

HAMILTON CITY SCHOOL DISTRICT
Butler County, Ohio
Single Audit Reports
June 30, 2003



**Auditor of State
Betty Montgomery**

Board of Education
Hamilton City School District
Hamilton, Ohio

We have reviewed the Independent Auditor's Report of the Hamilton City School District, Butler County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2002 through June 30, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Hamilton City School District is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

June 16, 2004

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HAMILTON CITY SCHOOL DISTRICT

Butler County, Ohio

Financial Statements

For the Year Ended June 30, 2003

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Clark, Schaefer, Hackett & Co.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report on Compliance and on Internal Control over
Financial Reporting Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards*

Board of Education
Hamilton City School District
Butler County, Ohio

We have audited the financial statements of the Hamilton City School District (the District) as of and for the year ended June 30, 2003 and have issued our report thereon dated January 16, 2004 wherein we noted that the District implemented Governmental Accounting Standards Board Statements 34, 37, 38 and 39 as well as Governmental Accounting Standards Board Interpretation 6. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which we have reported to the management of the District in a separate letter dated January 16, 2004.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses. However, we noted certain other matters involving the internal control over financial reporting which we have reported to the management of the District in a separate letter dated January 16, 2004.

This report is intended for the information and use of 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.

Clark, Schaefer, Hackett PC.

Middletown, Ohio
January 16, 2004

Clark, Schaefer, Hackett & Co.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133

Board of Education
Hamilton City School District
Butler County, Ohio

Compliance

We have audited the compliance of Hamilton City School District (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 each of its major federal programs for the year ended June 30, 2003. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. 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 each of its major federal programs for the year ended June 30, 2003.

Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in 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 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 have audited the financial statements of Hamilton City School District as of and for the year ended June 30, 2003, and have issued our report thereon dated January 16, 2004. Our audit was made for the purpose of forming an opinion on the financial statements of the District taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by *U.S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements.

This report is intended for the information of 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 any one other than these specified parties.

Clark, Schaefer, Hackett & Co.

Middletown, Ohio
January 16, 2004

HAMILTON CITY SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2003

Federal Pass Through Grantor <u>Program Title</u>	<u>Federal CFDA#</u>	<u>Federal Receipts</u>	<u>Federal Disbursements</u>
<u>U.S. Department of Agriculture</u>			
<u>Passed Through State Dept. of Education</u>			
Nutrition Cluster:			
School Breakfast Program	10.553	367,677	367,677
In-Kind Commodities (a)	10.550	166,025	166,025
National School Lunch Program	10.555	<u>1,298,431</u>	<u>1,298,431</u>
Total Department of Agriculture		<u>1,832,133</u>	<u>1,832,133</u>
<u>U.S. Department of Housing and Urban Development</u>			
<u>Passed Through State Dept. of Education</u>			
Community Block Grant	14.218	<u>2,110</u>	<u>2,110</u>
<u>U.S. Department of the Navy</u>			
<u>Passed Through State Dept. of Education</u>			
Naval R.O.T.C.	12.300	<u>55,615</u>	<u>59,245</u>
<u>U.S. Department of Education</u>			
<u>Passed Through State Dept. of Education</u>			
Special Education Cluster			
Title VI-B	84.027	1,416,820	1,428,636
Title VI-B Preschool	84.173	<u>76,691</u>	<u>69,093</u>
Total Special Education Cluster		1,493,511	1,497,729
Adult and Community Education	84.002	173,575	352,056
Title I of ESEA	84.010	3,017,393	2,674,266
Vocational Education	84.048	259,561	278,945
Drug Free Schools	84.186	95,495	100,890
Emergency Immigrant Education Assistance	84.162	-	1,271
Title II-D Technology	84.318	71,059	66,259
Alternative Education Using H.B. 57 Funds	84.360	44,284	47,871
Title III LEP/Immigration	84.365	24,970	21,721
Eisenhower Grant	84.281	22,000	22,835
Innovative Educ. Program Strategy	84.298	78,588	79,005
Federal Emergency Repair	84.352	150,000	20,528
Telecommunications Act Grant	84.286	90,705	90,705
Class Size Reduction	84.340	613,722	792,219
Goals 2000	84.276	-	<u>32,992</u>
Total Department of Education		<u>6,134,863</u>	<u>6,079,292</u>
Total Federal Awards		<u>8,024,721</u>	<u>7,972,780</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The schedule of expenditures of federal awards has been prepared on the cash basis of accounting.

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair value of the commodities received and disbursed.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

Schedule of Findings and Questioned Costs

OMB Circular A - 133

Hamilton City School District

June 30, 2003

1. SUMMARY OF AUDITOR'S RESULTS
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(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported noncompliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any reportable internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Program Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under sec. 510?</i>	No

(d)(1)(vii)	<i>Major Programs</i>	Nutrition Cluster, Adult Ed, Title VI-B
(d)(1)(viii)	<i>Dollar Threshold: Type A\B programs?</i>	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee</i>	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

HAMILTON CITY SCHOOL DISTRICT

Schedule of Prior Findings and Questioned Costs

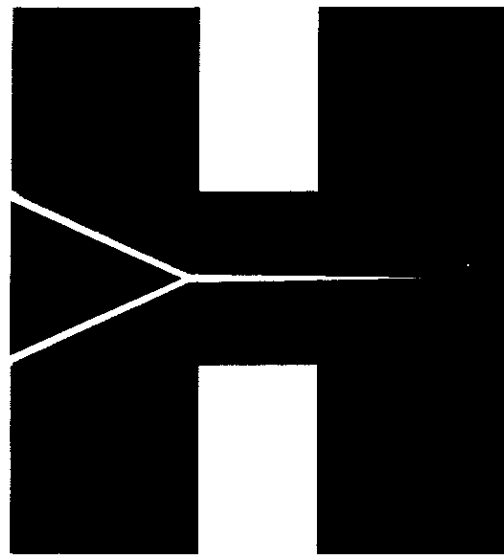
June 30, 2003

Findings:

None

Questioned Costs:

None



HAMILTON

CITY SCHOOL

D I S T R I C T

Hamilton, Ohio

**Comprehensive
Annual Financial Report**

For the Fiscal Year Ended
June 30, 2003



BOARD OF EDUCATION



Glenn Stitsinger, D.D.S.
President



George N. Jonson, Esq.
Vice-President



Larry Bowling
Member



Susan Glynn
Member



Anna Harvey
Member



Janet Baker
Superintendent



Robert A. Hancock, C.P.A.
Treasurer

COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

HAMILTON CITY SCHOOL DISTRICT

HAMILTON, OHIO

For the Fiscal Year Ended June 30, 2003

BOARD OF EDUCATION

Glenn Stitsinger, D.D.S.	President
George N. Jonson, Esq.	Vice President
Larry Bowling	Member
Susan Glynn	Member
Anna Harvey	Member

SUPERINTENDENT OF SCHOOLS

Janet Baker

ISSUED BY

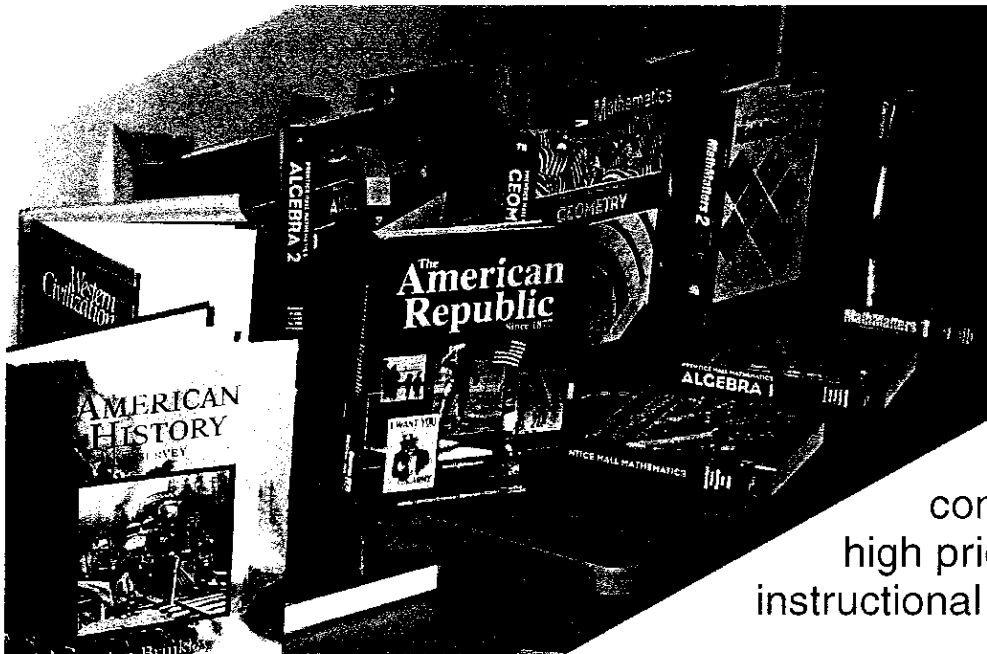
TREASURER'S OFFICE

Robert A. Hancock, C.P.A.
Treasurer



Introductory Section

The Board of Education members approved six courses of study during the 2002-2003 school year. The courses of study will be implemented in the 2003-2004 school year in Biology AP, Physics AP, European History AP, Language Arts for 10th grade honors, 11th grade honors and 12th grade Advanced Placement. Many students transfer to Hamilton High School to take its challenging Advanced Placement and honor courses.



New Math books and Social Studies books for students in grades 7-12 were adopted as the Hamilton City School District

continues to place a high priority on the instructional needs of its students.

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**Hamilton City School District
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2003**

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Title Page

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Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2002**

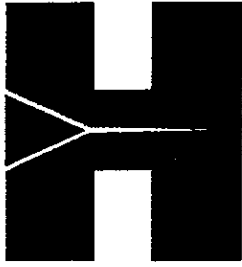
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HAMILTON
CITY SCHOOL
DISTRICT

January 24, 2004

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

The Comprehensive Annual Financial Report (CAFR) of the Hamilton City School District (District) for the fiscal year ended June 30, 2003, is hereby submitted. This report was prepared by the Treasurer's Office, and includes the unqualified opinion of our independent auditors, Clark, Schaefer, Hackett & Co. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. The CAFR conforms to generally accepted accounting principles (GAAP) and prepared in conformance with the 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).

The CAFR is presented in 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 the basic financial statements and the combining and individual fund financial statements and schedules, as well as the auditors report on the financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

GAAP also require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A. The District's MD&A follows the report of the independent auditors.

Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Chamber of Commerce, major taxpayers, Lane Public Library, Standard and Poor's financial rating service, banks, the District's business advisory council, and any other interested parties.

This report includes all funds of which the District has fiduciary control. The District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; a broad

range of co-curricular and extracurricular activities; adult and community education offerings; special education programs and community recreation facilities.

In addition to providing these general activities, the District acts as fiscal agent for state funds distributed to parochial schools located within the District boundaries. Therefore, in accordance with GASB Statement 24, this fiduciary responsibility is included in the reporting entity as a special revenue fund. The parochial schools served are St. Anns, St. Joseph, St. Julie Billiard, St. Peter-in-Chains, Immanuel Lutheran and Stephen T. Badin High School. While these organizations are similar in operations and services provided, each are separate and distinct entities whose financial statements are not included in this report.

The District's Board of Education also serves as the statutory overseer of the Lane Public Library (the Library). As provided by Ohio law, the Board of Education appoints trustees to the Library and approves the Library's annual tax budget. However, the District is not financially accountable for the activities of the Library. Furthermore, the District has only ministerial approval of the Library's tax budget and can not amend the budget. The trustees are charged with the responsibility of managing the Library's overall operations and the Library is a separate entity for financial reporting. Accordingly, the Library's financial position is not included in this report.

ECONOMIC CONDITION AND OUTLOOK

The District services an area of 19.85 square miles. Approximately 98% of the area is in the City of Hamilton. The entire District is located in Butler County, and its boundaries generally correspond with the City of Hamilton, the county seat.

The City of Hamilton is located in southwestern Ohio, midway between Dayton and Cincinnati. It offers an abundant supply of productive resources and proximity to both national and international marketplaces. With nearly two-thirds of the total United States population, income, and manufacturing activity within overnight transportation of the region, Hamilton is considered a prime location for market oriented firms.

The unemployment rate for the city of Hamilton decreased to 4.8% in June 2003, down 2.6% from 7.4% in June 2002 according to the Ohio Bureau of Employment Services. The nation's unemployment rate was 6.5% for June 2003. The unemployment rate for the state of Ohio in June 2003 was 6.5%. Employment in the state of Ohio was 5,518,000 in June 2003.

Hamilton's largest manufacturing industry is paper. The second largest industry is services due to the location of the Butler County Administrative Offices located in downtown Hamilton.

THE DISTRICT AND ITS FACILITIES

The District's enrollment has been slightly decreasing over the past several years. This year marks the seventh consecutive year that the District's enrollment has decreased. The District had an enrollment of 9,192 students compared to 9,244 students for the fiscal year that ended June 30, 2002.

The District's facilities include 14 neighborhood elementary schools, 3 junior high schools grades (7-9), 1 comprehensive high school grades (10-12), 1 alternative school, maintenance building, transportation facility, central food service warehouse, central office and several sports fields.

ORGANIZATION OF THE DISTRICT

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

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

Board Member	Service as a Board Member		Profession
	Began	Expires	
Glenn Stitsinger, D.D.S., President	01/01/86	12/31/05	Dentist
George N. Jonson, Esq., Vice-President	01/01/82	12/31/05	Lawyer
Larry Bowling, President	01/01/88	12/31/03	Insurance Agent
Susan Glynn	01/01/00	12/31/03	Former Teacher
Anna Harvey	01/01/02	12/31/05	Customer Service Representative

The Superintendent is the chief executive officer of the District, responsible directly to the Board for all education and support operations. Mrs. Janet Baker was appointed Superintendent on June 16, 1992. Mrs. Baker has been in the education profession for 33 years; 3 years as a teacher, and 30 years in administration. Mrs. Baker has a BS in Education from Miami University and a ME from Eastern Kentucky University, and has taken several semester hours of education beyond a master's degree.

The Treasurer is the chief financial officer of the District, responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio Law. Mr. Robert A. Hancock, CPA was appointed Treasurer on October 11, 1993. Mr. Hancock, a Certified Public Accountant, has been in the government finance profession for 19 years; 4 years in the government auditing profession, and 15 years as a school district treasurer. Mr. Hancock has a BA with majors in Accounting and Business from Bluffton College.

EMPLOYEE RELATIONS

The District currently has approximately 1,042 full-time and part-time employees. There are five organizations representing District employees. During 2002, the Board successfully concluded negotiations with all five labor organizations on two year agreements for wages and fringe benefits. Wage agreements reached for the two year period through June 30, 2004 or July 31, 2004, as applicable, included increases of 5.0% per year.

The District's administrators are represented by the Hamilton City Organization of School Administrators and Supervisors (HCOSAS). District teachers and educational specialists are represented for collective bargaining purposes by the Hamilton Classroom Teachers Association (HCTA). Classified employees are represented by three bargaining units depending on the position held with the District. They are as follows:

- A) Bus drivers are represented by the Ohio Association of Public School Employees Chapter 711 (OAPSE 711).
- B) Clerical staff are represented by the Ohio Association of Public School Employees Chapter 151 (OAPSE 151).
- C) The District's maintenance and food service employees are represented by the American Federation of State Municipal and County Employees (AFSCME 468).

SERVICES PROVIDED

The District provides a wide variety of educational and support services as mandated by the Ohio Revised Code or Board directives. The District's fleet of buses provides transportation services to public and parochial students. Many of the District's students walk to school due to the proximity of neighborhood schools to student population centers.

The food service department serves meals daily at the District's seventeen school lunchrooms. The District's food service department also operates a central warehouse for federal commodities and bulk purchase food items.

In addition to transportation and school lunch support services offered children in the District, they also receive guidance, psychological, and health services free of charge. The guidance services are designed to help a student match their natural skills with vocational and/or academic programs to help them achieve their full potential in life. Psychological services offer a wide variety of help to students ranging from early developmentally handicapped identification to drug and behavior counseling. Health services provide limited medical services free of charge to many of Hamilton's youths who otherwise would be unable to have access to these basic needs.

At the center of the District's services are the instructional programs. The District offers regular instructional programs daily to students grades kindergarten through twelve. The District serves students with an interest in specific trades through vocational education. Children who need individual instruction, who are physically or mentally handicapped, or who are academically gifted are also served by the District. These students receive service through the wide array of special education programs offered in the District.

Programs are also offered to adults in the community through the adult education and adult basic education programs. These programs are designed to offer continuing education to non traditional students and to help adults obtain a high school diploma.

Finally, there are several academic and athletic programs, which students can participate in to provide a number of enriching experiences. Many lessons and activities provide a lifetime of memories to Hamilton's students.

MAJOR INITIATIVES AND EVENTS – 2003

Groundbreaking on the First new School Construction in 45 Years

On October 31, 2002, the Hamilton City School District broke ground on the new Freshman School. This event marked a milestone as this school is the first new school construction for the Hamilton City

Schools in 45 years. Students, teachers, parents, business and community members were all on hand to celebrate this groundbreaking. The Freshman School, located at the corner of NW Washington Boulevard and West Elkton Road is scheduled to be completed for the beginning of the 2004-2005 school year.

Superintendent Baker participated in President's Economic Forum in Waco, Texas

Hamilton City School District Superintendent Janet Baker was invited by President George W. Bush to participate in his Economic Forum which was held in Waco, Texas in August, 2002. Mrs. Baker was a member of the small group discussion entitled Education and Workers. Labor Secretary Elaine Chao and Education Secretary Rod Paige served as facilitators for the discussion. Mrs. Baker was asked to present their findings to President Bush and his staff. National television broadcasting companies CNN and CSPAN covered the Forum live and Mrs. Baker's presentation was seen throughout the nation.

Garfield Junior High School Named "School of Promise"

Garfield Junior High School was named as a "School of Promise" by the Ohio Superintendent Dr. Susan Tave Zelman. Garfield was one of only 52 schools named for this distinction. Dr. Zelman recognized schools that reach high levels of academic success in spite of high levels of poverty.

Courses of Study Approved

The Hamilton City School District continues to place a high priority on the instructional needs of students. Board of Education members approved six courses of study that included Biology AP (Advanced Placement), Physics AP, European History AP, Language Arts for 10th grade honors, 11th grade honors and 12th grade AP. The District will continue to increase the advanced placement offerings. These courses of study will be implemented in the 2003-2004 school year. New Math and Social Studies books for students in grades 7-12 were also approved.

Hamilton High School 2002-2003

The Hamilton High School Class of 2003 graduated close to 500 students at Millett Hall on the Miami University campus. Over 225 scholarships and awards were earned by the graduates. Seven students had perfect attendance for all three years of high school. One student, Chris Hamblin, had perfect attendance for all 13 years of school. The Hamilton City School District salutes these fine graduates.

Close to 300 students from Hamilton High School were invited to attend the Silver Honor Roll banquet by earning a 3.00 to 3.49 GPA during the year. Again, close to 300 students qualified for the Gold Honor Roll for achieving a 3.5 GPA or higher.

Close to 1,000 Hamilton High School students, well over half of the population, enjoyed a cookout to celebrate their good behavior. Students were also rewarded for having missed three days or less of school with a Karaoke Night, complete with free food and great music.

District Receives \$294,900 Knowledgeworks Grant

The Hamilton City School District received an Ohio High School Transformation Initiative Grant from the Knowledgeworks Foundation. The grant focuses on creating school-based leadership teams made up of teachers, students, parents, community and business leaders. The team spent the year learning from

some of the nations' top researchers about what makes a quality high school. The goal is to explore ways to make the large high school into smaller, more personal environments. The District was one of 17 urban school districts in Ohio to receive this grant.

Garfield Junior High School Renovation Continues

Garfield Junior High School underwent a total renovation during the 2002-2003 school year. Work was done in five phases with students and staff being inconvenienced with the remodeling. They are to be commended for their patience and the final result was well worth it as Garfield received all new wiring, new ceilings and floors, new lockers, new student and teacher desks and furniture and state-of-the-art science rooms and media center. The community should take pride in this renovation as funds from the 1999 bond issue enabled the District to update this 44 year old building.

Hamilton High School Partners with Lane Library

Hamilton High School opened its new Media Center during the evenings to offer special programming in conjunction with the Lane Library. Free computer classes were offered to community members to learn how to master tasks like communicating with their out-of-town family members through e-mails or learn basic computer programs. With a growing number of Spanish speaking members in our community, free English classes were offered to help break down the language barrier.

District Receives Federal Security Grant

The District was aggressive in seeking a \$500,000 federal grant to increase our existing security. Cameras and monitors were placed in secondary buildings to ensure greater security for students, staff and community.

Superintendent Baker Addresses National Meeting of Junior Achievement Executives

Superintendent Janet Baker spoke at the Junior Achievement national convention in Houston, Texas. She shared with them the increased accountability that state and local districts are facing with the implementation of the No Child Left Behind education bill that was signed at Hamilton High School by President George W. Bush on January 8, 2001. Baker explained that viable programs like JA may need to change their programming to better support schools in this effort.

MAJOR INITIATIVES FOR THE FUTURE

Academic Progress

The Hamilton City School District is committed to continue its academic success for all students. Each school creates its own Continuous Improvement Plan which drives the academic focus for that school. Professional Development training for staff members continues to enhance student learning as well. Over 2,500 staff members participated in staff development and in-services during the 2002-2003 school year, with many trainings being led by our own staff members.

School Facilities

The District is very excited about the total renovation of Garfield Junior High School which will be transformed into a true middle school for the 2004-2005 school year when the new Freshman School

will open. As the first new school construction in 45 years, the community should take pride in this new, state-of-the-art facility that will better prepare our students for the world of work in the 21st century.

The District will continue to work with the Ohio School Facilities Commission to ensure that all new elementary schools will replace our aging 14 elementary schools that range from 45 to close to 100 years old.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing accounting entity. Records for general governmental operations are maintained on a cash basis system of accounting as prescribed by the Auditor of State. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). The Board approved a conversion to GAAP for financial reporting beginning with the 1990 fiscal year.

Internal Controls

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

Single Audit Act

As a recipient of federal and state financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District.

As part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2003 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

The District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. The District also maintains an encumbrance accounting system to assist in budgetary control. Unencumbered appropriations lapse at

year-end. Encumbered amounts at year-end are carried forward to succeeding years and not re-appropriated. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

In order to comply with Ohio budgetary law, the School District Amends the appropriations during the last week of the fiscal year. Since little or no financial transactions are completed after this amendment, the budget versus actual variance is typically insignificant. Amendments are properly approved in accordance with Ohio law.

OTHER INFORMATION

Awards:

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Hamilton City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2002. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence on Financial Reporting for the fiscal year ended June 30, 2002 to the District. This is the tenth consecutive year the District has received this award. This award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2002 substantially conforms to the principles and standards financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003, which will be submitted to ASBO for review, will again conform to ASBO's principles and standards as well.

Independent Audit

State statutes require an annual audit by independent accountants or the State Auditor's Office. Clark, Schaefer, Hackett & Co. conducted the District's 2003 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act as amended in 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

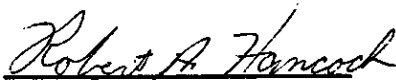
The preparation and publication of this report on a timely basis could not have been possible without the cooperation of the entire Treasurer's Department. A special note of appreciation is extended to the District's Accountant, Mark Schiel, for his individual efforts in preparing this report.

And finally, this report would not have been possible without the support and interest of the Board. Without their leadership and commitment to excellence this report would not be possible.

