

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

SINGLE AUDIT

**FOR THE YEAR ENDED
JUNE 30, 2005**



**Auditor of State
Betty Montgomery**

Board of Education
Centerville City School District
111 Virginia Ave.
Centerville, OH 45458

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, 2004 through June 30, 2005. 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.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

January 19, 2006

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, 2005.....	4
Notes to Schedule of Expenditures of Federal Awards-Cash Basis.....	5
Schedule of Findings and Questioned Costs.....	6

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) as of and for the year ended June 30, 2005, which collectively comprise the School District's basic financial statements and have issued our report thereon dated October 19, 2005. 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 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 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 weaknesses. However, we noted certain other matters involving the internal control over financial reporting that we have reported to management of the School District in a separate letter dated October 19, 2005.

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the School District in a separate letter dated October 19, 2005.

This report is intended solely for the information and use of the School District's management, 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.

October 19, 2005

We're Ready For Your Future

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND 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, 2005. 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, 2005.

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 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 that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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 the School District as of and for the year ended June 30, 2005, which collectively comprise the School District's basic financial statements and have issued our report thereon dated October 19, 2005. 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.

Rea & Associates, Inc.

October 19, 2005

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

<u>Federal Grantor/Pass Through Grantor/ Program Title</u>	<u>CFDA Number</u>	<u>Grantor's Number</u>	<u>Federal Receipts</u>	<u>Federal Disbursements</u>	<u>Non-cash Transactions</u>
U. S. Department of Education					
<i>(Passed Through Ohio Department of Education):</i>					
Title I	84.010	C1-S1-2004	\$ 0	\$ 82,443	\$ 0
Title I	84.010	C1-S1-2005	262,046	252,299	0
Total Title I			262,046	334,742	0
Title II-A Improving Teacher Quality	84.367	TRS1-2004	0	147,763	0
Title II-A Improving Teacher Quality	84.367	TRS1-2005	155,763	28,364	0
Total Title II-A			155,763	176,127	0
Title II-D Technology	84.318	TJS1-2004	0	5,798	0
Title II-D Technology	84.318	TJS1-2005	6,967	4,400	0
Total Title II-D			6,967	10,198	0
Title III, LEP	84.365	T3S1-2004	738	738	0
Title III, LEP	84.365	T3S2-2005	34,564	34,564	0
Total Title III			35,302	35,302	0
Vocational Education - Basic Grants to State	84.048	20A0-2005	20,000	19,937	0
Vocational Education - Basic Grants to State	84.048	20C1-2004	0	34	0
Vocational Education - Basic Grants to State	84.048	20C1-2005	182,233	181,490	0
Total Vocational Education			202,233	201,461	0
Title IV-A Safe and Drug-Free Schools	84.186	DRS1-2004	0	1,264	0
Title IV-A Safe and Drug-Free Schools	84.186	DRS1-2005	26,769	25,699	0
Total Safe and Drug-Free Schools and Communities			26,769	26,963	0
Title V, Innovation	84.298	C2S1-2004	0	13,666	0
Title V, Innovation	84.298	C2S1-2005	39,997	39,782	0
Total Title V			39,997	53,448	0
<i>Special Education Cluster</i>					
IDEA-B, Special Education Grants to States	84.027	6BSF-2004	0	1,756	0
IDEA-B, Special Education Grants to States	84.027	6BSF-2005	1,504,679	1,457,131	0
IDEA-B, Preschool Grants	84.173	PGS1-2004	0	2,655	0
IDEA-B, Preschool Grants	84.173	PGS1-2005	37,344	37,344	0
Total IDEA-B			1,542,023	1,498,886	0
Total Department of Education			<u>2,271,100</u>	<u>2,337,127</u>	<u>0</u>
U. S. Department of Agriculture					
<i>(Passed Through Ohio Department of Education):</i>					
Nutrition Cluster:					
Food Distribution Program	10.550	2005	109,782	0	109,782
National School Breakfast Program	10.553	2004	4,273	4,273	0
National School Breakfast Program	10.553	2005	10,363	10,363	0
National School Lunch Program	10.555	2004	50,727	50,727	0
National School Lunch Program	10.555	2005	136,074	136,074	0
Total Department of Agriculture: Nutrition Cluster			311,219	201,437	109,782
Total Federal Financial Assistance			<u>\$ 2,582,319</u>	<u>\$ 2,538,564</u>	<u>\$ 109,782</u>

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, 2005

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.

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133, Section .505
JUNE 30, 2005**

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)?	No
(d) (1) (iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unqualified
(d) (1) (vi)	Are there any reportable findings under Section .510?	No
(d) (1) (vii)	Major Programs (list):	Special Education Cluster CFDA # 84.027 & 84.173 Title I CFDA #84.0101
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All others
(d) (1) (ix)	Low Risk Auditee?	Yes

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133, Section .505
JUNE 30, 2005**

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

None were noted

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None were noted

CENTERVILLE CITY SCHOOL DISTRICT

Centerville, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 2005

Centerville City School District

Centerville, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2005

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, 2005**

TABLE OF CONTENTS

INTRODUCTORY SECTION

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

FINANCIAL SECTION

Independent Auditor’s Report.....	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:	
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, 2005**

TABLE OF CONTENTS (Continued)

Supplemental Information – Combining Statements and Individual Fund Schedules:

Major Governmental 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
Building Fund.....	49
Nonmajor Governmental Funds:	
Fund Descriptions	51
Combining Balance Sheet – Nonmajor Governmental Funds	55
Combining Balance Sheet – Nonmajor Special Revenue Funds	56
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	69
Individual Governmental Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual (Budget Basis):	
Public School Support Fund.....	70
Other Grants Fund.....	71
District Managed Student Activities Fund	72
Auxiliary Services Fund.....	73
Teacher Residency Fund	74
Teacher Development Fund	75
Excellence in Education Fund.....	76
Management Information Systems Fund.....	77
Education R & D Fund.....	78
Network Connect Fund	79
SchoolNet Professional Development Fund.....	80

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

TABLE OF CONTENTS (Continued)

Ohio Reads Grant Fund.....	81
Summer School Subsidy Grant Fund	82
Vocational Education Grant Fund	83
Miscellaneous State Grants Fund	84
Title VI-B Grant Fund.....	85
Vocational Education Grant Fund.....	86
Dropout Prevention and Intervention Grant Fund.....	87
Title I Grant Fund.....	88
Title VI Grant Fund.....	89
Emergency Immigrant Grant Fund.....	90
Drug Free Schools Fund.....	91
EHA Preschool Grant Fund.....	92
FCC E-Rate Fund	93
Reducing Class Size Fund.....	94
Miscellaneous Federal Grants Fund	95
Adult Education Fund	96
Food Service Program Fund.....	97
Uniform School Supplies Fund	98
SchoolNet Fund.....	99
Interactive 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, 2005**

TABLE OF CONTENTS (Continued)

STATISTICAL SECTION

Introduction.....	S1
District-Wide Governmental Revenues – Last Three Fiscal Years	S2
District-Wide Governmental Expenses – Last Three Fiscal Years	S3
General Government Revenues by Source – Last Ten Fiscal Years	S4
General Government Expenditures by Function – Last Ten Fiscal Years	S5
Property Tax Levies and Collections – Last Ten Collection (Calendar) Years	S6
Assessed and Estimated Actual Values 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, 2005.....	S10
Computation of Direct and Overlapping Debt – June 30, 2005.....	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, 2005.....	S15
Miscellaneous Statistical Data – June 30, 2005	S16



Centerville City Schools

November 30, 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, 2005. 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 PROFILE

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 2004-2005 National Merit Scholarship Program, 7 seniors were National Merit Finalists and 19 were commended scholars. In addition, 169 seniors were inducted into the National Honor Society.

ECONOMIC CONDITION AND OUTLOOK

Community

The estimated population of this area is 52,991 residents as Centerville-Washington Township is primarily a residential area. Both Centerville and Washington Township attract white-collar professionals, particularly doctors and managers. Most new homes are built in the \$300,000 to \$500,000 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 2004 alone, over 60 new businesses opened within the city. And in May 2005, a major healthcare provider announced plans to construct a new \$73 million facility in the city with the first phase expected to begin construction in late-2005.

District

Financially, the District is stable for the next few years due to the successful passage of a combined operating levy and bond issue on May 3, 2005. Ohio forces school districts to return to the ballot to generate more revenue for operating expenses due to the effects of a 1976 House Bill that rolls back tax rates as property values increase. This was the 3rd voted tax increase for operating expenses in the last 12 years.

In addition to the operating levy, voters in the District approved a bond issue levy. The bond issue will generate \$62,328,798 to deal with the moderate increase in student enrollment projected through 2011. Highlights of the bond issue include the construction of a new elementary school, classroom expansions at 2 middle schools and the high school, new heating/ventilating/air conditioning systems including new doors and windows at most buildings not recently updated, a new high school auditorium, and land acquisition for potential additional facilities beyond 2011.

Through the bond rating process, the District retained its Aa2 rating from Moody's Investors Service. This rating is the 3rd highest rating for a public school district in Ohio. In rating the bonds, Moody's stated, "The high-grade Aa2 rating reflects the district's strong financial position, growing tax base with proximity to the Dayton and Cincinnati employment centers, and favorable debt position." Additionally, the bonds were sold June 24, 2005 with an average interest rate of 4.49% over the 28-year life of the bonds.

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 23 standards that are based on student test achievement scores, along with attendance and graduation rates.
 - This is the seventh 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.
- Of the 35 district-sponsored Destination Imagination teams, seven teams won 1st place in the regional contest. Five of those seven teams qualified to the Global Tournament. All five of those teams place in the top 20 at the Global Tournament. CHS teams placed 3rd and 8th; Watts team placed 4th; Weller team placed 5th; and, Stingley team placed 20th.
- CHS Science Olympiad team won the State Championship, placing 4th in national competition.
- CHS Junior Engineering Technical Society (JETS) placed 2nd in state competition and 11th in national competition.
- CHS Science Bowl placed 3rd in state competition.
- CHS Speech and Debate team placed 5th overall in state competition.
- DECA Marketing students had numerous district and state competition winners with 11 students qualifying for national competition at Anaheim, California.
- Business Technology, International Business Management, Information Technology, and Business Medical Technology students had numerous winners for Business Professionals of America regional and state competitions. Several students placed first with 8 students qualifying for national competition at Anaheim, California.
- Biotechnology, International Business Management, Environmental Management, and Information Technology students had excellent showings at district and regional Tech Prep Showcase competitions.
- 25 middle school students achieved “Recognized Scholar” status in the Middle School Scholastic Achievement Test.
- The 2005 CHS Elkonian Yearbook received two awards from national scholastic journalism organizations: the National Scholastic Press and the American Scholastic Press Association.
- The CHS Pursuit newspaper won 1st place with special merit from the American Scholastic Press Association.
- The CHS Jazz Band was the highest rated band in Ohio at the Bands of America Grand National competition finishing 5th nationally. In addition, the Jazz won the Grand Champion Award at Bands of America Regional competitions at Pontiac, Michigan and Atlanta, Georgia.
- The Winter Guard finished 2nd at MEPA State Championships.
- The Winter Percussion finished 2nd in the highest competition class at WGI World Championships in Dayton, Ohio and placed 1st at MEPA State Championships.
- The CHS Symphonic Orchestra earned a unanimous Superior rating at the Ohio Music Education Association state competition.
- The CHS Glee Club and Elkotonians earned a Superior rating at the Ohio Music Education Association district competition.



Individual Student Achievements

- In the 2004-2005 National Merit Scholarship Program, 7 seniors were National Merit Finalists and 19 were Commended Scholars.
- The Class of 2005 earned over \$5,000,000 in scholarships. Over 300 seniors earned major scholarships or grants-in-aid.
- 169 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.
- 237 seniors earned the Ohio Award of Merit.
- 153 seniors earned Scholar-Athlete status by earning a varsity letter and maintaining a 3.2 GPA.
- 162 seniors earned the President's Award of Educational Excellence and 15 seniors earned the President's Award of Achievement.
- 96.3% of the Class of 2005 have been accepted and intend to enroll at either two or four year institutions of higher learning.

Athletic Achievements

- CHS captured the Greater Western Ohio Conference (GWOC) All-Sports Trophy. This year's honor marks the 29th time over the last 30 years that CHS has captured its conference all-sports trophy that rewards the overall performance of all athletic teams.
- Kelly Duple finished 3rd at state competition in girls tennis singles.
- Boys volleyball finished 3rd at state competition.
- Boys bowling finished 3rd at state competition.
- Girls golf finished 8th at state competition.
- Boys tennis finished 9th at state competition.
- Football won the state regional quarterfinal competition.
- Boys basketball won the district championship and finished 2nd at regional competition.
- Girls tennis won the conference championship for the 29th consecutive year.
- Boys tennis won the conference championship for the 21st consecutive year.
- Football, boys basketball, girls basketball, girls cross country, boys golf, boys soccer, boys swimming/diving, girls swimming/diving, boys tennis, and girls tennis also each captured their respective conference championships.
- The Cheerleading Competition Squad placed 1st nationally in the large mount division at JamFest Nationals at UD Arena in Dayton, Ohio.

Staff Achievements and Recognitions

- Jan Taylor, Normandy 5th grade teacher, was the District's nominee for Ohio Teacher of the Year.
- CKV art teacher, Suzanne Mitolo, earned National Board Certification.
- Lori Ehrensberger was named Outstanding Teacher of the Year by the Centerville Education Foundation at the annual Hall of Fame dinner.
- Brian Stevens was named Ohio Soccer Coach of the Year.

Community Service Achievements

- The Spirit Chain competition, led by the CHS Class Officers, raised \$44,313 which was donated to the Children's Medical Center Care House 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 6000 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

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. Toward that end, the District developed a Continuous Improvement Plan similar to a Strategic Plan to help focus our efforts. The four main goals from this plan document that are the guiding goals are as follows.

- Goal 1: We will encourage and advance community collaboration.
- Goal 2: The curricular and instruction program will prepare students to achieve their full potential of academics, thinking and reasoning, and responsible citizenship.
- Goal 3: The District will annually receive an “Excellent” Performance Accountability Rating as reported on the Ohio Department of Education’s Local Report Card.
- 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.

For the immediate future, construction work has already begun from the May 3, 2005 bond issue. The Watts Middle School expansion is underway with expected completion next summer 2006. Prior to and in conjunction with the new K-1 elementary design phase, several discussions were held about the program philosophy and underpinnings which will determine how we serve our young learners. Program delivery and the needs of our students and staff drive how the two facilities are designed and on how these students learn best and what the ideal setting should look like.

The design work for the new elementary school (grades K-1) and the CHS additions (academic and auditorium) is nearing completion with construction to begin in early 2006. The new heating/ventilating/air conditioning systems including new doors and windows, will begin at Stingley and John Hole elementary schools. In addition, negotiations have begun for land purchases.

FINANCIAL INFORMATION

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.

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 2005.

