

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SINGLE AUDIT

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



**Auditor of State
Betty Montgomery**

Board of Trustees
Centerville City School District

We have reviewed the Independent Auditor's Report of the Centerville City School District, Montgomery County, prepared by Rea & Associates, Inc. for the audit period July 1, 2003 through June 30, 2004. 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 Centerville City School District is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

May 13, 2005

This Page is Intentionally Left Blank.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditor’s Report on Compliance with Requirements Applicable to each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	2
Schedule of Expenditures of Federal Awards-Cash Basis for the Fiscal Year Ended June 30, 2004.....	4
Notes to Schedule of Expenditures of Federal Awards-Cash Basis.....	5
Schedule of Findings and Questioned Costs.....	6
Corrective Action Plan.....	8

This Page is Intentionally Left Blank.

We're Ready For Your Future

**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Education
Centerville City School District
Centerville, Ohio 45458

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District (the School District), Montgomery County, Ohio, as of and for the year ended June 30, 2004, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 16, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the School District's internal control over financial reporting 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 caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weakness. However, we noted certain immaterial instances of noncompliance that we have reported to management of the School District in a separate letter dated December 16, 2004.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2004-01. We also noted certain immaterial instances of noncompliance that we have reported to management of the School District in a separate letter dated December 16, 2004.

This report is intended solely for the information and use of the School District's management, the Ohio Auditor of State and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Rea & Associates, Inc.

December 16, 2004

We're Ready For Your Future

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Education
Centerville City School District
Centerville, Ohio 45458

Compliance

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

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

In our opinion, the School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended June 30, 2004. The results of our auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud 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 weakness.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District as of and for the year ended June 30, 2004, and have issued our report thereon dated December 16, 2004. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the School District's management, the Ohio Auditor of State and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Kea & Associates, Inc.

April 21, 2005

CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

Federal Grantor/Pass Through Grantor/ Program Title	CFDA Number	Grantor's Number	Federal Receipts	Federal Disbursements	Non-cash Transactions
U. S. Department of Education					
<i>(Passed Through Ohio Department of Education):</i>					
Title I	84.010	C1-S1-2002	\$ 0	\$ 24	\$ 0
Title I	84.010	C1-S1-2003	7,816	28,360	0
Title I	84.010	C1-S1-2004	287,390	204,948	0
Total Title I			<u>295,206</u>	<u>233,332</u>	<u>0</u>
Title II-A Improving Teacher Quality	84.367	TRS1-2003	34,413	51,841	0
Title II-A Improving Teacher Quality	84.367	TRS1-2004	218,329	189,965	0
Total Title II-A			<u>252,742</u>	<u>241,806</u>	<u>0</u>
Title II-D Technology	84.318	TJS1-2003	0	18,573	0
Title II-D Technology	84.318	TJS1-2004	11,400	5,602	0
Total Title II-D			<u>11,400</u>	<u>24,175</u>	<u>0</u>
Title III, LEP	84.365	T3S1-2004	31,186	31,186	0
Title III, Immigrant	84.365	T3S2-2003	9,476	9,476	0
Title III, Immigrant	84.365	T3S2-2004	19,282	19,282	0
Total Title III			<u>59,944</u>	<u>59,944</u>	<u>0</u>
Vocational Education - Basic Grants to State	84.048	20C1-2002	2,000	58	0
Vocational Education - Basic Grants to State	84.048	20C1-2003	24,535	24,961	0
Vocational Education - Basic Grants to State	84.048	20C1-2004	167,749	167,715	0
Total Vocational Education			<u>194,284</u>	<u>192,734</u>	<u>0</u>
Title IV-A Safe and Drug-Free Schools	84.186	DRS1-1990	0	52	0
Title IV-A Safe and Drug-Free Schools	84.186	DRS1-2002	0	295	0
Title IV-A Safe and Drug-Free Schools	84.186	DRS1-2003	2,874	6,571	0
Title IV-A Safe and Drug-Free Schools	84.186	DRS1-2004	27,372	26,055	0
Total Safe and Drug-Free Schools and Communities			<u>30,246</u>	<u>32,973</u>	<u>0</u>
Title V, Innovation	84.298	C2S1-2001	0	75	0
Title V, Innovation	84.298	C2S1-2003	5,921	11,646	0
Title V, Innovation	84.298	C2S1-2004	82,370	68,705	0
Total Title V			<u>88,291</u>	<u>80,426</u>	<u>0</u>
<i>Special Education Cluster</i>					
IDEA-B, Special Education Grants to States	84.027	6BSD-2002	0	118	0
IDEA-B, Special Education Grants to States	84.027	6BSD-2003	15,000	30,000	0
IDEA-B, Special Education Grants to States	84.027	6BSD-2004	37,500	35,745	0
IDEA-B, Special Education Grants to States	84.027	6BSF-2003	141,881	166,930	0
IDEA-B, Special Education Grants to States	84.027	6BSF-2004	1,029,149	1,029,149	0
IDEA-B, Preschool Grants	84.173	PGS1-2003	2,902	7,575	0
IDEA-B, Preschool Grants	84.173	PGS1-2004	28,340	25,685	0
Total IDEA-B			<u>1,254,772</u>	<u>1,295,202</u>	<u>0</u>
Eisenhower Professional Development	84.281	MS-S1 2001	0	6,860	0
Total Department of Education			2,186,885	2,167,452	0
U. S. Department of Agriculture					
<i>(Passed Through Ohio Department of Education):</i>					
Nutrition Cluster:					
Food Distribution Program	10.550	2004	107,336	0	107,336
National School Breakfast Program	10.553	2003	3,916	3,916	0
National School Breakfast Program	10.553	2004	12,258	12,258	0
National School Lunch Program	10.555	2003	49,104	49,104	0
National School Lunch Program	10.555	2004	149,515	149,515	0
Total Department of Agriculture: Nutrition Cluster			<u>322,129</u>	<u>214,793</u>	<u>107,336</u>
Total Federal Financial Assistance			\$ 2,509,014	\$ 2,382,245	\$ 107,336

The Notes to the Schedule of Federal Awards Expenditures is an integral part of this Statement.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – CASH BASIS
June 30, 2004

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - FOOD DISTRIBUTION

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the United States Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

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.

1. SUMMARY OF AUDITOR'S RESULTS

(d) (1) (i)	Type of Financial Statement Opinion	Unqualified
(d) (1) (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	Yes
(d) (1) (iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unqualified
(d) (1) (vi)	Are there any reportable findings under Section .510?	No
(d) (1) (vii)	Major Programs (list):	Special Education Cluster CFDA # 84.027 & 84.173 Nutrition Cluster CFDA #10.550, 10.553 & 10.555
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All others
(d) (1) (ix)	Low Risk Auditee?	Yes

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

Finding 2004-01 - Appropriations in Excess of Estimated Resources Plus Available Balances

Section 5705.39, of the Ohio Revised Code, states the total appropriations from each fund should not exceed the total estimated revenues of the fund. The following funds had appropriations in excess of estimated resources plus available balances for the year ended June 30, 2004.

Fund	Estimated Resources	Appropriations	Excess
Public School Support	871,371	913,211	(41,840)
Professional Development Grant	10,518	15,900	(5,382)
Sum School Sub/Student Intervention	5,528	141,270	(135,742)
Special Education IDEA - B	760,168	1,191,418	(431,250)
C. Perkins Grant	174,917	194,228	(19,311)
Title III-A	19,000	59,206	(40,206)
Title I	205,569	299,847	(94,278)
Title V-A	44,801	135,097	(90,296)
Title IV-A	27,344	31,937	(4,593)
Early Childhood Spec Ed	39,673	40,688	(1,015)
Title II-A	125,428	245,598	(120,170)

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

None were noted

Finding 2004-01 - Appropriations in Excess of Estimated Resources Plus Available Balances

Section 5705.39, of the Ohio Revised Code, states the total appropriations from each fund should not exceed the total estimated revenues of the fund. The following funds had appropriations in excess of estimated resources plus available balances for the year ended June 30, 2004.

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
Public School Support	871,371	913,211	(41,840)
Professional Development Grant	10,518	15,900	(5,382)
Sum School Sub/Student Intervention	5,528	141,270	(135,742)
Special Education IDEA - B	760,168	1,191,418	(431,250)
C. Perkins Grant	174,917	194,228	(19,311)
Title III-A	19,000	59,206	(40,206)
Title I	205,569	299,847	(94,278)
Title V-A	44,801	135,097	(90,296)
Title IV-A	27,344	31,937	(4,593)
Early Childhood Spec Ed	39,673	40,688	(1,015)
Title II-A	125,428	245,598	(120,170)

Corrective Actions Taken or Planned:

The School District Treasurer's Office will monitor appropriations against available resources, on an ongoing basis, to ensure appropriations do not exceed estimated available resources. The responsibility for monitoring the appropriations belongs to the School District Treasurer.

CENTERVILLE CITY SCHOOL DISTRICT

Centerville, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 2004

Centerville City School District

Centerville, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2004

Prepared By:

**Dr. Steven Hinshaw
Treasurer**



Introductory Section

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

Table of Contents

INTRODUCTORY SECTION

Table of Contents	i
Letter of Transmittal	v
GFOA Certificate of Achievement for Excellence in Financial Reporting	xv
List of Principal Officials.....	xvi
Organizational Chart.....	xvii

FINANCIAL SECTION

Report of Independent Accountants.....	1
Management’s Discussion and Analysis.....	3
Basic Financial Statements	
Government-Wide Statements:	
Statement of Net Assets	13
Statement of Activities.....	15
Fund Financial Statements:	
Combined Balance Sheet – Governmental Funds.....	16
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances General Fund – Budget (Non-GAAP) and Actual	20
Statement of Net Assets – Fiduciary Funds	21
Statement of Changes in Fiduciary Net Assets – Private Purpose Trust	22
Notes to the Basic Financial Statements	23

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

Table of Contents (Continued)

Supplemental Information – Combining Statements and Individual Fund Schedules:

Major Government Funds:

Fund Descriptions	46
Individual Governmental Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual (Budget Basis):	
Bond Retirement Fund	47
Permanent Improvement Fund	48

Nonmajor Governmental Funds:

Fund Descriptions	49
Combining Balance Sheet – Nonmajor Governmental Funds	53
Combining Balance Sheet – Nonmajor Special Revenue Funds	54
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	59
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	67
Individual Governmental Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual (Budget Basis):	
Public School Support Fund	68
Other Grants Fund	69
District Managed Student Activities Fund	70
Auxiliary Services Fund.....	71
Teacher Residency	72
Teacher Development.....	73
Excellence in Education	74
Management Information Systems.....	75
Education R & D	76
Network Connect.....	77
SchoolNet Professional Development Fund.....	78
Ohio Reads Grant Fund.....	79

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

Table of Contents (Continued)

Summer School Subsidy Grant Fund	80
Vocational Education Grant	81
Miscellaneous State Grant.....	82
Title II (NDEA) Fund.....	83
Title VI-B Grant Fund.....	84
Vocational Education Grant Fund.....	85
Dropout Prevention & Intervention Grant Fund	86
Title I Grant Fund.....	87
Title VI Grant Fund.....	88
Emergency Immigration Grant Fund.....	89
Drug Free Schools Program Fund	90
EHA Preschool Grant.....	91
FCC E-Rate Program Fund	92
Reducing Class Size Grant Fund.....	93
Miscellaneous Federal Grants Fund	94
Adult Education Fund	95
Food Service Program Fund.....	96
Uniformed School Supplies.....	97
Building Fund.....	98
SchoolNet Plus Fund.....	99
Video Distance Learning Fund.....	100
 Combining Statements – Fiduciary Funds:	
Fund Descriptions	101
Combining Statement of Net Assets – Private Purpose Trust Funds.....	102
Combining Statement of Changes in Fiduciary Net Assets – Private Purpose Trust Funds	103
Schedule of Changes in Assets and Liabilities – Agency Fund.....	104
Individual Private-Purpose Trust Fund Schedules of Revenues, Expenses and Changes in Fund Equity – Budget to Actual (Budget Basis):	
Scholarship Trust Fund	105
Memorial Scholarship Trust Fund.....	106

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

Table of Contents (Continued)

STATISTICAL SECTION

Introduction.....	S1
District-Wide Governmental Revenues – Last Two Fiscal Years	S2
District-Wide Governmental Expenditures – Last Two Fiscal Years	S3
General Fund Revenues by Source – Last Ten Fiscal Years	S4
General Fund Expenditures by Function - Last Ten Fiscal Years	S5
Property Tax Levies and Collections – Last Ten Collection (Calendar) Years	S6
Assessed and Estimated Actual Value of Taxable Property - Last Ten Collection (Calendar) Years	S7
Property Tax Rates (Per \$1,000 of Assessed Valuation) - Last Ten Collection (Calendar) Years	S8
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita – Last Ten Fiscal Years	S9
Computation of Legal Debt Margin – June 30, 2004.....	S10
Computation of Direct and Overlapping Debt – June 30, 2004.....	S11
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures – Last Ten Fiscal Years.....	S12
Demographic Statistics – Last Ten Fiscal Years.....	S13
Construction, Bank Deposits and Real Property Values - Last Ten Calendar Years.....	S14
Real and Tangible Personal Property – Top Ten Principal Taxpayers – June 30, 2004.....	S15
Miscellaneous Statistical Data – June 30, 2004.....	S16



Centerville City Schools

January 31, 2005

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Centerville City School District (District) for the fiscal year ended June 30, 2004. This report represents the commitment of the District to adhere to nationally recognized standards of excellence in financial reporting.

The report contains financial statements, supplemental statements and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District. Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects. Our report is designed to present fairly the financial position, results of operation and budgetary comparisons of the District. This report is prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative services and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District.

Management is required to 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 it. The MD&A can be found immediately following the report of the independent auditors within the financial section.

The CAFR report is divided into three sections:

The Introductory Section introduces the reader to the report and provides an overview of the district and area. It also includes a table of contents, this transmittal letter, and a list of principal officials, and District's organizational chart.

The Financial Section includes the unqualified opinion of our independent auditor, Rea & Associates, Inc. It also includes the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, the combining and individual fund statements and schedules.

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

Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Dayton Area Chamber of Commerce, major businesses located within the District, other governmental entities in Montgomery County, the Washington-Centerville Libraries, Moody's and Standard and Poor's financial rating services, major banks, realtors, and other interested parties.

DISTRICT OVERVIEW

The District serves an area of 32 square miles in the southeastern part of Montgomery County, Ohio, encompassing the City of Centerville and Washington Township. The area is located approximately 8 miles south of the City of Dayton and 46 miles north of the City of Cincinnati on U.S. Interstate 675. U.S. Interstate 75 and U.S. Interstate 70 are 3 miles and 15 miles, respectively, from the area. With these major thoroughfares, Centerville and Washington Township provide a desirable location for many families who work in the Dayton and Cincinnati metropolitan areas.

The current charter as the District was adopted in 1969; yet, the first formal education in Washington Township was offered in 1803 to children from first to sixth grades. Additional higher education grades were added in 1848 with the first high school being built in 1885. Today, the District provides opportunities for its students to excel in academic, co-curricular, and community based activities.

Blue Ribbon School District

The District has five schools that have been recognized nationally as Blue Ribbon Schools by the U.S. Department of Education. This national recognition reflects the excellence that exists throughout the District. The District's Blue Ribbon schools are: Centerville High School (1984, 1993); Normandy Elementary (1992); Centerville Kindergarten Village (1997); Tower Heights Middle School (1998); and Weller Elementary School (1999).

Preschool

The Centerville Preschool is an early childhood program that serves children with and without special needs who range in age from 3-5. The licensed program provides a comprehensive preschool experience to enhance each child's social skills, independence, communication, physical and academic growth.

Kindergarten

Centerville Kindergarten Village is a District-wide early childhood and kindergarten center. In addition to regular kindergarten programs, the District offers Young 5s, Extended Day Kindergarten, and KinderPlus to provide developmentally appropriate programs for children ages five and six.

Elementary

There are six elementary schools housing grades one through five. Students are taught reading, language arts, science, social studies, math and health by the classroom teacher with art, music and physical education being taught by specialists in those areas. Teachers work in grade level teams and there are regular grade level team meetings for horizontal coordination and subject area meetings for vertical subject coordination.

Middle School

The three middle schools house students in grades six through eight. Each middle school is divided into four family teams made up of a teacher in each of the academic areas as in the elementary program. The "school within a school" concept is designed to provide students the ability to change classes for each academic area while having closer personal contact with their "family" teachers as students spend all three years with the same family of students and teachers. Students also receive instruction in art, music, physical education and can take German, French or Spanish.

High School

Centerville High School is a comprehensive, four-year school that stresses academic excellence and physical and social development. Courses are offered in the fine and applied arts, business, career education, tech-prep and all academic areas. In the 2003-2004 National Merit Scholarship Program, 8 seniors were National Merit Finalists and 14 were commended scholars. In addition, 148 seniors were inducted into the National Honor Society.

DISTRICT ORGANIZATION AND REPORTING ENTITY

The operations of the District are managed by the Board of Education (Board) that is made up of five citizens who are elected by voters to serve four-year terms. The Board is a body politic and corporate as defined by Ohio Revised Code Section 3313.02, and derives its authority from federal and state law. The Board's major function is to develop operating policies that will best service the needs of the students. In addition, the Board acts as the taxing authority, contracting body, the approver of the annual appropriation resolution and tax budget, as well as ensuring that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars. The Board employs the Superintendent to execute policies and provide leadership to the staff. The Board also employs the Treasurer to act as Chief Financial Officer to maintain financial records and invest funds of the District as specified by Ohio law.

The various funds of the District are used to account for the District's governmental assets, liabilities, fund balances, and results of operations (or revenues over/(under) expenditures) for those activities. In addition to the aforementioned services and general activities, the District acts as fiscal agent for State funds distributed to private schools located within the District's boundaries. This activity is included in the reporting entity as a special revenue fund due to the District's involvement in the distribution of funds. The parochial/private schools served are Church of the Incarnation, Miami Valley School, Spring Valley Academy, Kindercare (K-4), Montessori School of Centerville, and First School (primary). Although these organizations share operational and service similarity with the District, each is a separate and distinct entity. Because of their independent nature, none of these organizations' financial statements are included in this report.

ECONOMIC CONDITION AND OUTLOOK

The estimated population of this area is 52,991 residents as Centerville-Washington Township is primarily a residential area. Both Centerville and Washington Township attracts white-collar professionals, particularly doctors and managers. Most new homes are built in the \$300,000 to \$500,000 range and re-sales are in the \$170,000 range. The Community (City of Centerville and Washington Township) has grown rapidly over the past twenty years and, given its attractiveness as the residence and business location of choice in the region, it will continue to grow well into the next several decades. Understanding these critical issues, the Community developed a comprehensive plan called "Create the Vision." This was a community process that has involved citizens, businesses, organizations, and local government officials in a cooperative effort to plan for the future of Centerville and Washington Township. These groups worked together with the community at large to formulate goals in the areas of land use and development, transportation services, and other aspects of the community. The end result has been the adoption of a new community plan that outlines steps for implementing these goals over the next 20 years.

The Community has a much higher share of owner-occupied housing than the region as a whole. Other key housing issues include maintaining the competitiveness of the existing housing stock and pro-actively marketing the communities for target market niches, such as for move-ups and transfers, ensuring a diverse housing stock to meet Community needs. Housing stock was forecasted through 2007, based on projected household growth, vacancy, and replacement factors. Based on a tenure trends analysis and household forecasts, Centerville will add about 470 units by 2007, of which 350 will be owner-occupied and 120 will be rental units. Washington Township would add 1,200 units by 2007, including 940 owner-occupied units and 290 rental units. Marketing niches have been identified for current and near-term potential: empty nesters (move-downs), move up families, and transfers and relocations.

Centerville continues to see moderate growth in business development. Built on a diversified base of small businesses, Centerville continues to be well positioned to weather economic downturns. In 2003 alone, over 50 new businesses opened within the city.

DISTRICT ACHIEVEMENTS AND INITIATIVES

Every year academic and co-curricular highlights are included in an annual report to the community and includes state and national recognition, student achievements and community contributions. Centerville staff and students excel in an extraordinary array of activities, including the following:

Academic Achievements

- The District earned an “Excellent” rating - the highest rank in Ohio’s report card on school districts. The District met 22 of 22 standards that are based on student test achievement scores, along with attendance and graduation rates. This is the sixth straight year the District received top honors. In addition, the District is one of only 17 districts in Ohio to have received that top rating in each year since the report cards were first issued in 1999.
- CHS Science Olympiad team won the State Championship, placing 6th in national competition. Magsig Middle School Science Olympiad team won the State Championship, placing 11th in national competition.
- CHS Junior Engineering Technical Society (JETS) placed 3rd in state competition.
- Of the 35 district-sponsored Destination Imagination teams, seven teams won 1st place in the regional contest. Teams from CHS and Weller placed 1st and 2nd, respectively, in Ohio and advanced to the Global Tournament.
- 18 middle school students achieved “Recognized Scholar” status in the Middle School Scholastic Achievement Test.
- CHS Advanced Placement American Government class placed 2nd in Ohio in the “We the People ...Citizens and Constitution” competition.
- The CHS Debate team placed 2nd at the State Tournament.
- DECA Marketing students had numerous District and State competition winners and three students won National Certificates of Excellence.
- International Business Management students placed 1st in Regional and State Business Professionals of America competitions and one team finished 3rd at the National competition. Also, the students placed 1st in all regional competitions.
- International Technology students placed in the National Top Ten.
- The 2004 CHS Elkonian Yearbook received two awards from national scholastic journalism organizations. The American Scholastic Press Association has awarded the book First Place, and has also recognized the Elkonian with an award for Best Theme, for "What Lies Within." The National Scholastic Press Association has designated the book, "First Class" with Marks of Distinction.
- The CHS Jazz Band was the highest rated band in Ohio at the Bands of America Grand National competition finishing 6th nationally and winning the Best Visual caption award. In addition, the Jazz won the Grand Champion Award at Bands of America Regionals in Pontiac, Michigan and Youngstown, Ohio.
- The Winter Percussion finished 1st in the highest competition class at WGI World Championships in San Diego, California.
- The Winter Guard finished 12th in the highest competition class at WGI World Championships in San Diego, California.
- The CHS Symphonic Orchestra earned a Superior rating at the Ohio Music Education Association state competition and placed 6th at the National Orchestra Festival.



