.

i. Fund Balance Reserves / Restrictions

The District records reservations for portions of fund equity, which are legally segregated for specific future use or which do not represent available spendable resources and therefore are not available for appropriation for expenditures. Fund equity reserves have been established for encumbrances, prepaid assets, property tax revenue reserved by the Board for future year's appropriations and budget stabilization, as required by state statute (see Note 14).

The District complies with all restrictions governing the use of restricted assets. Such restrictions do not offer discretion regarding use of these resources in an unrestricted manner. When capital restricted funds, usually bond proceeds, are available, capital assets are acquired from such resources. Capital assets can be, however, and to a lesser amount are, acquired from unrestricted resources.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

j. Statement of Cash Flows

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and investments of the cash management pool are also considered to be cash equivalents, since they are available to the proprietary funds on demand.

k. Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

3. Cash and Investments

a. Cash

The investment and deposit of the District's monies is governed by the provisions of the ORC. In accordance with these statutes, the District is authorized to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificates of deposit; banker acceptances; commercial paper notes rated prime and issued by United States corporations; repurchase agreements secured by United States obligations; and STAROhio. During fiscal year 2004, investments were limited to STAROhio, CDs, and federal agency securities. Earnings on investments are credited to the General Fund except earnings specifically related to the Capital Projects Fund, Enterprise Fund, and Special Revenue Fund - Auxiliary Services, which is in compliance with ORC Section 3315.01. In fiscal 2004 investment income of \$146,236 was recorded in the General Fund.

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 Securities Exchange Commission as an investment company, but does operate in a manner similar to 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.

b. Deposits with Financial Institutions

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. According to state law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. State law does not require security for public deposits and investments to be maintained in the District's name. During 2004, the District and public depositories complied with the provisions of these statutes.

At June 20, 2004, the carrying amount of all District deposits was \$135,059. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk*

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

Disclosures, as of June 30, 2004, \$427,700 of the District's bank balance of \$527,700 was uncollateralized and uninsured.

c. Investments

As of June 30, 2004, the District had the following investments and maturities.

Investment type	Fair Value	Investment Maturities			
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months
StarOhio	\$ 2,597,053	2,597,053	-	-	-
FFCB Notes	988,642	-	-	-	988,642
FHLB Notes	3,974,130	995,407	1,992,560	986,163	-
FHLMC Notes	2,976,900	1,005,782	981,470	989,648	-
FNMA Notes	3,950,906	993,877	1,968,917	-	988,112
	<u>\$ 14,487,631</u>	<u>5,592,119</u>	<u>4,942,947</u>	<u>1,975,811</u>	<u>1,976,754</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to two years or less.

Credit Risk. The District's investments in FFCB, FHLB, FHLMC and FNMA notes were each rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned StarOhio an AAAM money market rating.

Concentration of Credit Risk. The District places no limit on the amount that may be invested in any one issuer. The District's investment in Federal National Mortgage Association Notes at June 30, 2004 represents 27.27% of its total investments.

d. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments to the Statement of Net Assets as of June 30, 2004:

Investments (summarized above)	\$ 14,487,631
Carrying amount of District's deposits	135,059
Total	<u>\$ 14,622,690</u>
Governmental Activities	
Governmental Funds:	
Cash and investments	\$ 12,827,642
Restricted cash	158,536
Internal Service Funds-	
Cash and investments	1,438,107
Total cash and investments - governmental activities	<u>14,424,285</u>
Business Type Activities	
Enterprise Funds-	
Cash and investments	165,182
Total cash and investments - business type activities	<u>165,182</u>
Agency Fund - cash and investments	33,223
Total	<u>\$ 14,622,690</u>

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

4. Property Taxes

Property taxes are levied and assessed on a calendar-year basis. Distributions from the second half of the calendar year occur in a new fiscal year and are intended to finance the operations of that year, except monies available to be advanced against such distributions which may be appropriated and used in the current fiscal year. Property taxes include amounts levied against all real, public and tangible (i.e., used in business) property located in the District.

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

Public utility property taxes are assessed on tangible personal property as well as land and improvements. Real property is assessed at market value and personal property is assessed at true value (normally 50% of cost).

Tangible personal property taxes attach as a lien and are levied January 1 of the current year. Tangible personal property assessments are 25% of true value. The assessed values for collection in 2004, upon which the 2003 levies were based, were as follows:

Agricultural/Residential Real Estate	\$ 142,341,720
Commercial/Industrial Real Estate	105,253,410
Public Utility Real Estate	34,350
Public Utility Tangible	11,249,710
General Tangible Property	40,343,866
Total	<u>\$ 299,223,056</u>

Real property taxes are payable annually or semiannually. If paid annually, the payment is due January 30; if paid semiannually, the payment is due January 30 with the remainder payable by June 30.

The Franklin County Treasurer collects property taxes on behalf of the District. The County Auditor periodically remits to the District its portion of the taxes collected. These tax "advances" are based on historical cash flow collection rates. Final "settlements" are made each February and August.

Accrued property taxes receivables represent real property, personal property and public utility taxes which were measurable but not available as of June 30, 2004. However, monies legally available as an advance to the District as of June 30, 2004 are recognized as revenue as they are both measurable and available. The property tax amount recognized as revenue, is reflected as a reservation of fund balance (reserve for future appropriations) as the District is prohibited by law from appropriating this amount in accordance with Ohio Revised Code Section 5705.35.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

5. Receivables

Receivables at June 30, 2004 consisted of taxes, interest and other accounts. Taxes receivable include current and delinquent taxes receivable. A summary of the principal items of receivables follows:

Governmental Activities:	
Taxes current	\$ 11,350,351
Taxes delinquent	1,248,037
Interest	56,902
Other	<u>70,682</u>
Total	<u>\$ 12,725,972</u>
Business-type Activities:	
Interest	\$ 693
Accounts	<u>1,039</u>
Total	<u>\$ 1,732</u>
Total receivable	<u>\$ 12,727,704</u>

6. Due From Other Governments

Intergovernmental receivables at June 30, 2004 consist of the following:

Governmental Activities:	
Federal	\$ 90,450
State	<u>26,778</u>
Total	<u>\$ 117,228</u>
Business-type Activities:	
Federal	<u>\$ 77,274</u>
Total	<u>\$ 77,274</u>
Total receivable	<u>\$ 194,502</u>

7. Interfund Receivables and Payables

Interfund balances at June 30, 2004 consist of the following individual fund receivables and payables on the fund basis:

	Receivable	Payable
Governmental Activities:		
General Fund	\$ 14,357	\$ 181,839
Other Governmental Funds	-	22,901
Internal Service Fund	<u>199,502</u>	<u>-</u>
Total governmental activities	<u>213,859</u>	<u>204,740</u>
Business-Type Activities -		
Food Service Fund	-	<u>9,119</u>
Total business-type activities	<u>-</u>	<u>9,119</u>
Total	<u>\$ 213,859</u>	<u>\$ 213,859</u>

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

Interfund balances of \$199,502 at June 30, 2004 are for charges related to the Employee Benefit Self Insurance Internal Service fund. An additional interfund amount of \$14,357 represents a short-term loan to two special revenue funds from the general fund.

8. Capital Assets

A summary of capital asset activity for the fiscal year follows:

	Balance June 30, 2003	Additions	Disposals	Balance June 30, 2004
Capital Assets used in:				
Governmental Activities				
Nondepreciable capital assets-				
Land	\$ 420,406	-	-	420,406
Total nondepreciable capital assets	<u>420,406</u>	<u>-</u>	<u>-</u>	<u>420,406</u>
Depreciable capital assets:				
Land improvements	2,655,656	42,730	3,322	2,695,064
Building and improvements	10,683,956	380,370	17,235	11,047,091
Furniture, fixtures and equipment	7,475,028	711,582	293,609	7,893,001
Buses, autos and trucks	798,771	53,355	11,154	840,972
Total depreciable capital assets	<u>21,613,411</u>	<u>1,188,037</u>	<u>325,320</u>	<u>22,476,128</u>
Accumulated depreciation:				
Land improvements	2,543,244	20,621	1,523	2,562,342
Building and improvements	5,933,584	320,487	9,069	6,245,002
Furniture, fixtures and equipment	5,532,975	550,368	287,077	5,796,266
Buses, autos and trucks	413,422	53,967	11,154	456,235
Total accumulated depreciation	<u>14,423,225</u>	<u>945,443</u>	<u>308,823</u>	<u>15,059,845</u>
Total depreciable capital assets, net	<u>7,190,186</u>	<u>242,594</u>	<u>16,497</u>	<u>7,416,283</u>
Total governmental activities capital assets, net	<u><u>7,610,592</u></u>	<u><u>242,594</u></u>	<u><u>16,497</u></u>	<u><u>7,836,689</u></u>
Business Type Activities				
Depreciable capital assets-				
Furniture, fixtures and equipment	340,513	3,047	4,825	338,735
Total depreciable capital assets	<u>340,513</u>	<u>3,047</u>	<u>4,825</u>	<u>338,735</u>
Accumulated depreciation-				
Building and improvements	302,855	8,025	4,825	306,055
Total accumulated depreciation	<u>302,855</u>	<u>8,025</u>	<u>4,825</u>	<u>306,055</u>
Total depreciable capital assets, net	<u>37,658</u>	<u>(4,978)</u>	<u>-</u>	<u>32,680</u>
Total business type activities capital assets, net	<u><u>37,658</u></u>	<u><u>(4,978)</u></u>	<u><u>-</u></u>	<u><u>32,680</u></u>

Depreciation expense was charged to governmental functions as follows:

Instructional services:	
Regular	\$ 731,749
Special	7,735
Vocational	9,855
Support services:	
Operation and maintenance of plant	49,498
School administration	16,657
Pupils	5,155
Business operations	2,246
Instructional staff	16,062
Student transportation	38,124
Central services	32,913
Co-curricular student activities	22,763
Community services	12,686
Total depreciation	<u><u>\$ 945,443</u></u>

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

The 2004 depreciation expense of \$8,025 in business type activities was related to the capital assets of the Food Service Enterprise Fund.

9. Long-Term Obligations

All current obligation bonds outstanding, issued to provide funds for the acquisition and construction of equipment and facilities, are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Long-Term obligations of the District are included in the Statement of Net Assets. Payments of principal and interest relating to these liabilities are recorded as expenditures in the Debt Service Fund. The source of payment is derived from bonded debt tax levy.

On November 13, 2003, the District sold \$2,519,995 of general obligation bonds dated November 1, 2003 with final maturities on December 1, 2013. These bonds refunded \$2,520,000 of the Whitehall City School District's 1993 Refunding Bond Issue, which had final maturities on December 1, 2013. The refunding resulted in a premium of \$112,400 and issuance cost of \$61,995. The transaction resulted in an economic gain (present value savings) of \$236,058 and a reduction of \$316,168 in future debt service payments.

As of June 30, 2004, the District had one general obligation bond (the refunding bond discussed above) and one general obligation long-term note issue outstanding. This debt was originally issued for general government activities, specifically, the construction and renovation of school buildings. General obligations currently outstanding are:

Purpose	Date Issued	Interest Rate	Final Maturity	Balance at June 30, 2004
Building improvement bonds- 1993 Refunding Bonds	04/15/93	5.31%	12/01/06	\$ 48,824
Building improvement bonds- 2003 Refunding Bonds	11/01/03	3.35%	12/01/13	2,519,995
Energy conservation note	05/01/96	5.60%	05/01/06	591,000
				<u>\$ 3,159,819</u>

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds and note:

Year ending June 30,	Interest rates	Principal	Interest
2005	2.00 - 5.6%	\$ 369,632	\$ 389,227
2006	2.00 - 5.6%	388,860	367,683
2007	2.25 %	86,225	353,950
2008	2.75 %	380,000	55,200
2009	3.00 %	385,000	45,631
2010 to 2014	3.25 - 6.97 %	1,550,102	338,062
Total		<u>\$ 3,159,819</u>	<u>\$ 1,549,753</u>

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

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

The effects of these debt limitations at June 30, 2004 are a voted debt margin of \$23,770,256 and an unvoted debt margin of \$299,223. The aggregate amount of the District's unvoted debt is also subject to overlapping debt restrictions with Franklin County and the City of Whitehall. As of June 30, 2004, these entities have complied with the requirement that unvoted overlapping debt must not exceed 1% (10 mills) of the assessed property value. Management believes that the District has complied with all bond covenants.

A summary of the governmental activities changes in long-term liabilities follows:

	Balance			Balance		Amount due
	June 30, 2003	Additions	Reductions	June 30, 2004	in One Year	
Accrued liabilities (accrued vacation and sick leave)	\$ 1,152,225	996,694	892,704	1,256,215	\$1,070,000	
General obligation bonds payable	2,583,645	2,519,995	2,534,821	2,568,819	81,632	
General obligation notes payable	866,000	-	275,000	591,000	288,000	
Due to other governments-pension liability	<u>321,554</u>	<u>151,878</u>	<u>321,554</u>	<u>151,878</u>	<u>151,878</u>	
	<u>\$ 4,923,424</u>	<u>3,668,567</u>	<u>4,024,079</u>	<u>4,567,912</u>	<u>\$1,591,510</u>	

The following is a reconciliation of governmental activities long-term liabilities to the Statement of Net Assets as of June 30, 2004:

Balance of Long-term Liabilities (per schedule above)	\$ 4,567,912
Unamortized Bond Premium	101,160
Total Long-term Liabilities	<u>\$ 4,669,072</u>
Per Statement of Net Assets	
Long-term Liabilities:	
Due within one year	\$ 1,591,510
Due in more than one year	3,077,562
Total Long-term Liabilities	<u>\$ 4,669,072</u>

10. Self-Insurance Fund and Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District contracts with a third-party insurance company for property insurance (including boiler and machinery) and general liability insurance.