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 \$754,742 on the Statement of Activities and \$741,439 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, dental, and life insurance coverage are provided by Anthem. 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, 2005 by Rea & Associates. This is the second year of a five-year contract entered into by the State of Ohio Auditor's Office, the 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.

AWARD FOR EXCELLENCE IN FINANCIAL REPORTING

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, 2004. 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 their input and commitment. And, 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



Gary Smiga, 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, 2004

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. Zielle

President

Jeffrey R. Emmer

Executive Director

Centerville City School District
Montgomery County, Ohio
List of Principal Officials
June 30, 2005

ELECTED OFFICIALS

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

ADMINISTRATIVE OFFICIALS

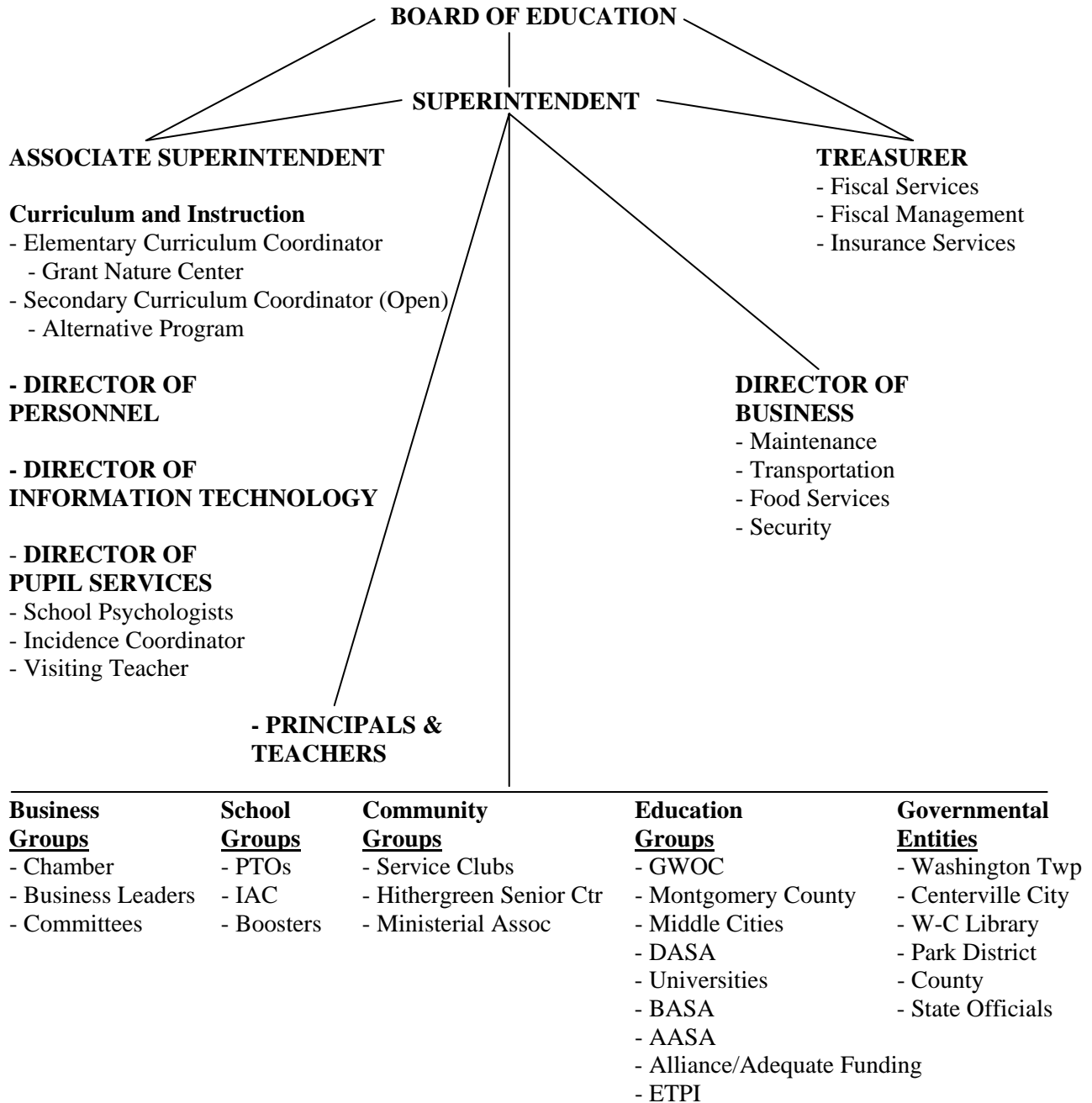
Superintendent	Mr. Gary Smiga
Associate Superintendent	Mr. Terry Riley
Treasurer	Dr. Steven Hinshaw
Director of Pupil Services	Mr. Steve Bartalo
Director of Information Technology	Mr. Scott Fife
Director of Personnel	Dr. Tom Henderson
Director of Business Operations	Mr. Bob Yux

OFFICE OF THE TREASURER

Treasurer	Dr. Steven Hinshaw
Payroll Supervisor	Mrs. Linda Bruner
Accounting Supervisor	Mr. Kevin Burr
Financial Analyst	Mrs. Laura Baker
Accounting Assistant	Miss Mary Ann Bergman
Secretary/Benefits	Ms. Connie Cummins
Payroll Analyst	Mrs. Akemi Simon
CHS Student Activities	Mrs. Candi Trentel

Centerville City School District
 Montgomery County, Ohio
 Organizational Chart
 June 30, 2005

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

We're Ready For Your Future

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, 2005, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Centerville City School District, Montgomery County, Ohio, as of June 30, 2005, 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 October 19, 2005 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 Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 11 is not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. 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.

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

October 19, 2005

Rea & Associates, Inc.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2005
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, 2005. 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 2005 are as follows:

Overall:

- Total net assets increased by approximately \$2.4 million compared with the \$1.2 million increase reported in fiscal year 2004.
- Total assets of governmental activities increased \$67.1 million, attributed primarily to increases in cash balances associated with an issuance of general obligation bonds as well as increased amounts recognized as property taxes receivable.
- General revenues accounted for \$67.6 million or 88.4 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 \$8.9 million or 11.6 percent of total revenues of \$76.5 million.
- Of the School District's \$74.0 million in expenses, only \$8.9 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 \$65.1 million.
- The General Fund, the School District's most significant fund, had an ending fund balance of \$19.9 million or a 3.0 percent increase from fiscal year 2004. The increase in fund balance is due predominately to the School District having significantly higher tax revenue available for advance at June 30, 2005 compared to June 30, 2004. As the amount available for advance is recognized as tax revenue for that year, the increase in that amount results in higher property tax revenues being recognized.

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, 2005
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 Bond Retirement, Permanent Improvement, and Building 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 2005?" The Statement of Net Assets and the Statement of Activities answer 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 included, 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, Bond Retirement, Permanent Improvement, and Building 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 (major funds) and therefore these are the only funds that are presented separate from all the other governmental funds.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2005
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 2005 compared to 2004:

TABLE 1
NET ASSETS

	<u>2005</u>	<u>2004</u>
<i>Assets</i>		
Current & Other Assets	\$ 147,629,947	\$ 80,647,104
Capital Assets	<u>28,885,175</u>	<u>28,813,289</u>
Total Assets	<u>176,515,122</u>	<u>109,460,393</u>
<i>Liabilities</i>		
Long-Term Liabilities	83,997,573	22,118,898
Other Liabilities	<u>54,720,159</u>	<u>51,990,692</u>
Total Liabilities	<u>138,717,732</u>	<u>74,109,590</u>
<i>Net Assets</i>		
Invested in Capital Assets, Net of Debt	13,095,557	9,878,697
Restricted	7,715,166	6,596,859
Unrestricted	<u>16,986,667</u>	<u>18,875,247</u>
Total Net Assets	<u>\$ 37,797,390</u>	<u>\$ 35,350,803</u>

The amount by which the School District's assets exceeded its liabilities is called net assets. As of June 30, 2005, the School District's net assets were \$37.8 million. Of that amount, approximately \$13.1 million was invested in capital assets, net of debt related to those assets. Another \$7.7 million was subject to external restrictions upon its use. The remaining unrestricted net assets of \$17.0 million are available for future use as directed by the Board of Education and the School District's management.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2005 Unaudited

The \$67 million increase in current assets was attributable primarily to the issuance of \$62.3 million of school improvement bonds in June 2005 which not only increased the ending cash balance at June 30, 2005 but also increased the long-term liabilities. The additional increase in the current assets was due to increased property taxes recognized as a receivable at the end of the fiscal year. As the majority of taxes recognized as receivable at June 30, 2005 are intended to finance activity in the next fiscal year, deferred revenue is reported to indicate these funds are not available to finance fiscal year 2005 activities. The increase in deferred revenue accounts for a significant portion of increase in current liabilities over the amount reported in the prior year.

Table 2 shows the changes in net assets for fiscal year 2005 as compared with fiscal year 2004.

TABLE 2
CHANGE IN NET ASSETS

	<u>2005</u>	<u>2004</u>
Program Revenues:		
Charges for services	\$ 4,913,491	\$ 4,579,238
Operating grants and contributions	3,865,453	3,438,001
Capital grants and contributions	114,693	48,917
General Revenues		
Property taxes	48,367,659	48,122,564
Grants and entitlements	18,114,065	18,457,781
Other	1,099,079	639,127
Total Revenues	<u>76,474,440</u>	<u>75,285,628</u>
Program Expenses:		
Instruction	43,658,310	43,355,730
Support Services		
Pupils and instructional staff	8,847,058	8,491,663
Board of education, administration fiscal and business	5,852,066	5,693,553
Operation and maintenance of plant	4,892,584	6,434,103
Pupil transportation	4,918,168	4,633,431
Central	100,071	93,373
Operation of non-instructional services	3,404,785	3,043,987
Extracurricular activities	604,548	577,028
Unallocated depreciation	952,149	919,310
Interest & fiscal charges	798,114	882,859
Total Expenses	<u>74,027,853</u>	<u>74,125,037</u>
Net Change in Net Assets	<u>\$ 2,446,587</u>	<u>\$ 1,160,591</u>

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 63.2 percent of total revenues for governmental activities reported for fiscal year 2005. Intergovernmental entitlements and grants from the State of Ohio and the federal government account for 28.9 percent of total revenues, with nearly \$4.0 million being restricted for specific educational or capital related purposes.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2005 Unaudited

For fiscal year 2005, total revenue reported by the School District increased by only 1.58 percent or \$1.2 million. Increases in various charges for services, operating grants, property tax revenue and investment earnings increased by a combined \$1.5 million over fiscal year 2004 amounts, while revenue from the State Foundation program (unrestricted intergovernmental) decreased by \$343,176 as compared with revenues reported in fiscal year 2004.

Total expenses reported for the year ended June 30, 2005 were down slightly from the expenses reported in the prior fiscal year. While every functional area of expenses for fiscal year 2005 increased over the prior year due to increases of personnel costs (wage and benefit increases) and general inflationary factors, two of the functional areas reported significant decreases compared with fiscal year 2004. Expenses reported for the operation and maintenance of plant were \$1.5 million less than the prior year. This decrease can be attributed to the School District providing numerous improvement projects to its buildings in fiscal year 2004 that were not performed during fiscal year 2005. These projects were deemed normal maintenance and did not add value or extend the life of the buildings and therefore were not capitalized. Interest and fiscal charges incurred by the School District were 9.6 percent less than the prior year.

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 2004.

TABLE 3
TOTAL AND NET COST OF PROGRAM SERVICES

	Fiscal Year 2005		Fiscal Year 2004	
	Total Cost	Net Cost	Total Cost	Net Cost
Instruction	\$ 43,658,310	\$ 39,863,242	\$ 43,355,730	\$ 40,321,034
Support Services				
Pupils and instructional staff	8,847,058	7,753,329	8,491,663	7,453,439
Board of education, administration fiscal and business	5,852,066	5,818,230	5,693,553	5,647,202
Operation and maintenance of plant	4,892,584	4,788,889	6,434,103	6,318,818
Pupil transportation	4,918,168	4,867,945	4,633,431	4,335,681
Central	100,071	100,071	93,373	53,684
Operation of non-instructional services	3,404,785	224,048	3,043,987	195,588
Extracurricular activities	604,548	(31,801)	577,028	(68,734)
Unallocated depreciation	952,149	952,149	919,310	919,310
Interest & fiscal charges	798,114	798,114	882,859	882,859
Total Expenses	<u>\$ 74,027,853</u>	<u>\$ 65,134,216</u>	<u>\$ 74,125,037</u>	<u>\$ 66,058,881</u>

In fiscal year 2005, the School District reported \$8.9 million of program specific revenue compared with the \$8.1 million reported the prior year. Increases in revenue received from other school districts for services provided as well as increased grant dollars associated with educational programs for special needs students comprise the majority of this increase. For fiscal year 2005, general revenues of the School District were used to pay 87.99 percent of the total expenses incurred while 89.21 percent of fiscal year 2004 expenses were funded with general revenues.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2005
Unaudited

The School District's Funds

On the modified accrual basis of accounting, the School District's four major governmental funds had ending fund balances totaling \$91 million, or 98.8 percent of the total fund balance for all governmental funds.

The School District's primary operating fund, the General Fund, ended the year with revenues exceeding expenditures by \$1.7 million, which was virtually the same as the change reported in the prior year. Of that surplus, \$1.1 million was transferred to the Permanent Improvement Fund to provide financing for various capital projects throughout the School District. The unreserved, undesignated ending fund balance of the General Fund (\$14.9 million) represents approximately 23.4 percent of the total expenditures reported in the General Fund. While the ending fund balance of the general fund increased by \$592,694 over the total balance reported at June 30, 2004, the unreserved, undesignated fund balance decreased by \$2.1 million due to a higher amount of fund balance being reserved for property taxes. This amount represents property taxes held by the County Auditor that were available to the School District at the end of the fiscal year. In prior years, this amount had been much less than the \$4.2 million available at June 30, 2005.

The School District's other three major funds all reported positive changes in fund balances for fiscal year 2005. The Bond Retirement Fund's change in fund balance was \$2.3 million due primarily to the premium received on the issuance of the \$62 million school improvement bonds. The Permanent Improvement Fund reported a \$767,606 change in fund balance which resulted from less capital projects being financed by this fund than in prior years. The Building Fund's ending fund balance increased over \$62 million in fiscal year 2005 due exclusively to the issuance of the school improvement bonds noted above which will be used over the next few years to construct a new elementary school building as well as renovate and improve existing school facilities.

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 \$63.2 million which was virtually the same as the original revenue budget estimates.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$64.2 million, approximately \$2.0 million less than the \$66.2 million originally budgeted for fiscal year 2005 expenditures. Nearly all of the categories of expenditures reported by the School District ended the year with lower reported expenditures than what was originally budgeted for at the beginning of the year with the pupil transportation category being the only one ending the year with higher budgetary expenditures levels compared to original budgetary estimates.

