

HAMILTON CITY SCHOOL DISTRICT

Single Audit Reports

June 30, 2005



**Auditor of State
Betty Montgomery**

Board of Education
Hamilton City School District
Hamilton, Ohio

We have reviewed the *Independent Auditors' Report* of the Hamilton City School District, Butler County, prepared by Clark, Schaefer, Hackett & Co., 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 Hamilton 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

March 20, 2006

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HAMILTON CITY SCHOOL DISTRICT

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HAMILTON CITY SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2005

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture:</u>			
(Passed through Ohio Department of Education)			
Nutrition Cluster:			
Food Distribution Program	10.550	\$ 187,984	172,859
School Breakfast Program	10.553	478,784	478,784
National School Lunch Program	10.555	<u>1,549,757</u>	<u>1,549,757</u>
Total U.S. Department of Agriculture		<u>2,216,525</u>	<u>2,201,400</u>
 <u>U.S. Department of Education:</u>			
(Passed through Ohio Department of Education)			
Special Education Cluster:			
Title VI - B Grant	84.027	1,542,695	1,849,105
Preschool Grant	84.173	<u>59,842</u>	<u>68,048</u>
Total Special Education Cluster		<u>1,602,537</u>	<u>1,917,153</u>
Adult and Basic Education	84.002	22,958	194,953
Grants to Local Education Agencies (ESEA Title I)	84.010	3,026,772	3,104,122
Carl D Perkins	84.048	195,027	225,471
Emergency Response Crisis Management	84.184E	-	139,439
Safe and Drug Free Community	84.184C	25,132	139,535
Safe and Drug Free Schools and Community	84.186	64,636	79,039
Education for Homeless Children and Youth	84.196	23,390	23,650
Teaching Traditional History	84.215	-	185,241
Innovative Education Program Strategy - Title VI	84.298	50,511	68,843
Title III - LEP/Immigration	84.365	69,055	62,325
Improving Teacher Quality State Grant Title IIA	84.367	652,539	618,807
Advanced Placement Program	84.330	1,148	-
Comprehensive School Reform Demonstration	84.332	28,565	36,825
Technology Literacy Challenge Fund Grant	84.318	<u>115,812</u>	<u>135,339</u>
Total U.S. Department of Education		<u>5,878,082</u>	<u>6,930,742</u>
 <u>Corporation for National and Community Service</u>			
(Passed through Ohio Department of Education)			
Learn and Serve America-School and Community Based Programs	94.004	<u>6,750</u>	<u>13,860</u>
Total Federal Awards		\$ <u>8,101,357</u>	<u>9,146,002</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - FOOD DISTRIBUTION

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

NOTE C - MATCHING REQUIREMENTS

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

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

**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
Hamilton City School District:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hamilton City School District as of and for the year ended June 30, 2005, which collectively comprise Hamilton City School District's basic financial statements and have issued our report thereon dated November 30, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 Hamilton City 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 an opinion 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 operations that we consider to be material weaknesses. We noted certain matters that we reported to the management of Hamilton City School District in a separate letter dated November 30, 2005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hamilton City 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 that are required to be reported under *Government Auditing Standards*. We noted certain matters that we reported to the management of Hamilton City School District in a separate letter dated November 30, 2005.

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

Clark, Schaefer, Hackel & Co.

Middletown, Ohio
November 30, 2005

**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
Hamilton City School District:

Compliance

We have audited the compliance of Hamilton City 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. Hamilton City School District's major federal programs are identified in the summary of auditors' 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 Hamilton City School District's management. Our responsibility is to express an opinion on Hamilton City 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; 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 Hamilton City 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 of Hamilton City School District's compliance with those requirements.

In our opinion, Hamilton City 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 Hamilton City School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Hamilton City 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 the 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.

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, and have issued our report thereon dated November 30, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. 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 Board of Education, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Middletown, Ohio
November 30, 2005

HAMILTON CITY SCHOOL DISTRICT

Schedule of Findings and Questioned Costs

Year Ended June 30, 2005

Section I - Summary of Auditors' Results

Financial Statements

Type of report issued on financial statements:	unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	none
Reportable condition(s) identified not considered to be material weaknesses?	none
Noncompliance material to financial statements noted?	none

Federal Awards

Internal Control over major programs:	
Material weakness(es) identified?	none
Reportable condition(s) identified not considered to be material weaknesses?	none
Type of auditors' report issued on compliance for major programs:	unqualified
Any audit findings that are required to be reported in accordance with Circular A-133, Section .510(a)?	no
Identification of major programs:	
Nutrition Cluster CFDA 10.550, 10.553, & 10.555	
Improving Teacher Quality State Grants Title IIA CFDA 84.367	
Dollar threshold to distinguish between Type A and Type B Programs:	\$300,000
Auditee qualified as low-risk auditee?	yes

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

HAMILTON CITY SCHOOL DISTRICT

Schedule of Prior Audit Findings

Year Ended June 30, 2005

The prior audit disclosed no instances of noncompliance with requirements of major federal programs. In addition, no reportable conditions or material weaknesses with respect to internal controls over compliance with requirements that could have a direct and material effect on a major federal program were reported in the prior year.



HAMILTON

CITY SCHOOL

D I S T R I C T

Hamilton, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2005



BOARD OF EDUCATION



George N. Jonson, Esq.
President



Larry Bowling
Vice-President



Anna Harvey
Member



Lori Lewis
Member



Glenn Stitsinger, D.D.S.
Member



Janet Baker
Superintendent



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

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

HAMILTON CITY SCHOOL DISTRICT

HAMILTON, OHIO

For the Fiscal Year Ended June 30, 2005

BOARD OF EDUCATION

George N. Jonson, Esq.	President
Larry Bowling	Vice-President
Anna Harvey	Member
Lori Lewis	Member
Glenn Stitsinger, D.D.S.	Member

SUPERINTENDENT OF SCHOOLS

Janet Baker

ISSUED BY

TREASURER'S OFFICE

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



A Premier School District

The Hamilton City Schools thank the following business and community leaders for volunteering over 850 hours as part of the Blue Ribbon Commission.

James K. Fitton, Chairperson
The Colonial Foundation

Donald T. Baker
GBR Group LLC

William A. Groth
National Retirement Consultants, Inc.

Maureen Noe
Butler County United Way

Jeffrey C. Roberts
First Financial Bank

Robert H. Rusbosin, Ed.D.
Miami University Hamilton

David Schirmer
Schirmer Properties

Janice Walker
First Financial Bank

“The Hamilton City School District continues to excel while maintaining budget integrity.”

- Blue Ribbon Commission



“The Hamilton City Schools are operated in a cost effective and prudent manner.”

*- Blue Ribbon Commission
September 2004*

Business and community leaders spent one year reviewing the Hamilton City School District’s finances and operations.

Their major findings include:

- Your Hamilton City Schools are led by an effective Superintendent and School Board who have the vision, compassion and expertise to move this District forward.
- The district is a good steward of the tax - payers money as evidenced by their ability to function without additional operating tax levies since 1993.
- The 1999 bond funds were used appropriately and effectively for building improvements.
- The district continues to be aggressive in securing grant funds for the ongoing operation of the district.

To request a copy of the Blue Ribbon Report, please call 868-4438.