Sincerely,



Janet Baker
Janet Baker
Superintendent



Robert A. Hancock
Robert A. Hancock, CPA
Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Hamilton City School
District, Ohio

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

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



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

HAMILTON CITY SCHOOL DISTRICT

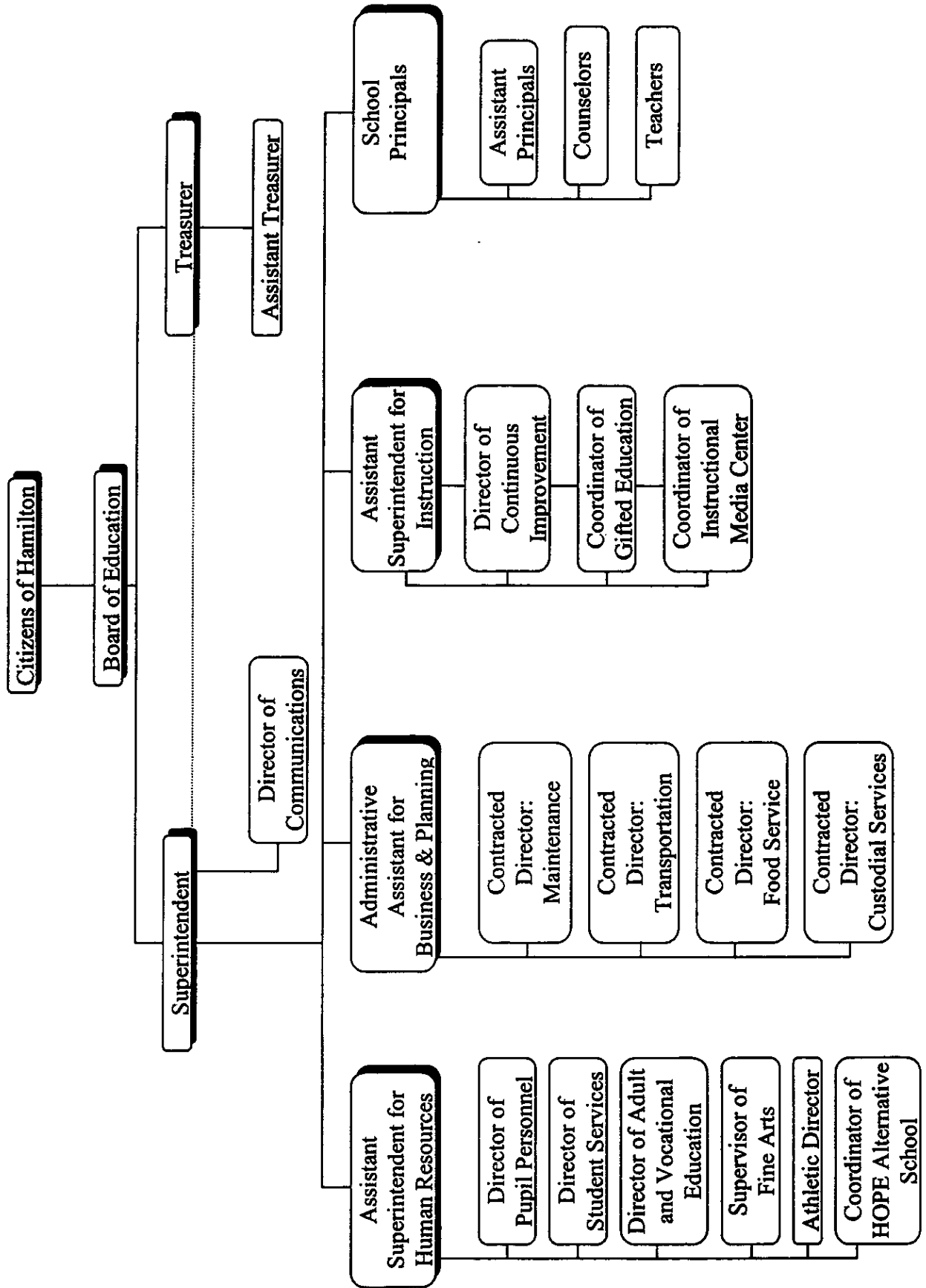
For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2002

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

President

Executive Director

Hamilton City School District Organizational Chart



**Hamilton City School District
Appointed Officials**

Official	Title
Mrs. Janet Baker	Superintendent
Mr. Robert A. Hancock, CPA	Treasurer
Mrs. Barbara Fuerbacher	Assistant Superintendent of Instruction
Dr. Everett Mann	Administrative Assistant of Business and Planning and State and Federal Programs
Mrs. Kathy Leist	Administrative Assistant for Human Resources
Mr. Jim Boerke	Director of Planning and Construction Services
Mrs. Joni Copas	Director of Communications
Mrs. Kathleen Donoff	Director of Pupil Personnel
Mrs. Joan Avery	Director of Continuous Improvement
Mrs. Judy Carnes	Director of Student Services
Mr. Herbert Dietz	Director of Adult and Vocational Education
Mr. Laurin Sprague	Director of Fine Arts
Mr. Mike Burns	Director of Custodial Services
Mr. Lee Wallace	Director of Maintenance
Mrs. Beverly Martin	Director of Transportation
Ms. Cinde Gorbandt	Director of Food Service
Mr. Randy Bertram	Assistant Treasurer
Mr. John Ross	Athletic Director
Mr. Clair Brustkern	Coordinator of Instructional Media Center
Mrs. Sue Clover	Coordinator of Gifted Education

**Hamilton City School District
Consultants and Advisors
As of June 30, 2003**

Architect

Steed-Hammond-Paul
82 Williams Avenue
Hamilton, Ohio 45011

Bond Council

Peck, Shaffer, & Williams
201 E. Fifth Street, Suite 900
Cincinnati, Ohio 45202

Independent Auditor

Clark, Schaefer, Hackett, & Co.
160 N. Briel Blvd
Middletown, Ohio 45042

Investment Counselor

Seasongood & Mayer
414 Walnut Street
Cincinnati, Ohio 45202

Legal Council

Ennis, Roberts, & Fischer
Attorneys at Law
121 West Ninth Street
Cincinnati, Ohio 45202

Scheper & McGowan
2 South Third Street
Hamilton, Ohio 45011

Official Depositories

Fifth Third Bank
200 North Brookwood Avenue
Hamilton, Ohio 45013

First Financial Bank
High and Third Streets
Hamilton, Ohio 45011

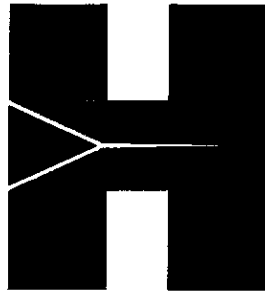
KeyBank, N.A.
Second and High Streets
Hamilton, Ohio 45011

U. S. Bank, N.A. Butler County
High and Journal Square
Hamilton, Ohio 45011

State Treasury Asset Reserve of Ohio
1228 Euclid Avenue
Cleveland, Ohio 44115

Health Insurance-3rd Party Administrator

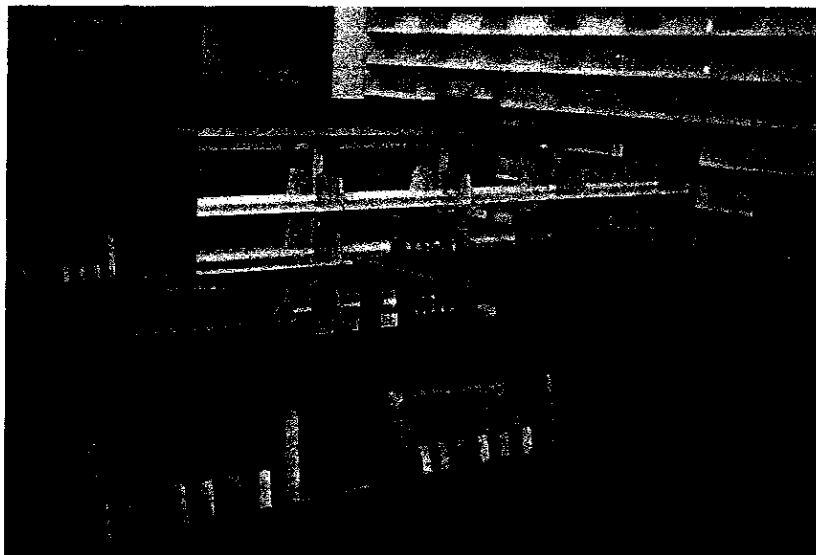
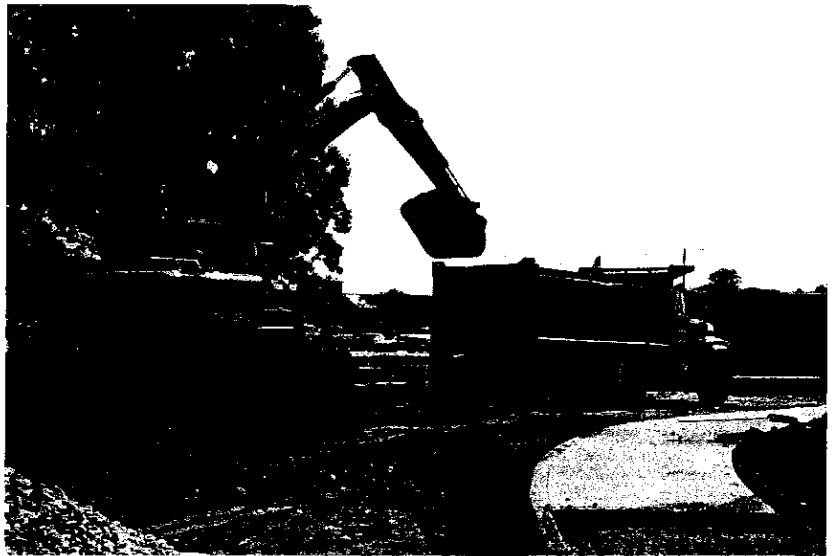
J. F. Molloy & Associates, Inc.
8909 Purdue Road, Suite 100
Indianapolis, IN 46268



HAMILTON
CITY SCHOOL
DISTRICT

Financial Section

During the 2002-2003 school year, Garfield Junior High School underwent an extensive renovation that was completed in five phases. Students and staff are to be commended for their patience and perserverance as construction and remodeling took place throughout the building.



Garfield was rewarded for its academic progress as it was named as one of only 52 schools across the state of Ohio as a "School of Promise" from State Superintendent Dr. Susan Tave Zelman.

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Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Hamilton City School District:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton City School District, as of and for the year ended June 30, 2003, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton City School District, as of June 30, 2003, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3 to the basic financial statements, the School District adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – For State and Local Governments*; Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; Statement No. 38, *Certain Financial Statement Note Disclosures*; Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, as of July 1, 2002. This results in a change in the format and content of the basic financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2004, on our consideration of Hamilton City School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The Management's Discussion and Analysis and the budgetary information on pages 3 through 12 and 50 through 54, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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.

Clark, Scharfer, Haskell & Co.

Middletown Ohio
January 16, 2004

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

Management's discussion and analysis of the Hamilton City School District's financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2003. The purpose of this discussion and analysis is to look at the School District's financial performance as a whole. The transmittal letter and notes to the financial statements will also enhance your understanding of the School District's financial statements.

Using this Comprehensive Annual Financial Report

This report is a series of financial statements and notes to those financial statements. The statements are organized in a manner that enhances the reader's understanding of the District's financial condition as a whole. The report then continues to provide increasingly detailed financial information about specific financial activities for those readers that desire more in depth information.

Financial Highlights

- ◆ Total program expenses were \$80.3 million during FY 2003.
- ◆ Non-Instructional Service expenses of \$4.6 million include the food service operation which we have chosen to show as a governmental activity.
- ◆ Operating Grants and Contributions amounted to \$13.3 million in FY 2003 which is a result of the District aggressively seeking grant dollars.
- ◆ As of June 30, 2003, the District had \$123.9 million in assets and \$94.5 million in liabilities which resulted in net assets of \$29.4 million.
- ◆ The District decreased outstanding debt by \$1.35 million in FY 2003 which leaves us with \$44.8 million in outstanding debt.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The statement of net assets present information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

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

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include instruction, support services, administration, operation and maintenance of plant, and extracurricular activities. The District has no business-type activities.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

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

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

The District accounts for its activities using many individual governmental funds. The most significant funds, known as major funds, are reported in separate columns in the governmental fund financial statements. These statements provide detailed information about the individual major funds – unlike the government-wide financial statements, which report on the District as a whole. The District's major funds include the following: General Fund, Debt Service Fund, Permanent Improvement Fund, and Building Program

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

Fund. Data for the other governmental funds are combined into a single aggregated presentation.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to understanding the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

A. Net Assets at year-end

The following table presents a condensed summary of the District's overall financial position at June 30, 2003:

	Governmental Activities (In Millions)
Assets	
Current and Other Assets	\$69.1
Capital Assets	<u>54.8</u>
Total Assets	123.9
Liabilities	
Long-Term Liabilities	49.8
Other Liabilities	<u>44.7</u>
Total Liabilities	94.5
Net Assets	
Invested in Capital Assets, net of debt	24.1
Restricted	24.2
Unrestricted	<u>(18.9)</u>
Total Net Assets	<u>\$29.4</u>

Investment in capital assets represents 82% of the District's net assets. Capital assets are used primarily to provide educational services to the community and the value of net capital assets is not available for future spending. The District has 82% of the net assets reserved for specific purposes primarily related to the ongoing building program. Unrestricted net assets could be used for additional educational needs in future periods but we currently have -\$18.9 million or -64% of net assets in this category.

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

This is the first year to report all activities using the full accrual basis of accounting; therefore, a comparison to the prior year is not possible. In future years this section will explain the differences between current year and prior year assets, liabilities and changes in net assets.

B. Governmental Activities during FY 2003

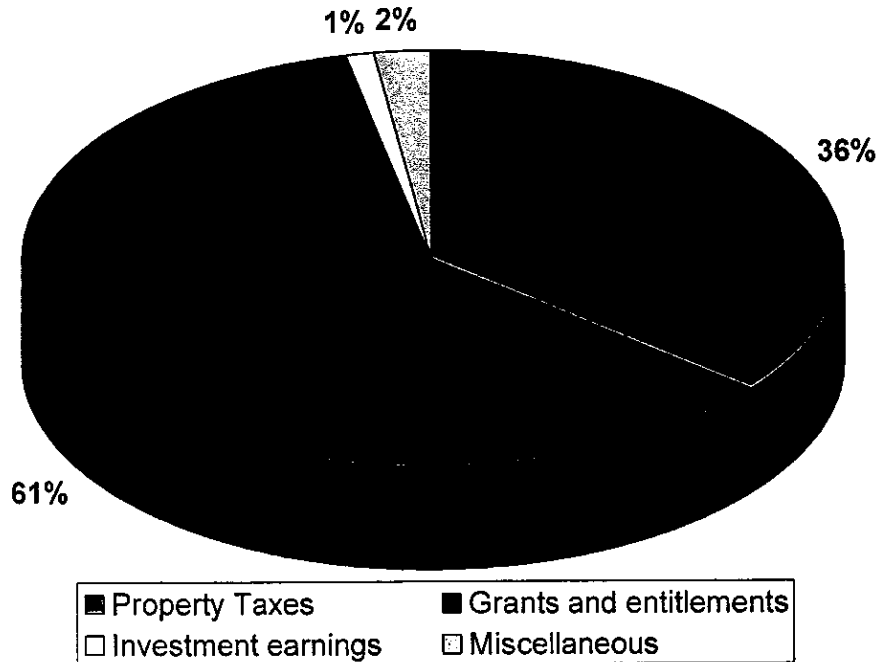
The following table presents a condensed summary of the District's activities during fiscal year 2003 and the resulting change in net assets:

	Governmental Activities
Revenues:	
Program revenues:	
Charges for services and sales	\$1,339,749
Operating grants and contributions	13,272,717
Capital grants and contributions	<u>247,906</u>
Total Program revenues	14,860,372
General Revenues:	
Property taxes	23,177,182
Grants and entitlements	39,133,820
Investment earnings	737,714
Miscellaneous	<u>1,452,341</u>
Total general revenues	<u>64,501,057</u>
Total Revenues	79,361,429
Expenses:	
Instruction	43,363,494
Support Services	28,743,071
Non-instructional services:	
Food Service Operations	3,141,280
Community Services	1,429,486
Extracurricular Activities	1,075,436
Intergovernmental	37,000
Interest and fiscal charges	<u>2,533,498</u>
Total expenses	<u>80,323,265</u>
Change in net assets	(961,836)

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2003
Unaudited

General Revenue Sources



Program revenues account for \$14.9 million or 18.7% of total revenues primarily due to the District's aggressive approach to seeking grant dollars which totaled \$13.3 million. General revenues provide \$64.5 million or 81.3% of total revenues. The major components of general revenue are property taxes at \$23.2 million or 35.9% and State and Federal Funding at \$39.1 million or 60.7% of general revenue. The District's general operations are heavily reliant upon state foundation revenues and local property taxes.

As previously mentioned, because this is the first year to report all activities using the accrual basis of accounting, a comparison to the prior year is not possible. In future years this section will explain differences between the current and prior revenues and expense.

The following table presents the total cost of each of the government's primary services and the comparative net cost after deducting the revenues generated by each function.

Instruction accounts for 54% of program expenditures while support services generate 36% of program expenditures. The District strives to focus spending in the areas of instruction and support services which are the key to student achievement. Non-Instructional services total 6% of expenditures with the remaining amounts being spent in the areas of extracurricular activities, intergovernmental, and interest on long term debt.

HAMILTON CITY SCHOOL DISTRICT

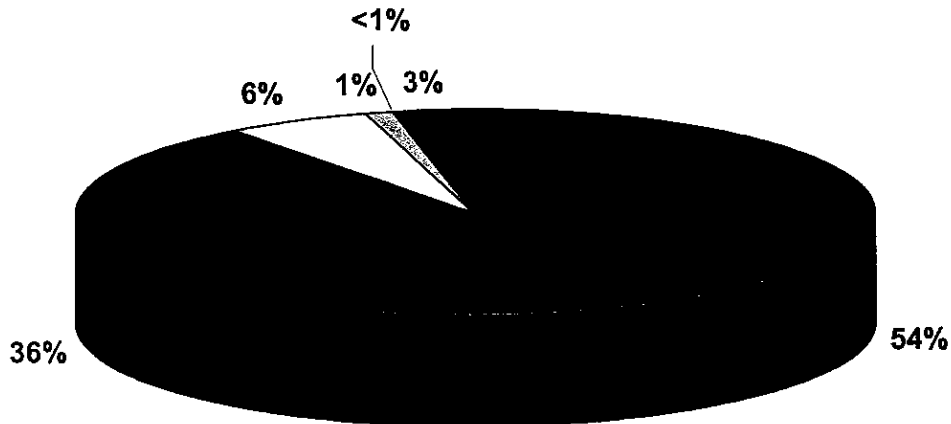
Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

Governmental Activities

	Total Cost of Services	Program Revenue	Revenue as a % of Total Costs	Net Cost of Services
Instruction	\$43,363,494	\$7,639,068	17.6%	\$35,724,426
Support services	28,743,071	3,129,105	10.9%	25,613,966
Non-instructional services	4,570,766	4,092,199	89.5%	478,567
Extracurricular Activities	1,075,436	-	0.0%	1,075,436
Intergovernmental	37,000	-	0.0%	37,000
Interest on Long-Term Debt	2,533,498	-	0.0%	2,533,498
Total	\$80,323,265	\$14,860,372	18.5%	\$65,462,893

Source: Statement of Activities

Cost of Services by Category



■ Instruction	■ Support Services
□ Non-instructional Services	▨ Extracurricular Activities
■ Intergovernmental	■ Interest on Long-Term Debt

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

Governmental Funds

The District's governmental funds (as presented on the balance sheet) reported a combined fund balance of \$24.9 million. The table below indicates the fund balance by fund type as of June 30, 2003. The unreserved fund balance can be a useful tool in measuring the school district's net resources available for expenditure at the end of the fiscal year. The school district has four major governmental funds. The vast majority of net resources available at year end are associated with the ongoing building program for which spending priorities have been established.

	Unreserved Fund Balance
General	\$357,110
Debt Service	732,151
Permanent Improvement	7,549,213
Building	14,078,854
Other Governmental Funds	<u>2,191,288</u>
Total	<u>\$24,908,616</u>

General Fund

Equity in pooled cash and investments stands at \$8.3 million at June 30, 2003 as compared to \$6.9 at June 30, 2002 because the school district received \$1.4 million more than it spent in FY-03 on a cash basis. Taxes receivable of \$22.0 million equals one year's estimated annual tax receipts due to the fact that districts collect tax revenue one year in arrears. Taxes receivable is offset with a deferred revenue for that portion not intended to finance current operations.

Accrued wages and benefits payable quantify the dollar value of wages and benefits earned but not received as of June 30, 2003. This is primarily due to teaching personnel that conclude their contractual obligations in early June but are paid on a 26 pay cycle that doesn't begin until September. Encumbrances represent orders for goods in services placed on or before June 30, 2003 that were not received and or paid for by June 30, 2003. The General Fund balance at June 30, 2003 was \$357,110 up \$351,947 from FY 2002.

Debt Service Fund

All bonded debt is required to be retired through the Debt Service Fund. Proceeds from the 4.4-mil bond issue passed in May 1999 are deposited into the Debt Service Fund and payments per the District's amortization scheduled are made from the Debt Service Fund,

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

as required. In FY 2003, the District received \$3.5 million in Debt Service revenue and expended \$3.9 million primarily in principal and interest payments on bonded debt.

Permanent Improvement Fund

The Permanent Improvement Fund accounts for interest earnings on bonds issued in May 1999 and the revenue generated from three inside mills. Annual revenue was \$2.9 million in FY 2003 while total expenditures were \$3.0 million. Expenditures in the Permanent Improvement Fund are for items which have a useful life of at least five years. The District anticipates the majority of the remaining fund balance to be used in its current construction projects.

Building Program Fund

The Building Program Fund contains the proceeds of the \$45 million bonded debt issued in May 1999. During FY 2003, the District made a correcting entry to its revenues in the Building Program Fund to account for interest revenue which was attributable to FY 2002. The District had expenditures of \$11.7 million in the Building Program Fund during FY 2003. The District anticipates the remaining fund balance of \$14 million to be used in its current building program during FY 2004.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared in accordance to Ohio law and is based on the cash basis of accounting. The most significant budgeted fund is the General Fund.

During FY 2003, the District amended its General Fund budget as additional information became available. The General Fund budgeted revenue was originally estimated at \$55.3 and the final estimate was \$57.1 million. This variance was primarily due to a decrease in tangible tax revenue and intergovernmental receipts that came in higher than anticipated.

General Fund budgeted expenditures were originally \$56.3 million while the final budgeted expenditures were \$57.4 million. The increase in budgeted expenditures was spread throughout the various programs of the General Fund.

The District utilizes the five-year forecast as the original budget document. Upon updating the financial forecast for changes in revenue and expenditure assumptions the school appropriation process starts with the preparation of building budgets which are based on equal amounts per pupil. We add departmental budgets which are based on program need. Current operating costs including salaries, fringe benefits, utilities, etc are combined to arrive at a final appropriation. The appropriations must fall within the confines of the financial resources that the District has included in its financial forecast.

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2003, the District had \$54.8 million in capital assets net of depreciation. Acquisitions for governmental activities totaled \$12.1 million and depreciation was \$2.1 million. The majority of acquisitions were the result of District's progress on its facilities master plan.

Debt Administration

A summary of long-term debt obligations can be found in Note 8.

In 1999 the school district passed a 4.4 mil bond issue that raised \$45,000,000 additions, renovations and new construction. The projects completed or in process at June 30, 2003 include:

- ◆ Media Center, Music Rooms and Science Labs at Wilson Junior High School;
- ◆ Phase I Additions and Renovations to Hamilton High School;
- ◆ Garfield Junior High – Completely Renovated;
- ◆ Phase II Additions and Renovations to Hamilton High School; and
- ◆ New Freshman School.

As of June 30, 2003 the school district had \$43,890,000 in outstanding bonds with \$1,125,000 of that amount due within one year.

The District's overall legal debt margin is \$36.5 million as of June 30, 2003.

ECONOMIC FACTORS

Like most districts in the state of Ohio, the District's biggest general operating financial challenge is state funding for K-12 schools. The school funding lawsuit for all practical purposes has come to a conclusion and any future increases from

The legislature will be dependent upon the financial condition of the State of Ohio. We have planned for very modest increases of 2% per year in the per pupil allocation.

Other Economic Factors:

- ◆ The District is in its 11th year since a new operating levy was passed. While the district administration and the Board of Education are committed to making our financial resources stretch as far as possible the level of future increases from the State of Ohio will dictate when the district needs the next operating levy.

HAMILTON CITY SCHOOL DISTRICT

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2003 Unaudited

- ◆ Enrollment Trends – The District has seen a steady decline in student population for the past ten years through fiscal 2003. Future enrollment estimates have the district increasing slightly in enrollment starting in FY 2005. To our pleasant surprise, the District actually had an increase of 105 students for the school year that is underway at the writing of this report.
- ◆ The District experienced a \$51.52 per pupil reduction in state funding midway through FY 2003 in the amount of \$457,611 due to an executive order by the Governor.
- ◆ A multi-family housing development and a 200 home development that is approximately 30% complete should bring additional students into the District over the next several years.
- ◆ Negotiated increases for our personnel expire at the end of FY 2003. Negotiations for the final year of the labor agreements will begin in the spring of 2004.

Contacting the School District's Financial Management

This financial report is designed to provide our citizen's, taxpayers and investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Should you have questions about this report or need additional financial information, please contact Robert Hancock, Treasurer at Hamilton City School District, 533 Dayton Street, Hamilton, OH 45013.

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**Hamilton City School District
Statement of Net Assets
June 30, 2003**

	<u>Governmental Activities</u>
ASSETS:	
Equity in Pooled Cash and Investments	\$ 38,472,302
Receivables (Net of Allowances for Uncollectibles):	
Taxes	28,399,207
Taxes - Delinquent	1,971,845
Accounts	7,780
Accrued Interest	26,797
Intergovernmental	171,527
Prepayments	56,402
Materials and Supplies Inventory	22,513
Non-Depreciable Capital Assets	12,900,524
Depreciable Capital Assets (Net)	41,901,026
Total Assets	<u>\$ 123,929,923</u>
LIABILITIES:	
Accounts Payable	\$ 1,268,367
Contracts Payable	2,250,265
Accrued Wages and Benefits	10,577,678
SERS Payable	487,496
Retainage Payable	391,908
Due to Other Governments	309,015
Deferred Revenue	29,224,580
Accrued Interest Payable	204,264
Non-Current Liabilities:	
Due in One Year	2,039,367
Due in More Than One Year	47,782,187
Total Liabilities	<u>\$ 94,535,127</u>
FUND BALANCES	
Invested in Capital Assets (Net of Related Debt)	\$ 24,102,453
Restricted For:	
Capital Projects	23,665,398
Other Purposes	554,250
Unrestricted	(18,927,305)
Total Net Assets	<u>\$ 29,394,796</u>

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

**Hamilton City School District
Statement of Activities
June 30, 2003**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenue (Expense) and Changes in Net Assets</u>
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:					
Instruction:					
Regular	\$30,736,292	\$ 64,068	\$ 3,475,598	\$ 213,000	\$(26,983,626)
Special	9,078,938	-	3,361,915	-	(5,717,023)
Vocational	2,510,625	5,485	244,791	-	(2,260,349)
Adult/Continuing	278,216	5,847	268,364	-	(4,005)
Other	759,423	-	-	-	(759,423)
Support Services:					
Pupils	6,013,694	-	961,107	-	(5,052,587)
Instructional Staff	4,905,303	-	1,710,550	22,060	(3,172,693)
Board of Education	290,144	-	-	-	(290,144)
Administration	4,486,137	-	268,552	-	(4,217,585)
Fiscal	1,144,014	-	-	-	(1,144,014)
Business	660,154	-	90,705	-	(569,449)
Operations and Maintenance	7,435,485	-	63,285	-	(7,372,200)
Pupil Transportation	2,801,257	-	-	-	(2,801,257)
Central	1,006,883	-	-	12,846	(994,037)
Non-Instructional Services:					
Food Service Operations	3,141,280	1,264,349	1,729,969	-	(146,962)
Community Services	1,429,486	-	1,097,881	-	(331,605)
Extracurricular Activities	1,075,436	-	-	-	(1,075,436)
Intergovernmental	37,000	-	-	-	(37,000)
Interest on Long-Term Debt	2,533,498	-	-	-	(2,533,498)
Total Governmental Activities	\$80,323,265	\$1,339,749	\$13,272,717	\$ 247,906	\$(65,462,893)
 General Revenues:					
Property Taxes, Levied for General Purposes					17,920,246
Property Taxes, Levied for Debt Services					3,067,064
Property Taxes, Levied for Permanent Improvement					2,189,872
Grants and Entitlements not Restricted to Specific Programs					39,133,820
Investment Earnings					737,714
Miscellaneous					1,463,265
Loss on Sale of Capital Assets					(10,924)
Total General Revenues and Loss on Sale of Capital Assets					<u>64,501,057</u>
 Change in Net Assets					(961,836)
 Net Assets Beginning of Year					30,356,632
Net Assets End of Year					<u><u>\$ 29,394,796</u></u>

**Hamilton City School District
Balance Sheet
Governmental Funds
June 30, 2003**

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Building Program</u>
ASSETS:				
Equity in Pooled Cash and Investments	\$ 8,311,127	\$ 630,337	\$ 7,798,734	\$ 16,413,815
Receivables (Net of Allowances for Uncollectibles):				
Taxes	21,990,043	3,795,712	2,613,452	-
Taxes - Delinquent	1,475,285	206,901	289,659	-
Accounts	3,588	-	-	-
Accrued Interest	5,625	-	21,172	-
Intergovernmental	23,886	-	-	-
Interfund Loan Receivable	706,447	-	-	-
Due from Other Funds	2,084	-	-	-
Prepayments	56,365	-	-	37
Materials and Supplies Inventory	-	-	-	-
Total Assets	<u>\$32,574,450</u>	<u>\$ 4,632,950</u>	<u>\$ 10,723,017</u>	<u>\$ 16,413,852</u>
LIABILITIES:				
Accounts Payable	\$ 426,933	\$ -	\$ 412,722	\$ 216,495
Contracts Payable	-	-	-	1,726,555
Accrued Wages and Benefits	8,784,365	-	-	-
Compensated Absences Payable	26,416	-	-	-
Retainage Payable	-	-	-	391,908
Interfund Loans Payable	-	-	-	-
Due to Other Governments	243,208	-	510	40
Due to Other Funds	1,681	-	-	-
Deferred Revenue	22,734,736	3,900,799	2,760,572	-
Total Liabilities	<u>\$32,217,339</u>	<u>\$ 3,900,799</u>	<u>\$ 3,173,804</u>	<u>\$ 2,334,998</u>
FUND BALANCES				
Reserved for:				
Encumbrances	\$ 1,277,648	\$ -	\$ 714,821	\$ 15,640,809
Inventory	-	-	-	-
Prepayments	56,365	-	-	37
Property Taxes	730,592	101,814	142,539	-
Unreserved, Reported In:				
General Fund	(1,707,494)	-	-	-
Debt Service Fund	-	630,337	-	-
Special Revenue Fund	-	-	-	-
Capital Projects	-	-	6,691,853	(1,561,992)
Total Fund Balances	<u>\$ 357,111</u>	<u>\$ 732,151</u>	<u>\$ 7,549,213</u>	<u>\$ 14,078,854</u>
Total Liabilities and Fund Balances	<u>\$32,574,450</u>	<u>\$ 4,632,950</u>	<u>\$ 10,723,017</u>	<u>\$ 16,413,852</u>