Professional liability is protected by another third-party insurance company with a \$1 million single occurrence limit, \$3 million aggregate limit and no deductible. Vehicles are also covered by the same third-party insurer and have no deductible for comprehensive and a \$250 deductible for collision. Automobile liability has a \$2 million combined single limit of liability.

The District pays the Ohio Bureau of Workers' Compensation a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

The District provides life insurance and accidental death and dismemberment insurance to most employees through another third-party insurance carrier in an amount related to the employee's position, ranging from \$30,000 to \$60,000.

The District provides employee medical/surgical benefits through a minimum premium plan, which is a modified self-insurance plan. The District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The District offers one PPO medical plan with varied deductibles and coinsurance payments for "In-network" and "Non-network" claims. Claims are reviewed by a third-party claims administrator and then paid by the District. The District pays into the Employee Benefit Self-Insurance Internal Service Fund at a single or family rates based on the coverage selected by the employee. All full-time employees electing family medical coverage are required to make a monthly contribution of \$235.00 to the Employee Benefit Self-Insurance Fund. For full-time employees electing single medical coverage, the District pays 100% of the monthly premium. The District's share of the premium is paid by the fund that pays the salary for the employee and is based on historical cost information.

Insurance coverage levels have remained consistent since fiscal year 2001. Additionally, no payments have been made within the last three years to settle claims in excess of the above-noted insurance coverages.

Dental coverage is contracted through a third-party insurer, not on a self-insurance basis. Monthly premiums for this coverage are \$66.12 per employee as of June 30, 2004, for both single and family coverage. The premium is paid in full by the fund that pays the salary for the employee.

A claims liability of approximately \$233,000 at June 30, 2004, in the internal service fund reflects an estimate of incurred but unpaid claims liability for medical and dental insurance. This liability was determined in accordance with actuarially acceptable reserving standards and was certified by an accredited actuary, as required by state statute.

A summary of the changes in self-insurance and dental claims liability, for the years ended June 30, 2004, 2003 and 2002 follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Claims liability at July 1	\$ 172,000	277,500	229,000
Incurred claims	1,795,483	1,352,904	1,320,969
Claims paid	<u>(1,734,483)</u>	<u>(1,458,404)</u>	<u>(1,272,469)</u>
Claims liability at June 30	<u>\$ 233,000</u>	<u>172,000</u>	<u>277,500</u>

11. Defined Benefit Pension Plans

A. State Teachers Retirement System

The 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 death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio Web site at www.strsoh.org.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

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

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

For the fiscal year ended June 30, 2004, plan members were required to contribute 9.3 percent of their annual covered salaries. The 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 also 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% for members and 14% for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Employer contributions for 2004, 2003, and 2002 were approximately \$ 1,740,000, \$1,674,000, and \$1,621,000, respectively, equal to 100% of the required contribution each year.

B. School Employees Retirement System

The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2004, 9.09 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. Employer contributions to SERS for the years ended June 30, 2004, 2003, and 2002 were approximately \$521,000, \$491,000 and \$491,000, respectively, equal to 100% of the required contribution for each year.

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, all members of the Board of Education elected Social Security. The Board's liability is 6.2 percent of wages paid.

12. Postemployment Benefits Other Than Pension Benefits

The 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 Ohio Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$124,274 for fiscal year 2004.

STRS Ohio pays health care benefits from the Health Care Stabilization 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 Ohio had 108,294 eligible benefit recipients.

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.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

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. Employer contributions in the amount of \$182,575 and a surcharge in the amount of \$57,096 were used to fund post-employment benefits for the year ended June 30, 2004

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.

13. Contingencies

a. Grants

The federal and state grants remain subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the District's administration believes such disallowances, if any, would be minimal.

b. State School Funding Decision

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

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

14. Set-Asides

The District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year end or offset by similarly restricted resources received during the year must be held in cash at year end and carried forward to be used for the same purposes in future years. The excess reserves as shown below may be carried forward to reduce next year's expenditures. The District was also required to set aside money for budget stabilization. The requirement for this set aside changed as result of the passage of Senate Bill 345.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

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

	Textbook Reserve	Capital Maintenance Reserve	Budget Stabilization Reserve
Balance, July 1, 2003	\$ -	-	158,536
Required Set-Aside	419,947	419,947	-
Qualifying Expenditures	<u>(760,000)</u>	<u>(875,000)</u>	<u>-</u>
Total	<u>(340,053)</u>	<u>(455,053)</u>	<u>158,536</u>
Balance, June 30, 2004	<u>\$ -</u>	<u>-</u>	<u>158,536</u>

15. Fund deficits

The following funds had GAAP basis and budget basis deficit fund balances at June 30, 2004:

	Deficit Fund Balances	
	GAAP Basis	Budget Basis
Special Revenue Funds:		
EMIS Grant	\$ 123	\$ -
Preschool Grant	797	-
Disadvantaged Pupil Impact Aid	60,324	-
Student Intervention Grant	1,064	-
Miscellaneous State Grants	710	-
Title III - Limited English Proficiency	-	1,108
Title I Grant	45,883	13,249
IDEA Preschool Grants for the Handicapped	147	-

The GAAP basis deficit balances in the Special Revenue Funds are a result of the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2004

16. Restatement

The District restated internal balances and net assets as of July 1, 2003 for governmental and business-type activities. The restatement was to properly reflect the portion of the internal service fund net assets which were related to the District's enterprise funds. The restatement is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net Assets, Beginning of year, as previously reported	\$ 14,047,679	156,818	14,204,497
Allocation of Internal Service Fund Net Assets to Business-Type Activities	<u>(58,034)</u>	<u>58,034</u>	<u>-</u>
Net Assets Beginning of the year, as restated	<u>\$ 13,989,645</u>	<u>214,852</u>	<u>14,204,497</u>

The correction to properly reflect the portion of the internal service fund net assets related to the District's enterprise fund caused a change in the change in net assets as previously reported for the year ended June 30, 2003:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Change in net assets, as previously reported	\$ 752,795	(56,663)	696,132
Allocation of Internal Service Fund net income	<u>(16,268)</u>	<u>16,268</u>	<u>-</u>
Restated amount for the year ended June 30, 2003	<u>\$ 736,527</u>	<u>(40,395)</u>	<u>696,132</u>

REQUIRED SUPPLEMENTARY INFORMATION

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WHITEHALL CITY SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2004

	GENERAL FUND			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
Property taxes	\$ 10,727,484	11,326,402	11,484,854	158,452
Investment income	100,000	195,595	195,595	-
Tuition fees	214,500	194,291	194,291	-
Co-curricular	5,000	4,975	4,975	-
Miscellaneous	73,000	40,178	40,178	-
State sources	12,279,104	12,129,631	13,179,871	1,050,240
Federal sources	30,000	147,897	147,897	-
TOTAL REVENUES	<u>23,429,088</u>	<u>24,038,969</u>	<u>25,247,661</u>	<u>1,208,692</u>
EXPENDITURES:				
Instructional services:				
Regular	11,543,020	11,049,074	11,049,074	-
Special	3,155,845	2,924,831	2,924,831	-
Vocational	635,433	613,268	613,268	-
Continuing	-	-	-	-
TOTAL INSTRUCTIONAL SERVICES	<u>15,334,298</u>	<u>14,587,173</u>	<u>14,587,173</u>	<u>-</u>
Support services:				
Pupils	1,183,633	1,051,254	1,051,254	-
Instructional staff	864,265	793,159	793,159	-
Board of Education	133,516	93,274	93,274	-
School administration	2,080,896	2,003,846	2,003,846	-
Fiscal services	594,290	556,483	556,483	-
Business operations	45,755	40,558	40,558	-
Operation and maintenance of plant	2,246,717	2,118,631	2,118,631	-
Student transportation	946,327	969,957	969,957	-
Central services	452,595	432,556	432,556	-
TOTAL SUPPORT SERVICES	<u>8,547,994</u>	<u>8,059,718</u>	<u>8,059,718</u>	<u>-</u>
Co-curricular activities	461,693	447,300	447,300	-
Site Improvement	140,000	884,408	884,408	-
TOTAL EXPENDITURES	<u>24,483,985</u>	<u>23,978,599</u>	<u>23,978,599</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(1,054,897)</u>	<u>60,370</u>	<u>1,269,062</u>	<u>1,208,692</u>
OTHER FINANCING SOURCES:				
Refund of prior year expenditures (receipts)	25,000	66	66	-
TOTAL OTHER FINANCING SOURCES	<u>25,000</u>	<u>66</u>	<u>66</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(1,029,897)</u>	<u>60,436</u>	<u>1,269,128</u>	<u>1,208,692</u>
Prior year encumbrances appropriated	531,912	531,912	531,912	-
FUND BALANCES AT BEGINNING OF YEAR	<u>10,250,431</u>	<u>10,250,431</u>	<u>10,250,431</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 9,752,446</u>	<u>10,842,779</u>	<u>12,051,471</u>	<u>1,208,692</u>

See notes to required supplementary information.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information
June 30, 2004

A. Budgetary Information

The budgetary process is prescribed by provisions of the Ohio Revised Code (ORC) and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendments throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated, the primary level of budgetary control is at the object level within each function. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The specific timetable for fiscal year 2004 is as follows:

Tax Budget

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

By no later than January 20, the Board-adopted budget is filed with the Franklin County Budget Commission for tax rate determination.

Estimated Resources

Prior to March 15, the Board of Education accepts by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources (the Certificate) which states the projected revenue for each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final amended Certificate issued for fiscal year 2004.

Appropriations

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

Any revisions that alter the total of any fund appropriation at the object level must be approved by the Board of Education.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds at the object level completed the year within the amount of their legally authorized appropriation.

Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either are reallocated or increased to the originally appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal 2004.

WHITEHALL CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information, Continued
June 30, 2004

Lapsing of Appropriations

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

Encumbrances

Encumbrance accounting is utilized by District funds in the normal course of operations for purchase orders and contract-related expenditures. An encumbrance is a reserve on the available spending authority due to a commitment for a future expenditure and does not represent a liability. The governmental fund type encumbrances outstanding at year-end appear as reservations to the fund balance on a GAAP basis and as the equivalent to expenditures on a non-GAAP budgetary basis in order to demonstrate legal compliance.

B. Reconciling Budgetary Basis and GAAP

The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual column presented on the Budgetary Comparison Schedule – General Fund is prepared in accordance with the budget basis of accounting.

The major differences between the budgetary basis of accounting and GAAP are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- B. Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis);
- C. Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance (GAAP basis); and
- D. Investments are recorded at cost (budget basis) as opposed to fair value (GAAP basis).

A reconciliation of the General Fund results of operations at the end of the year on the GAAP basis to the budget basis follows:

Net Change in Fund Balances (GAAP Basis)	\$ 2,546,469
 Adjustments, net	
Revenue Accruals	(913,142)
Expenditure Accruals	114,917
Encumbrances	(479,116)
Excess of revenues and other financing sources over expenditures and other financing uses (Budget Basis)	\$ 1,269,128

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WHITEHALL CITY SCHOOL DISTRICT

MAJOR GOVERNMENTAL FUNDS

General Fund

The **General Fund** is the general operating fund of the District. It is used to account for financial resources except those required to be accounted for in another fund.

Debt Service Fund

The **Bond Retirement Fund** is a debt service fund used to account for the accumulation of resources for, and payment of, general long-term debt principal and interest.