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, 2005
Unaudited

Capital Assets

At the end of fiscal year 2005, the School District had \$28.9 million invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal year 2005 balances compared to 2004, however for greater detail readers should review Note 8 to the basic financial statements.

TABLE 4
CAPITAL ASSETS

	<u>2005</u>	<u>2004</u>
Land	\$ 1,160,355	\$ 1,160,355
Construction in Progress	-	60,614
Buildings and Improvements	49,696,466	48,649,892
Equipment	8,347,144	7,880,673
Vehicles	5,755,781	5,410,560
Less: Accumulated Depreciation	<u>(36,074,571)</u>	<u>(34,348,805)</u>
Total Net Capital Assets	<u>\$ 28,885,175</u>	<u>\$ 28,813,289</u>

Overall, net capital assets increased slightly by approximately \$72,000 from fiscal year 2004. The increase in capital assets results from the amount of capital assets acquired during the year being a larger amount than the amount of depreciation being charged.

During fiscal year 2005 the School District had various capital improvement projects totaling \$985,960 which added to the value of or extended the useful lives of its school facilities. In addition, seven new school buses for pupil transportation were acquired for a total cost of \$450,128. Other capital asset additions, primarily various computer and technology equipment purchases total \$466,471 during fiscal year 2005. Current year depreciation expense totaled \$1.8 million.

Costs 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 are included within the plant operation and maintenance function.

Debt Administration

During fiscal year 2005, the School District advance refunded \$6.6 million of general obligation bonds issued in 1996 to achieve cost savings on future debt service expenses. In addition, in May 2005 voters approved a \$62.3 million bond issue to construct a new elementary school building as well as provide for renovations to existing school facilities. In June 2005 the School District issued the general obligation school improvement bonds to provide financing for these projects.

The School District ended fiscal year 2005 with \$64.2 million of outstanding general obligation bonds, \$13.3 million of outstanding general obligation refunding bonds and \$210,000 of long-term capital tax anticipation notes. Of the total long-term debt obligations outstanding at June 30, 2005, \$1.6 million is due within one year.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2005 Unaudited

At June 30, 2005, the School District's overall legal debt margin was \$66.7 million with an energy conservation debt margin of \$13.8 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.

The School District retained its "Excellent" rating – the highest rank in Ohio's report card for school districts. This is the seventh straight year the School District received top honors. In addition, the School 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. Funding this continued excellence in education will remain the primary focus for the future.

With the successful passage of new operating dollars on May 3, 2005, the School District is financially stable for the next few years and anticipates spending its money based on historical patterns. During the 2004-2005 fiscal year, the School District reported cash basis expenditures as follows:

Instruction and Pupil Support	72.6 percent
Operations	17.7 percent
Administration	7.9 percent
Staff Support	1.8 percent

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2005
Unaudited

Instruction and Pupil Support includes classroom teachers (including special education), counselors, psychologists, classroom supplies, and classroom materials including textbooks. Operations include utilities (electricity, water, gas, telephone), transportation (buses), and maintenance of facilities. Administration includes building principals and office staff, central office staff, and central office supplies. Staff Support includes teacher training and professional development.

The physical plant and infrastructure will also be addressed in the near future. The recently passed bond issue will generate \$62,328,798 to deal with the moderate increase in student enrollment projected through 2011. The Watts Middle School additions will be completed by Summer 2006. The Centerville High School academics and fine arts additions will begin Winter 2006 with anticipated completion in Summer 2007. The new K-1 school will begin Winter 2006 with anticipated completion in Summer 2007. In addition, all elementary schools will receive new heating/ventilating/air conditioning systems including new doors and windows, at most buildings not recently updated throughout the next 3 years. The process for land acquisitions to accommodate potential additional facilities beyond 2011 has already begun. This rejuvenation of all school facilities will complement the academic and extracurricular offerings to continue the tradition of excellence in the Centerville City School District.

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, 2005

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 95,726,239
Receivables:	
Property and other taxes	51,198,069
Accounts	131,270
Intergovernmental	79,700
Accrued interest	148,611
Deferred Charges	204,172
Restricted Assets:	
Equity in pooled cash and cash equivalents	141,886
Depreciable capital assets, net	27,724,820
Non-depreciable capital assets	1,160,355
Total Assets	176,515,122
Liabilities:	
Accounts payable	400,356
Accrued contracts payable	195,934
Accrued wages and benefits payable	6,462,846
Intergovernmental payable	1,748,363
Accrued interest payable	262,014
Matured compensated absences	300,537
Unearned revenue	45,350,109
Long Term Liabilities:	
Due within one year	1,990,000
Due in more than one year	82,007,573
Total Liabilities	138,717,732
Net Assets:	
Invested in capital assets, net of related debt	13,095,557
Restricted for:	
Special revenue	361,155
Capital projects	2,878,793
Debt service	4,333,332
Other purpose	141,886
Unrestricted	16,986,667
Total Net Assets	\$ 37,797,390

See accompanying notes to the basic financial statements.



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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005

	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	\$ 33,837,538	\$ 1,427,879	\$ 411,426	\$ 64,470	\$ (31,933,763)
Special	7,075,762	1,049,598	744,187	-	(5,281,977)
Vocational	2,233,275	-	97,508	-	(2,135,767)
Other	511,735	-	-	-	(511,735)
Support Services:					
Pupils	3,331,856	-	185,047	-	(3,146,809)
Instructional staff	5,515,202	-	908,682	-	(4,606,520)
Board of education	29,910	-	-	-	(29,910)
Administration	4,138,307	-	33,836	-	(4,104,471)
Fiscal	1,213,651	-	-	-	(1,213,651)
Business	470,198	-	-	-	(470,198)
Operation and maintenance of plant	4,892,584	45,433	58,262	-	(4,788,889)
Pupil transportation	4,918,168	-	-	50,223	(4,867,945)
Central	100,071	-	-	-	(100,071)
Operation of non-instructional services	3,404,785	1,754,232	1,426,505	-	(224,048)
Extracurricular activities	604,548	636,349	-	-	31,801
Interest and fiscal charges	798,114	-	-	-	(798,114)
Unallocated depreciation *	952,149	-	-	-	(952,149)
Total Governmental Activities	\$ 74,027,853	\$ 4,913,491	\$ 3,865,453	\$ 114,693	(65,134,216)

General Revenues:

Property taxes levied for:

General purposes	44,112,996
Debt service	2,108,101
Capital projects	2,146,562

Grants and entitlements not restricted to

specific programs	18,114,065
Investment earnings	754,742
Miscellaneous	344,337

Total General Revenues 67,580,803

Changes in net assets 2,446,587

Net assets at beginning of year 35,350,803

Net assets at end of year \$ 37,797,390

* - 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, 2005**

	General Fund	Bond Retirement	Permanent Improvement	Building Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>						
Equity in Pooled Cash and Cash Equivalents	\$ 23,133,908	\$ 6,156,237	\$ 2,639,891	\$ 62,023,475	\$ 1,772,728	\$ 95,726,239
Receivables:						
Taxes	45,464,935	3,654,333	2,078,801	-	-	51,198,069
Accounts	79,102	-	51,067	-	1,101	131,270
Intergovernmental	-	-	-	-	79,700	79,700
Interest	15,455	-	-	133,156	-	148,611
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	141,886	-	-	-	-	141,886
Total Assets	<u>\$ 68,835,286</u>	<u>\$ 9,810,570</u>	<u>\$ 4,769,759</u>	<u>\$ 62,156,631</u>	<u>\$ 1,853,529</u>	<u>\$ 147,425,775</u>
<u>Liabilities and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts Payable	\$ 213,212	\$ -	\$ 26,826	\$ -	\$ 160,318	\$ 400,356
Contracts Payable	-	-	195,934	-	-	195,934
Accrued Wages and Benefits	6,016,667	-	-	-	446,179	6,462,846
Intergovernmental Payable	1,208,408	-	-	-	43,281	1,251,689
Deferred Revenue	41,260,091	3,485,177	1,862,721	-	46,604	46,654,593
Matured Compensated Absences	280,344	-	-	-	20,193	300,537
Total Liabilities	<u>48,978,722</u>	<u>3,485,177</u>	<u>2,085,481</u>	<u>-</u>	<u>716,575</u>	<u>55,265,955</u>
<u>Fund Balances:</u>						
<u>Reserved for:</u>						
Encumbrances	526,006	-	480,158	-	341,778	1,347,942
Property Taxes	4,204,844	169,156	216,080	-	-	4,590,080
Budget Stabilization	141,886	-	-	-	-	141,886
<u>Unreserved, Undesignated:</u>						
General Fund	14,983,828	-	-	-	-	14,983,828
Special Revenue Funds	-	-	-	-	794,733	794,733
Debt Service Fund	-	6,156,237	-	-	-	6,156,237
Capital Projects Funds	-	-	1,988,040	62,156,631	443	64,145,114
Total Fund Balances	<u>19,856,564</u>	<u>6,325,393</u>	<u>2,684,278</u>	<u>62,156,631</u>	<u>1,136,954</u>	<u>92,159,820</u>
Total Liabilities and Fund Balances	<u>\$ 68,835,286</u>	<u>\$ 9,810,570</u>	<u>\$ 4,769,759</u>	<u>\$ 62,156,631</u>	<u>\$ 1,853,529</u>	<u>\$ 147,425,775</u>

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, 2005

Total Governmental Fund Balances:		\$ 92,159,820
<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.		28,885,175
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	1,257,880	
Intergovernmental	46,604	
Total		1,304,484
Bond issuance costs associated with bonds payable, are recorded as a deferred charged on the accrual basis but are not reported in the funds.		204,172
Long-term liabilities which are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(64,158,798)	
Refunding bonds	(13,313,268)	
Long-term capital notes	(210,000)	
Accrued interest payable	(262,014)	
Premium on G.O. bonds	(3,316,501)	
Deferred amount on refunding	1,154,001	
Compensated absences	(4,153,007)	
Intergovernmental payable	(496,674)	
Total		(84,756,261)
Net Assets of Governmental Activities		\$ 37,797,390

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, 2005

	General Fund	Bond Retirement	Permanent Improvement	Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 45,397,208	\$ 2,154,500	\$ 2,207,163	\$ -	\$ -	\$ 49,758,871
Intergovernmental	17,789,315	147,027	160,930	-	3,945,623	22,042,895
Interest	701,301	7,686	628	22,793	9,031	741,439
Tuition and Fees	462,560	-	-	-	225,728	688,288
Rentals	45,433	-	-	-	-	45,433
Charges for Services	1,049,598	-	-	-	2,130,615	3,180,213
Extracurricular Activities	-	-	-	-	999,557	999,557
Miscellaneous	214,277	2,655	111,906	-	105,089	433,927
Total Revenues	65,659,692	2,311,868	2,480,627	22,793	7,415,643	77,890,623
Expenditures:						
Current:						
Instruction:						
Regular	32,163,858	-	310,740	-	1,369,187	33,843,785
Special	6,077,638	-	-	-	946,385	7,024,023
Vocational	2,153,847	-	-	-	89,090	2,242,937
Other Instruction	511,735	-	-	-	-	511,735
Support Services:						
Pupils	3,186,356	-	-	-	162,053	3,348,409
Instructional Staff	4,731,524	-	-	-	927,759	5,659,283
Board of Education	29,910	-	-	-	-	29,910
Administration	4,113,733	-	4,402	-	41,361	4,159,496
Fiscal	1,140,931	130,357	20,895	-	-	1,292,183
Business	481,356	-	-	-	-	481,356
Plant Operation and Maintenance	4,747,897	-	650,023	-	36,280	5,434,200
Pupil Transportation	4,502,080	-	439,055	-	1,531	4,942,666
Central	100,071	-	-	-	-	100,071
Non-Instructional Services	-	-	-	-	3,364,611	3,364,611
Extracurricular Activities	-	-	-	-	603,406	603,406
Capital Outlay	-	-	389,676	194,995	-	584,671
Debt Service:						
Principal Retirement	-	1,385,000	970,000	-	-	2,355,000
Interest and Fiscal Charges	-	488,025	28,230	-	-	516,255
Total Expenditures	63,940,936	2,003,382	2,813,021	194,995	7,541,663	76,493,997
Excess of Revenues Over(Under)						
Expenditures	1,718,756	308,486	(332,394)	(172,202)	(126,020)	1,396,626
Other Financing Sources (Uses):						
Proceeds from Sale of GO Bonds	-	-	-	62,328,798	-	62,328,798
Proceeds from Sale of Refunding Bonds	-	6,455,000	-	-	-	6,455,000
Premium on Issuance of GO Bonds	-	2,031,473	-	-	-	2,031,473
Premium on Issuance of Refunding Bonds	-	634,328	-	-	-	634,328
Payment to Refunded Bonds Escrow Agent	-	(7,161,003)	-	-	-	(7,161,003)
Transfers-In	937	-	1,100,000	-	26,999	1,127,936
Transfers-Out	(1,126,999)	-	-	-	(937)	(1,127,936)
Total Other Financing Sources (Uses)	(1,126,062)	1,959,798	1,100,000	62,328,798	26,062	64,288,596
Net Change in Fund Balance	592,694	2,268,284	767,606	62,156,596	(99,958)	65,685,222
Fund Balance at Beginning of Year	19,263,870	4,057,109	1,916,672	35	1,236,912	26,474,598
Fund Balance at End of Year	\$ 19,856,564	\$ 6,325,393	\$ 2,684,278	\$ 62,156,631	\$ 1,136,954	\$ 92,159,820