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

Hamilton City School District
Balance Sheet
Governmental Funds (Continued)
June 30, 2003

	Other Governmental Funds	Total Governmental Funds
ASSETS:		
Equity in Pooled Cash and Investments	\$ 5,318,289	\$ 38,472,302
Receivables (Net of Allowances for Uncollectibles):		
Taxes	-	28,399,207
Taxes - Delinquent	-	1,971,845
Accounts	4,192	7,780
Accrued Interest	-	26,797
Intergovernmental	147,641	171,527
Interfund Loan Receivable	-	706,447
Due from Other Funds	-	2,084
Prepayments	-	56,402
Materials and Supplies Inventory	22,513	22,513
Total Assets	\$ 5,492,635	\$ 69,836,904
LIABILITIES:		
Accounts Payable	\$ 212,217	\$ 1,268,367
Contracts Payable	523,710	2,250,265
Accrued Wages and Benefits	1,793,313	10,577,678
Compensated Absences Payable	-	26,416
Retainage Payable	-	391,908
Interfund Loans Payable	706,447	706,447
Due to Other Governments	65,257	309,015
Due to Other Funds	403	2,084
Deferred Revenue	-	29,396,107
Total Liabilities	\$ 3,301,347	\$ 44,928,287
FUND BALANCES		
Reserved for:		
Encumbrances	\$ 4,026,478	\$ 21,659,756
Inventory	22,513	22,513
Prepayments	-	56,402
Property Taxes	-	974,945
Unreserved, Reported In:		
General Fund	-	(1,707,494)
Debt Service Fund	-	630,337
Special Revenue Fund	(1,333,968)	(1,333,968)
Capital Projects	(523,735)	4,606,126
Total Fund Balances	\$ 2,191,288	\$ 24,908,617
Total Liabilities and Fund Balances	\$ 5,492,635	\$ 69,836,904

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

**Hamilton City School District
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2003**

Total Governmental Fund Balances \$24,908,617

Amounts reported for governmental activities in the Statement of Assets are different because of the following:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 54,801,550

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds. 171,527

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

HB 264 Notes Payable	(500,000)
General Obligation Notes Payable	(43,890,000)
Bond Anticipation Notes Payable	(375,000)
Capital Lease Payable	(12,951)
Compensated Absences	(5,017,187)
SERS Payable	(487,496)
Accrued Interest Payable	(204,264)

Net Assets of Governmental Activities \$29,394,796

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Hamilton City School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
June 30, 2003

	General	Debt Service	Permanent Improvement	Building Program
Revenues:				
Taxes	\$ 17,920,246	\$ 3,067,064	\$ 2,189,872	\$ -
Tuition	490,562	-	-	-
Charges for Services	-	-	-	-
Earnings on Investments	362,267	-	411,621	(42,000)
Intergovernmental	37,890,068	411,594	272,790	-
Other Local Revenues	126,365	75,000	-	4,400
Total Revenues	<u>56,789,508</u>	<u>3,553,658</u>	<u>2,874,283</u>	<u>(37,600)</u>
Expenditures:				
Current:				
Instruction:				
Regular	24,329,316	-	1,187,624	385,154
Special	5,649,778	-	12,308	-
Vocational	1,723,968	-	-	-
Adult/Continuing	-	-	-	-
Other	759,423	-	-	-
Support Services:				
Pupils	4,359,089	-	11,357	-
Instructional Staff	2,665,644	-	147,687	-
Board of Education	242,052	-	22,701	-
Administration	4,132,337	-	16,008	-
Fiscal	1,053,263	43,672	37,929	-
Business	531,917	-	13,631	-
Operations and Maintenance	7,139,692	-	80,453	10,967
Pupil Transportation	2,042,874	-	298,974	-
Central	708,036	-	71,476	11,625
Non-Instructional Services:				
Food Service Operations	-	-	-	-
Community Services	-	-	3,420	11,556
Extracurricular Activities	677,345	-	-	-
Capital Outlay	128,612	-	329,252	11,296,859
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	148,650	1,350,000	800,000	-
Interest and Fiscal Charges	19,273	2,512,837	15,000	-
Total Expenditures	<u>56,311,269</u>	<u>3,906,509</u>	<u>3,047,820</u>	<u>11,716,161</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>478,239</u>	<u>(352,851)</u>	<u>(173,537)</u>	<u>(11,753,761)</u>
Other Financing Sources (Uses):				
Transfers In	-	8,925	-	-
Proceeds from Sale of Fixed Assets	26,833	-	-	-
Transfers Out	(153,125)	-	-	-
Proceeds from Sale of Long-Term Notes	-	375,000	-	-
Total Other Financing Sources (Uses)	<u>(126,292)</u>	<u>383,925</u>	<u>-</u>	<u>-</u>
Change in Fund Balance	351,947	31,074	(173,537)	(11,753,761)
Fund Balance: July 1, 2002	5,164	701,077	7,722,750	25,832,615
Fund Balance: June 30, 2003	<u>\$ 357,111</u>	<u>\$ 732,151</u>	<u>\$ 7,549,213</u>	<u>\$14,078,854</u>

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

Hamilton City School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
June 30, 2003

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	\$ -	\$ 23,177,182
Tuition	47,254	537,816
Charges for Services	1,334,151	1,334,151
Earnings on Investments	9,036	740,924
Intergovernmental	13,243,790	51,818,242
Other Local Revenues	1,368,213	1,573,978
Total Revenues	<u>16,002,444</u>	<u>79,182,293</u>
Expenditures:		
Current:		
Instruction:		
Regular	3,929,994	29,832,088
Special	3,152,886	8,814,972
Vocational	409,195	2,133,163
Adult/Continuing	275,303	275,303
Other	-	759,423
Support Services:		
Pupils	1,495,482	5,865,928
Instructional Staff	1,888,989	4,702,320
Board of Education	-	264,753
Administration	278,063	4,426,408
Fiscal	4,080	1,138,944
Business	90,705	636,253
Operations and Maintenance	87,238	7,318,350
Pupil Transportation	-	2,341,848
Central	125,594	916,731
Non-Instructional Services:		
Food Service Operations	3,072,387	3,072,387
Community Services	1,294,504	1,309,480
Extracurricular Activities	299,339	976,684
Capital Outlay	1,235,604	12,990,327
Intergovernmental	37,000	37,000
Debt Service:		
Principal Retirement	1,106	2,299,756
Interest and Fiscal Charges	143	2,547,253
Total Expenditures	<u>17,677,612</u>	<u>92,659,371</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,675,168)</u>	<u>(13,477,078)</u>
Other Financing Sources (Uses):		
Transfers In	377,285	386,210
Proceeds from Sale of Fixed Assets	-	26,833
Transfers Out	(233,085)	(386,210)
Proceeds from Sale of Long-Term Notes	-	375,000
Total Other Financing Sources (Uses)	<u>144,200</u>	<u>401,833</u>
Change in Fund Balance	(1,530,968)	(13,075,245)
Fund Balance: July 1, 2002	<u>3,722,256</u>	<u>37,983,862</u>
Fund Balance: June 30, 2003	<u>\$ 2,191,288</u>	<u>\$ 24,908,617</u>

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

**Hamilton City School District
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 June 30, 2003**

Net Change in Fund Balance – Total Governmental Funds (\$13,075,245)

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

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.

Capital Outlay	12,145,931
Depreciation Expense	(2,122,028)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 2,299,756

In the Statement of Activities, interest is accrued on outstanding debt, however, in governmental funds, an interest expenditure is reported when due. 13,755

Some expenses reported in the Statement of Activities, such as compensated absences and pension obligation do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (1,307)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 171,526

Proceeds from the sale of long-term notes represent a liability on the Statement of Net Assets. (375,000)

In the Statement of Activities, only the loss on the sale of capital assets is reported. (19,224)

Change in Net Assets of Governmental Activities (\$961,836)

Hamilton City School District
Statement of Net Assets
All Fiduciary Fund Types
June 30, 2003

	Private Purpose Trusts	Agency Funds	Totals
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 103,278	\$ 52,435	\$ 155,713
Cash and Cash Equivalents with Fiscal Agents	500	-	500
Total Assets	103,778	52,435	156,213
LIABILITIES:			
Accounts Payable	536	394	930
Due to Students	-	52,041	52,041
Total Liabilities	536	52,435	52,971
NET ASSETS:			
Held in Trust	\$ 103,242	\$ -	\$ 103,242

Hamilton City School District
Statement of Changes in Net Assets
All Fiduciary Fund Types
June 30, 2003

	<u>Private Purpose Trusts</u>
Additions:	
Interest	\$ 1,233
Contributions	234,357
Total Additions	<u>235,590</u>
Deductions:	
Regular Instruction	1,611
Special Instruction	191
Support Services - Pupils	20,000
Non-Instructional Services	200,858
Other Expenses	3,373
Total Deductions	<u>226,033</u>
Changes in Net Assets	9,557
Net Assets, Beginning of the Year	<u>93,685</u>
Net Assets, End of the Year	<u>\$ 103,242</u>

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

1. Description of the District

The Hamilton City School District (the District) was originally chartered in 1851 by the Ohio State Legislature. In 1853, State laws were enacted to create local Boards of Education. Today, the District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code.

The District operates under a locally elected five member Board (the Board) from of government and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. This Board controls the District's instructional and support facilities staffed by 324 non-certificated personnel and 718 certificated full-time teaching and administrative personnel to provide services to students and other community members.

As of June 30, 2003, the District was the 20th largest in the state of Ohio (among 612 districts) in terms of enrollment and the second largest school district in Butler County. It currently operates 14 elementary schools, 3 junior high schools (grades 7-9), and a comprehensive high school (grades 10-12).

2. Summary of Significant Accounting Policies

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

A. The Reporting Entity

A financial reporting entity consists of a primary government and its component units. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

The District's Board of Education also serves as the statutory overseer of the Lane Public Library (the Library)). As provided by Ohio Law, the Board of Education appoints trustees to the Library and approves the Library's annual tax budget. However, the District is not financially accountable for the activities of the Library. Furthermore, the District has only ministerial approval of the Library's tax budget and can not amend the budget. The trustees are charged with the responsibility of managing the Library's overall operations and the Library is a separate entity for financial reporting purposes. Accordingly, the Library's financial position is not included in this report.

There are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's statements include only the funds of those organizational entities for which its elected

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

B. Fund Accounting

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting with a self-balancing set of accounts. The funds of the District are grouped into the categories of governmental and fiduciary.

Governmental Funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds.

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

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest related cost for the payment of interest on general obligation notes payable, as required by the laws of Ohio.

Permanent Improvement Fund – The Permanent Improvement Fund is used to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements, as required by Chapter 5705 of the Ohio Revised Code.

Building Fund – The Building Fund is used to account for the receipts and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

Fiduciary Funds report on net assets and changes in net assets. The District's fiduciary funds consist of a private-purpose trust fund and agency funds. The District's private-purpose trust fund accounts for scholarship programs for students. These assets are not available for the District's use. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

C. Basis of Presentation

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

The government-wide statements are prepared using the economic resources measurement focus, which differs from the manner in which the governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statement for governmental funds.

The government –wide statement of activities presents a comparison between direct expenses and program revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operations or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements – Fund financial statements report detailed information about the District. The focus of governmental financial statements is on major funds rather than reporting funds by types. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurements focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operations statements of these funds present sources (i.e., revenues and other financial sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and related to the timing of the measurements made.

The modified accrual basis of accounting is used by the governmental funds and agency funds. On a modified accrual basis, revenues are recorded when they become both measurable and available. “Measurable” means the amount of the transaction can be determined “available” means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

fiscal year. The available period for the District is sixty days after fiscal year end. Under the modified accrual basis, the following revenues sources are deemed both measurable and available: property taxes available for advance, interest, tuition, student fees, and grants.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable except for unmatured principal and interest on general long-term debt which is recognized when due. Allocations of costs, such as depreciation, are not recognized in the governmental funds.

Government-wide financial statements are prepared using the accrual basis of accounting. Also, private-purpose trust funds use accrual accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB).

Revenues: Exchange and Non-Exchange Transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Non-exchange transactions, in which the District receives value without directly giving value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes were levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred Revenue – Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes measurable as of June 30, 2003, which are intended to finance fiscal year 2004 operations have been recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

E. Budgetary Process

The budgetary process is described by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The statutory level of budgetary controls is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget – Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain comments from taxpayers. The express purpose of this budget documents 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 Butler County Budget Commission for rate determination.

Certificate of Estimated Resources – Prior to April 1, The Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenues are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2003.

Appropriations Resolution – Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriations resolution must be legally enacted by the Board of Education at the fund level, which is the statutory level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District.

The appropriations resolutions, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at the level of control. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. The budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions. The Board passed supplemental appropriations during the fiscal year.

Encumbrances – As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

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

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

F. Cash and Investments

To improve cash management, all cash received by the District is pooled in central bank accounts. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term investments. Individual fund integrity is maintained through District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

During the fiscal year, the District invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office while allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consisted with rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2003.

The Governmental Accounting Standards Board Statement No. 31 (GASB 31), "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," requires that investments, with certain exceptions, be recorded at their fair value and that changes in the fair value are reported in the operations statements. The District recorded investments held at June 30, 2003 at fair value.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue earned in fiscal year 2003 totaled \$740,924 for all funds.

G. Inventory

All inventories are valued at cost to determine on a first-in, first-out basis. Inventory in governmental funds are recorded as expenditures in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds, which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

H. Capital Assets

Capital assets, which include property; plant; and equipment, are reported in the government-wide financial statements but are not reported in the governmental fund financial statements. The District defines capital assets as those with an individual cost of more than \$1,000 and an estimated

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

useful life in excess of one year. All capital assets are capitalized at cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at their estimated fair values as of the date received. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements. Capital assets are reported as expenditures of the current period in the governmental fund financial statements.

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

<u>Asset</u>	<u>Life (Years)</u>
Land Improvements	10 to 20 years
Building	30 to 50 years
Building Improvements	10 to 40 years
Furniture, Fixtures & Equipment	5 to 20 years
Vehicles	10 to 20 years

I. Interfund Balances

On fund financials, receivables and payables resulting from short-term Interfund loans are classified as "Interfund loans receivable/payable." These amounts are eliminated in the governmental activities column of the statement of net assets.

J. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that has matured, for example, as a result of employee resignations and retirements.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. Governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources with the exception of compensated absences as noted above.

L. Fund Balance Reserves

The District records reservations for portions of fund equity that are legally segregated for specific future use or which do not represent available for appropriation or expenditure. Unreserved fund balances indicate that portion of fund equity that is available for appropriation in future periods. Fund equity reserves are established for encumbrances, property taxes, inventory, and prepayment.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statutes.

M. Net Assets

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

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

N. Estimates

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

3. Change in Accounting Principles

For fiscal year 2003, the District implemented the following:

- GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments*;
- GASB Statement No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments: Omnibus*;
- GASB Statement No. 38, *Certain Financial Statement Note Disclosures*;

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

- GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*; and
- GASB Interpretation No. 6, *Recognition and Measurements of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

GASB Statement No. 34 (GASB 34) creates new basic financial statements for reporting on the District's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column.

In implementing GASB 34, the District has reclassified four funds previously reported as enterprise funds as special revenue funds. In addition, the District has reclassified two internal service funds into the General Fund.

The beginning net asset amount for governmental activities reflects the change in fund balance at June 30, 2002 caused by the conversion to the accrual basis of accounting and the reclassification of funds as noted above.

Fund Balance: All Governmental Funds (06/30/2002)	\$37,981,818
GASB 34 Adjustments:	
Reclassification of Enterprise Funds	(32,870)
Reclassification of Internal Service Funds	34,914
Capital Assets (Net Book Value)	44,796,871
Long-Term Liabilities	(52,206,083)
Accrued Interest Payable	<u>(218,019)</u>
Governmental Activities Net Assets (06/30/2002)	<u>\$30,356,631</u>

For the governmental fund financial statements, the following table shows the effect of fund reclassifications on beginning governmental fund balances.

Fund Balance: All Governmental Funds (06/30/2002)	\$37,981,818
Reclassification of Enterprise Funds	(32,870)
Reclassification of Internal Service Funds	<u>34,914</u>
Governmental Activities Net Assets (06/30/2002)	<u>\$37,983,862</u>

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

4. Fund Balance Deficits

Fund balances at June 30, 2003 included the following individual fund deficits (includes accrual entries).

Special Revenues Funds:

Auxiliary Services	(37,247)	Title VI-B	(79,443)
Career Development	(126)	Carl D. Perkins	(50,757)
Management Information System	(768)	Community Block Grant	(90)
Disadvantaged Pupil Impact Aid	(176,081)	Title I	(152,493)
Ohio Reads Volunteer Grant	(1,318)	Emergency Immigrant Education	(8)
Vocational Education Enhancement	(12,264)	Title VI-B Preschool	(1,212)
Alternative Schools	(21,218)	District Continuous Improvement	(65)
Adult Basic Education	(49,867)	Jobs Education	(18,946)
Economic Security Act	(267)	Food Services	(131,605)

The above funds arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits are also due to the timing of receiving reimbursements for goods and/or services rendered.

5. Deposits and Investments

State statutes classify monies held by the District in three categories.

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

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

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

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreements by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by other such obligations, provided the investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptances and commercial paper notes for a period not to exceed 180 days from the date of purchase in an amount not to exceed 25 percent of the interim moneys available for investment at any one time; and
8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

At the end of the fiscal year, the District had no undeposited cash on hand.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

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

Deposits

At fiscal year end, the carrying amount of the District's deposits was \$447,562. The bank balance of the District's deposits was \$787,738. Of the bank balance:

1. \$102,554 was covered by federal depository insurance; and
2. \$686,184 was covered by collateral held by the pledging institution's trust department pursuant to Ohio Revised Code, Section 135.181. The Uniform Depository Act (Section 135.181), authorizes pledging of pooled securities in lieu of pledging specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public moneys deposited in the financial institution, provided that at all times the total value of the securities so pledged is at least equal to 110% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance. The deposits not covered by federal depository insurance are considered uninsured and uncollateralized under the provisions of GASB Statement No. 3.

Investments

The District's investments are required to be categorized to give an indication of the level of risk assumed by the District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District's name. Based upon the above criteria, the District's investments at June 30, 2003 are classified in Table 1.

Table 1: Summary of Investment Categories

Description	Category	Carrying Amount	Fair Value
Fifth Third Investment Accounts	1	\$25,160,340	\$25,160,340
Federal Home Loan Bank Conservative Bonds	2	1,027,772	1,021,250
Federal Home Loan Mortgage Corporation Notes	2	1,023,482	1,017,830
Federal National Mortgage Association Coupon	2	1,251,250	1,246,487
Federal National Mortgage Association Coupon	2	3,025,000	3,021,219
Federal National Mortgage Association Debenture	2	1,248,750	1,250,000
Student Loan Marketing Association Notes	2	1,026,476	1,023,440
STAR Ohio		4,439,887	4,439,887
Totals		\$38,202,957	\$38,180,453

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

The District's investment in the State Treasurer's pool (STAR Ohio) is not categorized because it is not evidenced by securities that exist in physical or book entry form. Investments in STAR Ohio are backed by the securities purchased by STAR Ohio. Historically, over 90% of investments purchased by STAR Ohio are United States Government obligations and securities purchased and held in a third party custodial arrangement on behalf of STAR Ohio.

6. Property Taxes

Property taxes include amounts levied against real, public utility, and tangible personal (business) property. The assessed value, by property classification, upon which taxes collected in 2002 were based are as follows.

Real Estate	\$805,594,360
Public Utility Personal	14,583,730
Tangible Personal	<u>73,902,758</u>
Total Assessed Value	<u>\$894,080,848</u>

In 2003, real property taxes were levied in January on the assessed values as of January 1, 2002, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. A revaluation of real property is required to be completed no less than every six years, with a statistical update every third year. The most recent revaluation was completed in January 1999. Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 25% of true value (as defined). In 2003, each business was eligible to receive a \$10,000 exemption in assessed value which was reimbursed by the State.

Real property taxes are payable annually or semi-annually. In 2003, if paid annually, payment was due by February 14th. If paid semiannually, the first payment (at least ½ of amount billed) was due February 14th with the remainder due August 11th.

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

Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is, therefore, offset by a credit to deferred revenue for that portion not intended to finance current year operations.

7. Capital Assets

A summary of the changes in capital asset activity for governmental activities during the fiscal year is shown in Table 2.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

Table 2: Schedule of Capital Assets

	Balance 07/01/02	Additions	Disposals	Balance 06/30/203
<i>Non-Depreciable Capital Assets:</i>				
Land	\$482,991	\$0	\$0	\$482,991
Construction in Progress	1,780,711	10,636,822	0	12,417,533
Subtotal	2,263,702	10,636,822	0	12,900,524
<i>Depreciable Capital Assets:</i>				
Land Improvements	907,445	0	0	907,445
Buildings and Improvements	42,829,425	364,457	0	43,193,882
Furniture/Fixtures/Equipment	10,039,892	847,076	(452,159)	10,434,809
Vehicles	3,063,511	297,576	0	3,361,087
Subtotal	56,840,273	1,509,109	(452,159)	57,897,223
Total Capital Assets, Gross	59,103,975	12,145,931	(452,159)	70,797,747
<i>Less Accumulated Depreciation:</i>				
Land Improvements	232,795	31,054	0	263,849
Buildings and Improvements	6,501,581	889,562	0	7,391,143
Furniture/Fixtures/Equipment	6,180,459	1,000,179	(432,935)	6,747,703
Vehicles	1,392,269	201,233	0	1,593,502
Total Accumulated Depreciation	14,307,104	2,122,028	(432,935)	15,996,197
Total Capital Assets, Net	\$44,796,871	\$10,023,903	(\$19,224)	\$54,801,550

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

In conjunction with the implementation of GASB 34, the District changed its capitalization threshold for capital assets to \$1,000. Depreciation expense was charged to functions as follows.

Instruction:		
Regular	\$832,767	
Special	214,665	
Vocational	180,304	
Adult/Continuing	2,942	
Support Services		
Pupils	129,950	
Instructional Staff	157,599	
Board of Education	1,972	
Administration	70,398	
Fiscal Services	5,134	
Business	20,611	
Operation & Maintenance	106,398	
Pupil Transportation	150,431	
Central	79,039	
Food Services	79,039	
Community Services	13,547	
Extra-Curricular Activities	61,943	
	Total Depreciation Expense	\$2,122,028

8. Long-Term Obligations

A. General Long-Term Bonds

The current obligations outstanding, issued to provide funds for the acquisition and construction of facilities and equipment, are general obligations of the school district for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations of the District are accounted for on the Statement of Net Assets. Payments of principal and interest relating to all District bonds are recorded as expenditures in the Debt Service Fund. A summary of the District's initial bond issuance is shown in Table 3.

Table 3: Summary of District's Bond Issuance

Purpose	Interest Rate	Issuance Date	Delivery Date	Final Maturity Date	Issuance Amount
School Improvement	5.51%	6/1/99	6/22/99	12/1/24	\$4,500,000
School Improvement	5.61%	9/1/99	9/28/99	12/1/24	\$44,500,000

A summary of the District's bond activity for FY 2003 is contained in Table 4.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

Table 4: Summary of District's FY 2003 Bond Activity

Purpose	Balance 7/1/02	FY 2003 Additions	FY 2003 Reductions	Balance 6/30/03
School Improvement	\$4,300,000	\$0	\$100,000	\$4,200,000
School Improvement	\$40,490,000	0	800,000	39,690,000
Totals	\$44,790,000	\$0	\$900,000	\$43,890,000

A summary of the District's future annual service requirements to maturity for its bonds is shown in Table 5.

Table 5: Schedule of Future Debt Obligations Related to Bonds

Fiscal Year Ending June 30	Principal Due	Interest Due	Total FY Payments
FY 2004	\$1,125,000	\$2,420,431	\$3,545,431
FY 2005	1,140,000	2,361,875	3,501,875
FY 2006	1,160,000	2,299,950	3,459,950
FY 2007	1,305,000	2,240,905	3,545,905
FY 2008	1,365,000	2,176,609	3,541,609
FY 2009	1,465,000	2,107,399	3,572,399
FY 2010	1,500,000	2,033,415	3,533,415
FY 2011	1,520,000	1,949,450	3,469,450
FY 2012 to FY 2024	33,310,000	14,868,811	47,889,394
Totals	\$43,890,000	\$32,458,845	\$76,059,428

B. Bond Anticipation Notes

In July 2000, the District issued a \$665,000 bond anticipation note payable to Firststar Bank. The note was repaid in March 2001 and a new note was issued in the amount of \$590,000. In March 2002, the second note was repaid and a new note was issued in the amount of \$450,000. In March 2003, the third note was repaid and a new note was issued in the amount of \$375,000. A long-term financing agreement has been reached with Firststar Bank and the Hamilton Community Foundation since the issuance of these notes. Per FASB Statement No. 6, bond anticipation notes may be treated as a long-term liability when:

1. The intention is to refinance the debt on a long-term basis, and
2. The intention can be substantiated through a post-balance sheet issuance of the long-term debt or by issuance of acceptable financing agreements.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

C. HB 264 Energy Conservation Measures

Substitute House Bill 264 (HB 264, which became effective October 1, 1985, authorized the following methods for boards of education to finance energy conservation measures:

1. Unvoted bonds and notes under Ohio's Uniform Bond Law;
2. Unvoted installment payment agreements; and
3. Unvoted shared-savings arrangements.

HB 264 added Section 133.06(G) to Chapter 133 of the Ohio Revised Code, sometimes called the "Uniform Bond Law") which permits a board of education to issue unvoted bonds and notes to finance energy conservation measures. Section 133.06(G) provides a four-step process for issuing such obligations.

1. A board of education contracts for an analysis and recommendations for energy conservation measures.
2. If the board of education finds that the energy conservation measures are likely to pay for themselves over ten years, the board of education requests the State Department of Education for permission to borrow in order to finance the energy conservation measures.
3. If the State Department of Education finds that the local board of education's findings are reasonable, it authorizes the borrowing, and the local board of education may issue its notes or bonds.
4. As long as the indebtedness remains outstanding, the local board of education monitors the performance of the energy conservation measures and reports on the energy conservation measures annually to the State Department of Education, which are certified by an architect or engineer independent of the vendor that supplied the energy conservation measures.