Individual Student Achievements

- In the 2003-2004 National Merit Scholarship Program, 8 seniors were National Merit Finalists, 8 were National Merit Semi-Finalists, 14 were Commended Scholars, and 1 was a National Merit Achievement winner.
- The Class of 2004 earned over \$4,000,000 in scholarships. Over 200 seniors earned major scholarships or grants-in-aid.
- 148 seniors were inducted into the National Honor Society.
- 197 seniors earned the State of Ohio Honors Diploma
- 180 seniors earned Academic Distinction by maintaining a 3.5 GPA.
- 229 seniors earned the Ohio Award of Merit.
- 103 seniors earned Scholar-Athlete status by earning a varsity letter and maintaining a 3.2 GPA.
- 159 seniors earned the President's Award of Educational Excellence and 15 seniors earned the President's Award of Achievement.
- 95.2% of the Class of 2004 have been accepted to either two or four year institutions of higher learning.

Athletic Achievements

- CHS captured the G.W.O.C. Eastern Division, All-Sports Trophy. This year's honor marks the 28th time over the last 29 years that CHS has captured its conference all-sports trophy.
- CHS girls swimming team won the Ohio state championship.
- Justin Kronauge was State Champion in Tennis singles.
- CHS boys volleyball was state runner-up.
- Girls tennis was state runner-up; won the conference championship for the 28th consecutive year.
- The Cheerleading Competition Squad placed 2nd nationally in the large mount division at JamFest Nationals in Indianapolis, Indiana.
- Boys tennis finished 3rd at state; won the conference championship for the 20th consecutive year.
- Girls gymnastics finished 8th at state competition.
- Baseball, girls basketball, boys soccer, girls cross country, softball, and boys track all won district championships in their respective competitions.
- Baseball, girls cross country, boys golf, girls softball, boys swimming/diving, girls volleyball, and wrestling also each captured their respective conference championships.

Staff Achievements and Recognitions

- Lori Mayo, Tower Heights health teacher, was the District's nominee for Ohio Teacher of the Year.
- Lori Ehrensberger, John Hole; Tracy Fricke, Driscoll; Megan Ralston, Stingley; Janet Shanks, CHS; and Marcia Waters, Cline all earned National Board Certification.
- Judy Mack, Normandy, was named Outstanding Teacher of the Year by the Centerville Education Foundation at the annual Hall of Fame dinner.
- Centerville Kindergarten Village principal and staff members visited Italy to understand more about the successful Reggio Emilia approach to early childhood education.

Community Service Achievements

- The Spirit Chain competition, led by the CHS Class Officers, raised \$42,473 which was donated to the Children's Medical Center to continue the "The Spirit of Centerville" Fund, designed to befriend families of children with acute leukemia who are undergoing bone marrow transplants.
- The CHS Food Drive collected over 7195 pounds (12,000 cans) for the Holiday Aid Canned Food Drive the week before Thanksgiving, leading the Dayton-area schools. The food was donated to the Red Cross Bank which supplies food pantries in the Centerville-Washington Township area.

MAJOR INITIATIVES FOR THE YEAR

The mission of the District, a community of learners, is to provide diverse educational opportunities that develop the skills, attitudes, knowledge, and ethics needed to reach individual potential and create a foundation for lifelong learning. The following were the continuous improvement goals for 2003-2004.

Curriculum and Instruction

- Completed final revisions of the Foreign Language, Art, Music and Physical Education courses of learning.
- Purchased new foreign language materials for grades 6-12.
- Updated and added materials and equipment for art, music, physical education, band and orchestra.
- Provided professional development for teachers through the 2003 Summer Institute, the K-3 Institute, the K-8 Special Education Institute, and training for Mentor Teachers and Peer Assistance and Reflection Coaches.

Capital Improvement Projects

- Replaced the heating, ventilation and air conditioning (HVAC) at Tower Heights.
- Replaced windows at Driscoll; and doors at Cline, Central Resource Center and Tower Heights.
- Replaced roofs at the Kindergarten Village, Grant Nature Center, Soccer Stadium and Baseball Field.
- Replaced carpet in classrooms at the High School's South Unit and other selected classrooms and offices.
- Paved and repaired concrete at the High School, Magsig, Cline, Tower Heights, Transportation, Driscoll, John Hole, Kindergarten Village, Normandy and Weller.
- Upgraded electric service at Cline.
- Purchased new school buses, as well as new student furniture to be used throughout the District.

Technology

- Installed new servers in each school building.
- Replaced classroom workstations for middle school classrooms (regular and special) and guidance counselors.
- Redeployed older computers into science and special education classrooms.
- Implemented a system to support wireless notebook technology at the High School.
- Continued to enhance the school and teacher web content options available.

MAJOR INITIATIVES FOR THE FUTURE

The District has developed a Continuous Improvement Plan similar to a Strategic Plan to help focus our efforts. Building on the successes from the 2003-2004 year, the following are highlights of the District's continuous improvement goals for 2004-2005.

Goal 1: We will encourage and advance community collaboration.

- Seek new and different ways to provide meaningful and understandable financial information to all of the District's constituents (Board, staff, and community) including the Comprehensive Annual Financial Report.
- Increase collaboration between our professional staff and our parents through input from our parent group and the parent mentors.

Goal 2: The curricular and instruction program will prepare students to achieve their full potential of academics, thinking and reasoning, and responsible citizenship.

- Improve literacy and mathematics instruction for students with special needs through expanded implementation of co-teaching and collaboration between special education and core classroom teachers.
- Complete the review and revision of the Science Course of Learning. Provide in-service for staff to support classroom implementation. Review and evaluate classroom resources to support the new Science Course of Learning. Adopt new materials and begin to re-fit science classrooms for 2005-2006.
- Enable data driven decision making practices by exploring ways to warehouse data and to develop memory tools to access data.
- Operationalize technology standards to students and staff. Further incorporate technology components into our curriculum and track/report student progress.
- Prepare students to achieve their full potential of academics, thinking and reasoning, and responsible citizenship through the curricular and instructional program.
- Continue improvements to the technology infrastructure by enhancing web services and piloting wireless connectivity options.
- Promote and support the efficient and effective use of the District's financial resources to maximize student achievement by establishing an ongoing financial planning process for the District which provides a strong foundation for District decision-making and long-range planning.

Goal 3: The District will annually receive an "Excellent" Performance Accountability Rating as reported on the Ohio Department of Education's Local Report Card.

- Ensure optimal conditions for student performance on the Ohio Graduation Test by: developing and refining classroom intervention efforts for all 10th graders in all 5 test areas; developing a comprehensive OGT test administration plan for March 2005 which includes practice test experiences at grade 9 along with the establishment of an effective test environment for 10th grade students; and, providing opportunities for parents of 10th grade students to learn more about the Ohio Graduation Test.
- Prepare for the changes and challenges presented by the K-8 statewide accountability model – Kindergarten Readiness Assessment; Achievement Testing in the following areas: reading/mathematics – grade 3; reading/writing – grade 4; reading – grade 5; mathematics – grade 7; reading/mathematics – grade 8.

Goal 4: We will support a dynamic and refined staff development program to foster professional growth which enhances cognitive and instructional skills in order to deliver a program appropriate to meet the needs of all students.

- Continue to refine and implement a comprehensive recruitment and retention approach to building a highly qualified educator workforce.
- Continue to improve upon and enhance our comprehensive professional development model to ensure a highly qualified teacher workforce and support staff in cooperation with Curriculum and Instruction Department
- Continue to seek new and better ways to meet the informational needs of our staff to include the staff intranet, web page, Central Line, print resources, and possible video options.
- Continue to provide quality professional development for special education teachers in the areas of literacy and mathematics instruction.

To deal with the moderate increase in student enrollment, the District is considering an approximately \$62,000,000 bond issue for the May 2005 ballot. Highlights of the bond issue would fund the construction of a new elementary school, classroom expansions at most school buildings, new HVAC systems including new doors and windows at most buildings not recently updated, a new high school auditorium, and land acquisition for potential new facilities.

FINANCIAL INFORMATION

The District prepared financial statements following GASB Statement No. 34, “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. GASB 34 creates new basic financial statements for reporting the District’s financial activities and including the following:

Government-wide Financial Statements

These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities in nature. The District did not have any business-type activities during fiscal year 2004.

Fund Financial Statements

These statements present information for individual major funds rather than by fund type. Funds, which are not classified as major funds are presented in one column, titled “Nonmajor Funds”. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government-wide financial statements. The fiduciary funds are presented using the accrual basis of accounting.

Statement of Budgetary Comparisons

These statements present comparison of actual information to, both the original and final amended, budget legally adopted by the District for the General Fund and any major special revenue funds. The District has no major special revenue funds. The budgetary basis as provided by Ohio Law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

Internal Accounting and Budgetary Control

Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation. The management of the District is responsible for establishing and maintaining an internal control environment that provides reasonable assurance the District’s financial statements are reliable, the District complied with applicable laws and regulations and the District is operating effectively and efficiently.

The District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensure that the financial information generated is both accurate and reliable.

The District maintains its accounts and accounting records to facilitate budgetary control as outlined by Ohio Revised Code. Before October 1st of each fiscal year the Board adopts its annual appropriation measure. These appropriations may be amended as needed by Board action. Annual appropriations and any amendments may not exceed the County Budget Commissions official estimate of resources. The County Auditor must certify that the Board’s appropriation measures do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level. All purchase order requests must be approved by the building principal, department supervisor, or appropriate central office director and must be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests, which exceed the available appropriations, are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail month and year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal has access to view the status of the budget accounts for which they are responsible. As an additional safeguard, a blanket bond covers all employees; a separate, higher limit bond covers certain individuals in policy-making roles. Additional information on the District's budgetary accounts can also be found in notes to the basic financial statements.

Cash Management

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. The District utilizes the STAROhio program investment pool, operated by the Ohio Treasurer of State, for ready cash and yield. Certificate of deposits, treasury bonds and notes, money market mutual funds, and United States agency securities are utilized for long-term investments. Investment earnings for the District totaled \$370,634 on the Statement of Activities and \$543,552 on the Governmental Fund Statements during the fiscal year.

Risk Management

The District continues to protect its assets through a comprehensive insurance program. Insurance policies for fleet liability, general liability, excess liability, directors and officers, property loss and boiler and machinery coverage are purchased from the Indiana Insurance Company. Employee health and other insurance coverage are provided by Anthem PPO, Superior Dental PPO and Medical Life Insurance. In addition, the District offers a full range of supplementary retirement plans for eligible staff members.

INDEPENDENT AUDIT

Included in this report is the unqualified opinion rendered on the District's financial statements as of and for the year ended June 30, 2004 by Rea and Associates, Inc. This is the first year of a five-year contract entered into by the State of Ohio Auditor's Office, the School District and the firm. An annual independent audit of the District's financial statements is a requirement of Ohio statute, as well as an integral part of the annual preparation of a CAFR. This annual independent audit will continue to review, comment on and thereby strengthen the District's accounting and budgetary control.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Centerville City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2003. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirement. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The members of the Treasurer's Office Staff are to be especially commended for the input and commitment. Finally, appreciation is extended to the District's Board of Education, Centerville Schools Administration and the Centerville Schools community for its continuing support.

Respectfully submitted,

Steven Hinshaw, Treasurer

Frank DePalma, Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Centerville City School District,
Ohio

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

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



Nancy L. Zjelle

President

Jeffrey R. Emer

Executive Director

Centerville City School District
Montgomery County, Ohio
List of Principal Officials
June 30, 2004

ELECTED OFFICIALS

President, Board of Education	Dr. David Roer
Vice President, Board of Education	Mrs. Karen Myers
Board of Education Member	Mr. John Doll
Board of Education Member	Mr. Bradley Evers
Board of Education Member	Mrs. Cheryl Smith

ADMINISTRATIVE OFFICIALS

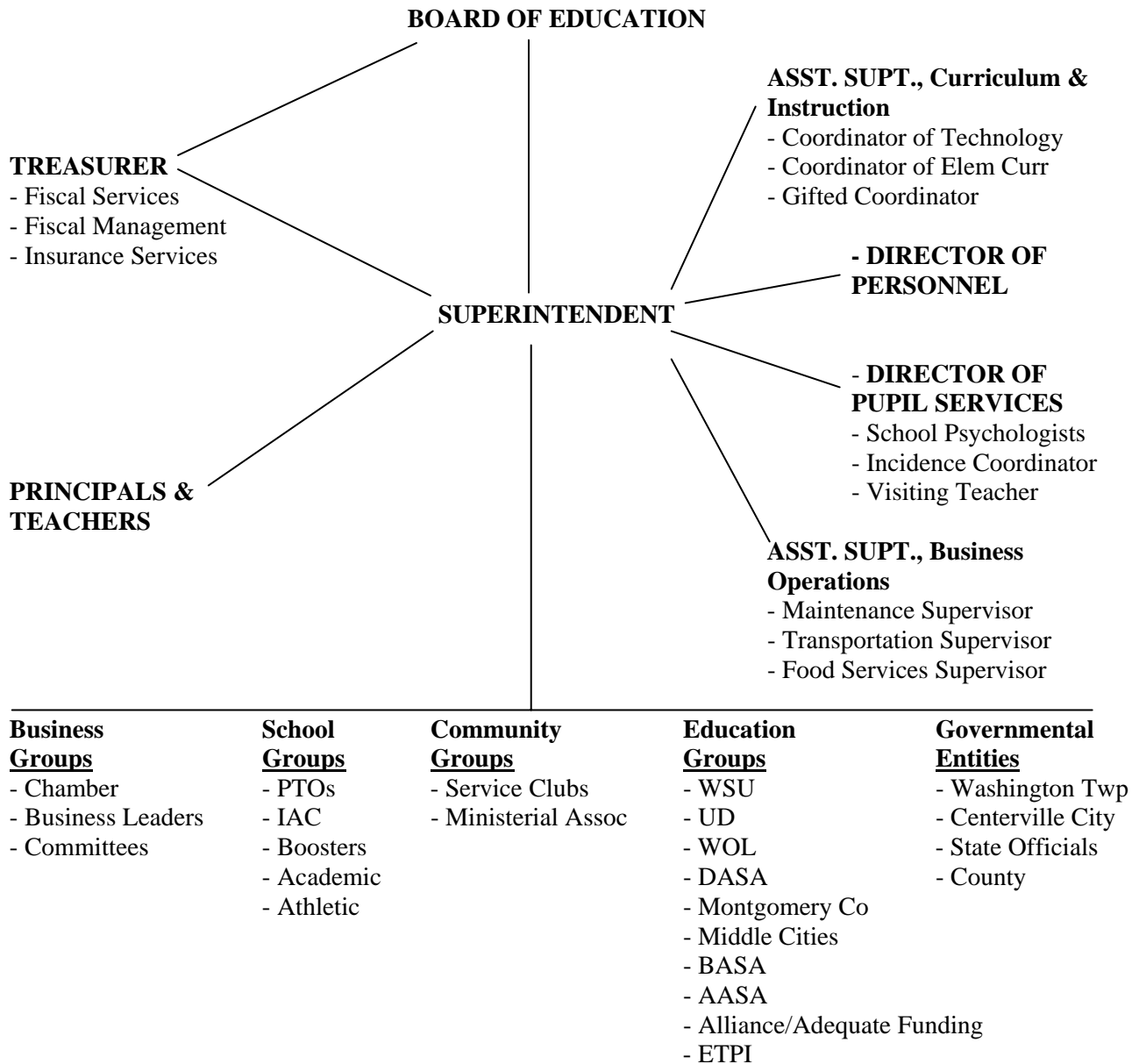
Superintendent	Mr. Frank DePalma
Treasurer	Dr. Steven Hinshaw
Assistant Superintendent for Business Operations	Mr. Gary Smiga
Assistant Superintendent for Curriculum and Instruction	Mr. Terry Riley
Director of Pupil Services	Mr. Steve Bartalo
Director of Personnel	Dr. Thomas Henderson
Coordinator of Technology and Curriculum	Mr. Scott Fife

OFFICE OF THE TREASURER

Treasurer	Dr. Steven Hinshaw
Secretary	Ms. Connie Cummins
Payroll Coordinator	Mrs. Connie Burton
Payroll Analyst	Mrs. Laura Baker
Payroll Assistant	Miss Mary Ann Bergman
Accounting Coordinator	Mrs. Linda Bruner
Accounts Payable	Mrs. Akemi Simon
CHS Student Activities	Mrs. Candi Trentel

Centerville City School District
 Montgomery County, Ohio
 Organizational Chart
 June 30, 2004

Basic to the statement of policy is an organizational chart. The chart represents functional working relationships and should not be taken to depict strictly a line and staff organization. This is particularly true of directors and other specialists who are not charged with line or authoritative function, but rather that of providing leadership in a reciprocal working arrangement with other personnel in the planning, coordination, evaluation, and improvement of the school program.





Financial Section

Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

To the Board of Education
Centerville City School District
Centerville, Ohio 45458

Independent Auditor's Report

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2004, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is 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.

The accompanying introductory section, combining nonmajor fund statements and schedules and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical sections to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Rea & Associates, Inc.

December 16, 2004

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

The discussion and analysis of the Centerville City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2004 are as follows:

Overall:

- Total net assets increased by \$1.2 million from fiscal year 2003.
- Total assets of governmental activities increased \$3.4 million, attributed primarily to an increase in the property tax receivable recognized at June 30, 2004.
- General revenues accounted for \$67.2 million or 89.3 percent of total revenue. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions account for \$8.1 million or 10.7 percent of total revenues of \$75.3 million.
- Of the School District's \$74.1 million in expenses, only \$8.1 million were offset by program specific charges for services, grants or contributions. General revenues (primarily grants and entitlements, and property taxes) were used to cover the net expense of \$66.0 million.
- On the budgetary basis of accounting, the School District's General Fund ended fiscal year 2004 with a fund balance of \$24.2 million. Actual budgetary revenues were more than original budget estimates by \$4.3 million and budgetary expenditures were less than original budget estimates by nearly \$2.0 million.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Centerville City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregated view of the School District's finances and a longer-term view of those statements. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. While the General Fund is by far the most significant fund at Centerville City School District, individual fund statements are also presented for the Debt Service and Permanent Improvement Funds since local property and other taxes are paid into these funds.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2004?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The School District does not have any business-type activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds follows the Statement of Activities in the Financial Section of this report. Fund financial reports provide detailed information about the General, Debt Service and Permanent Improvement Funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds, and therefore only the major funds are presented separate from the other governmental funds.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Governmental Funds

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

The School District as a Whole

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

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

TABLE 1
NET ASSETS

	<u>2004</u>	Restated <u>2003</u>
<i>Assets</i>		
Current and Other Assets	\$ 80,647,104	\$ 77,306,035
Capital Assets	<u>28,813,289</u>	<u>28,759,656</u>
Total Assets	<u>109,460,393</u>	<u>106,065,691</u>
<i>Liabilities</i>		
Long-Term Liabilities	22,118,898	24,376,192
Other Liabilities	<u>51,990,692</u>	<u>47,499,287</u>
Total Liabilities	<u>74,109,590</u>	<u>71,875,479</u>
<i>Net Assets</i>		
Invested in Capital Assets, Net of Debt	9,878,697	8,769,572
Restricted	6,596,859	8,179,261
Unrestricted	<u>18,875,247</u>	<u>17,241,379</u>
Total Net Assets	<u>\$ 35,350,803</u>	<u>\$ 34,190,212</u>

The amount by which the School District's assets exceeded its liabilities is called net assets. As of June 30, 2004, the School District's net assets were \$35.4 million. Of that amount, approximately \$9.9 million was invested in capital assets, net of debt related to those assets. Another \$6.6 million was subject to external restrictions upon its use. The remaining unrestricted net assets of \$18.9 million are available for future use as directed by the Board of Education and the School District's management.

The majority of the increases seen in the current and other assets, as well as other liabilities, is attributable to increases in property tax receivables and the offsetting deferred revenue liability associated with those receivables. Decrease in long-term liabilities is due to annual debt service payments of long-term debt.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Table 2 shows the changes in net assets for fiscal year 2004 as compared with amounts reported for fiscal year 2003.