**Hamilton City School District
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2005**

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November 30, 2005

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

The Comprehensive Annual Financial Report (CAFR) of the Hamilton City School District (District) for the fiscal year ended June 30, 2005, is hereby submitted. This report was prepared by the Treasurer's Office, and includes the unqualified opinion of our independent auditors, Clark, Schaefer, Hackett & Co. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. The CAFR conforms to generally accepted accounting principles (GAAP) and was prepared in conformance with the standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

The CAFR is presented in three sections: introductory, financial, and statistical. The Introductory Section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial Section includes the basic financial statements and the combining and individual fund financial statements and schedules, as well as the auditors report on the financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

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

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

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

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

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

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

Economic Condition and Outlook

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

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

The unemployment rate for the city of Hamilton decreased to 6.1% in June 2005, down 0.6% from 6.7% in June 2004 according to the Ohio Bureau of Employment Services. The nation's unadjusted unemployment rate was 5.2% for June 2005. The unadjusted unemployment rate for the state of Ohio in June 2005 was 6.2%. Employment in the state of Ohio was 5,590,200 in June 2005.

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

The District and Its Facilities

The District's enrollment has been slightly decreasing over the past several years. This year marks the eighth consecutive year that the District's enrollment has decreased. The District had an enrollment of 9,196 students compared to 9,297 students for the fiscal year that ended June 30, 2004.

The District's facilities include 14 neighborhood elementary schools, 2 junior high schools, one freshman school, one comprehensive high school (grades 10-12), one alternative school, maintenance building, transportation facility, central food service warehouse, central office, and several sports fields.

Organization of the District

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

The Board members represent a cross section of professions found in Hamilton. The Board members on June 30, 2005 were as follows:

Board Member	Service as a Board Member		Profession
	Began	Expires	
George N. Jonson, Esq., President	01/01/82	12/31/05	Lawyer
Larry Bowling, Vice-President	01/01/88	12/31/07	Insurance Agent
Anna Harvey	01/01/02	12/31/05	Customer Service Representative
Lori Lewis	01/01/04	12/31/07	Bank Teller
Glenn Stitsinger, D.D.S.	01/01/86	12/31/05	Dentist

The Superintendent is the chief executive officer of the District, responsible directly to the Board for all education and support operations. Mrs. Janet Baker was appointed Superintendent on June 16, 1992. Mrs. Baker has been in the education profession for 35 years; 3 years as a teacher, and 32 years in administration. Mrs. Baker has a BS in Education from Miami University and a ME from Eastern Kentucky University, and has taken several semester hours of education beyond a master's degree.

The Treasurer is the chief financial officer of the District, responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio Law. Mr. Robert A. Hancock, CPA was appointed Treasurer on October 11, 1993. Mr. Hancock, a Certified Public Accountant, has been in the government finance profession for 21 years; 4 years in the government auditing profession, and 17 years as a school district treasurer. Mr. Hancock has a BA with majors in Accounting and Business from Bluffton College.

Employee Relations

The District currently has approximately 1,462 full-time and part-time employees. There are five organizations representing District employees. As of the date of this letter, the Board successfully concluded negotiations with all five labor organizations on two year agreements for wages and fringe benefits. Wage agreements reached for the two-year period through June 30, 2007 or July 31, 2007, as applicable, included increases of 3.0%-2.0% per year, respectively.

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

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

Services Provided

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

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

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

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

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

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

Major Initiative and Events – FY 2005

Hamilton Freshman School Opens

The Hamilton Freshman School, the first new school in 45 years, was officially opened September 7, 2004 to 676 students. Many local and state officials participated in the Ribbon Cutting Ceremony, held in conjunction with the Greater Hamilton Chamber of Commerce Business After Hours. The first year was well received by students, parents, staff and community members, with seven companies and organizations becoming Adopt-A-School partners with the Freshman School.

District Receives Telly Award

The Hamilton City School District received its second Telly Award for the District video of “Hamilton City Schools Update 2004: A Premier District.” The District created the original script and video footage and AVID Digital Communications produced the video which highlighted the many accomplishments of the District. The District produced DVD’s to distribute to each household at the elementary level so that parents may view the video and also share it with family and friends. It was also distributed to city and chamber officials to use in their Marketing efforts.

Blue Ribbon Report: District Good Steward of Local Tax Dollars

A Blue Ribbon Commission, consisting of local business leaders, spent more than 845 hours interviewing, researching and observing District personnel and practices. Their conclusion stated, “The Hamilton City Schools have managed to keep costs contained while at the same time increasing all of the indicators used by the state of Ohio to evaluate the district.” Led by chairperson Jim Fitton, this eight member commission listed several observations for the Board of Education and Administration to review. The District salutes the following members for their time to take a very thorough look at the operation of the District: Jim Fitton, chair; Donald Baker; William Groth; Maureen Noe; Jeffrey Roberts; Robert Rusbosin; David Schirmer; and Janice Walker.

Bonds Named Educator of the Year

Nancy Bonds, kindergarten teacher at Buchanan Elementary School, was named the Harry T. Wilks Educator of the Year at the second annual dinner in October 2004. As a 14 year veteran, Bonds was one of five finalists for this prestigious award in which over 300 persons celebrated Education as a community priority.

Boys Golf Team Goes to State

The Hamilton High School Boys Varsity Golf Team worked hard to make it to the State Golf Tournament for the first time. Senior golfer Kyle Hodges won Individual honors as the 2004 Division I Boys Golf State Champion! He will continue his golf career at Xavier University. The District commends these student athletes as they represented their school and community very well.

Students' Compassion Praised

With the devastation caused by the tsunami in Southeast Asia, students in the Hamilton City School District raised over \$12,000 for its victims. Students and staff understand that education takes place far beyond the walls of their individual schools, and the money raised went to UNICEF, AmeriCares and the American Red Cross. Students are aware of what is going on in the world and show their compassion for their fellow man.

District Receives Grant to Purchase Defibrillators

Ohio House Bill 434 appropriated \$2.5 million for school districts to receive automated external defibrillators. The Hamilton City School District received 13 and training for staff members at each school. The automated external defibrillator (aed) is a portable automatic device used to restore normal heart rhythm to patients in cardiac arrest. The District worked with the Hamilton Fire Department to train staff members.

Superintendent Becomes Member of Junior Achievement Worldwide Educators' Advisory Council

Superintendent Janet Baker was invited to become a member of the Junior Achievement Worldwide Educators' Advisory Council, serving in an advisory role for the JA Worldwide Board of Directors, which has 80 members. The Council will be asked to provide input to assist the JA Worldwide Board in its decision making.

Hamilton High School Offers Two New Career Technical Courses

Two new career technical courses, Teacher Academy and Cosmetology, began at Hamilton High School in the 2004-2005 school year. These new programs enable students to learn the skills necessary to become professionals in their chosen fields. The student response to these offerings has been very favorable as the District continues to offer programs for students to become successful in the workplace. The District looks forward to next school year when the Cosmetology lab will be open for public use.

Student Finalist in the Young Inventors Awards Program

Adams Elementary fourth-grader, Olivia Conrad was named one of 12 national finalists in the second through fifth grade category of the Craftsman/National Science Teachers Association Young Inventors Awards Program for her invention of a kickstand for a boot. This distinction earned her a \$500 savings bond and a trip to Chicago to share her invention with the other finalists.

Class of 2005 a Success

The Hamilton High School Class of 2005 was the first graduating class to pass all sections of the Ohio state proficiency tests. Over 100 seniors were recognized for the efforts with local, state and national scholarships.

Two Schools of Promise

It was through the ongoing efforts and competence of our staff that two schools were added to the state's distinguished "Schools of Promise." Cleveland and Pierce elementary schools join Garfield Middle School for this prestigious state honor.

Major Initiatives for the Future

Academic Progress

The Hamilton City School District is committed to continue its academic success for all students. Each school creates its own Continuous Improvement Plan that drives the academic focus for that school. Professional Development training for staff members continues to enhance student learning as well. Staff members participated in over 250 staff development and in-service workshops during the 2004-2005 school year, with many trainings being led by our own staff members.