The bonds and notes issued under Section 133.06(G) are general obligations of the local board of education, are not subject to the 1/10 of 1% unvoted debt limitation generally applicable to boards of education, but are subject to a 9/10 of 1% debt limit contained in Section 133.06(G). Such bonds and notes must otherwise comply with the applicable provisions of Chapter 133 of the Ohio Revised Code, and any such bonds have a maximum maturity of ten years (Section 133.20). Table 6 is a summary of the District's Energy Conservation Notes outstanding at June 30, 2003.

Table 6: Summary of HB 264 Notes

Purpose	Interest Rate	Issuance Date	Maturity Date	Balance 7/1/02	FY 2003 Reductions	Balance 6/30/03
Energy Conservation	4.60%	7/93	9/03	\$1,000,000	(\$500,000)	\$500,000

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

The District is schedule to make a final annual payment of \$500,000 to repay its obligation on its HB 264 notes. In addition, the District's interest obligation for its HB 264 notes in FY 2004 is \$12,500.

D. Capital Leases

The District has entered into a lease agreement for the acquisition of Xerox copiers. The terms of each agreement provide options to purchase the equipment. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Therefore, these lease agreements have been recorded at the present value of the future minimum lease payments as of the date of their inception.

During FY 2003, the District made total payment of \$169,173 related to the Xerox copier capital lease. Of this amount, \$19,417 was attributable to interest. The District's total scheduled payments for FY 2004 are \$14,098, which includes \$1,147 in interest.

The District also entered into a lease agreement with the Hamilton Community Foundation for the acquisition of a new administration building. The terms of this agreement transfers complete ownership to the District at the end of the lease. This lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Therefore, the lease agreement has been recorded at the present value of the future minimum lease payments as of the date of its inception.

The building capital lease was scheduled to expire in FY 2005. However, during FY 2003, the District made lease payments of \$300,000, which were the scheduled lease payments for FY 2003 through FY 2005. In addition, the District paid its scheduled FY 2003 interest payment. As the result of paying off the lease early, the District saved \$15,000 in interest payments.

E. Changes in Long-Term Debt Obligations

During fiscal year 2003, the changes presented in Table 7 occurred in relation to the District's long-term debt obligations. As stated previously, the District's long-term debt obligations are presented in the government-wide financial statements in the Statement of Net Assets.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2003

Table 7: Changes in Long-Term Debt Obligations

	<u>Principal Balance 7/1/2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Balance 6/30/2003</u>	<u>Amounts Due in One Year</u>
Governmental Activities:					
General Obligation Bonds	\$44,790,000	\$0	\$900,000	\$43,890,000	\$1,125,000
HB 264 Notes	1,000,000	0	500,000	500,000	500,000
Bond Anticipation Notes	450,000	375,000	450,000	375,000	375,000
Building Capital Lease	300,000	0	300,000	0	0
Copier Capital Lease	162,707	0	149,756	12,951	12,951
Compensated Absences	5,008,648	34,955	0	5,043,603	26,416
Totals	<u>\$51,711,355</u>	<u>\$409,955</u>	<u>\$2,299,756</u>	<u>\$49,821,554</u>	<u>\$2,039,367</u>

9. Defined Benefit Pension Plans

A. School Employees Retirement System:

The District contributes to the School Employees retirements System of Ohio (SERS), a cost-sharing multiple employer public employee retirement system administered by the School Employees Retirement Board. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Columbus, Ohio 43215-3634, or by calling (614) 222-5853.

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute an actuarially determined rate, which is currently 14 percent of approved payroll. The contribution rates are established by SERS's Retirement Board within the rates allowed by State statute. The adequacy of the contribution rate is determined annually. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$1,473,336, \$1,484,184, and \$1,284,504, respectively; 83.46 percent has been contributed for fiscal year 2003 and 100 percent for fiscal years 2001 and 2002. The District's current portion of the contribution for fiscal year 2003 is recorded as a liability within the respective funds and full liability is recorded on the government-wide financial statements.

B. State Teachers Retirement System

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. That report may

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771, or by calling (614) 227-4098.

New members have a choice of three retirement plans: a Defined Benefits Plan (DB Plan), a Defined Contribution Plan (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 members contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefits at age 50 and termination of employment. The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, member contributions are invested by the members, 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 DB 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 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.

Plan members are required to contribute 9.3 percent of their annual covered salary and the District is required to contribute 14 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The District's required contributions for pension obligations to STRS for the years ended June 30, 2003, 2002, and 2001 were \$5,031,696; \$5,147,304; and \$4,812,166, respectively; 83.71 percent has been contributed for fiscal year 2003 and 100 percent has been contributed for fiscal years 2002 and 2001. The unpaid contribution for fiscal year 2003 is recorded as a liability within the respective funds.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System (SERS) or the State Teachers Retirement System (STRS) have an option to choose the Social Security System or SERS/STRS.

Ohio law permits Board of Education members to be compensated up to \$80 per meeting. As of June 30, 2003, members of the Hamilton City School District Board of Education have chosen to serve without compensation.

10. Defined Benefit Pension Plans

The District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physician fees, prescription drugs, and reimbursements of monthly Medicare

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

premiums. Benefit provisions and the obligations to contribute are established by STRS and SERS based on authority granted by State statute. Both STRS and SERS are on a pay-as-you-go basis. For STRS, all benefit recipients are required to pay a portion of health care costs in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2003, the board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the District, this amounts equaled \$1,617,333 during fiscal year 2003. The balance in the fund was \$3.011 billion at June 30, 2002. For the year ended June 30, 2002, net health care costs paid by STRS were \$354.7 million and STRS had 105,300 eligible benefit recipients.

For SERS, coverage is made available to service retirees with then or more years of qualifying service credit, disability, and survivor benefit recipients. Members retiring on or after August 1, 1989 with less than 25 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. For this fiscal year, employer contributions to fund health care benefits were 8.54 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 2003, the minimum pay has been established at \$12,400.

The surcharge rate added to the unallocated portion of the 14 percent employer contribution rates provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the year ended June 30, 2002 were \$182.9 million and the target level was \$242.2 million. At June 30, 2002, SERS' net assets available for payment of health care benefits were \$355.2 million. SERS has approximately 50,000 participants currently receiving health care benefits. For the District, the amount to fund health care benefits equaled approximately \$876,516 during fiscal year 2003.

11. Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn 8 to 27 days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators who are not on twelve month contract do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of 1.25 days per month. Sick leave may accumulate up to 285 days. Upon retirement, payment is made for 25 percent of the first 150 days of sick leave accumulation plus 50 percent of the days accumulated above 150.

B. Insurance Benefits

The District provides life insurance and accidental death and dismemberment insurance to regular employees through Aetna US Healthcare. Employees receive coverage in the amount of 1.5 to 2.5 times the amount of their annual salary, rounded to the nearest \$1,000.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

12. Interfund Receivables / Payables

On the fund financial statements, the General Fund has a receivable of \$2,084 that consists of amounts due from other funds. In addition, the General Fund has an interfund loan receivable of \$706,447. These interfund loans were made to provide operating capital.

During the year-ended June 30, 2003, the General Fund made transfers of \$153,125 to other major and non-major governmental funds as well as transfers of \$233,085 between non-major governmental funds. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

13. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2003, insurance coverage for property, liability, and vehicles was provided by commercial insurance carriers. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

The District also provides life insurance and accidental death and dismemberment coverage to all employees. The amount of coverage per employee varies by bargaining unit. Aetna US Healthcare provides the life insurance coverage for the District.

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

The District has elected to provide medical, dental, and vision benefits for all eligible employees. Effective September 1, 1996, the District joined the Butler County Health Plan in order to provide medical and dental coverage. The District maintains an Employee Benefits Fund to account for the vision self-insurance program. J.F. Malloy, Inc. provides claims review and processing services.

The Employee Benefits Fund receives a significant portion of the insurance premium from the District. This portion of the premium is paid by the fund that pays the salary for the employee. The remainder of the premium is the employee's responsibility, with the amount varying by coverage and bargaining unit.

The activity in the Employee Benefits Fund is materially reduced because medical and dental premiums no longer pass through the Employee Benefits Fund.

14. Jointly Governed Organizations

Southwestern Ohio Computer Association (SWOCA) is a jointly governed organization among a three county consortium of school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

to administrative and instructional functions among member districts. Each of the governments of these schools support SWOCA based upon a per pupil charge dependent upon the software package used. SWOCA is governed by a Board of Directors consisting of the superintendents and treasurers of member school districts. The degree of control exercised by any participating school district is limited to its representation on the Board of Directors. The Board of Directors consists of one representative from each of the participating 29 school districts. During fiscal year 2003, the District paid \$183,565 to SWOCA for services.

15. Compliance and Accountability

State statute requires all funds to have expenditures and encumbrances within approved appropriation limits. All funds of the District had expenditures and encumbrances within approved appropriations.

16. Contingent Liabilities

A. Grants

The District receives significant financial assistance from numbers federal, state, and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies.

Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2003.

B. Litigation

The District was party to legal proceedings as of June 30, 2003. The District is of the opinion that the ultimate disposition of claims will not have a material effect, if any, on the financial condition of the District.

17. State School Funding Decision

On December 11, 2002, the Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding system is unconstitutional. The Court relinquished jurisdiction over the case and directed "... the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient ..." The District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2003

18. Statutory Resources

The District is required, by state law, to set aside certain General Fund revenue amounts, as defined, into various reserves. During the fiscal year ending June 30, 2003, the reserve activity (cash-basis) was as follows.

Table 10: Statutory Reserves Summary

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Totals</u>
Set-aside Cash Balance as of June 30, 2002	\$0	\$0	\$0
Current Year Set-aside Requirement	1,317,549	1,317,549	2,635,098
Current Year Offsets	0	0	0
Qualifying Disbursements	<u>1,317,549</u>	<u>1,317,549</u>	<u>2,635,098</u>
Set Aside Cash Balance as of June 30, 2003			0
Amount Restricted for Bus Purchases			<u>0</u>
Total Restricted Assets			<u>\$0</u>

Expenditures for textbooks and instructional materials during the fiscal year totaled \$2,434,067, which exceeded the amount required for the set-aside.

Expenditures for the capital acquisition activity during the fiscal year totaled \$8,558,320, which exceeded the amount required for the set-aside.

Required Supplementary Information

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
June 30, 2003

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Taxes	\$ 18,658,975	\$ 18,030,119	\$ 18,094,674	\$ 64,555
Tuition and Fees	400,000	506,315	508,105	1,790
Charges for Services	100,000	96,893	96,893	-
Earnings on Investments	275,000	337,469	356,974	19,505
Other Local Revenues:				
Rental of Property	30,000	31,479	31,479	-
Miscellaneous Revenue	338,012	223,918	224,013	95
Total Other Local Revenues	368,012	255,397	255,492	95
Intergovernmental	35,500,000	37,890,068	37,890,068	-
Total Revenues	55,301,987	57,116,261	57,202,206	85,945
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	17,291,637	18,327,477	18,327,477	-
Fringe Benefits	5,091,299	6,111,183	6,111,183	-
Purchased Services	161,795	173,787	158,846	14,941
Materials and Supplies	1,170,033	552,165	552,165	-
Equipment Purchased	39,101	-	-	-
Other Expenditures	5,328	156,049	155,983	66
Total Regular Instruction	23,759,193	25,320,661	25,305,654	15,007
Special:				
Salaries and Wages	4,614,600	4,427,327	4,427,327	-
Fringe Benefits	1,477,400	1,198,501	1,198,501	-
Purchased Services	18,635	16,749	16,749	-
Materials and Supplies	102,025	44,569	44,569	-
Equipment Purchased	5,641	-	-	-
Total Special Instruction	6,218,301	5,687,146	5,687,146	-
Vocational:				
Salaries and Wages	1,067,200	995,935	995,935	-
Fringe Benefits	319,321	282,138	282,138	-
Purchased Services	60,692	62,065	62,065	-
Materials and Supplies	125,869	224,913	224,913	-
Equipment Purchased	306,162	443,748	443,748	-
Other Expenditures	8,063	10,390	10,390	-
Total Vocational Instruction	1,887,307	2,019,189	2,019,189	-
Other:				
Purchased Services	525,209	979,308	979,308	-
Total Other Instruction	525,209	979,308	979,308	-

See accompanying notes to required supplemental information.

(Continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund (Continued)
June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Support Services:				
Pupil:				
Salaries and Wages	3,137,000	3,103,229	3,103,229	-
Fringe Benefits	965,300	820,677	820,677	-
Purchased Services	81,415	64,011	64,011	-
Materials and Supplies	218,371	269,812	269,812	-
Equipment Purchased	22,463	244	244	-
Other Expenditures	1,765	310	310	-
Total Pupil	4,426,314	4,258,283	4,258,283	-
Instructional Staff:				
Salaries and Wages	1,865,800	1,785,631	1,785,631	-
Fringe Benefits	630,847	586,690	586,690	-
Purchased Services	132,720	111,049	111,049	-
Materials and Supplies	184,278	230,399	230,399	-
Equipment Purchased	340,806	9,226	9,226	-
Other Expenditures	7,674	13,922	13,922	-
Total Instructional Staff	3,162,125	2,736,917	2,736,917	-
General Administration:				
Purchased Services	107,224	148,299	148,299	-
Materials and Supplies	125	140	140	-
Other Expenditures	115,601	105,189	105,189	-
Total General Administration	222,950	253,628	253,628	-
School Administration:				
Salaries and Wages	2,921,000	3,100,509	3,100,509	-
Fringe Benefits	1,062,900	737,125	737,125	-
Purchased Services	12,810	9,102	9,102	-
Materials and Supplies	53,263	57,857	57,857	-
Equipment Purchased	24,842	-	-	-
Other Expenditures	1,934	1,035	1,035	-
Total School Administration	4,076,749	3,905,628	3,905,628	-
Fiscal:				
Salaries and Wages	409,200	461,734	461,734	-
Fringe Benefits	156,500	131,548	131,548	-
Purchased Services	4,742	3,688	3,688	-
Materials and Supplies	14,236	19,400	19,400	-
Equipment Purchased	9,121	-	-	-
Other Expenditures	441,754	350,690	350,690	-
Total Fiscal	1,035,553	967,060	967,060	-

See accompanying notes to required supplemental information.

(Continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund (Continued)
June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Business:				
Salaries and Wages	400,900	356,928	356,928	-
Fringe Benefits	98,300	78,281	78,281	-
Purchased Services	126,790	110,902	110,902	-
Materials and Supplies	-	16,519	16,519	-
Equipment Purchased	43,872	-	-	-
Other Expenditures	125	125	125	-
Total Business	669,987	562,755	562,755	-
Operations and Maintenance:				
Salaries and Wages	2,775,100	3,013,340	3,013,340	-
Fringe Benefits	923,400	543,432	543,432	-
Purchased Services	2,670,657	3,276,137	3,276,137	-
Materials and Supplies	252,652	381,899	381,899	-
Equipment Purchased	212,685	-	-	-
Other Expenditures	285	50	50	-
Total Operations and Maintenance	6,834,779	7,214,858	7,214,858	-
Pupil Transportation:				
Salaries and Wages	1,123,100	1,239,875	1,239,875	-
Fringe Benefits	342,500	281,360	281,360	-
Purchased Services	338,856	319,183	319,183	-
Materials and Supplies	138,600	187,683	187,683	-
Equipment Purchased	19,200	-	-	-
Total Transportation	1,962,256	2,028,101	2,028,101	-
Central:				
Salaries and Wages	133,300	99,277	99,277	-
Fringe Benefits	45,000	37,338	37,338	-
Purchased Services	154,625	163,905	163,905	-
Materials and Supplies	18,837	72,707	72,707	-
Equipment Purchased	11,204	-	-	-
Other Expenditures	249,099	334,911	334,911	-
Total Central	612,065	708,138	708,138	-
Extracurricular Activities:				
Salaries and Wages	545,000	573,457	573,457	-
Fringe Benefits	118,200	101,829	101,829	-
Materials and Supplies	500	-	-	-
Total Extracurricular Activities	663,700	675,286	675,286	-

See accompanying notes to required supplemental information.

(Continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund (Continued)
June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Capital Outlay:				
Salaries and Wages	39,500	74,103	74,103	-
Fringe Benefits	13,500	12,208	12,208	-
Purchased Services	151,900	2,521	2,521	-
Materials and Supplies	900	30	30	-
Building Acquisition/Construction	1,000	-	-	-
Improvements/Renovations	45,384	1,500	1,500	-
Other Expenditures	800	-	-	-
Total Capital Outlay	<u>252,984</u>	<u>90,362</u>	<u>90,362</u>	<u>-</u>
Total Expenditures	<u>56,309,472</u>	<u>57,407,320</u>	<u>57,392,313</u>	<u>15,007</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,007,485)</u>	<u>(291,059)</u>	<u>(190,107)</u>	<u>70,938</u>
Other Financing Sources (Uses)				
Miscellaneous Financing Sources (Uses)	(500,000)	-	-	-
Transfers In (Out)	(182,600)	(153,125)	(153,125)	-
Advances In	-	220,190	243,190	23,000
Advances Out	(168,352)	(729,447)	(729,447)	-
Proceeds from Sale of Fixed Assets	-	26,833	26,833	-
Total Other Financing Sources (Uses)	<u>(850,952)</u>	<u>(635,549)</u>	<u>(612,549)</u>	<u>23,000</u>
Change in Fund Balance	(1,858,437)	(926,608)	(802,656)	93,938
Fund Balance July 1, 2002	5,701,856	5,701,496	5,701,496	-
Prior Year Encumbrances Appropriated	<u>1,738,380</u>	<u>1,738,380</u>	<u>1,738,380</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 5,581,799</u>	<u>\$ 6,513,268</u>	<u>\$ 6,637,220</u>	<u>\$ 93,938</u>

See accompanying notes to required supplemental information.

Hamilton City School District
Notes to Required Supplementary Information
June 30, 2003

Note A Budgetary Basis of Accounting

While the District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principals (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budgetary basis and GAAP basis are as follows.

Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis).

Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP basis).

Encumbrances are treated as expenditures for all funds (budgetary basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).

The following summarizes the adjustments necessary to reconcile the GAAP statements and the budgetary basis schedule.

	<u>General Fund</u>
Change in Fund Balance (GAAP Basis)	\$351,947
Increase / (Decrease):	
Due to Revenues	412,698
Due to Expenditures	1,081,044
Due to Other Sources (Uses)	(738,841)
Due to Encumbrances	<u>(1,909,504)</u>
Change in Fund Balance (Budgetary Basis)	<u>(\$802,656)</u>

Supplemental Section:
Combining Statements and
Individual Fund Schedules

Non-Major Governmental Funds

Non-Major Special Revenue Funds

Special Revenue Funds are established to account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's Special Revenue Funds follows.

Insurance Replacement - This fund provides for the replacement of items destroyed and/or stolen from the District (this covers the deductible on the District's insurance policies). This fund is not intended to account for major rebuilding, such projects would be accounted for in the capital projects account.

TV Hamilton - A fund provided to assist in the programming and broadcasting of local, public access television. This is a cooperative venture between the City of Hamilton, Ohio and Hamilton City School District.

Public School Support - A fund provided to account for specific local revenues sources, other than taxes or expendable trust, (i.e. profits from vending machines, sale of pictures, etc.). Expenditures from this fund include field trips, assemblies, materials, supplies, and equipment for use in the classroom.

Other Grants - A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Athletic Fund - 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 would usually include athletic programs but could also include the band, cheerleaders, drill team, flag corps, drama club, and other similar type of activities.

Auxiliary Service Fund - A fund used to account for state funds which provided services and materials to pupils attending non-public schools within the boundaries of the District as provided for in state law. Expenditures are primarily for educational supplies, materials, and testing.

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

Management Information System - A fund provided for purchase of computer hardware and software or other costs associated with the implementation of the requirements of the management information system (Ohio Senate Bill 140).

Non-Major Governmental Funds (Continued)

Disadvantaged Pupil Impact Aid - A fund set up to track the minimum mandated portion of the Disadvantaged Pupil Impact Aid (DPIA) from the State Foundation payment per Amended Substitute House Bill No. 298, which revised Ohio Revised Code § 3317.023.

Data Communications - A fund provided to account for money appropriated for Ohio Educational Computer Network connections.

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

Ohio Reads Volunteer Grant - A fund provided to account for specific state revenue required to be expended for the implementation of a volunteer tutoring program to improve student reading skills.

Summer Intervention - A fund used to account for summer intervention services to improve student reading abilities and assist the District in improving performance indicators.

Vocational Education Enhancement - A fund used to account for Vocational Education Enhancements to expand the number of students enrolled in tech prep programs, improve student skills, and improve vocational instruction.

Alternative Schools - A fund used to account for specific state revenue required to be expanded on the administration and operation of summer school and other alternative means of education.

Miscellaneous State Grants - A fund used to account for various monies received from state agencies that are not classified elsewhere.

Adult Basic Education - A fund provided to account for instructional programs for persons 16 years of age and older who are not enrolled in school and who have less than a twelfth grade education or its equivalent; development of basic education skills; increase of opportunities for useful employment; improvement of attitudes towards self, family, and community.

Economic Security Act - A fund provided for strengthening instruction in science, mathematics, modern foreign languages, English, arts and humanities, reading, history, geography, civics, economics, and industrial arts through acquisition of laboratory and other special equipment and materials and through minor remodeling.

Non-Major Governmental Funds (Continued)

Title VI-B - A fund used to account for federal revenues used to assist with the training of teachers, supervisors, administrators, clinicians, or other specialists providing educational services to the handicapped.

Carl D. Perkins - A fund used to account for federal revenues for the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, ancillary services, research, advisory committees, work-study project, and sex equity grants. (This fund is formerly known as the Vocational Evaluation Special Revenue Fund.)

Bilingual Education Program - This program includes a provision of funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. The program provides structured English language instruction, with respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction must incorporate the cultural heritage of these children and of other children in American society. The instruction must, to the extent necessary, be in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

Community Block Grant - A fund to account for federal funds passed through the local city government to provide for equipment that is beneficial to the district and the community as a whole.

Title I - A fund provided for financial assistance to state and local educational agencies to meet the special needs of educationally deprived children.

Title VI - A fund to consolidate various programs into a single authorization of grants to states for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

Emergency Immigrant Education - This fund is used to provide tutoring to students who have recently immigrated to the area, and have no English speaking abilities.

Federal Emergency Repair Grant - A fund designated to provide financial assistance to State educational agencies (SEAs), and through the, local educational agencies (LEAs), and intermediate educational units to pay all or part of the costs of altering existing buildings and equipment to remove architectural barriers to the handicapped.

Non-Major Governmental Funds (Continued)

Drug Free School Grant - A fund provided to assist in drug abuse prevention early intervention, rehabilitation referral, education in elementary and secondary schools, and support components for reducing abuse of alcohol and other drugs.

Title VI-B Preschool - The Preschool Grant Program addresses the improvement and expansion of services for handicapped children ages three through five years.

Telecommunications Act Grant - This fund is used to account for a federal grant that is paid directly to the District's telecommunications service provider. The provider, in return, grants the District either a credit to be applied towards future invoices or a refund of prior payments.

District Continuous Improvements - A fund used to account for various small grants aimed at improving District test scores.

Comprehensive School Reform - A fund used to account for federal receipts to implement various educational reforms in an attempt to improve public education.

Jobs Education - A fund provided to assist student for the "modern" workplace.

Food Service - A fund used to account for all revenues and expenses related to the provision of food services for the District.

Uniform School Supplies - 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.

Vocational Rotary - A rotary fund provided to account for all revenues and expenses related to the provision of goods and services to the general public by the vocational classes of the District.

Adult Education - A fund used to account for all revenues and expenses related to the provision of credit and non-credit classes to the general public.

Non-Major Governmental Funds (Continued)

Non-Major Capital Projects Funds

Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings, additions to existing buildings, or for major renovation projects. A description of the District's Non-Major Capital Projects Funds follows.

Miscellaneous Capital Projects Fund - A fund provided to account for District funds that have been added to the goal of constructing future new classroom facilities.

SchoolNet Plus Fund - A fund provided to account for additional funding targeted for the acquisition of computer workstations in grades K-4. Grant awards require an approved technology plan.

Interactive Video Distance Learning - A fund used to account for state money used to finance the interactive video distance learning project.

