

2019 Oakwood City Schools Financial Update

Message from the Chief Financial Officer

Oakwood Schools Community Members:

As the new Oakwood Schools Chief Financial Officer, it is my privilege to serve this high-performing district. I'm honored to have been chosen to serve Oakwood and hope that in a relatively short period of time, you will find me to be honest, ethical and transparent in all I do on your behalf.

I would like to take a moment to commend Kevin Philo for his 24 years of service to the community as the Oakwood Schools Treasurer. I have found the District's finances to be in good order, as evidenced by awards from the Government Finance Officers Association (GFOA), the Association of School Business Officials (ASBO) and the State of Ohio Auditor's Office.



In my role as CFO, I am charged with providing the community with accurate and reliable financial information. To make that information easy to understand, we (the Treasurer's Department) have created this Financial Update. Within this report, you will find information on the district's general operating activities, as well as key financial data. We believe through this financial information, you will see the Oakwood Schools as a wonderful return on your investment.

While the graphs and information included in this report will provide you a summary of the Oakwood Schools, some will want additional information. For more detailed financial information, please refer to the **Comprehensive Annual Financial Report ("CAFR")** found on the right hand side of the Treasurer's web page at www.oakwoodschoools.org/District/Departments/Treasurer. Please note, the District's financials are prepared on a cash basis of accounting.

Should you have any questions, comments or concerns, please don't hesitate to contact me directly at the Board of Education 937-297-5332 or by email at belden.julie@oakwoodschoools.org.

Sincerely,

Julie Belden, CPA, MBA
Chief Financial Officer



2019 Oakwood Schools Board of Education

Front row (left to right): Meredith Quigley, Cassie Darr

Back row (left to right): John Wilson, Todd Duwel, Mike Miller



Dr. Kyle Ramey
Superintendent



Dan Schall
Interim Treasurer



Oakwood High School (1924)



Oakwood Junior High School (1932)



Harman School (1908)



Smith Elementary School (1929)



Lange School (1922)

Oakwood Schools Profile

Oakwood Schools Mission

Doing what is best for students is our guiding principle. To this end, the Oakwood School community commits the resources, support, expertise and experiences needed for all students to achieve.

Oakwood Schools Vision

The Oakwood School community educates students to become ethical decision-makers who achieve their life goals, take responsible risks and contribute to the greater good of the world. Graduates are prepared for their post-secondary pursuit, proud of their Oakwood education and poised to lead and serve.

Oakwood Schools is consistently a top performer, recognized at the local, state and national levels. The District offers its more than 2050 students the opportunity to excel in the classroom, on the stage and on the playing field. Staff is able to focus on the needs of every child every day, while remaining cost-effective and efficient.

Maintaining a reasonable budget, Oakwood Schools directs nearly 74 percent of the District’s daily operating funds into classroom instruction, where they are most effective. As good stewards of the community’s resources, District officials continue to develop processes to be as effective and efficient as possible in day-to-day operations. The District offers great value to residents with an exceptional quality of education and a mindset of carefully stretching resources as far as possible.

Average Class Size

Kindergarten	18
First through third	20
Fourth through sixth	22
Seventh through twelfth	22

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Oakwood Schools: Financial Need



May 7 Ballot Issue

Oakwood Schools leaders are good stewards of the community's resources. Due to the current unconstitutional state funding model and House Bill 920, Oakwood and other school districts must return to voters on a regular basis for additional money.

Oakwood Schools has placed Issue 8 on the May 7 ballot. The issue has two parts, a 4.99-mil operating levy and a 2.71-mil bond.