Table 2
CHANGE IN NET ASSETS

	<u>2004</u>	<u>2003</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 4,579,238	\$ 4,311,331
Operating Grants and Contributions	3,438,001	2,951,841
Capital Grants and Contributions	48,917	200,441
General Revenues:		
Property Taxes	48,122,564	42,208,394
Grants and Entitlements	18,457,781	17,307,126
Other	<u>639,127</u>	<u>1,068,580</u>
Total Revenues	<u>75,285,628</u>	<u>68,047,713</u>
Program Expenses		
Instruction	43,355,730	39,903,025
Support Services:		
Pupils and Instructional Staff	8,491,663	8,242,354
Board of Education, Administration, Fiscal and Business	5,693,553	5,678,696
Plant Operation and Maintenance	6,434,103	5,785,183
Pupil Transportation	4,633,431	4,188,147
Central	93,373	102,201
Operation of Non-Instructional Services	3,043,987	2,891,264
Extracurricular Activities	577,028	579,868
Unallocated Depreciation	919,310	966,213
Interest and Fiscal Charges	<u>882,859</u>	<u>986,240</u>
Total Expenses	<u>74,125,037</u>	<u>69,323,191</u>
Increase (Decrease) in Net Assets	<u>\$ 1,160,591</u>	<u>\$ (1,275,478)</u>

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. Property taxes made up 63.9 percent of revenues for governmental activities for the Centerville City School District for fiscal year 2004. In addition to property taxes, the School District relies on the intergovernmental revenues provided by the State of Ohio and the federal government to fund its operations; approximately 29.2 percent of the School District's total revenue was received from intergovernmental sources during fiscal year 2004.

A significant increase in property tax revenue was realized during fiscal year 2004 attributed to the recording of a significantly higher amount of delinquent taxes in fiscal year 2004. In addition, the School District received higher levels of funding in specific education grant allocations in the 2003-2004 school year. These increases in funding levels were offset by increasing cost of personnel (higher wages and benefits) as well as providing necessary funding for additional educational programs. In fiscal year 2004, instruction related expense comprises 58.5 percent of total expenses for fiscal year 2004, while support services expenses make up 34.2 percent of the total expenses for the year.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost of service is very similar to those experienced by the School District in fiscal year 2003.

Table 3
Total and Cost of Program Services
Governmental Activities
For Fiscal Year 2004

	Total Cost of Service	Net Cost of Service
Instruction	\$ 43,355,730	\$ 40,321,034
Support Services:		
Pupils and Instructional Staff	8,491,663	7,453,439
Board of Education, Administration, Fiscal and Business	5,693,553	5,647,202
Plant Operation and Maintenance	6,434,103	6,318,818
Pupil Transportation	4,633,431	4,335,681
Central	93,373	53,684
Operation of Non-Instructional Services	3,043,987	195,588
Extracurricular Activities	577,028	(68,734)
Unallocated Depreciation	919,310	919,310
Interest and Fiscal Charges	<u>882,859</u>	<u>882,859</u>
Total Expenses	\$ <u>74,125,037</u>	\$ <u>66,058,881</u>

Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Pupils and instructional staff include the activities involved with assisting the staff with the contents and process of teaching to pupils.

Board of education, administration, fiscal and business includes expenses associated with administrative and financial supervision of the District.

Plant operation and maintenance activities involve keeping the school grounds, buildings, and equipment in an effective working condition, including normal repair and maintenance.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Central includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Operation of non-instructional services includes the preparation, delivery and servicing of lunches, snacks and other incidental meals to students and school staff in connection with school activities, as well as services provided to the community at-large.

Extracurricular activities includes expenses related to student activities provided by the School District which are designed to provide opportunities for pupils to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Unallocated depreciation represents current period depreciation charges associated with capital assets that are utilized by several different functions, typically school buildings throughout the District.

Interest and fiscal charges involves the transaction associated with the payment of interest and other related charges to debt of the School District.

The School District's Funds

On the modified accrual basis of accounting, the School District's three major governmental funds had ending fund balances of \$25.2 million, or 95.3 percent of the total fund balance of all governmental funds. The School District's primary operating fund, the General Fund, ended the year with revenues exceeding expenditures by \$1.7 million. Of that surplus, \$1.1 million was transferred to the permanent improvement fund to provide financing for various capital projects throughout the District. The unreserved, undesignated ending fund balance in the General Fund (\$17.1 million) represents approximately 27.9 percent of the annual expenditures of the General Fund. Of the other two major funds, the Debt Service Fund realized a slight increase in fund balance while the Permanent Improvement Fund's ending fund balance decreased by \$1.7 million in fiscal year 2004. This decrease was associated with several capital projects which were completed and paid for during the fiscal year for which funding had been accumulated in the fund in prior years.

General Fund Budgeting Highlights

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

For the General Fund, budget basis revenue was \$62.3 million as compared to the original budget estimates of \$58.0 million. The School District received higher than expected revenues from the local property tax and state foundation revenue sources.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$61.4 million, approximately \$2.0 million less than what was originally budgeted. Lower than expected expenditures in the support services account for the vast majority of the variance.

As the budget for the General Fund is amended throughout the fiscal year for unanticipated revenues and expenditures, the final amended budget amounts approximate the actual budgetary results realized by the School District.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Capital Assets

At the end of fiscal year 2004, the School District had \$28.8 million invested in land, buildings, furniture and equipment, and vehicles in governmental activities. Table 4 shows fiscal year 2004 balances compared to 2003, however for greater detail readers should review Note 8 to the basic financial statements.

Table 4
Capital Assets at June 30

	2004	Restated 2003
Land	\$ 1,160,355	\$ 1,160,355
Construction in Progress	60,614	-
Building and Improvements	48,649,892	47,373,638
Equipment	7,880,673	7,850,458
Vehicles	5,410,560	5,026,317
Less: Accumulated Depreciation	<u>(34,348,805)</u>	<u>(32,651,112)</u>
Totals	\$ <u>28,813,289</u>	\$ <u>28,759,656</u>

Overall, net capital assets increased slightly by approximately \$55,000 from fiscal year 2003. The increase in capital assets results from the current capital asset purchased by the School District being a larger amount than the amount of depreciation being charged against the assets.

Significant capital asset acquired during fiscal year 2004 consisted primarily of various capital improvements to District buildings, new school buses and miscellaneous equipment. Approximately \$1.3 of capital improvements to buildings, including roofing (\$260,000) and HAVC projects (\$850,000), were capitalized in fiscal year 2004. The School District also acquired seven new school buses for pupil transportation at a cost of approximately \$510,000.

Since fiscal year 2000, Ohio law requires school districts to set aside three percent of certain revenues for capital improvements and an additional three percent for textbooks and instructional supplies. For fiscal year 2004, this amounts to approximately \$1.1 million for each set aside requirement for a combined total of \$2.2 million. Conversely, the School District spent or had qualifying credits of \$8.5 million, significantly more than the amounts required.

Cost associated with repair and maintenance of the School District's facilities and other assets that do not extend the useful life of the capitalized item, is including within the plant operation and maintenance function.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Debt Administration

At June 30, 2004, the School District had four general obligation bonds outstanding with outstanding principal of \$16.6 million, of which \$1.4 million is due within one year.

In addition to the general obligation bonds, the School District previously issued two notes payable to finance certain school improvement projects. These notes are being repaid from permanent improvement tax revenue recorded in the Permanent Improvement Fund. At the end of the year, \$1.2 million of long-term capital notes payable were outstanding with \$970,000 due within the next fiscal year.

At June 30, 2004, the School District's overall legal debt margin was \$122.1 million with an energy conservation debt margin of \$13.5 million and an unvoted debt margin was \$1.5 million.

For more detailed disclosures regarding the School District's long-term debt obligations readers should refer to Note 12 to the basic financial statements.

For the Future

The Community (City of Centerville and Washington Township) has grown rapidly over the past twenty years and, given its attractiveness as the residence and business location of choice in the region, it will continue to grow well into the next several decades. The land to support past growth has been consumed at an increasing rate and will be exhausted, if present trends continue, within the next 35 years as the Community is 77% developed (86% city and 73% township). By then, the Community will have matured, with redevelopment as the only option to accommodate growth and change. How this limited supply of land is eventually used will dictate everything from fiscal health, to Community appearance, and ultimately its continued attractiveness as a place to live, work, and play.

Understanding these critical issues, the Community developed a comprehensive plan called "Create the Vision." This was a community process that has involved citizens, businesses, organizations, and local government officials in a cooperative effort to plan for the future of Centerville and Washington Township. These groups worked together with the community at large to formulate goals in the areas of land use and development, transportation services, and other aspects of the community. The end result has been the adoption of a new community plan that outlines steps for implementing these goals over the next 20 years.

The Community is in an excellent position today to make informed choices. Land use decisions can now be made in light of their fiscal consequences and their impact on the economic viability of the downtown. Continued growth outward, extending utilities, continuously widening roads and consuming all the "vacant land" available is not the only alternative development pattern available. Building inward, looking first at underutilized and undeveloped land already served with infrastructure, is another approach the Community has indicated as a preference. This involves creating incentives to rebuild and, at the same time, selectively saying no to the relentless pressure to expand outward, one isolated subdivision at a time.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

The 2004-2005 fiscal year is the first fiscal year since the 2000 operating levy that is planned to have an operating deficit before using the cash reserves to balance the budget. The 2004-2005 budget and negotiated agreement were developed to help deal with the situation before returning to the taxpayers to raise the voted millage. In order to avoid the crisis and significantly damaging the instructional programs and offerings that could jeopardize the status Centerville has attained as a premier district in the state, the district is in the process of planning for a May 2005 operating levy request.

The School District has negotiated a three-year contract with the CCTA which expires on June 30, 2008. This three-year contract provides annual base salary raises of 0% for 2005-2006 school year, 4% if a new operating levy passes in 2005 for 2006-2007 school year, and 4% if the Board of Education determines that it has the ability to pay the raise for the 2007-2008 school year.

To deal with the moderate increase in student enrollment, the District is considering an approximately \$60,000,000 bond issue for the May 2005 ballot. Highlights of the bond issue would fund the construction of a new elementary school, classroom expansions at most school buildings, new HVAC systems including new doors and windows at most buildings not recently updated, a new high school auditorium, and land acquisition for potential new facilities.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Treasurer's Office at Centerville City School District, 111 Virginia Avenue, Centerville, OH 45458 or call (937) 433-8841.



**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

STATEMENT OF NET ASSETS
JUNE 30, 2004

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 33,124,642
Receivables:	
Property and other taxes	46,895,376
Accounts	110,786
Intergovernmental	107,605
Accrued Interest	155,804
Deferred Charges	111,005
Restricted Assets:	
Equity in pooled cash and cash equivalents	141,886
Depreciable capital assets, net	27,592,320
Non-depreciable capital assets	1,220,969
Total Assets	109,460,393
Liabilities:	
Accounts payable	906,051
Accrued contracts payable	543,575
Accrued wages and benefits payable	6,074,636
Intergovernmental payable	1,796,716
Accrued interest payable	62,264
Matured compensated absences	310,695
Deferred revenue	42,296,755
Long Term Liabilities:	
Due within one year	2,830,000
Due in more than one year	19,288,898
Total Liabilities	74,109,590
Net Assets:	
Invested in capital assets, net of related debt	9,878,697
Restricted for:	
Special revenue	363,853
Capital projects	1,920,059
Debt service	4,171,061
Other purpose	141,886
Unrestricted	18,875,247
Total Net Assets	\$ 35,350,803

See accompanying notes to the basic financial statements.



**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for services & sales	Operating grants and contributions	Capital grants and contributions	Total Governmental Activities
Governmental Activities:					
Instruction:					
Regular	\$ 34,047,380	\$ 1,227,696	\$ 375,524	\$ -	\$ (32,444,160)
Special	6,644,429	787,414	531,838	-	(5,325,177)
Vocational	2,185,235	-	112,224	-	(2,073,011)
Other	478,686	-	-	-	(478,686)
Support Services:					
Pupils	3,088,292	-	165,661	-	(2,922,631)
Instructional staff	5,403,371	-	872,563	-	(4,530,808)
Board of education	19,255	-	-	-	(19,255)
Administration	3,820,320	-	46,351	-	(3,773,969)
Fiscal	1,314,217	-	-	-	(1,314,217)
Business	539,761	-	-	-	(539,761)
Operation and maintenance of plant	6,434,103	115,285	-	-	(6,318,818)
Pupil transportation	4,633,431	248,833	-	48,917	(4,335,681)
Central	93,373	-	39,689	-	(53,684)
Operation of non-instructional services	3,043,987	1,656,154	1,192,245	-	(195,588)
Extracurricular activities	577,028	543,856	101,906	-	68,734
Interest and fiscal charges	882,859	-	-	-	(882,859)
Unallocated depreciation *	919,310	-	-	-	(919,310)
Total Governmental Activities	\$ 74,125,037	\$ 4,579,238	\$ 3,438,001	\$ 48,917	(66,058,881)

General Revenues:

 Property taxes levied for:

General purposes	43,935,197
Debt service	2,057,968
Capital projects	2,129,399

 Grants and entitlements not restricted to
 specific programs

Investment earnings	370,634
Miscellaneous	268,493

Total General Revenues

67,219,472

Changes in net assets

1,160,591

Net assets at beginning of year - restated

34,190,212

Net assets at end of year

\$ 35,350,803

* - This amount excludes the depreciation that is included in the direct expense of the various functions.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2004

	General Fund	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 24,386,844	\$ 3,985,476	\$ 2,878,250	\$ 1,874,072	\$ 33,124,642
Receivables:					
Taxes	42,765,428	2,040,974	2,088,974	-	46,895,376
Accounts	12,482	-	97,500	804	110,786
Intergovernmental	-	-	-	107,605	107,605
Interest	155,804	-	-	-	155,804
Interfund	80,938	-	-	-	80,938
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	141,886	-	-	-	141,886
Total Assets	\$ 67,543,382	\$ 6,026,450	\$ 5,064,724	\$ 1,982,481	\$ 80,617,037
<u>Liabilities and Fund Balances:</u>					
Liabilities:					
Accounts Payable	\$ 133,477	\$ -	\$ 602,183	\$ 170,391	\$ 906,051
Contracts Payable	-	-	543,575	-	543,575
Accrued Wages and Benefits	5,725,779	-	-	348,857	6,074,636
Accrued Interest Payable	-	-	5,163	-	5,163
Intergovernmental Payable	1,149,155	-	-	41,501	1,190,656
Interfund Payable	-	-	-	80,938	80,938
Deferred Revenue	40,979,375	1,969,341	1,997,131	84,878	45,030,725
Compensated Absences Payable	291,726	-	-	18,969	310,695
Total Liabilities	48,279,512	1,969,341	3,148,052	745,534	54,142,439
Fund Balances:					
Reserved for:					
Encumbrances	238,909	-	423,829	152,497	815,235
Property Taxes	1,786,053	71,633	91,843	-	1,949,529
Budget Stabilization	141,886	-	-	-	141,886
Unreserved, Undesignated:					
General Fund	17,097,022	-	-	-	17,097,022
Special Revenue Funds	-	-	-	1,084,385	1,084,385
Debt Service Fund	-	3,985,476	-	-	3,985,476
Capital Projects Funds	-	-	1,401,000	65	1,401,065
Total Fund Balances	19,263,870	4,057,109	1,916,672	1,236,947	26,474,598
Total Liabilities and Fund Balances	\$ 67,543,382	\$ 6,026,450	\$ 5,064,724	\$ 1,982,481	\$ 80,617,037

See accompanying notes to the basic financial statements.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2004

Total Governmental Fund Balances:		\$ 26,474,598
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		28,813,289
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		2,733,970
Bond issuance costs associated with bonds payable, are recorded as a deferred charged on the accrual basis but are not reported in the funds.		111,005
Long-term liabilities which are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(9,410,000)	
Refunding bonds	(7,146,322)	
Long-term capital notes	(1,180,000)	
Accrued interest payable	(57,101)	
Premium on G.O. bonds	(760,270)	
Deferred amount on refunding	649,265	
Compensated absences	(4,271,571)	
Intergovernmental payable	<u>(606,060)</u>	
Total		<u>(22,782,059)</u>
Net Assets of Governmental Activities		<u>\$ 35,350,803</u>

See accompanying notes to the basic financial statements.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

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

	General Fund	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 43,025,123	\$ 2,043,135	\$ 2,092,451	\$ -	\$ 47,160,709
Intergovernmental	17,966,330	249,506	250,094	3,455,421	21,921,351
Interest	461,401	-	68,388	13,763	543,552
Tuition and Fees	641,127	-	-	137,307	778,434
Rentals	115,285	-	-	-	115,285
Charges for Services	787,414	-	-	2,006,253	2,793,667
Gifts and Donations	2,568	-	-	99,338	101,906
Extracurricular Activities	-	-	-	891,852	891,852
Miscellaneous	127,482	-	109,218	31,793	268,493
Total Revenues	63,126,730	2,292,641	2,520,151	6,635,727	74,575,249
Expenditures:					
Current:					
Instruction:					
Regular	31,511,447	-	591,624	1,366,438	33,469,509
Special	6,031,407	-	-	550,648	6,582,055
Vocational	2,029,760	-	-	88,004	2,117,764
Other Instruction	478,686	-	-	-	478,686
Support Services:					
Pupils	2,897,816	-	-	184,469	3,082,285
Instructional Staff	4,330,351	-	-	988,601	5,318,952
Board of Education	19,255	-	-	-	19,255
Administration	3,573,321	-	14,502	29,146	3,616,969
Fiscal	1,270,660	20,970	21,472	-	1,313,102
Business	517,818	-	-	-	517,818
Plant Operation and Maintenance	4,875,583	-	1,281,839	35,474	6,192,896
Pupil Transportation	3,768,277	-	526,092	533	4,294,902
Central	93,373	-	-	-	93,373
Non-Instructional Services	-	-	-	3,103,232	3,103,232
Extracurricular Activities	-	-	-	576,202	576,202
Capital Outlay	-	-	1,892,707	-	1,892,707
Debt Service:					
Principal Retirement	-	1,410,000	925,000	-	2,335,000
Interest and Fiscal Charges	-	747,922	75,939	-	823,861
Total Expenditures	61,397,754	2,178,892	5,329,175	6,922,747	75,828,568
Excess of Revenues Over(Under) Expenditures	1,728,976	113,749	(2,809,024)	(287,020)	(1,253,319)
Other Financing Sources (Uses):					
Transfers-In	21,056	-	1,109,142	5,756	1,135,954
Transfers-Out	(1,100,000)	-	(1,462)	(34,492)	(1,135,954)
Total Other Financing Sources (Uses)	(1,078,944)	-	1,107,680	(28,736)	-
Net Change in Fund Balance	650,032	113,749	(1,701,344)	(315,756)	(1,253,319)
Fund Balance at Beginning of Year - Restated	18,613,838	3,943,360	3,618,016	1,552,703	27,727,917
Fund Balance at End of Year	\$ 19,263,870	\$ 4,057,109	\$ 1,916,672	\$ 1,236,947	\$ 26,474,598

See accompanying notes to the basic financial statements.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

Net Change in Fund Balances - Total Governmental Funds		\$ (1,253,319)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		
Capital asset additions	1,751,326	
Current year depreciation	<u>(1,697,693)</u>	
Total		53,633
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Taxes	961,855	
Intergovernmental	(78,558)	
Interest	<u>(172,918)</u>	
Total		710,379
Repayment of long-term debt obligation principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Principal payment on G.O. bonds	1,120,000	
Principal payment on refunding bonds	290,000	
Principal payment on long-term capital notes	<u>925,000</u>	
Total		2,335,000
Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Intergovernmental payable	(93,515)	
Compensated absences payable	(520,801)	
Accrued interest payable	(70,786)	
Amortization of bond issuance costs	11,788	
Amortization of bond premium	(80,737)	
Amortization of deferred charge on refunding	<u>68,949</u>	
Total		<u>(685,102)</u>
Change in Net Assets of Governmental Activities		<u><u>\$ 1,160,591</u></u>

See accompanying notes to the basic financial statements.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 39,574,202	\$ 42,126,036	\$ 42,126,036	\$ -
Intergovernmental	16,368,291	17,423,755	17,968,361	544,606
Interest	346,358	368,692	368,692	-
Tuition and Fees	605,400	644,438	644,438	-
Rentals	108,301	115,285	115,285	-
Charges for Services	729,100	776,114	787,414	11,300
Gifts and Donations	2,412	2,568	2,568	-
Miscellaneous	290,182	308,894	308,894	-
Total Revenues	58,024,246	61,765,782	62,321,688	555,906
Expenditures:				
Current:				
Instruction:				
Regular	31,852,389	31,852,389	30,880,206	972,183
Special	6,078,690	6,078,690	5,893,159	185,531
Vocational	2,071,228	2,071,228	2,008,011	63,217
Other Instruction	553,098	553,098	536,217	16,881
Support Services:				
Pupils	3,114,545	3,114,545	3,019,484	95,061
Instructional Staff	4,622,187	4,622,187	4,481,111	141,076
Board of Education	20,042	20,042	19,430	612
Administration	3,877,342	3,877,342	3,759,000	118,342
Fiscal	1,284,417	1,284,417	1,245,215	39,202
Business	585,389	585,389	567,522	17,867
Operation and Maintenance of Plant	5,050,962	5,050,962	4,896,799	154,163
Pupil Transportation	4,151,312	4,151,312	4,024,608	126,704
Central	103,182	103,182	100,033	3,149
Total Expenditures	63,364,783	63,364,783	61,430,795	1,933,988
Excess of Revenues Over(Under) Expenditures	(5,340,537)	(1,599,001)	890,893	2,489,894
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	35,290	37,566	37,566	-
Advances-In	194,478	207,018	207,018	-
Advances-Out	(252,585)	(252,585)	(244,876)	7,709
Transfers-In	11,902	12,670	21,056	8,386
Transfers-Out	(1,134,631)	(1,134,631)	(1,100,000)	34,631
Total Other Financing Sources (Uses)	(1,145,546)	(1,129,962)	(1,079,236)	50,726
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(6,486,083)	(2,728,963)	(188,343)	2,540,620
Fund Balance at Beginning of Year	23,763,980	23,763,980	23,763,980	-
Prior Year Encumbrances Appropriated	578,835	578,835	578,835	-
Fund Balance at End of Year	\$ 17,856,732	\$ 21,613,852	\$ 24,154,472	\$ 2,540,620

See accompanying notes to the basic financial statements.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2004

	Private Purpose Trust	Agency Funds
Assets:		
Equity in pooled cash and cash equivalents	\$ 27,013	\$ 127,066
Cash and Cash Equivalents With Fiscal Agent	10,335	-
Total Assets	37,348	127,066
Liabilities:		
Accounts payable	900	2,584
Due to students	-	124,482
Total Liabilities	900	\$ 127,066
Net Assets:		
Held in trust for scholarships	\$ 36,448	

See accompanying notes to the basic financial statements.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST
JUNE 30, 2004

	<u>Private Purpose Trust</u>
Additions:	
Gifts and Donations	\$ 900
Investment Earnings	<u>252</u>
Total Additions	<u>1,152</u>
Deductions:	
Payments in accordance with trust agreements	<u>4,033</u>
Total Deductions	<u>4,033</u>
Change in Net Assets	(2,881)
Net Assets Beginning of Year	<u>39,329</u>
Net Assets End of Year	<u><u>\$ 36,448</u></u>

See accompanying notes to the basic financial statements.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Centerville City School District (the "School District") is a body politic and corporate located in Montgomery County and encompasses the City of Centerville and Washington Township. The School District serves an area of approximately 32 square miles. The School District ranks as the 28th largest by enrollment among school districts in the State of Ohio, and it is the 3rd largest school district located within Montgomery County.