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, 2005

Net Change in Fund Balances - Total Governmental Funds		\$ 65,685,222
<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 net difference between capital outlay and depreciation expense in the current period.		
Capital asset additions	1,902,559	
Current year depreciation	<u>(1,795,704)</u>	
Total		106,855
Governmental funds report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of vehicles.		
		(34,969)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Taxes	(1,391,212)	
Intergovernmental	<u>(38,274)</u>	
Total		(1,429,486)
In governmental funds, proceeds from the sale of debt are considered a source of financing, but in the statement of net assets, the debt obligations are reported as a liability. These are the amounts of debt issued during the year.		
General obligation bonds	(62,328,798)	
Refunding bonds	<u>(6,455,000)</u>	
Total		(68,783,798)
In the statement of activities, certain costs and proceeds associated with long-term debt obligations issued during the year are accrued and amortized over the life of the debt obligation. In governmental funds these costs and proceeds are recognized as financing sources and uses		
Bond issuance costs	109,953	
Premium on bonds issued	(2,665,801)	
Deferred charge on refunding	<u>601,003</u>	
Total		(1,954,845)
Repayment of long-term debt obligations 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	1,020,000	
Principal payment on refunding bonds	365,000	
Principal payment on long-term capital notes	970,000	
G.O. Bonds defeased through payment to escrow agent	<u>6,560,000</u>	
Total		8,915,000
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	109,386	
Compensated absences payable	118,564	
Accrued interest payable	(281,859)	
Amortization of bond issuance costs	(16,786)	
Amortization of bond premium	109,570	
Amortization of deferred charge on refunding	<u>(96,267)</u>	
Total		<u>(57,392)</u>
Change in Net Assets of Governmental Activities		<u>\$ 2,446,587</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 42,978,417	\$ 42,978,417	\$ 42,978,417	\$ -
Intergovernmental	17,789,315	17,789,315	17,789,315	-
Interest	841,650	841,650	841,650	-
Tuition and Fees	434,686	434,687	434,687	-
Rentals	40,681	40,681	40,681	-
Charges for Services	1,012,890	1,012,890	1,012,890	-
Miscellaneous	176,416	176,416	176,416	-
Total Revenues	63,274,055	63,274,056	63,274,056	-
Expenditures:				
Current:				
Instruction:				
Regular	33,321,935	33,169,935	32,386,747	783,188
Special	6,557,218	6,445,614	6,091,919	353,695
Vocational	2,168,292	2,168,292	2,143,729	24,563
Other Instruction	566,848	566,848	525,687	41,161
Support Services:				
Pupils	3,261,272	3,261,272	3,174,412	86,860
Instructional Staff	4,763,355	4,763,355	4,711,772	51,583
Board of Education	31,760	31,760	29,625	2,135
Administration	4,172,754	4,145,554	4,056,933	88,621
Fiscal	1,473,281	1,473,281	1,180,302	292,979
Business	587,577	587,577	566,265	21,312
Operation and Maintenance of Plant	4,975,176	4,975,176	4,819,775	155,401
Pupil Transportation	4,228,419	4,492,023	4,462,773	29,250
Central	105,935	105,935	97,204	8,731
Total Expenditures	66,213,822	66,186,622	64,247,143	1,939,479
Excess of Revenues Over(Under) Expenditures	(2,939,767)	(2,912,566)	(973,087)	1,939,479
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	47,356	47,356	47,356	-
Advances-In	54,876	54,876	53,939	(937)
Advances-Out	(250,000)	(250,000)	-	250,000
Transfers-In	-	-	937	937
Transfers-Out	(1,100,000)	(1,100,000)	(1,100,000)	-
Total Other Financing Sources (Uses)	(1,247,768)	(1,247,768)	(997,768)	250,000
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(4,187,535)	(4,160,334)	(1,970,855)	2,189,479
Fund Balance at Beginning of Year	24,154,472	24,154,472	24,154,472	-
Prior Year Encumbrances Appropriated	374,254	374,254	374,254	-
Fund Balance at End of Year	\$ 20,341,191	\$ 20,368,392	\$ 22,557,871	\$ 2,189,479

See accompanying notes to the basic financial statements.

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

STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2005

	Private Purpose Trust	Agency Funds
Assets:		
Equity in pooled cash and cash equivalents	\$ 24,976	\$ 117,821
Cash and Cash Equivalents With Fiscal Agent	10,335	-
Total Assets	35,311	117,821
Liabilities:		
Accounts payable	151	2,311
Due to students	-	115,510
Total Liabilities	151	\$ 117,821
Net Assets:		
Held in trust for scholarships	\$ 35,160	

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
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	<u>Private Purpose Trust</u>
Additions:	
Gifts and Donations	\$ 1,704
Investment Earnings	<u>419</u>
Total Additions	<u>2,123</u>
Deductions:	
Payments in accordance with trust agreements	<u>3,411</u>
Total Deductions	<u>3,411</u>
Change in Net Assets	(1,288)
Net Assets Beginning of Year	<u>36,448</u>
Net Assets End of Year	<u><u>\$ 35,160</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, 2005

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 357 non-certificated employees and 591 certified employees, who provide services to 8,202 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 13 and 14 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, 2005

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, Bond Retirement, Permanent Improvement, and Building 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, 2005

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.

Bond Retirement Fund – The Bond Retirement 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.

Building Fund – The Building Fund is used 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.

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, 2005

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 and agency 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, 2005, but which were levied to finance fiscal year 2006 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, 2005

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 operating grants and contributions.

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 2005.

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

The School District maintains a cash and investment pool used by all funds. The cash and investment pool has the same characteristics as demand deposits. Each fund's portion of this pool is displayed in the financial statements as pooled cash and cash equivalents. The monies are either maintained in a central bank account or used to purchase legal investments.

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 Ohio Revised Code authorizes the School District to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificate of deposits; banker's acceptances; commercial paper notes rated prime and issued by United States Corporations; and STAROhio.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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, 2005. The School District has invested funds in the State Treasury Assets Reserves of Ohio (STAR Ohio) during fiscal year 2005.

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 \$754,742 of interest revenue under the accrual basis of accounting used to report the Statement of Activities. For the fund statements, interest revenue of \$701,301 was credited to the General Fund during fiscal year 2005, including \$29,178, of allocations for funds not specified in the Board's resolution. The School District's other major funds, the bond retirement, permanent improvement and building funds earned \$7,686, \$628, and \$22,793 of interest, respectively, during fiscal year 2005. Interest was also recorded in non-major governmental funds and private purpose trust funds in the amounts of \$9,031 and \$419, 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements throughout the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five 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.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 "matured compensated absences" 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.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 – CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2005, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 40, “Deposit and Investment Risk Disclosure”. GASB Statement No. 40 establishes and modifies the disclosure requirements related to investment risks. The implementation of this statement did not result in any change to the School District’s financial statements.

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).

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (Continued)

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		\$ 592,694
Revenue Accruals		(2,338,280)
Expenditure Accruals		371,138
Encumbrances		(677,345)
Net Advances		53,939
Net Transfers		<u>26,999</u>
Budget Basis		<u>\$ (1,970,855)</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

State statute requires the classification of monies held by the School District into three categories.

Active Monies – Those monies required to be kept in a “cash” or “near-cash” status for the immediate use of the district. Such monies must be maintained either as cash in the treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive Monies – Those monies not required for use within the current five-year period of designation of depositories. Inactive monies may be deposited or invested as certificate of deposit maturing no 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.

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. Ohio law permits interim monies to be invested in legal securities (see Note 2F).

Deposits

Custodial credit risk is the risk that in the event of bank failure, the School District’s deposits may not be returned to it. Protection of the School District’s deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. By Ohio law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds on deposit with that specific institution. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

At year end, the carrying amount of the School District's deposits was \$5,923,344 and the bank balance was \$6,414,883. Of the bank balance, \$110,335 was covered by federal depository insurance and \$6,304,548 was uninsured. Of the uninsured bank balance, \$26,600 was collateralized with securities held by the pledging institution's agent in the School District's name and \$6,277,948 was collateralized with securities held by the pledging institution's trust department but not in the School District's name.

Investments

Investments are reported at fair value. As of June 30, 2005, the School District had the following investments:

	Fair Value	Percent of Total Portfolio	Credit Rating (1)	Weighted Average Maturity
Commercial Paper	\$ 129,761	0.14%	AAA	0.05 years
Fannie Mae	2,594,995	2.88%	AAA	1.30 years
Federal Home Loan Bank (FHLB)	19,867,066	22.05%	AAA	1.33 years
FHLB Discount Notes	4,419,243	4.91%	AAA	0.08 years
Fannie Mae Discount Notes	20,771,855	23.05%	AAA	0.17 years
Freddie Mac Discount Notes	9,042,390	10.04%	AAA	0.34 years
Freddie Mac	8,117,665	9.01%	AAA	0.70 years
U.S. Treasury Notes	534,436	0.59%	N/A	0.24 years
Money Market Mutual Funds	24,169,887	26.83%	Not Rated	N/A
STAROhio	450,615	0.50%	AAAm	N/A
Total Investments	<u>\$ 90,097,913</u>	<u>100.00%</u>		
Portfolio Weighted Average Maturity				1.26 years

(1) – as rated by Standard & Poor's

The School District's investment policy permits the purchase of any security specifically authorized by the Ohio Revised Code and includes the following:

Interest Rate Risk – The School District shall not purchase any security that has a remaining term to final maturity of more than five years.

Concentration of Credit Risk – The School District should normally seek to diversify its holdings of other investments by avoiding concentrations of specific issuers.

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.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 6 - PROPERTY TAXES (Continued)

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 for capital assets and 23 percent of true value for inventory.

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

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, 2005 was \$60.75 per \$1,000 of assessed value. The assessed values upon which the fiscal year 2005 taxes were collected are as follows:

	<u>2005 First Half Collections</u>	<u>2004 Second Half Collections</u>
Agricultural/residential		
And other real estate	\$ 1,443,169,480	\$ 1,409,883,200
Public utility personal	32,988,410	33,290,900
Tangible personal property	<u>57,530,705</u>	<u>52,513,577</u>
Total	<u>\$ 1,533,688,595</u>	<u>\$ 1,495,687,677</u>

Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of June 30, 2005. 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, 2005 was recognized as revenue.

The amount available as an advance at June 30 was \$4,204,844 in the General Fund, \$169,156 in the Bond Retirement Fund and \$216,080 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, 2005, consisted of current and delinquent property taxes, interest, 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.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 7 – RECEIVABLES (Continued)

A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities:</u>	<u>Amount</u>
Food Service Reimbursement Grants	\$ 19,592
Title VI-B Grant	13,504
FCC E-Rate Program	<u>46,604</u>
Total Intergovernmental Receivables	<u>\$ 79,700</u>

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2005 was as follows:

	Balance 6/30/04	Additions	Deductions	Balance 6/30/05
<u>Capital Assets, not being depreciated</u>				
Land	\$ 1,160,355	\$ -	\$ -	\$ 1,160,355
Construction in Progress	60,614	-	(60,614)	-
Total	<u>1,220,969</u>	<u>-</u>	<u>(60,614)</u>	<u>1,160,355</u>
<u>Capital Assets, being depreciated</u>				
Buildings and Improvements	48,649,892	1,046,574	-	49,696,466
Equipment	7,880,673	466,471	-	8,347,144
Vehicles	5,410,560	450,128	(104,907)	5,755,781
	<u>61,941,125</u>	<u>1,963,173</u>	<u>(104,907)</u>	<u>63,799,391</u>
<u>Less: Accumulated Depreciation</u>				
Buildings and Improvements	(25,450,751)	(1,047,520)	-	(26,498,271)
Equipment	(6,256,860)	(365,379)	-	(6,622,239)
Vehicles	(2,641,194)	(382,805)	69,938	(2,954,061)
	<u>(34,348,805)</u>	<u>(1,795,704) *</u>	<u>69,938</u>	<u>(36,074,571)</u>
Total	<u>27,592,320</u>	<u>167,469</u>	<u>(34,969)</u>	<u>27,724,820</u>
Governmental Activities Capital Assets, Net	<u>\$ 28,813,289</u>	<u>\$ 167,469</u>	<u>\$ (95,583)</u>	<u>\$ 28,885,175</u>

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

Instruction:	
Regular	\$ 203,582
Special	3,088
Vocational	2,499
Support Services:	
Administration	39,602
Fiscal	723
Operation and Maintenance of Plant	217,149
Pupil Transportation	361,507
Operation of Non-Instructional Services	14,263
Extra-curricular activities	1,142
	<u>843,555</u>
Unallocated Depreciation	952,149
Total Depreciation Expense	<u>\$ 1,795,704</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, 2005

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 2005, 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 - 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 or by calling (614) 222-5853.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2005, 10.57 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2004, 9.09 percent of annual covered payroll 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, 2005, 2004 and 2003 were \$1,442,532, \$902,526 and \$601,524 respectively, equal to the required contributions for each year.

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, 2005

NOTE 10 - 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 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 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, 2005, 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 the fiscal years ended June 30, 2005, 2004, and 2003 were \$5,109,444, \$4,827,324, and \$4,765,920 respectively, equal to required contributions for each year. Member and employer contributions actually made for defined contribution and combined plan participants will be provided upon written request.

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, 2005, 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, 2005

NOTE 11 – POSTEMPLOYMENT BENEFITS

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

STRS retirees who participated in the DB or combined plans and their dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. All benefits recipients pay a portion of health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2005, the STRS Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$364,960 for fiscal year 2005.

STRS pays health care benefits from the Health Care Stabilization Fund. At June 30, 2004, (the latest information available) the balance in the Fund was \$3.1 billion. For the fiscal year ended June 30, 2004, net health care costs paid by STRS were \$268,739,000 and STRS had 111,853 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. All retirees and beneficiaries are required to pay a portion of their premium for health care. The portion is based on years of service, Medicare eligibility, and retirement status. Premiums may be reduced for retirees whose household income falls below the poverty level.

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, 2005, employer contributions to fund health care benefits were 3.43 percent of covered payroll, a decrease of 1.48 percent from fiscal year 2004. 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 2005, the minimum pay was established at \$27,400. However, the surcharge is capped at 2 percent of each employer's SERS salaries. For the 2005 fiscal year, the School District paid \$505,925 to fund health care benefits, including the surcharge.

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 for the fiscal year ended June 30, 2004 (the latest information available), were \$223,443,805 and the target level was \$335.2 million. At June 30, 2004, SERS had net assets available for payment of health care benefits of \$300.8 million. SERS has approximately 62,000 participants currently receiving health care benefits.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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. During the year, \$62.3 million of general obligation bonds were issued to construct a new school building as well as improvement others. In previous years, general obligations bonds have been issued to provide financing for new school buildings as well as improvements to various other school facilities. The original amount of the general obligation bonds issued in prior years was \$18.2 million.

During fiscal year 2005, the School District refunded a portion of the 1996 bond issue by issuing a \$6.455 million refunding general obligation bond which mature in fiscal year 2016. In prior fiscal years, a portion of the 1994 bond issue was refunded by issuing \$7.355 million in refunding general obligation bonds. 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 2005, \$76,946 was accreted for a total bond value of \$543,268.

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>
1996 – School Construction	4.45 – 5.45%	\$ 1,830,000
2003 – Refunding:		
Current Interest Bonds	2.0 – 4.0%	6,315,000
Capital Appreciation Bond	15.77 – 16.12%	543,268
2004 – Refunding	2.0 – 5.0%	6,455,000
2005 – School Construction	3.0 – 5.0 %	<u>62,328,798</u>
		\$ <u>77,472,066</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>
2006	\$ 1,420,000	\$ 3,290,032	\$ 4,710,032
2007	2,373,798	3,406,510	5,780,308
2008	2,550,000	3,324,368	5,874,368
2009	2,735,000	3,228,932	5,963,932
2010	3,225,000	3,118,620	6,343,620
2011 – 15	15,723,268	14,600,522	30,323,790
2016 – 20	5,070,000	11,331,031	16,401,031
2021 – 25	9,375,000	9,707,228	19,082,228
2026 – 30	15,790,000	6,731,056	22,521,056
2031 – 33	<u>19,210,000</u>	<u>1,926,220</u>	<u>21,136,220</u>
Total	<u>\$ 77,472,066</u>	<u>\$ 60,664,519</u>	<u>\$ 138,136,585</u>

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 12 - LONG-TERM OBLIGATIONS (Continued)

Advance Refunding

The School District issued \$6,455,000 of general obligation bonds to provide resources to purchase U.S. Government securities that were placed, along with the premiums received associated with the sale of the bonds and School District contributions, in an irrevocable trust for the purpose of generating resources for future debt service payments of \$6,560,000 of the 1996 School Construction general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability associated with these bonds has been removed from the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$601,003. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next eleven years by \$465,426 and resulted in an economic gain of \$374,788.