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL -
 GENERAL FUND - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

GENERAL FUND				
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Property taxes	\$ 10,727,484	11,326,402	11,484,854	158,452
Investment income	100,000	195,595	195,595	-
Tuition fees	214,500	194,291	194,291	-
Co-curricular	5,000	4,975	4,975	-
Miscellaneous	73,000	40,178	40,178	-
State sources	12,279,104	12,129,631	13,179,871	1,050,240
Federal sources	30,000	147,897	147,897	-
TOTAL REVENUES	<u>23,429,088</u>	<u>24,038,969</u>	<u>25,247,661</u>	<u>1,208,692</u>
EXPENDITURES:				
REGULAR INSTRUCTION:				
Salaries and wages	7,225,129	7,096,554	7,096,554	-
Employee benefits	1,911,235	1,900,559	1,900,559	-
Purchased services	1,599,482	1,271,006	1,271,006	-
Supplies and materials	654,276	557,708	557,708	-
Capital Outlay	152,898	223,247	223,247	-
TOTAL REGULAR INSTRUCTION	<u>11,543,020</u>	<u>11,049,074</u>	<u>11,049,074</u>	<u>-</u>
SPECIAL INSTRUCTION:				
Salaries and wages	1,881,340	1,801,074	1,801,074	-
Employee benefits	575,662	558,777	558,777	-
Purchased services	660,476	516,574	516,574	-
Supplies and materials	33,585	43,409	43,409	-
Capital Outlay	4,782	4,997	4,997	-
TOTAL SPECIAL INSTRUCTION	<u>3,155,845</u>	<u>2,924,831</u>	<u>2,924,831</u>	<u>-</u>
VOCATIONAL INSTRUCTION:				
Salaries and wages	464,248	456,386	456,386	-
Employee benefits	109,229	104,105	104,105	-
Purchased services	550	-	-	-
Supplies and materials	11,106	11,448	11,448	-
Capital Outlay	50,300	41,329	41,329	-
TOTAL VOCATIONAL INSTRUCTION	<u>635,433</u>	<u>613,268</u>	<u>613,268</u>	<u>-</u>
PUPIL SERVICES:				
Salaries and wages	789,875	713,651	713,651	-
Employee benefits	244,705	211,571	211,571	-
Purchased services	105,095	76,874	76,874	-
Supplies and materials	13,741	10,235	10,235	-
Capital Outlay	28,317	38,353	38,353	-
Other	1,900	570	570	-
TOTAL PUPIL SERVICES	<u>1,183,633</u>	<u>1,051,254</u>	<u>1,051,254</u>	<u>-</u>
INSTRUCTIONAL STAFF:				
Salaries and wages	566,575	526,591	526,591	-
Employee benefits	182,112	159,037	159,037	-
Purchased services	51,481	46,576	46,576	-
Supplies and materials	54,454	54,908	54,908	-
Capital Outlay	9,643	6,047	6,047	-
TOTAL INSTRUCTIONAL STAFF	<u>\$ 864,265</u>	<u>793,159</u>	<u>793,159</u>	<u>-</u>

(Continued)

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL -
 GENERAL FUND - BUDGET BASIS, Continued
 YEAR ENDED JUNE 30, 2004

	GENERAL FUND			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
BOARD OF EDUCATION				
Salaries and wages	\$ 9,400	5,440	5,440	-
Employee benefits	1,490	926	926	-
Purchased services	62,000	29,241	29,241	-
Supplies and materials	1,126	1,442	1,442	-
Other	59,500	56,225	56,225	-
TOTAL BOARD OF EDUCATION	<u>133,516</u>	<u>93,274</u>	<u>93,274</u>	-
SCHOOL ADMINISTRATION:				
Salaries and wages	1,333,630	1,323,443	1,323,443	-
Employee benefits	437,616	413,195	413,195	-
Purchased services	230,515	208,046	208,046	-
Supplies and materials	39,832	30,578	30,578	-
Capital Outlay	27,103	19,229	19,229	-
Other	12,200	9,355	9,355	-
TOTAL SCHOOL ADMINISTRATION	<u>2,080,896</u>	<u>2,003,846</u>	<u>2,003,846</u>	-
FISCAL SERVICES:				
Salaries and wages	264,500	253,611	253,611	-
Employee benefits	82,410	79,939	79,939	-
Purchased services	33,230	27,140	27,140	-
Supplies and materials	4,325	2,526	2,526	-
Capital outlay	4,675	4,283	4,283	-
Other	205,150	188,984	188,984	-
TOTAL FISCAL SERVICES	<u>594,290</u>	<u>556,483</u>	<u>556,483</u>	-
BUSINESS OPERATIONS				
Salaries and wages	5,000	3,748	3,748	-
Employee benefits	1,755	5,085	5,085	-
Purchased services	30,000	24,044	24,044	-
Supplies and materials	9,000	7,681	7,681	-
TOTAL BUSINESS OPERATIONS	<u>45,755</u>	<u>40,558</u>	<u>40,558</u>	-
OPERATION AND MAINTENANCE OF PLANT:				
Salaries and wages	1,039,036	1,037,553	1,037,553	-
Employee benefits	314,946	309,739	309,739	-
Purchased services	709,000	578,489	578,489	-
Supplies and materials	175,795	156,357	156,357	-
Capital Outlay	7,940	36,493	36,493	-
TOTAL OPERATION AND MAINTENANCE OF PLANT	<u>2,246,717</u>	<u>2,118,631</u>	<u>2,118,631</u>	-
STUDENT TRANSPORTATION:				
Salaries and wages	501,243	571,572	571,572	-
Employee benefits	202,145	184,144	184,144	-
Purchased services	65,757	50,908	50,908	-
Supplies and materials	101,000	93,428	93,428	-
Capital Outlay	76,182	69,905	69,905	-
TOTAL STUDENT TRANSPORTATION	<u>\$ 946,327</u>	<u>969,957</u>	<u>969,957</u>	-

(Continued)

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND - BUDGET BASIS, Continued
YEAR ENDED JUNE 30, 2004

	GENERAL FUND			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
CENTRAL SERVICES:				
Salaries and wages	\$ 259,870	249,355	249,355	-
Employee benefits	74,049	71,485	71,485	-
Purchased services	88,862	79,995	79,995	-
Supplies and materials	19,424	18,152	18,152	-
Capital Outlay	10,390	13,569	13,569	-
TOTAL CENTRAL SERVICES	<u>452,595</u>	<u>432,556</u>	<u>432,556</u>	-
CO-CURRICULAR ACTIVITIES:				
Salaries and wages	333,386	326,698	326,698	-
Employee benefits	68,807	64,857	64,857	-
Purchased services	29,500	32,828	32,828	-
Supplies and materials	-	624	624	-
Capital Outlay	30,000	22,293	22,293	-
TOTAL CO-CURRICULAR ACTIVITIES	<u>461,693</u>	<u>447,300</u>	<u>447,300</u>	-
SITE IMPROVEMENT				
Capital outlay	140,000	884,408	884,408	-
TOTAL SITE IMPROVEMENT	<u>140,000</u>	<u>884,408</u>	<u>884,408</u>	-
TOTAL EXPENDITURES	<u>24,483,985</u>	<u>23,978,599</u>	<u>23,978,599</u>	-
Excess (deficiency) of revenues over (under) expenditures	<u>(1,054,897)</u>	<u>60,370</u>	<u>1,269,062</u>	<u>1,208,692</u>
OTHER FINANCING SOURCES (USES):				
Refund of prior year expenditures	25,000	66	66	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>25,000</u>	<u>66</u>	<u>66</u>	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,029,897)</u>	<u>60,436</u>	<u>1,269,128</u>	<u>1,208,692</u>
Prior year encumbrances appropriated	531,912	531,912	531,912	-
FUND BALANCES AT BEGINNING OF YEAR	<u>10,250,431</u>	<u>10,250,431</u>	<u>10,250,431</u>	-
FUND BALANCES AT END OF YEAR	<u>\$ 9,752,446</u>	<u>10,842,779</u>	<u>12,051,471</u>	<u>1,208,692</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
BOND RETIREMENT FUND - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	BOND RETIREMENT FUND			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
Property taxes	\$ 706,574	722,194	746,217	24,023
State sources	43,746	44,060	22,442	(21,618)
TOTAL REVENUES	<u>750,320</u>	<u>766,254</u>	<u>768,659</u>	<u>2,405</u>
EXPENDITURES:				
FISCAL SERVICES:				
Other	8,000	65,619	65,619	-
BOND RETIREMENT				
Repayment of debt	<u>768,950</u>	<u>3,308,519</u>	<u>3,308,519</u>	<u>-</u>
TOTAL EXPENDITURES	<u>776,950</u>	<u>3,374,138</u>	<u>3,374,138</u>	<u>-</u>
Excess of revenues over expenditures	(26,630)	(2,607,884)	(2,605,479)	2,405
OTHER FINANCING SOURCES (USES)				
Proceed from bonds issued	-	2,519,995	2,519,995	-
Premium on bond issuance	<u>-</u>	<u>116,616</u>	<u>116,616</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>2,636,611</u>	<u>2,636,611</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(26,630)	28,727	31,132	2,405
FUND BALANCES AT BEGINNING OF YEAR	<u>284,835</u>	<u>284,835</u>	<u>284,835</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 258,205</u>	<u>313,562</u>	<u>315,967</u>	<u>2,405</u>

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WHITEHALL CITY SCHOOL DISTRICT

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes

Public School Support - A fund provided to account for specific local revenue sources, other than taxes or expendable trusts (i.e., profits from vending machines) that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

Grants – Local Sources - A fund used to account for revenues and expenditures related to grants received from local organizations.

District-Managed Student Activities - A fund provided to account for those student activity programs, which have student participation in the activity, but do not have student management of the programs. This fund includes the athletic programs, the drama program, etc.

Auxiliary Services- A special revenue fund used to account for monies, which provide services and materials to pupils attending non-public schools within the District.

EMIS Grant (Educational Management Information System) - A fund provided to account for research and demonstration projects and other projects as established by the State of Ohio, Department of Education.

School Improvement Incentive Award - A fund provided to account for incentive grants to individual school building teams for improving performance.

Preschool Grant - A fund to assist school districts in paying the cost of preschool programs for three- and four-year olds.

Disadvantage Pupil Impact Aid - A fund used to account for revenues and expenditures related to monies provided by the state of Ohio Department of Education for disadvantaged pupil impact aid.

Data Communications Support Grant - A fund which accounts for funds used for any expenses associated with the installation and ongoing support of the data communication links connecting public schools to the Data Acquisition Site and the Ohio Education Computer Network.

School Net Professional Development - A fund provided to account for a limited number of professional development subsidy grants provided by School Net.

Ohio Reads - A fund provided to account for a grant intended to improve reading outcomes and for volunteer coordinators in public school buildings and related activities.

WHITEHALL CITY SCHOOL DISTRICT

Nonmajor Governmental Funds, continued

Student Intervention Grant - A fund provided to account for intervention services satisfying criteria defined in section 3313.608 of the Ohio Revised Code.

Vocational Education Enhancement - A fund provided to account for money received and expended in conjunction with Vocational Education-Career Development projects funded by the State of Ohio, Department of Education, Division of Vocational Education.

Miscellaneous State Grant - A fund provided to account for other state grants, not required to be accounted for in another fund.

IDEA (Part B) Grant - A fund which accounts for Federal funds used in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Title III – Limited English Proficiency - A fund which accounts for Federal funds used to help educate children with English as a second language.

Title I Grant - A fund which accounts for Federal funds used to meet the special needs of educationally deprived children.

Title V Grant - A fund which accounts for Federal funds which consolidates various programs into a single authorization used in accordance with the educational needs and priorities of the District.

Drug-Free Grant - A fund which accounts for Federal funds used to establish, operate, and improve local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in the District.

IDEA Preschool Grants for the Handicapped - A fund provided to account for revenues and expenditures related to the Preschool Grant Program which is funded with Federal monies pursuant to the Individuals with Disabilities Education Act.

Reducing Class Size - A fund provided to account for monies to hire additional classroom teachers in grades 1-3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grant – A fund which accounts for Federal funds not required to be accounted for in a separate fund.

WHITEHALL CITY SCHOOL DISTRICT

Nonmajor Governmental Funds, continued

Capital Projects Funds

The capital project funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Permanent Improvement Fund - A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as authorized by Section 5705 of the Ohio Revised Code.

SchoolNet Plus Program - A fund used to account for the revenues and expenditures related to the SchoolNet Plus program, which provides additional funding targeted for the acquisition of computer workstations in grades K-4.

WHITEHALL CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2004

SPECIAL REVENUE FUNDS

	PUBLIC SCHOOL SUPPORT	GRANTS LOCAL SOURCES	DISTRICT- MANAGED STUDENT ACTIVITIES	AUXILIARY SERVICES
ASSETS				
Cash and investments	\$ 10,849	44,315	14,329	29,695
Receivables	433	148	1,430	111
Due from other governments	-	2,316	-	-
Total assets	<u>\$ 11,282</u>	<u>46,779</u>	<u>15,759</u>	<u>29,806</u>
LIABILITIES				
Accounts payable	\$ -	288	-	15
Due to other governments	-	1,090	-	447
Due to other funds	-	-	-	16
Accrued liabilities	-	-	-	-
Total liabilities	<u>-</u>	<u>1,378</u>	<u>-</u>	<u>478</u>
EQUITY AND OTHER CREDITS				
Fund balance (deficit):				
Reserve for encumbrances	-	-	-	-
Unreserved	<u>11,282</u>	<u>45,401</u>	<u>15,759</u>	<u>29,328</u>
Total fund balance	<u>11,282</u>	<u>45,401</u>	<u>15,759</u>	<u>29,328</u>
Total fund equity and other credits	<u>11,282</u>	<u>45,401</u>	<u>15,759</u>	<u>29,328</u>
Total liabilities, equity and other credits	<u>\$ 11,282</u>	<u>46,779</u>	<u>15,759</u>	<u>29,806</u>

WHITEHALL CITY SCHOOL DISTRICT

SPECIAL REVENUE FUNDS

EMIS GRANT	SCHOOL IMPROVEMENT INCENTIVE AWARD	PRESCHOOL GRANT	DISADVANTAGED PUPIL IMPACT AID	DATA COMMUNICATIONS SUPPORT GRANT	SCHOOL NET PROFESSIONAL DEVELOPMENT	OHIO READS
-	-	-	-	-	2,243	1,873
-	-	-	-	-	-	-
-	-	-	-	26,778	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,778</u>	<u>2,243</u>	<u>1,873</u>
-	-	-	-	-	-	-
123	-	797	9,141	-	-	-
-	-	-	2,916	-	-	-
-	-	-	48,267	-	-	-
<u>123</u>	<u>-</u>	<u>797</u>	<u>60,324</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	1,873
<u>(123)</u>	<u>-</u>	<u>(797)</u>	<u>(60,324)</u>	<u>26,778</u>	<u>2,243</u>	<u>-</u>
<u>(123)</u>	<u>-</u>	<u>(797)</u>	<u>(60,324)</u>	<u>26,778</u>	<u>2,243</u>	<u>1,873</u>
<u>(123)</u>	<u>-</u>	<u>(797)</u>	<u>(60,324)</u>	<u>26,778</u>	<u>2,243</u>	<u>1,873</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,778</u>	<u>2,243</u>	<u>1,873</u>