**Hamilton City School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2003**

	Non-Major Special Revenue	Non-Major Capital Projects	Total Non-Major Governmental Funds
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 2,663,402	\$ 2,654,887	\$ 5,318,289
Receivables (Net of Allowances for Uncollectibles):			
Taxes	-	-	-
Taxes - Delinquent	-	-	-
Accounts	4,192	-	4,192
Accrued Interest	-	-	-
Intergovernmental	147,641	-	147,641
Interfund Loan Receivable	-	-	-
Due from Other Funds	-	-	-
Prepayments	-	-	-
Materials and Supplies Inventory	22,513	-	22,513
Total Assets	\$ 2,837,748	\$ 2,654,887	\$ 5,492,635
LIABILITIES:			
Accounts Payable	\$ 118,371	\$ 93,846	\$ 212,217
Contracts Payable	-	523,710	523,710
Accrued Wages and Benefits	1,793,313	-	1,793,313
Compensated Absences Payable	-	-	-
Retainage Payable	-	-	-
Interfund Loans Payable	706,447	-	706,447
Due to Other Governments	65,257	-	65,257
Due to Other Funds	403	-	403
Deferred Revenue	-	-	-
Total Liabilities	\$ 2,683,791	\$ 617,556	\$ 3,301,347
Fund Balances:			
Reserved for:			
Encumbrances	\$ 1,465,412	\$ 2,561,066	\$ 4,026,478
Inventory	22,513	-	22,513
Prepayments	-	-	-
Property Taxes	-	-	-
Unreserved, Undesignated	(1,333,968)	(523,735)	(1,857,703)
Total Fund Balances	\$ 153,957	\$ 2,037,331	\$ 2,191,288
Total Liabilities and Fund Balances	\$ 2,837,748	\$ 2,654,887	\$ 5,492,635

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

Hamilton City School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds - Other Funds Source
June 30, 2003

	Non-Major Special Revenue	Non-Major Capital Projects	Total Non-Major Governmental Funds
Revenues:			
Taxes	\$ -	\$ -	\$ -
Tuition	47,254	-	47,254
Charges for Services	1,334,151	-	1,334,151
Earnings on Investments	9,036	-	9,036
Intergovernmental	13,243,790	-	13,243,790
Other Local Revenues	1,368,213	-	1,368,213
Total Revenues	<u>16,002,444</u>	<u>-</u>	<u>16,002,444</u>
Expenditures:			
Current:			
Instruction:			
Regular	3,903,577	26,417	3,929,994
Special	3,152,886	-	3,152,886
Vocational	409,195	-	409,195
Adult/Continuing	275,303	-	275,303
Other	-	-	-
Support Services:			
Pupils	1,495,482	-	1,495,482
Instructional Staff	1,874,486	14,503	1,888,989
Board of Education	-	-	-
Administration	278,063	-	278,063
Fiscal	4,080	-	4,080
Business	90,705	-	90,705
Operations and Maintenance	87,238	-	87,238
Pupil Transportation	-	-	-
Central	125,594	-	125,594
Non-Instructional Services:			
Food Service Operations	3,072,387	-	3,072,387
Community Services	1,294,504	-	1,294,504
Extracurricular Activities	299,339	-	299,339
Capital Outlay	100,748	1,134,856	1,235,604
Intergovernmental	37,000	-	37,000
Debt Service:			
Principal Retirement	1,106	-	1,106
Interest and Fiscal Charges	143	-	143
Total Expenditures	<u>16,501,836</u>	<u>1,175,776</u>	<u>17,677,612</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(499,392)</u>	<u>(1,175,776)</u>	<u>(1,675,168)</u>
Other Financing Sources (Uses):			
Transfers In	377,285	-	377,285
Proceeds from Sale of Fixed Assets	-	-	-
Transfers Out	(233,085)	-	(233,085)
Proceeds from Sale of Long-Term Notes	-	-	-
Total Other Financing Sources (Uses)	<u>144,200</u>	<u>-</u>	<u>144,200</u>
Change in Fund Balance	(355,192)	(1,175,776)	(1,530,968)
Fund Balance: July 1, 2002	509,148	3,213,108	3,722,256
Fund Balance: June 30, 2003	<u>\$ 153,956</u>	<u>\$2,037,332</u>	<u>\$ 2,191,288</u>

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

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**Hamilton City School District
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2003**

	<u>Insurance Replacement</u>	<u>TV Hamilton!</u>	<u>Public School Support</u>	<u>Other Grants</u>
ASSETS:				
Cash and Cash Equivalents	\$ 22,826	\$ 52,799	\$ 249,581	\$ 241,964
Receivables (Net of Allowance of Uncollectibles):				
Accounts	-	116	823	-
Intergovernmental	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Total Assets	<u>\$ 22,826</u>	<u>\$ 52,915</u>	<u>\$ 250,404</u>	<u>\$ 241,964</u>
LIABILITIES:				
Accounts Payable	\$ -	\$ 1,426	\$ 41,561	\$ 958
Accrued Wages and Benefits	-	26,028	16	-
Interfund Loans Payable	-	-	-	6,000
Due to Other Funds	-	39	160	-
Intergovernmental Payable	-	935	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 28,428</u>	<u>\$ 41,737</u>	<u>\$ 6,958</u>
FUND BALANCES:				
Reserved for Encumbrances	\$ -	\$ 4,876	\$ 6,332	\$ 31,263
Reserved for Inventory	-	-	-	-
Unreserved, Undesignated	22,826	19,611	202,335	203,743
Total Fund Balances	<u>\$ 22,826</u>	<u>\$ 24,487</u>	<u>\$ 208,667</u>	<u>\$ 235,006</u>
Total Liabilities and Fund Balances	<u>\$ 22,826</u>	<u>\$ 52,915</u>	<u>\$ 250,404</u>	<u>\$ 241,964</u>

<u>Athletic Fund</u>	<u>Auxiliary Service</u>	<u>Career Development</u>	<u>Management Information System</u>	<u>DPIA</u>	<u>Network Connectivity</u>	<u>School Net Professional Development</u>
\$ 126,304	\$ 97,706	\$ -	\$ -	\$ 432,577	\$ -	\$ -
273	317	-	-	-	-	-
1,935	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 128,512</u>	<u>\$ 98,023</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 432,577</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,794	\$ 21,969	\$ -	\$ -	\$ -	\$ -	\$ -
-	112,852	126	768	602,135	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	449	-	-	6,524	-	-
<u>\$ 2,794</u>	<u>\$ 135,270</u>	<u>\$ 126</u>	<u>\$ 768</u>	<u>\$ 608,659</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 27,794	\$ -	\$ -	\$ -	\$ 509,444	\$ -	\$ -
-	-	-	-	-	-	-
97,924	(37,247)	(126)	(768)	(685,526)	-	-
<u>\$ 125,718</u>	<u>\$ (37,247)</u>	<u>\$ (126)</u>	<u>\$ (768)</u>	<u>\$ (176,082)</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 128,512</u>	<u>\$ 98,023</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 432,577</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

Hamilton City School District
Combining Balance Sheet
Non-Major Special Revenue Funds (Continued)
June 30, 2003

	Ohio Reads Volunteer Grant	Summer Intervention	Vocational Education Enhancement	Alternative Schools
ASSETS:				
Cash and Cash Equivalents	\$ 13,220	\$ 14,500	\$ 4,792	\$ 54,072
Receivables (Net of Allowance of Uncollectibles):				
Accounts	-	-	-	-
Intergovernmental	-	-	-	61,942
Materials and Supplies Inventory	-	-	-	-
Total Assets	\$ 13,220	\$ 14,500	\$ 4,792	\$ 116,014
LIABILITIES:				
Accounts Payable	\$ 3,441	\$ 1,783	\$ 4,717	\$ -
Accrued Wages and Benefits	5,707	-	98	75,290
Interfund Loans Payable	-	-	12,240	61,942
Due to Other Funds	150	-	-	-
Intergovernmental Payable	5,239	-	-	-
Total Liabilities	\$ 14,537	\$ 1,783	\$ 17,055	\$ 137,232
FUND BALANCES:				
Reserved for Encumbrances	\$ 9,824	\$ 3,929	\$ 75	\$ 54,072
Reserved for Inventory	-	-	-	-
Unreserved, Undesignated	(11,141)	8,788	(12,338)	(75,290)
Total Fund Balances	\$ (1,317)	\$ 12,717	\$ (12,263)	\$ (21,218)
Total Liabilities and Fund Balances	\$ 13,220	\$ 14,500	\$ 4,792	\$ 116,014

Extended Learning Opportunities	Miscellaneous State Grants	Adult Basic Education	Economic Security Act	Title VI-B	Carl D. Perkins	Title III
\$ -	\$ 37,540	\$ 80,216	\$ -	\$ 125,379	\$ 23,634	\$ 3,248
-	-	-	-	-	-	-
-	21,825	32,566	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 59,365</u>	<u>\$ 112,782</u>	<u>\$ -</u>	<u>\$ 125,379</u>	<u>\$ 23,634</u>	<u>\$ 3,248</u>
\$ -	\$ 2,624	\$ 2,680	\$ -	\$ -	\$ 1,395	\$ -
-	1,879	25,586	262	200,161	32,155	283
-	21,826	133,149	-	-	37,907	-
-	-	-	-	-	-	-
-	1,135	1,234	-	4,661	2,935	813
<u>\$ -</u>	<u>\$ 27,464</u>	<u>\$ 162,649</u>	<u>\$ 262</u>	<u>\$ 204,822</u>	<u>\$ 74,392</u>	<u>\$ 1,096</u>
\$ -	\$ 2,954	\$ 14,752	\$ -	\$ 125,380	\$ 22,240	\$ 3,248
-	-	-	-	-	-	-
-	28,947	(64,619)	(262)	(204,823)	(72,998)	(1,096)
<u>\$ -</u>	<u>\$ 31,901</u>	<u>\$ (49,867)</u>	<u>\$ (262)</u>	<u>\$ (79,443)</u>	<u>\$ (50,758)</u>	<u>\$ 2,152</u>
<u>\$ -</u>	<u>\$ 59,365</u>	<u>\$ 112,782</u>	<u>\$ -</u>	<u>\$ 125,379</u>	<u>\$ 23,634</u>	<u>\$ 3,248</u>

(Continued)

**Hamilton City School District
Combining Balance Sheet
Non-Major Special Revenue Funds (Continued)
June 30, 2003**

	Community Block Grant	Title I	Title VI	Emergency Immigrant Education
ASSETS:				
Cash and Cash Equivalents	\$ -	\$ 353,422	\$ -	\$ -
Receivables (Net of Allowance of Uncollectibles):				
Accounts	-	-	-	-
Intergovernmental	-	22,773	-	-
Materials and Supplies Inventory	-	-	-	-
Total Assets	\$ -	\$ 376,195	\$ -	\$ -
LIABILITIES:				
Accounts Payable	\$ -	\$ 8,310	\$ -	\$ -
Accrued Wages and Benefits	90	497,605	-	8
Interfund Loans Payable	-	22,773	-	-
Due to Other Funds	-	-	-	-
Intergovernmental Payable	-	-	-	-
Total Liabilities	\$ 90	\$ 528,688	\$ -	\$ 8
FUND BALANCES:				
Reserved for Encumbrances	\$ -	\$ 92,281	\$ -	\$ -
Reserved for Inventory	-	-	-	-
Unreserved, Undesignated	(90)	(244,774)	-	(8)
Total Fund Balances	\$ (90)	\$ (152,493)	\$ -	\$ (8)
Total Liabilities and Fund Balances	\$ -	\$ 376,195	\$ -	\$ -

Federal Emergency Repair	Drug Free Schools	Title VI-B Preschool	Telecomm- unications Act Grant	District Continuous Improvement	Comprehensive School Reform	Jobs Education	Food Service
\$ 354,542	\$ 11,402	\$ -	\$ -	\$ -	\$ 207,380	\$ 5,306	\$ 102,890
-	-	-	-	-	-	-	2,656
-	6,600	-	-	-	-	-	-
-	-	-	-	-	-	-	22,513
<u>\$ 354,542</u>	<u>\$ 18,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207,380</u>	<u>\$ 5,306</u>	<u>\$ 128,059</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,301	\$ 5,140	\$ 9,575
-	9,633	1,213	-	65	151,809	9,173	40,371
225,070	6,600	-	-	-	-	9,940	169,000
-	-	-	-	-	-	-	54
-	667	-	-	-	-	-	40,665
<u>\$ 225,070</u>	<u>\$ 16,900</u>	<u>\$ 1,213</u>	<u>\$ -</u>	<u>\$ 65</u>	<u>\$ 155,110</u>	<u>\$ 24,253</u>	<u>\$ 259,665</u>
\$ 354,542	\$ 5,721	\$ -	\$ -	\$ -	\$ 111,513	\$ 167	\$ 62,357
-	-	-	-	-	-	-	22,513
(225,070)	(4,619)	(1,213)	-	(65)	(59,243)	(19,114)	(216,476)
<u>\$ 129,472</u>	<u>\$ 1,102</u>	<u>\$ (1,213)</u>	<u>\$ -</u>	<u>\$ (65)</u>	<u>\$ 52,270</u>	<u>\$ (18,947)</u>	<u>\$ (131,606)</u>
<u>\$ 354,542</u>	<u>\$ 18,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207,380</u>	<u>\$ 5,306</u>	<u>\$ 128,059</u>

(Continued)

Hamilton City School District
Combining Balance Sheet
Non-Major Special Revenue Funds (Continued)
June 30, 2003

	Uniform School Supplies	Vocational Rotary	Adult Education	Totals
ASSETS:				
Cash and Cash Equivalents	\$ 31,404	\$ 9,517	\$ 7,181	\$ 2,663,402
Receivables (Net of Allowance of Uncollectibles):				
Accounts	7	-	-	4,192
Intergovernmental	-	-	-	147,641
Materials and Supplies Inventory	-	-	-	22,513
Total Assets	\$ 31,411	\$ 9,517	\$ 7,181	\$ 2,837,748
LIABILITIES:				
Accounts Payable	\$ 6,697	\$ -	\$ -	\$ 118,371
Accrued Wages and Benefits	-	-	-	1,793,313
Interfund Loans Payable	-	-	-	706,447
Due to Other Funds	-	-	-	403
Intergovernmental Payable	-	-	-	65,257
Total Liabilities	\$ 6,697	\$ -	\$ -	\$ 2,683,791
FUND BALANCES:				
Reserved for Encumbrances	\$ 22,648	\$ -	\$ -	\$ 1,465,412
Reserved for Inventory	-	-	-	22,513
Unreserved, Undesignated	2,066	9,517	7,181	(1,333,968)
Total Fund Balances	\$ 24,714	\$ 9,517	\$ 7,181	\$ 153,957
Total Liabilities and Fund Balances	\$ 31,411	\$ 9,517	\$ 7,181	\$ 2,837,748

**Hamilton City School District
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2003**

	Capital Projects	SchoolNet Plus	Interactive Video Distance Learning	Totals
ASSETS:				
Cash and Cash Equivalents	\$ 2,586,284	\$ 67,403	\$ 1,200	\$ 2,654,887
Total Assets	\$ 2,586,284	\$ 67,403	\$ 1,200	\$ 2,654,887
LIABILITIES:				
Accounts Payable	\$ 26,418	\$ 67,403	\$ 25	\$ 93,846
Contracts Payable	523,710	-	-	523,710
Accrued Wages and Benefits	-	-	-	-
Total Liabilities	\$ 550,128	\$ 67,403	\$ 25	\$ 617,556
FUND BALANCES:				
Reserved for Encumbrances	\$ 2,559,866	\$ -	\$ 1,200	\$ 2,561,066
Unreserved, Undesignated	(523,710)	-	(25)	(523,735)
Total Fund Balances	\$ 2,036,156	\$ -	\$ 1,175	\$ 2,037,331
Total Liabilities and Fund Balances	\$ 2,586,284	\$ 67,403	\$ 1,200	\$ 2,654,887

Hamilton City School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Non-Major Special Revenue Funds
June 30, 2003

	<u>Insurance Replacement</u>	<u>TV Hamilton!</u>	<u>Public School Support</u>	<u>Other Grants</u>	<u>Athletic Fund</u>
REVENUES:					
From Local Sources:					
Tuition	\$ -	\$ -	\$ 35,514	\$ -	\$ 6,233
Sales and Charges for Services	-	-	-	-	-
Earnings on Investments	-	-	3,540	-	2,286
Intergovernmental	-	-	600	-	-
Other Revenues	3,495	136,749	425,825	397,920	274,978
Total Revenues	3,495	136,749	465,479	397,920	283,497
EXPENDITURES:					
Current:					
Instruction:					
Regular	1,650	-	-	15,802	16,015
Special	-	-	-	51,200	-
Vocational	-	179,913	-	-	-
Adult/Continuing	-	-	-	-	-
Support Services:					
Pupils	-	-	460,464	-	-
Instructional Staff	-	-	-	31,101	-
Administration	-	-	50	-	-
Fiscal	-	-	-	-	-
Business	-	-	-	-	-
Operations and Maintenance	-	-	-	-	20,090
Central	-	-	-	69,103	-
Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	-	-	-	-	-
Extracurricular Activities	-	-	-	-	299,339
Capital Outlay	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	1,650	179,913	460,514	167,206	335,444
Excess (Deficiency) of Revenues Over / (Under)					
Expenditures	1,845	(43,164)	4,965	230,714	(51,947)
Other Financing Sources (Uses):					
Transfers In	5,000	-	-	-	14,200
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	5,000	-	-	-	14,200
Change in Fund Balance	6,845	(43,164)	4,965	230,714	(37,747)
Fund Balance: July 1, 2002	15,981	67,651	203,702	4,292	163,465
Fund Balance: June 30, 2003	\$ 22,826	\$ 24,487	\$ 208,667	\$ 235,006	\$ 125,718

<u>Auxiliary Service</u>	<u>Career Development</u>	<u>Management Information System</u>	<u>DPIA</u>	<u>Network Connectivity</u>	<u>School Net Professional Development</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,210	-	-	-	-	-
985,273	9,244	34,906	3,275,345	63,000	10,950
317	-	-	-	-	-
<u>988,800</u>	<u>9,244</u>	<u>34,906</u>	<u>3,275,345</u>	<u>63,000</u>	<u>10,950</u>
-	-	-	2,852,470	-	-
-	-	-	-	-	-
-	9,370	-	7	-	-
-	-	-	-	-	-
-	-	39,459	269,335	-	-
-	-	-	92,668	-	13,666
-	-	-	79,939	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	50,559	-	-
-	-	22,978	-	22,448	-
-	-	-	-	-	-
1,174,929	-	-	-	-	-
-	-	-	-	80,220	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,174,929</u>	<u>9,370</u>	<u>62,437</u>	<u>3,344,978</u>	<u>102,668</u>	<u>13,666</u>
<u>(186,129)</u>	<u>(126)</u>	<u>(27,531)</u>	<u>(69,633)</u>	<u>(39,668)</u>	<u>(2,716)</u>
35,456	-	-	-	-	-
<u>(35,456)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
(186,129)	(126)	(27,531)	(69,633)	(39,668)	(2,716)
148,882	-	26,763	(106,449)	39,668	2,716
<u>\$ (37,247)</u>	<u>\$ (126)</u>	<u>\$ (768)</u>	<u>\$ (176,082)</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

Hamilton City School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Non-Major Special Revenue Funds
June 30, 2003

	Ohio Reads Volunteer Grant	Summer Intervention	Vocational Education Enhancement	Alternative Schools	Extended Learning Opportunity
REVENUES:					
From Local Sources:					
Tuition	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and Charges for Services	-	-	-	-	-
Earnings on Investments	-	-	-	-	-
Intergovernmental	343,000	14,500	89,560	266,557	-
Other Revenues	-	-	-	61,942	-
Total Revenues	343,000	14,500	89,560	328,499	-
EXPENDITURES:					
Current:					
Instruction:					
Regular	-	100,244	-	-	-
Special	159,577	-	-	322,251	(601)
Vocational	-	-	50,136	-	-
Adult/Continuing	-	-	-	-	-
Support Services:					
Pupils	-	-	-	(302)	-
Instructional Staff	192,014	1,783	240	-	-
Administration	-	-	-	-	-
Fiscal	-	-	4,080	-	-
Business	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-
Central	-	-	-	-	-
Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Intergovernmental	-	-	37,000	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	351,591	102,027	91,456	321,949	(601)
Excess (Deficiency) of Revenues Over / (Under)					
Expenditures	(8,591)	(87,527)	(1,896)	6,550	601
Other Financing Sources (Uses):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Change in Fund Balance	(8,591)	(87,527)	(1,896)	6,550	601
Fund Balance: July 1, 2002	7,274	100,244	(10,367)	(27,768)	(601)
Fund Balance: June 30, 2003	\$ (1,317)	\$ 12,717	\$ (12,263)	\$ (21,218)	\$ -

Miscellaneous State Grants	Adult Basic Education	Economic Security Act	Title VI-B	Carl D. Perkins	Title III
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
129,210	280,992	21,888	1,416,820	259,561	24,970
4,957	32,566	-	-	-	-
<u>134,167</u>	<u>313,558</u>	<u>21,888</u>	<u>1,416,820</u>	<u>259,561</u>	<u>24,970</u>
11,565	-	-	-	-	-
109,707	-	-	183,734	-	21,211
-	-	-	-	164,701	-
-	262,750	-	-	2,172	-
(60)	-	-	506,676	103,979	1,607
72,676	88,068	13,245	618,440	9,974	-
-	-	-	149,809	12,008	-
-	-	-	-	-	-
-	-	-	-	-	-
7,854	-	-	-	-	-
-	-	-	-	-	-
-	-	(3)	65,233	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>201,742</u>	<u>350,818</u>	<u>13,242</u>	<u>1,523,892</u>	<u>292,834</u>	<u>22,818</u>
(67,575)	(37,260)	8,646	(107,072)	(33,273)	2,152
-	-	-	-	-	-
-	-	(9,382)	-	-	-
-	-	(9,382)	-	-	-
(67,575)	(37,260)	(736)	(107,072)	(33,273)	2,152
99,476	(12,607)	474	27,629	(17,485)	-
<u>\$ 31,901</u>	<u>\$ (49,867)</u>	<u>\$ (262)</u>	<u>\$ (79,443)</u>	<u>\$ (50,758)</u>	<u>\$ 2,152</u>

(Continued)

Hamilton City School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Non-Major Special Revenue Funds
June 30, 2003

	Community Block Grant	Title I	Title VI	Emergency Immigrant Education	Federal Emergency Repair
REVENUES:					
From Local Sources:					
Tuition	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and Charges for Services	-	-	-	-	-
Earnings on Investments	-	-	-	-	-
Intergovernmental	639	3,017,393	78,588	-	150,000
Other Revenues	-	22,773	-	-	-
Total Revenues	639	3,040,166	78,588	-	150,000
EXPENDITURES:					
Current:					
Instruction:					
Regular	-	164,566	62,691	-	-
Special	-	2,198,294	-	-	-
Vocational	-	-	-	-	-
Adult/Continuing	-	-	-	-	-
Support Services:					
Pupils	-	-	-	550	-
Instructional Staff	-	317,373	-	-	-
Administration	-	36,257	-	-	-
Fiscal	-	-	-	-	-
Business	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-
Central	-	-	-	-	-
Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	(970)	35,751	9,720	-	-
Extracurricular Activities	-	-	-	-	-
Capital Outlay	-	-	-	-	20,528
Intergovernmental	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	(970)	2,752,241	72,411	550	20,528
Excess (Deficiency) of Revenues Over / (Under)					
Expenditures	1,609	287,925	6,177	(550)	129,472
Other Financing Sources (Uses):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Change in Fund Balance	1,609	287,925	6,177	(550)	129,472
Fund Balance: July 1, 2002	(1,699)	(440,418)	(6,177)	542	-
Fund Balance: June 30, 2003	\$ (90)	\$ (152,493)	\$ -	\$ (8)	\$ 129,472

<u>Drug Free Schools</u>	<u>Title VI-B Preschool</u>	<u>Telecommunications Act Grant</u>	<u>District Continuous Improvement</u>	<u>Comprehensive School Reform</u>	<u>Jobs Education</u>	<u>Food Service</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	1,264,397
-	-	-	-	-	-	-
81,543	76,691	90,705	-	613,722	170,958	1,729,969
6,600	-	-	-	-	-	(48)
<u>88,143</u>	<u>76,691</u>	<u>90,705</u>	<u>-</u>	<u>613,722</u>	<u>170,958</u>	<u>2,994,318</u>
-	-	-	-	437,078	71,332	-
49,534	-	-	(1,184)	59,721	(558)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
23,160	51,981	-	-	-	38,633	-
16,982	-	-	20,919	316,322	69,015	-
-	-	-	-	-	-	-
-	-	90,705	-	-	-	-
8,735	-	-	-	-	-	-
-	-	-	11,065	-	-	-
-	-	-	-	-	-	3,072,387
8,998	(92)	-	-	938	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,106
-	-	-	-	-	-	143
<u>107,409</u>	<u>51,889</u>	<u>90,705</u>	<u>30,800</u>	<u>814,059</u>	<u>178,422</u>	<u>3,073,636</u>
<u>(19,266)</u>	<u>24,802</u>	<u>-</u>	<u>(30,800)</u>	<u>(200,337)</u>	<u>(7,464)</u>	<u>(79,318)</u>
-	-	-	-	197,629	-	25,000
-	-	-	-	(188,247)	-	-
-	-	-	-	9,382	-	25,000
<u>(19,266)</u>	<u>24,802</u>	<u>-</u>	<u>(30,800)</u>	<u>(190,955)</u>	<u>(7,464)</u>	<u>(54,318)</u>
<u>20,368</u>	<u>(26,015)</u>	<u>-</u>	<u>30,735</u>	<u>243,225</u>	<u>(11,483)</u>	<u>(77,288)</u>
<u>\$ 1,102</u>	<u>\$ (1,213)</u>	<u>\$ -</u>	<u>\$ (65)</u>	<u>\$ 52,270</u>	<u>\$(18,947)</u>	<u>\$ (131,606)</u>

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Hamilton City School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Non-Major Special Revenue Funds
June 30, 2003

	<u>Uniform School Supplies</u>	<u>Vocational Rotary</u>	<u>Adult Education</u>	<u>Totals</u>
REVENUES:				
From Local Sources:				
Tuition	\$ -	\$ -	\$ 5,507	\$ 47,254
Sales and Charges for Services	64,061	5,693	-	1,334,151
Earnings on Investments	-	-	-	9,036
Intergovernmental	-	-	7,206	13,243,790
Other Revenues	7	(208)	340	1,368,213
Total Revenues	<u>64,068</u>	<u>5,485</u>	<u>13,053</u>	<u>16,002,444</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	170,164	-	-	3,903,577
Special	-	-	-	3,152,886
Vocational	-	5,068	-	409,195
Adult/Continuing	-	-	10,381	275,303
Support Services:				
Pupils	-	-	-	1,495,482
Instructional Staff	-	-	-	1,874,486
Administration	-	-	-	278,063
Fiscal	-	-	-	4,080
Business	-	-	-	90,705
Operations and Maintenance	-	-	-	87,238
Central	-	-	-	125,594
Non-Instructional Services:				
Food Service Operations	-	-	-	3,072,387
Community Services	-	-	-	1,294,504
Extracurricular Activities	-	-	-	299,339
Capital Outlay	-	-	-	100,748
Intergovernmental	-	-	-	37,000
Debt Service:				
Principal Retirement	-	-	-	1,106
Interest and Fiscal Charges	-	-	-	143
Total Expenditures	<u>170,164</u>	<u>5,068</u>	<u>10,381</u>	<u>16,501,836</u>
Excess (Deficiency) of Revenues Over / (Under)				
Expenditures	<u>(106,096)</u>	<u>417</u>	<u>2,672</u>	<u>(499,392)</u>
Other Financing Sources (Uses):				
Transfers In	100,000	-	-	377,285
Transfers Out	-	-	-	(233,085)
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>144,200</u>
Change in Fund Balance	(6,096)	417	2,672	(355,192)
Fund Balance: July 1, 2002	<u>30,810</u>	<u>9,100</u>	<u>4,509</u>	<u>509,148</u>
Fund Balance: June 30, 2003	<u>\$ 24,714</u>	<u>\$ 9,517</u>	<u>\$ 7,181</u>	<u>\$ 153,956</u>

**Hamilton City School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Non-Major Capital Project Funds
June 30, 2003**

	<u>Capital Projects</u>	<u>SchoolNet Plus</u>	<u>Interactive Video Distance Learning</u>	<u>Totals</u>
REVENUES:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES:				
Current:				
Instruction:				
Regular	26,417	-	-	26,417
Support Services:				
Instructional Staff	-	-	14,503	14,503
Capital Outlay	866,576	268,280	-	1,134,856
Total Expenditures	<u>892,993</u>	<u>268,280</u>	<u>14,503</u>	<u>1,175,776</u>
Excess (Deficiency) of Revenues Over / (Under) Expenditures	<u>(892,993)</u>	<u>(268,280)</u>	<u>(14,503)</u>	<u>(1,175,776)</u>
Fund Balance: July 1, 2002	<u>2,929,150</u>	<u>268,280</u>	<u>15,678</u>	<u>3,213,108</u>
Fund Balance: June 30, 2003	<u>\$ 2,036,157</u>	<u>\$ -</u>	<u>\$ 1,175</u>	<u>\$ 2,037,332</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Insurance Replacement Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other Local Revenues:				
Miscellaneous Revenue	<u>\$ 5,000</u>	<u>\$ 3,495</u>	<u>\$ 3,495</u>	<u>\$ -</u>
Total Other Local Revenues	<u>5,000</u>	<u>3,495</u>	<u>3,495</u>	<u>-</u>
Total Revenues	<u>5,000</u>	<u>3,495</u>	<u>3,495</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Equipment Purchased	<u>20,981</u>	<u>20,981</u>	<u>1,650</u>	<u>19,331</u>
Total Regular Instruction	<u>20,981</u>	<u>20,981</u>	<u>1,650</u>	<u>19,331</u>
Total Expenditures	<u>20,981</u>	<u>20,981</u>	<u>1,650</u>	<u>19,331</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(15,981)</u>	<u>(17,486)</u>	<u>1,845</u>	<u>19,331</u>
Other Financing Sources (Uses)				
Operating Transfers In (Out)	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(15,981)</u>	<u>(12,486)</u>	<u>6,845</u>	<u>19,331</u>
Fund Balance July 1, 2002	<u>15,981</u>	<u>15,981</u>	<u>15,981</u>	<u>-</u>
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ -</u>	<u>\$ 3,495</u>	<u>\$ 22,826</u>	<u>\$ 19,331</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
TV Hamilton! Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Other Local Revenues:				
Gifts and Donations	\$ -	\$ 36,704	\$ 36,704	\$ -
Total Other Local Revenues	-	36,704	36,704	-
Total Revenues	-	36,704	36,704	-
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	111,741	-	-	-
Total Regular Instruction	111,741	-	-	-
Vocational:				
Salaries and Wages	140,000	140,000	110,158	29,842
Fringe Benefits	33,700	33,700	26,336	7,364
Purchased Services	5,000	18,183	16,579	1,604
Materials and Supplies	15,889	16,372	10,818	5,554
Equipment Purchased	11,000	10,583	8,449	2,134
Total Vocational Instruction	205,589	218,838	172,340	46,498
Total Expenditures	317,330	218,838	172,340	46,498
Excess (Deficiency) of Revenues Over (Under) Expenditures	(317,330)	(182,134)	(135,636)	46,498
Other Financing Sources (Uses)				
Operating Transfers In (Out)	-	100,000	100,000	-
Total Other Financing Sources (Uses)	-	100,000	100,000	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(317,330)	(82,134)	(35,636)	46,498
Fund Balance July 1, 2002	70,589	70,589	70,589	-
Prior Year Encumbrances Appropriated	11,545	11,545	11,545	-
Fund Balances June 30, 2003	\$(235,196)	\$ -	\$ 46,498	\$ 46,498