Long-Term Capital Project Notes

In 1999 and 2001, the School District issued long-term notes payable to provide financing for the construction of an addition to the high school building. The original principal of these notes were \$4.5 million. During fiscal year 2005, the School District paid \$970,000 on these notes (paying off the 1999 note). At June 30, 2005 the amount outstanding on the 2001 note payable was \$210,000 and had an interest rate of 4.09 percent. Amount due in the next fiscal year is \$214,295, \$210,000 in principal and \$4,295 in interest.

Changes in Long-Term Liabilities

Long- term liability activity for the year ended June 30, 2005, was as follows:

	Balance 6/30/04	Additions	Reductions	Balance 6/30/05	Due within One Year
<u>General Obligation Bonds:</u>					
1994 School Construction	\$ 465,000	\$ -	\$ 465,000	\$ -	\$ -
1996 School Construction	8,945,000	-	7,115,000	1,830,000	580,000
2003 Refunding Bonds					
Current Interest	6,680,000	-	365,000	6,315,000	835,000
Capital Appreciation	466,322	76,946	-	543,268	-
2004 Refunding Bonds	-	6,455,000	-	6,455,000	5,000
2005 School Improvement	-	62,328,798	-	62,328,798	-
<u>Deferred Amounts:</u>					
Add: Bond Premium	760,270	2,665,801	109,570	3,316,501	-
Less: Deferred Amount on Refunding	(649,265)	(601,003)	(96,267)	(1,154,001)	-
Total General Obligation Bonds	<u>16,667,327</u>	<u>70,925,542</u>	<u>7,958,303</u>	<u>79,634,566</u>	<u>1,420,000</u>
<u>Long-Term Capital Notes:</u>					
1999 School Improvement	770,000	-	770,000	-	-
2001 School Improvement	410,000	-	200,000	210,000	210,000
Total Long-Term Capital Notes	<u>1,180,000</u>	<u>-</u>	<u>970,000</u>	<u>210,000</u>	<u>210,000</u>
Compensated Absences	4,271,571	192,131	310,695	4,153,007	360,000
Total Long-Term Liabilities	<u>\$ 22,118,898</u>	<u>\$71,117,673</u>	<u>\$ 9,238,998</u>	<u>\$ 83,997,573</u>	<u>\$ 1,990,000</u>

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 12 - LONG-TERM OBLIGATIONS (Continued)

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 \$66,716,145 with an energy conservation debt margin of \$13,803,197 and an unvoted debt margin of \$1,533,689 at June 30, 2005.

NOTE 13 - INTERFUND ACTIVITY

During the year ended June 30, 2005, 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, \$26,999 advanced to two non-major funds in previous years was reclassified to transfers of resources during fiscal year 2005. The \$937 transfer of funds from two non-major funds to the General Fund resulted from the School District closing out certain accounts during the year with the remainder being transferred to the General Fund.

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 2005, the School District paid \$3,524 to SOEPC. Financial information may be obtained from SOEPC by contacting Robert Brown, Director, at 1831 Harshman Road, Dayton, Ohio 45424.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2005

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

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 \$43,272 for fiscal year 2005. Financial information can be obtained from Barbara Corriell, Executive Director of MDECA at 201 Riverside Drive, Dayton, Ohio 45405.

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 2005, the School District paid \$5,305 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.

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

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, 2005.

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 on 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, 2005, 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, 2004	\$ -	\$ -	\$ 141,886	\$ 141,886
Qualifying Carryover	(773,378)	-	-	(773,378)
Set Aside Requirements	1,166,779	1,166,779	-	2,333,558
Qualifying Expenditures	(799,231)	(2,944,911)	-	(3,744,142)
Total	(405,830)	(1,778,132)	141,886	<u>\$ (2,042,076)</u>
Current Year Set Aside Requirement	-	-	141,886	
Qualifying Carry-over Amounts	<u>\$ (405,830)</u>	<u>\$ -</u>	<u>\$ -</u>	

CENTERVILLE CITY SCHOOL DISTRICT

Montgomery County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2005

NOTE 18 – STATUTORY RESERVES (Continued)

The Textbook set-aside expenditures and offsets 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 \$405,830 for the Textbook Reserve.

NOTE 19 – DEFICIT FUND BALANCE

At June 30, 2005 three special revenue funds had fund deficits: Title VI-B (\$173,018), Title I (\$37,445), and EHA Pre-School (\$3,105). The deficits in these special revenue funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2006. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when the accruals occur.



**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's 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.

Bond Retirement Fund

The Bond Retirement 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.

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.

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BOND RETIREMENT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 2,056,977	\$ 2,056,977	\$ 2,056,977	\$ -
Intergovernmental	147,027	147,027	147,027	-
Interest	-	-	7,686	7,686
Miscellaneous	2,784	2,784	2,784	-
Total Revenues	2,206,788	2,206,788	2,214,474	7,686
Expenditures:				
Current:				
Support Services:				
Fiscal	85,000	85,000	130,357	(45,357)
Debt Service:				
Principal Retirement	3,640,348	3,640,348	1,385,000	2,255,348
Interest and Fiscal Charges	2,060,000	2,060,000	488,025	1,571,975
Total Expenditures	5,785,348	5,785,348	2,003,382	3,781,966
Excess of Revenues Over(Under) Expenditures	(3,578,560)	(3,578,560)	211,092	3,789,652
Other Financing Sources (Uses):				
Proceeds from Sale of Refunding Bonds	-	-	6,455,000	6,455,000
Premium on Sale of Refunding Bonds	-	-	634,328	634,328
Premium on Sale of G.O. Bonds	2,031,473	2,031,473	2,031,473	-
Payment to Refunding Agent	-	-	(7,161,003)	(7,161,003)
Total Other Financing Sources (Uses)	2,031,473	2,031,473	1,959,798	(71,675)
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(1,547,087)	(1,547,087)	2,170,890	3,717,977
Fund Balance at Beginning of Year	3,985,346	3,985,346	3,985,346	-
Fund Balance at End of Year	\$ 2,438,259	\$ 2,438,259	\$ 6,156,236	\$ 3,717,977

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 2,082,926	\$ 2,082,926	\$ 2,082,926	\$ -
Intergovernmental	160,930	160,930	160,930	-
Interest	628	628	628	-
Miscellaneous	158,319	158,322	158,322	-
Total Revenues	2,402,803	2,402,806	2,402,806	-
Expenditures:				
Current:				
Instruction:				
Regular	541,848	541,848	510,876	30,972
Support Services:				
Administration	20,000	20,000	7,377	12,623
Fiscal	24,000	24,000	20,895	3,105
Plant Operation and Maintenance	1,254,334	1,290,457	1,170,332	120,125
Pupil Transportation	441,738	529,838	456,128	73,710
Capital Outlay	2,626,356	2,121,794	1,275,099	846,695
Debt Service:				
Principal Retirement	1,120,668	1,501,308	970,000	531,308
Interest and Fiscal Charges	97,450	97,450	33,393	64,057
Total Expenditures	6,126,394	6,126,695	4,444,100	1,682,595
Excess of Revenues Over(Under) Expenditures	(3,723,591)	(3,723,889)	(2,041,294)	1,682,595
Other Financing Sources (Uses):				
Transfers-In	1,100,000	1,100,000	1,100,000	-
Total Other Financing Sources (Uses)	1,100,000	1,100,000	1,100,000	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(2,623,591)	(2,623,889)	(941,294)	1,682,595
Fund Balance at Beginning of Year	1,073,849	1,073,849	1,073,849	-
Prior Year Encumbrances Appropriated	1,804,418	1,804,418	1,804,418	-
Fund Balance at End of Year	\$ 254,676	\$ 254,378	\$ 1,936,973	\$ 1,682,595

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Interest	\$ (110,363)	\$ (110,363)	\$ (110,363)	\$ -
Total Revenues	(110,363)	(110,363)	(110,363)	-
Expenditures:				
Capital Outlay	62,328,833	62,328,833	194,995	62,133,838
Total Expenditures	62,328,833	62,328,833	194,995	62,133,838
Excess of Revenues Over(Under) Expenditures	(62,439,196)	(62,439,196)	(305,358)	62,133,838
Other Financing Sources (Uses):				
Proceeds from Sale of Debt	62,328,798	62,328,798	62,328,798	-
Total Other Financing Sources (Uses)	62,328,798	62,328,798	62,328,798	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(110,398)	(110,398)	62,023,440	62,133,838
Fund Balance at Beginning of Year	35	35	35	-
Fund Balance at End of Year	\$ (110,363)	\$ (110,363)	\$ 62,023,475	\$ 62,133,838



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 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.

Drug Free Schools

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

Combining Statements – Nonmajor Governmental Funds

(Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

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 teacher 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.

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, 2005

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,772,180	\$ 548	\$ 1,772,728
Receivables:			
Accounts	1,101	-	1,101
Intergovernmental	79,700	-	79,700
Total Assets	\$ 1,852,981	\$ 548	\$ 1,853,529
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Accounts Payable	\$ 160,318	\$ -	\$ 160,318
Accrued Wages and Benefits	446,179	-	446,179
Intergovernmental Payable	43,281	-	43,281
Deferred Revenue	46,604	-	46,604
Matured Compensated Absences	20,193	-	20,193
Total Liabilities	716,575	-	716,575
Fund Balance:			
Reserved for Encumbrances	341,673	105	341,778
Unreserved, Undesignated:			
Special Revenue Funds	794,733	-	794,733
Capital Project Funds	-	443	443
Total Fund Balance	1,136,406	548	1,136,954
Total Liabilities and Fund Balance	\$ 1,852,981	\$ 548	\$ 1,853,529

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2005

	Public School Support	Other Grants	District Managed Student Activities	Auxiliary Services	Teacher Residency
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 444,197	\$ 129,150	\$ 236,983	\$ 272,851	\$ -
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total Assets	<u>\$ 444,197</u>	<u>\$ 129,150</u>	<u>\$ 236,983</u>	<u>\$ 272,851</u>	<u>\$ -</u>
<u>Liabilities and Fund Equity:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ 3,846	\$ 11,375	\$ 56,416	\$ 49,104	\$ -
Accrued Wages and Benefits	-	-	-	53,374	-
Intergovernmental Payable	-	-	70	11,515	-
Deferred Revenue	-	-	-	-	-
Matured Compensated Absences	-	-	-	-	-
Total Liabilities	<u>3,846</u>	<u>11,375</u>	<u>56,486</u>	<u>113,993</u>	<u>-</u>
<u>Fund Balance:</u>					
Reserved for Encumbrances	22,895	6,640	15,993	212,328	-
Unreserved	417,456	111,135	164,504	(53,470)	-
Total Fund Balance	<u>440,351</u>	<u>117,775</u>	<u>180,497</u>	<u>158,858</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 444,197</u>	<u>\$ 129,150</u>	<u>\$ 236,983</u>	<u>\$ 272,851</u>	<u>\$ -</u>

Teacher Development	Excellence in Education	Management Information Systems	Education R & D	Network Connect	SchoolNet Professional Development	Ohio Reads	Summer School Subsidy
\$ 4,944	\$ -	\$ 32,192	\$ 16,548	\$ 16,524	\$ 8,568	\$ -	\$ 1,700
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 4,944</u>	<u>\$ -</u>	<u>\$ 32,192</u>	<u>\$ 16,548</u>	<u>\$ 16,524</u>	<u>\$ 8,568</u>	<u>\$ -</u>	<u>\$ 1,700</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	2,925	-	-	-	-
-	-	-	52	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	2,977	-	-	-	-
-	-	28,532	-	-	-	-	883
4,944	-	3,660	13,571	16,524	8,568	-	817
<u>4,944</u>	<u>-</u>	<u>32,192</u>	<u>13,571</u>	<u>16,524</u>	<u>8,568</u>	<u>-</u>	<u>1,700</u>
<u>\$ 4,944</u>	<u>\$ -</u>	<u>\$ 32,192</u>	<u>\$ 16,548</u>	<u>\$ 16,524</u>	<u>\$ 8,568</u>	<u>\$ -</u>	<u>\$ 1,700</u>

(Continued)

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2005

(Continued)

	Vocational Education Enhancement	Miscellaneous State Grants	Title VI-B	Vocational Education	Dropout Prevention and Intervention
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 526	\$ 27,961	\$ 47,548	\$ 2,907	\$ -
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	-	46,604	-	-
Total Assets	<u>\$ 526</u>	<u>\$ 27,961</u>	<u>\$ 94,152</u>	<u>\$ 2,907</u>	<u>\$ -</u>
<u>Liabilities and Fund Equity:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$ 408	\$ -	\$ 7,760	\$ 339	\$ -
Accrued Wages and Benefits	-	-	208,049	-	-
Intergovernmental Payable	-	-	4,757	-	-
Deferred Revenue	-	-	46,604	-	-
Matured Compensated Absences	-	-	-	-	-
Total Liabilities	<u>408</u>	<u>-</u>	<u>267,170</u>	<u>339</u>	<u>-</u>
<u>Fund Balance:</u>					
Reserved for Encumbrances	99	-	2,870	441	-
Unreserved	19	27,961	(175,888)	2,127	-
Total Fund Balance	<u>118</u>	<u>27,961</u>	<u>(173,018)</u>	<u>2,568</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 526</u>	<u>\$ 27,961</u>	<u>\$ 94,152</u>	<u>\$ 2,907</u>	<u>\$ -</u>

Title I	Title VI	Emergency Immigrant Education	Drug Free Schools	EHA Pre-School	FCC E-Rate	Reducing Class Size	Miscellaneous Federal Grants
\$ 9,747	\$ 215	\$ 236	\$ 1,122	\$ -	\$ 99,589	\$ 8,000	\$ 2,567
-	-	-	-	-	-	-	-
-	-	-	-	-	13,504	-	-
<u>\$ 9,747</u>	<u>\$ 215</u>	<u>\$ 236</u>	<u>\$ 1,122</u>	<u>\$ -</u>	<u>\$ 113,093</u>	<u>\$ 8,000</u>	<u>\$ 2,567</u>
\$ -	\$ 83	\$ -	\$ -	\$ 129	\$ -	\$ 2,183	\$ -
42,672	-	-	-	2,924	-	5,584	-
4,520	-	-	-	52	-	101	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>47,192</u>	<u>83</u>	<u>-</u>	<u>-</u>	<u>3,105</u>	<u>-</u>	<u>7,868</u>	<u>-</u>
772	129	-	1,000	-	1,559	5,817	-
(38,217)	3	236	122	(3,105)	111,534	(5,685)	2,567
<u>(37,445)</u>	<u>132</u>	<u>236</u>	<u>1,122</u>	<u>(3,105)</u>	<u>113,093</u>	<u>132</u>	<u>2,567</u>
<u>\$ 9,747</u>	<u>\$ 215</u>	<u>\$ 236</u>	<u>\$ 1,122</u>	<u>\$ -</u>	<u>\$ 113,093</u>	<u>\$ 8,000</u>	<u>\$ 2,567</u>