(Continued)

WHITEHALL CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2004

SPECIAL REVENUE FUNDS					
		STUDENT INTERVENTION GRANT	VOCATIONAL EDUCATION ENHANCEMENT	MISCELLANEOUS STATE GRANT	IDEA (Part B) GRANT
ASSETS					
Cash and investments	\$	-	-	-	35,000
Receivables		-	-	-	-
Due from other governments		-	-	-	-
Total assets	\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
LIABILITIES					
Accounts payable	\$	-	-	-	-
Due to other governments		1,064	-	710	-
Due to other funds		-	-	-	-
Accrued liabilities		-	-	-	-
Total liabilities		<u>1,064</u>	<u>-</u>	<u>710</u>	<u>-</u>
EQUITY AND OTHER CREDITS					
Fund balance (deficit):					
Reserve for encumbrances		-	-	-	35,000
Unreserved		(1,064)	-	(710)	-
Total fund balance		<u>(1,064)</u>	<u>-</u>	<u>(710)</u>	<u>35,000</u>
Total fund equity and other credits		<u>(1,064)</u>	<u>-</u>	<u>(710)</u>	<u>35,000</u>
Total liabilities, equity and other credits	\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,000</u>

WHITEHALL CITY SCHOOL DISTRICT

SPECIAL REVENUE FUNDS

TITLE III - LIMITED ENGLISH PROFICIENCY	TITLE I GRANT	TITLE V GRANT	DRUG FREE GRANT	IDEA PRESCHOOL GRANTS FOR THE HANDICAPPED	REDUCING CLASS SIZE	MISCELLANEOUS FEDERAL GRANTS
-	-	8,557	-	-	30,008	6,900
-	-	-	-	-	-	-
1,108	75,000	-	-	-	-	-
<u>1,108</u>	<u>75,000</u>	<u>8,557</u>	<u>-</u>	<u>-</u>	<u>30,008</u>	<u>6,900</u>
-	600	-	-	-	-	-
-	16,297	-	-	147	4,490	-
1,108	18,861	-	-	-	-	-
-	85,125	-	-	-	23,703	-
<u>1,108</u>	<u>120,883</u>	<u>-</u>	<u>-</u>	<u>147</u>	<u>28,193</u>	<u>-</u>
-	-	-	-	-	-	-
-	(45,883)	8,557	-	(147)	1,815	6,900
-	(45,883)	8,557	-	(147)	1,815	6,900
-	(45,883)	8,557	-	(147)	1,815	6,900
<u>1,108</u>	<u>75,000</u>	<u>8,557</u>	<u>-</u>	<u>-</u>	<u>30,008</u>	<u>6,900</u>

(Continued)

WHITEHALL CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2004

	TOTAL SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS		TOTAL CAPITAL PROJECTS FUNDS
		PERMANENT IMPROVEMENT FUND	SCHOOLNET FUND	
ASSETS				
Cash and investments	\$ 183,769	-	-	-
Receivables	2,122	-	-	-
Due from other governments	105,202	-	-	-
Total assets	\$ 291,093	-	-	-
LIABILITIES				
Accounts payable	\$ 903	-	-	-
Due to other governments	34,306	-	-	-
Due to other funds	22,901	-	-	-
Accrued liabilities	157,095	-	-	-
Total liabilities	215,205	-	-	-
EQUITY AND OTHER CREDITS				
Fund balance (deficit):				
Reserve for encumbrances	36,873	-	-	-
Unreserved	39,015	-	-	-
Total fund balance	75,888	-	-	-
Total fund equity and other credits	75,888	-	-	-
Total liabilities, equity and other credits	\$ 291,093	-	-	-

WHITEHALL CITY SCHOOL DISTRICT

TOTAL
NONMAJOR
GOVERNMENTAL
FUNDS

183,769
2,122
105,202

291,093

903
34,306
22,901
157,095

215,205

36,873
39,015

75,888

75,888

291,093

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

	SPECIAL REVENUE FUNDS			
	PUBLIC SCHOOL SUPPORT	GRANTS LOCAL SOURCES	DISTRICT- MANAGED STUDENT ACTIVITIES	AUXILIARY SERVICES
Revenues				
Intergovernmental:				
Federal restricted grants-in-aid	\$ -	-	-	-
State restricted grants-in-aid	-	70,699	-	170,915
Investment income	-	-	-	241
Co-curricular activities	50,380	-	70,999	-
Tuition fees	-	134,763	-	-
Other	23,940	9,848	27,204	-
Total Revenues	<u>74,320</u>	<u>215,310</u>	<u>98,203</u>	<u>171,156</u>
Expenditures				
Current:				
Instructional services:				
Regular	29,676	101,567	-	-
Special	-	-	-	-
Vocational	-	-	-	-
Total Instructional Services	<u>29,676</u>	<u>101,567</u>	<u>-</u>	<u>-</u>
Support services:				
Operation and maintenance of plant	-	34,630	-	-
School administration	280	99,121	-	-
Pupils	-	31,321	-	-
Instructional Staff	10,724	17,776	-	-
Central services	-	-	-	-
Total Support Services	<u>11,004</u>	<u>182,848</u>	<u>-</u>	<u>-</u>
Co-curricular student activities	31,453	-	100,281	-
Community services	-	63,087	-	167,041
Capital Outlay	-	-	5,451	-
Total Expenditures	<u>72,133</u>	<u>347,502</u>	<u>105,732</u>	<u>167,041</u>
Net change in fund balance	2,187	(132,192)	(7,529)	4,115
Fund balance (deficit) at beginning of year	9,095	177,593	23,288	25,213
Fund balance (deficit) at end of year	<u>\$ 11,282</u>	<u>45,401</u>	<u>15,759</u>	<u>29,328</u>

WHITEHALL CITY SCHOOL DISTRICT

SPECIAL REVENUE FUNDS

EMIS GRANT	SCHOOL IMPROVEMENT INCENTIVE AWARD	PRESCHOOL GRANT	DISADVANTAGED PUPIL IMPACT AID	DATA COMMUNICATIONS SUPPORT GRANT	SCHOOL NET PROFESSIONAL DEVELOPMENT	OHIO READS
-	-	-	-	-	-	-
10,988	-	165,066	453,953	41,778	1,040	18,500
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>10,988</u>	<u>-</u>	<u>165,066</u>	<u>453,953</u>	<u>41,778</u>	<u>1,040</u>	<u>18,500</u>
-	-	165,072	146,967	-	-	7,296
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	<u>165,072</u>	<u>146,967</u>	<u>-</u>	<u>-</u>	<u>7,296</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,984	-	-	308,202	-	-	-
-	1,077	17,452	-	-	1,897	10,710
-	-	-	-	48,697	-	-
<u>10,984</u>	<u>1,077</u>	<u>17,452</u>	<u>308,202</u>	<u>48,697</u>	<u>1,897</u>	<u>10,710</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>10,984</u>	<u>1,077</u>	<u>182,524</u>	<u>455,169</u>	<u>48,697</u>	<u>1,897</u>	<u>18,006</u>
4	(1,077)	(17,458)	(1,216)	(6,919)	(857)	494
(127)	1,077	16,661	(59,108)	33,697	3,100	1,379
<u>(123)</u>	<u>-</u>	<u>(797)</u>	<u>(60,324)</u>	<u>26,778</u>	<u>2,243</u>	<u>1,873</u>

(Continued)

WHITEHALL CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS, Continued
 FOR THE YEAR ENDED JUNE 30, 2004

SPECIAL REVENUE FUNDS

	STUDENT INTERVENTION GRANT	VOCATIONAL EDUCATION ENHANCEMENT	MISCELLANEOUS STATE GRANT	IDEA (Part B) GRANT
Revenues				
Intergovernmental:				
Federal restricted grants-in-aid	-	-	-	449,934
State restricted grants-in-aid	128,373	809	13,100	-
Investment income	-	-	-	-
Co-curricular activities	-	-	-	-
Tuition fees	-	-	-	-
Other	-	-	-	-
Total Revenues	<u>128,373</u>	<u>809</u>	<u>13,100</u>	<u>449,934</u>
Expenditures				
Current:				
Instructional services:				
Regular	-	-	2,905	-
Special	91,175	-	-	426,930
Vocational	-	809	-	-
Total Instructional Services	<u>91,175</u>	<u>809</u>	<u>2,905</u>	<u>426,930</u>
Support services:				
Operation and maintenance of plant	-	-	-	-
School administration	-	-	-	-
Pupils	-	-	-	-
Instructional Staff	38,262	-	15,483	-
Central services	-	-	-	-
Total Support Services	<u>38,262</u>	<u>-</u>	<u>15,483</u>	<u>-</u>
Co-curricular student activities	-	-	-	-
Community services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>129,437</u>	<u>809</u>	<u>18,388</u>	<u>426,930</u>
Net change in fund balance	(1,064)	-	(5,288)	23,004
Fund balance (deficit) at beginning of year	-	-	4,578	11,996
Fund balance (deficit) at end of year	<u>\$ (1,064)</u>	<u>-</u>	<u>(710)</u>	<u>35,000</u>

WHITEHALL CITY SCHOOL DISTRICT

SPECIAL REVENUE FUNDS

TITLE III - LIMITED ENGLISH PROFICIENCY	TITLE I GRANT	TITLE V GRANT	DRUG FREE GRANT	IDEA PRESCHOOL GRANTS FOR THE HANDICAPPED	REDUCING CLASS SIZE	MISCELLANEOUS FEDERAL GRANTS
63,424	913,845	27,882	16,974	13,139	198,889	2,792
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>63,424</u>	<u>913,845</u>	<u>27,882</u>	<u>16,974</u>	<u>13,139</u>	<u>198,889</u>	<u>2,792</u>
-	-	-	-	-	172,093	-
63,193	545,244	-	-	13,136	-	2,132
-	-	-	-	-	-	-
<u>63,193</u>	<u>545,244</u>	<u>-</u>	<u>-</u>	<u>13,136</u>	<u>172,093</u>	<u>2,132</u>
-	-	-	-	-	-	-
-	39,299	-	-	-	-	-
-	107,265	-	9,688	-	-	-
-	215,814	26,531	7,286	-	-	1,324
-	-	-	-	-	-	-
-	<u>362,378</u>	<u>26,531</u>	<u>16,974</u>	<u>-</u>	<u>-</u>	<u>1,324</u>
-	-	-	-	-	-	-
-	20,961	1,491	-	-	-	-
-	-	-	-	-	-	-
<u>63,193</u>	<u>928,583</u>	<u>28,022</u>	<u>16,974</u>	<u>13,136</u>	<u>172,093</u>	<u>3,456</u>
231	(14,738)	(140)	-	3	26,796	(664)
<u>(231)</u>	<u>(31,145)</u>	<u>8,697</u>	<u>-</u>	<u>(150)</u>	<u>(24,981)</u>	<u>7,564</u>
<u>-</u>	<u>(45,883)</u>	<u>8,557</u>	<u>-</u>	<u>(147)</u>	<u>1,815</u>	<u>6,900</u>

(Continued)

WHITEHALL CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS, Continued
 FOR THE YEAR ENDED JUNE 30, 2004

	TOTAL SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS		TOTAL CAPITAL PROJECTS FUNDS
		PERMANENT IMPROVEMENT FUND	SCHOOLNET FUND	
Revenues				
Intergovernmental:				
Federal restricted grants-in-aid	1,686,879	-	-	-
State restricted grants-in-aid	1,075,221	-	-	-
Investment income	241	-	-	-
Co-curricular activities	121,379	-	-	-
Tuition fees	134,763	-	-	-
Other	60,992	16,376	-	16,376
Total Revenues	<u>3,079,475</u>	<u>16,376</u>	<u>-</u>	<u>16,376</u>
Expenditures				
Current:				
Instructional services:				
Regular	625,576	16,376	19,652	36,028
Special	1,141,810	-	-	-
Vocational	809	-	-	-
Total Instructional Services	<u>1,768,195</u>	<u>16,376</u>	<u>19,652</u>	<u>36,028</u>
Support services:				
Operation and maintenance of plant	34,630	-	-	-
School administration	138,700	-	-	-
Pupils	467,460	-	-	-
Instructional Staff	364,336	-	-	-
Central services	48,697	-	-	-
Total Support Services	<u>1,053,823</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co-curricular student activities	131,734	-	-	-
Community services	252,580	-	-	-
Capital Outlay	5,451	-	-	-
Total Expenditures	<u>3,211,783</u>	<u>16,376</u>	<u>19,652</u>	<u>36,028</u>
Net change in fund balance	(132,308)	-	(19,652)	(19,652)
Fund balance (deficit) at beginning of year	208,196	-	19,652	19,652
Fund balance (deficit) at end of year	<u>\$ 75,888</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT

TOTAL
NONMAJOR
GOVERNMENTAL
FUNDS

1,686,879
1,075,221
241
121,379
134,763
77,368
3,095,851

661,604
1,141,810
809
1,804,223

34,630
138,700
467,460
364,336
48,697
1,053,823

131,734
252,580
5,451
3,247,811

(151,960)
227,848
75,888

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL -
PUBLIC SCHOOL SUPPORT FUND - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

PUBLIC SCHOOL SUPPORT FUND				
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Co-curricular activities	\$ 64,200	74,200	50,380	(23,820)
Miscellaneous	28,050	28,050	24,158	(3,892)
TOTAL REVENUES	<u>92,250</u>	<u>102,250</u>	<u>74,538</u>	<u>(27,712)</u>
EXPENDITURES:				
REGULAR INSTRUCTION:				
Purchased services	15,200	7,258	7,258	-
Supplies and materials	19,800	14,873	14,873	-
Capital outlay	500	-	-	-
Other	16,300	7,544	7,544	-
TOTAL REGULAR INSTRUCTION	<u>51,800</u>	<u>29,675</u>	<u>29,675</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Supplies and materials		4,736	4,736	-
Other	10,000	5,989	5,989	-
TOTAL INSTRUCTIONAL STAFF	<u>10,000</u>	<u>10,725</u>	<u>10,725</u>	<u>-</u>
SCHOOL ADMINISTRATION				
Supplies and materials	300	280	280	-
TOTAL SCHOOL ADMINISTRATION	<u>300</u>	<u>280</u>	<u>280</u>	<u>-</u>
CO-CURRICULAR				
Other	33,500	31,453	31,453	-
TOTAL CO-CURRICULAR	<u>33,500</u>	<u>31,453</u>	<u>31,453</u>	<u>-</u>
TOTAL EXPENDITURES	<u>95,600</u>	<u>72,133</u>	<u>72,133</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(3,350)	30,117	2,405	(27,712)
FUND BALANCES AT BEGINNING OF YEAR	<u>8,444</u>	<u>8,444</u>	<u>8,444</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 5,094</u>	<u>38,561</u>	<u>10,849</u>	<u>(27,712)</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL -
GRANTS LOCAL SOURCES - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	GRANTS LOCAL SOURCES			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
Tuition	\$ 180,000	180,000	134,764	(45,236)
Intermediate Sources	55,000	55,000	55,000	-
State Sources	5,000	5,000	15,373	10,373
Other	10,000	10,000	9,700	(300)
TOTAL REVENUES	<u>250,000</u>	<u>250,000</u>	<u>214,837</u>	<u>(35,163)</u>
EXPENDITURES:				
REGULAR INSTRUCTION:				
Salaries and wages	126,000	81,628	81,628	-
Employee benefits	20,917	15,225	15,225	-
Purchased services	11,350	1,020	1,020	-
Supplies and materials	5,820	3,393	3,393	-
Capital outlay	5,206	-	-	-
TOTAL REGULAR INSTRUCTION	<u>169,293</u>	<u>101,266</u>	<u>101,266</u>	<u>-</u>
PUPIL SERVICES				
Purchased services	20,500	19,000	19,000	-
Supplies and materials	5,253	12,322	12,322	-
TOTAL PUPIL SERVICES	<u>25,753</u>	<u>31,322</u>	<u>31,322</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Salaries and wages	4,500	4,500	4,500	-
Employee benefits	747	678	678	-
Purchased services	21,000	13,054	13,054	-
Capital outlay	100	-	-	-
TOTAL INSTRUCTIONAL STAFF	<u>26,347</u>	<u>18,232</u>	<u>18,232</u>	<u>-</u>
SCHOOL ADMINISTRATION				
Salaries and wages	82,000	83,379	83,379	-
Employee benefits	6,640	13,426	13,426	-
Purchased services	400	-	-	-
Supplies and materials	2,730	2,009	2,009	-
TOTAL SCHOOL ADMINISTRATION	<u>91,770</u>	<u>98,814</u>	<u>98,814</u>	<u>-</u>
FISCAL SERVICES				
Purchased services	300	-	-	-
TOTAL FISCAL SERVICES	<u>300</u>	<u>-</u>	<u>-</u>	<u>-</u>
OPERATION AND MAINTENANCE OF PLANT				
Salaries and wages	14,000	15,375	15,375	-
Employee benefits	2,324	4,610	4,610	-
Purchased services	14,700	8,578	8,578	-
Supplies and materials	4,000	5,822	5,822	-
Capital outlay	140	-	-	-
TOTAL OPERATION AND MAINT. OF PLANT	<u>35,164</u>	<u>34,385</u>	<u>34,385</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES--BUDGET AND ACTUAL -
 GRANTS LOCAL SOURCES - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

(Continued)

	GRANTS LOCAL SOURCES			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
FOOD SERVICE				
Salaries and wages	\$ 19,000	17,510	17,510	-
Employee benefits	3,153	3,566	3,566	-
Purchased services	32,000	40,309	40,309	-
Supplies and materials	3,300	2,751	2,751	-
Capital outlay				-
TOTAL FOOD SERVICE	<u>57,453</u>	<u>64,136</u>	<u>64,136</u>	-
SITE IMPROVEMENT				
Capital outlay	3,000	-	-	-
TOTAL SITE IMPROVEMENT	<u>3,000</u>	<u>-</u>	<u>-</u>	-
BUILDING IMPROVEMENT				
Capital outlay	500	-	-	-
TOTAL BUILDING IMPROVEMENT	<u>500</u>	<u>-</u>	<u>-</u>	-
TOTAL EXPENDITURES	<u>409,580</u>	<u>348,155</u>	<u>348,155</u>	-
Excess (deficiency) of revenues over expenditures	(159,580)	(98,155)	(133,318)	(35,163)
Prior year encumbrances appropriated	5,319	5,319	5,319	-
FUND BALANCES AT BEGINNING OF YEAR	<u>172,314</u>	<u>172,314</u>	<u>172,314</u>	-
FUND BALANCES AT END OF YEAR	<u>\$ 18,053</u>	<u>79,478</u>	<u>44,315</u>	<u>(35,163)</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL -
DISTRICT MANAGED STUDENT ACTIVITIES - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	DISTRICT MANAGED STUDENT ACTIVITIES			
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Co-Curricular	\$ 100,000	100,000	70,917	(29,083)
Miscellaneous	<u>27,750</u>	<u>27,750</u>	<u>27,984</u>	<u>234</u>
TOTAL REVENUES	<u>127,750</u>	<u>127,750</u>	<u>98,901</u>	<u>(28,849)</u>
EXPENDITURES:				
EXTRACURRICULAR ACTIVITIES				
Salaries and wages	880	655	655	-
Employee benefits	170	99	99	-
Purchased services	34,400	29,248	29,248	-
Supplies and materials	48,700	46,649	46,649	-
Capital outlay	22,050	5,976	5,976	-
Other	<u>31,842</u>	<u>17,653</u>	<u>17,653</u>	<u>-</u>
TOTAL EXTRACURRICULAR ACTIVITIES	<u>138,042</u>	<u>100,280</u>	<u>100,280</u>	<u>-</u>
SITE IMPROVEMENT SERVICES				
Capital outlay	<u>-</u>	<u>5,451</u>	<u>5,451</u>	<u>-</u>
TOTAL SITE IMPROVEMENT SERVICES	<u>-</u>	<u>5,451</u>	<u>5,451</u>	<u>-</u>
TOTAL EXPENDITURES	<u>138,042</u>	<u>105,731</u>	<u>105,731</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(10,292)	22,019	(6,830)	(28,849)
FUND BALANCES AT BEGINNING OF YEAR	<u>21,159</u>	<u>21,159</u>	<u>21,159</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 10,867</u>	<u>43,178</u>	<u>14,329</u>	<u>(28,849)</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
AUXILIARY SERVICES - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	AUXILIARY SERVICES			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
State sources	\$ 226,000	226,000	170,915	(55,085)
Investment income	1,000	1,000	468	(532)
TOTAL REVENUES	<u>227,000</u>	<u>227,000</u>	<u>171,383</u>	<u>(55,617)</u>
EXPENDITURES:				
COMMUNITY SERVICES				
Salaries and wages	65,972	67,824	67,824	-
Employee benefits	12,634	12,796	12,796	-
Purchased services	29,740	40,136	40,136	-
Supplies and materials	59,654	43,825	43,825	-
Capital outlay	16,500	2,518	2,518	-
Other	50,000	-	-	-
TOTAL COMMUNITY SERVICES	<u>234,500</u>	<u>167,099</u>	<u>167,099</u>	<u>-</u>
TOTAL EXPENDITURES	<u>234,500</u>	<u>167,099</u>	<u>167,099</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(7,500)	59,901	4,284	(55,617)
Prior year encumbrances appropriated	15,911	15,911	15,911	-
FUND BALANCES AT BEGINNING OF YEAR	<u>9,500</u>	<u>9,500</u>	<u>9,500</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 17,911</u>	<u>85,312</u>	<u>29,695</u>	<u>(55,617)</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 EMIS - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	EMIS			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
State sources	\$ 8,816	10,988	10,988	-
TOTAL REVENUES	<u>8,816</u>	<u>10,988</u>	<u>10,988</u>	<u>-</u>
EXPENDITURES:				
PUPIL SERVICES				
Salaries and wages	8,816	10,988	10,988	-
TOTAL PUPIL SERVICES	<u>8,816</u>	<u>10,988</u>	<u>10,988</u>	<u>-</u>
TOTAL EXPENDITURES	<u>8,816</u>	<u>10,988</u>	<u>10,988</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - -
SCHOOL IMPROVEMENT INCENTIVE AWARD - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

SCHOOL IMPROVEMENT INCENTIVE AWARD				
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
State sources	\$ -	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
INSTRUCTIONAL STAFF				
Purchased services	-	1,001	1,001	-
Supplies and materials	1,112	111	111	-
TOTAL INSTRUCTIONAL STAFF	<u>1,112</u>	<u>1,112</u>	<u>1,112</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,112</u>	<u>1,112</u>	<u>1,112</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,112)	(1,112)	(1,112)	-
FUND BALANCES AT BEGINNING OF YEAR	<u>1,112</u>	<u>1,112</u>	<u>1,112</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
PRESCHOOL - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	PRESCHOOL			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
State sources	\$ 165,066	165,066	165,066	-
TOTAL REVENUES	<u>165,066</u>	<u>165,066</u>	<u>165,066</u>	<u>-</u>
EXPENDITURES:				
REGULAR INSTRUCTION				
Salaries and wages	142,360	142,360	142,360	-
Employee benefits	22,706	22,706	22,706	-
TOTAL REGULAR INSTRUCTION	<u>165,066</u>	<u>165,066</u>	<u>165,066</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Purchased services	-	16,357	16,357	-
Supplies and materials	-	2,811	2,811	-
TOTAL INSTRUCTIONAL STAFF	<u>-</u>	<u>19,168</u>	<u>19,168</u>	<u>-</u>
TOTAL EXPENDITURES	<u>165,066</u>	<u>184,234</u>	<u>184,234</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	(19,168)	(19,168)	-
Prior year encumbrances appropriated	19,168	19,168	19,168	-
FUND BALANCES AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 19,168</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 DISADVANTAGE PUPIL IMPACT AID - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	DISADVANTAGE PUPIL IMPACT AID			VARIANCE
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	POSITIVE (NEGATIVE)
REVENUES:				
State sources	\$ 445,000	453,953	453,953	-
TOTAL REVENUES	445,000	453,953	453,953	-
EXPENDITURES:				
REGULAR INSTRUCTION				
Salaries and wages	95,204	80,218	80,218	-
Employee benefits	16,880	13,540	13,540	-
Purchased services	60,000	65,000	65,000	-
TOTAL REGULAR INSTRUCTION	172,084	158,758	158,758	-
PUPIL SERVICES				
Salaries and wages	213,666	231,246	231,246	-
Employee benefits	59,250	63,949	63,949	-
TOTAL PUPIL SERVICES	272,916	295,195	295,195	-
TOTAL EXPENDITURES	445,000	453,953	453,953	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	-	-	-

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 DATA COMMUNICATIONS SUPPORT GRANT - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

DATA COMMUNICATIONS SUPPORT GRANT				
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
State sources	\$ -	15,000	15,000	-
TOTAL REVENUES	-	15,000	15,000	-
EXPENDITURES:				
CENTRAL SERVICES				
Purchased services	33,697	48,697	48,697	-
TOTAL CENTRAL SERVICES	33,697	48,697	48,697	-
TOTAL EXPENDITURES	33,697	48,697	48,697	-
Excess (deficiency) of revenues over expenditures	(33,697)	(33,697)	(33,697)	-
FUND BALANCES AT BEGINNING OF YEAR	33,697	33,697	33,697	-
FUND BALANCES AT END OF YEAR	\$ -	-	-	-

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
SCHOOL NET PROFESSIONAL DEVELOPMENT - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