The School District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charter and further mandated by state and/or federal agencies. This Board controls the District's instructional/support programs located at ten instructional facilities and staffed by 374 non-certificated employees and 585 certified employees, who provide services to 8,121 students and other community members.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the School District are not misleading.

The primary government consists of all funds and departments, not legally separate from the School District, which provide various services including instruction, student guidance, extracurricular activities, educational media and care and upkeep of grounds and buildings. The operation of each of these activities is directly controlled by the Board of Education.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing body and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations for which the School District approves the budget, the issuance of debt or the levying of taxes.

The School District does not have any component units.

The District is associated with four organizations, which are defined as jointly governed and another organization that is classified as a related organization. These organizations are presented in Notes 14 and 15 to the basic financial statements

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its government-wide financial statements provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis Of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

Fund Financial Statements

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

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental and fiduciary.

Governmental Funds

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 General, Debt Service and Permanent Improvement Funds are the School District's major funds:

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 is available to the School 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 repayment of, the School District’s general obligation debt, including the school improvement bonds previously approved by voters within the School District’s boundaries.

Permanent Improvement Fund – The Permanent Improvement Fund is used to account for financial resources, specifically property and other local taxes generated by the District’s permanent improvement levy, to be used to maintain the School District’s facilities, as well as provide for major equipment and instructional material purchases.

The other governmental funds of the School District account for grants and other resources, and capital projects of the School District whose uses are restricted to a particular purpose.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District’s own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has various funds established to provide scholarships to its students that are classified as private-purpose trust funds. Funds used to account for the activity of the numerous student managed activities within the School District are classified as agency funds.

C. Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The private purpose trust funds are reported using the economic resources measurement focus.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Private purpose trust funds use the accrual basis of accounting. Differences in the accrual and modified accrual bases of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. 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 School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed to be both measurable and available: property taxes available as an advance, grants, investment earnings, tuition, and student fees.

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by the employee. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The accrual basis of accounting utilized on the government-wide financial statements and by private purpose trust funds recognizes revenues when they are earned, and expenses are recognized at the time they are incurred. The fair value of donated commodities received during the year is reported as an expense with a like amount reported as intergovernmental revenue.

E. Budget Data

With the exception of the agency funds, all funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The Board has established the legal level of control at the fund level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue, are identified by the School District. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2004.

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

F. Cash and Cash Equivalents

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

During fiscal year 2004, investments consisted of repurchase agreements, STAR Ohio, treasury notes and bonds, federal agency securities and money market accounts meeting the criteria of the State statutes.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

The School District has invested funds in the State Treasury Assets Reserves of Ohio (STAR Ohio) during fiscal year 2004. STAR Ohio is an investment pool managed by the State Treasurer's Office, which 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 consistent with Rule 2a7 of the Investment

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2004.

For presentation purposes on the balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

Following State statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Investment earnings are to be credited to the specified funds based on the month end fund balance. The School District had \$370,634 of interest revenue under the accrual basis of accounting used to report the Statement of Activities. For the fund statements, interest revenue of \$461,401 was credited to the General Fund during fiscal year 2004, including \$52,701, of allocations for funds not specified in the Board's resolution. The Permanent Improvement Fund earned \$68,388 of interest during the year, and interest was also recorded in non-major governmental funds and private purpose trust funds in the amounts of \$13,763 and \$252, respectively.

G. Restricted Cash and Cash Equivalents

The Restricted cash and cash equivalents account represents the amount of pooled cash and cash equivalents of the School District, which have external restrictions as to how the funds may be expended. The budget stabilization reserve, which totaled \$141,886, is required by State statute and is offset by a corresponding reservation of fund balance in the General Fund.

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America 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.

I. Capital Assets and Depreciation

General capital assets generally result from expenditures in the governmental funds. These assets are reported within the governmental activities on the government-wide statement of net assets but are not reported in the fund statements.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20 – 80 years
Equipment	5 – 50 years
Vehicles	8 – 30 years

J. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures or expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources and uses in governmental funds. Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statement. Interfund Activity is eliminated for reporting the District-wide Statements of Net Assets and Activities to avoid “doubling-up” transactions.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave is accrued using the vesting method which states that the District will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. The amount is based on accumulated sick and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated sick leave for all employees after fifteen years of current service with the School District.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that represents severance payments to individuals who retired prior to the end of the fiscal year, but did not receive payment until after year-end. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The non-current portion of the liability is not reflected in the fund statements.

L. Accrued Liabilities and Long-Term Obligations

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

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

M. Net Assets

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

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

N. Reservations of Fund Balance

Reservations of fund balances are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current appropriation or expenditure or the portion of fund balance that is legally segregated for a specific future use. Fund balances have been reserved for encumbrances, property taxes, and the budget stabilization account.

NOTE 3 – PRIOR PERIOD ADJUSTMENTS

In prior years, the School District reported certain notes payables as tax anticipation notes and therefore classified those notes as current liabilities in the Permanent Improvement capital project fund. However, these notes were issued by the School District to finance the construction of an addition to the high school building which makes the notes capital related debt. Accordingly, these notes were reclassified as long-term debt obligations instead of fund liabilities on the modified accrual basis of accounting. This reclassification resulted in the beginning fund balance of the Permanent Improvement Fund being restated from \$1,513,016 previously reported to \$3,618,016 for the \$2,105,000 of capital notes payable outstanding as of July 1, 2003.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 3 – PRIOR PERIOD ADJUSTMENTS (Continued)

In addition, the School District made certain corrections to its capital assets records as of July 1, 2003. These corrections included reducing equipment by \$53,072 and vehicles by \$11,206, as well as the reduction of associated accumulated depreciation of these capital assets in the amount of \$25,371. These corrections resulted in the beginning net assets of governmental activities being reduced by \$38,907 from the previously reported amount of \$34,229,119 to the restated amount of \$34,190,212.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the fund liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

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

<u>Net Change in Fund Balance</u>	
<u>General Fund</u>	
GAAP Basis	\$ 650,032
Revenue Accruals	(767,476)
Expenditure Accruals	341,212
Advances	(37,858)
Encumbrances	<u>(374,253)</u>
Budget Basis	<u>\$ (188,343)</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes require the classification of monies held by the School District into three categories.

Category 1 consists of "active" monies, those monies required to be kept in a "cash" or "near-cash" status for immediate use by the District. Such monies must be maintained either as cash in the School Treasury, in depository accounts payable, withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Category 2 consists of “inactive” monies, those monies not required for use within the current two-year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

Category 3 consists of “interim” monies, those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by the certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

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

Interim monies may be invested in the following obligations:

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;

Bonds, notes, debentures, or 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 governmental agencies or instrumentalities;

Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

Bonds and other obligations of the State of Ohio;

No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

The State Treasurer’s investment pool (STAR Ohio);

Certain bankers’ acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time;

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

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

Deposits

At fiscal year end, the carrying amount of the School District deposit was \$8,437,257 and the bank balance was \$8,901,021. Of the bank balance \$200,000 was covered by federal deposit insurance and the remaining amounts are collateralized with securities held by the pledging financial institution's trust department or agent in the School District's name.

Investments

The School District's investments are categorized to give an indication of the level of risk assumed by the School District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments 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.

The School District's investment in STAR Ohio, an investment pool operated by the Ohio State Treasurer, and the money market mutual fund are an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	Category 3	Carrying Amount	Fair Value
Federal Farm Credit Bank	\$ 375,045	\$ 375,045	\$ 375,045
Federal Home Loan Bank	4,434,780	4,434,780	4,434,780
Federal Home Loan Mortgage	572,138	572,138	572,138
Federal National Mortgage Assoc.	6,365,276	6,365,276	6,365,276
Tennessee Valley Authority Global	500,420	500,420	500,420
Freddie Mac	1,015,415	1,015,415	1,015,415
Freddie Mac Discount	422,493	422,493	422,493
Fannie Mae	826,430	826,430	826,430
Fannie Mae Discount	923,600	923,600	923,600
U.S. Treasury Notes	7,970,470	7,970,470	7,970,470
U.S. Treasury Market	3,362	3,362	3,362
STAR Ohio	-	201,610	201,610
Money Market Mutual	-	1,382,646	1,382,646
Total	\$ 23,409,429	\$ 24,993,685	\$ 24,993,685

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

The classification of cash and cash equivalents, and investments on the financial statements is based on criteria set forth in GASB Statement No. 9, "Reported Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting." Cash equivalents are defined to include investments with original maturities of three months or less.

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

	Cash and Cash Equivalents <u>Deposits</u>	<u>Investments</u>
GASB Statement 9	\$ 33,430,942	\$ -
Investments of the Cash Management Pool:		
Federal Farm Credit Bank	(375,045)	375,045
Federal Home Loan Bank	(4,434,780)	4,434,780
Federal Home Loan Mortgage	(572,138)	572,138
Federal National Mortgage Assoc.	(6,365,276)	6,365,276
Tennessee Valley Authority Global	(500,420)	500,420
Freddie Mac	(1,015,415)	1,015,415
Freddie Mac Discount	(422,493)	422,493
Fannie Mae	(826,430)	826,430
Fannie Mae Discount	(923,600)	923,600
U.S. Treasury Notes	(7,970,470)	7,970,470
U.S. Treasury Market	(3,362)	3,362
STAR Ohio	(201,610)	201,610
Money Market Mutual	<u>(1,382,646)</u>	<u>1,382,646</u>
GASB Statement 3	<u>\$ 8,437,257</u>	<u>\$ 24,993,685</u>

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State Law at 35 percent of appraised market value. All property is required to be reevaluated every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by July 20.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 6 - PROPERTY TAXES (Continued)

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Centerville City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The full tax rate for all District operations for the year ended June 30, 2004 was \$61.08 per \$1,000 of assessed value. The assessed values upon which the fiscal year 2004 taxes were collected are as follows:

	<u>2004 First Half Collections</u>	<u>2003 Second Half Collections</u>
Agricultural/residential And other real estate	\$ 1,409,883,200	\$ 1,379,869,910
Public utility personal	33,290,900	34,597,520
Tangible personal property	<u>52,513,577</u>	<u>61,203,686</u>
Total	<u>\$ 1,495,687,677</u>	<u>\$ 1,475,671,116</u>

Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of June 30, 2004. Although total property tax collections for the next year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. For the governmental fund financial statements, the receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2004 was recognized as revenue.

The amount available as an advance at June 30 was \$1,786,053 in the General Fund, \$71,633 in the Bond Retirement Debt Service Fund and \$91,843 in the Permanent Improvement Capital Projects Fund. These amounts have been set aside as a reserve of fund balance.

NOTE 7 - RECEIVABLES

Receivables at June 30, 2004, consisted of current and delinquent property taxes, accounts (rent and student fees) and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities:</u>	<u>Amount</u>
Auxiliary Services	\$ 13,581
Title VI-B Grant	31,392
Vocational Education Grant	24,985
LEP/Immigration – Title III	739
Innovative Programs, Title VI	12,645
Title IV-A Drug Free Schools	2,062
Preschool Special Education	3,756
Miscellaneous Federal Grants	<u>18,445</u>
Total Intergovernmental Receivables	<u>\$ 107,605</u>

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 8 – CAPITAL ASSETS

	Restated Balance 6/30/03	Additions	Deductions	Balance 6/30/04
<u>Capital Assets, not being depreciated</u>				
Land	\$ 1,160,355	\$ -	\$ -	\$ 1,160,355
Construction in Progress	-	60,614	-	60,614
Total	<u>1,160,355</u>	<u>60,614</u>	<u>-</u>	<u>1,220,969</u>
<u>Capital Assets, being depreciated</u>				
Buildings and Improvements	47,373,638	1,276,254	-	48,649,892
Equipment	7,850,458	30,215	-	7,880,673
Vehicles	5,026,317	508,279	(124,036)	5,410,560
	<u>60,250,413</u>	<u>1,814,748</u>	<u>(124,036)</u>	<u>61,941,125</u>
<u>Less: Accumulated Depreciation</u>				
Buildings and Improvements	(24,478,313)	(972,438)	-	(25,450,751)
Equipment	(5,758,989)	(497,871)	-	(6,256,860)
Vehicles	(2,413,810)	(351,420)	124,036	(2,641,194)
	<u>(32,651,112)</u>	<u>(1,821,729) *</u>	<u>124,036</u>	<u>(34,348,805)</u>
Total	<u>27,599,301</u>	<u>(6,981)</u>	<u>-</u>	<u>27,592,320</u>
Governmental Activities Capital Assets, Net	<u>\$ 28,759,656</u>	<u>\$ 53,633</u>	<u>\$ -</u>	<u>\$ 28,813,289</u>

* - Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 394,110
Special	3,088
Vocational	1,543
Support Services:	
Administration	47,378
Fiscal	723
Operation and Maintenance of Plant	87,350
Pupil Transportation	326,772
Operation of Non-Instructional Services	13,841
Extra-curricular activities	826
Capital Projects	26,788
	<u>902,419</u>
Unallocated Depreciation	919,310
Total Depreciation Expense	<u>\$ 1,821,729</u>

Unallocated depreciation is depreciation of the individual school buildings throughout the District that essentially serve all functions/programs, and therefore is not included as a direct expense of any function or program but disclosed as a separate expense.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 9 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts, thefts-of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters for which the School District carries commercial insurance. During fiscal year 2004, the School District contracted with Indiana Insurance Company for these various risks. Coverage terms provided by Indiana Insurance Company are as follows:

Buildings and Contents – replacement cost (\$5,000 deductible)	\$ 132,303,650
Employee Dishonesty – Money in Security	100,000
Automotive Liability (\$1,000 deductible)	2,000,000
General Liability (Per Occurrence)	1,000,000
Umbrella Policy	10,000,000

Settled claims have not exceeded this commercial coverage in any of the past five years. There has not been any significant reduction in insurance coverage from the previous year.

NOTE 10 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

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

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2004, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2004, 2003 and 2002 were \$902,526, \$601,524 and \$465,899 respectively; 66.4 percent has been contributed for fiscal year 2004 and 100 percent for fiscal years 2003 and 2002.

B. State Teachers Retirement System

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371 or by calling (614) 227-4090.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)

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

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

For the fiscal year ended June 30, 2004, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to the DB Plan for for the fiscal years ended June 30, 2004, 2003, and 2002 were \$4,827,324, \$4,765,920, and \$3,041,837 respectively; 100 percent has been contributed for each fiscal year. Contributions to the DC and Combined plans for fiscal year 2004 were \$97,702 made by the School District and \$141,269 made by the plan members.

C. Social Security System

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

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 11 – POSTEMPLOYMENT BENEFITS

State Teachers Retirement System of Ohio (STRS Ohio) provides comprehensive healthcare benefits to retirees and their dependents. Coverage includes hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Ohio Revised Code (R.C.), the State Teachers Retirement Board (the Board) has discretionary authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. The R.C. grants authority to STRS Ohio to provide health care coverage to benefit recipients, spouses and dependents. 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.

The Retirement Board allocates employer contributions to the Health Care Reserve Fund from which health care benefits are paid. For fiscal year ended June 30, 2004, the Board allocated employer contributions equal to 1.0 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$344,811 during the 2004 fiscal year. The balance in the Health Care Reserve Fund was \$3.1 billion on June 30, 2004.

For the year ended June 30, 2004, net health care costs paid by STRS Ohio were \$268,739,000. There were 111,853 eligible benefit recipients.

For SERS, the Ohio Revised Code gives the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989 with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2004, the allocation rate is 4.91 percent. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit.

For fiscal year 2004, the minimum pay has been established at \$25,400. For the School, the amount to fund health care benefits, including the surcharge, was \$625,986.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 2004 were \$223,443,805 and the target level was \$335.2 million. At June 30, 2004, the Retirement System's net assets available for payment of health care benefits of \$300.8 million. The number of benefit recipients currently receiving health care benefits is approximately 62,000.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 12 - LONG-TERM OBLIGATIONS

General Obligation Bonds

The School District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In previous years, general obligations bonds have been issued to provide financing for two school facilities and a library construction projects. The original amount of the general obligation bonds issued in prior years was \$25.07 million. During 2003, the School District refunded a portion of previously issued bonds by issuing a \$7.355 million refunding general obligation bond. These bonds mature in fiscal year 2014 and include current interest bonds and capital appreciation bonds. The capital appreciation bonds will mature in fiscal years 2013 and 2014. The maturity amount of the bonds is \$1,795,000. For fiscal year 2004, \$81,238 was accreted for a total bond value of \$385,084.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
1994 – School Construction	4.55%	\$ 465,000
1996 – School Construction	4.45%	8,945,000
2003 – Refunding:		
Current Interest Bonds	2.0 – 4.0%	6,680,000
Capital Appreciation Bond	15.77 – 16.12%	<u>446,322</u>
		<u>\$ 16,536,322</u>

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Fiscal Year Ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 1,385,000	\$ 656,571	\$ 2,041,571
2006	1,415,000	605,948	2,020,948
2007	1,465,000	558,643	2,023,643
2008	1,510,000	505,495	2,015,495
2009	1,675,000	443,007	2,118,007
2010 – 14	7,196,322	1,849,442	9,045,764
2015 – 16	1,890,000	424,032	2,314,032
Total	<u>\$ 16,536,322</u>	<u>\$ 5,043,138</u>	<u>\$ 21,579,460</u>

Long-Term Capital Project Notes

In previous years, the School District issued two long-term notes payable to provide financing for the construction of an addition to the high school building. Both of these notes payable issues are for a term of five-years and were secured against, and will be repaid by, the proceeds of a property tax levy collected by the County Auditor and paid into the School District's Permanent Improvement capital projects fund. The original principal of these notes totaled \$4,475,000. Long-term capital project notes payable currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
1999 – School Improvement	5.05%	\$ 770,000
2001 – School Improvement	4.09%	<u>410,000</u>
		<u>\$ 1,180,000</u>

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 12 - LONG-TERM OBLIGATIONS (Continued)

Annual debt service requirements to maturity for the long-term capital projects notes payable are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2005	\$ 970,000	\$ 27,623	\$ 997,623
2006	210,000	4,295	214,295
Total	\$ 1,180,000	\$ 31,918	\$ 1,211,918

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2004, was as follows:

	Balance June 30, 2003	Additions	Reductions	Balance June 30, 2004	Due within One Year
<u>General Obligation Bonds:</u>					
1993 Library Construction	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ -
1994 School Construction	905,000	-	440,000	465,000	465,000
1996 School Construction	9,475,000	-	530,000	8,945,000	555,000
2003 Refunding Bonds					
Current Interest 2.00-4.00%	6,970,000	-	290,000	6,680,000	365,000
Capital Appreciation 5-5.3%	385,084	81,238	-	466,322	-
Deferred Amounts:					
Add: Bond Premium	841,007	-	80,737	760,270	-
Less: Deferred Amount on Refunding	(718,214)	-	(68,949)	(649,265)	-
Total General Obligation Bonds	18,007,877	81,238	1,421,788	16,667,327	1,385,000
<u>Long-Term Capital Notes:</u>					
1999 School Improvement	1,505,000	-	735,000	770,000	770,000
2001 School Improvement	600,000	-	190,000	410,000	200,000
Total Long-Term Capital Notes	2,105,000	-	925,000	1,180,000	970,000
Compensated Absences	3,375,770	1,351,495	455,694	4,271,571	475,000
Total Long-Term Liabilities	\$ 23,488,647	\$ 1,432,733	\$ 2,802,482	\$ 22,118,898	\$ 2,830,000

Compensated absences represent the long-term portion of the accrued liability associated with sick and vacation leave. These items will be repaid from the funds from which the employees work to whom the liability is associated with or the General Fund if no such funds are available.