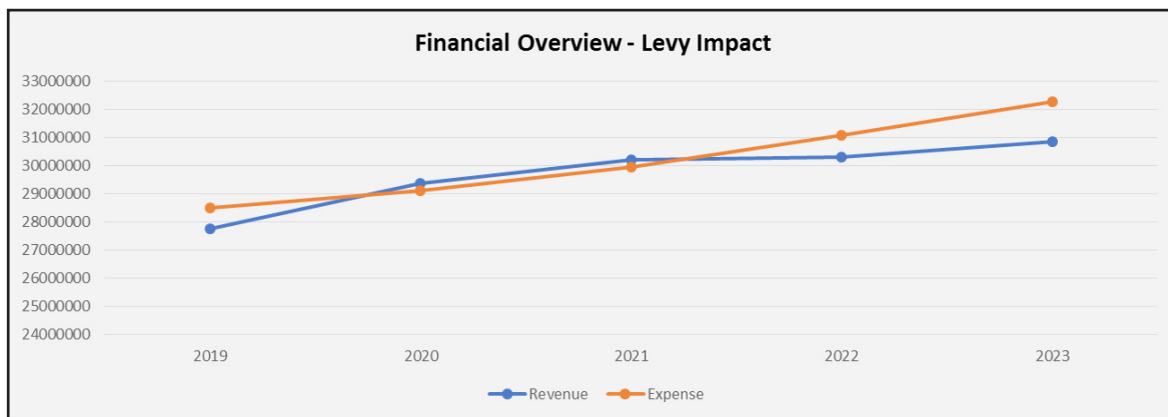
Oakwood Schools Directs Majority of Operating Dollars into Classroom

The 4.99-mil operating levy is the District's lowest request to the Oakwood community for operating dollars in more than 30 years. Just like the last request for additional funds in 2016, this levy

would generate money to cover the District's day-to-day expenses, including staffing, student programming and security.

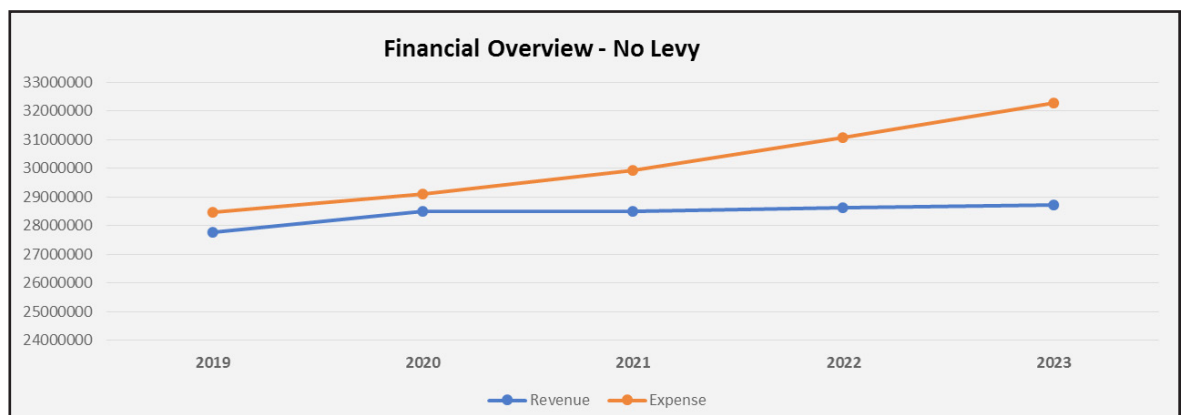
Oakwood Schools directs nearly 74

percent of the district's daily operating funds into classroom instruction, where they are most effective.



With the passage of Issue 8, collection would begin in 2020. The District's revenue would cover the expected expense requirement, balancing the budget.

Without additional operating funds from the passage of Issue 8, the District's revenue will not cover the expected cost of current student programming.



Master Facilities Plan: Proactive, Financially Sensible Plan to Keep Our Buildings



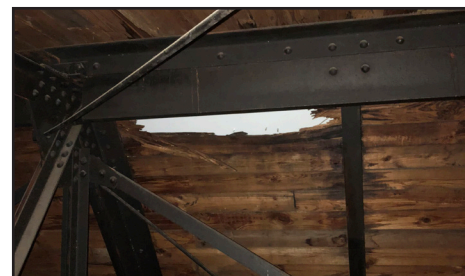
Leak from hot water pump



Broken hot water tube



Water damage from roof leak



Hole in the roof above auditorium

The goal of the Oakwood Schools Master Facilities Plan is to ensure the District's facilities remain safe, dry and secure, and continue to support the educational and instructional needs of current and future generations of Oakwood students and staff.