SCHOOL NET PROFESSIONAL DEVELOPMENT					
		ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:					
State sources	\$	-	1,040	1,040	-
TOTAL REVENUES		-	1,040	1,040	-
EXPENDITURES:					
INSTRUCTIONAL STAFF					
Purchased services		3,100	1,897	1,897	-
TOTAL INSTRUCTIONAL STAFF		3,100	1,897	1,897	-
TOTAL EXPENDITURES		3,100	1,897	1,897	-
Excess (deficiency) of revenues over expenditures		(3,100)	(857)	(857)	-
FUND BALANCES AT BEGINNING OF YEAR		3,100	3,100	3,100	-
FUND BALANCES AT END OF YEAR	\$	-	2,243	2,243	-

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
OHIO READS - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	OHIO READS			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
State sources	\$ 14,500	18,500	18,500	-
TOTAL REVENUES	<u>14,500</u>	<u>18,500</u>	<u>18,500</u>	<u>-</u>
EXPENDITURES:				
REGULAR INSTRUCTION				
Materials and supplies	3,000	8,045	8,045	-
TOTAL REGULAR INSTRUCTION	<u>3,000</u>	<u>8,045</u>	<u>8,045</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Salaries and wages	1,700	1,700	1,700	
Employee benefits	300	262	262	
Purchased services	2,000	2,000	2,000	-
Materials and supplies	7,500	7,872	7,872	-
TOTAL INSTRUCTIONAL STAFF	<u>11,500</u>	<u>11,834</u>	<u>11,834</u>	<u>-</u>
TOTAL EXPENDITURES	<u>14,500</u>	<u>19,879</u>	<u>19,879</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	(1,379)	(1,379)	-
Prior year encumbrances appropriated	1,379	1,379	1,379	-
FUND BALANCES AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	\$ <u><u>1,379</u></u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
STUDENT INTERVENTION GRANT - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	STUDENT INTERVENTION GRANT			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
State sources	\$ 128,373	128,373	128,373	-
TOTAL REVENUES	<u>128,373</u>	<u>128,373</u>	<u>128,373</u>	<u>-</u>
EXPENDITURES:				
SPECIAL INSTRUCTION				
Salaries and wages	22,400	83,324	83,324	-
Employee benefits	3,685	3,685	3,685	-
Materials and supplies	4,264	3,233	3,233	-
TOTAL SPECIAL INSTRUCTION	<u>30,349</u>	<u>90,242</u>	<u>90,242</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Salaries and wages	8,800	11,720	11,720	
Employee benefits	1,448	1,669	1,669	
Purchased services	23,183	20,002	20,002	-
Materials and supplies	4,700	4,740	4,740	-
TOTAL INSTRUCTIONAL STAFF	<u>38,131</u>	<u>38,131</u>	<u>38,131</u>	<u>-</u>
TOTAL EXPENDITURES	<u>68,480</u>	<u>128,373</u>	<u>128,373</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	59,893	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	\$ <u>59,893</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 VOCATIONAL EDUCATION ENHANCEMENT - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

VOCATIONAL EDUCATION ENHANCEMENT				
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
State sources	\$ 809	809	809	-
TOTAL REVENUES	809	809	809	-
EXPENDITURES:				
VOCATIONAL INSTRUCTION				
Capital outlay	809	809	809	-
TOTAL VOCATIONAL INSTRUCTION	809	809	809	-
TOTAL EXPENDITURES	809	809	809	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	-	-	-

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
MISCELLANEOUS STATE GRANT - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	MISCELLANEOUS STATE GRANT			VARIANCE POSITIVE NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
State sources	\$ -	13,100	13,100	-
TOTAL REVENUES	<u>-</u>	<u>13,100</u>	<u>13,100</u>	<u>-</u>
EXPENDITURES:				
REGULAR INSTRUCTION				
Materials and supplies	2,879	2,906	2,906	-
TOTAL REGULAR INSTRUCTION	<u>2,879</u>	<u>2,906</u>	<u>2,906</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Salaries and wages		12,100	12,100	-
Purchased services	700	2,266	2,266	-
Materials and supplies	300	407	407	-
Capital outlay	700	-	-	-
TOTAL INSTRUCTIONAL STAFF	<u>1,700</u>	<u>14,773</u>	<u>14,773</u>	<u>-</u>
TOTAL EXPENDITURES	<u>4,579</u>	<u>17,679</u>	<u>17,679</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(4,579)	(4,579)	(4,579)	-
FUND BALANCES AT BEGINNING OF YEAR	<u>4,579</u>	<u>4,579</u>	<u>4,579</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 IDEA (Part B) GRANT - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	IDEA (Part B) GRANT			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
Federal sources	\$ 449,934	449,934	449,934	-
TOTAL REVENUES	<u>449,934</u>	<u>449,934</u>	<u>449,934</u>	<u>-</u>
EXPENDITURES:				
SPECIAL INSTRUCTION				
Purchased services	449,934	499,313	499,313	-
TOTAL SPECIAL INSTRUCTION	<u>449,934</u>	<u>499,313</u>	<u>499,313</u>	<u>-</u>
TOTAL EXPENDITURES	<u>449,934</u>	<u>499,313</u>	<u>499,313</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	(49,379)	(49,379)	-
Prior year encumbrances appropriated	49,379	49,379	49,379	-
FUND BALANCES AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 49,379</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 TITLE III - LIMITED ENGLISH PROFICIENCY GRANT - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	TITLE III - LIMITED ENGLISH PROFICIENCY GRANT			
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Federal sources	\$ 55,029	63,424	62,316	(1,108)
TOTAL REVENUES	<u>55,029</u>	<u>63,424</u>	<u>62,316</u>	<u>(1,108)</u>
EXPENDITURES:				
SPECIAL INSTRUCTION				
Salaries and wages	55,029	63,424	63,424	-
TOTAL SPECIAL INSTRUCTION	<u>55,029</u>	<u>63,424</u>	<u>63,424</u>	<u>-</u>
TOTAL EXPENDITURES	<u>55,029</u>	<u>63,424</u>	<u>63,424</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,108)	(1,108)
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	-	(1,108)	(1,108)

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
TITLE I GRANT - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	TITLE I GRANT			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
Federal Sources	\$ 1,037,852	1,037,852	838,845	(199,007)
TOTAL REVENUES	<u>1,037,852</u>	<u>1,037,852</u>	<u>838,845</u>	<u>(199,007)</u>
EXPENDITURES:				
SPECIAL INSTRUCTION				
Salaries and wages	558,437	408,344	408,344	-
Employee benefits	144,712	118,678	118,678	-
TOTAL SPECIAL INSTRUCTION	<u>703,149</u>	<u>527,022</u>	<u>527,022</u>	<u>-</u>
PUPIL SERVICES				
Salaries and wages	30,500	78,187	78,187	-
Employee benefits	11,496	28,202	28,202	-
TOTAL PUPIL SERVICES	<u>41,996</u>	<u>106,389</u>	<u>106,389</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Salaries and wages	100,604	75,466	75,466	-
Employee benefits	22,283	15,930	15,930	-
Purchased services	69,428	60,391	60,391	-
Materials and supplies	70,309	48,273	48,273	-
TOTAL INSTRUCTIONAL STAFF	<u>262,624</u>	<u>200,060</u>	<u>200,060</u>	<u>-</u>
ADMINISTRATION				
Salaries and wages	36,289	30,686	30,686	-
Employee benefits	10,717	8,514	8,514	-
TOTAL ADMINISTRATION	<u>47,006</u>	<u>39,200</u>	<u>39,200</u>	<u>-</u>
COMMUNITY SERVICES				
Salaries and wages	20,106	17,377	17,377	-
Employee benefits	3,592	2,890	2,890	-
Materials and supplies	1,000	777	777	-
TOTAL COMMUNITY SERVICES	<u>24,698</u>	<u>21,044</u>	<u>21,044</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,079,473</u>	<u>893,715</u>	<u>893,715</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(41,621)	144,137	(54,870)	(199,007)
FUND BALANCES AT BEGINNING OF YEAR	<u>41,621</u>	<u>41,621</u>	<u>41,621</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>185,758</u>	<u>(13,249)</u>	<u>(199,007)</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
TITLE V GRANT - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	TITLE V GRANT			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
Federal Sources	\$ 20,436	27,882	27,882	-
TOTAL REVENUES	<u>20,436</u>	<u>27,882</u>	<u>27,882</u>	<u>-</u>
EXPENDITURES:				
INSTRUCTIONAL STAFF				
Salaries and wages				-
Employee benefits				-
Purchased services	22,567	21,865	21,865	-
Materials and supplies	6,483	4,666	4,666	-
TOTAL INSTRUCTIONAL STAFF	<u>29,050</u>	<u>26,531</u>	<u>26,531</u>	<u>-</u>
COMMUNITY SERVICES				
Materials and supplies	8	1,491	1,491	-
TOTAL COMMUNITY SERVICES	<u>8</u>	<u>1,491</u>	<u>1,491</u>	<u>-</u>
TOTAL EXPENDITURES	<u>29,058</u>	<u>28,022</u>	<u>28,022</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(8,622)	(140)	(140)	-
Prior year encumbrances appropriated	75	75	75	-
FUND BALANCES AT BEGINNING OF YEAR	<u>8,622</u>	<u>8,622</u>	<u>8,622</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 75</u>	<u>8,557</u>	<u>8,557</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 DRUG FREE GRANT - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	DRUG FREE GRANT			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
Federal Sources	\$ 16,997	16,974	16,974	-
TOTAL REVENUES	<u>16,997</u>	<u>16,974</u>	<u>16,974</u>	<u>-</u>
EXPENDITURES:				
PUPIL SERVICES				
Purchased services	9,688	9,688	9,688	-
TOTAL PUPIL SERVICES	<u>9,688</u>	<u>9,688</u>	<u>9,688</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Purchased services	7,309	7,286	7,286	-
TOTAL INSTRUCTIONAL STAFF	<u>7,309</u>	<u>7,286</u>	<u>7,286</u>	<u>-</u>
TOTAL EXPENDITURES	<u>16,997</u>	<u>16,974</u>	<u>16,974</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 IDEA PRESCHOOL GRANTS FOR THE HANDICAPPED - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	<u>IDEA PRESCHOOL GRANTS FOR THE HANDICAPPED</u>			
	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES:				
Federal Sources	\$ 13,139	13,139	13,139	-
TOTAL REVENUES	<u>13,139</u>	<u>13,139</u>	<u>13,139</u>	<u>-</u>
EXPENDITURES:				
SPECIAL INSTRUCTION				
Salaries and wages	13,139	13,139	13,139	-
TOTAL SPECIAL INSTRUCTION	<u>13,139</u>	<u>13,139</u>	<u>13,139</u>	<u>-</u>
TOTAL EXPENDITURES	<u>13,139</u>	<u>13,139</u>	<u>13,139</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL -
REDUCING CLASS SIZE - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	REDUCING CLASS SIZE			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
Federal sources	\$ 198,889	198,889	198,889	-
TOTAL REVENUES	<u>198,889</u>	<u>198,889</u>	<u>198,889</u>	<u>-</u>
EXPENDITURES:				
REGULAR INSTRUCTION				
Salaries and wages	165,902	140,418	140,418	-
Employee benefits	34,025	29,501	29,501	-
TOTAL REGULAR INSTRUCTION	<u>199,927</u>	<u>169,919</u>	<u>169,919</u>	<u>-</u>
TOTAL EXPENDITURES	<u>199,927</u>	<u>169,919</u>	<u>169,919</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,038)	28,970	28,970	-
FUND BALANCES AT BEGINNING OF YEAR	<u>1,038</u>	<u>1,038</u>	<u>1,038</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>30,008</u>	<u>30,008</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 MISCELLANEOUS FEDERAL GRANTS - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	<u>MISCELLANEOUS FEDERAL GRANTS</u>			
	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES:				
Federal sources	\$ 18,508	2,792	2,792	-
TOTAL REVENUES	<u>18,508</u>	<u>2,792</u>	<u>2,792</u>	<u>-</u>
EXPENDITURES:				
SPECIAL INSTRUCTION				
Materials and supplies	2,132	2,132	2,132	-
TOTAL SPECIAL INSTRUCTION	<u>2,132</u>	<u>2,132</u>	<u>2,132</u>	<u>-</u>
INSTRUCTIONAL STAFF				
Salaries and wages	1,327	-	-	-
Employee benefits	256	-	-	-
Purchased services	22,489	1,324	1,324	-
Materials and supplies	2,000	-	-	-
TOTAL INSTRUCTIONAL STAFF	<u>26,072</u>	<u>1,324</u>	<u>1,324</u>	<u>-</u>
TOTAL EXPENDITURES	<u>28,204</u>	<u>3,456</u>	<u>3,456</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(9,696)	(664)	(664)	-
FUND BALANCES AT BEGINNING OF YEAR	<u>7,564</u>	<u>7,564</u>	<u>7,564</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	\$ <u>(2,132)</u>	<u>6,900</u>	<u>6,900</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 PERMANENT IMPROVEMENT FUND - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

PERMANENT IMPROVEMENT FUND				
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Miscellaneous	\$ 32,281	16,376	16,376	-
TOTAL REVENUES	32,281	16,376	16,376	-
EXPENDITURES:				
REGULAR INSTRUCTION:				
Capital Outlay	32,281	16,376	16,376	-
TOTAL REGULAR INSTRUCTION	32,281	16,376	16,376	-
TOTAL EXPENDITURES	32,281	16,376	16,376	-
Excess of revenues over expenditures	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	-	-	-

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL -
 SCHOOLNET - BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	SCHOOLNET FUND			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	
REVENUES:				
State sources	\$ -	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
REGULAR INSTRUCTION:				
Supplies and materials	1,770	-	-	-
Capital Outlay	10,606	19,652	19,652	-
TOTAL REGULAR INSTRUCTION	<u>12,376</u>	<u>19,652</u>	<u>19,652</u>	<u>-</u>
CENTRAL SERVICES:				
Purchased services	7,276	-	-	-
TOTAL CENTRAL SERVICES	<u>7,276</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>19,652</u>	<u>19,652</u>	<u>19,652</u>	<u>-</u>
Excess of revenues over expenditures	(19,652)	(19,652)	(19,652)	-
FUND BALANCES AT BEGINNING OF YEAR	<u>19,652</u>	<u>19,652</u>	<u>19,652</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT

Enterprise Funds

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

Food Service Fund - A fund used to record financial transactions related to the District's food service operation.