The School District's overall legal debt margin was \$122,122,283 with an energy conservation debt margin of \$13,461,189 and an unvoted debt margin of \$1,495,688 at June 30, 2004.

NOTE 13 - INTERFUND ACTIVITY

During the year ended June 30, 2004, the School District transferred \$1.1 million from the General Fund to the Permanent Improvement Fund to provide financing for various school improvement projects. In addition, the School District provided temporary cash advances to various funds for cash flow purposes from General Fund resources. It is anticipated these funds will be repaid to the General Fund once sufficient resources are accumulated in the appropriate funds.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

NOTE 13 - INTERFUND ACTIVITY (Continued)

A summary of these advances is presented below.

<u>Payable to Fund</u>	<u>From Fund</u>	<u>Amount</u>
General Fund:	District Managed Student Activities	\$ 25,000
	Summer School Subsidiary Grant	13,468
	Vocational Education	1,999
	Title I	15,471
	Class Size Reduction	25,000
		<u>\$ 80,938</u>

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS

Miami Valley Career Technology Center

The Miami Valley Career Technology Center (MVCTC) is a separate body politic and corporate, established by the Ohio Revised Code (ORC). The Board is comprised of one representative from each of the seven participating school districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information write to the Miami Valley Career Technical Center at 6800 Hoke Road, Clayton, Ohio 45315.

Southwestern Ohio Educational Purchasing Cooperative

The School District is a member of the Southwestern Ohio Educational Purchasing Cooperative (SOEPC). The purpose of the cooperative is to obtain lower prices for supplies and materials commonly used by the member districts. The members are obligated to pay all fees, charges, and assessments as established by SOEPC.

Each member district has one voting representative. Title to any and all equipment and supplies purchased by SOEPC is held in trust for the member districts by the fiscal agent. Any district withdrawing from SOEPC shall forfeit its claim to any and all SOEPC assets. One year's prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member organizations. Payments to SOEPC are made from the District's General Fund. During fiscal year 2004, the School District paid \$3,422 to SOEPC. Financial information may be obtained from SOEPC by contacting Robert Brown, Director, at 1831 Harshman Road, Dayton, Ohio 45424.

Metropolitan Dayton Educational Cooperative Association

The School District is a participant in the Metropolitan Dayton Educational Cooperative Association (MDECA), which is a computer consortium. MDECA is an association of 25 public school districts within the boundaries of Darke, Greene, Miami and Montgomery Counties. The organization was formed for the purpose of applying modern technology (with the aid of computers and other electronic equipment) to administrative and instructional functions among member school districts. The governing board of MDECA consists of one representative from each member school district plus one representative from the fiscal agent. The School District pays MDECA an enrollment based fee for internet and EMIS services provided during the year; this fee totaled \$44,165 for fiscal year 2004. Financial information can be obtained from Barbara Corriell, Executive Director of MDECA at 201 Riverside Drive, Dayton, Ohio 45405.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

Southwestern Ohio Instructional Technology Association

The Southwestern Ohio Instructional Technology Association (SOITA) is a not-for-profit corporation formed under Section 1702.01 of the Ohio Revised Code. The purpose of the corporation is to serve the educational needs of the area through television programming for the advancement of educational programs. The Board of Trustees is comprised of twenty-one representatives of the SOITA member schools or institutions. Nineteen representatives are elected from within the counties by the qualified members of those counties, i.e., Auglaize, Butler, Champaign, Clark, Clinton, Darke, Fayette, Greene, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby, and Warren. Montgomery, Greene, and Butler Counties elect two representatives per area. All others elect one representative per area.

All superintendents except for those from educational service centers vote on the representatives after the nomination committee selects individuals to run. One at-large non-public representative is elected by the non-public school SOITA members in the State assigned SOITA service area. One at-large higher education representative is elected by higher education SOITA members from within the State assigned SOITA service area.

All member districts are obligated to pay all fees, charges, or other assessments as established by SOITA. Upon dissolution, the net assets shall be distributed to the federal government, or to a state or local government, for public purpose. Payments to SOITA are made from the School District's General Fund. During fiscal year 2004, the School District paid \$6,180 to SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Steve Stouse, who serves as Director, at 150 East Sixth Street, Franklin, Ohio 45005.

NOTE 15 – RELATED ORGANIZATIONS

Washington-Centerville Public Library

The Washington-Centerville Public Library (the Library) is a related organization to the School District. The School District's Board of Education is responsible for appointing Trustees and approving the budget of the Library as a ministerial function to the Library. The operations of the Library are managed by its Trustees, including the determination of the budget amounts necessary for operations. The Library does not receive any funding from the School District.

NOTE 16 - CONTINGENCIES

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2004.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2004

NOTE 16 – CONTINGENCIES (Continued)

Litigation

The School District’s attorney estimates that any potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

NOTE 17 - STATE SCHOOL FUNDING DECISION

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

The Supreme Court relinquished jurisdiction over the case and directed “...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...”

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

NOTE 18 – STATUTORY RESERVES

The School District is required by State statute to annually set aside monies for the purchase of textbooks and other instructional materials, and for capital improvements. Amounts not spent by year-end or reduced by offsetting credits must be held in cash at year-end and carried forward to be used for the same purpose in future years.

During the fiscal year ended June 30, 2004, the reserve activity (cash-basis) was as follows:

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>	<u>Total</u>
Beginning Balance, July 1, 2003	\$ -	\$ -	\$ 141,886	\$ 141,886
Qualifying Carryover	(1,002,779)	-	-	(1,002,779)
Set Aside Requirements	1,109,723	1,109,723	-	2,219,446
Qualifying Expenditures	(880,322)	(4,410,865)	-	(5,291,187)
Total	(773,378)	(3,301,142)	141,886	<u>\$ (3,932,634)</u>
Current Year Set Aside Requirement	-	-	141,886	
Qualifying Carry-over Amounts	<u>\$ (773,378)</u>	<u>\$ -</u>	<u>\$ -</u>	

The Textbook set-aside expenditures and offsets were in excess of the set-aside requirements may be carried forward to offset future years set-aside requirements. The District had qualifying expenditures and offsets for carry-over to the fiscal year ending June 30, 2005, of \$773,378 for the Textbook Reserve.

**Combining Statements and
Individual Fund Schedules**

Major Governmental Funds

MAJOR GOVERNMENTAL FUNDS

The focus of the fund financial statements presented in the basic financial statements is on the School District most significant funds (major funds). Therefore these fund financial statements present the major funds separate from the other governmental funds of the School District. As required by Generally Accepted Accounting Principles for state and local governments, budgetary comparison statements in the basic financial statements are limited to the General Fund and any major special revenue funds. The School District has no major special revenue 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 is available to the School District for any purpose provided it is expended or transferred according to the general laws of the State of Ohio.

Since the Statement of Revenues, Expenditures and Changes in Fund Balance presented in the basic financial statements for the General Fund presents budgetary comparisons at a greater level of detail than the legal level of control established by the Board of Education, no additional schedules are necessary to demonstrate budgetary compliance.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the repayment of, the School District's general obligation debt, including the school improvement bonds previously approved by voters within the School District's boundaries.

Permanent Improvement Fund

The Permanent Improvement Fund is used to account for financial resources, specifically property and other local taxes generated by the School District's permanent improvement levy, to be used to maintain the School District's facilities, as well as provide for major equipment and instructional material purchases.

**CENTERVILLE CITY SCHOOL DISTRICT, OHIO
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
BOND RETIREMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 1,777,706	\$ 2,192,593	\$ 2,012,369	\$ (180,224)
Intergovernmental	202,294	249,506	249,506	-
Total Revenues	<u>1,980,000</u>	<u>2,442,099</u>	<u>2,261,875</u>	<u>(180,224)</u>
Expenditures:				
Current:				
Support Services:				
Fiscal	55,820	55,820	20,970	34,850
Debt Service:				
Principal Retirement	3,753,282	3,753,282	1,410,000	2,343,282
Interest and Fiscal Charges	1,990,898	1,990,898	747,923	1,242,975
Total Expenditures	<u>5,800,000</u>	<u>5,800,000</u>	<u>2,178,893</u>	<u>3,621,107</u>
Excess of Revenues Over(Under) Expenditures	(3,820,000)	(3,357,901)	82,982	3,440,883
Fund Balance at Beginning of Year	<u>3,902,364</u>	<u>3,902,364</u>	<u>3,902,364</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 82,364</u>	<u>\$ 544,463</u>	<u>\$ 3,985,346</u>	<u>\$ 3,440,883</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PERMANENT IMPROVEMENT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 2,009,002	\$ 2,139,232	\$ 2,044,230	\$ (95,002)
Intergovernmental	234,869	250,094	250,094	-
Interest	64,250	68,415	68,415	-
Miscellaneous	11,005	11,718	11,718	-
Total Revenues	2,319,126	2,469,459	2,374,457	(95,002)
Expenditures:				
Current:				
Instruction:				
Regular	688,954	691,257	606,275	84,982
Support Services:				
Administration	19,835	19,902	17,455	2,447
Fiscal	24,400	24,482	21,472	3,010
Plant Operation and Maintenance	2,422,014	2,430,110	2,131,355	298,755
Pupil Transportation	597,456	599,453	525,757	73,696
Capital Outlay	2,576,928	2,585,543	2,267,679	317,864
Debt Service:				
Principal Retirement	925,000	925,000	925,000	-
Interest and Fiscal Charges	217,038	220,855	79,985	140,870
Total Expenditures	7,471,625	7,496,602	6,574,978	921,624
Excess of Revenues Over(Under) Expenditures	(5,152,499)	(5,027,143)	(4,200,521)	826,622
Other Financing Sources (Uses):				
Transfers-In	1,041,621	1,109,142	1,109,142	-
Transfers-Out	(1,661)	(1,667)	(1,462)	205
Total Other Financing Sources (Uses)	1,039,960	1,107,475	1,107,680	205
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(4,112,539)	(3,919,668)	(3,092,841)	826,827
Fund Balance at Beginning of Year	1,327,902	1,327,902	1,327,902	-
Prior Year Encumbrances Appropriated	2,838,788	2,838,788	2,838,788	-
Fund Balance at End of Year	\$ 54,151	\$ 247,022	\$ 1,073,849	\$ 826,827

Nonmajor Governmental Funds

NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditure for specified purposes.

Public School Support

To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sale of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

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.

District Managed Student Activities

To account for local funds generated to assist student activities, which are managed by District personnel. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

Auxiliary Services

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

Teacher Residency

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

Teacher Development

A fund used to account for monies, which provide assistance in developing in-service programs.

Excellence in Education

To account for pupil competency assessments and instructional development in English Composition, Mathematics and Reading as required by the minimum standards for Ohio schools. This fund is also provided to account for expenditures related to the Ohio Science Olympics and the International Science and Engineering Fair.

Management Information Systems

To account for state funds that are provided to assist the District in implementing a staff, student and financial information system as mandated by the Omnibus Education Reform Act of 1989.

Education R & D

To account for state funds which are provided for the research and demonstration of project transactions.

Network Connect

A fund used to account for monies for the purpose of accessing the Ohio Education Computer Network.

SchoolNet Professional Development

To account for state funds provided for technology professional development within the District.

Combining Statements – Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Ohio Reads Grant

To account for state funds provided for developing and instituting programs to increase student reading comprehension skills.

Summer School Subsidy

To account for state funds provided for the Summer School Subsidy programs.

Vocational Education Enhancement

To account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, and 3) replace or update equipment essential for the instruction of students in vocational education programs.

Miscellaneous State Grants

To account for revenues received from state agencies which are not classified elsewhere.

Title II (NDEA)

To account for monies received under a federal grant to assist schools in the enhancement of math and science programs.

Title VI-B

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

Vocational Education

A fund used to account for revenues provided to boards of education, teacher training instructions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects.

Dropout Prevention and Intervention

A fund used to account for federal monies provided for elementary and secondary school programs designed to assist students to meet grade promotion and graduation standards.

Title I

To account for monies received under a federal grant to assist schools in meeting the special needs of educationally deprived children.

Title VI

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

To account for monies received under a federal program for instructional programs of children of migratory agricultural workers; efforts to help youngsters who are deficient in oral English language facility and related language art skills; efforts to build foundation for expanded opportunities for useful adult employment.

Combining Statements – Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Drug Free Schools

To account for monies received under a federal program to support the implementation of programs for drug abuse education and prevention.

EHA Pre-School

A fund used to account for federal grant dollars to improve and expand the services for handicapped children ages three to five years.

FCC E-Rate

To account for federal grant funds which are paid directly to the telecommunications provider of the district.

Reducing Class Size

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

Miscellaneous Federal Grants

To account for monies received under federal grants which are not classified elsewhere.

Adult Education

To account for monies related to the provision of credit and non-credit classes to the general public.

Food Service

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

Uniform School Supplies

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

NONMAJOR CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects, other than those financed by proprietary funds.

Building Fund

To account for all transactions related to all special bond funds in the School District. Proceeds from the sale of bonds are paid into this fund.

SchoolNet

A fund used to account for monies used to obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

Interactive Video Distance Learning

To account for monies received through a State grant to provide schools with the necessary equipment to facilitate video and teleconferencing capabilities to allow remote learning opportunities.



**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,864,421	\$ 9,651	\$ 1,874,072
Receivables:			
Accounts	804	-	804
Intergovernmental	107,605	-	107,605
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 1,972,830</u>	<u>\$ 9,651</u>	<u>\$ 1,982,481</u>
<u>Liabilities and Fund Equity:</u>			
<u>Liabilities:</u>			
Accounts Payable	\$ 164,127	\$ 6,264	\$ 170,391
Accrued Wages and Benefits	348,857	-	348,857
Intergovernmental Payable	41,501	-	41,501
Interfund Payable	80,938	-	80,938
Deferred Revenue	84,878	-	84,878
Compensated Absences Payable	18,969	-	18,969
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>739,270</u>	<u>6,264</u>	<u>745,534</u>
<u>Fund Balance:</u>			
Reserved for Encumbrances	149,175	3,322	152,497
Unreserved, Undesignated:			
Special Revenue Funds	1,084,385	-	1,084,385
Capital Project Funds	-	65	65
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>1,233,560</u>	<u>3,387</u>	<u>1,236,947</u>
Total Liabilities and Fund Balance	<u>\$ 1,972,830</u>	<u>\$ 9,651</u>	<u>\$ 1,982,481</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2004

	Public School Support	Other Grant	District Managed Student Activities	Auxiliary Services	Teacher Residency
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 430,585	\$ 107,508	\$ 181,759	\$ 394,412	\$ 9,760
Receivables:					
Accounts	150	-	-	-	-
Intergovernmental	-	-	-	13,581	-
Total Assets	<u>\$ 430,735</u>	<u>\$ 107,508</u>	<u>\$ 181,759</u>	<u>\$ 407,993</u>	<u>\$ 9,760</u>
<u>Liabilities and Fund Equity:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ 11,737	\$ 921	\$ 21,147	\$ 64,547	\$ 8,750
Accrued Wages and Benefits	-	-	-	62,543	-
Intergovernmental Payable	-	442	-	12,598	-
Interfund Payable	-	-	25,000	-	-
Deferred Revenue	-	-	-	-	-
Compensated Absences Payable	-	-	-	15,564	-
Total Liabilities	<u>11,737</u>	<u>1,363</u>	<u>46,147</u>	<u>155,252</u>	<u>8,750</u>
<u>Fund Balance:</u>					
Reserved for Encumbrances	18,039	280	9,221	72,285	1,010
Unreserved	400,959	105,865	126,391	180,456	-
Total Fund Balance	<u>418,998</u>	<u>106,145</u>	<u>135,612</u>	<u>252,741</u>	<u>1,010</u>
Total Liabilities and Fund Balance	<u>\$ 430,735</u>	<u>\$ 107,508</u>	<u>\$ 181,759</u>	<u>\$ 407,993</u>	<u>\$ 9,760</u>

Teacher Development	Excellence in Education	Management Information Systems	Education R & D	Network Connect	SchoolNet Professional Development	Ohio Reads	Summer School Subsidy
\$ 4,944	\$ 3,622	\$ 29,142	\$ 14,262	\$ 11,985	\$ 6,535	\$ -	\$ 10,864
-	-	-	-	-	-	-	-
<u>4,944</u>	<u>3,622</u>	<u>29,142</u>	<u>14,262</u>	<u>11,985</u>	<u>6,535</u>	<u>-</u>	<u>10,864</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,999
-	-	-	3,150	-	-	-	-
-	-	-	608	-	-	-	-
-	-	-	-	-	-	-	13,468
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>3,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,467</u>
-	-	20,437	-	7,500	-	-	3,251
4,944	3,622	8,705	10,504	4,485	6,535	-	(12,854)
<u>4,944</u>	<u>3,622</u>	<u>29,142</u>	<u>10,504</u>	<u>11,985</u>	<u>6,535</u>	<u>-</u>	<u>(9,603)</u>
<u>\$ 4,944</u>	<u>\$ 3,622</u>	<u>\$ 29,142</u>	<u>\$ 14,262</u>	<u>\$ 11,985</u>	<u>\$ 6,535</u>	<u>\$ -</u>	<u>\$ 10,864</u>

(Continued)

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2004
(Continued)

	Vocational Education Enhancement	Miscellaneous State Grants	Title II (NDEA)	Title VI-B	Vocational Education
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 18	\$ 27,949	\$ -	\$ 2,096	\$ 2,135
<u>Receivables:</u>					
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	31,392	24,985
Total Assets	<u>\$ 18</u>	<u>\$ 27,949</u>	<u>\$ -</u>	<u>\$ 33,488</u>	<u>\$ 27,120</u>
<u>Liabilities and Fund Equity:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	110,376	-
Intergovernmental Payable	-	-	-	2,230	-
Interfund Payable	-	-	-	-	1,999
Deferred Revenue	-	-	-	31,011	24,985
Compensated Absences Payable	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,617</u>	<u>26,984</u>
<u>Fund Balance:</u>					
Reserved for Encumbrances	-	-	-	-	-
Unreserved	18	27,949	-	(110,129)	136
Total Fund Balance	<u>18</u>	<u>27,949</u>	<u>-</u>	<u>(110,129)</u>	<u>136</u>
Total Liabilities and Fund Balance	<u>\$ 18</u>	<u>\$ 27,949</u>	<u>\$ -</u>	<u>\$ 33,488</u>	<u>\$ 27,120</u>

Dropout Prevention and Intervention	Title I	Title VI	Emergency Immigrant Education	Drug Free Schools	EHA Pre-School	FCC E-Rate	Reducing Class Size
\$ -	\$ 82,443	\$ 13,666	\$ 236	\$ 1,316	\$ 2,820	\$ 64,004	\$ 28,364
-	-	-	-	-	-	-	-
739	-	12,645	-	2,062	3,756	-	-
<u>739</u>	<u>82,443</u>	<u>26,311</u>	<u>236</u>	<u>3,378</u>	<u>6,576</u>	<u>64,004</u>	<u>28,364</u>
\$ -	\$ 3,607	\$ 9,152	\$ -	\$ -	\$ 778	\$ -	\$ 19,078
-	29,534	-	-	1,154	2,830	-	24,916
-	596	-	-	-	57	-	11,228
-	15,471	-	-	-	-	-	25,000
-	-	8,645	-	2,062	414	-	-
-	-	-	-	-	-	-	-
-	49,208	17,797	-	3,216	4,079	-	80,222
-	768	-	-	71	113	-	-
739	32,467	8,514	236	91	2,384	64,004	(51,858)
739	33,235	8,514	236	162	2,497	64,004	(51,858)
<u>739</u>	<u>82,443</u>	<u>26,311</u>	<u>236</u>	<u>3,378</u>	<u>6,576</u>	<u>64,004</u>	<u>28,364</u>

(Continued)

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2004
(Continued)

	Miscellaneous Federal Grants	Adult Education	Food Service	Uniform School Supplies	Total Nonmajor Special Revenue Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 5,798	\$ 783	\$ 253,821	\$ 173,594	\$ 1,864,421
Receivables:					
Accounts	-	-	654	-	804
Intergovernmental	18,445	-	-	-	107,605
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 24,243</u>	<u>\$ 783</u>	<u>\$ 254,475</u>	<u>\$ 173,594</u>	<u>\$ 1,972,830</u>
<u>Liabilities and Fund Equity:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ -	\$ -	\$ 1,388	\$ 16,023	\$ 164,127
Accrued Wages and Benefits	-	-	114,354	-	348,857
Intergovernmental Payable	-	-	13,742	-	41,501
Interfund Payable	-	-	-	-	80,938
Deferred Revenue	17,761	-	-	-	84,878
Compensated Absences Payable	-	-	3,405	-	18,969
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>17,761</u>	<u>-</u>	<u>132,889</u>	<u>16,023</u>	<u>739,270</u>
<u>Fund Balance:</u>					
Reserved for Encumbrances	-	-	9,612	6,588	149,175
Unreserved	6,482	783	111,974	150,983	1,084,385
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balance	<u>6,482</u>	<u>783</u>	<u>121,586</u>	<u>157,571</u>	<u>1,233,560</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balance	<u>\$ 24,243</u>	<u>\$ 783</u>	<u>\$ 254,475</u>	<u>\$ 173,594</u>	<u>\$ 1,972,830</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2004