Progress on the state report card continues to be outstanding. Student performance is at an all time high as the District surpassed the state average in 14 areas, scoring only 1% short of an Effective Rating.

As the state changes the report card from ninth grade proficiency tests to the more rigorous tenth grade (Ohio Graduation Test), the District will implement strategies for students to better prepare them for this new test.

School Facilities

The District will continue to work with the Ohio School Facilities Commission to ensure that all new elementary schools will replace our aging 14 elementary schools that range from 45 to close to 100 years old. The Hamilton Board of Education and Administration are committed to seeing this aggressive plan to fruition as a lasting legacy to the Hamilton community.

Financial Information

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

Internal Controls

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

Single Audit Act

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

As part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2005 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

The District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. The District also maintains an encumbrance accounting system to assist in budgetary control. Unencumbered appropriations lapse at year-end. Encumbered amounts at year-end are carried forward to succeeding years and not re-appropriated. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

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

Other Information

Awards:

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Hamilton City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 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 requirements.

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

ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence on Financial Reporting for the fiscal year ended June 30, 2004 to the District. This is the 12th consecutive year the District has received this award. This award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2004 substantially conforms to the principles and standards financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2005, which will be submitted to ASBO for review, will again conform to ASBO's principles and standards as well.

Independent Audit

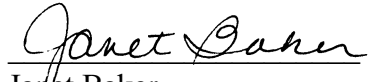
State statutes require an annual audit by independent accountants or the State Auditor's Office. Clark, Schaefer, Hackett & Co. conducted the District's 2005 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act as amended in 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Acknowledgments

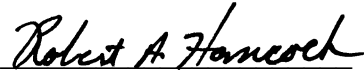
The preparation and publication of this report on a timely basis could not have been possible without the cooperation of the entire Treasurer's Office.

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

Sincerely,



Janet Baker
Superintendent



Robert A. Hancock, CPA
Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Hamilton
City School District,
Ohio

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

President

Jeffrey R. Emmer

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

Hamilton City School District

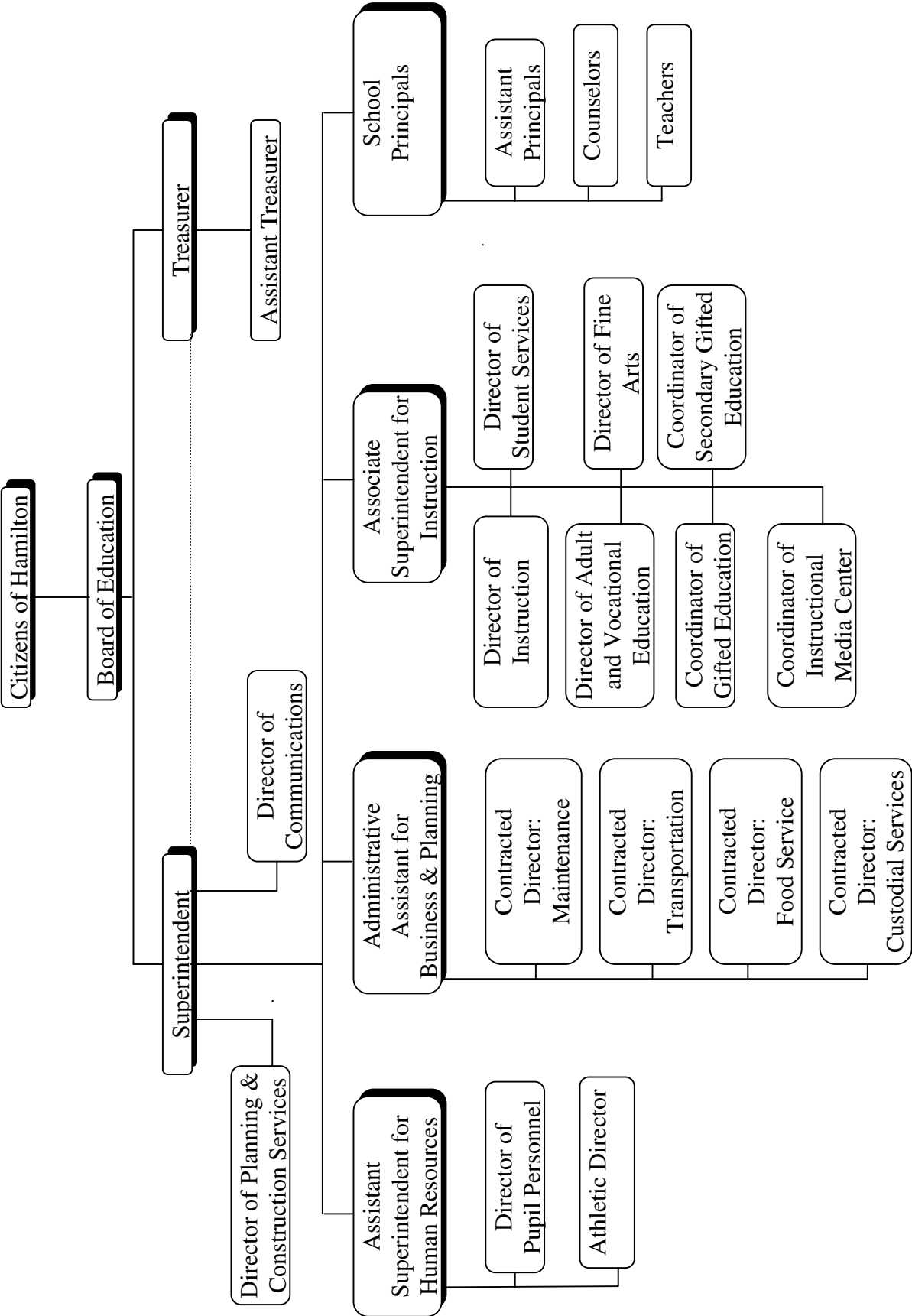
For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2004

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

President

Executive Director

Hamilton City School District Organizational Chart



Hamilton City School District
Appointed Officials

Official	Title
Mrs. Janet Baker	Superintendent
Mr. Robert A. Hancock, CPA	Treasurer
Mrs. Barbara Fuerbacher	Associate Superintendent of Instruction
Dr. Everett Mann	Administrative Assistant of Business and Planning and State and Federal Programs
Mrs. Kathy Leist	Assistant Superintendent for Human Resources
Mr. Jim Boerke	Director of Planning and Construction Services
Mrs. Joni Copas	Director of Communications
Mr. Bill Valerius	Director of Pupil Personnel
Mrs. Joan Avery	Director of Instruction
Mrs. Judy Carnes	Director of Student Services
Mr. Herbert Dietz	Director of Adult and Vocational Education
Mr. Laurin Sprague	Director of Fine Arts
Mr. Mike Burns	Director of Custodial Services
Mr. Lee Wallace	Director of Maintenance
Ms. Becky Goosey	Director of Transportation
Ms. Cinde Gorbandt	Director of Food Service
Mr. Mark Schiel	Assistant Treasurer
Mr. Michael Dellapina	Athletic Director
Mr. Clair Brustkern	Coordinator of Instructional Media Center
Mrs. Sue Clover	Coordinator of Gifted Education
Mrs. Karen Quells	Coordinator of Secondary Gifted Education

**Hamilton City School District
Consultants and Advisors
For the Fiscal Year Ended June 30, 2005**

Architect

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

Independent Auditor

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

Legal Council

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

Official Depositories

Fifth Third Bank
Third and High Streets
Hamilton, Ohio 45011

Lebanon Citizen National Bank
794 NW Washington Boulevard
Hamilton, Ohio 45013

Health Insurance - 3rd Party Administrator

Principal Financial Group
8909 Purdue Road, Suite 100
Indianapolis, Indiana 46268

Bond Council

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

Investment Counselor

Seasongood & Mayer
414 Walnut Street
Cincinnati, Ohio 45202

Scheper & McGowan
2 South Third Street
Hamilton, Ohio 45011

First Financial Bank
Third and High Streets
Hamilton, Ohio 45011

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

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Hamilton High School offers Two New Career Technical Classes for the 2004-2005 School Year.