Uniform School Supplies Fund - A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District. Profit derived from such sale is to be used for school purposes or activities in connection with the schools.

WHITEHALL CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
ENTERPRISE FUNDS
JUNE 30, 2004

	Business-Type Activities Enterprise Funds		
	UNIFORM SCHOOL		TOTAL
	FOOD SERVICE	SUPPLIES	
ASSETS			
Cash and investments	\$ 149,617	15,565	165,182
Accounts receivable	883	849	1,732
Due from other governments	77,274	-	77,274
Inventory	27,459	-	27,459
Total current assets	255,233	16,414	271,647
Capital Assets, Net	32,680	-	32,680
Total assets	287,913	16,414	304,327
LIABILITIES			
Accounts payable	395	-	395
Due to other governments	10,365	-	10,365
Due to other funds	9,119	-	9,119
Accrued wages and benefits	56,224	-	56,224
Current portion of long-term liabilities	30,426	-	30,426
Total current liabilities	106,529	-	106,529
Long-term liabilities	41,006	-	41,006
Total liabilities	147,535	-	147,535
Net Assets			
Invested in Capital Assets	32,680	-	32,680
Unrestricted	107,698	16,414	124,112
Total Net Assets	\$ 140,378	16,414	156,792

WHITEHALL CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Business-Type Activities Enterprise Funds		
	FOOD SERVICE	UNIFORM SCHOOL SUPPLIES	TOTAL
Operating Revenues:			
Food service sales	\$ 308,290	-	308,290
Class fees	-	35,709	35,709
Other	738	-	738
Total operating revenues	309,028	35,709	344,737
Operating Expenses:			
Supplies and materials	287,884	38,160	326,044
Personal services	550,446	-	550,446
Purchased services	59,571	-	59,571
Depreciation	8,025	-	8,025
Total operating expenses	905,926	38,160	944,086
Operating income (loss)	(596,898)	(2,451)	(599,349)
Nonoperating Revenues:			
State sources	28,876	-	28,876
Federal sources	568,499	-	568,499
Investment income	1,948	-	1,948
Total nonoperating revenues	599,323	-	599,323
Change in Net Assets	2,425	(2,451)	(26)
Net assets at beginning of year	137,953	18,865	156,818
Net assets at end of year	\$ 140,378	16,414	156,792

WHITEHALL CITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Business-Type Activities Enterprise Funds		
	UNIFORM SCHOOL		
	FOOD SERVICE	SUPPLIES	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from tuition and fees	\$ -	35,072	35,072
Cash received from sales	308,290	-	308,290
Other cash receipts	666	-	666
Cash payments for personal services	(532,826)	-	(532,826)
Cash payments for purchased services	(59,657)	-	(59,657)
Cash payments for supplies and materials	(277,928)	(38,160)	(316,088)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(561,455)	(3,088)	(564,543)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest	1,658	-	1,658
NET CASH FLOWS FROM INVESTING ACTIVITIES	1,658	-	1,658
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
State sources	28,876	-	28,876
Federal sources	545,284	-	545,284
NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	574,160	-	574,160
CASH FLOWS USED IN CAPITAL AND OTHER RELATED RELATED FINANCING ACTIVITIES-			
Acquisition of Property, plant and equipment	(3,047)	-	(3,047)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,316	(3,088)	8,228
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	138,301	18,653	156,954
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 149,617	15,565	165,182
 ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	(596,898)	(2,451)	(599,349)
Depreciation	8,025	-	8,025
Change in assets and liabilities:			
Receivables	(72)	(637)	(709)
Inventory	10,460	-	10,460
Accounts payable	(590)	-	(590)
Due to other governments	25,157	-	25,157
Due to other funds	1,636	-	1,636
Accrued wages and benefits	(9,173)	-	(9,173)
Net cash provided (used) by operating activities	\$ (561,455)	(3,088)	(564,543)
Supplemental Information			
Noncash activities-			
Donated commodities	\$ 115,110		

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN RETAINED EARNINGS - BUDGET AND ACTUAL -
FOOD SERVICE FUND - BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	FOOD SERVICE FUND			
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
OPERATING REVENUES:				
Food service sales	\$ 299,100	299,100	308,290	9,190
Investment income	1,000	1,000	1,658	658
Miscellaneous receipts	2,000	2,000	666	(1,334)
TOTAL OPERATING REVENUES	<u>302,100</u>	<u>302,100</u>	<u>310,614</u>	<u>8,514</u>
OPERATING EXPENSES:				
Salaries and wages	386,067	379,302	379,302	-
Employee benefits	146,272	153,524	153,524	-
Purchased services	56,600	61,557	61,557	-
Supplies and materials	327,000	277,928	277,928	-
Capital Outlay	10,735	1,147	1,147	-
TOTAL OPERATING EXPENSES	<u>926,674</u>	<u>873,458</u>	<u>873,458</u>	<u>-</u>
Operating income (loss)	(624,574)	(571,358)	(562,844)	8,514
NONOPERATING REVENUES / EXPENSES:				
State sources	24,000	24,000	28,876	4,876
Federal sources	500,000	500,000	545,284	45,284
TOTAL NONOPERATING REVENUES / EXPENSES	<u>524,000</u>	<u>524,000</u>	<u>574,160</u>	<u>50,160</u>
Net income (loss)	(100,574)	(47,358)	11,316	58,674
NET ASSETS AT BEGINNING OF YEAR	<u>138,300</u>	<u>138,300</u>	<u>138,300</u>	<u>-</u>
NET ASSETS AT END OF YEAR	<u>\$ 37,726</u>	<u>90,942</u>	<u>149,616</u>	<u>58,674</u>

WHITEHALL CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN RETAINED EARNINGS--BUDGET AND ACTUAL--
 UNIFORM SCHOOL SUPPLIES FUND--BUDGET BASIS
 YEAR ENDED JUNE 30, 2004

	UNIFORM SCHOOL SUPPLIES FUND			
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
OPERATING REVENUES:				
Class fees	\$ 33,700	35,071	35,071	-
TOTAL OPERATING REVENUES	<u>33,700</u>	<u>35,071</u>	<u>35,071</u>	<u>-</u>
OPERATING EXPENSES				
Supplies and materials	53,993	43,216	43,216	-
TOTAL OPERATING EXPENSES	<u>53,993</u>	<u>43,216</u>	<u>43,216</u>	<u>-</u>
Operating income (loss)	(20,293)	(8,145)	(8,145)	-
NET ASSETS AT BEGINNING OF YEAR	<u>18,654</u>	<u>18,654</u>	<u>18,654</u>	<u>-</u>
NET ASSETS AT END OF YEAR	<u>\$ (1,639)</u>	<u>10,509</u>	<u>10,509</u>	<u>-</u>

WHITEHALL CITY SCHOOL DISTRICT

Internal Service Fund

The Internal Service Fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost-reimbursement basis.

Employee Benefit Self-Insurance Fund - A fund provided to account for monies received from other funds as payment for providing medical, hospitalization, life and dental insurance. Payments are made to a third party administrator for claims payments, claims administration and stop-loss coverage.

WHITEHALL CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN RETAINED EARNINGS--BUDGET AND ACTUAL--
EMPLOYEE BENEFIT SELF INSURANCE--BUDGET BASIS
YEAR ENDED JUNE 30, 2004

	EMPLOYEE BENEFIT SELF INSURANCE			
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
OPERATING REVENUES:				
Charges for services	\$ 1,803,000	1,803,000	1,906,655	103,655
Miscellaneous	-	-	28	28
TOTAL OPERATING REVENUES	1,803,000	1,803,000	1,906,683	103,683
OPERATING EXPENSES:				
Purchased services	1,809,100	1,734,482	1,734,482	-
TOTAL OPERATING EXPENSES	1,809,100	1,734,482	1,734,482	-
Operating income (loss)	(6,100)	68,518	172,201	103,683
NET ASSETS AT BEGINNING OF YEAR	1,265,906	1,265,906	1,265,906	-
NET ASSETS AT END OF YEAR	\$ 1,259,806	1,334,424	1,438,107	103,683

WHITEHALL CITY SCHOOL DISTRICT

Fiduciary Fund Types

Agency Fund

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

Student Activities Fund - An agency fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor.

WHITEHALL CITY SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
June 30, 2004

	Student Activities Fund			
	Balance <u>June 30, 2003</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2004</u>
ASSETS				
Cash and investments	\$ 31,456	43,869	42,102	33,223
Accounts receivable	<u>65</u>	<u>46</u>	<u>65</u>	<u>46</u>
Total assets	<u>\$ 31,521</u>	<u>43,915</u>	<u>42,167</u>	<u>33,269</u>
LIABILITIES				
Due to other	<u>\$ 31,521</u>	<u>33,269</u>	<u>31,521</u>	<u>33,269</u>
Total liabilities	<u>\$ 31,521</u>	<u>33,269</u>	<u>31,521</u>	<u>33,269</u>

WHITEHALL CITY SCHOOL DISTRICT
 Governmental Funds: Expenditures by Function (*)
 Last Ten Fiscal Years

Fiscal Year	Instructional Services	Support Services	Co-curricular Student Activities	Community Service	Capital Outlay	Debt Service	Total
1995	\$ 10,705,800	4,823,618	283,384	141,095	-	585,790	16,539,687
1996	10,238,579	5,136,862	297,089	161,530	881,478	631,303	17,346,841
1997	10,604,191	6,016,951	317,423	164,853	1,599,434	924,659	19,627,511
1998	12,552,459	6,594,311	322,524	133,728	7,416	1,351,278	20,961,716
1999	12,489,189	6,586,393	373,859	151,086	49,423	1,321,625	20,971,575
2000	12,537,322	7,347,275	396,374	175,463	281,038	1,317,841	22,055,313
2001	14,031,935	7,822,900	475,330	187,029	168,828	1,218,129	23,904,151
2002	14,166,041	7,980,266	559,721	276,348	507,896	1,218,541	24,708,813
2003	15,069,973	8,798,120	596,372	259,682	735,212	775,622	26,234,981
2004	16,444,609	9,203,900	580,125	252,580	445,685	3,304,302	30,231,201

Notes: (*) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

Table 1B

WHITEHALL CITY SCHOOL DISTRICT
 General Fund: Expenditures by Function
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Instructional Services</u>	<u>Support Services</u>	<u>Co-curricular Student Activities</u>	<u>Community Service</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
1995 \$	9,766,394	4,477,940	233,683	7,935	-	12,862	14,498,814
1996	9,295,461	4,332,186	236,396	9,833	-	52,454	13,926,330
1997	9,600,370	5,487,703	263,092	13,736	-	15,144	15,380,045
1998	9,857,884	5,982,812	272,181	18,792	1,469	-	16,133,138
1999	10,787,476	6,081,731	314,331	16,385	49,423	-	17,249,346
2000	11,388,390	6,629,893	327,287	18,925	273,652	-	18,638,147
2001	12,652,792	7,223,997	352,357	-	124,450	-	20,353,596
2002	12,840,022	7,334,138	391,963	-	486,896	-	21,053,019
2003	13,613,962	7,983,543	445,075	-	735,212	-	22,777,792
2004	14,640,386	8,085,389	448,391	-	440,234	-	23,614,400

WHITEHALL CITY SCHOOL DISTRICT
 Governmental Funds: Revenues by Source (*)
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Federal Sources</u>	<u>State Sources</u>	<u>Investment Income</u>	<u>Other</u>	<u>Total</u>
1995	\$ 8,940,864	523,198	6,327,350	132,602	346,536	16,270,550
1996	7,739,115	754,259	6,384,587	242,746	281,692	15,402,399
1997	11,582,623	568,991	7,126,109	317,278	396,711	19,991,712
1998	11,421,788	850,291	7,402,178	473,322	520,864	20,668,443
1999	11,906,055	753,238	8,428,983	458,875	422,294	21,969,445
2000	11,547,140	927,449	8,891,863	590,694	501,546	22,458,692
2001	12,260,691	887,087	9,869,406	750,829	682,076	24,450,089
2002	12,570,793	1,110,247	11,741,108	396,871	673,862	26,492,881
2003	11,232,228	1,139,792	12,753,612	284,587	748,799	26,159,018
2004	13,204,717	1,829,281	14,277,534	146,477	627,531	30,085,540