	<u>Building</u>	<u>SchoolNet</u>	<u>Interactive Video Distance Learning</u>	<u>Total Nonmajor Capital Projects Funds</u>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 35	\$ 4,466	\$ 5,150	\$ 9,651
Total Assets	<u>\$ 35</u>	<u>\$ 4,466</u>	<u>\$ 5,150</u>	<u>\$ 9,651</u>
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ -	\$ 1,142	\$ 5,122	\$ 6,264
Total Liabilities	<u>-</u>	<u>1,142</u>	<u>5,122</u>	<u>6,264</u>
<u>Fund Balance:</u>				
Reserved for Encumbrances	-	3,322	-	3,322
Unreserved	35	2	28	65
Total Fund Balance	<u>35</u>	<u>3,324</u>	<u>28</u>	<u>3,387</u>
Total Liabilities and Fund Balance	<u>\$ 35</u>	<u>\$ 4,466</u>	<u>\$ 5,150</u>	<u>\$ 9,651</u>



**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 3,455,421	\$ -	\$ 3,455,421
Interest	13,763	-	13,763
Tuition and Fees	137,307	-	137,307
Charges for Services	2,006,253	-	2,006,253
Gifts and Donations	99,338	-	99,338
Extracurricular Activities	891,852	-	891,852
Miscellaneous	31,793	-	31,793
Total Revenues	<u>6,635,727</u>	<u>-</u>	<u>6,635,727</u>
Expenditures:			
Current:			
Instruction:			
Regular	1,300,140	66,298	1,366,438
Special	550,648	-	550,648
Vocational	88,004	-	88,004
Support Services:			
Pupils	184,469	-	184,469
Instructional Staff	988,601	-	988,601
Administration	29,146	-	29,146
Plant Operation and Maintenance	35,474	-	35,474
Pupil Transportation	533	-	533
Non-Instructional Services	3,103,232	-	3,103,232
Extracurricular Activities	576,202	-	576,202
Total Expenditures	<u>6,856,449</u>	<u>66,298</u>	<u>6,922,747</u>
Excess of Revenues Over(Under) Expenditures	(220,722)	(66,298)	(287,020)
Other Financing Sources (Uses):			
Transfers-In	5,756	-	5,756
Transfers-Out	(34,492)	-	(34,492)
Total Other Financing Sources (Uses)	<u>(28,736)</u>	<u>-</u>	<u>(28,736)</u>
Net Change in Fund Balance	(249,458)	(66,298)	(315,756)
Fund Balance at Beginning of Year	<u>1,483,018</u>	<u>69,685</u>	<u>1,552,703</u>
Fund Balance at End of Year	<u>\$ 1,233,560</u>	<u>\$ 3,387</u>	<u>\$ 1,236,947</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Public School Support	Other Grant	District Managed Student Activities	Auxiliary Services	Teacher Residency
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,008,294	\$ 16,500
Interest	13,763	-	-	-	-
Tuition and Fees	25,484	111,823	-	-	-
Charges for Services	-	-	-	-	-
Gifts and Donations	98,334	1,004	-	-	-
Extracurricular Activities	347,996	-	543,856	-	-
Miscellaneous	14,251	-	-	848	-
Total Revenues	499,828	112,827	543,856	1,009,142	16,500
Expenditures:					
Current:					
Instruction:					
Regular	411,650	97,458	-	-	-
Special	13,409	-	-	-	-
Vocational	1,697	-	-	-	-
Support Services:					
Pupils	-	-	-	-	-
Instructional Staff	8,157	-	-	-	15,490
Administration	-	-	-	-	-
Plant Operation and Maintenance	22,801	-	-	-	-
Pupil Transportation	533	-	-	-	-
Non-Instructional Services	-	-	-	1,004,515	-
Extracurricular Activities	9,412	-	566,790	-	-
Total Expenditures	467,659	97,458	566,790	1,004,515	15,490
Excess of Revenues Over(Under)					
Expenditures	32,169	15,369	(22,934)	4,627	1,010
Other Financing Sources (Uses):					
Transfers-In	66	-	-	-	-
Transfers-Out	-	-	(66)	-	-
Total Other Financing Sources (Uses)	66	-	(66)	-	-
Net Change in Fund Balance	32,235	15,369	(23,000)	4,627	1,010
Fund Balance at Beginning of Year	386,763	90,776	158,612	248,114	-
Fund Balance at End of Year	\$ 418,998	\$ 106,145	\$ 135,612	\$ 252,741	\$ 1,010

Teacher Development	Excellence in Education	Management Information Systems	Education R & D	Network Connect	SchoolNet Professional Development	Ohio Reads	Summer School Subsidy
\$ -	\$ -	\$ 29,482	\$ 24,375	\$ 33,000	\$ 4,140	\$ 14,000	\$ 122,213
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	29,482	24,375	33,000	4,140	14,000	122,213
-	-	-	-	49,519	3,023	21,000	134,118
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	24,527	-	-	-	-
-	-	10,521	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
980	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
980	-	10,521	24,527	49,519	3,023	21,000	134,118
(980)	-	18,961	(152)	(16,519)	1,117	(7,000)	(11,905)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(980)	-	18,961	(152)	(16,519)	1,117	(7,000)	(11,905)
5,924	3,622	10,181	10,656	28,504	5,418	7,000	2,302
\$ 4,944	\$ 3,622	\$ 29,142	\$ 10,504	\$ 11,985	\$ 6,535	\$ -	\$ (9,603)

(Continued)

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(Continued)

	Vocational Education Enhancement	Miscellaneous State Grants	Title II (NDEA)	Title VI-B	Vocational Education
Revenues:					
Intergovernmental	\$ 34,342	\$ 16,869	\$ -	\$ 1,090,106	\$ 194,226
Interest	-	-	-	-	-
Tuition and Fees	-	-	-	-	-
Charges for Services	-	-	-	-	-
Gifts and Donations	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	34,342	16,869	-	1,090,106	194,226
Expenditures:					
Current:					
Instruction:					
Regular	5,136	-	-	-	-
Special	-	-	-	236,934	-
Vocational	23,280	-	-	-	63,027
Support Services:					
Pupils	-	8,773	-	-	96,169
Instructional Staff	-	-	1,169	877,749	-
Administration	-	12,623	-	6,002	-
Plant Operation and Maintenance	-	-	-	-	-
Pupil Transportation	-	-	-	-	-
Non-Instructional Services	-	-	-	109,332	-
Extracurricular Activities	-	-	-	-	-
Total Expenditures	28,416	21,396	1,169	1,230,017	159,196
Excess of Revenues Over(Under)					
Expenditures	5,926	(4,527)	(1,169)	(139,911)	35,030
Other Financing Sources (Uses):					
Transfers-In	-	-	-	-	-
Transfers-Out	-	(7,680)	(5,690)	-	(8,386)
Total Other Financing Sources (Uses)	-	(7,680)	(5,690)	-	(8,386)
Net Change in Fund Balance	5,926	(12,207)	(6,859)	(139,911)	26,644
Fund Balance at Beginning of Year	(5,908)	40,156	6,859	29,782	(26,508)
Fund Balance at End of Year	\$ 18	\$ 27,949	\$ -	\$ (110,129)	\$ 136

Dropout Prevention and Intervention	Title I	Title VI	Emergency Immigrant Education	Drug Free Schools	EHA Pre-School	FCC E-Rate	Reducing Class Size
\$ 50,469	\$ 265,185	\$ 81,369	\$ -	\$ 25,258	\$ 27,948	\$ 39,689	\$ 169,108
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
738	-	-	-	-	-	-	-
<u>51,207</u>	<u>265,185</u>	<u>81,369</u>	<u>-</u>	<u>25,258</u>	<u>27,948</u>	<u>39,689</u>	<u>169,108</u>
-	-	-	-	22,791	-	-	212,558
59,944	224,921	-	-	-	11,826	-	-
-	-	-	-	-	-	-	-
-	-	79,527	-	-	-	-	-
-	-	-	-	-	17,572	-	43,937
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	3,730	-	4,860	-	-	3,975
-	-	-	-	-	-	-	-
<u>59,944</u>	<u>224,921</u>	<u>83,257</u>	<u>-</u>	<u>27,651</u>	<u>29,398</u>	<u>-</u>	<u>260,470</u>
(8,737)	40,264	(1,888)	-	(2,393)	(1,450)	39,689	(91,362)
-	-	-	-	-	-	-	5,690
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	5,690
(8,737)	40,264	(1,888)	-	(2,393)	(1,450)	39,689	(85,672)
<u>9,476</u>	<u>(7,029)</u>	<u>10,402</u>	<u>236</u>	<u>2,555</u>	<u>3,947</u>	<u>24,315</u>	<u>33,814</u>
<u>\$ 739</u>	<u>\$ 33,235</u>	<u>\$ 8,514</u>	<u>\$ 236</u>	<u>\$ 162</u>	<u>\$ 2,497</u>	<u>\$ 64,004</u>	<u>\$ (51,858)</u>

(Continued)

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004
(Continued)

	Miscellaneous Federal Grants	Adult Education	Food Service	Uniform School Supplies	Total Nonmajor Special Revenue Funds
Revenues:					
Intergovernmental	\$ 11,316	\$ -	\$ 197,532	\$ -	\$ 3,455,421
Interest	-	-	-	-	13,763
Tuition and Fees	-	-	-	-	137,307
Charges for Services	-	-	1,656,154	350,099	2,006,253
Gifts and Donations	-	-	-	-	99,338
Extracurricular Activities	-	-	-	-	891,852
Miscellaneous	-	-	15,956	-	31,793
Total Revenues	11,316	-	1,869,642	350,099	6,635,727
Expenditures:					
Current:					
Instruction:					
Regular	7,123	-	-	335,764	1,300,140
Special	3,614	-	-	-	550,648
Vocational	-	-	-	-	88,004
Support Services:					
Pupils	-	-	-	-	184,469
Instructional Staff	-	-	-	-	988,601
Administration	-	-	-	-	29,146
Plant Operation and Maintenance	-	-	12,673	-	35,474
Pupil Transportation	-	-	-	-	533
Non-Instructional Services	-	-	1,975,840	-	3,103,232
Extracurricular Activities	-	-	-	-	576,202
Total Expenditures	10,737	-	1,988,513	335,764	6,856,449
Excess of Revenues Over(Under) Expenditures	579	-	(118,871)	14,335	(220,722)
Other Financing Sources (Uses):					
Transfers-In	-	-	-	-	5,756
Transfers-Out	(12,670)	-	-	-	(34,492)
Total Other Financing Sources (Uses)	(12,670)	-	-	-	(28,736)
Net Change in Fund Balance	(12,091)	-	(118,871)	14,335	(249,458)
Fund Balance at Beginning of Year	18,573	783	240,457	143,236	1,483,018
Fund Balance at End of Year	\$ 6,482	\$ 783	\$ 121,586	\$ 157,571	\$ 1,233,560

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>Building</u>	<u>SchoolNet</u>	<u>Interactive Video Distance Learning</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	<u>-</u>	<u>57,626</u>	<u>8,672</u>	<u>66,298</u>
Total Expenditures	<u>-</u>	<u>57,626</u>	<u>8,672</u>	<u>66,298</u>
Net Change in Fund Balance	-	(57,626)	(8,672)	(66,298)
Fund Balance at Beginning of Year	<u>35</u>	<u>60,950</u>	<u>8,700</u>	<u>69,685</u>
Fund Balance at End of Year	<u>\$ 35</u>	<u>\$ 3,324</u>	<u>\$ 28</u>	<u>\$ 3,387</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
PUBLIC SCHOOL SUPPORT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Interest	\$ 13,031	\$ 13,031	\$ 13,930	\$ 899
Tuition and Fees	23,840	23,840	25,484	1,644
Extracurricular Activities	326,991	326,991	349,537	22,546
Gifts and Donations	91,991	91,991	98,334	6,343
Miscellaneous	10,168	10,168	10,965	797
Total Revenues	466,021	466,021	498,250	32,229
Expenditures:				
Current:				
Instruction:				
Regular	780,298	822,118	452,883	369,235
Special	15,433	16,260	8,957	7,303
Support Services:				
Instructional Staff	14,054	14,807	8,157	6,650
Plant Operation and Maintenance	39,285	41,391	22,801	18,590
Pupil Transportation	1,106	1,165	642	523
Extracurricular Activities	16,582	17,470	9,624	7,846
Total Expenditures	866,758	913,211	503,064	410,147
Excess of Revenues Over(Under) Expenditures	(400,737)	(447,190)	(4,814)	442,376
Other Financing Sources (Uses):				
Operating Transfers-In	3,978	3,978	4,252	274
Total Other Financing Sources (Uses)	3,978	3,978	4,252	274
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(396,759)	(443,212)	(562)	442,650
Fund Balance at Beginning of Year	340,614	340,614	340,614	-
Prior Year Encumbrances Appropriated	60,758	60,758	60,758	-
Fund Balance at End of Year	\$ 4,613	\$ (41,840)	\$ 400,810	\$ 442,650

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OTHER GRANTS - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Tuition and Fees	\$ 122,897	\$ 122,897	\$ 111,823	\$ (11,074)
Gifts and Donations	1,103	1,103	1,004	(99)
Total Revenues	124,000	124,000	112,827	(11,173)
Expenditures:				
Current:				
Instruction:				
Regular	129,574	129,574	97,796	31,778
Support Services:				
Pupils	120	120	-	120
Instructional Staff	5,680	5,680	-	5,680
Administration	69,836	69,836	-	69,836
Capital Outlay	530	530	-	530
Total Expenditures	205,740	205,740	97,796	107,944
Excess of Revenues Over(Under) Expenditures	(81,740)	(81,740)	15,031	96,771
Fund Balance at Beginning of Year	85,093	85,093	85,093	-
Prior Year Encumbrances Appropriated	5,740	5,740	5,740	-
Fund Balance at End of Year	\$ 9,093	\$ 9,093	\$ 105,864	\$ 96,771

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DISTRICT MANAGED STUDENT ACTIVITIES - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Extracurricular Activities	\$ 526,057	\$ 526,057	\$ 549,958	\$ 23,901
Total Revenues	<u>526,057</u>	<u>526,057</u>	<u>549,958</u>	<u>23,901</u>
Expenditures:				
Current:				
Extracurricular Activities	741,824	743,824	617,568	126,256
Total Expenditures	<u>741,824</u>	<u>743,824</u>	<u>617,568</u>	<u>126,256</u>
Excess of Revenues Over(Under) Expenditures	(215,767)	(217,767)	(67,610)	150,157
Other Financing Sources (Uses):				
Advances-In	23,928	23,928	25,000	1,072
Operating Transfers-In	14	14	14	-
Operating Transfers-Out	(80)	(80)	(80)	-
Total Other Financing Sources (Uses)	<u>23,862</u>	<u>23,862</u>	<u>24,934</u>	<u>1,072</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(191,905)	(193,905)	(42,676)	151,229
Fund Balance at Beginning of Year	127,163	127,163	127,163	-
Prior Year Encumbrances Appropriated	<u>66,904</u>	<u>66,904</u>	<u>66,904</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,162</u>	<u>\$ 162</u>	<u>\$ 151,391</u>	<u>\$ 151,229</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
AUXILIARY SERVICES - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 939,199	\$ 939,199	\$ 994,713	\$ 55,514
Total Revenues	<u>939,199</u>	<u>939,199</u>	<u>994,713</u>	<u>55,514</u>
Expenditures:				
Current:				
Non-Instructional Services	1,375,192	1,375,192	1,155,487	219,705
Total Expenditures	<u>1,375,192</u>	<u>1,375,192</u>	<u>1,155,487</u>	<u>219,705</u>
Excess of Revenues Over(Under) Expenditures	(435,993)	(435,993)	(160,774)	275,219
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	801	801	848	47
Refund of Prior Year Receipts	-	-	(18,304)	(18,304)
Operating Transfers-Out	(200)	(200)	-	200
Total Other Financing Sources (Uses)	<u>601</u>	<u>601</u>	<u>(17,456)</u>	<u>(18,057)</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(435,392)	(435,392)	(178,230)	257,162
Fund Balance at Beginning of Year	75,418	75,418	75,418	-
Prior Year Encumbrances Appropriated	<u>360,392</u>	<u>360,392</u>	<u>360,392</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 418</u>	<u>\$ 418</u>	<u>\$ 257,580</u>	<u>\$ 257,162</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TEACHER RESIDENCY - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 16,500	\$ 16,500
Total Revenues	-	-	16,500	16,500
Expenditures:				
Current:				
Instruction:				
Instructional Staff	-	-	16,500	(16,500)
Total Expenditures	-	-	16,500	(16,500)
Excess of Revenues Over(Under) Expenditures	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TEACHER DEVELOPMENT- BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Non-Instructional Services	10,151	5,205	5,205	-
Total Expenditures	10,151	5,205	5,205	-
Excess of Revenues Over(Under) Expenditures	(10,151)	(5,205)	(5,205)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(10,151)	(5,205)	(5,205)	-
Fund Balance at Beginning of Year	4,946	4,946	4,946	-
Prior Year Encumbrances Appropriated	5,205	5,205	5,205	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 4,946</u>	<u>\$ 4,946</u>	<u>\$ -</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EXCELLENCE IN EDUCATION - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	3,622	3,622	-	3,622
Total Expenditures	3,622	3,622	-	3,622
Excess of Revenues Over(Under) Expenditures	(3,622)	(3,622)	-	3,622
Fund Balance at Beginning of Year	3,622	3,622	3,622	-
Fund Balance at End of Year	\$ -	\$ -	\$ 3,622	\$ 3,622

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MANAGEMENT INFORMATION SYSTEMS - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 29,000	\$ 29,000	\$ 29,482	\$ 482
Total Revenues	<u>29,000</u>	<u>29,000</u>	<u>29,482</u>	<u>482</u>
Expenditures:				
Current:				
Support Services:				
Administration	57,635	57,635	49,568	8,067
Total Expenditures	<u>57,635</u>	<u>57,635</u>	<u>49,568</u>	<u>8,067</u>
Excess of Revenues Over(Under) Expenditures	(28,635)	(28,635)	(20,086)	8,549
Fund Balance at Beginning of Year	10,159	10,159	10,159	-
Prior Year Encumbrances Appropriated	<u>18,635</u>	<u>18,635</u>	<u>18,635</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 159</u>	<u>\$ 159</u>	<u>\$ 8,708</u>	<u>\$ 8,549</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EDUCATION R & D - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 24,375	\$ (625)
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>24,375</u>	<u>(625)</u>
Expenditures:				
Current:				
Instruction:				
Instructional Staff	39,999	39,999	25,112	14,887
Total Expenditures	<u>39,999</u>	<u>39,999</u>	<u>25,112</u>	<u>14,887</u>
Excess of Revenues Over(Under) Expenditures	(14,999)	(14,999)	(737)	14,262
Fund Balance at Beginning of Year	14,617	14,617	14,617	-
Prior Year Encumbrances Appropriated	<u>382</u>	<u>382</u>	<u>382</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,262</u>	<u>\$ 14,262</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NETWORK CONNECT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 38,500	\$ 38,500	\$ 33,000	\$ (5,500)
Total Revenues	<u>38,500</u>	<u>38,500</u>	<u>33,000</u>	<u>(5,500)</u>
Expenditures:				
Current:				
Instruction:				
Regular	67,000	67,000	57,019	9,981
Total Expenditures	<u>67,000</u>	<u>67,000</u>	<u>57,019</u>	<u>9,981</u>
Excess of Revenues Over(Under) Expenditures	(28,500)	(28,500)	(24,019)	4,481
Fund Balance at Beginning of Year	<u>28,504</u>	<u>28,504</u>	<u>28,504</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4,485</u>	<u>\$ 4,481</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOLNET PROFESSIONAL DEVELOPMENT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 10,000	\$ 4,600	\$ 4,140	\$ (460)
Total Revenues	<u>10,000</u>	<u>4,600</u>	<u>4,140</u>	<u>(460)</u>
Expenditures:				
Current:				
Instruction:				
Regular	9,982	9,982	3,523	6,459
Total Expenditures	<u>9,982</u>	<u>9,982</u>	<u>3,523</u>	<u>6,459</u>
Excess of Revenues Over(Under) Expenditures	18	(5,382)	617	5,999
Other Financing Sources (Uses):				
Operating Transfers-In	-	-	5,418	5,418
Operating Transfers-Out	(5,918)	(5,918)	(5,418)	500
Total Other Financing Sources (Uses)	<u>(5,918)</u>	<u>(5,918)</u>	<u>-</u>	<u>5,918</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(5,900)	(11,300)	617	11,917
Fund Balance at Beginning of Year	<u>5,918</u>	<u>5,918</u>	<u>5,918</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 18</u>	<u>\$ (5,382)</u>	<u>\$ 6,535</u>	<u>\$ 11,917</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OHIO READS GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 14,000	\$ 14,000	\$ 14,000	\$ -
Total Revenues	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	21,000	21,000	21,000	-
Total Expenditures	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(7,000)	(7,000)	(7,000)	-
Other Financing Sources (Uses):				
Operating Transfers-In	7,000	7,000	7,000	-
Operating Transfers-Out	<u>-</u>	<u>-</u>	<u>(7,000)</u>	<u>(7,000)</u>
Total Other Financing Sources (Uses)	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	-	-	(7,000)	(7,000)
Fund Balance at Beginning of Year	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 7,000</u></u>	<u><u>\$ 7,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (7,000)</u></u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SUMMER SCHOOL SUBSIDY GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 122,213	\$ 122,213
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,213</u>	<u>\$ 122,213</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	124,270	140,605	(16,335)
Total Expenditures	<u>-</u>	<u>124,270</u>	<u>140,605</u>	<u>(16,335)</u>
Excess of Revenues Over(Under) Expenditures	-	(124,270)	(18,392)	105,878
Other Financing Sources (Uses):				
Advances-In	-	-	30,468	30,468
Advances-Out	(5,558)	(17,000)	(17,000)	-
Total Other Financing Sources (Uses)	<u>(5,558)</u>	<u>(17,000)</u>	<u>13,468</u>	<u>30,468</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(5,558)	(141,270)	(4,924)	136,346
Fund Balance at Beginning of Year	82	82	82	-
Prior Year Encumbrances Appropriated	5,476	5,476	5,476	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (135,712)</u>	<u>\$ 634</u>	<u>\$ 136,346</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
VOCATIONAL EDUCATION GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 29,993	\$ 39,500	\$ 34,342	\$ (5,158)
Total Revenues	<u>29,993</u>	<u>39,500</u>	<u>34,342</u>	<u>(5,158)</u>
Expenditures:				
Current:				
Instruction:				
Regular	4,488	4,488	5,136	(648)
Vocational	20,345	20,345	23,281	(2,936)
Total Expenditures	<u>24,833</u>	<u>24,833</u>	<u>28,417</u>	<u>(3,584)</u>
Excess of Revenues Over(Under) Expenditures	<u>5,160</u>	<u>14,667</u>	<u>5,925</u>	<u>(8,742)</u>
Other Financing Sources (Uses):				
Advances-Out	(5,177)	(5,177)	(5,924)	(747)
Total Other Financing Sources (Uses)	<u>(5,177)</u>	<u>(5,177)</u>	<u>(5,924)</u>	<u>(747)</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(17)	9,490	1	(9,489)
Fund Balance at Beginning of Year	<u>17</u>	<u>17</u>	<u>17</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 9,507</u>	<u>\$ 18</u>	<u>\$ (9,489)</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MISCELLANEOUS STATE GRANTS - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 74,000	\$ 113,000	\$ 16,869	\$ (96,131)
Total Revenues	74,000	113,000	16,869	(96,131)
Expenditures:				
Current:				
Instruction:				
Support Services:				
Pupils	10,123	30,365	8,773	21,592
Administration	20,904	62,702	18,116	44,586
Total Expenditures	31,027	93,067	26,889	66,178
Excess of Revenues Over(Under) Expenditures	42,973	19,933	(10,020)	(29,953)
Other Financing Sources (Uses):				
Operating Transfers-Out	(88,621)	(26,582)	(7,680)	80,941
Total Other Financing Sources (Uses)	(88,621)	(26,582)	(7,680)	80,941
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(45,648)	(6,649)	(17,700)	50,988
Fund Balance at Beginning of Year	35,918	35,918	35,918	-
Prior Year Encumbrances Appropriated	9,731	9,731	9,731	-
Fund Balance at End of Year	\$ 1	\$ 39,000	\$ 27,949	\$ 50,988