Teacher Academy and Cosmetology were two new career technical courses that Hamilton High School offered to students beginning in 2004.

Cosmetology enables students to learn about cuts, colors, chemical services, manicures and pedicures and to also receive hands-on experience as they work with private salons during the summer months in order to receive their State Board Certification.



Hamilton High School's first year Teacher Academy class won Second Place in the National Future Educators of America Competition held in Chicago. Winners included, left to right: **Sarah Martin, Brandon Ramey, Jason Parsons, Jason Gray, Lesley Huffenberger** and **Chris Mahon**. Not pictured is **Cassie Taylor**.

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Hamilton City School District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton City School District, as of and for the year ended June 30, 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 Hamilton City School District, as of June 30, 2005, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2005, on our consideration of Hamilton City School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and the budgetary comparison information on pages 3 through 12 and 50 through 54, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Clark, Schufro, Hackett & Co.

Middletown, Ohio
November 30, 2005

HAMILTON CITY SCHOOL DISTRICT

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

Management's discussion and analysis of the Hamilton City School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2005. The purpose of this discussion and analysis is to look at the District's financial performance as a whole. The transmittal letter and notes to the financial statements will also enhance your understanding of the District's financial statements.

Using this Comprehensive Annual Financial Report

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

Financial Highlights

- Total program expenses were \$79.0 million during FY 2005 compared to \$83.3 million in FY 2004, a decrease of 5.2 percent.
- Total non-instructional service expenses were \$4.6 million during FY 2005 (including food service operations) compared to \$4.5 million during FY 2004, an increase of 2.2 percent.
- Total operating grants and contributions were \$14.0 million during FY 2005 compared to \$16.0 million in FY 2004, a decrease of 12.5 percent.
- The District decreased its outstanding bonded debt \$1,140,000 in FY 2005. Total outstanding bonded debt as of the fiscal year ended June 30, 2005 is \$41,625,000.

Overview of the Financial Statements

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

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

HAMILTON CITY SCHOOL DISTRICT

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

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

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

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of associated costs through users fees and charges (business-type activities). The governmental activities of the District include instruction, support services, administration, operation and maintenance of plant, and extracurricular activities. The District does not have any business-type activities.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for government activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

HAMILTON CITY SCHOOL DISTRICT

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

Permanent Improvement Fund, and Building Program Fund. Data for the other governmental funds are combined in a single aggregated column.

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

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

Government-wide Financial Analysis

A. Net Assets at Fiscal Year End

The following table presents a condensed summary of the District's overall financial position at the fiscal year ended June 30, 2004 and June 30, 2005.

	FY 2004 Governmental Activities (In Millions)	FY 2005 Governmental Activities (In Millions)
Assets:		
Current and Other Assets	\$55.9	\$47.2
Capital Assets	71.6	80.1
Total Assets	<u>127.5</u>	<u>127.3</u>
Liabilities:		
Long-Term Liabilities	48.8	47.4
Other Liabilities	43.8	39.9
Total Liabilities	<u>92.6</u>	<u>87.3</u>
Net Assets:		
Invested in Capital Assets, Net of Debt	27.7	38.1
Restricted	10.2	8.8
Unrestricted	(3.0)	(7.0)
Total Net Assets	<u>\$34.9</u>	<u>\$39.9</u>

Current and other assets represent \$47.2 million in FY 2005 compared to \$55.9 million in FY 2004, a decrease of 15.6 percent. Capital assets represent \$80.1 million in FY 2005 compared to \$71.6 million in FY 2004, an increase of 11.9 percent. The decrease in current and other assets has a direct correlation to the increase in capital assets. As the District finalizes phases of

HAMILTON CITY SCHOOL DISTRICT

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

construction projects, it decreases cash and increases capital assets. Total assets remained the same in FY 2005 compared to total assets in FY 2004.

The District continues to make progress in reducing its long-term liabilities (a decrease of \$1.4 million, 2.9 percent). In addition, the District's other liabilities decreased during FY 2005 by \$3.9 million (or 8.9 percent). The District's total liabilities decrease \$5.3 million or 5.7 percent during FY 2005.

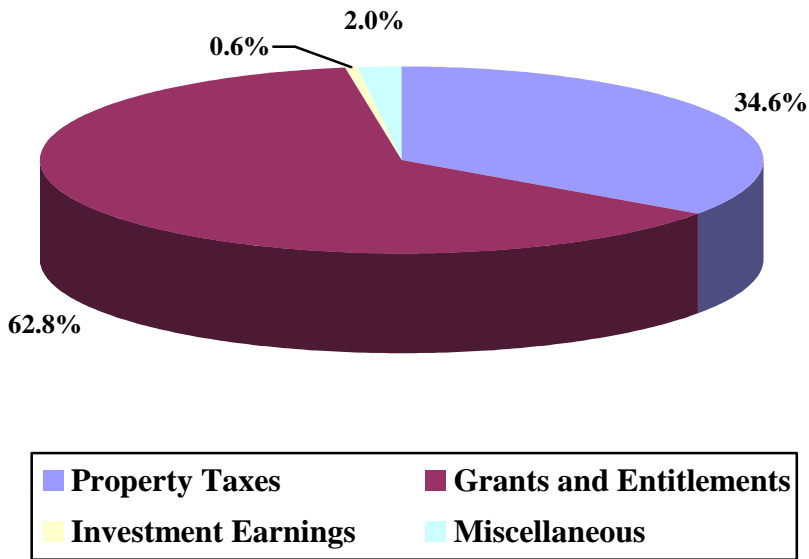
Investments in capital assets represent 95.5 percent of the District's net assets. Capital assets are used primarily to provide educational services to the community and the value of net capital assets is not available for future spending. The District has \$8.8 million (or 22.1 percent) of its net assets reserved for specific purposes primarily related to the construction projects in progress as of the fiscal year ended June 30, 2005. Unrestricted net assets could be used for additional educational needs in future periods, but the District currently has -\$7.0 million or -17.5 percent of net assets in this category.

B. Governmental Activities during FY 2005

	FY 2004 Governmental Activities	FY 2005 Governmental Activities
Revenues:		
Program Revenues:		
Charges for Services and Sales	\$1,308,912	\$1,316,524
Operating Grants and Contributions	16,000,711	14,043,897
Capital Grants and Contributions	437,951	87,840
Total Program Revenues	<u>17,747,574</u>	<u>15,448,261</u>
General Revenues:		
Property Taxes	26,632,703	24,327,907
Grants and Entitlements	43,009,165	44,131,385
Investment Earnings	380,186	400,617
Miscellaneous	1,041,295	1,371,264
Total General Revenues	<u>71,063,349</u>	<u>70,231,173</u>
Total Revenues	<u>88,810,923</u>	<u>85,679,434</u>
Expenses:		
Instruction	46,846,358	42,152,504
Support Services	28,173,326	29,375,660
Food Service Operations	3,571,263	3,498,696
Community Services and Other	965,264	1,052,490
Extracurricular Activities	1,354,904	1,067,015
Interest on Long-Term Debt	2,427,672	1,914,919
Total Expenses	<u>83,338,787</u>	<u>79,061,284</u>
Change in Net Assets	<u>\$5,472,136</u>	<u>6,618,150</u>

HAMILTON CITY SCHOOL DISTRICT
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2005
Unaudited

General Revenue Sources



Program revenues account for \$15.4 million or 18.0 percent of the District's total revenues. This is primarily due to the Districts' aggressive approach to seeking grant funding, which totaled \$14.0 million. This is a decrease of 12.2 percent when compared to total grant funding in FY 2004. The decrease in program revenues was due to an \$846,000 decrease in Title I funding, a \$346,000 decrease in Federal Emergency Repair funding, a \$161,200 decrease in miscellaneous federal funding and decreased funding from many of the state and federal grants that were also received in FY 2004.