For more than three years, District leaders have taken part in assessment, research and discussion with experts and community members regarding the District facilities. The result is a proactive, financially sensible, long-range plan to preserve our beautiful, iconic buildings, while addressing the critical needs of the aging facilities.

The District's five school buildings are on average more than 90 years old and have critical needs, as assessed by two different teams of engineers.

Our custodial and maintenance

staff do an excellent job, but it is not efficient to continue to work with out-of-date and deteriorating systems.

The 2.71-mil bond issue on the May 7 ballot would help address these facility needs. The bond on the upcoming ballot is one part of a combination levy that includes a 4.99-mil operating levy. Issue 8 is one request with two distinct parts. Each of these parts is critical and equally important.

The 2.71-mil bond would generate the \$18 million necessary to fund Phase 1 of the Master Facilities Plan.

Phase 1, of the four-part plan, focuses on prioritized foundational infrastructure work, including roofing, plumbing, electrical, HVAC and mechanical repairs, at the Junior High and High School and targeted infrastructure im-

provements at Harman and Smith. With a long list of needed repairs, District leaders have prioritized the needs that are most critical.

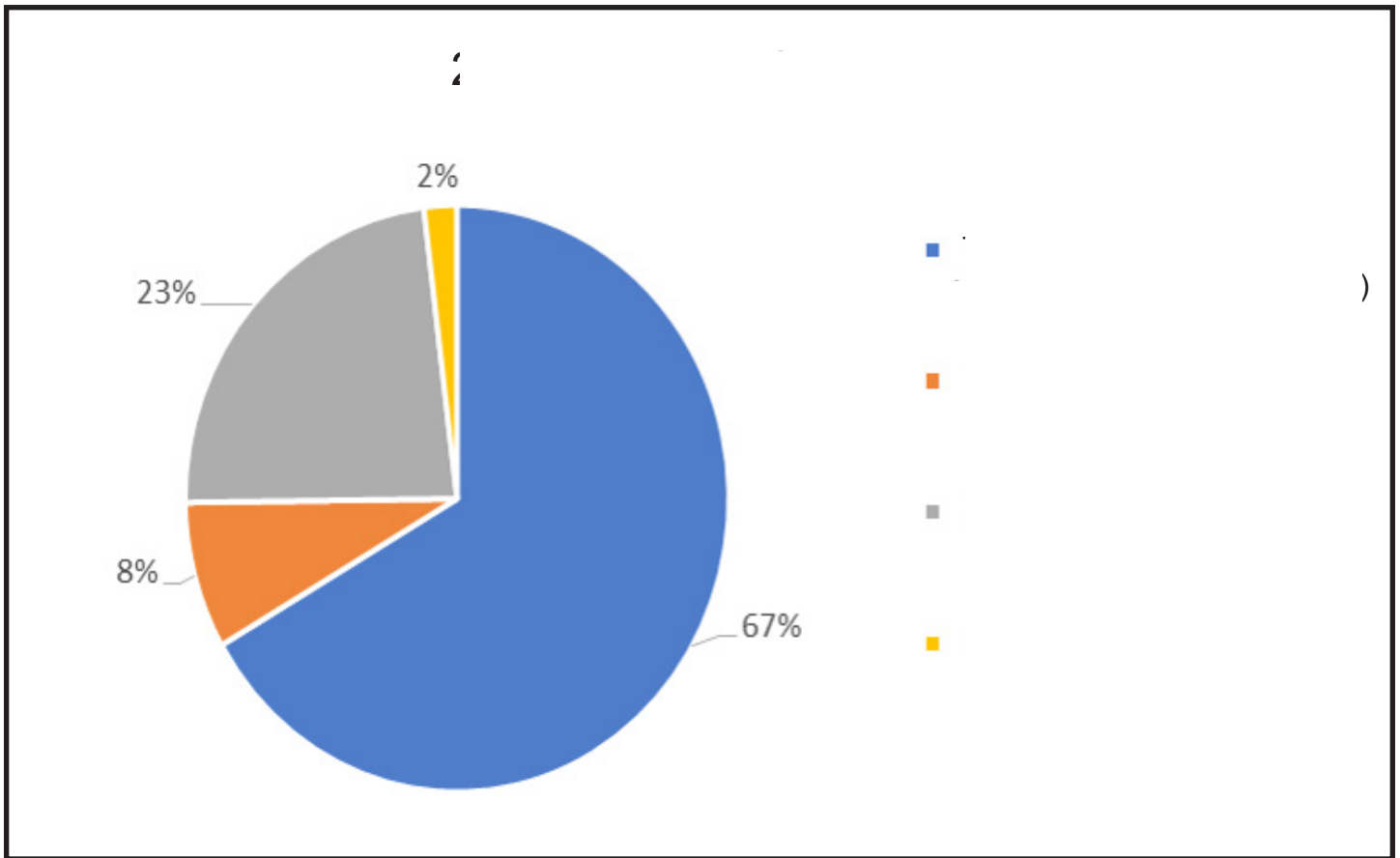
Each of the four phases of the Master Facilities Plan is separate, complementary and dynamic. Each phase can stand on its own, will be enhanced by additional phases and could change over time as the needs of our students, staff and community change.