Notes: (*) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

WHITEHALL CITY SCHOOL DISTRICT
 General Fund: Revenues by Source
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Taxes</u>	<u>State Sources</u>	<u>Federal Sources</u>	<u>Investment Income</u>	<u>Other</u>	<u>Total</u>
1995	\$ 7,652,848	5,704,608	7,018	129,769	60,566	13,554,809
1996	5,318,902	5,799,444	7,125	220,482	47,039	11,392,992
1997	10,607,168	6,167,704	-	288,939	91,519	17,155,330
1998	10,311,156	6,573,564	1,383	401,262	226,332	17,513,697
1999	10,938,106	7,701,631	4,117	437,692	111,580	19,193,126
2000	10,267,458	8,187,951	-	582,405	178,552	19,216,366
2001	11,053,278	8,827,631	24,379	747,010	279,993	20,932,291
2002	11,357,010	10,755,516	39,684	395,560	280,412	22,828,182
2003	10,520,888	11,714,110	47,270	283,355	376,118	22,941,741
2004	12,398,339	13,179,871	142,402	146,236	294,021	26,160,869

WHITEHALL CITY SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Years

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>% of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>% of Total Collections to Levy</u>
1995	\$ 9,376,160	\$ 9,232,914	98.47%	\$ 148,706	\$ 9,381,620	100.06%
1996	12,628,516	12,328,030	97.62%	220,490	12,548,520	99.37%
1997	13,171,611	12,762,523	96.89%	341,916	13,104,439	99.49%
1998	13,044,582	12,826,181	98.33%	416,659	13,242,840	101.52%
1999	13,082,687	12,803,199	97.86%	296,272	13,099,471	100.13%
2000	13,011,957	12,955,419	99.57%	354,361	13,309,780	102.29%
2001	13,430,051	13,110,668	97.62%	340,308	13,450,976	100.16%
2002	13,293,823	12,097,418	91.00%	360,204	12,457,622	93.71%
2003	13,229,828	12,687,848	95.90%	396,251	13,084,099	98.90%
2004	NA	NA	NA	NA	NA	NA

NA = Not Available at the time of issuance.
Source: Office of the County Auditor, Franklin County, Ohio

WHITEHALL CITY SCHOOL DISTRICT
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Years

Table 4

Collection Year	Real Property			Personal Property			Public Utility			Total	
	%	Assessed Value	Estimated Actual Value	%	Assessed Value	Estimated Actual Value	%	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1995	35%	191,923,080	548,351,657	25%	36,837,221	147,348,884	35%	15,465,850	44,188,143	244,226,151	739,888,684
1996	35%	192,198,090	549,137,400	25%	38,449,277	153,797,108	35%	15,098,560	43,138,743	245,745,927	746,073,252
1997	35%	204,563,960	584,468,457	25%	39,539,520	158,158,080	35%	14,941,000	42,688,571	259,044,480	785,315,110
1998	35%	206,512,940	590,036,971	25%	46,146,917	184,587,668	35%	15,002,240	42,863,543	267,662,097	817,488,182
1999	35%	207,451,430	592,718,371	25%	42,748,555	170,994,220	35%	14,854,510	42,441,457	265,054,495	806,154,049
2000	35%	224,826,190	642,360,543	25%	42,473,478	169,893,912	35%	15,415,340	44,043,829	282,715,008	856,298,284
2001	35%	225,536,510	644,390,029	25%	39,688,116	158,752,464	35%	15,687,990	44,822,829	280,912,616	847,965,322
2002	35%	226,260,320	646,458,057	25%	44,350,051	177,400,204	35%	13,561,630	38,747,514	284,172,001	862,605,775
2003	35%	243,651,840	696,148,114	25%	43,735,019	174,940,076	35%	11,541,200	32,974,857	298,928,059	904,063,047
2004	35%	247,629,480	707,512,800	25%	40,343,866	161,375,464	35%	11,249,710	32,142,029	299,223,056	901,030,293

Source: Office of the County Auditor, Franklin County, Ohio

WHITEHALL CITY SCHOOL DISTRICT
 Real Property Tax Rates - Direct and Overlapping Governments
 Last Ten Years
 (Per \$1,000 of Assessed Valuation)

Collection Year	City of Whitehall	Franklin County	Library	Whitehall School Dist	Eastland Joint Vocational School	Full Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
1995	1.50	14.57	2.20	52.72	1.20	72.19	48.6978	52.9067
1996	1.50	14.82	2.20	65.72	1.20	85.44	61.9787	66.2140
1997	1.50	15.12	2.20	65.62	1.20	85.64	58.3010	65.2579
1998	1.50	15.22	2.20	65.61	1.20	85.73	58.3684	65.5545
1999	1.50	17.54	2.20	65.61	2.00	88.85	61.4029	68.6848
2000	1.50	17.64	2.20	65.49	2.00	88.83	56.2060	68.2649
2001	1.50	17.64	2.20	65.52	2.00	88.86	50.1594	68.0038
2002	1.50	17.64	2.20	65.49	2.00	88.83	56.0642	67.9488
2003	1.50	17.64	2.20	65.40	2.00	88.74	53.2629	65.4542
2004	1.50	17.64	2.20	65.40	2.00	88.74	53.2016	65.1370

WHITEHALL CITY SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

December 31, 2003

Table 6

<u>Public Utilities</u>		
	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
1. Columbus Southern Power Company	\$ 5,673,900	1.90%
2. Ohio Bell Telephone Company	3,471,000	1.16%
 <u>Real Estate</u>		
1. English Village Inc.	5,196,360	1.74%
2. The Ebco Manufacturing Co.	3,481,350	1.16%
3. Office City Inc.	3,246,870	1.09%
4. Town & Country City Inc.	2,806,480	0.94%
5. Wyandotte Commons	2,800,000	0.94%
6. Schottenstein Trustees	2,705,240	0.90%
7. Parklawn Manor Inc.	2,691,960	0.90%
8. Everest Shaker Square LP	2,659,130	0.89%
9. Town & Country Drive In	2,634,340	0.88%
10. One Holdings Inc.	2,596,690	0.87%
 <u>Tangible Personal Property</u>		
1. Oasis Corporation	8,185,440	2.74%
2. Kroger Company	7,839,660	2.62%
3. Byers Realty Inc.	3,358,380	1.12%
4. Ricart Jeep - Eagle Inc.	2,331,630	0.78%
5. Dick Masheter Ford Inc.	1,875,190	0.63%
6. Bob - Boyd Lincoln - Mercury Inc.	1,463,680	0.49%
7. Sonic Capital Chevrolet Inc.	1,249,430	0.42%
8. Dave Gill Pontiac-GMC Truck Inc.	1,243,150	0.42%
9. Len Immke Buick Inc.	1,048,170	0.35%
10. Penn Traffic Company	978,810	0.33%
ALL OTHERS	229,686,196	76.73%
TOTAL ASSESSED VALUATION	\$ <u>299,223,056</u>	<u>100.00%</u>

Source: Office of the County Auditor, Franklin County, Ohio

WHITEHALL CITY SCHOOL DISTRICT

Table 7

Computation of Legal Debt Margin
June 30, 2004

Total Assessed Valuation	\$	299,223,056
OVERALL DEBT LIMITATION:		
9% of assessed valuation		26,930,075
Gross indebtedness		3,159,819
Less: Debt outside limitations		-
Net debt within limitation		3,159,819
Legal debt margin within 9% limitation		23,770,256
UNVOTED DEBT LIMITATION:		
.1% of assessed valuation		299,223
Gross indebtedness		-
Less: Debt outside limitations		-
Net debt within limitation		-
Legal debt margin within .1% limitation		299,223

Note: Assessed valuation from Table 4.

Source: Office of the Treasurer, Whitehall City School District

WHITEHALL CITY SCHOOL DISTRICT
 Ratio of Net General Bonded Debt
 to Assessed Value and Net Bonded Debt per Capita
 Last Ten Years

Collection Year	Estimated Population (1)	Assessed Value Real & Personal Property (2)	General Bonded Debt (3)	Ratio of Bonded Debt to Assessed Value (%)	Net Bonded Debt Per Capita
1995	NA	244,226,151	4,374,893	1.79%	NA
1996	NA	245,745,927	4,169,893	1.70%	NA
1997	NA	259,044,480	3,944,893	1.52%	NA
1998	NA	267,662,097	3,709,893	1.39%	NA
1999	NA	265,054,495	3,455,000	1.30%	NA
2000	NA	282,715,008	3,185,000	1.13%	NA
2001	NA	280,912,616	2,900,000	1.03%	NA
2002	NA	284,172,001	2,600,000	0.91%	NA
2003	NA	298,928,059	2,583,645	0.86%	NA
2003	NA	299,223,056	2,568,819	0.86%	NA

Notes: (1) Not Available

(2) Assessed values from Table 4.

(3) Office of the Treasurer, Whitehall City School District.

WHITEHALL CITY SCHOOL DISTRICT
 Ratio of Annual General Obligation Debt Service Expenditures
 to Total General Governmental Expenditures
 Last Ten Years

Fiscal Year	Total General Obligation <u>Debt Service</u>	Total General Governmental <u>Expenditures (1)</u>	Ratio of General Obligation Debt Service to Total General <u>Governmental Expenditures</u>
1995	585,790	16,539,687	0.04
1996	631,303	17,346,841	0.04
1997	924,659	19,627,511	0.05
1998	1,351,278	20,961,716	0.06
1999	1,321,625	20,971,575	0.06
2000	1,317,841	22,055,313	0.06
2001	1,218,129	23,904,151	0.05
2002	1,218,541	24,708,813	0.05
2003	775,622	26,234,981	0.03
2004	3,304,302	30,231,201	0.11

Source: Office of the Treasurer, Whitehall City School District

WHITEHALL CITY SCHOOL DISTRICT

Computation of Direct and Overlapping Debt
December 31, 2003

	<u>Assessed Valuation</u>	<u>General Bonded Debt</u>	<u>Percent Overlapping</u>	<u>Amount Applicable to Whitehall City School District</u>
Direct Whitehall City School District	\$ 299,223,056	3,434,712	100.00%	3,434,712
Overlapping Franklin County	24,771,631,080	143,154,117	1.21%	1,732,165
City of Whitehall	299,223,056	3,535,000	100.00%	3,535,000
Total overlapping		<u>146,689,117</u>		<u>5,267,165</u>
TOTAL		<u>\$ 150,123,829</u>		<u>\$ 8,701,877</u>

WHITEHALL CITY SCHOOL DISTRICT

Table 11

Demographic Statistics
Enrollment Data
Last Ten Fiscal Years

<u>School Year</u>	<u>Enrollment K - 12</u>	<u>Increase/ Decrease</u>	<u>Percent Increase/ Decrease</u>
1994-95	3,018	(155)	(4.88%)
1995-96	2,933	(85)	(2.82%)
1996-97	2,817	(116)	(3.95%)
1997-98	2,823	6	0.21%
1998-99	3,086	263	9.32%
1999-00	3,018	(68)	(2.20%)
2000-01	2,972	(46)	(1.52%)
2001-02	2,938	(34)	(1.14%)
2002-03	2,947	9	0.31%
2003-04	2,811	(136)	(4.61%)

Source: Office of the Treasurer, Whitehall City School District

WHITEHALL CITY SCHOOL DISTRICT
 New Construction and Real Property Values
 Last Ten Years

Collection Year	New Construction (1)			Real Property Values (1)		
	Agricultural/ Residential	Commercial/ Industrial	Total	Agricultural/ Residential	Commercial/ Industrial	Total
1995	\$ 217,090	\$ 988,540	\$ 1,205,630	\$ 102,950,480	\$ 88,972,600	\$ 191,923,080
1996	156,280	444,930	601,210	102,992,160	89,205,930	192,198,090
1997	75,190	1,163,900	1,239,090	112,574,120	91,989,840	204,563,960
1998	181,970	1,363,610	1,545,580	113,119,450	93,393,490	206,512,940
1999	653,090	345,110	998,200	112,565,320	94,886,110	207,451,430
2000	1,117,340	20,240	1,137,580	150,233,580	74,554,320	224,787,900
2001	492,570	234,100	726,670	130,576,980	94,959,530	225,536,510
2002	45,050	1,104,800	1,149,850	130,394,210	95,866,110	226,260,320
2003	-	1,222,890	1,222,890	141,484,890	102,166,950	243,651,840
2004	372,570	1,194,740	1,567,310	142,341,720	105,287,760	247,629,480

Sources: (1) Office of the County Auditor, Franklin County, Ohio.

Miscellaneous Statistics

Enrollment

June 2004

2,811

Staff

Head Count

Certificated

241

Classified

120

361

Education and Experience of Teaching Staff

Average classroom teaching experience (in years)

8.0

Percentage of Teachers with Master's
Degrees (or beyond)

54.0%

Average # of Students per Classroom Teacher

16.6%

Number of High School Graduates

Number of Graduates

173

Graduation % Rate

76.7%

% of Graduates with State Honors

14.0%

ACT Scores Composite

ACT Scores Composite 2003-2004

20.1

(All Students)

(National Average 21.8)

ACT Scores Composite 2002-2003

20.1

(All Students)

(National Average 21.8)

ACT Scores Composite 2001-2002

21.3

(All Students)

(National Average 21.8)

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Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

**WHITEHALL CITY SCHOOL DISTRICT
FRANKLIN 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
DECEMBER 30, 2004**