The major components of general revenues are property taxes (\$24.3 million or 34.6 percent) and grants and entitlements (\$44.1 million or 62.8 percent). The District's property tax revenue decreased \$2.3 million or 8.7 percent in FY 2005 when compared to total property tax revenues received during FY 2004. Investment earnings continue to suffer due to low interest rates. Miscellaneous revenues were up \$400,617 in FY 2005, primarily due to unforeseen fluctuations. The District's reliance on grants and entitlements funding increased in FY 2005 by \$1.1 million, an increase of 2.6 percent when compared to the District total grants and entitlements funding received during FY 2004.

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

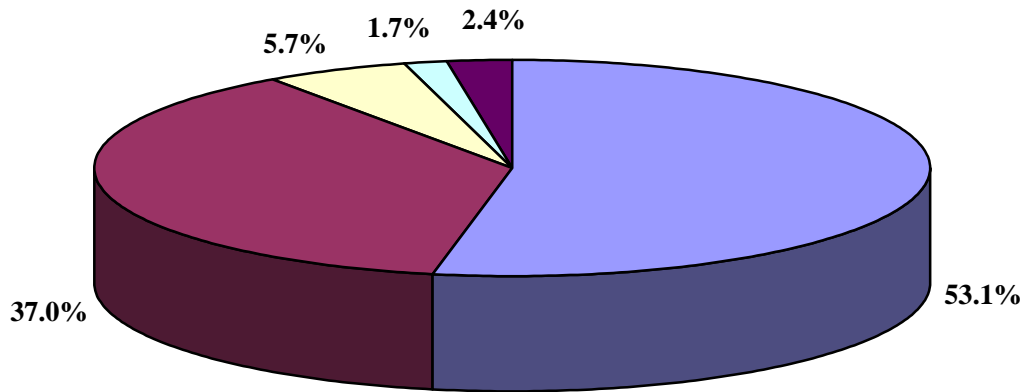
HAMILTON CITY SCHOOL DISTRICT
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2005
Unaudited

Governmental Activities

	<u>Total Cost of Services</u>	<u>Program Revenue</u>	<u>Revenue as a % of Total Cost</u>	<u>Net Cost of Service</u>
Instruction	42,152,504	7,113,755	16.9%	35,038,749
Support Services	29,375,660	3,933,395	13.4%	25,442,265
Non-Instructional Services	4,536,527	4,401,111	97.0%	135,416
Extracurricular Activities	1,354,904	0	0.00%	1,354,904
Interest on Long-Term Debt	1,914,919	0	0.00%	1,914,919
Totals	<u><u>79,334,514</u></u>	<u><u>15,448,261</u></u>	<u><u>19.5%</u></u>	<u><u>63,886,253</u></u>

Source: Statement of Activities

Cost of Services by Category



■ Instruction	■ Support Services
■ Non-Instructional Services	■ Extracurricular Activities
■ Interest on Long-Term Debt	

HAMILTON CITY SCHOOL DISTRICT

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

During FY 2005, total instruction costs decreased \$4.7 million (or 10.0 percent) as a result of lower enrollment and decreased funding. However, the District's support services costs increased \$1.2 million (or 4.3 percent) in FY 2005. Total expenses during FY 2005 decreased \$4.3 million (or 5.1 percent) compared to FY 2004 expenses. As stated above, this is primarily due to enrollment decreases and decreased funding. The costs of services decreased by 4.8 percent during FY 2005, program revenue also decreased in FY 2005, however the decrease in service costs was greater than the decrease in program revenues, resulting in a 2.6 percent reduction in net cost of services.

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

Governmental Funds

The District's governmental funds (as presented on the Balance Sheet) reported a combined fund balance of \$5.3 million. The unreserved fund balance can be a useful tool in measuring the District's net resources available for expenditure at the end of the fiscal year. The District has four major governmental funds. Of the \$4.6 million of net resources available at fiscal year end, \$4.3 million are in the Building Fund and are associated with the ongoing building program for which spending priorities have been established. The remaining net resources are \$1.7 million in the Debt Service Fund and -\$1.4 million in the General Fund.

General Fund

Equity in pooled cash and investments stands at \$5.8 million as of the fiscal year ended June 30, 2005 as compared to \$8.4 million as of the fiscal year ended June 30, 2004. Taxes receivable of \$21.7 million represents one year's estimated annual tax receipts due to the fact that the District collects tax revenues one year in arrears. Taxes receivable for FY 2005 represents a \$2.5 million decrease (or 10.0 percent) compared to FY 2004. Taxes receivable are not available to finance current operations.

Accrued wages and benefits quantify the dollar value of wages and benefits earned but not received as of June 30, 2005. This is primarily due to teaching personnel that conclude their contractual obligations in early June but are paid on a 26-pay cycle that does not begin until September. Encumbrances represent order for goods and services placed on or before June 30, 2005 that were not received and or paid for by June 30, 2005. The General Fund balance for the fiscal year ended June 30, 2005 was -\$1,396,879, a decrease of \$1,665,741 (or 184 percent) compared to the fiscal year ended June 30, 2004.

HAMILTON CITY SCHOOL DISTRICT

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

Debt Service Fund

All bonded debt is required to be retired through the Debt Service Fund. Proceeds from the 4.4-mil bond issued passed in May 1999 are deposited in the Debt Service Fund and payments per the District's amortization schedule are made from the Debt Service Fund, as required. In FY 2005, the District received \$4.2 million of revenue in the Debt Service Fund and expended \$3.4 million, primarily in principal and interest payments on bonded debt.

Permanent Improvement Fund

The Permanent Improvement Fund accounts for interest earnings on bonds issued in May 1999 and the revenue generated from three inside mills. Annual revenue was \$2.8 million in FY 2005 while total expenditures were \$4.3 million. Expenditures in the Permanent Improvement Fund are for items that have a useful life of at least five years. The District anticipates the majority of the remaining fund balance to be used in its current construction projects.

Building Program Fund

The Building Program Fund contains the proceeds of the \$45 million bonded debt issued in May 1999. The District had expenditures of \$680,181 in the Building Program Fund during FY 2005.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared in accordance to Ohio law and is based on the cash basis of accounting. The most significant budgeted fund is the General Fund. The District's beginning budgeted expenditures for FY 2005 were \$62.7 million and the final budgeted expenditures for FY 2005 were \$64.9 million. The District's actual expenditures were \$64.5 million, \$449,663 less than budgeted. The actual expenditures were greater than the original budget due to increased spending on salaries and wages, fringe benefits, purchased services and materials and supplies during FY 2005. The District received revenues of \$274,150 more than the budget anticipated, primarily due to increased grants and entitlements not restricted to specific purposes received during the year. The additional expenditures are a result of the increase in general fund revenues in FY 2005.

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

HAMILTON CITY SCHOOL DISTRICT

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

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of the fiscal year ended June 30, 2005, the District had \$80.1 million in capital assets, net of depreciation. Acquisitions for governmental activities totaled \$10.9 million, while annual depreciation was \$2.3 million. The majority of the District's acquisitions were the result of the District's continued progress on its facilities master plan. For more detailed information regarding capital assets, please see Note 6 of the notes to the financial statements.