Phase 1 Goals

You can see the details of the Phase 1 Goals with approximate budgets on the District's Master Facilities Plan website at:

<https://www.oakwoodschoools.org/mfp/new-mfp/phase-1-goals>

Oakwood Schools: Revenue



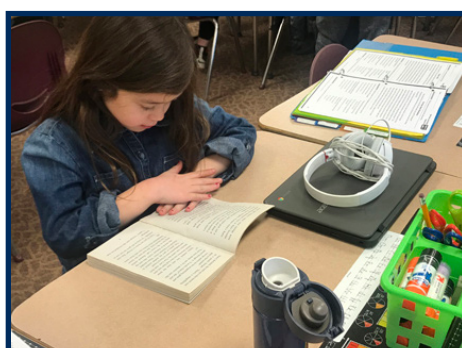
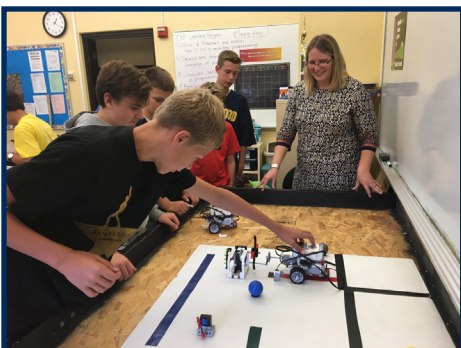
Revenue Category Descriptions

Taxes: The largest source of revenue for the Oakwood Schools comes from taxes. Property tax is collected from both residential and commercial properties. The City of Oakwood is 97.9 percent residential.