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Public School Support Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Tuition and Fees	\$ 26,000	\$ 35,514	\$ 35,514	\$ -
Earnings on Investments	-	3,331	3,540	209
Other Local Revenues:				
Extracurricular Activities	300,000	272,437	272,623	186
Gifts and Donations	-	97,683	97,955	272
Miscellaneous Revenues	-	56,530	56,530	-
Total Other Local Revenues	<u>300,000</u>	<u>426,650</u>	<u>427,108</u>	<u>458</u>
Intergovernmental	<u>500</u>	<u>600</u>	<u>600</u>	<u>-</u>
Total Revenues	<u>326,500</u>	<u>466,095</u>	<u>466,762</u>	<u>667</u>
Expenditures:				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	2,994	3,039	713	2,326
Fringe Benefits	18,010	17,859	10,863	6,996
Purchased Services	65,848	203,182	110,059	93,123
Materials and Supplies	306,938	335,111	272,748	62,363
Equipment Purchased	73,605	57,932	37,141	20,791
Other Expenditures	46,668	57,526	42,801	14,725
Total Pupil	<u>514,063</u>	<u>674,649</u>	<u>474,325</u>	<u>200,324</u>
Instructional Staff:				
Materials and Supplies	681	-	-	-
Equipment Purchased	641	-	-	-
Total Instructional Staff	<u>1,322</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operations and Maintenance:				
Purchased Services	1,500	1,500	-	1,500
Total Operations and Maintenance	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Total Expenditures	<u>516,885</u>	<u>676,149</u>	<u>474,325</u>	<u>201,824</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(190,385)</u>	<u>(210,054)</u>	<u>(7,563)</u>	<u>202,491</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(190,385)</u>	<u>(210,054)</u>	<u>(7,563)</u>	<u>202,491</u>
Fund Balance July 1, 2002	190,385	190,385	190,385	-
Prior Year Encumbrances Appropriated	<u>19,969</u>	<u>19,969</u>	<u>19,969</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 19,969</u>	<u>\$ 300</u>	<u>\$202,791</u>	<u>\$ 202,491</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Other Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Other Local Revenues:				
Miscellaneous Revenues	\$ 48,063	\$ 10,287	\$ 10,287	\$ -
Total Other Local Revenues	48,063	10,287	10,287	-
 Total Revenues	 48,063	 10,287	 10,287	 -
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	-	364	364	-
Fringe Benefits	-	5	5	-
Purchased Services	-	125	125	-
Materials and Supplies	14,241	16,612	13,812	2,800
Equipment Purchased	-	217	217	-
Other Expenditures	-	2,339	2,339	-
Total Regular Instruction	14,241	19,662	16,862	2,800
Special:				
Salaries and Wages	-	120	120	-
Fringe Benefits	-	2	2	-
Purchased Services	-	473	473	-
Materials and Supplies	-	50,605	50,605	-
Total Vocational Instruction	-	51,200	51,200	-
Support Services:				
Instructional Staff:				
Salaries and Wages	11,500	16,018	16,018	-
Purchased Services	5,233	2,870	1,700	1,170
Materials and Supplies	3,078	4,962	4,335	627
Total Instructional Staff	19,811	23,850	22,053	1,797
Central:				
Salaries and Wages	-	119,042	12,174	106,868
Fringe Benefits	-	36,468	46	36,422
Purchased Services	-	136,858	75,828	61,030
Materials and Supplies	750	7,782	1,229	6,553
Other	-	10,787	10,625	162
Total Central	750	310,937	99,902	211,035
 Total Expenditures	 34,802	 405,649	 190,017	 215,632
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 13,261	 (395,362)	 (179,730)	 215,632

(continued)

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Other Grants Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Other Financing Sources (Uses)				
Advances In	-	29,000	29,000	-
Other Financing Sources	-	387,633	387,633	-
Advances (Out)	-	-	(32,512)	(32,512)
Total Other Financing Sources (Uses)	-	416,633	384,121	(32,512)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	13,261	21,271	204,391	183,120
Fund Balance July 1, 2002	2,991	2,991	2,991	-
Prior Year Encumbrances Appropriated	2,361	2,361	2,361	-
Fund Balances June 30, 2003	<u>\$ 18,613</u>	<u>\$ 26,623</u>	<u>\$209,743</u>	<u>\$ 183,120</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Athletic Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Tuition and Fees	\$ 5	\$ 6,232	\$ 6,232	\$ -
Earnings on Investments	-	2,180	2,286	106
Other Local Revenues:				
Extracurricular Activities	370,676	202,440	202,638	198
Gifts and Donations	-	40,559	40,569	10
Miscellaneous Revenues	-	42,711	42,711	-
Total Other Local Revenues	<u>370,676</u>	<u>285,710</u>	<u>285,918</u>	<u>208</u>
Total Revenues	<u>370,681</u>	<u>294,122</u>	<u>294,436</u>	<u>314</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	3,969	6,793	4,829	1,964
Equipment Purchased	1,441	12,676	11,235	1,441
Total Regular Instruction	<u>5,410</u>	<u>19,469</u>	<u>16,064</u>	<u>3,405</u>
Support Services:				
Operations and Maintenance:				
Purchased Services	25,693	27,973	21,969	6,004
Materials and Supplies	1,000	1,500	1,495	5
Total Operations and Maintenance	<u>26,693</u>	<u>29,473</u>	<u>23,464</u>	<u>6,009</u>
Extracurricular Activities:				
Salaries and Wages	76,401	54,974	18,502	36,472
Fringe Benefits	191	391	191	200
Purchased Services	138,319	117,600	102,722	14,878
Materials and Supplies	169,499	167,673	147,400	20,273
Equipment Purchased	38,337	44,823	35,878	8,945
Other Expenditures	30,015	33,310	24,494	8,816
Total Extracurricular Activities	<u>452,762</u>	<u>418,771</u>	<u>329,187</u>	<u>89,584</u>
Total Expenditures	<u>484,865</u>	<u>467,713</u>	<u>368,715</u>	<u>98,998</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(114,184)</u>	<u>(173,591)</u>	<u>(74,279)</u>	<u>99,312</u>
Other Financing Sources (Uses)				
Operating Transfers In	-	14,200	14,200	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>14,200</u>	<u>14,200</u>	<u>-</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Athletic Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance:</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(114,184)	(159,391)	(60,079)	99,312
Fund Balance July 1, 2002	131,688	131,688	131,688	-
Prior Year Encumbrances Appropriated	25,880	25,880	25,880	-
Fund Balances June 30, 2003	<u>\$ 43,384</u>	<u>\$ (1,823)</u>	<u>\$ 97,489</u>	<u>\$ 99,312</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Auxiliary Service Special Revenue Funds
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Earnings on Investments	\$ -	\$ 3,210	\$ 3,210	\$ -
Intergovernmental	1,277,238	985,273	985,273	-
Total Revenues	<u>1,277,238</u>	<u>988,483</u>	<u>988,483</u>	<u>-</u>
Expenditures:				
Current:				
Non-Instructional Services:				
Salaries and Wages	642,440	661,142	661,142	-
Fringe Benefits	240,526	261,181	261,181	-
Purchased Services	25,053	26,573	26,573	-
Materials and Supplies	199,221	206,516	206,516	-
Equipment Purchased	29,147	108,244	108,244	-
Total Regular Instruction	<u>1,136,387</u>	<u>1,263,656</u>	<u>1,263,656</u>	<u>-</u>
Total Expenditures	<u>1,136,387</u>	<u>1,263,656</u>	<u>1,263,656</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>140,851</u>	<u>(275,173)</u>	<u>(275,173)</u>	<u>-</u>
Other Financing Sources (Uses)				
Operating Transfers In	-	35,456	35,456	-
Operating Transfers (Out)	(35,455)	(35,456)	(35,456)	-
Advances (Out)	-	-	(77,888)	(77,888)
Total Other Financing Sources (Uses)	<u>(35,455)</u>	<u>-</u>	<u>(77,888)</u>	<u>(77,888)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>105,396</u>	<u>(275,173)</u>	<u>(353,061)</u>	<u>(77,888)</u>
Fund Balance July 1, 2002	<u>248,168</u>	<u>248,168</u>	<u>248,168</u>	<u>-</u>
Prior Year Encumbrances Appropriated	<u>104,703</u>	<u>104,703</u>	<u>104,703</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 458,267</u>	<u>\$ 77,698</u>	<u>\$ (190)</u>	<u>\$ (77,888)</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Career Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 9,244	\$ 9,244	\$ 9,244	\$ -
Total Revenues	<u>9,244</u>	<u>9,244</u>	<u>9,244</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	-	5,643	5,643	-
Fringe Benefits	-	954	954	-
Purchased Services	-	866	866	-
Materials and Supplies	-	1,781	1,781	-
Total Regular Instruction	<u>-</u>	<u>9,244</u>	<u>9,244</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>9,244</u>	<u>9,244</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	9,244	-	-	-
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 9,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Management Information System Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 34,906	\$ 34,906	\$ -
Total Revenues	-	34,906	34,906	-
Expenditures:				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	15,664	33,078	33,078	-
Fringe Benefits	3,000	5,613	5,613	-
Total Pupil	18,664	38,691	38,691	-
Central:				
Purchased Services	-	622	622	-
Materials and Supplies	3,530	4,985	4,985	-
Equipment Purchased	-	9,293	9,293	-
Other Expenditures	-	8,078	8,078	-
Total Central	3,530	22,978	22,978	-
Total Expenditures	22,194	61,669	61,669	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,194)	(26,763)	(26,763)	-
Fund Balance July 1, 2002	22,194	22,194	22,194	-
Prior Year Encumbrances Appropriated	4,569	4,569	4,569	-
Fund Balances June 30, 2003	\$ 4,569	\$ -	\$ -	\$ -

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Disadvantaged Pupil Impact Aid (DPIA) Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$3,132,100	\$3,275,345	\$3,275,345	\$ -
Total Revenues	<u>3,132,100</u>	<u>3,275,345</u>	<u>3,275,345</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	1,499,145	2,915,517	2,915,517	-
Fringe Benefits	155,598	239,650	239,650	-
Total Regular Instruction	<u>1,654,743</u>	<u>3,155,167</u>	<u>3,155,167</u>	<u>-</u>
Vocational:				
Fringe Benefits	10,000	7	7	-
Total Vocational Instruction	<u>10,000</u>	<u>7</u>	<u>7</u>	<u>-</u>
Support Services:				
Pupil:				
Salaries and Wages	503,528	263,304	263,304	-
Fringe Benefits	247,071	24,793	24,793	-
Total Pupil	<u>750,599</u>	<u>288,097</u>	<u>288,097</u>	<u>-</u>
Instructional Staff:				
Salaries and Wages	641,100	98,193	98,193	-
Fringe Benefits	18,068	68	68	-
Total Instructional Staff	<u>659,168</u>	<u>98,261</u>	<u>98,261</u>	<u>-</u>
Administration:				
Salaries and Wages	16,091	101,171	101,171	-
Fringe Benefits	10,122	122	122	-
Total Administration	<u>26,213</u>	<u>101,293</u>	<u>101,293</u>	<u>-</u>
Operations and Maintenance:				
Salaries and Wages	26,358	44,443	44,443	-
Fringe Benefits	5,019	19	19	-
Total Operations and Maintenance	<u>31,377</u>	<u>44,462</u>	<u>44,462</u>	<u>-</u>
Total Expenditures	<u>3,132,100</u>	<u>3,687,287</u>	<u>3,687,287</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	(411,942)	(411,942)	-
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>411,942</u>	<u>411,942</u>	<u>411,942</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 411,942</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Data Communications Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 63,000	\$ 63,000	\$ 63,000	\$ -
Total Revenues	<u>63,000</u>	<u>63,000</u>	<u>63,000</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central:				
Purchased Services	-	27,065	27,065	-
Total Central	<u>-</u>	<u>27,065</u>	<u>27,065</u>	<u>-</u>
Capital Outlay:				
Improvements/Renovations	-	80,219	80,219	-
Total Capital Outlay	<u>-</u>	<u>80,219</u>	<u>80,219</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>107,284</u>	<u>107,284</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	63,000	(44,284)	(44,284)	-
Fund Balance July 1, 2002	39,667	39,667	39,667	-
Prior Year Encumbrances Appropriated	<u>4,617</u>	<u>4,617</u>	<u>4,617</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 107,284</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
School Net Professional Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,450	\$ 10,950	\$ 10,950	\$ -
Total Revenues	3,450	10,950	10,950	-
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	6,166	10,066	10,066	-
Materials and Supplies	-	3,600	3,600	-
Total Instructional Staff	6,166	13,666	13,666	-
Total Expenditures	6,166	13,666	13,666	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,716)	(2,716)	(2,716)	-
Fund Balance July 1, 2002	2,716	2,716	2,716	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balances June 30, 2003	\$ -	\$ -	\$ -	\$ -

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Ohio Reads Volunteer Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 315,000	\$ 343,000	\$ 343,000	\$ -
Total Revenues	<u>315,000</u>	<u>343,000</u>	<u>343,000</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	37,254	32,966	32,966	-
Fringe Benefits	7,225	6,973	6,973	-
Purchased Services	12,329	14,470	14,470	-
Materials and Supplies	51,078	119,247	119,247	-
Other Expenditures	7,929	11,940	11,940	-
Total Special Instruction	<u>115,815</u>	<u>185,596</u>	<u>185,596</u>	<u>-</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	134,274	160,471	160,471	-
Fringe Benefits	34,911	34,188	34,188	-
Total Instructional Staff	<u>169,185</u>	<u>194,659</u>	<u>194,659</u>	<u>-</u>
Total Expenditures	<u>285,000</u>	<u>380,255</u>	<u>380,255</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	30,000	(37,255)	(37,255)	-
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>37,255</u>	<u>37,255</u>	<u>37,255</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 67,255</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Summer Intervention Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 14,500	\$ 14,500	\$ -
Total Revenues	<u>-</u>	<u>14,500</u>	<u>14,500</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Equipment Purchased	-	100,244	100,244	-
Total Regular Instruction	-	100,244	100,244	-
Support Services:				
Instructional Staff:				
Salaries and Wages	-	7,389	-	7,389
Fringe Benefits	-	1,399	-	1,399
Purchased Services	-	3,600	3,600	-
Materials and Supplies	-	2,112	2,112	-
Total Instructional Staff	-	14,500	5,712	8,788
Total Expenditures	<u>-</u>	<u>114,744</u>	<u>105,956</u>	<u>8,788</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	(100,244)	(91,456)	8,788
Fund Balance July 1, 2002	100,244	100,244	100,244	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 100,244</u>	<u>\$ -</u>	<u>\$ 8,788</u>	<u>\$ 8,788</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Vocational Education Enhancement Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 93,150	\$ 89,560	\$ 89,560	\$ -
Total Revenues	93,150	89,560	89,560	-
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	-	3,205	3,205	-
Fringe Benefits	-	527	527	-
Purchased Services	-	13,670	13,670	-
Materials and Supplies	-	15,634	15,634	-
Equipment Purchased	18,000	17,101	17,101	-
Total Vocational Instruction	18,000	50,137	50,137	-
Support Services:				
Instructional Staff:				
Salaries and Wages	2,800	-	-	-
Fringe Benefits	450	155	155	-
Purchased Services	19,270	1,010	1,010	-
Total Instructional Staff	22,520	1,165	1,165	-
Fiscal:				
Purchased Services	4,080	4,080	4,080	-
Total Fiscal	4,080	4,080	4,080	-
Intergovernmental:				
Other Expenditures	-	37,000	37,000	-
Total Intergovernmental	-	37,000	37,000	-
Total Expenditures	44,600	92,382	92,382	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	48,550	(2,822)	(2,822)	-
Other Financing Sources (Uses)				
Advances In	-	12,240	12,240	-
Advances (Out)	-	(11,550)	(11,550)	-
Pass-Through Payments	(37,000)	-	-	-
Total Other Financing Sources (Uses)	(37,000)	690	690	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	11,550	(2,132)	(2,132)	-
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	2,132	2,132	2,132	-
Fund Balances June 30, 2003	\$ 13,682	\$ -	\$ -	\$ -