Debt Administration

A summary of long-term debt obligations can be found in Note 7 of the notes to the financial statements.

In 1999, the District passed a 4.4-mil bond issue that raised \$45.0 million for additions, renovations, and new construction. During FY 2005, the District issued \$23,215,000 of debt refunding bonds in order to retire an equal amount of principal from the 1999 bond issue. The interest rate on the refunding bonds is lower than the interest on the previously outstanding bonds. As of the fiscal year ended June 30, 2005, the District had \$41,625,000 in outstanding bonds with \$1,650,000 of that amount due in one year. The District's overall legal debt margin is \$37.7 million for the fiscal year ended June 30, 2005.

The projects completed or in process for the fiscal year ended June 30, 2005 includes the following:

- Garfield Junior High – Complete Renovations;
- Phase II Additions and Renovations to Hamilton High School;
- Restroom Renovations at Hamilton High;
- “Spirit Shop” Renovations at Hamilton High;
- New Freshman School;
- Equipment and Storage Building at Freshman School;
- Job Development Center Cosmetology lab; and
- Jefferson Annex Renovations.

For more detailed information regarding debt administration, please see Note 7 of the notes to the financial statements.

HAMILTON CITY SCHOOL DISTRICT

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

ECONOMIC FACTORS

Like most districts in Ohio, the District's biggest general operating financial challenge is state funding for K-12 schools. The school funding lawsuit for all practical purposes has come to a conclusion. Future increases in state funding will be dependent upon the State of Ohio's financial condition. The District has planned for very modest increases of 2.2 percent per year in the per pupil allocation.

Other Economic Factors:

- The District is in its 12th year since a new operating levy was passed. While the District administration and the Board of Education are committed to making our financial resources stretch as far as possible, the level of future increases from the State of Ohio will dictate when the District needs the next operating levy.
- The District has experienced a slight yet steady decline in student population for the last ten years, through the fiscal year ended June 30, 2005. Future enrollment estimates have the District maintaining the current enrollment level.
- The primary resources in providing a quality educational program are the people needed to deliver the education.

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 District's finances and to show the District's accountability for the money it receives. Should you have any questions about this report or need additional financial information, please contact Robert A. Hancock, CPA, Treasurer of Hamilton City School District at the following address.

Hamilton City School District
Attention: Robert A. Hancock, Treasurer
533 Dayton Street
Hamilton, OH 45013

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Hamilton City School District
Statement of Net Assets
For the Fiscal Year Ended June 30, 2005

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$ 16,235,359
Receivables (Net of Allowances for Uncollectibles):	
Taxes	28,912,049
Accounts	39,411
Accrued Interest	65,983
Intergovernmental	1,869,478
Prepayments	658
Materials and Supplies Inventory	31,738
Non-Depreciable Capital Assets	20,793,130
Depreciable Capital Assets (Net)	59,312,782
Total Assets	<u>\$ 127,260,588</u>
Liabilities:	
Accounts Payable	\$ 1,185,157
Contracts Payable	262,536
Accrued Wages and Benefits	11,820,168
Retainage Payable	262,515
Due to Other Governments	346,964
Unearned Revenue	25,814,969
Accrued Interest Payable	189,224
Non-Current Liabilities:	
Due in One Year	2,071,384
Due in More Than One Year	45,376,915
Total Liabilities	<u>\$ 87,329,832</u>
Fund Balances:	
Invested in Capital Assets (Net of Related Debt)	\$ 38,157,105
Restricted For:	
Debt Service	1,932,308
Capital Projects	5,136,211
Other Purposes	1,712,063
Unrestricted	<u>(7,006,931)</u>
Net Assets	<u>\$ 39,930,756</u>

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

Hamilton City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2005

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenue</u>
		<u>Charges for</u> <u>Services</u> <u>and Sales</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital</u> <u>Grants and</u> <u>Contributions</u>	<u>(Expense) and</u> <u>Changes in</u> <u>Net Assets</u>
					<u>Governmental</u> <u>Activities</u>
Governmental Activities:					
Instruction:					
Regular	\$28,716,502	\$ 63,959	\$ 3,535,734	\$ 57,000	\$(25,059,809)
Special	9,928,329	-	3,057,884	-	(6,870,445)
Vocational	2,088,288	6,046	166,159	-	(1,916,083)
Adult/Continuing	240,132	2,400	224,573	-	(13,159)
Other	1,179,253	-	-	-	(1,179,253)
Support Services:					
Pupils	6,016,754	-	1,327,946	30,840	(4,657,968)
Instructional Staff	5,488,135	-	2,069,503	-	(3,418,632)
Board of Education	522,438	-	-	-	(522,438)
Administration	4,682,338	-	321,901	-	(4,360,437)
Fiscal	1,028,765	-	-	-	(1,028,765)
Business	383,674	-	-	-	(383,674)
Operations and Maintenance	7,581,957	-	77,221	-	(7,504,736)
Pupil Transportation	2,701,249	-	2,079	-	(2,699,170)
Central	970,350	-	103,905	-	(866,445)
Non-Instructional Services:					
Food Service Operations	3,498,696	1,244,119	2,134,853	-	(119,724)
Community Services	1,030,594	-	1,022,139	-	(8,455)
Other	21,896	-	-	-	(21,896)
Extracurricular Activities	1,067,015	-	-	-	(1,067,015)
Interest on Long-Term Debt	1,914,919	-	-	-	(1,914,919)
Total Governmental Activities	<u>\$79,061,284</u>	<u>\$ 1,316,524</u>	<u>\$14,043,897</u>	<u>\$ 87,840</u>	<u>\$(63,613,023)</u>
General Revenues:					
Property Taxes, Levied for General Purposes					18,312,496
Property Taxes, Levied for Debt Services					2,435,591
Property Taxes, Levied for Permanent Improvement					3,579,820
Grants and Entitlements not Restricted to Specific Programs					44,131,385
Investment Earnings					400,617
Miscellaneous					1,371,264
Total General Revenues					<u>70,231,173</u>
Change in Net Assets					6,618,150
Net Assets Beginning of Year (Restated)					<u>33,312,606</u>
Net Assets End of Year					<u>\$ 39,930,756</u>

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

Hamilton City School District
Balance Sheet
Governmental Funds
For the Fiscal Year Ended June 30, 2005

	General	Debt Service	Permanent Improvement	Building Program
Assets:				
Equity in Pooled Cash and Investments	\$ 5,828,567	\$ 1,574,879	\$ 5,084,712	\$ 40,012
Receivables (Net of Allowances for Uncollectibles):				
Taxes	21,667,776	4,198,484	3,045,789	-
Accounts	32,893	-	-	-
Accrued Interest	62,206	-	2,607	-
Intergovernmental	82,404	-	-	-
Interfund Loan Receivable	2,384,061	-	-	-
Due from Other Funds	7,844	-	-	-
Prepayments	658	-	-	-
Materials and Supplies Inventory	-	-	-	-
Total Assets	<u>\$30,066,409</u>	<u>\$ 5,773,363</u>	<u>\$ 8,133,108</u>	<u>\$ 40,012</u>
Liabilities:				
Accounts Payable	\$ 473,913	\$ -	\$ 535,781	\$ -
Contracts Payable	-	-	80,680	485
Accrued Wages and Benefits	9,761,976	-	-	-
Retainage Payable	-	-	222,988	39,527
Interfund Loans Payable	-	-	-	-
Intergovernmental Payable	274,965	1,000	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	20,952,434	4,053,915	2,947,219	-
Total Liabilities	<u>\$31,463,288</u>	<u>\$ 4,054,915</u>	<u>\$ 3,786,668</u>	<u>\$ 40,012</u>
Fund Balances:				
Reserved for:				
Encumbrances	\$ 324,087	\$ -	\$ 1,174,760	\$ -
Inventory	-	-	-	-
Prepayments	658	-	-	-
Property Taxes	730,800	144,569	241,109	-
Unreserved, Reported In:				
General Fund	(2,452,424)	-	-	-
Debt Service Fund	-	1,573,879	-	-
Special Revenue Fund	-	-	-	-
Capital Projects Fund	-	-	2,930,571	-
Total Fund Balances	<u>\$ (1,396,879)</u>	<u>\$ 1,718,448</u>	<u>\$ 4,346,440</u>	<u>\$ -</u>
Total Liabilities and Fund Balances	<u>\$30,066,409</u>	<u>\$ 5,773,363</u>	<u>\$ 8,133,108</u>	<u>\$ 40,012</u>