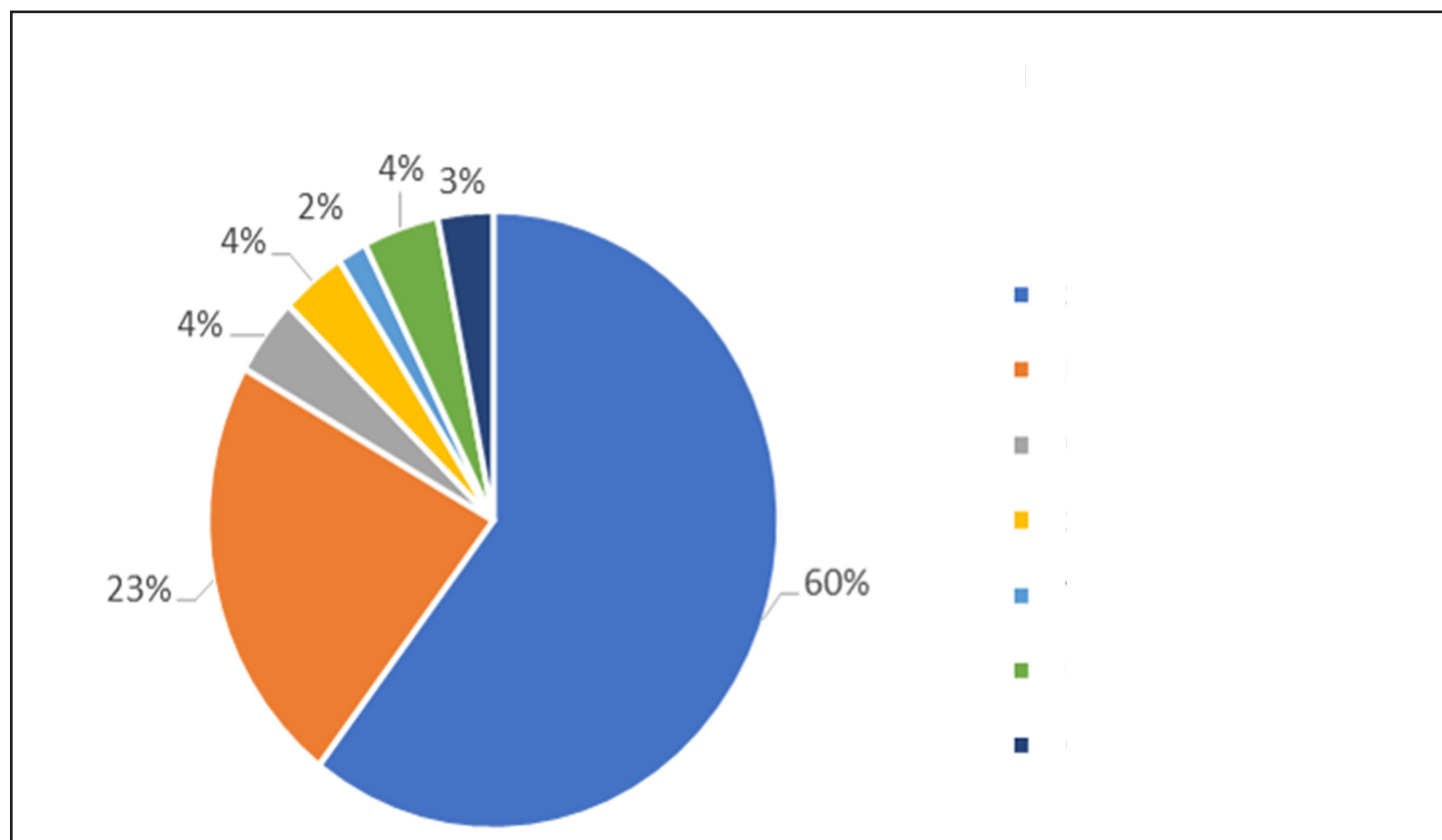
Rollback/Reimbursements: The State of Ohio gave residents a 10 percent discount or rollback on their residential property tax when Ohio established an income tax. For levies and taxes prior to 2014, the State reimburses schools for this discount.

State funding: The amount of money from the State of Ohio is determined by the biennial budget formula. Casino tax revenue is included in this category. **The recently released proposal will not benefit Oakwood.**

Other: Other revenue includes interest, local fees, rental income and tuition.



Oakwood Schools: Expenses



Expense Category Descriptions

Salaries: As a people-intensive business, salaries, the gross wages paid to District employees, represent the largest expense.

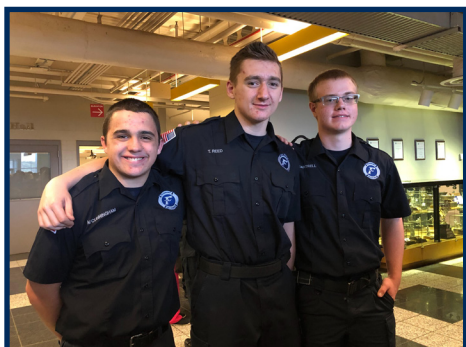
Benefits: This category represents employee benefits including insurance, payroll taxes and retirement expense.

Curriculum: Curriculum expenses include professional development for staff, textbook adoptions and building instructional materials and services.

Student Services: This portion of expenses are for instructional support services, mainly serving the special education needs of the District.

Maintenance/Transport: These expenses are for the operation of our buildings and transportation needs. Without passage of Issue 8, this percentage will have to increase.

Other: Other expenses include assorted fees (banking, tax collection, Auditor) not covered in other categories.