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Alternative Schools Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 373,275	\$ 266,558	\$ 266,558	\$ -
Total Revenues	<u>373,275</u>	<u>266,558</u>	<u>266,558</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	297,237	315,139	315,139	-
Fringe Benefits	72,942	72,465	72,465	-
Materials and Supplies	3,096	2,361	2,361	-
Total Special Instruction	<u>373,275</u>	<u>389,965</u>	<u>389,965</u>	<u>-</u>
Total Expenditures	<u>373,275</u>	<u>389,965</u>	<u>389,965</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(123,407)	(123,407)	-
Other Financing Sources (Uses)				
Advances In	-	61,942	61,942	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>61,942</u>	<u>61,942</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	(61,465)	(61,465)	-
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>61,465</u>	<u>61,465</u>	<u>61,465</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 61,465</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 127,230	\$ 129,210	\$ 129,210	\$ -
Total Revenues	<u>127,230</u>	<u>129,210</u>	<u>129,210</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	10,601	6,325	6,325	-
Fringe Benefits	2,574	2,766	263	2,503
Purchased Services	8,477	14,667	1,141	13,526
Materials and Supplies	16,376	18,421	3,988	14,433
Equipment Purchased	1,000	1,000	-	1,000
Other Expenditures	500	603	103	500
Total Regular Instruction	<u>39,528</u>	<u>43,782</u>	<u>11,820</u>	<u>31,962</u>
Special:				
Salaries and Wages	63,663	48,291	48,291	-
Fringe Benefits	13,591	7,540	7,540	-
Purchased Services	32,092	20,517	20,517	-
Materials and Supplies	10,210	16,733	16,733	-
Equipment Purchased		18,150	18,150	-
Other Expenditures	523	884	884	-
Total Special Instruction	<u>120,079</u>	<u>112,115</u>	<u>112,115</u>	<u>-</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	28,256	40,240	40,240	-
Fringe Benefits	5,341	6,724	6,724	-
Purchased Services	1,878	9,040	9,040	-
Materials and Supplies	200	28,951	28,951	-
Other Expenditures	1,000	-	-	-
Total Instructional Staff	<u>36,675</u>	<u>84,955</u>	<u>84,955</u>	<u>-</u>
Operations and Maintenance:				
Purchased Services	-	11,199	11,199	-
Total Operations and Maintenance	<u>-</u>	<u>11,199</u>	<u>11,199</u>	<u>-</u>
Total Expenditures	<u>196,282</u>	<u>252,051</u>	<u>220,089</u>	<u>31,962</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(69,052)</u>	<u>(122,841)</u>	<u>(90,879)</u>	<u>31,962</u>
Other Financing Sources (Uses)				
Advances In	-	21,825	21,825	-
Advances (Out)	-	-	(6,722)	(6,722)
Total Other Financing Sources (Uses)	<u>-</u>	<u>21,825</u>	<u>15,103</u>	<u>(6,722)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous State Grants Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(69,052)	(101,016)	(75,776)	25,240
Fund Balance July 1, 2002	75,774	75,774	75,774	-
Prior Year Encumbrances Appropriated	31,964	31,964	31,964	-
Fund Balances June 30, 2003	<u>\$ 38,686</u>	<u>\$ 6,722</u>	<u>\$ 31,962</u>	<u>\$ 25,240</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Adult Basic Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 378,891	\$ 280,992	\$ 280,992	\$ -
Total Revenues	<u>378,891</u>	<u>280,992</u>	<u>280,992</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	134,170	224,617	200,134	24,483
Fringe Benefits	37,922	55,559	39,860	15,699
Purchased Services	4,000	5,500	2,124	3,376
Materials and Supplies	14,175	33,925	31,336	2,589
Equipment Purchased	3,000	6,000	-	6,000
Total Regular Instruction	<u>193,267</u>	<u>325,601</u>	<u>273,454</u>	<u>52,147</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	59,820	68,686	63,549	5,137
Fringe Benefits	21,447	21,520	21,520	-
Purchased Services	3,500	5,360	4,115	1,245
Materials and Supplies	4,154	5,154	3,679	1,475
Equipment Purchased	3,000	5,000	2,367	2,633
Other Expenditures	950	950	803	147
Total Instructional Staff	<u>92,871</u>	<u>106,670</u>	<u>96,033</u>	<u>10,637</u>
Fiscal:				
Other Expenditures	12,000	-	-	-
Total Fiscal	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>298,138</u>	<u>432,271</u>	<u>369,487</u>	<u>62,784</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>80,753</u>	<u>(151,279)</u>	<u>(88,495)</u>	<u>62,784</u>
Other Financing Sources (Uses)				
Advances In	-	133,149	133,149	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>133,149</u>	<u>133,149</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>80,753</u>	<u>(18,130)</u>	<u>44,654</u>	<u>62,784</u>
Fund Balance July 1, 2002	<u>3,595</u>	<u>3,595</u>	<u>3,595</u>	<u>-</u>
Prior Year Encumbrances Appropriated	<u>14,535</u>	<u>14,535</u>	<u>14,535</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 98,883</u>	<u>\$ -</u>	<u>\$ 62,784</u>	<u>\$ 62,784</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Economic Security Act Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Other Local Revenues:				
Miscellaneous Revenue	\$ -	\$ 3	\$ 3	\$ -
Total Other Local Revenues	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Intergovernmental	41,530	22,000	22,000	-
Total Revenues	<u>41,530</u>	<u>22,003</u>	<u>22,003</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	14,510	3,003	3,003	-
Fringe Benefits	4,379	1,811	1,811	-
Purchased Services	9,930	2,400	2,400	-
Materials and Supplies	12,606	6,241	6,241	-
Total Instructional Staff	<u>41,425</u>	<u>13,455</u>	<u>13,455</u>	<u>-</u>
Non-Instructional Services:				
Community Services:				
Materials and Supplies	(8)	-	-	-
Total Community Services	<u>(8)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>41,417</u>	<u>13,455</u>	<u>13,455</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	113	8,548	8,548	-
Other Financing Sources (Uses)				
Operating Transfers (Out)	-	(9,382)	(9,382)	-
Advances (Out)	-	-	(155)	155
Total Other Financing Sources (Uses)	<u>-</u>	<u>(9,382)</u>	<u>(9,537)</u>	<u>155</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	113	(834)	(989)	155
Fund Balance July 1, 2002	42	42	42	-
Prior Year Encumbrances Appropriated	947	947	947	-
Fund Balances June 30, 2003	<u>\$ 1,102</u>	<u>\$ 155</u>	<u>\$ -</u>	<u>\$ 155</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$1,416,820	\$1,416,820	\$1,416,820	\$ -
Total Revenues	<u>1,416,820</u>	<u>1,416,820</u>	<u>1,416,820</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	105,733	84,570	84,570	-
Fringe Benefits	46,080	30,036	30,036	-
Purchased Services	92,763	2,290	2,290	-
Materials and Supplies	3,745	3,745	3,745	-
Equipment Purchased	46,438	59,043	59,043	-
Total Special Instruction	<u>294,759</u>	<u>179,684</u>	<u>179,684</u>	<u>-</u>
Support Services:				
Pupil:				
Salaries and Wages	295,118	306,237	306,237	-
Fringe Benefits	81,721	114,005	114,005	-
Purchased Services	-	60,936	60,936	-
Materials and Supplies	3,748	6,491	6,491	-
Equipment Purchased	24,601	28,715	28,715	-
Total Pupil	<u>405,188</u>	<u>516,384</u>	<u>516,384</u>	<u>-</u>
Instructional Staff:				
Salaries and Wages	394,119	394,609	394,609	-
Fringe Benefits	231,067	241,924	241,924	-
Total Instructional Staff	<u>625,186</u>	<u>636,533</u>	<u>636,533</u>	<u>-</u>
Administration:				
Salaries and Wages	43,970	107,796	107,796	-
Fringe Benefits	22,740	37,537	37,537	-
Total Administration	<u>66,710</u>	<u>145,333</u>	<u>145,333</u>	<u>-</u>
Non-Instructional Services:				
Community Services:				
Salaries and Wages	56,815	56,815	56,815	-
Fringe Benefits	11,747	19,267	19,267	-
Total Community Services	<u>68,562</u>	<u>76,082</u>	<u>76,082</u>	<u>-</u>
Total Expenditures	<u>1,460,405</u>	<u>1,554,016</u>	<u>1,554,016</u>	<u>-</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(43,585)	(137,196)	(137,196)	-
Fund Balance July 1, 2002	43,585	43,585	43,585	-
Prior Year Encumbrances Appropriated	93,611	93,611	93,611	-
Fund Balances June 30, 2003	<u>\$ 93,611</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Carl D. Perkins Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 297,468	\$ 259,561	\$ 259,561	\$ -
Total Revenues	<u>297,468</u>	<u>259,561</u>	<u>259,561</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	91,580	100,519	100,519	-
Fringe Benefits	37,965	38,514	38,514	-
Purchased Services	3,000	-	-	-
Materials and Supplies	4,433	4,433	4,433	-
Equipment Purchased	-	32,914	32,914	-
Total Vocational Instruction	<u>136,978</u>	<u>176,380</u>	<u>176,380</u>	<u>-</u>
Support Services:				
Pupil:				
Salaries and Wages	57,562	53,556	53,556	-
Fringe Benefits	25,782	20,801	20,801	-
Purchased Services	10,132	24,267	24,267	-
Materials and Supplies	14,000	5,166	5,166	-
Total Pupil	<u>107,476</u>	<u>103,790</u>	<u>103,790</u>	<u>-</u>
Instructional Staff:				
Purchased Services	3,000	6,180	6,180	-
Materials and Supplies	2,000	2,133	2,133	-
Total Instructional Staff	<u>5,000</u>	<u>8,313</u>	<u>8,313</u>	<u>-</u>
Administration:				
Salaries and Wages	12,034	12,524	12,524	-
Fringe Benefits	1,330	1,573	1,573	-
Total Administration	<u>13,364</u>	<u>14,097</u>	<u>14,097</u>	<u>-</u>
Total Expenditures	<u>262,818</u>	<u>302,580</u>	<u>302,580</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	34,650	(43,019)	(43,019)	-
Other Financing Sources (Uses)				
Advances In	-	37,907	37,907	-
Advances (Out)	-	-	(44,754)	(44,754)
Total Other Financing Sources (Uses)	<u>-</u>	<u>37,907</u>	<u>(6,847)</u>	<u>(44,754)</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Carl D. Perkins Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	34,650	(5,112)	(49,866)	(44,754)
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	49,866	49,866	49,866	-
Fund Balances June 30, 2003	<u>\$ 84,516</u>	<u>\$ 44,754</u>	<u>\$ -</u>	<u>\$ (44,754)</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Bilingual Education Program (Title III) Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 24,970	\$ 24,970	\$ 24,970	\$ -
Total Revenues	<u>24,970</u>	<u>24,970</u>	<u>24,970</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	12,332	13,796	13,796	-
Fringe Benefits	-	1,946	1,946	-
Purchased Services	-	150	150	-
Materials and Supplies	-	7,274	7,274	-
Total Special Instruction	<u>12,332</u>	<u>23,166</u>	<u>23,166</u>	<u>-</u>
Support Services:				
Pupil:				
Salaries and Wages	-	1,550	1,550	-
Fringe Benefits	-	254	254	-
Total Pupil	<u>-</u>	<u>1,804</u>	<u>1,804</u>	<u>-</u>
Instructional Staff:				
Salaries and Wages	1,950	-	-	-
Fringe Benefits	2,429	-	-	-
Materials and Supplies	8,259	-	-	-
Total Instructional Staff	<u>12,638</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>24,970</u>	<u>24,970</u>	<u>24,970</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	-	-	-
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Community Block Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 2,109	\$ 2,109	\$ 2,109	\$ -
Total Revenues	<u>2,109</u>	<u>2,109</u>	<u>2,109</u>	<u>-</u>
Expenditures:				
Current:				
Non-Instructional Services:				
Community Services:				
Fringe Benefits	546	546	546	-
Total Community Services	<u>546</u>	<u>546</u>	<u>546</u>	<u>-</u>
Total Expenditures	<u>546</u>	<u>546</u>	<u>546</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,563	1,563	1,563	-
Other Financing Sources (Uses)				
Advances (Out)	-	-	(1,563)	(1,563)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,563)</u>	<u>(1,563)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,563	1,563	-	(1,563)
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 1,563</u>	<u>\$ 1,563</u>	<u>\$ -</u>	<u>\$ (1,563)</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$3,921,266	\$3,017,393	\$3,017,393	\$ -
Total Revenues	<u>3,921,266</u>	<u>3,017,393</u>	<u>3,017,393</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	121,774	121,773	121,773	-
Fringe Benefits	38,992	32,504	32,504	-
Purchased Services	400	570	570	-
Materials and Supplies	4,045	6,414	6,414	-
Equipment Purchased	958	5,393	5,393	-
Total Regular Instruction	<u>166,169</u>	<u>166,654</u>	<u>166,654</u>	<u>-</u>
Special:				
Salaries and Wages	1,939,530	1,623,683	1,623,683	-
Fringe Benefits	893,473	489,226	489,226	-
Purchased Services	659,664	21,260	21,260	-
Materials and Supplies	73,110	142,625	142,625	-
Equipment Purchased	-	62,477	893	61,584
Total Special Instruction	<u>3,565,777</u>	<u>2,339,271</u>	<u>2,277,687</u>	<u>61,584</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	214,279	246,692	184,657	62,035
Fringe Benefits	114,071	132,897	58,044	74,853
Purchased Services	43,495	39,334	29,805	9,529
Materials and Supplies	20,351	52,471	20,478	31,993
Equipment Purchased	-	12,393	12,393	-
Total Instructional Staff	<u>392,196</u>	<u>483,787</u>	<u>305,377</u>	<u>178,410</u>
Administration:				
Salaries and Wages	32,518	30,017	27,022	2,995
Fringe Benefits	12,180	10,209	5,353	4,856
Purchased Services	6,450	3,250	142	3,108
Materials and Supplies	2,674	3,000	1,109	1,891
Total Administration	<u>53,822</u>	<u>46,476</u>	<u>33,626</u>	<u>12,850</u>
Non-Instructional Services:				
Community Services:				
Salaries and Wages	28,479	30,242	30,242	-
Fringe Benefits	8,191	9,210	9,210	-
Purchased Services	200	886	886	-
Materials and Supplies	2,897	3,551	3,551	-
Total Community Services	<u>39,767</u>	<u>43,889</u>	<u>43,889</u>	<u>-</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title I Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Total Expenditures	<u>4,217,731</u>	<u>3,080,077</u>	<u>2,827,233</u>	<u>252,844</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(296,465)	(62,684)	190,160	252,844
Other Financing Sources (Uses)				
Advances In	-	22,773	22,773	
Advances (Out)	-	-	(12,021)	(12,021)
Total Other Financing Sources (Uses)	<u>-</u>	<u>22,773</u>	<u>10,752</u>	<u>(12,021)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(296,465)	(39,911)	200,912	240,823
Fund Balance July 1, 2002	27,589	27,589	27,589	-
Prior Year Encumbrances Appropriated	<u>24,343</u>	<u>24,343</u>	<u>24,343</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ (244,533)</u>	<u>\$ 12,021</u>	<u>\$ 252,844</u>	<u>\$ 240,823</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 72,435	\$ 78,588	\$ 78,588	\$ -
Total Revenues	<u>72,435</u>	<u>78,588</u>	<u>78,588</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	48,715	55,501	55,501	-
Equipment Purchased	14,000	13,784	13,784	-
Total Regular Instruction	<u>62,715</u>	<u>69,285</u>	<u>69,285</u>	<u>-</u>
Non-Instructional Services:				
Community Services:				
Purchased Services	-	675	675	-
Materials and Supplies	9,720	9,045	9,045	-
Total Community Services	<u>9,720</u>	<u>9,720</u>	<u>9,720</u>	<u>-</u>
Total Expenditures	<u>72,435</u>	<u>79,005</u>	<u>79,005</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	(417)	(417)	-
Other Financing Sources (Uses)				
Advances (Out)	-	-	(6,177)	(6,177)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(6,177)</u>	<u>(6,177)</u>
Excess (Deficiency) of Revenues and Other Financing				
Sources Over (Under) Expenditures and Other				
Financing Uses	-	(417)	(6,594)	(6,177)
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>6,594</u>	<u>6,594</u>	<u>6,594</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 6,594</u>	<u>\$ 6,177</u>	<u>\$ -</u>	<u>\$ (6,177)</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Emergency Immigrant Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	370	370	370	-
Fringe Benefits	49	49	49	-
Materials and Supplies	118	852	852	-
Total Pupil	<u>537</u>	<u>1,271</u>	<u>1,271</u>	<u>-</u>
Total Expenditures	<u>537</u>	<u>1,271</u>	<u>1,271</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(537)	(1,271)	(1,271)	-
Fund Balance July 1, 2002	537	537	537	-
Prior Year Encumbrances Appropriated	<u>734</u>	<u>734</u>	<u>734</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 734</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Federal Emergency Repair Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 150,000	\$ 150,000	\$ -
Total Revenues	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Expenditures:				
Current:				
Capital Outlay:				
Purchased Services	-	29,770	29,770	-
Improvements/Renovations	-	345,300	345,300	-
Total Capital Outlay	<u>-</u>	<u>375,070</u>	<u>375,070</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>375,070</u>	<u>375,070</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(225,070)	(225,070)	-
Other Financing Sources (Uses)				
Advances In	-	225,070	225,070	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>225,070</u>	<u>225,070</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	-	-
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ -</u>	<u>\$ (225,070)</u>	<u>\$ (225,070)</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Drug Free School Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 102,134	\$ 95,495	\$ 95,495	\$ -
Total Revenues	<u>102,134</u>	<u>95,495</u>	<u>95,495</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	29,212	33,861	33,861	-
Fringe Benefits	5,387	14,566	14,180	386
Total Special Instruction	<u>34,599</u>	<u>48,427</u>	<u>48,041</u>	<u>386</u>
Support Services:				
Pupil:				
Purchased Services	15,000	15,000	14,792	208
Materials and Supplies	12,720	12,880	8,075	4,805
Total Pupil	<u>27,720</u>	<u>27,880</u>	<u>22,867</u>	<u>5,013</u>
Instructional Staff:				
Salaries and Wages	10,495	10,495	10,486	9
Benefits	2,284	7,420	7,419	1
Total Instructional Staff	<u>12,779</u>	<u>17,915</u>	<u>17,905</u>	<u>10</u>
Operations and Maintenance:				
Equipment Purchased	9,010	9,010	8,735	275
Total Operations and Maintenance	<u>9,010</u>	<u>9,010</u>	<u>8,735</u>	<u>275</u>
Non-Instructional Services:				
Community Services:				
Fringe Benefits	(2)	156	156	-
Purchased Services	1,852	2,509	2,485	24
Materials and Supplies	2,224	6,423	6,423	-
Total Community Services	<u>4,074</u>	<u>9,088</u>	<u>9,064</u>	<u>24</u>
Total Expenditures	<u>88,182</u>	<u>112,320</u>	<u>106,612</u>	<u>5,708</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	13,952	(16,825)	(11,117)	5,708
Other Financing Sources (Uses)				
Advances In	-	6,600	6,600	-
Advances (Out)	-	-	(16,054)	(16,054)
Total Other Financing Sources (Uses)	<u>-</u>	<u>6,600</u>	<u>(9,454)</u>	<u>(16,054)</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Drug Free School Grant Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	13,952	(10,225)	(20,571)	(10,346)
Fund Balance July 1, 2002	2,102	2,102	2,102	-
Prior Year Encumbrances Appropriated	24,149	24,149	24,149	-
Fund Balances June 30, 2003	<u>\$ 40,203</u>	<u>\$ 16,026</u>	<u>\$ 5,680</u>	<u>\$ (10,346)</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Preschool Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 76,691	\$ 76,691	\$ 76,691	\$ -
Total Revenues	<u>76,691</u>	<u>76,691</u>	<u>76,691</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	58,798	59,079	59,079	-
Fringe Benefits	8,899	8,618	8,618	-
Total Pupil	<u>67,697</u>	<u>67,697</u>	<u>67,697</u>	<u>-</u>
Non-Instructional Services:				
Community Services:				
Salaries and Wages	992	992	992	-
Fringe Benefits	224	404	404	-
Total Community Services	<u>1,216</u>	<u>1,396</u>	<u>1,396</u>	<u>-</u>
Total Expenditures	<u>68,913</u>	<u>69,093</u>	<u>69,093</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,778	7,598	7,598	-
Other Financing Sources (Uses)				
Advances (Out)	-	-	(7,778)	(7,778)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(7,778)</u>	<u>(7,778)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	7,778	7,598	(180)	(7,778)
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>180</u>	<u>180</u>	<u>180</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ 7,958</u>	<u>\$ 7,778</u>	<u>\$ -</u>	<u>\$ (7,778)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Telecommunications Act Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 90,705	\$ 90,705	\$ -
Total Revenues	<u>-</u>	<u>90,705</u>	<u>90,705</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Business:				
Purchased Services	-	90,705	90,705	-
Total Business	<u>-</u>	<u>90,705</u>	<u>90,705</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>90,705</u>	<u>90,705</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	-	-	-
Fund Balance July 1, 2002	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances June 30, 2003	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
District Continuous Improvement Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	7,687	7,783	7,783	-
Materials and Supplies	14,010	14,209	14,209	-
Total Instructional Staff	21,697	21,992	21,992	-
Central:				
Salaries and Wages	-	3,103	3,103	-
Fringe Benefits	-	431	431	-
Purchased Services	-	4,673	4,673	-
Materials and Supplies	-	2,793	2,793	-
Total Central	-	11,000	11,000	-
Total Expenditures	21,697	32,992	32,992	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,697)	(32,992)	(32,992)	-
Fund Balance July 1, 2002	32,697	32,697	32,697	-
Prior Year Encumbrances Appropriated	295	295	295	-
Fund Balances June 30, 2003	\$ 11,295	\$ -	\$ -	\$ -

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Comprehensive School Reform Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 709,554	\$ 613,722	\$ 613,722	\$ -
Total Revenues	<u>709,554</u>	<u>613,722</u>	<u>613,722</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	314,547	308,545	308,545	-
Fringe Benefits	-	103,737	103,737	-
Total Regular Instruction	<u>314,547</u>	<u>412,282</u>	<u>412,282</u>	<u>-</u>
Special:				
Salaries and Wages	161,370	58,282	58,282	-
Fringe Benefits	110,154	71,096	71,096	-
Total Special Instruction	<u>271,524</u>	<u>129,378</u>	<u>129,378</u>	<u>-</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	240,000	250,615	221,255	29,360
Fringe Benefits	141,669	92,942	48,224	44,718
Purchased Services	25,000	25,215	14,732	10,483
Materials and Supplies	34,439	29,356	21,543	7,813
Total Instructional Staff	<u>441,108</u>	<u>398,128</u>	<u>305,754</u>	<u>92,374</u>
Non-Instructional Services:				
Community Services:				
Materials and Supplies	-	941	750	191
Total Community Services	<u>-</u>	<u>941</u>	<u>750</u>	<u>191</u>
Total Expenditures	<u>1,027,179</u>	<u>940,729</u>	<u>848,164</u>	<u>92,565</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(317,625)	(327,007)	(234,442)	92,565
Other Financing Sources (Uses)				
Operating Transfers In	-	197,629	197,629	-
Operating Transfers (Out)	-	(188,247)	(188,247)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>9,382</u>	<u>9,382</u>	<u>-</u>

(continued)

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Comprehensive School Reform Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(317,625)	(317,625)	(225,060)	92,565
Fund Balance July 1, 2002	317,625	317,625	317,625	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balances June 30, 2003	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,565</u>	<u>\$ 92,565</u>

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Jobs Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 116,181	\$ 170,958	\$ 170,958	\$ -
Total Revenues	116,181	170,958	170,958	-
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	40,000	52,976	52,976	-
Purchased Services	7,100	4,088	4,088	-
Materials and Supplies	2,600	12,383	12,383	-
Other Expenditures	-	213	213	-
Total Regular Instruction	49,700	69,660	69,660	-
Special:				
Fringe Benefits	-	6,322	6,322	-
Total Central	-	6,322	6,322	-
Support Services:				
Pupil				
Salaries and Wages	-	29,058	29,058	-
Fringe Benefits	-	8,904	8,904	-
Total Pupil	-	37,962	37,962	-
Instructional Staff:				
Salaries and Wages	16,848	1,888	1,888	-
Fringe Benefits	2,865	306	306	-
Purchased Services	51,468	47,040	47,040	-
Materials and Supplies	-	113	113	-
Equipment Purchased	-	21,712	21,712	-
Total Instructional Staff	71,181	71,059	71,059	-
Total Expenditures	120,881	185,003	185,003	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,700)	(14,045)	(14,045)	-
Other Financing Sources (Uses)				
Advances In	-	9,940	9,940	-
Advances (Out)	-	(6,016)	(6,016)	-
Total Other Financing Sources (Uses)	-	3,924	3,924	-

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Jobs Education Special Revenue Fund (Continued)
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,700)	(10,121)	(10,121)	-
Fund Balance July 1, 2002	212	212	212	-
Prior Year Encumbrances Appropriated	9,909	9,909	9,909	-
Fund Balances June 30, 2003	<u>\$ 5,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Retained Earnings
Budget and Actual (Non-GAAP Budgetary Basis)
Food Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Operating Revenues:				
Sales	\$1,391,113	\$ 1,259,587	\$1,261,742	\$ 2,155
Total Operating Revenues	1,391,113	1,259,587	1,261,742	2,155
Operating Expenses:				
Salaries and Wages	1,151,440	1,171,509	1,171,509	-
Fringe Benefits	491,390	536,017	536,017	-
Purchased Services	224,765	231,085	231,085	-
Materials and Supplies	1,293,448	1,252,230	1,252,230	-
Equipment Purchased	8,522	6,809	6,809	-
Other Expenditures	3,576	2,241	2,241	-
Total Operating Expenditures	3,173,141	3,199,891	3,199,891	-
Operating Income (Loss)	(1,782,028)	(1,940,304)	(1,938,149)	2,155
Nonoperating Revenues (Expenses)				
Federal and State Subsidies	1,800,000	1,785,148	1,785,148	-
Other Nonoperating Expenditures	-	(561)	(561)	-
Total Nonoperating Revenues (Expenses):	1,800,000	1,784,587	1,784,587	-
Net Income (Loss) Before Operating Transfers	17,972	(155,717)	(153,562)	2,155
Transfers and Advances:				
Operating Transfers In	-	25,000	25,000	-
Advances In	-	169,000	169,000	-
Advances (Out)	-	(20,000)	(20,000)	-
Total Transfers and Advances	-	174,000	174,000	-
Net Income (Loss)	17,972	18,283	20,438	2,155
Retained Earnings July 1, 2002	2,028	2,028	2,028	-
Prior Year Encumbrances Appropriated	9,225	9,225	9,225	-
Retained Earnings June 30, 2003	\$ 29,225	\$ 29,536	\$ 31,691	\$ 2,155

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Retained Earnings
Budget and Actual (Non-GAAP Budgetary Basis)
Uniform School Supplies Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance:
	Original	Final		Favorable (Unfavorable)
Operating Revenues:				
Sales	\$ 68,989	\$ 64,053	\$ 64,062	\$ 9
Total Operating Revenues	68,989	64,053	64,062	9
Operating Expenses:				
Materials and Supplies	169,066	207,313	205,473	1,840
Total Operating Expenditures	169,066	207,313	205,473	1,840
Net Income (Loss) Before Operating Transfers	(100,077)	(143,260)	(141,411)	1,849
Transfers and Advances:				
Operating Transfers In	100,000	100,000	100,000	-
Total Transfers and Advances	100,000	100,000	100,000	-
Net Income (Loss)	(77)	(43,260)	(41,411)	1,849
Retained Earnings July 1, 2002	77	77	77	-
Prior Year Encumbrances Appropriated	43,394	43,394	43,393	(1)
Retained Earnings June 30, 2003	\$ 43,394	\$ 211	\$ 2,059	\$ 1,848

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Retained Earnings
Budget and Actual (Non-GAAP Budgetary Basis)
Vocational Rotary Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Operating Revenues:				
Charges for Services	\$ 4,156	\$ 5,693	\$ 5,693	\$ -
Other Operating Revenues	(208)	(208)	(208)	-
Total Operating Revenues	3,948	5,485	5,485	-
Operating Expenses:				
Purchased Services	-	1,537	-	1,537
Materials and Supplies	13,209	13,209	5,229	7,980
Total Operating Expenditures	13,209	14,746	5,229	9,517
Net Income (Loss)	(9,261)	(9,261)	256	9,517
Retained Earnings July 1, 2002	9,261	9,261	9,261	-
Prior Year Encumbrances Appropriated				-
Retained Earnings June 30, 2003	\$ -	\$ -	\$ 9,517	\$ 9,517

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Retained Earnings
Budget and Actual (Non-GAAP Budgetary Basis)
Adult Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Operating Revenues:				
Tuition and Fees	\$ 5,642	\$ 5,507	\$ 5,507	\$ -
Other Operating Revenues	-	340	340	-
Total Operating Revenues	5,642	5,847	5,847	-
Operating Expenses:				
Salaries and Wages	13,357	13,257	7,334	5,923
Fringe Benefits	200	300	237	63
Purchased Services	-	195	-	195
Materials and Supplies	3,800	3,800	2,810	990
Total Operating Expenditures	17,357	17,552	10,381	7,171
Operating Income (Loss)	(11,715)	(11,705)	(4,534)	7,171
Nonoperating Revenues (Expenses)				
Federal and State Subsidies	7,206	7,206	7,206	-
Total Nonoperating Revenues (Expenses):	7,206	7,206	7,206	-
Net Income (Loss)	(4,509)	(4,499)	2,672	7,171
Retained Earnings July 1, 2002	4,509	4,509	4,509	-
Prior Year Encumbrances Appropriated	-	-	-	-
Retained Earnings June 30, 2003	\$ -	\$ 10	\$ 7,181	\$ 7,171

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous Capital Project Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular:				
Equipment Purchased	-	159,678	159,678	-
Total Regular Instruction	-	159,678	159,678	-
Support Services:				
Operations and Maintenance:				
Purchased Services	-	66,945	66,945	-
Equipment Purchased	-	352,196	352,196	-
Total Operations and Maintenance	-	419,141	419,141	-
Capital Outlay:				
Building Improvement Services:				
Improvement Services	2,929,150	2,350,331	2,350,331	-
Total Building Improvement Services	2,929,150	2,350,331	2,350,331	-
Total Expenditures	2,929,150	2,929,150	2,929,150	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,929,150)	(2,929,150)	(2,929,150)	-
Fund Balance July 1, 2002	2,929,150	2,929,150	2,929,150	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balances June 30, 2003	\$ -	\$ -	\$ -	\$ -

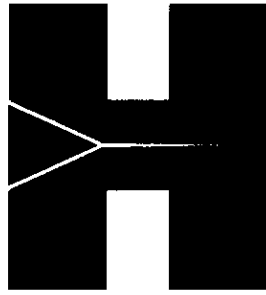
Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
SchoolNet Plus Capital Project Fund
For the Fiscal Year Ended June 30, 2003

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Capital Outlay:				
Building Improvement Services:				
Materials and Supplies	10,350	10,117	10,117	-
Improvement Services	257,930	258,163	258,163	-
Total Building Improvement Services	268,280	268,280	268,280	-
Total Expenditures	268,280	268,280	268,280	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(268,280)	(268,280)	(268,280)	-
Fund Balance July 1, 2002	268,280	268,280	268,280	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balances June 30, 2003	\$ -	\$ -	\$ -	\$ -

**Hamilton City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Interactive Video Distance Learning Capital Project Fund
For the Fiscal Year Ended June 30, 2003**

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	4,500	980	980	-
Fringe Benefits	1,781	152	152	-
Purchased Services	3,924	4,204	4,204	-
Materials and Supplies	1,087	2,287	2,287	-
Equipment Purchased	4,386	8,743	8,743	-
Total Instructional Staff	15,678	16,366	16,366	-
Total Expenditures	15,678	16,366	16,366	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,678)	(16,366)	(16,366)	-
Fund Balance July 1, 2002	15,678	15,678	15,678	-
Prior Year Encumbrances Appropriated	688	688	688	-
Fund Balances June 30, 2003	\$ 688	\$ -	\$ -	\$ -

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HAMILTON
CITY SCHOOL
DISTRICT

Statistical Section



On October 31, 2002, the Hamilton City School District celebrated the first official groundbreaking in 45 years for new school construction. Students, teachers, parents and business & community leaders were on hand to turn over the first shovels of dirt. The Hamilton High School Pep Band kicked-off the ceremony with the Hamilton High Fight Song.

The Hamilton Freshman School has quickly taken shape and is scheduled to be completed in the Fall 2004. It will house all freshman students to better prepare them for the high school transition.



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**Hamilton City School District
Summary of Revenues and Expenditures
Last Ten Fiscal Years**

	FY 2003 CAFR	FY 2002 CAFR	FY 2001 CAFR	FY 2000 CAFR
Revenues:				
Taxes	\$ 17,920,246	\$ 16,033,556	\$ 19,503,988	\$ 16,179,279
Tuition	490,562	673,865	650,670	669,155
Earnings and Investments	-	583,386	979,892	712,062
Other Local Revenue	362,267	308,061	343,190	264,107
Intergovernmental	37,890,068	36,255,905	35,301,605	35,146,030
Total Revenue	\$ 56,663,143	\$ 53,854,773	\$ 56,779,345	\$ 52,970,633
Expenditures:				
Current:				
Instruction:				
Regular	\$ 24,329,316	\$ 23,851,264	\$ 23,575,334	\$ 24,082,820
Special	5,649,778	6,051,693	5,641,680	5,523,041
Vocational	1,723,968	1,823,642	1,889,236	1,690,872
Adult/Continuing	-	1,558	(1,558)	-
Other	759,423	757,436	531,719	574,758
Support Services:				
Pupils	4,359,089	4,334,458	4,239,016	3,846,757
Instructional Staff	2,665,644	2,836,667	2,462,060	2,057,455
Board of Education	242,052	217,940	187,621	127,592
Administration	4,132,337	3,903,564	3,800,574	3,599,668
Fiscal	1,053,263	934,570	981,880	894,605
Business	531,917	576,139	721,704	435,214
Operations and Maintenance	7,139,692	6,908,000	6,428,708	5,782,658
Pupil Transportation	2,042,874	2,083,505	2,235,084	1,732,379
Central	708,036	601,708	687,525	569,989
Non-Instructional Services	-	602	9,130	11,182
Extracurricular Activities	677,345	665,420	647,974	567,312
Capital Outlay	128,612	300,354	324,333	774,209
Debt Service:				
Principal Retirement	148,650	238,767	229,540	120,927
Interest and Fiscal Charges	19,273	49,157	63,384	46,997
Total Expenditures	\$ 56,311,269	\$ 56,136,444	\$ 54,654,944	\$ 52,438,435

Source: School District Financial Records (CAFR's FY 1994 to Present)

FY 1999 CAFR	FY 1998 CAFR	FY 1997 CAFR	FY 1996 CAFR	FY 1995 CAFR	FY 1994 CAFR
\$ 21,725,163	\$ 17,503,741	\$ 16,714,433	\$ 18,383,006	\$ 16,259,472	\$ 16,048,787
615,100	602,069	600,376	578,934	361,469	290,983
450,073	533,747	268,368	237,045	285,480	140,203
462,502	184,152	125,854	117,035	304,166	243,820
32,454,804	29,113,379	27,509,104	26,669,670	24,388,738	24,451,782
<u>\$ 55,707,642</u>	<u>\$ 47,937,088</u>	<u>\$ 45,218,135</u>	<u>\$ 45,985,690</u>	<u>\$ 41,599,325</u>	<u>\$ 41,175,575</u>
\$ 22,941,260	\$ 22,236,487	\$ 22,141,607	\$ 21,072,843	\$ 21,765,344	\$ 22,166,567
4,913,488	4,786,861	4,402,230	4,052,192	3,783,325	3,417,687
1,608,147	1,809,590	1,982,738	1,955,643	1,877,823	2,022,243
-	-	-	-	-	-
850,320	601,182	605,454	593,782	390,329	466,413
3,294,347	2,017,936	1,922,047	1,695,580	1,618,403	1,817,612
1,770,316	1,671,359	1,529,803	1,490,742	1,335,384	1,497,023
149,854	181,143	118,322	231,313	-	-
3,426,900	3,362,957	3,187,048	3,101,108	3,083,852	3,124,217
878,025	746,813	783,542	760,866	726,108	705,980
442,791	546,686	520,454	520,299	405,613	475,234
5,303,452	5,187,725	5,109,307	5,185,472	4,744,410	4,474,786
1,924,739	1,439,211	1,510,129	1,207,213	1,110,982	1,658,135
865,285	596,601	504,418	450,438	406,699	449,446
43,248	20,908	91,136	134,878	131,627	1,819
559,900	512,224	535,319	529,059	520,607	537,075
1,413,945	132,789	643,891	473,028	363,853	78,817
104,545	224,981	220,530	216,166	1,411,889	104,368
19,397	50,115	28,950	57,788	89,178	8,443
<u>\$ 50,509,959</u>	<u>\$ 46,125,568</u>	<u>\$ 45,836,925</u>	<u>\$ 43,728,410</u>	<u>\$ 43,765,426</u>	<u>\$ 43,005,865</u>

Hamilton City School District
Property Tax Levies and Collections - Real and Public Utility
Last Ten Years (1) (2) (Unaudited)

Description	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Current Levy	\$ 23,757,745	\$ 20,913,594	\$ 19,580,026	\$ 19,266,197	\$ 16,376,169
Current Tax Collections (2)	22,745,476	19,311,203	19,073,877	18,826,628	15,999,474
Percent Collected	95.74%	92.34%	97.41%	97.72%	97.70%
Delinquent Tax Collections	970,631	802,539	570,194	482,300	487,037
Total Tax Collections	\$ 23,716,107	\$ 20,113,742	\$ 19,644,071	\$ 19,308,928	\$ 16,486,511
Percent of Total Tax Collections to Current Tax Levy	99.82%	96.18%	100.33%	100.22%	100.67%
Outstanding Delinquent Taxes (3)	1,971,844	1,766,711	966,859	52,333	250,401
Percent of Outstanding Delinquent Taxes to Current Tax Levy	8.30%	8.45%	4.94%	0.27%	1.53%

Source: Butler County Auditor

(1) Amounts are presented in conformity with Generally Accepted Accounting Principles (GAAP), on a modified accrual basis.