(Continued)

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2005
(Continued)

	Adult Education	Food Service	Uniform School Supplies	Total Nonmajor Special Revenue Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 783	\$ 198,933	\$ 208,389	\$ 1,772,180
Receivables:				
Accounts	-	-	1,101	1,101
Intergovernmental	-	19,592	-	79,700
	-	19,592	-	79,700
Total Assets	\$ 783	\$ 218,525	\$ 209,490	\$ 1,852,981
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ -	\$ 22,180	\$ 6,495	\$ 160,318
Accrued Wages and Benefits	-	130,651	-	446,179
Intergovernmental Payable	-	22,214	-	43,281
Deferred Revenue	-	-	-	46,604
Matured Compensated Absences	-	20,193	-	20,193
	-	20,193	-	20,193
Total Liabilities	-	195,238	6,495	716,575
<u>Fund Balance:</u>				
Reserved for Encumbrances	-	15,805	25,910	341,673
Unreserved	783	7,482	177,085	794,733
	783	7,482	177,085	794,733
Total Fund Balance	783	23,287	202,995	1,136,406
Total Liabilities and Fund Balance	\$ 783	\$ 218,525	\$ 209,490	\$ 1,852,981

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

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2005

	SchoolNet	Interactive Video Distance Learning	Total Nonmajor Capital Projects Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 548	\$ -	\$ 548
Total Assets	\$ 548	\$ -	\$ 548
<u>Liabilities and Fund Equity:</u>			
Total Liabilities	\$ -	\$ -	\$ -
<u>Fund Balance:</u>			
Reserved for Encumbrances	105	-	105
Unreserved	443	-	443
Total Fund Balance	548	-	548
Total Liabilities and Fund Balance	\$ 548	\$ -	\$ 548



**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, 2005

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 3,881,153	\$ 64,470	\$ 3,945,623
Interest	9,031	-	9,031
Tuition and Fees	225,728	-	225,728
Charges for Services	2,130,615	-	2,130,615
Extracurricular Activities	999,557	-	999,557
Miscellaneous	105,089	-	105,089
Total Revenues	<u>7,351,173</u>	<u>64,470</u>	<u>7,415,643</u>
Expenditures:			
Current:			
Instruction:			
Regular	1,301,913	67,274	1,369,187
Special	946,385	-	946,385
Vocational	89,090	-	89,090
Support Services:			
Pupils	162,053	-	162,053
Instructional Staff	927,759	-	927,759
Administration	41,361	-	41,361
Plant Operation and Maintenance	36,280	-	36,280
Pupil Transportation	1,531	-	1,531
Non-Instructional Services	3,364,611	-	3,364,611
Extracurricular Activities	603,406	-	603,406
Total Expenditures	<u>7,474,389</u>	<u>67,274</u>	<u>7,541,663</u>
Excess of Revenues Over(Under) Expenditures	<u>(123,216)</u>	<u>(2,804)</u>	<u>(126,020)</u>
Other Financing Sources (Uses):			
Transfers-In	26,999	-	26,999
Transfers-Out	(937)	-	(937)
Total Other Financing Sources (Uses)	<u>26,062</u>	<u>-</u>	<u>26,062</u>
Net Change in Fund Balance	(97,154)	(2,804)	(99,958)
Fund Balance at Beginning of Year	<u>1,233,560</u>	<u>3,352</u>	<u>1,236,912</u>
Fund Balance at End of Year	<u>\$ 1,136,406</u>	<u>\$ 548</u>	<u>\$ 1,136,954</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, 2005

	Public School Support	Other Grants	District Managed Student Activities	Auxiliary Services	Teacher Residency
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,018,572	\$ 16,500
Interest	9,031	-	-	-	-
Tuition and Fees	-	225,728	-	-	-
Charges for Services	24,834	-	-	-	-
Extracurricular Activities	363,208	-	636,349	-	-
Miscellaneous	103,855	-	-	-	-
Total Revenues	500,928	225,728	636,349	1,018,572	16,500
Expenditures:					
Current:					
Instruction:					
Regular	449,068	214,098	-	-	16,500
Special	2,543	-	-	-	-
Vocational	-	-	-	-	-
Support Services:					
Pupils	-	-	-	-	-
Instructional Staff	2,877	-	-	-	1,010
Administration	-	-	-	-	-
Plant Operation and Maintenance	11,614	-	-	-	-
Pupil Transportation	1,531	-	-	-	-
Non-Instructional Services	-	-	-	1,112,455	-
Extracurricular Activities	11,942	-	591,464	-	-
Total Expenditures	479,575	214,098	591,464	1,112,455	17,510
Excess of Revenues Over(Under) Expenditures	21,353	11,630	44,885	(93,883)	(1,010)
Other Financing Sources (Uses):					
Transfers-In	-	-	-	-	-
Transfers-Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balance	21,353	11,630	44,885	(93,883)	(1,010)
Fund Balance at Beginning of Year	418,998	106,145	135,612	252,741	1,010
Fund Balance at End of Year	\$ 440,351	\$ 117,775	\$ 180,497	\$ 158,858	\$ -

Teacher Development	Excellence in Education	Management Information Systems	Education R & D	Network Connect	SchoolNet Professional Development	Ohio Reads	Summer School Subsidy
\$ -	\$ -	\$ 25,740	\$ 24,375	\$ 33,000	\$ 4,140	\$ 14,000	\$ 151,946
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	25,740	24,375	33,000	4,140	14,000	151,946
-	3,257	-	-	11,985	2,107	14,000	140,643
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	21,308	-	-	-	-
-	-	22,690	-	-	-	-	-
-	-	-	-	-	-	-	-
-	365	-	-	16,476	-	-	-
-	-	-	-	-	-	-	-
-	3,622	22,690	21,308	28,461	2,107	14,000	140,643
-	(3,622)	3,050	3,067	4,539	2,033	-	11,303
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(3,622)	3,050	3,067	4,539	2,033	-	11,303
4,944	3,622	29,142	10,504	11,985	6,535	-	(9,603)
<u>\$ 4,944</u>	<u>\$ -</u>	<u>\$ 32,192</u>	<u>\$ 13,571</u>	<u>\$ 16,524</u>	<u>\$ 8,568</u>	<u>\$ -</u>	<u>\$ 1,700</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, 2005
(Continued)

	Vocational Education Enhancement	Miscellaneous State Grants	Title VI-B	Vocational Education	Dropout Prevention and Intervention
Revenues:					
Intergovernmental	\$ 27,766	\$ 18,076	\$ 1,504,298	\$ 202,233	\$ 34,564
Interest	-	-	-	-	-
Tuition and Fees	-	-	-	-	-
Charges for Services	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	27,766	18,076	1,504,298	202,233	34,564
Expenditures:					
Current:					
Instruction:					
Regular	5,026	-	-	-	-
Special	-	9,973	557,156	-	34,565
Vocational	22,640	-	-	66,450	-
Support Services:					
Pupils	-	-	-	126,238	-
Instructional Staff	-	-	850,419	-	-
Administration	-	8,091	1,468	9,112	-
Plant Operation and Maintenance	-	-	-	-	-
Pupil Transportation	-	-	-	-	-
Non-Instructional Services	-	-	158,144	-	-
Extracurricular Activities	-	-	-	-	-
Total Expenditures	27,666	18,064	1,567,187	201,800	34,565
Excess of Revenues Over(Under) Expenditures	100	12	(62,889)	433	(1)
Other Financing Sources (Uses):					
Transfers-In	-	-	-	1,999	-
Transfers-Out	-	-	-	-	(738)
Total Other Financing Sources (Uses)	-	-	-	1,999	(738)
Net Change in Fund Balance	100	12	(62,889)	2,432	(739)
Fund Balance at Beginning of Year	18	27,949	(110,129)	136	739
Fund Balance at End of Year	\$ 118	\$ 27,961	\$ (173,018)	\$ 2,568	\$ -

Title I	Title VI	Emergency Immigrant Education	Drug Free Schools	EHA Pre-School	FCC E-Rate	Reducing Class Size	Miscellaneous Federal Grants
\$ 262,046	\$ 35,997	\$ -	\$ 26,769	\$ 34,002	\$ 58,262	\$ 155,763	\$ 6,283
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,234	-	-
<u>262,046</u>	<u>35,997</u>	<u>-</u>	<u>26,769</u>	<u>34,002</u>	<u>59,496</u>	<u>155,763</u>	<u>6,283</u>
-	-	-	22,211	-	-	110,264	6,828
332,726	-	-	-	9,422	-	-	-
-	-	-	-	-	-	-	-
-	35,815	-	-	-	-	-	-
-	704	-	-	30,182	-	18,509	2,750
-	-	-	-	-	-	-	-
-	-	-	-	-	10,407	-	-
-	-	-	-	-	-	-	-
-	7,860	-	3,598	-	-	-	620
-	-	-	-	-	-	-	-
<u>332,726</u>	<u>44,379</u>	<u>-</u>	<u>25,809</u>	<u>39,604</u>	<u>10,407</u>	<u>128,773</u>	<u>10,198</u>
<u>(70,680)</u>	<u>(8,382)</u>	<u>-</u>	<u>960</u>	<u>(5,602)</u>	<u>49,089</u>	<u>26,990</u>	<u>(3,915)</u>
-	-	-	-	-	-	25,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	25,000	-
(70,680)	(8,382)	-	960	(5,602)	49,089	51,990	(3,915)
33,235	8,514	236	162	2,497	64,004	(51,858)	6,482
<u>\$ (37,445)</u>	<u>\$ 132</u>	<u>\$ 236</u>	<u>\$ 1,122</u>	<u>\$ (3,105)</u>	<u>\$ 113,093</u>	<u>\$ 132</u>	<u>\$ 2,567</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, 2005
(Continued)

	Adult Education	Food Service	Uniform School Supplies	Total Nonmajor Special Revenue Funds
Revenues:				
Intergovernmental	\$ -	\$ 226,821	\$ -	\$ 3,881,153
Interest	-	-	-	9,031
Tuition and Fees	-	-	-	225,728
Charges for Services	-	1,754,232	351,549	2,130,615
Extracurricular Activities	-	-	-	999,557
Miscellaneous	-	-	-	105,089
Total Revenues	-	1,981,053	351,549	7,351,173
Expenditures:				
Current:				
Instruction:				
Regular	-	-	305,926	1,301,913
Special	-	-	-	946,385
Vocational	-	-	-	89,090
Support Services:				
Pupils	-	-	-	162,053
Instructional Staff	-	-	-	927,759
Administration	-	-	-	41,361
Plant Operation and Maintenance	-	14,259	-	36,280
Pupil Transportation	-	-	-	1,531
Non-Instructional Services	-	2,065,093	-	3,364,611
Extracurricular Activities	-	-	-	603,406
Total Expenditures	-	2,079,352	305,926	7,474,389
Excess of Revenues Over(Under) Expenditures	-	(98,299)	45,623	(123,216)
Other Financing Sources (Uses):				
Transfers-In	-	-	-	26,999
Transfers-Out	-	-	(199)	(937)
Total Other Financing Sources (Uses)	-	-	(199)	26,062
Net Change in Fund Balance	-	(98,299)	45,424	(97,154)
Fund Balance at Beginning of Year	783	121,586	157,571	1,233,560
Fund Balance at End of Year	\$ 783	\$ 23,287	\$ 202,995	\$ 1,136,406

**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, 2005

	SchoolNet	Interactive Video Distance Learning	Total Nonmajor Capital Projects Funds
Revenues:			
Intergovernmental	\$ 64,470	\$ -	\$ 64,470
Total Revenues	64,470	-	64,470
Expenditures:			
Current:			
Instruction:			
Regular	67,246	28	67,274
Total Expenditures	67,246	28	67,274
Net Change in Fund Balance	(2,776)	(28)	(2,804)
Fund Balance at Beginning of Year	3,324	28	3,352
Fund Balance at End of Year	\$ 548	\$ -	\$ 548

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Interest	\$ 9,031	\$ 9,031	\$ 9,031	\$ -
Tuition and Fees	24,834	24,834	24,834	-
Extracurricular Activities	363,358	363,358	363,358	-
Miscellaneous	103,855	103,855	103,855	-
Total Revenues	501,078	501,078	501,078	-
Expenditures:				
Current:				
Instruction:				
Regular	623,823	623,923	476,302	147,621
Special	12,559	12,559	9,382	3,177
Instructional Staff	8,480	8,480	2,877	5,603
Fiscal	89,972	89,972	-	89,972
Plant Operation and Maintenance	27,400	27,400	11,871	15,529
Pupil Transportation	3,074	3,074	1,530	1,544
Extracurricular Activities	12,932	12,932	12,245	687
Total Expenditures	778,240	778,340	514,207	264,133
Excess of Revenues Over(Under) Expenditures	(277,162)	(277,262)	(13,129)	264,133
Fund Balance at Beginning of Year	400,810	400,810	400,810	-
Prior Year Encumbrances Appropriated	29,776	29,776	29,776	-
Fund Balance at End of Year	\$ 153,424	\$ 153,324	\$ 417,457	\$ 264,133

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Tuition and Fees	\$ 225,728	\$ 225,728	\$ 225,728	\$ -
Total Revenues	<u>225,728</u>	<u>225,728</u>	<u>225,728</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	255,481	212,305	222,102	(9,797)
Support Services:				
Pupils	160	160	-	160
Instructional Staff	463	463	-	463
Administration	8,050	8,050	-	8,050
Capital Outlay	24	1,124	-	1,124
Total Expenditures	<u>264,178</u>	<u>222,102</u>	<u>222,102</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(38,450)	3,626	3,626	-
Fund Balance at Beginning of Year	105,864	105,864	105,864	-
Prior Year Encumbrances Appropriated	<u>1,643</u>	<u>1,643</u>	<u>1,643</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 69,057</u>	<u>\$ 111,133</u>	<u>\$ 111,133</u>	<u>\$ -</u>