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE II (NDEA) - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ 16,499	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Instructional Staff	1,170	1,170	1,171	(1)
Total Expenditures	1,170	1,170	1,171	(1)
Excess of Revenues Over(Under) Expenditures	(1,170)	15,329	(1,171)	(16,500)
Other Financing Sources (Uses):				
Operating Transfers-Out	(5,690)	(5,690)	(5,690)	-
Total Other Financing Sources (Uses)	(5,690)	(5,690)	(5,690)	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(6,860)	9,639	(6,861)	(16,500)
Fund Balance at Beginning of Year	5,534	5,534	5,534	-
Prior Year Encumbrances Appropriated	1,327	1,327	1,327	-
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 16,500</u>	<u>\$ -</u>	<u>\$ (16,500)</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE VI-B GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 1,151,250	\$ 720,000	\$ 1,195,530	\$ 475,530
Total Revenues	<u>1,151,250</u>	<u>720,000</u>	<u>1,195,530</u>	<u>475,530</u>
Expenditures:				
Current:				
Instruction:				
Special	244,751	244,751	252,160	(7,409)
Support Services:				
Instructional Staff	819,517	819,517	849,428	(29,911)
Administration	7,750	7,750	6,002	1,748
Non-Instructional Services	103,656	103,656	115,234	(11,578)
Total Expenditures	<u>1,175,674</u>	<u>1,175,674</u>	<u>1,222,824</u>	<u>(47,150)</u>
Excess of Revenues Over(Under) Expenditures	<u>(24,424)</u>	<u>(455,674)</u>	<u>(27,294)</u>	<u>428,380</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(118)	(118)	(118)	-
Advances-In	-	-	28,000	28,000
Operating Transfers-In	(15,626)	(15,626)	-	15,626
Operating Transfers-Out	-	-	(39,000)	(39,000)
Total Other Financing Sources (Uses)	<u>(15,744)</u>	<u>(15,744)</u>	<u>(11,118)</u>	<u>4,626</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(40,168)</u>	<u>(471,418)</u>	<u>(38,412)</u>	<u>433,006</u>
Fund Balance at Beginning of Year	35,168	35,168	35,168	-
Prior Year Encumbrances Appropriated	5,000	5,000	5,000	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (431,250)</u>	<u>\$ 1,756</u>	<u>\$ 433,006</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
VOCATIONAL EDUCATION GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 193,641	\$ 174,330	\$ 194,226	\$ 19,896
Total Revenues	193,641	174,330	194,226	19,896
Expenditures:				
Current:				
Instruction:				
Vocational	62,972	62,972	63,027	(55)
Support Services:				
Pupils	122,869	122,869	96,328	26,541
Instructional Staff	-	-	(159)	159
Administration	8,387	8,387	-	8,387
Total Expenditures	194,228	194,228	159,196	35,032
Excess of Revenues Over(Under) Expenditures	(587)	(19,898)	35,030	54,928
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	-	-	(25,094)	(25,094)
Operating Transfers-In	-	-	58	58
Operating Transfers-Out	-	-	(8,444)	(8,444)
Total Other Financing Sources (Uses)	-	-	(33,480)	(33,480)
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(587)	(19,898)	1,550	21,448
Fund Balance at Beginning of Year	587	587	587	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (19,311)</u>	<u>\$ 2,137</u>	<u>\$ 21,448</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DROPOUT PREVENTION & INTERVENTION GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 53,612	\$ 19,000	\$ 59,206	\$ 40,206
Total Revenues	<u>53,612</u>	<u>19,000</u>	<u>59,206</u>	<u>40,206</u>
Expenditures:				
Current:				
Instruction:				
Special	53,612	59,206	59,944	(738)
Total Expenditures	<u>53,612</u>	<u>59,206</u>	<u>59,944</u>	<u>(738)</u>
Excess of Revenues Over(Under) Expenditures	-	(40,206)	(738)	39,468
Other Financing Sources (Uses):				
Advances-In	-	-	738	738
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>738</u>	<u>738</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	-	(40,206)	-	40,206
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (40,206)</u>	<u>\$ -</u>	<u>\$ 40,206</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE I GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 279,278	\$ 185,000	\$ 273,000	\$ 88,000
Total Revenues	<u>279,278</u>	<u>185,000</u>	<u>273,000</u>	<u>88,000</u>
Expenditures:				
Current:				
Instruction:				
Special	293,089	293,089	230,949	62,140
Total Expenditures	<u>293,089</u>	<u>293,089</u>	<u>230,949</u>	<u>62,140</u>
Excess of Revenues Over(Under) Expenditures	<u>(13,811)</u>	<u>(108,089)</u>	<u>42,051</u>	<u>150,140</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(24)	(24)	(24)	-
Advances-In	-	-	15,471	15,471
Operating Transfers-In	-	-	6,734	6,734
Operating Transfers-Out	(6,734)	(6,734)	(6,734)	-
Total Other Financing Sources (Uses)	<u>(6,758)</u>	<u>(6,758)</u>	<u>15,447</u>	<u>22,205</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(20,569)</u>	<u>(114,847)</u>	<u>57,498</u>	<u>172,345</u>
Fund Balance at Beginning of Year	20,004	20,004	20,004	-
Prior Year Encumbrances Appropriated	<u>565</u>	<u>565</u>	<u>565</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (94,278)</u>	<u>\$ 78,067</u>	<u>\$ 172,345</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TITLE VI GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 57,685	\$ 39,000	\$ 83,290	\$ 44,290
Total Revenues	57,685	39,000	83,290	44,290
Expenditures:				
Current:				
Support Services:				
Pupils	56,232	120,463	81,543	38,920
Instructional Staff	1,337	1,881	-	1,881
Non-Instructional Services	3,597	7,752	7,534	218
Total Expenditures	61,166	130,096	89,077	41,019
Excess of Revenues Over(Under) Expenditures	(3,481)	(91,096)	(5,787)	85,309
Other Financing Sources (Uses):				
Operating Transfers-In	-	-	5,001	5,001
Operating Transfers-Out	(2,320)	(5,001)	(5,001)	(2,681)
Total Other Financing Sources (Uses)	(2,320)	(5,001)	-	2,320
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(5,801)	(96,097)	(5,787)	87,629
Fund Balance at Beginning of Year	5,461	5,461	5,461	-
Prior Year Encumbrances Appropriated	340	340	340	-
Fund Balance at End of Year	\$ -	\$ (90,296)	\$ 14	\$ 87,629

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EMERGENCY IMMIGRATION GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Special	236	236		236
Total Expenditures	236	236	-	236
Excess of Revenues Over(Under) Expenditures	(236)	(236)	-	236
Fund Balance at Beginning of Year	236	236	236	-
Fund Balance at End of Year	\$ -	\$ -	\$ 236	\$ 236

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DRUG FREE SCHOOLS PROGRAM - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 27,893	\$ 23,300	\$ 28,132	\$ 4,832
Total Revenues	27,893	23,300	28,132	4,832
Expenditures:				
Current:				
Instruction:				
Regular	22,791	22,791	22,791	-
Support Services:				
Pupils	1,453	1,453	4,279	(2,826)
Non-Instructional Services	5,579	5,579	5,014	565
Total Expenditures	29,823	29,823	32,084	(2,261)
Excess of Revenues Over(Under) Expenditures	(1,930)	(6,523)	(3,952)	2,571
Other Financing Sources (Uses):				
Operating Transfers-In	-	-	2,114	2,114
Operating Transfers-Out	(2,114)	(2,114)	(2,114)	-
Total Other Financing Sources (Uses)	(2,114)	(2,114)	-	2,114
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(4,044)	(8,637)	(3,952)	4,685
Fund Balance at Beginning of Year	3,519	3,519	3,519	-
Prior Year Encumbrances Appropriated	525	525	525	-
Fund Balance at End of Year	\$ -	\$ (4,593)	\$ 92	\$ 4,685

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EHA PRESCHOOL GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 29,851	\$ 35,001	\$ 31,242	\$ (3,759)
Total Revenues	<u>29,851</u>	<u>35,001</u>	<u>31,242</u>	<u>(3,759)</u>
Expenditures:				
Current:				
Instruction:				
Special	10,710	13,035	11,939	1,096
Instructional Staff	17,787	20,319	18,478	1,841
Business	2,958	3,600	-	3,600
Total Expenditures	<u>31,455</u>	<u>36,954</u>	<u>30,417</u>	<u>6,537</u>
Excess of Revenues Over(Under) Expenditures	<u>(1,604)</u>	<u>(1,953)</u>	<u>825</u>	<u>2,778</u>
Other Financing Sources (Uses):				
Operating Transfers-Out	<u>(3,068)</u>	<u>(3,734)</u>	<u>(3,734)</u>	<u>(666)</u>
Total Other Financing Sources (Uses)	<u>(3,068)</u>	<u>(3,734)</u>	<u>(3,734)</u>	<u>(666)</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(4,672)</u>	<u>(5,687)</u>	<u>(2,909)</u>	<u>2,112</u>
Fund Balance at Beginning of Year	3,581	3,581	3,581	-
Prior Year Encumbrances Appropriated	<u>1,091</u>	<u>1,091</u>	<u>1,091</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (1,015)</u>	<u>\$ 1,763</u>	<u>\$ 2,112</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FCC E-RATE - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ 10,000	\$ 10,000	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	34,316	34,316	(29,313)	63,629
Total Expenditures	34,316	34,316	(29,313)	63,629
Excess of Revenues Over(Under) Expenditures	(24,316)	(24,316)	29,313	53,629
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	-	-	10,376	10,376
Total Other Financing Sources (Uses)	-	-	10,376	10,376
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(24,316)	(24,316)	39,689	64,005
Fund Balance at Beginning of Year	24,316	24,316	24,316	-
Fund Balance at End of Year	\$ -	\$ -	\$ 64,005	\$ 64,005

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
REDUCING CLASS SIZE - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 192,407	\$ 108,000	\$ 203,521	\$ 95,521
Total Revenues	<u>192,407</u>	<u>108,000</u>	<u>203,521</u>	<u>95,521</u>
Expenditures:				
Current:				
Instruction:				
Regular	150,070	180,217	205,166	(24,949)
Support Services:				
Instructional Staff	42,973	45,216	44,839	377
Non-Instructional Services	1,361	1,634	1,634	-
Total Expenditures	<u>194,404</u>	<u>227,067</u>	<u>251,639</u>	<u>(24,572)</u>
Excess of Revenues Over(Under) Expenditures	(1,997)	(119,067)	(48,118)	70,949
Other Financing Sources (Uses):				
Advances-In	-	-	25,000	25,000
Operating Transfers-In	-	-	24,221	24,221
Operating Transfers-Out	(15,431)	(18,531)	(18,531)	(3,100)
Total Other Financing Sources (Uses)	<u>(15,431)</u>	<u>(18,531)</u>	<u>30,690</u>	<u>46,121</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(17,428)	(137,598)	(17,428)	117,070
Fund Balance at Beginning of Year	12,107	12,107	12,107	-
Prior Year Encumbrances Appropriated	5,321	5,321	5,321	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (120,170)</u>	<u>\$ -</u>	<u>\$ 117,070</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MISCELLANEOUS FEDERAL GRANTS - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 5,789	\$ 23,000	\$ 10,632	\$ (12,368)
Total Revenues	<u>5,789</u>	<u>23,000</u>	<u>10,632</u>	<u>(12,368)</u>
Expenditures:				
Current:				
Instruction:				
Regular	5,988	8,650	5,602	3,048
Special	2,502	3,614	3,614	-
Support Services:				
Instructional Staff	1,904	2,750		2,750
Total Expenditures	<u>10,394</u>	<u>15,014</u>	<u>9,216</u>	<u>5,798</u>
Excess of Revenues Over(Under) Expenditures	(4,605)	7,986	1,416	(6,570)
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	(1,053)	(1,521)	(1,521)	(468)
Operating Transfers-In	-	768	768	-
Operating Transfers-Out	(9,302)	(13,438)	(13,438)	(4,136)
Total Other Financing Sources (Uses)	<u>(10,355)</u>	<u>(14,191)</u>	<u>(14,191)</u>	<u>(4,604)</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(14,960)	(6,205)	(12,775)	(11,174)
Fund Balance at Beginning of Year	14,959	14,959	14,959	-
Prior Year Encumbrances Appropriated	<u>3,614</u>	<u>3,614</u>	<u>3,614</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,613</u>	<u>\$ 12,368</u>	<u>\$ 5,798</u>	<u>\$ (11,174)</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ADULT EDUCATION - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Administration	785	785	-	785
Total Expenditures	785	785	-	785
Excess of Revenues Over(Under) Expenditures	(785)	(785)	-	785
Fund Balance at Beginning of Year	785	785	785	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 785</u>	<u>\$ 785</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOOD SERVICE PROGRAM - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 221,681	\$ 221,681	\$ 221,681	\$ -
Charges for Services	1,562,364	1,562,364	1,662,063	99,699
Miscellaneous	15,956	15,956	15,956	-
Total Revenues	1,800,001	1,800,001	1,899,700	99,699
Expenditures:				
Current:				
Plant Operation and Maintenance	16,714	16,714	15,608	1,106
Non-Instructional Services	2,037,107	2,037,107	1,902,315	134,792
Total Expenditures	2,053,821	2,053,821	1,917,923	135,898
Excess of Revenues Over(Under)				
Expenditures	(253,820)	(253,820)	(18,223)	235,597
Fund Balance at Beginning of Year	227,222	227,222	227,222	-
Prior Year Encumbrances Appropriated	33,821	33,821	33,821	-
Fund Balance at End of Year	\$ 7,223	\$ 7,223	\$ 242,820	\$ 235,597

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
UNIFORMED SCHOOL SUPPLIES - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Charges for Services	\$ 348,362	\$ 348,362	\$ 350,839	\$ 2,477
Total Revenues	348,362	348,362	350,839	2,477
Expenditures:				
Current:				
Instruction:				
Regular	452,399	452,904	349,139	103,765
Total Expenditures	452,399	452,904	349,139	103,765
Excess of Revenues Over(Under) Expenditures	(104,037)	(104,542)	1,700	106,242
Other Financing Sources (Uses):				
Advances-In	121,637	121,637	120,199	(1,438)
Advance-Out	(161,969)	(162,150)	(125,000)	36,969
Total Other Financing Sources (Uses)	(40,332)	(40,513)	(4,801)	35,531
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(144,369)	(145,055)	(3,101)	141,773
Fund Balance at Beginning of Year	119,915	119,915	119,915	-
Prior Year Encumbrances Appropriated	29,368	29,368	29,368	-
Fund Balance at End of Year	\$ 4,914	\$ 4,228	\$ 146,182	\$ 141,773

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUILDING FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Captial Outlay	35	35	-	35
Total Expenditures	35	35	-	35
Excess of Revenues Over(Under) Expenditures	(35)	(35)	-	35
Fund Balance at Beginning of Year	35	35	35	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35</u>	<u>\$ 35</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOLNET PLUS FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ 111,111	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	76,176	57,992	76,176	(18,184)
Total Expenditures	76,176	57,992	76,176	(18,184)
Excess of Revenues Over(Under) Expenditures	(76,176)	53,119	(76,176)	(129,295)
Fund Balance at Beginning of Year	18,184	18,184	18,184	-
Prior Year Encumbrances Appropriated	57,992	57,992	57,992	-
Fund Balance at End of Year	\$ -	\$ 129,295	\$ -	\$ (129,295)

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
VIDEO DISTANCE LEARNING - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	-	-	8,672	(8,672)
Total Expenditures	-	-	8,672	(8,672)
Excess of Revenues Over(Under) Expenditures	-	-	(8,672)	(8,672)
Other Financing Sources (Uses):				
Operating Transfers-In	-	-	8,700	8,700
Operating Transfers-Out	(8,700)	(8,700)	(8,700)	-
Total Other Financing Sources (Uses)	(8,700)	(8,700)	-	8,700
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(8,700)	(8,700)	(8,672)	28
Fund Balance at Beginning of Year	8,700	8,700	8,700	-
Fund Balance at End of Year	\$ -	\$ -	\$ 28	\$ 28

Fiduciary Funds

PRIVATE-PURPOSE TRUST FUNDS

Private-purpose trust funds are used to account for assets held by the School District, which have been restricted so that the principal and income of the fund benefit individuals, private organizations, or other governments and are not available to support the operations of the School District.

Scholarship Trust Fund

To account for restricted donations, where the donations themselves may be used, to provide scholarships to selected students graduating from the School District.

Memorial Scholarship Trust Fund

To account for the restricted donations, where the corpus of the donations may not be used, which were provided in memory of individuals to provide scholarship to selected District students.

AGENCY FUNDS

Agency funds account for monies held by the School District in a purely custodial nature for other organizations. Accordingly, all assets reported in an agency fund are offset by a liability to the party on whose behalf they are held.