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

Hamilton City School District
Balance Sheet
Governmental Funds
For the Fiscal Year Ended June 30, 2005

	Other Governmental Funds	Total Governmental Funds
Assets:		
Equity in Pooled Cash and Investments	\$ 3,707,189	\$ 16,235,359
Receivables (Net of Allowances for Uncollectibles):		
Taxes	-	28,912,049
Accounts	6,518	39,411
Accrued Interest	1,170	65,983
Intergovernmental	1,787,074	1,869,478
Interfund Loan Receivable	-	2,384,061
Due from Other Funds	-	7,844
Prepayments	-	658
Materials and Supplies Inventory	31,738	31,738
Total Assets	\$ 5,533,689	\$ 49,546,581
Liabilities:		
Accounts Payable	\$ 175,463	\$ 1,185,157
Contracts Payable	181,371	262,536
Accrued Wages and Benefits	2,058,192	11,820,168
Retainage Payable	-	262,515
Interfund Loans Payable	2,384,061	2,384,061
Intergovernmental Payable	70,999	346,964
Due to Other Funds	7,844	7,844
Unearned Revenue	-	27,953,568
Total Liabilities	\$ 4,877,930	\$ 44,222,813
Fund Balances:		
Reserved for:		
Encumbrances	\$ 2,945,760	\$ 4,444,607
Inventory	31,738	31,738
Prepayments	-	658
Property Taxes	-	1,116,478
Unreserved, Reported In:		
General Fund	-	(2,452,424)
Debt Service Fund	-	1,573,879
Special Revenue Fund	(2,472,987)	(2,472,987)
Capital Projects Fund	151,248	3,081,819
Total Fund Balances	\$ 655,759	\$ 5,323,768
Total Liabilities and Fund Balances	\$ 5,533,689	\$ 49,546,581

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

**Hamilton City School District
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 For the Fiscal Year Ended June 30, 2005**

Total Governmental Fund Balances 5,323,768

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	1,223,007	
Land Improvements	810,918	
Buildings and Building Improvements	59,147,682	
Furniture Fixtures and Equipment	15,016,597	
Vehicles	3,717,798	
Construction in Progress	19,570,123	
Accumulated Depreciation	<u>(19,380,213)</u>	
		80,105,912

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds. 2,138,599

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

General Obligation Notes Payable	(41,625,000)	
Capital Lease Payable	(323,810)	
Compensated Absences	(5,499,489)	
Accrued Interest Payable	<u>(189,224)</u>	
		<u>(47,637,523)</u>

Net Assets of Governmental Activities 39,930,756

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Hamilton City School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2005

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Building Program</u>
Revenues:				
Taxes	\$ 18,570,674	\$ 3,620,043	\$ 2,487,430	\$ -
Tuition	624,007	-	-	-
Charges for Services	134,125	-	-	-
Earnings on Investments	336,288	-	51,174	-
Intergovernmental	42,419,200	451,434	296,189	-
Other Local Revenues	102,984	191,806	16,768	-
Total Revenues	<u>62,187,278</u>	<u>4,263,283</u>	<u>2,851,561</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	30,010,858	-	1,086,526	-
Special	6,163,896	-	4,924	-
Vocational	1,833,992	-	4,681	-
Adult/Continuing	-	-	-	-
Other	1,128,051	-	55,826	-
Support Services:				
Pupils	4,209,456	-	20,051	-
Instructional Staff	2,776,492	-	349,472	-
Board of Education	375,324	-	39,251	-
Administration	4,308,552	-	20,455	-
Fiscal	899,568	57,852	51,262	-
Business	363,867	-	5,796	-
Operations and Maintenance	7,450,225	-	234,654	-
Pupil Transportation	2,465,486	-	286,321	-
Central	729,865	-	5,649	-
Non-Instructional Services:				
Food Service Operations	-	-	67,791	-
Community Services	10,747	-	-	-
Other	1,269	-	-	-
Extracurricular Activities	733,061	-	-	-
Capital Outlay	174,323	-	2,129,922	680,181
Debt Service:				
Principal Retirement	100,979	1,440,000	-	-
Interest and Fiscal Charges	-	1,915,196	-	-
Issuance Costs	-	2,222,144	-	-
Total Expenditures	<u>63,736,011</u>	<u>5,635,192</u>	<u>4,362,581</u>	<u>680,181</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,548,733)</u>	<u>(1,371,909)</u>	<u>(1,511,020)</u>	<u>(680,181)</u>
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Refunding Bonds Issued	-	23,215,000	-	-
Proceeds from Sale of Capital Assets	12,365	-	95,000	-
Inception of Capital Lease	20,627	-	-	-
Premium on Debt Issuance	-	2,222,144	-	-
Payments to Refunded Bond Escrow Agent	-	(23,215,000)	-	-
Transfers Out	(150,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(117,008)</u>	<u>2,222,144</u>	<u>95,000</u>	<u>-</u>
Change in Fund Balance	(1,665,741)	850,235	(1,416,020)	(680,181)
Fund Balance: July 1, 2004 (Restated)	268,862	868,213	5,762,460	680,181
Fund Balance: June 30, 2005	<u>\$ (1,396,879)</u>	<u>\$ 1,718,448</u>	<u>\$ 4,346,440</u>	<u>\$ -</u>

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

Hamilton City School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2005

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	\$ -	24,678,147
Tuition	112,499	736,506
Charges for Services	1,250,165	1,384,290
Earnings on Investments	13,155	400,617
Intergovernmental	14,472,726	57,639,549
Other Local Revenues	905,372	1,216,930
Total Revenues	<u>16,753,917</u>	<u>86,056,039</u>
Expenditures:		
Current:		
Instruction:		
Regular	3,495,197	34,592,581
Special	3,381,352	9,550,172
Vocational	305,844	2,144,517
Adult/Continuing	237,598	237,598
Other	-	1,183,877
Support Services:		
Pupils	1,661,214	5,890,721
Instructional Staff	2,278,924	5,404,888
Board of Education	-	414,575
Administration	315,570	4,644,577
Fiscal	-	1,008,682
Business	-	369,663
Operations and Maintenance	74,195	7,759,074
Pupil Transportation	1,656	2,753,463
Central	188,861	924,375
Non-Instructional Services:		
Food Service Operations	3,428,857	3,496,648
Community Services	1,065,455	1,076,202
Other	-	1,269
Extracurricular Activities	327,591	1,060,652
Capital Outlay	146,421	3,130,847
Debt Service:		
Principal Retirement	1,162	1,542,141
Interest and Fiscal Charges	-	1,915,196
Issuance Costs	-	2,222,144
Total Expenditures	<u>16,909,897</u>	<u>91,323,862</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(155,980)</u>	<u>(5,267,823)</u>
Other Financing Sources (Uses):		
Transfers In	235,806	235,806
Refunding Bonds Issued	-	23,215,000
Proceeds from Sale of Capital Assets	-	107,365
Inception of Capital Lease	-	20,627
Premium on Debt Issuance	-	2,222,144
Payments to Refunded Bond Escrow Agent	-	(23,215,000)
Transfers Out	(85,806)	(235,806)
Total Other Financing Sources (Uses)	<u>150,000</u>	<u>2,350,136</u>
Change in Fund Balance	(5,980)	(2,917,687)
Fund Balance: July 1, 2004 (Restated)	661,739	8,241,455
Fund Balance: June 30, 2005	<u>\$ 655,759</u>	<u>\$ 5,323,768</u>