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Extracurricular Activities	\$ 636,349	\$ 636,349	\$ 636,349	\$ -
Total Revenues	<u>636,349</u>	<u>636,349</u>	<u>636,349</u>	<u>-</u>
Expenditures:				
Current:				
Extracurricular Activities	719,674	699,594	628,754	70,840
Total Expenditures	<u>719,674</u>	<u>699,594</u>	<u>628,754</u>	<u>70,840</u>
Excess of Revenues Over(Under) Expenditures	<u>(83,325)</u>	<u>(63,245)</u>	<u>7,595</u>	<u>70,840</u>
Other Financing Sources (Uses):				
Advances-Out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(108,325)	(88,245)	(17,405)	70,840
Fund Balance at Beginning of Year	151,391	151,391	151,391	-
Prior Year Encumbrances Appropriated	<u>30,367</u>	<u>30,367</u>	<u>30,367</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 73,433</u>	<u>\$ 93,513</u>	<u>\$ 164,353</u>	<u>\$ 70,840</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 1,032,153	\$ 1,032,153	\$ 1,032,153	\$ -
Total Revenues	<u>1,032,153</u>	<u>1,032,153</u>	<u>1,032,153</u>	<u>-</u>
Expenditures:				
Current:				
Non-Instructional Services	760,078	1,424,237	1,415,146	9,091
Total Expenditures	<u>760,078</u>	<u>1,424,237</u>	<u>1,415,146</u>	<u>9,091</u>
Excess of Revenues Over(Under) Expenditures	272,075	(392,084)	(382,993)	9,091
Fund Balance at Beginning of Year	257,580	257,580	257,580	-
Prior Year Encumbrances Appropriated	<u>136,832</u>	<u>136,832</u>	<u>136,832</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 666,487</u>	<u>\$ 2,328</u>	<u>\$ 11,419</u>	<u>\$ 9,091</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 16,500	\$ 16,500	\$ 16,500	\$ -
Total Revenues	<u>16,500</u>	<u>16,500</u>	<u>16,500</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	17,000	17,000	16,500	500
Support Services:				
Instructional Staff	<u>9,760</u>	<u>9,760</u>	<u>9,760</u>	<u>-</u>
Total Expenditures	<u>26,760</u>	<u>26,760</u>	<u>26,260</u>	<u>500</u>
Excess of Revenues Over(Under) Expenditures	(10,260)	(10,260)	(9,760)	500
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	<u>9,760</u>	<u>9,760</u>	<u>9,760</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (500)</u>	<u>\$ (500)</u>	<u>\$ -</u>	<u>\$ 500</u>

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Instructional Staff	4,946	4,946	-	4,946
Total Expenditures	4,946	4,946	-	4,946
Excess of Revenues Over(Under) Expenditures	(4,946)	(4,946)	-	4,946
Fund Balance at Beginning of Year	4,946	4,946	4,946	-
Fund Balance at End of Year	\$ -	\$ -	\$ 4,946	\$ 4,946

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	3,257	3,622	3,257	365
Non-Instructional Services	365	-	365	(365)
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	\$ -	\$ -	\$ -	\$ -

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 25,740	\$ 25,740	\$ 25,740	\$ -
Total Revenues	<u>25,740</u>	<u>25,740</u>	<u>25,740</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Administration	51,224	51,224	51,224	-
Total Expenditures	<u>51,224</u>	<u>51,224</u>	<u>51,224</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(25,484)	(25,484)	(25,484)	-
Fund Balance at Beginning of Year	8,708	8,708	8,708	-
Prior Year Encumbrances Appropriated	<u>20,437</u>	<u>20,437</u>	<u>20,437</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,661</u>	<u>\$ 3,661</u>	<u>\$ 3,661</u>	<u>\$ -</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 24,375	\$ 24,375	\$ 24,375	\$ -
Total Revenues	<u>24,375</u>	<u>24,375</u>	<u>24,375</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff	24,375	24,375	22,089	2,286
Total Expenditures	<u>24,375</u>	<u>24,375</u>	<u>22,089</u>	<u>2,286</u>
Excess of Revenues Over(Under) Expenditures	-	-	2,286	2,286
Fund Balance at Beginning of Year	<u>14,262</u>	<u>14,262</u>	<u>14,262</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 14,262</u>	<u>\$ 14,262</u>	<u>\$ 16,548</u>	<u>\$ 2,286</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 33,000	\$ 33,000	\$ 33,000	\$ -
Total Revenues	<u>33,000</u>	<u>33,000</u>	<u>33,000</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	11,985	11,985	11,985	-
Non-Instructional Services	<u>33,000</u>	<u>33,000</u>	<u>33,000</u>	<u>-</u>
Total Expenditures	<u>44,985</u>	<u>44,985</u>	<u>44,985</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(11,985)	(11,985)	(11,985)	-
Fund Balance at Beginning of Year	4,485	4,485	4,485	-
Prior Year Encumbrances Appropriated	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 4,140	\$ 4,140	\$ 4,140	\$ -
Total Revenues	4,140	4,140	4,140	-
Expenditures:				
Current:				
Instruction:				
Regular	10,675	10,675	2,107	8,568
Total Expenditures	10,675	10,675	2,107	8,568
Excess of Revenues Over(Under) Expenditures	(6,535)	(6,535)	2,033	8,568
Fund Balance at Beginning of Year	6,535	6,535	6,535	-
Fund Balance at End of Year	\$ -	\$ -	\$ 8,568	\$ 8,568

**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, 2005

	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	16,000	16,000	14,000	2,000
Total Expenditures	<u>16,000</u>	<u>16,000</u>	<u>14,000</u>	<u>2,000</u>
Excess of Revenues Over(Under) Expenditures	(2,000)	(2,000)	-	2,000
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (2,000)</u>	<u>\$ (2,000)</u>	<u>\$ -</u>	<u>\$ 2,000</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 152,433	\$ 152,433	\$ 152,433	\$ -
Total Revenues	<u>152,433</u>	<u>152,433</u>	<u>152,433</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	149,082	149,082	148,525	557
Total Expenditures	<u>149,082</u>	<u>149,082</u>	<u>148,525</u>	<u>557</u>
Excess of Revenues Over(Under) Expenditures	<u>3,351</u>	<u>3,351</u>	<u>3,908</u>	<u>557</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	-	-	(487)	(487)
Advances-Out	(13,398)	(13,398)	(13,468)	(70)
Total Other Financing Sources (Uses)	<u>(13,398)</u>	<u>(13,398)</u>	<u>(13,955)</u>	<u>(557)</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(10,047)	(10,047)	(10,047)	-
Fund Balance at Beginning of Year	634	634	634	-
Prior Year Encumbrances Appropriated	<u>10,230</u>	<u>10,230</u>	<u>10,230</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 817</u>	<u>\$ 817</u>	<u>\$ 817</u>	<u>\$ -</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
VOCATIONAL EDUCATION ENHANCEMENT GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 27,780	\$ 27,780	\$ 27,780	\$ -
Total Revenues	<u>27,780</u>	<u>27,780</u>	<u>27,780</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	6,140	6,140	5,125	1,015
Vocational	22,640	22,640	22,640	-
Total Expenditures	<u>28,780</u>	<u>28,780</u>	<u>27,765</u>	<u>1,015</u>
Excess of Revenues Over(Under) Expenditures	<u>(1,000)</u>	<u>(1,000)</u>	<u>15</u>	<u>1,015</u>
Other Financing Sources (Uses):				
Refund of Prior Year Receipts	-	-	14	14
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>14</u>	<u>14</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(1,000)</u>	<u>(1,000)</u>	<u>29</u>	<u>1,029</u>
Fund Balance at Beginning of Year	<u>18</u>	<u>18</u>	<u>18</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (982)</u>	<u>\$ (982)</u>	<u>\$ 47</u>	<u>\$ 1,029</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 18,076	\$ 18,076	\$ 18,076	\$ -
Total Revenues	<u>18,076</u>	<u>18,076</u>	<u>18,076</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	10,000	10,000	9,973	27
Administration	<u>8,091</u>	<u>8,091</u>	<u>8,091</u>	<u>-</u>
Total Expenditures	<u>18,091</u>	<u>18,091</u>	<u>18,064</u>	<u>27</u>
Excess of Revenues Over(Under) Expenditures	(15)	(15)	12	27
Fund Balance at Beginning of Year	<u>27,949</u>	<u>27,949</u>	<u>27,949</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 27,934</u>	<u>\$ 27,934</u>	<u>\$ 27,961</u>	<u>\$ 27</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 1,504,679	\$ 1,504,679	\$ 1,504,679	\$ -
Total Revenues	<u>1,504,679</u>	<u>1,504,679</u>	<u>1,504,679</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	545,924	545,924	487,093	58,831
Support Services:				
Instructional Staff	831,989	831,989	835,013	(3,024)
Administration	-	-	1,468	(1,468)
Non-Instructional Services	<u>173,370</u>	<u>173,370</u>	<u>145,943</u>	<u>27,427</u>
Total Expenditures	<u>1,551,283</u>	<u>1,551,283</u>	<u>1,469,517</u>	<u>81,766</u>
Excess of Revenues Over(Under) Expenditures	(46,604)	(46,604)	35,162	81,766
Fund Balance at Beginning of Year	<u>1,756</u>	<u>1,756</u>	<u>1,756</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (44,848)</u>	<u>\$ (44,848)</u>	<u>\$ 36,918</u>	<u>\$ 81,766</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 202,233	\$ 202,233	\$ 202,233	\$ -
Total Revenues	<u>202,233</u>	<u>202,233</u>	<u>202,233</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational	66,514	66,514	66,488	26
Support Services:				
Pupils	126,607	126,615	126,641	(26)
Administration	9,112	9,112	9,112	-
Total Expenditures	<u>202,233</u>	<u>202,241</u>	<u>202,241</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	-	(8)	(8)	-
Fund Balance at Beginning of Year	<u>2,137</u>	<u>2,137</u>	<u>2,137</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,137</u>	<u>\$ 2,129</u>	<u>\$ 2,129</u>	<u>\$ -</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 35,303	\$ 35,303	\$ 35,303	\$ -
Total Revenues	<u>35,303</u>	<u>35,303</u>	<u>35,303</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	34,565	34,565	34,565	-
Total Expenditures	<u>34,565</u>	<u>34,565</u>	<u>34,565</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>738</u>	<u>738</u>	<u>738</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers-Out	(738)	(738)	(738)	-
Total Other Financing Sources (Uses)	<u>(738)</u>	<u>(738)</u>	<u>(738)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	-	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 262,046	\$ 262,046	\$ 262,046	\$ -
Total Revenues	<u>262,046</u>	<u>262,046</u>	<u>262,046</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Special	266,291	320,043	320,043	-
Total Expenditures	<u>266,291</u>	<u>320,043</u>	<u>320,043</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	<u>(4,245)</u>	<u>(57,997)</u>	<u>(57,997)</u>	<u>-</u>
Other Financing Sources (Uses):				
Advances-Out	(15,471)	(15,471)	(15,471)	-
Total Other Financing Sources (Uses)	<u>(15,471)</u>	<u>(15,471)</u>	<u>(15,471)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(19,716)	(73,468)	(73,468)	-
Fund Balance at Beginning of Year	78,067	78,067	78,067	-
Prior Year Encumbrances Appropriated	4,375	4,375	4,375	-
Fund Balance at End of Year	<u>\$ 62,726</u>	<u>\$ 8,974</u>	<u>\$ 8,974</u>	<u>\$ -</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 39,997	\$ 39,997	\$ 39,997	\$ -
Total Revenues	<u>39,997</u>	<u>39,997</u>	<u>39,997</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Pupils	40,092	40,103	40,257	(154)
Instructional Staff	1,000	1,000	833	167
Non-Instructional Services	<u>12,557</u>	<u>12,557</u>	<u>12,570</u>	<u>(13)</u>
Total Expenditures	<u>53,649</u>	<u>53,660</u>	<u>53,660</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(13,652)	(13,663)	(13,663)	-
Fund Balance at Beginning of Year	14	14	14	-
Prior Year Encumbrances Appropriated	<u>13,652</u>	<u>13,652</u>	<u>13,652</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 14</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
EMERGENCY IMMIGRANT EDUCATION GRANT - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 26,769	\$ 26,769	\$ 26,769	\$ -
Total Revenues	26,769	26,769	26,769	-
Expenditures:				
Current:				
Instruction:				
Regular	22,101	22,101	22,211	(110)
Non-Instructional Services	5,893	5,893	5,752	141
Total Expenditures	27,994	27,994	27,963	31
Excess of Revenues Over(Under) Expenditures	(1,225)	(1,225)	(1,194)	31
Fund Balance at Beginning of Year	92	92	92	-
Prior Year Encumbrances Appropriated	1,225	1,225	1,225	-
Fund Balance at End of Year	\$ 92	\$ 92	\$ 123	\$ 31

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 37,344	\$ 37,344	\$ 37,344	\$ -
Total Revenues	37,344	37,344	37,344	-
Expenditures:				
Current:				
Instruction:				
Special	11,591	11,591	10,071	1,520
Instructional Staff	28,407	28,407	29,927	(1,520)
Total Expenditures	39,998	39,998	39,998	-
Excess of Revenues Over(Under) Expenditures	(2,654)	(2,654)	(2,654)	-
Fund Balance at Beginning of Year	1,763	1,763	1,763	-
Prior Year Encumbrances Appropriated	891	891	891	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 44,758	\$ 44,758	\$ 44,758	\$ -
Miscellaneous	1,235	1,235	1,235	-
Total Revenues	45,993	45,993	45,993	-
Expenditures:				
Current:				
Support Services:				
Plant Operation and Maintenance	64,004	64,004	11,966	52,038
Total Expenditures	64,004	64,004	11,966	52,038
Excess of Revenues Over(Under) Expenditures	(18,011)	(18,011)	34,027	52,038
Fund Balance at Beginning of Year	64,005	64,005	64,005	-
Fund Balance at End of Year	\$ 45,994	\$ 45,994	\$ 98,032	\$ 52,038

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 155,763	\$ 155,763	\$ 155,763	\$ -
Total Revenues	<u>155,763</u>	<u>155,763</u>	<u>155,763</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	129,803	129,803	129,998	(195)
Support Services:				
Instructional Staff	51,056	51,056	51,011	45
Non-Instructional Services	<u>3,268</u>	<u>3,268</u>	<u>3,118</u>	<u>150</u>
Total Expenditures	<u>184,127</u>	<u>184,127</u>	<u>184,127</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(28,364)	(28,364)	(28,364)	-
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	<u>28,364</u>	<u>28,364</u>	<u>28,364</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 6,967	\$ 6,967	\$ 6,967	\$ -
Total Revenues	<u>6,967</u>	<u>6,967</u>	<u>6,967</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	4,893	5,020	6,828	(1,808)
Support Services:				
Instructional Staff	4,550	4,550	2,750	1,800
Non-Instructional Services	<u>1,256</u>	<u>628</u>	<u>620</u>	<u>8</u>
Total Expenditures	<u>10,699</u>	<u>10,198</u>	<u>10,198</u>	<u>-</u>
Excess of Revenues Over(Under) Expenditures	(3,732)	(3,231)	(3,231)	-
Fund Balance at Beginning of Year	<u>5,798</u>	<u>5,798</u>	<u>5,798</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 2,066</u></u>	<u><u>\$ 2,567</u></u>	<u><u>\$ 2,567</u></u>	<u><u>\$ -</u></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, 2005