Student Managed Activities Fund

To account for the resources belonging to the various student groups in the District. The fund account for sales and other revenue generating activities by student activity programs that have students involved in the management of the program.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

**COMBINING STATEMENT OF NET ASSETS
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2004**

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 24,977	\$ 2,036	\$ 27,013
Cash and Cash Equivalents:			
With Fiscal Agent	-	10,335	10,335
Total Assets	24,977	12,371	37,348
Liabilities:			
Accounts payable	900	-	900
Net Assets:			
Held in trust for scholarships	24,077	12,371	36,448
Total Net Assets	\$ 24,077	\$ 12,371	\$ 36,448

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET ASSETS
PRIVATE-PURPOSE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total
Additions:			
Gifts and Donations	\$ 900	\$ -	\$ 900
Investment Earnings	252	-	252
Total Additions	1,152	-	1,152
Deductions:			
Payments in accordance with trust agreements	3,033	1,000	4,033
Total Deductions	3,033	1,000	4,033
Change in Net Assets	(1,881)	(1,000)	(2,881)
Net Assets Beginning of Year	25,958	13,371	39,329
Net Assets End of Year	\$ 24,077	\$ 12,371	\$ 36,448

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Balance July 1, 2003	Additions	Deletions	Balance June 30, 2004
<u>Student Managed Activities</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 115,424	\$ 282,864	\$ 271,222	\$ 127,066
Total Assets	<u>\$ 115,424</u>	<u>\$ 282,864</u>	<u>\$ 271,222</u>	<u>\$ 127,066</u>
Liabilities:				
Accounts Payable	\$ 1,154	\$ 2,584	\$ 1,154	\$ 2,584
Due to Students	114,270	280,280	270,068	124,482
Total Liabilities	<u>\$ 115,424</u>	<u>\$ 282,864</u>	<u>\$ 271,222</u>	<u>\$ 127,066</u>

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
SCHOLARSHIP TRUST FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Gifts and Donations	\$ 244	\$ 276	\$ 900	\$ 624
Interest	2,757	3,125	276	(2,849)
Total Revenues	3,001	3,401	1,176	(2,225)
Expenses:				
Student Scholarships	28,872	28,872	3,519	25,353
Total Expenses	28,872	28,872	3,519	25,353
Excess of Revenues Over(Under) Expenses	(25,871)	(25,471)	(2,343)	23,128
Excess of Revenues and Other Financing Sources Over(Under) Expenses and Other Financing Uses	(25,871)	(25,471)	(2,343)	23,128
Fund Equity at Beginning of Year	24,562	24,562	24,562	-
Prior Year Encumbrances Appropriated	1,372	1,372	1,372	-
Fund Equity at End of Year	\$ 63	\$ 463	\$ 23,591	\$ 23,128

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
MEMORIAL SCHOLARSHIP TRUST FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Interest	\$ 1,075	\$ 1,075	\$ -	\$ (1,075)
Total Revenues	<u>1,075</u>	<u>1,075</u>	<u>-</u>	<u>(1,075)</u>
Expenses:				
Student Scholarships	<u>4,000</u>	<u>4,000</u>	<u>1,000</u>	<u>3,000</u>
Total Expenses	<u>4,000</u>	<u>4,000</u>	<u>1,000</u>	<u>3,000</u>
Excess of Revenues Over(Under) Expenses	(2,925)	(2,925)	(1,000)	1,925
Fund Equity at Beginning of Year	<u>3,036</u>	<u>3,036</u>	<u>3,036</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ 111</u>	<u>\$ 111</u>	<u>\$ 2,036</u>	<u>\$ 1,925</u>

Statistical Section

STATISTICAL SECTION

The following unaudited statistical tables reflect social and economic data, financial trends and fiscal capacity of the Centerville City School District.

Table 1

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

District-Wide Governmental Revenues
Last Two Fiscal Years (1)

	<u>2004</u>	<u>2003</u>
Program Revenues:		
Charges for Services	\$ 4,579,238	\$ 4,311,331
Operating Grants and Contributions	3,438,001	2,951,841
Capital Grants and Contributions	<u>48,917</u>	<u>200,441</u>
Total Program Revenues:	<u>8,066,156</u>	<u>7,463,613</u>
General Revenues		
Property Taxes	48,122,564	42,208,394
Grants and Entitlements not restricted to Specific Programs	18,457,781	17,307,126
Investment Earnings	370,634	670,707
Miscellaneous	<u>268,493</u>	<u>397,873</u>
Total General Revenues	<u>67,219,472</u>	<u>60,584,100</u>
Total Revenues	<u>\$ 75,285,628</u>	<u>\$ 68,047,713</u>

Source: Centerville City School District records.

- (1) The School District first reported District-wide information in fiscal year 2003.

Table 2

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

District-Wide Governmental Expenses
Last Two Fiscal Years (1)

	<u>2004</u>	<u>2003</u>
Instruction:		
Regular	\$ 34,047,380	\$ 31,881,238
Special	6,644,429	5,599,315
Vocational	2,185,235	1,939,684
Other	478,686	482,788
Total Instruction	<u>43,355,730</u>	<u>39,903,025</u>
Support Services:		
Pupils	3,088,292	2,961,925
Instructional Staff	5,403,371	5,280,429
Board of Education	19,255	19,884
Administration	3,820,320	3,759,173
Fiscal	1,314,217	1,380,517
Business	539,761	519,122
Operation and Maintenance of Plant	6,434,103	5,785,183
Transportation	4,633,431	4,188,147
Central	93,373	102,201
Total Support Services	<u>25,346,123</u>	<u>23,996,581</u>
Non-instructional Services	3,043,987	2,891,264
Extracurricular Activities	577,028	579,868
Interest and Fiscal Charges	882,859	986,240
Unallocated Depreciation	<u>919,310</u>	<u>966,213</u>
Total Expenses	<u>\$ 74,125,037</u>	<u>\$ 69,323,191</u>

Source: Centerville City School District records.

- (1) The School District first reported District-wide information in fiscal year 2003.

Table 3

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

General Fund Revenues by Source
Last Ten Fiscal Years (1)

Fiscal Year	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Taxes	\$ 43,025,123	\$ 38,573,077	\$ 39,877,397	\$ 40,372,538	\$ 33,731,138	\$ 32,455,862	\$ 32,496,563	\$ 31,298,019	\$ 30,938,070	\$ 27,392,744
Intergovernmental	17,966,330	16,917,503	14,928,420	13,202,553	12,556,530	12,741,149	11,888,635	11,585,816	11,450,079	10,789,782
Interest	461,401	490,026	1,127,786	1,911,229	1,500,923	1,594,380	1,340,651	1,224,476	864,372	833,789
Tuition and Fees	641,127	522,221	333,972	285,229	336,601	318,019	167,513	142,687	143,857	34,345
Transportation Fees	-	-	-	-	-	-	130,470	101,290	52,038	93,802
Other Revenues	1,032,749	1,127,036	834,985	882,351	620,555	1,131,433	819,257	654,676	684,183	682,852
Total Revenues	<u>\$ 63,126,730</u>	<u>\$ 57,629,863</u>	<u>\$ 57,102,560</u>	<u>\$ 56,653,900</u>	<u>\$ 48,745,747</u>	<u>\$ 48,240,843</u>	<u>\$ 46,843,089</u>	<u>\$ 45,006,964</u>	<u>\$ 44,132,599</u>	<u>\$ 39,827,314</u>

Source: Centerville City School District records.

(1) Beginning in fiscal year 1999, the district prepared GAAP basis financial statements. Cash basis financial statements were prepared prior to fiscal year 1999.

Table 4

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

General Fund Expenditures by Function
Last Ten Fiscal Years (1)

Fiscal Year	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Regular Instruction	\$ 31,511,447	\$ 30,082,907	\$ 27,517,674	\$ 26,377,751	\$ 25,223,744	\$ 24,339,084	\$ 22,295,894	\$ 21,149,567	\$ 20,131,541	\$ 19,602,006
Special Instruction	6,031,407	5,320,619	4,805,388	4,184,906	4,100,992	3,925,120	3,610,577	3,327,845	3,059,890	2,898,508
Vocational Instruction	2,029,760	1,873,712	1,716,405	1,729,760	1,741,243	1,744,445	1,709,736	1,581,804	1,465,787	1,568,863
Other Instruction	478,686	482,788	339,840	243,814	158,730	154,601	127,572	94,090	90,122	76,829
Pupil	2,897,816	2,787,798	2,473,030	2,134,115	2,031,465	2,015,532	1,801,579	1,740,363	1,667,023	1,594,880
Instructional Staff	4,330,351	4,550,768	4,238,770	3,622,198	3,287,592	3,100,776	2,611,910	2,142,480	1,955,880	1,967,879
Board of Education	19,255	19,884	21,920	27,102	22,177	16,663	12,379	11,089	12,030	12,566
Administration	3,573,321	3,877,160	3,735,693	3,515,209	3,399,560	2,852,191	2,837,321	2,794,000	2,703,580	2,822,901
Fiscal	1,270,660	1,311,571	1,297,923	1,097,960	1,202,264	868,432	929,329	777,009	728,957	1,003,514
Business	517,818	545,042	459,865	449,905	425,516	402,522	412,636	351,799	320,019	356,435
Operations and Maintenance	4,875,583	4,395,829	4,158,489	3,959,056	3,715,165	3,726,127	3,524,647	3,480,962	3,331,518	3,152,537
Pupil Transportation	3,768,277	3,456,024	3,377,873	2,885,349	2,678,400	2,503,834	2,274,380	2,158,157	2,064,122	2,046,149
Central	93,373	88,800	81,974	102,752	39,098	63,251	48,668	30,369	37,805	18,455
Capital Outlay	-	-	-	-	-	55,404	40,432	-	59,000	-
Total Expenditures	\$ 61,397,754	\$ 58,792,902	\$ 54,224,844	\$ 50,329,877	\$ 48,025,946	\$ 45,767,982	\$ 42,237,060	\$ 39,639,534	\$ 37,627,274	\$ 37,121,522

Source: Centerville City School District records.

(1) Beginning in fiscal year 1999, the district prepared GAAP basis financial statements. Cash basis financial statements were prepared prior to fiscal year 1999.

Table 5

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Property Tax Levies and Collections
Last Ten Collection (Calendar) Years

Collection Year	Tax Levied	Current Tax Collections	Percent Collected	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Tax Levied
2003	\$ 51,045,032	\$ 50,313,485	98.57%	\$ 2,649,092	5.19%
2002	50,416,845	49,169,307	97.53%	1,687,236	3.35%
2001	48,887,012	47,923,679	98.03%	1,562,223	3.20%
2000	42,680,479	42,315,844	99.15%	1,383,209	3.24%
1999	40,935,720	37,788,893	92.31%	1,354,653	3.31%
1998	37,054,592	37,032,359	99.94%	1,005,637	2.71%
1997	35,860,995	35,305,150	98.45%	611,128	1.70%
1996	35,027,072	34,368,563	98.12%	429,635	1.23%
1995	35,468,146	35,156,026	99.12%	312,236	0.88%
1994	29,333,771	28,846,830	98.34%	486,816	1.66%
1993	26,642,813	26,171,235	98.23%	470,752	1.77%

Source: Montgomery County Auditor

Table 6

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Assessed and Estimated Actual Values of Taxable Property
Last Ten Collection (Calendar) Years

Collection Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2004	\$ 1,409,883,200	\$ 4,028,237,714	\$ 52,513,577	\$ 210,054,308	\$ 33,290,900	\$ 85,497,084	\$ 1,495,687,677	\$ 4,323,789,106
2003	1,379,869,910	3,942,485,457	61,203,686	244,814,744	34,597,520	88,852,722	1,475,671,116	4,276,152,923
2002	1,210,417,410	3,458,335,457	63,261,033	253,044,132	33,204,690	85,275,681	1,306,883,133	3,796,655,270
2001	1,178,917,510	3,368,335,743	64,129,189	256,516,756	44,654,110	50,743,307	1,287,700,809	3,675,595,806
2000	1,155,768,080	3,302,194,514	61,395,951	245,583,804	47,650,820	54,148,659	1,264,814,851	3,601,926,977
1999	1,081,155,740	3,089,016,400	53,341,537	241,511,496	52,214,890	59,335,102	1,186,712,167	3,389,862,998
1998	1,053,794,680	3,010,841,943	55,857,470	223,429,880	49,469,210	56,215,011	1,159,121,360	3,290,486,834
1997	1,029,439,940	2,941,256,971	52,120,225	208,480,900	49,617,670	56,383,716	1,131,177,835	3,206,121,587
1996	937,739,470	2,679,255,629	49,404,784	197,619,136	49,858,310	56,657,170	1,037,002,564	2,933,531,935
1995	902,426,331	2,578,360,943	46,320,653	185,282,616	58,942,890	66,980,557	1,007,689,874	2,830,624,116
1994	895,072,910	2,557,351,171	46,758,164	187,032,656	53,210,280	60,466,227	995,041,354	2,804,850,054

Source: Montgomery County Auditor

Table 7

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Property Tax Rates (Per \$1,000 of Assessed Valuation)
Last Ten Collection (Calendar) Years

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Centerville City School District	60.75%	61.80%	60.81%	60.75%	56.05%	56.38%	56.81%	56.81%	56.81%	56.81%
Montgomery County (1)	18.24%	17.24%	17.24%	17.24%	16.64%	16.64%	16.64%	16.64%	16.64%	16.64%
City of Centerville	2.35%	2.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Library	3.03%	3.03%	1.63%	1.63%	1.63%	1.30%	1.30%	1.30%	1.30%	1.30%
Washington Township (2)	15.95%	15.95%	7.90%	7.90%	7.90%	16.00%	15.50%	15.75%	15.75%	15.75%

Source: Montgomery County Auditor

- (1) Includes Montgomery County Community College District and Montgomery County Park District
- (2) Includes Centerville-Washington Township Park District

Table 8

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Ratio of Net General Bonded Debt to Assessed Value
And Net Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Total Assessed Value	Gross Bonded Debt	Less Debt Fund (3)	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value (%)	Net Bonded Debt Per Capita
2004	52,991	\$ 1,495,687,677	\$ 16,475,084	\$ 3,985,476	\$ 12,489,608	0.84%	\$236
2003	52,991	1,475,671,116	17,885,084	3,902,493	13,982,591	0.95%	264
2002	52,992	1,287,700,809	18,960,000	3,941,151	15,018,849	1.17%	283
2001	48,812	1,287,700,809	19,980,000	4,186,715	15,793,285	1.23%	324
2000	53,700	1,264,814,851	20,955,000	4,146,348	16,808,652	1.33%	313
1999	49,696	1,186,712,167	22,470,000	4,902,031	17,567,969	1.48%	354
1998	49,463	1,159,121,360	24,070,000	4,634,141	19,435,859	1.68%	393
1997	49,231	1,131,177,835	25,635,000	3,529,737	22,105,263	1.95%	449
1996	48,815	1,037,002,564	27,185,000	2,875,438	24,309,562	2.34%	498
1995	48,225	1,007,689,874	23,588,750	2,606,166	20,982,584	2.08%	435

(1) City of Centerville and Washington Township. Estimates only.

(2) Montgomery County Auditor

(3) Centerville City School District records.
Fiscal year 1999 is the first year reported on GAAP basis. All preceding years are reported on a cash basis.

Table 9

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Computation of Legal Debt Margin
June 30, 2004

Assessed Valuation of District		<u>\$1,495,687,677</u>
<u>Overall Direct Debt Limitation</u>		
Direct Debt Limitation		
9% of assessed valuation		134,611,891
Amount Available in Debt Service Fund		3,985,476
Gross Indebtedness	(16,475,084)	
Less: Debt Exempt from Limitation	<u>-</u>	
Debt Subject to 9% Limitation		<u>(16,475,084)</u>
Legal Debt Margin Within 9% Limitation		<u>122,122,283</u>
<u>Unvoted Direct Debt Limitation</u>		
Unvoted Debt Limitation		
0.1% of Assessed Valuation		1,495,688
Amount Available in Debt Service Fund Related to Unvoted Debt		-
Gross Indebtedness Authorized by the Board	-	
Less: Debt Exempt from Limitation	<u>-</u>	
Debt Subject to 0.1% Limitation		<u>-</u>
Legal Debt Margin Within 0.1% Limitation		<u>1,495,688</u>
<u>Energy Conservation Bond Limitation</u>		
Debt Limitation		
0.9% of Assessed Valuation		13,461,189
Energy Conservation Notes Authorized by the Board		<u>-</u>
Legal Debt Margin Within 0.9% Limitation		<u>\$13,461,189</u>

Source: Centerville City School District records.

Table 10

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Computation of Direct and Overlapping Debt
June 30, 2004

<u>Governmental Unit:</u>	<u>Gross General Obligation</u>	<u>Percent Applicable to District (1)</u>	<u>Amount Applicable to District</u>
Direct:			
Centerville City School District	<u>\$16,475,084</u>	100.00%	<u>\$16,475,084</u>
Overlapping:			
Montgomery County	34,615,260	14.27%	4,939,598
Centerville City	19,125,000	100.00%	19,125,000
Kettering City	7,556,336	0.16%	12,090
Miami Valley Reg. Transit Auth.	<u>11,580,000</u>	14.27%	<u>1,652,466</u>
Total Overlapping:	<u>72,876,596</u>		<u>25,729,154</u>
Total Direct and Overlapping Debt:	<u><u>\$89,351,680</u></u>		<u><u>\$42,204,238</u></u>

Source: Ohio Municipal Advisory Council

(1) Calculated by the Ohio Municipal Advisory Council

Table 11

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Ratio of Annual Debt Service Expenditures
For General Bonded Debt to Total General Fund Expenditures
Last Ten Fiscal Years (1)

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (%)
2004	\$ 1,410,000	\$ 747,922	\$ 2,157,922	\$ 61,397,754	3.50%
2003	1,075,000	787,400	1,862,400	58,792,902	3.16%
2002	1,020,000	1,050,830	2,070,830	54,244,844	3.81%
2001	975,000	1,097,039	2,072,039	50,329,877	4.12%
2000	1,515,000	1,159,965	2,674,965	48,381,588	5.53%
1999	1,600,000	1,243,271	2,843,271	45,767,982	6.21%
1998	1,565,000	1,327,436	2,892,436	42,237,060	6.85%
1997	1,550,000	1,567,546	3,117,546	39,639,534	7.86%
1996	8,210,964	1,635,127	9,846,091	37,627,274	26.17%
1995	1,525,000	1,879,023	3,404,023	37,121,522	9.17%

Source: Centerville City School District records.

- (1) Beginning in fiscal year 1999, the district prepared GAAP basis financial statements. Cash basis financial statements were prepared prior to fiscal year 1999.

Table 12

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Demographic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate Montgomery County (3)</u>
2004	52,991	8,055	6.40%
2003	52,991	7,821	5.80%
2002	52,992	7,512	5.80%
2001	48,812	7,419	4.50%
2000	53,700	7,446	3.90%
1999	49,696	7,371	3.90%
1998	49,463	7,295	4.10%
1997	49,231	7,221	4.00%
1996	48,815	7,295	4.40%
1995	48,225	7,233	4.00%

Sources: (1) City of Centerville and Washington Township. Estimated only.

(2) Centerville City School District records

(3) State of Ohio Bureau of Employment Services
Annual averages. Data was not available for
the District only.

Table 13**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO****Construction, Bank Deposits and Real Property Values
Last Ten Calendar Years**

<u>Calendar Year</u>	<u>Construction (1)</u>	<u>Bank Deposits (2) (in Thousands)</u>	<u>Real Property Values(3)</u>
2004	\$ 38,765,244	\$ 249,296	\$ 1,409,883,200
2003	45,299,041	241,447	1,379,869,910
2002	42,526,970	224,099	1,210,417,410
2001	33,166,657	208,298	1,178,917,510
2000	21,771,515	3,020,026	1,155,768,080
1999	18,554,780	3,113,400	1,081,155,740
1998	18,981,644	1,843,802	1,053,794,680
1997	26,555,175	3,530,314	1,029,439,940
1996	22,037,696	3,899,114	937,739,470
1995	14,401,125	3,995,114	902,426,331

Sources: (1) City of Centerville Building/Inspection Department. Reported on a calendar year.

(2) Federal Reserve Bank of Cleveland -- Amounts are for Montgomery County (Note: County bank deposits measures total deposits for those banks deemed "domiciled" within a given county.)

(3) Montgomery County Auditor, calendar year basis -- real property assessed values.

Note: The Construction information outlined above for City of Centerville, was not available for Washington Township.

Table 14

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Real and Tangible Personal Property
Top Ten Principal Taxpayers
June 30, 2004

	<u>Name of Taxpayer</u>	<u>Total Assessed Valuation</u>	<u>% of Total Assessed Valuation:</u>
1	Dayton Power & Light Company	\$16,509,990	1.10%
2	Ohio Bell Telephone Company	11,354,300	0.76%
3	Hills Family Investments	7,084,730	0.47%
4	Cross Pointe Center	6,052,880	0.40%
5	Washington Place	5,926,560	0.40%
6	Drexel Washington LTD	5,655,050	0.38%
7	CVS Partnership	5,407,890	0.36%
8	Steeplechase Advisors	4,754,130	0.32%
9	United Dominion Realty	3,299,160	0.22%
10	Roselawn Center	2,801,700	0.19%
		<u>68,846,390</u>	<u>4.60%</u>
	All Others:	<u>1,426,841,287</u>	<u>95.40%</u>
	Total:	<u>\$1,495,687,677</u>	<u>100.00%</u>

Source: Montgomery County Auditor

Table 15

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

Miscellaneous Statistical Data
June 30, 2004

Enrollment by Grade (1):														
	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2003-04	689	561	564	596	599	574	567	625	610	681	681	651	657	8,055
The following are projections (2):														
2004-05	696	575	582	567	605	612	592	561	637	651	698	702	669	8,147
2005-06	709	579	599	606	586	622	636	611	569	689	662	714	713	8,295
2006-07	724	590	604	625	627	603	647	658	621	616	701	677	726	8,419
2007-08	737	602	616	629	646	645	627	669	668	672	627	718	689	8,545
2008-09	749	613	628	642	651	665	671	648	679	723	684	642	730	8,725
2009-10	760	623	640	655	664	670	692	694	659	736	736	700	653	8,882
2010-11	768	632	650	667	678	683	697	715	705	713	748	753	712	9,121
2011-12	775	639	659	678	690	697	711	720	726	763	725	766	766	9,315
2012-13	781	645	667	687	701	710	725	735	732	786	776	742	779	9,466

Sources: (1) Centerville City School District records.

(2) Educational Services, Inc. "Enrollment Forecast Report"



**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

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 26, 2005**