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

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

<u>FY 1998</u>	<u>FY 1997</u>	<u>FY 1996</u>	<u>FY 1995</u>	<u>FY 1994</u>
\$ 16,310,858	\$ 16,172,129	\$ 16,097,941	\$ 16,014,851	\$ 15,940,942
15,543,679	15,558,589	15,999,165	15,540,283	15,494,632
95.30%	96.21%	99.39%	97.04%	97.20%
437,960	360,280	519,160	393,176	278,083
\$ 15,981,639	\$ 15,918,869	\$ 16,518,325	\$ 15,933,459	\$ 15,772,715
97.98%	98.43%	102.61%	99.49%	98.94%
615,779	561,638	365,314	708,448	459,521
3.78%	3.47%	2.27%	4.42%	2.88%

**Hamilton City School District
 Assessed Valuation and
 Estimated Actual Valuation of Taxable Property
 Last Ten Years (Unaudited)**

Tax Year/ Collection Year	Real Property (1)		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2002/03	\$805,594,360	\$2,301,698,171	\$73,902,758	\$ 321,316,339
2001/02	682,507,170	1,950,020,486	106,392,029	443,300,121
2000/01	666,447,840	1,904,136,686	105,172,192	420,688,768
1999/00	650,927,570	1,859,793,057	102,190,030	408,760,120
1998/99	573,679,770	1,639,085,057	104,649,106	418,596,424
1997/98	560,234,590	1,600,670,257	107,727,106	430,908,424
1996/97	558,252,900	1,595,008,286	99,575,954	398,303,816
1995/96	522,364,200	1,492,469,143	91,398,790	365,595,160
1994/95	508,917,500	1,454,050,000	91,431,570	365,726,280
1993/94	506,232,170	1,446,377,629	89,508,259	358,033,036

Public Utilities Personal		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio (2)
\$14,583,730	\$ 14,583,730	\$894,080,848	\$ 2,637,598,241	33.90%
16,859,270	16,859,270	805,758,469	2,410,179,877	33.43%
18,735,220	18,735,220	790,355,252	2,343,560,674	33.72%
22,306,500	22,306,500	775,424,100	2,290,859,677	33.85%
23,519,560	23,519,560	701,848,436	2,081,201,041	33.72%
23,906,010	23,906,010	691,867,706	2,055,484,691	33.66%
25,232,450	25,232,450	683,061,304	2,018,544,552	33.84%
27,019,240	27,019,240	640,782,230	1,885,083,543	33.99%
30,356,580	30,356,580	630,705,650	1,850,132,860	34.09%
30,002,730	30,002,730	625,743,159	1,834,413,395	34.11%

**Hamilton City School District
Property Tax Rates
Direct and Overlapping Governments
Per \$1,000 of Assessed Value
Last Ten Years (Unaudited)**

<u>Tax Year/ Collection Year</u>	<u>Butler County</u>	<u>Hanover Township</u>	<u>City of Hamilton</u>	<u>Hamilton City School District</u>
2002/2003	8.75	2.72	7.12	48.01
2001/2002	8.75	2.72	5.12	48.21
2000/2001	8.45	2.72	5.06	48.21
1999/2000	8.45	2.72	5.06	48.21
1998/1999	8.45	2.72	5.06	43.81
1997/1998	8.45	2.72	5.06	43.81
1996/1997	7.45	2.72	5.11	43.81
1995/1996	7.45	2.72	5.11	43.81
1994/1995	7.44	2.72	5.11	43.81
1993/1994	7.44	2.72	5.11	43.81

Source: Butler County Auditor

**Hamilton City School District
 Computation of Direct and Overlapping Debt
 June 30, 2003**

<u>Governmental Unit</u>	<u>Gross General Obligation Debt Outstanding</u>	<u>Percent Applicable To District (1)</u>	<u>Amount Applicable To District</u>
Direct:			
Hamilton City School District			
General Obligation Bonds	\$43,890,000	100.00%	\$43,890,000
Bond Anticipation Notes	\$375,000	100.00%	\$375,000
Energy Conservation Measure Note	500,000	100.00%	500,000
Total Hamilton City School District	<u>44,765,000</u>		<u>44,765,000</u>
Overlapping:			
City of Hamilton	34,165,000	96.43%	32,945,113
Butler County	<u>47,035,000</u>	13.53%	<u>6,364,659</u>
Total Overlapping	81,200,000		39,309,773
Total Direct and Overlapping Debt	<u>\$125,965,000</u>		<u>\$84,074,773</u>

(1) Percent applicable to Hamilton City School District calculated using assessed valuation of the school district area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

On May 5, 1999 voters approved a 4.4 mill bond issue that generated \$45,000,000 for building additions and renovations. The district issued the debt in June 1999.

Overlapping governments with no outstanding debt are not reflected.

Source: Butler County Auditor

**Hamilton City School District
 Computation of Legal Debt Margin (Unaudited)
 June 30, 2003**

Assessed Valuation of the
 Hamilton City School District (2002) \$894,080,848

Overall Direct Debt Limitation:

Direct debt limitation		
9% of assessed valuation	\$	80,467,276
Amount available in Debt Service Fund		-
Gross indebtedness (all bonds and tax anticipation notes outstanding subject to this limitation)	\$	43,890,000
Less: debt exempt from limitation	<u> -</u>	
Debt subject to 9% limitation		<u>(43,890,000)</u>
Legal debt margin within 9% limitation		<u>\$ 36,577,276</u>

Unvoted Direct Debt Limitation:

Unvoted debt limitation		
0.1% of assessed valuation	\$	894,080
Amount available in Debt Service Fund related to unvoted debt		-
Gross indebtedness authorized by the Board	\$	375,000
Less: debt exempt from limitation	<u> -</u>	
Debt subject to 0.1% limitation		<u>(375,000)</u>
Legal debt margin within 0.1% limitation		<u>\$ 519,080</u>

Energy Conservation Measure Limitation:

Unvoted debt limitation		
0.9% of assessed valuation	\$	8,046,728
Amount available in Debt Service Fund related to unvoted debt		-
Gross indebtedness authorized by the Board	\$	500,000
Less: debt exempt from limitation	<u> -</u>	
Debt subject to 0.9% limitation		<u>(500,000)</u>
Legal debt margin within 0.9% limitation		<u>\$ 7,546,728</u>

Source: Butler County Auditor and School District financial records.

Ohio Bond Law established a limit of 9% for voted debt;
 1/10th of 1% for unvoted debt; and,
 9/10th of 1% for energy conservation measure debt.

**Hamilton City School District
Property Value, Construction, and Bank Deposits
Last Ten Years (Unaudited)**

Tax Year/ Collection Year	New Construction (1)			Bank Deposits (2)	Real Property Value (3)		Tax Exempt
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction		Agricultural/ Residential	Commercial/ Industrial	
2002/03	\$ 4,849,320	\$ 8,435,620	\$ 13,284,940	\$ 1,136,994,000	\$ 595,685,150	\$ 209,909,210	\$ 164,387,420
2001/02	3,408,620	11,484,760	14,893,380	1,136,994,000	495,402,210	187,104,960	164,387,420
2000/01	4,435,650	4,765,550	9,201,200	1,152,810,000	490,850,260	175,597,580	164,387,420
1999/00	3,590,790	2,268,380	5,859,170	913,169,000	485,314,790	165,612,780	164,408,060
1998/99	4,914,530	4,233,390	9,147,920	864,105,000	424,853,760	148,826,010	162,501,540
1997/98	4,914,530	4,207,030	9,121,560	815,435,000	419,801,020	140,433,570	137,748,520
1996/97	4,488,940	4,629,580	9,118,520	783,398,000	414,506,150	143,531,730	143,962,130
1995/96	2,733,520	3,826,940	6,560,460	800,556,000	378,687,100	143,261,280	146,322,440
1994/95	4,553,045	2,267,205	6,820,250	737,683,000	371,307,110	137,331,820	162,501,540
1993/94	2,938,050	1,636,260	4,574,310	711,686,000	367,858,020	138,062,620	163,010,810

(1) Includes all new construction within the boundaries of the Hamilton City School District.
Source: Butler County Auditor

(2) Source for Bank Deposits: Butler County Ohio Comprehensive Annual Financial Report.
Bank deposits are reported by county, figures are for Butler County, Ohio.

(3) Figures are 35% of real property value. Source: Butler County Auditor.

**Hamilton City School District
Real and Tangible Personal Property
Principal Taxpayers (Unaudited)
As of December 31, 2002**

Name of Taxpayer	Nature of Business	Total Assessed Valuation	Percent of Total School District Assessed Valuation (2002 Tax Year)			
			Real Estate	Tangible Personal Property	Total	
<i>Principal Taxpayers</i>					Percent of Total Valuation	
Cincinnati Bell	Utility	10,027,130	-	-	10,027,130	1.12%
Sisters of Mercy	Health Care	8,885,800	-	-	8,885,800	0.99%
International Paper	Manufacturing	-	5,958,490	-	5,958,490	0.67%
GE Engine Services	Manufacturing	-	5,639,690	-	5,639,690	0.63%
Thaneland Corporation	Manufacturing	5,442,940	-	-	5,442,940	0.61%
Cincinnati Gas & Electric	Utility	4,637,880	-	-	4,637,880	0.52%
Berkley Square	Retirement Community	4,365,450	-	-	4,365,450	0.49%
Tippman Realty PRT	Retail Real Estate	3,853,970	-	-	3,853,970	0.43%
Hamilton Crossing	Retail Real Estate	3,683,950	-	-	3,683,950	0.41%
SSE Foods, Inc.	Wholesale Distributor	-	2,735,020	-	2,735,020	0.31%
Total Assessed Value of Top Ten Taxpayers		40,897,120	14,333,200	-	55,230,320	
<i>All Others</i>		764,697,240	74,153,288	-	838,850,528	
Total Assessed Value		\$805,594,360	\$88,486,488	-	\$894,080,848	

Source: Butler County Auditor

**Hamilton City School District
Principal Private Sector Employers
June 30, 2003**

<u>Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Fort Hamilton Hospital	Health Care	1250
Smart Paper, LLC	Manufacturing	650
Ohio Casualty Group	Insurance	450
Valeo Climate Control	Manufacturing	410
The Kroger Co.	Groceries	350
International Paper	Manufacturing	270
General Electric	Manufacturing	240
First Financial Bank	Financial	230
Hamilton Fixture	Manufacturing	200
Krupp Bilstein	Manufacturing	175

Source: City of Hamilton, Economic Development Department.

**Hamilton City School District
 General Fund Expenditures,
 Average Daily Membership and
 General Fund Cost per Pupil
 Last Ten Fiscal Years (Unaudited)**

<u>Fiscal Year</u>	<u>General Fund Expenditures (1)</u>	<u>Average Daily Membership</u>	<u>General Fund Cost Per Pupil</u>
2003	\$ 56,311,269	9,192	\$ 6,191
2002	56,325,838	9,244	6,189
2001	56,157,424	9,363	5,922
2000	55,863,148	9,526	5,527
1999	50,932,711	9,835	5,285
1998	47,234,434	10,029	4,876
1997	46,367,567	10,152	4,729
1996	44,035,533	10,344	4,435
1995	43,321,264	10,474	4,399
1994	41,127,494	10,596	4,115
1993	39,670,305	10,755	3,890
1992	37,843,429	10,700	3,702
1991	35,477,437	10,467	3,627
1990	33,873,743	10,553	3,364

Source: School District Records

(1) Expenditures on Cash Basis, including other financing uses with the exception of advances in and advances out.

**Hamilton City School District
 Cost to Educate a 2003 Graduate
 Hamilton City School District vs. State of Ohio Average
 (1991-2003) (Unaudited)**

<u>Fiscal Year</u>	<u>Grade</u>	<u>Hamilton City School District Annual Per Pupil Cost</u>	<u>State Of Ohio Average Per Pupil Cost</u>	<u>Comparison to State Average Cost</u>
2003	12	\$6,191	\$7,483	(\$1,292)
2002	11	6,189	7,052	(863)
2001	10	5,922	6,602	(680)
2000	9	5,527	6,176	(649)
1999	8	5,285	5,788	(503)
1998	7	4,876	5,113	(237)
1997	6	4,729	4,915	(186)
1996	5	4,435	4,758	(323)
1995	4	4,400	4,640	(240)
1994	3	4,115	4,437	(322)
1993	2	3,890	4,254	(364)
1992	1	3,702	4,159	(457)
1991	KDG (1)	<u>1,814</u>	<u>1,981</u>	<u>(167)</u>
Total Cost		<u>\$61,075</u>	<u>\$67,358</u>	<u>(\$6,283)</u>

Source: School District Records

Annual cost per pupil is General Fund cost, on cash basis.

(1) Annual per pupil cost for Kindergarten is one half annual per pupil cost.

**Hamilton City School District
 Student Demographic Information
 Last Ten Years (Unaudited)**

<u>School Year</u>	<u>Enrollment</u>	<u>Minority Percent</u>	<u>ADC Percent</u>	<u>Attendance Rate</u>
2002-2003	9,192	16.60%	10.50%	94.80%
2001-2002	9,244	15.80%	12.36%	94.30%
2000-2001	9,363	15.80%	14.49%	93.80%
1999-2000	9,526	13.21%	17.05%	92.60%
1998-1999	9,835	13.20%	19.24%	93.20%
1997-1998	10,029	13.10%	19.90%	92.15%
1996-1997	10,152	12.23%	21.00%	93.20%
1995-1996	10,344	11.94%	22.02%	92.23%
1994-1995	10,474	11.90%	22.41%	91.97%
1993-1994	10,611	11.59%	21.41%	92.22%

Source: School District Records

**Hamilton City School District
Teaching Staff Demographic Information
Breakdown by Education and
Average Classroom Experience
Last Ten Years (Unaudited)**

<u>Teaching Staff Professional Training</u>					
<u>School Year</u>	<u>Bachelor</u>	<u>150 Hours</u>	<u>Master</u>	<u>Master + 30 hours</u>	<u>Total</u>
2002-03	16.41% 116	30.69% 217	37.91% 268	9.90% 70	94.91% 671
2001-02	20.51% 145	31.97% 226	38.47% 272	9.05% 64	100.00% 707
2000-01	20.51% 145	31.97% 226	38.47% 272	9.05% 64	100.00% 707
1999-00	20.40% 142	32.18% 224	39.66% 276	7.76% 54	100.00% 696
1998-99	20.32% 138	32.11% 218	39.18% 266	8.39% 57	100.00% 679
1997-98	18.22% 118	32.56% 209	40.50% 260	8.72% 56	100.00% 642
1996-97	17.30% 113	32.80% 213	41.10% 267	8.80% 57	100.00% 650
1995-96	18.40% 120	33.80% 220	38.60% 251	9.20% 60	100.00% 651
1994-95	21.20% 140	33.70% 222	37.80% 249	7.30% 48	100.00% 659
1993-94	22.00% 146	33.80% 224	37.30% 247	6.90% 46	100.00% 662

Teaching Staff Average Classroom Experience (years)

<u>School Year</u>	<u>Average Experience</u>
2001-02	13.95
2000-01	13.95
1999-00	13.99
1998-99	14.26
1997-98	15.11
1996-97	15.18
1995-96	14.90
1994-95	14.46
1993-94	14.44
1992-93	14.03
1991-92	13.65

Source: School District Records

**Hamilton City School District
Schedule of Insurance Policies in Force (Unaudited)**

Company	Policy		Details of Coverage	Liability Limits	
	Beginning	Ending			
Cincinnati Insurance	10/21/2002	10/21/2003	Boiler and Machinery	\$20,000,000	
Ohio Casualty	12/17/2002	12/17/2003	Public School Employee Bond	5,000	
Ohio Casualty	6/15/2003	6/15/2004	Public Official Bond - Superintendent	20,000	
Ohio Casualty	1/15/2003	1/15/2004	Public Official Bond - Board President	20,000	
Ohio Casualty	1/15/2000	1/15/2004	Public Official Bond - Treasurer	50,000	
Ohio Casualty	1/15/2003	1/15/2004	Public Official Bond - Business Manager	25,000	
Marsh USA	9/23/2002	9/23/2003	Buses Transporting Students and Auto, Truck, Lawn Mower, Equipment	2,000,000 Liability 1,000,000 Uninsured Motorist 5,000 Medical Payments	
Marsh USA	10/21/2002	10/21/2003	Buildings and Contents	166,875,000 General Blanket 4,000,000 General Aggregate 4,000,000 Products 2,000,000 Personal Injury 2,000,000 Each Occurrence 5,000 Medical Injury	
Ohio Casualty	9/21/2002	9/21/2003	Mobile Instruction Units & Contents, Video Van Units & Contents, Musical Instrument, Radio TV Floater	500,000 Liability 500,000 Uninsured Motorist 5,000 Medical payments 29,606 Unit Contents 14,050 Radio & TV 310,717 Instruments	
Marsh USA	8/1/2002	8/1/2003	School District Liability	2,000,000 Each Occurrence 4,000,000 General Aggregate	

Source: School District records.

Hamilton City School District
Board Owned Property
June 30, 2003

<i>Instructional Sites:</i>						<u>Year</u>	<u>Capacity /</u>	<u>Acreage</u>
						<u>Constructed</u>	<u>Square Ft.</u>	
<i>Elementary Schools</i>								
Adams	South "F" Street at Ridgewood Ave.	Hamilton	Ohio	45013	1953	53,602	6.60	
Buchanan	263 Hancock Avenue	Hamilton	Ohio	45011	1929	36,849	4.50	
Cleveland	900 Brookwood Avenue	Hamilton	Ohio	45013	1959	38,565	9.50	
Fillmore	1125 Main Street	Hamilton	Ohio	45013	1929	49,832	9.40	
Grant	Campbell Drive at Greenwood Ave.	Hamilton	Ohio	45011	1954	20,861	6.20	
Harrison	250 Knightsbridge Drive	Hamilton	Ohio	45011	1952	53,944	5.50	
Hayes	901 Hoadley Avenue	Hamilton	Ohio	45015	1958	27,866	30.00	
Jefferson	526 South Eighth Street	Hamilton	Ohio	45011	1951	63,918	2.70	
Lincoln	701 North "E" Street	Hamilton	Ohio	45013	1909	65,567	3.60	
Madison	250 North Ninth Street	Hamilton	Ohio	45011	1955	44,729	1.00	
McKinley	991 Westview Avenue	Hamilton	Ohio	45013	1957	14,944	5.70	
Monroe	537 Carriage Hill Lane	Hamilton	Ohio	45013	1959	23,976	8.50	
Pierce	2890 Freeman Avenue	Hamilton	Ohio	45015	1929	50,853	4.70	
Van Buren	2311 Lincoln Avenue	Hamilton	Ohio	45011	1955	39,617	11.70	
<i>Junior High</i>								
Garfield (6)	250 North Fair Avenue	Hamilton	Ohio	45011	1959	126,844	34.00	
Washington	5000 Madison Avenue	Hamilton	Ohio	45015	1955	83,777	(2)	
Wilson	714 Eaton Avenue	Hamilton	Ohio	45013	1934	98,649	26.80	
<i>Senior High</i>								
Hamilton High	1165 Eaton Avenue	Hamilton	Ohio	45013	1959	139,469	33.90	
Job Development Center (1)	1111 Eaton Avenue	Hamilton	Ohio	45013	1985	62,126	(3)	
HOPE Alternative School	729 Campbell Avenue	Hamilton	Ohio	45011				
<i>Administrative and Service Sites</i>								
Administration and Training Center Building	533 Dayton Street/P.O. Box 627	Hamilton	Ohio	45012	1923	20,680	1.00	
Old Administration Building	332 Dayton Street	Hamilton	Ohio	45011	1889	12,250	0.00	
Food Service	501 Central Avenue	Hamilton	Ohio	45011		7,506	0.00	
Jefferson Annex Office Bldg.	541 South Ninth Street	Hamilton	Ohio	45011	1904	18,261	(4)	
Maintenance Department	1316 Chestnut Street	Hamilton	Ohio	45011	1950	14,514	10.00	
Transportation Department	1315 Chestnut Street	Hamilton	Ohio	45011	1950	14,436	(5)	
<i>Other Sites</i>								
(7) Freshman School Site	2260 NW Washington Blvd.	Hamilton	Ohio	45013	2003		30.00	
Mark Avenue	currently being used as a soccer field						8.26	
Smalley Blvd.	undeveloped						9.13	
Timberhill Dr.	undeveloped						11.00	

Source: School District Records

- (1) The Job Development Center is leased from Miami University, Oxford, Ohio.
- (2) Washington Jr. High and Hayes Elementary share a common site.
- (3) Hamilton High School and the Job Development Center share a common site (which is owned by the District).
- (4) Jefferson Elementary School and the Jefferson Annex Office Bldg. share a common site.
- (5) The Maintenance and Transportation Departments share a common site.
- (6) The Garfield Junior High site is leased from Butler County.
- (7) Freshman School is set to open September 2004.

**Hamilton City School District
Directory of Educational Services**

Instructional Sites:

Elementary Schools

Adams	Principal	Mrs. Pamela Rowe	(513) 887-5065
Buchanan	Principal	Mr. Tim Carr	(513) 887-5070
Cleveland	Principal	Mrs. Terri Fitton	(513) 887-5075
Fillmore	Principal	Mr. Rex Bucheit	(513) 887-5085
Grant	Principal	Mr. Tim Carr	(513) 887-5100
Harrison	Principal	Ms. Susan Schnell	(513) 887-5105
Hayes	Principal	Mrs. Pat Gay	(513) 887-5110
Jefferson	Principal	Mrs. Mary Jacobs	(513) 887-5120
Lincoln	Principal	Mr. William Brunner	(513) 887-5130
Madison	Principal	Mrs. Deborah Alf	(513) 887-5140
McKinley	Principal	Mrs. Kathy Wagonfield	(513) 887-5155
Monroe	Principal	Mrs. Kathy Wagonfield	(513) 887-5150
Pierce	Principal	Mrs. Sandra Bussell	(513) 887-5160
Van Buren	Principal	Ms. Kelly Wilham	(513) 887-5165

Junior High

Garfield	Principal	Mr. Ken Pierson	(513) 887-5035
Washington	Principal	Mr. Bob Brandner	(513) 887-5090
Wilson	Principal	Mr. Greg Rulon	(513) 887-5170

Senior High

Hamilton High	Principal	Mr. Dennis Malone	(513) 868-7700
Job Development Center	Director	Mr. Herb Dietz	(513) 868-7700

Administrative and Service Sites

Switchboard			(513) 887-5000
Fax Machine			(513) 887-5014
Superintendent		Mrs. Janet Baker	(513) 887-5000
Treasurer		Mr. Robert A. Hancock, CPA	(513) 887-5000
Administrative Assistant for Human Resources		Mrs. Kathy Leist	(513) 887-5000
Administrative Assistant for Business and Planning and State and Federal Programs		Dr. Everett Mann	(513) 887-5000
Director of Planning and Construction		Mr. Jim Boerke	(513) 887-5055
Director of Pupil Personnel		Mrs. Kathleen Donoff	(513) 887-5000
Coordinator of Instruction Media Center		Mr. Clair Brustkern	(513) 887-5045
Director of Adult and Vocational Education		Mr. Herb Dietz	(513) 887-4840
Director of Food Service		Ms. Cinde Gorbandt	(513) 887-5030
Director of Health Services		Mrs. Sharon Francis	(513) 887-5000
Director of Maintenance		Mr. Lee Wallace	(513) 887-5055
Director of Custodial Services		Mr. Mike Burns	(513) 887-5055
Director of Student Services		Mrs. Judy Carnes	(513) 887-4828
Director of Transportation		Mrs. Beverly Martin	(513) 887-5060
Assistant Superintendent - Instructional Services		Mrs. Barbara Fuerbacher	(513) 887-5000
Director of Continuous Improvement		Mrs. Joan Avery	(513) 887-5000
Supervisor of Fine Arts		Mr. Lauren Sprague	(513) 887-4506
Adult Basic Education		Mrs. Kathy Petrek	(513) 887-5021

Source: School District Records

**Hamilton City School District
Miscellaneous Demographic Information
June 30, 2003**

Hamilton Facts

Area	19.9 square miles	Police Protection	1 Station 118 Uniformed Police Officers
Government	Charter, City-Manager form Council consists of 7 member	Churches	More than 130 places of worship
Population	60,690 (2000 census)	Radio Stations	4 local stations
Climate	Mean annual temperature 53.7 F Average annual precipitation 40.96 inches Prevailing winds - South-Southwesterly	Newspapers	Journal News (local) Cincinnati Enquirer (regional) Cincinnati Post (regional)
Hospitals	Fort Hamilton Hughes	Utilities	Telephone - Cincinnati Bell Electric - City owned Gas - City owned Water/Sewer - City owned
Fire Protection	Class III 104 person force	Banks	7 full service banks and savings and loan associations and 20 branches
Aviation	The Hamilton-Fairfield Regional Airport is an all-weather facility with a 5,500 ft. paved and lighted runway.		

Elected Representatives:

Hamilton City Council Members

Monument and High Streets Hamilton, Ohio 45011
Telephone: (513) 868-5800

Mr. Don Ryan, Mayor

Mr. Pat Moeller, Vice Mayor

Mr. James Noonan, Council Member

Mr. Chris Flaig, Council Member

Mr. George McNally, Council Member

Mrs. Kathy Becker, Council Member

Mr. Ed Shelton, Council Member

Ohio State Board of Education

Mr. Carl Wick

Ohio State Senate

Mr. Scott Nein

Ohio House of Representatives

Mr. Greg V. Jolivette

United States Senate

Mr. Michael DeWine

Mr. George Voinovich

United States House of Representatives

Mr. John Boehner



**Auditor of State
Betty Montgomery**

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

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

HAMILTON CITY SCHOOL DISTRICT

BUTLER 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
JUNE 29, 2004**