	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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 207,229	\$ 207,229	\$ 207,229	\$ -
Charges for Services	1,754,886	1,754,886	1,754,886	-
Total Revenues	1,962,115	1,962,115	1,962,115	-
Expenditures:				
Current:				
Plant Operation and Maintenance	27,050	27,050	15,264	11,786
Non-Instructional Services	2,101,100	2,101,100	2,039,724	61,376
Total Expenditures	2,128,150	2,128,150	2,054,988	73,162
Excess of Revenues Over(Under) Expenditures	(166,035)	(166,035)	(92,873)	73,162
Fund Balance at Beginning of Year	242,820	242,820	242,820	-
Prior Year Encumbrances Appropriated	11,000	11,000	11,000	-
Fund Balance at End of Year	\$ 87,785	\$ 87,785	\$ 160,947	\$ 73,162

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
UNIFORM SCHOOL SUPPLIES - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Charges for Services	\$ 355,250	\$ 355,250	\$ 355,250	\$ -
Total Revenues	<u>355,250</u>	<u>355,250</u>	<u>355,250</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	429,285	424,275	348,060	76,215
Total Expenditures	<u>429,285</u>	<u>424,275</u>	<u>348,060</u>	<u>76,215</u>
Excess of Revenues Over(Under) Expenditures	<u>(74,035)</u>	<u>(69,025)</u>	<u>7,190</u>	<u>76,215</u>
Other Financing Sources (Uses):				
Advances-Out	(3,000)	(3,000)	-	3,000
Total Other Financing Sources (Uses)	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>	<u>3,000</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(77,035)</u>	<u>(72,025)</u>	<u>7,190</u>	<u>79,215</u>
Fund Balance at Beginning of Year	146,182	146,182	146,182	-
Prior Year Encumbrances Appropriated	<u>22,611</u>	<u>22,611</u>	<u>22,611</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 91,758</u>	<u>\$ 96,768</u>	<u>\$ 175,983</u>	<u>\$ 79,215</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOLNET FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Intergovernmental	\$ 64,470	\$ 64,470	\$ 64,470	\$ -
Total Revenues	64,470	64,470	64,470	-
Expenditures:				
Current:				
Instruction:				
Regular	68,934	68,934	68,494	440
Total Expenditures	68,934	68,934	68,494	440
Excess of Revenues Over(Under) Expenditures	(4,464)	(4,464)	(4,024)	440
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	4,464	4,464	4,464	-
Fund Balance at End of Year	\$ -	\$ -	\$ 440	\$ 440

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
INTERACTIVE VIDEO DISTANCE LEARNING FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction:				
Regular	5,150	5,150	5,150	-
Total Expenditures	5,150	5,150	5,150	-
Excess of Revenues Over(Under) Expenditures	(5,150)	(5,150)	(5,150)	-
Fund Balance at Beginning of Year	28	28	28	-
Prior Year Encumbrances Appropriated	5,122	5,122	5,122	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

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 accounts 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, 2005**

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 23,440	\$ 1,536	\$ 24,976
Cash and Cash Equivalents:			
With Fiscal Agent	-	10,335	10,335
Total Assets	23,440	11,871	35,311
Liabilities:			
Accounts payable	151	-	151
Net Assets:			
Held in trust for scholarships	23,289	11,871	35,160
Total Net Assets	\$ 23,289	\$ 11,871	\$ 35,160

**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, 2005

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total
Additions:			
Gifts and Donations	\$ 1,704	\$ -	\$ 1,704
Investment Earnings	419	-	419
Total Additions	2,123	-	2,123
Deductions:			
Payments in accordance with trust agreements	2,911	500	3,411
Total Deductions	2,911	500	3,411
Change in Net Assets	(788)	(500)	(1,288)
Net Assets Beginning of Year	24,077	12,371	36,448
Net Assets End of Year	\$ 23,289	\$ 11,871	\$ 35,160

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

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
<u>Student Managed Activities</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 127,066	\$ 302,063	\$ 311,308	\$ 117,821
Total Assets	<u>\$ 127,066</u>	<u>\$ 302,063</u>	<u>\$ 311,308</u>	<u>\$ 117,821</u>
Liabilities:				
Accounts Payable	\$ 2,584	\$ 2,311	\$ 2,584	\$ 2,311
Due to Students	124,482	299,752	308,724	115,510
Total Liabilities	<u>\$ 127,066</u>	<u>\$ 302,063</u>	<u>\$ 311,308</u>	<u>\$ 117,821</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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Gifts and Donations	\$ 419	\$ 419	\$ 419	\$ -
Interest	1,704	1,704	1,704	-
Total Revenues	2,123	2,123	2,123	-
Expenses:				
Student Scholarships	39,378	39,378	4,643	34,735
Total Expenses	39,378	39,378	4,643	34,735
Excess of Revenues Over(Under) Expenses	(37,255)	(37,255)	(2,520)	34,735
Excess of Revenues and Other Financing Sources Over(Under) Expenses and Other Financing Uses	(37,255)	(37,255)	(2,520)	34,735
Fund Equity at Beginning of Year	23,591	23,591	23,591	-
Prior Year Encumbrances Appropriated	1,387	1,387	1,387	-
Fund Equity at End of Year	\$ (12,277)	\$ (12,277)	\$ 22,458	\$ 34,735

**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, 2005

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Interest	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenses:				
Student Scholarships	4,036	4,036	500	3,536
Total Expenses	4,036	4,036	500	3,536
Excess of Revenues Over(Under) Expenses	(4,036)	(4,036)	(500)	3,536
Fund Equity at Beginning of Year	2,036	2,036	2,036	-
Fund Equity at End of Year	<u>\$ (2,000)</u>	<u>\$ (2,000)</u>	<u>\$ 1,536</u>	<u>\$ 3,536</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 Three Fiscal Years (1)

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Program Revenues:			
Charges for Services	\$ 4,913,491	\$ 4,579,238	\$ 4,311,331
Operating Grants and Contributions	3,865,453	3,438,001	2,951,841
Capital Grants and Contributions	<u>114,693</u>	<u>48,917</u>	<u>200,441</u>
Total Program Revenues:	<u>8,893,637</u>	<u>8,066,156</u>	<u>7,463,613</u>
General Revenues			
Property Taxes	48,367,659	48,122,564	42,208,394
Grants and Entitlements not restricted to Specific Programs	18,114,065	18,457,781	17,307,126
Investment Earnings	754,742	370,634	670,707
Miscellaneous	<u>344,337</u>	<u>268,493</u>	<u>397,873</u>
Total General Revenues	<u>67,580,803</u>	<u>67,219,472</u>	<u>60,584,100</u>
Total Revenues	<u>\$ 76,474,440</u>	<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 Three Fiscal Years (1)

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Instruction:			
Regular	\$ 33,837,538	\$ 34,047,380	\$ 31,881,238
Special	7,075,762	6,644,429	5,599,315
Vocational	2,233,275	2,185,235	1,939,684
Other	511,735	478,686	482,788
Total Instruction	<u>43,658,310</u>	<u>43,355,730</u>	<u>39,903,025</u>
Support Services:			
Pupils	3,331,856	3,088,292	2,961,925
Instructional Staff	5,515,202	5,403,371	5,280,429
Board of Education	29,910	19,255	19,884
Administration	4,138,307	3,820,320	3,759,173
Fiscal	1,213,651	1,314,217	1,380,517
Business	470,198	539,761	519,122
Operation and Maintenance of Plant	4,892,584	6,434,103	5,785,183
Transportation	4,918,168	4,633,431	4,188,147
Central	100,071	93,373	102,201
Total Support Services	<u>24,609,947</u>	<u>25,346,123</u>	<u>23,996,581</u>
Non-instructional Services	3,404,785	3,043,987	2,891,264
Extracurricular Activities	604,548	577,028	579,868
Interest and Fiscal Charges	798,114	882,859	986,240
Unallocated Depreciation	<u>952,149</u>	<u>919,310</u>	<u>966,213</u>
Total Expenses	<u>\$ 74,027,853</u>	<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 Government Revenues by Source (1)
Last Ten Fiscal Years (2)

Fiscal Year	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Taxes	\$ 45,397,208	\$ 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
Intergovernmental	17,789,315	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
Interest	701,301	461,401	490,026	1,127,786	1,911,229	1,500,923	1,594,380	1,340,651	1,224,476	864,372
Tuition and Fees	462,560	641,127	333,972	333,972	285,229	336,601	318,019	167,513	142,687	143,857
Transportation Fees	-	-	-	-	-	-	-	130,470	101,290	52,038
Other Revenues	1,309,308	1,032,749	1,127,036	834,985	882,351	620,555	1,131,433	819,257	654,676	684,183
Total Revenues	<u>\$ 65,659,692</u>	<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>

Source: Centerville City School District records.

(1) The School District defines general government as the General Fund.

(2) 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 Government Expenditures by Function (1)
Last Ten Fiscal Years (2)

Fiscal Year	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Regular Instruction	\$ 32,163,858	\$ 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
Special Instruction	6,077,638	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
Vocational Instruction	2,153,847	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
Other Instruction	511,735	478,686	482,788	339,840	243,814	158,730	154,601	127,572	94,090	90,122
Pupil	3,186,356	2,897,816	2,787,798	2,473,030	2,134,115	2,031,465	2,015,532	1,801,579	1,740,563	1,667,023
Instructional Staff	4,731,524	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
Board of Education	29,910	19,255	19,884	21,920	27,102	22,177	16,663	12,379	11,089	12,030
Administration	4,113,733	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
Fiscal	1,140,931	1,270,660	1,311,571	1,297,923	1,097,960	1,202,264	868,432	929,329	777,009	728,957
Business	481,356	517,818	545,042	459,865	449,905	425,516	402,522	412,636	351,799	320,019
Operations and Maintenance	4,747,897	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
Pupil Transportation	4,502,080	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
Central	100,071	93,373	88,800	81,974	102,752	39,098	63,251	48,668	30,369	37,805
Capital Outlay	-	-	-	-	-	-	55,404	40,432	-	59,000
Total Expenditures	\$ 63,940,936	\$ 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

Source: Centerville City School District records.

(1) The School District defines general government as the General Fund.

(2) 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
2004	\$ 51,135,045	\$ 50,686,556	99.12%	\$ 1,257,880	2.46%
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%

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
2005	\$ 1,443,169,480	\$ 4,123,344,371	\$ 57,530,705	\$ 239,711,271	\$ 32,988,410	\$ 49,236,433	\$ 1,533,688,595	\$ 4,412,292,075
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

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

	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Centerville City School District	60.75%	60.75%	61.80%	60.81%	60.75%	56.05%	56.38%	56.81%	56.81%	56.81%
Montgomery County (1)	18.24%	18.24%	17.24%	17.24%	17.24%	16.64%	16.64%	16.64%	16.64%	16.64%
City of Centerville	2.35%	2.35%	2.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Library	3.03%	3.03%	3.03%	1.63%	1.63%	1.63%	1.30%	1.30%	1.30%	1.30%
Washington Township (2)	16.85%	15.95%	15.95%	7.90%	7.90%	7.90%	16.00%	15.50%	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 (2)	Gross Bonded Debt	Less Debt Service Fund (3)	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value (%)	Net Bonded Debt Per Capita
2005	52,991	\$ 1,533,688,595	\$ 77,472,066	\$ 6,156,237	\$ 71,315,829	4.65%	\$1,346
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

(1) City of Centerville and Washington Township (2003 - 2005 based on U.S. Census data; other years are estimates)

(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, 2005

Assessed Valuation of District		<u>\$1,533,688,595</u>
<u>Overall Direct Debt Limitation</u>		
Direct Debt Limitation		
9% of assessed valuation		138,031,974
Amount Available in Debt Service Fund		6,156,237
Gross Indebtedness	(77,472,066)	
Less: Debt Exempt from Limitation	<u>-</u>	
Debt Subject to 9% Limitation		<u>(77,472,066)</u>
Legal Debt Margin Within 9% Limitation		<u>66,716,145</u>
<u>Unvoted Direct Debt Limitation</u>		
Unvoted Debt Limitation		
0.1% of Assessed Valuation		1,533,689
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>1,533,689</u>
<u>Energy Conservation Bond Limitation</u>		
Debt Limitation		
0.9% of Assessed Valuation		13,803,197
Energy Conservation Notes Authorized by the Board		<u>-</u>
Legal Debt Margin Within 0.9% Limitation		<u>\$13,803,197</u>

Source: Centerville City School District records.

Table 10

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

Computation of Direct and Overlapping Debt
June 30, 2005

Governmental Unit:	Gross General Obligation	Percent Applicable to District	Amount Applicable to District
Direct:			
Centerville City School District	<u>\$77,472,066</u>	100.00%	<u>\$77,472,066</u>
Overlapping:			
Montgomery County	57,720,802	14.97%	8,640,804
Centerville City	7,586,000	100.00%	7,586,000
Kettering City	8,768,750	0.19%	16,661
Washington Township Park District	2,765,000	100.00%	2,765,000
Miami Valley Reg. Transit Auth.	<u>10,010,070</u>	14.97%	<u>1,498,507</u>
Total Overlapping:	<u>86,850,622</u>		<u>20,506,972</u>
Total Direct and Overlapping Debt:	<u><u>\$164,322,688</u></u>		<u><u>\$97,979,038</u></u>

Source: County Auditor's Records/School District Data

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 (%)
2005	\$ 1,385,000	\$ 488,025	\$ 1,873,025	\$ 63,940,936	2.92%
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%

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>
2005	52,991	8,202	6.60%
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%

Sources: (1) City of Centerville and Washington Township; 2003-2005 based on U.S. Census data, other years are estimates.

(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>
2005	\$ 31,129,252	\$ 250,930	\$ 1,443,169,480
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

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 measure 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, 2005

	Name of Taxpayer	Total Assessed Valuation	% of Total Assessed Valuation:
1	Dayton Power & Light Company	\$16,013,560	1.04%
2	Ohio Bell Telephone Company	11,080,240	0.72%
3	Cross Pointe Center	7,338,900	0.48%
4	Miller Farms Apartments	7,084,730	0.46%
5	Washington Place LTD	5,926,560	0.39%
6	Voss Chevrolet Inc	5,644,370	0.37%
7	Steeplacchase Advisors	4,754,130	0.31%
8	CVS Partnership	4,593,100	0.30%
9	Bob Ross Buick Inc	3,825,520	0.25%
10	Chesapeake Landing	3,605,000	0.24%
		<u>69,866,110</u>	<u>4.56%</u>
	All Others:	<u>1,463,822,485</u>	<u>95.44%</u>
	Total:	<u><u>\$1,533,688,595</u></u>	<u><u>100.00%</u></u>

Source: Montgomery County Auditor

Table 15

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

Miscellaneous Statistical Data
June 30, 2005

Enrollment by Grade (1):														
	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2004-05	767	577	583	566	606	610	588	559	639	648	699	702	658	8,202
The following are projections (2):														
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
2013-14	790	653	677	696	711	720	734	746	743	790	789	750	788	9,587

- Sources:
- (1) Centerville City School District records; Kindergarten includes preschool school students.
 - (2) Educational Services, Inc. "Enrollment Forecast Report"; projected enrollment does not include preschool students.



**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
FEBRUARY 9, 2006**