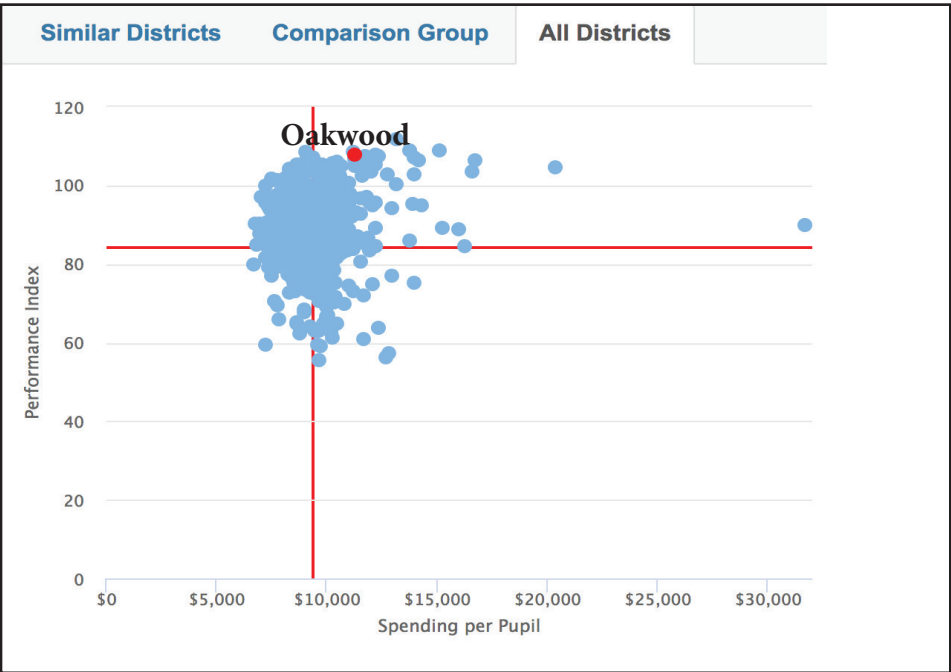
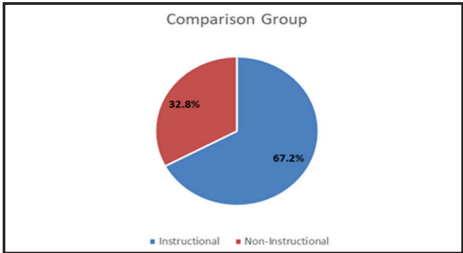
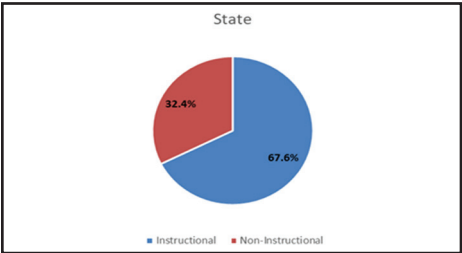
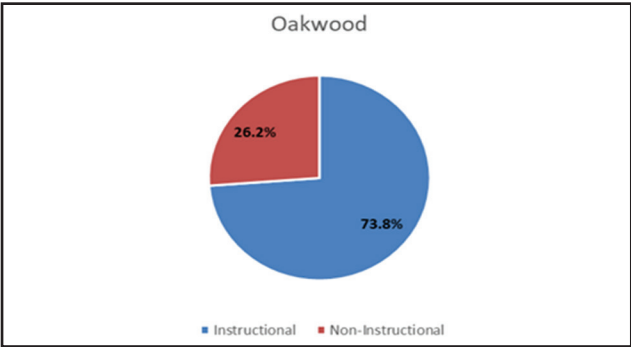


Oakwood Schools: Classroom Spending

Spending Data

Oakwood Schools spends **73.8 percent** of its operating budget on classroom instruction, where the money directly impacts student programming and student achievement.

In a comparison group of 273 similar sized districts around the state, Oakwood ranks 7th, according to the Ohio Department of Education State Report Card.



Spending and Performance

The quadrant lines on this graph represent the statewide average performance index score and the statewide average spending per pupil, according to the Ohio Department of Education.

Oakwood Schools, represented by the red dot in the top right quadrant, received one of the highest performance index scores in the state with spending per pupil just slightly more than the state average of \$9,353. **Oakwood Schools received the highest Prepared for Success score in the state.**