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

**Hamilton City School District
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2005**

Net Change in Fund Balance – Total Governmental Funds (2,917,687)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital Outlay	10,927,828
Depreciation Expense	(2,285,633)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,542,141

In the Statement of Activities, interest is accrued on outstanding debt, however, in governmental funds, an interest expenditure is reported when due. 277

Some expenses reported in the Statement of Activities, such as compensated absences and pension obligation do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (1,025,381)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 376,605

Change in Net Assets of Governmental Activities 6,618,150

Hamilton City School District
Statement of Net Assets
All Fiduciary Fund Types
For the Fiscal Year Ended June 30, 2005

	Private Purpose Trusts	Agency Funds
Assets:		
Equity in Pooled Cash and Cash Equivalents	\$ 67,081	\$ 60,930
Cash and Cash Equivalents with Fiscal Agents	792	379
Total Assets	<u>67,873</u>	<u>61,309</u>
Liabilities:		
Accounts Payable	1,240	1,353
Due to Students	-	59,956
Total Liabilities	<u>1,240</u>	<u>61,309</u>
Net Assets:		
Held in Trust	<u>\$ 66,633</u>	<u>\$ -</u>

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

Hamilton City School District
Statement of Changes in Net Assets
All Fiduciary Fund Types
For the Fiscal Year Ended June 30, 2005

	Private Purpose Trusts
Additions:	
Gifts and Contributions	\$ 103,498
Interest	1,234
Miscellaneous	143
Total Additions	<u>104,875</u>
Deductions:	
Payments in Accordance with Trust Agreements	112,583
Total Deductions	<u>112,583</u>
Changes in Net Assets	(7,708)
Net Assets, Beginning of the Year	<u>74,341</u>
Net Assets, End of the Year	<u><u>\$ 66,633</u></u>

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

1. Description of the District

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

The District operates under a locally elected five-member Board (the Board) form of government and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. This Board controls the District's instructional and support facilities staffed by 827 non-certificated personnel and 513 certificated personnel to provide services to students and other community members.

As of June 30, 2005, the District was the 20th largest in the state of Ohio (among 612 districts) in terms of enrollment and the third largest school district in Butler County. It currently operates 14 elementary schools, 3 junior high schools (grades 7-9), and a comprehensive high school (grades 10-12).

2. Summary of Significant Accounting Policies

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

A. The Reporting Entity

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

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

There are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's statements include only the funds of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

2. Summary of Significant Accounting Policies (Continued)

B. Fund Accounting

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

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

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

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

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

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

Fiduciary Funds report on net assets and changes in net assets. The District's fiduciary funds consist of a private-purpose trust fund and agency funds. The District's private-purpose trust fund accounts for scholarship programs for students. These assets are not available for the District's use. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Student Activity agency fund is used to account for the resources that belong to the various student groups in the District. The fund accounts for sales and other revenue generating activities by student activity programs.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

2. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation

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

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

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

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

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

D. Basis of Accounting

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

The modified accrual basis of accounting is used by the governmental funds. On a modified accrual basis, revenues are recorded when they become both measurable and available.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

2. Summary of Significant Accounting Policies (Continued)

“Measurable” means the amount of the transaction can be determined; “available” means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the District is sixty days after fiscal year end. Under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, interest, tuition, student fees, and grants.

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

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

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

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

Deferred Revenue – Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes measurable as of June 30, 2005, which are intended to finance fiscal year 2006 operations, have been recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

2. Summary of Significant Accounting Policies (Continued)

E. Cash and Investments

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

During the fiscal year, the District invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office 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 Governmental Accounting Standards Board Statement No. 31 (GASB 31), "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," requires that investments, with certain exceptions, be recorded at their fair value and that changes in the fair value are reported in the operating statements. The District recorded investments held at June 30, 2005 at fair value.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue earned in fiscal year 2005 totaled \$400,617 for all funds.

F. Inventory

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

G. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements but are not reported in the governmental fund financial statements. The District defines capital assets as those with an individual cost of more than \$1,000 and an estimated useful life in excess of one year. All capital assets are capitalized at cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated fair values as of the date received. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

2. Summary of Significant Accounting Policies (Continued)

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

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

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

H. Interfund Balances

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

On fund financial statements, receivables and payables arising between funds for goods provided or services rendered are classified as “due from other funds” or “due to other funds”.

I. Compensated Absences

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

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

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

2. Summary of Significant Accounting Policies (Continued)

J. Accrued Liabilities and Long-Term Obligations

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

K. Fund Balance Reserves

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

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

L. Net Assets

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

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

M. Estimates

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

3. Fund Balance Deficits

Fund balances at June 30, 2005 included the following individual fund deficits (includes accrual entries).

General Fund:	\$ (1,396,879)		
Special Revenues Funds:			
Career Development Fund	(5)	Title I	(83,824)
Ohio Reads Grant	(11,318)	Improving Teacher Quality	(24,695)
Summer Intervention	(10,763)	Miscellaneous Federal Grants	(100,573)
Alternative Schools	(23,879)	Food Service	(193,833)
Adult Basic Education	(9,222)		
Carl D. Perkins	(10,207)		

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

4. Deposits and Investments

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

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

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

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

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

4. Deposits and Investments (Continued)

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

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

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

4. Deposits and Investments (Continued)

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 40, "Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3".

Deposits

At fiscal year end, the bank balance of the District's deposits was \$1,021,870. Of the bank balance:

1. \$160,045 was covered by federal depository insurance; and
2. \$861,825 was covered by collateral held by the pledging institution's trust department pursuant to Ohio Revised Code, Section 135.181. The Uniform Depository Act (Section 135.181) authorizes pledging of pooled securities in lieu of pledging specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that at all times the total value of the securities so pledged is at least equal to 110% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance. The deposits not covered by federal depository insurance are considered uninsured and uncollateralized under the provisions of GASB Statement No. 40.

Investments

At June 30, 2005, the Board's investment balances were as follows:

Table 1: Summary of Investment Categories

Description	Credit Rating	Category	Maturity	Investment Concentration	Fair Value
Fifth Third Investment Accounts	N/A	1	N/A	45%	\$7,968,930
Federal Home Loan Mortgage Corporation Debenture	AAA	2	March 29, 2007	7%	976,560
Federal Home Loan Mortgage Corporation Notes	AAA	2	October 6, 2006	7%	981,050
Federal Home Loan Banks Construction Bonds	AAA	2	December 30, 2005	7%	1,000,287
Federal National Mortgage Association Debenture	AAA	2	April 20, 2006	7%	986,250
STAR Ohio	AAA	N/A	N/A	29%	4,242,817
Totals					<u>\$16,155,894</u>

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

4. Deposits and Investments (Continued)

Credit Risk: Standard and Poor's rated The Board's investments AAA. The Fifth Third Investment account is a checking account that pays interest monthly and is protected by pooled collateral. The Board has no policy on credit risk.

Custodial Credit Risk: The District's investments are required to be categorized to give an indication of the level of custodial credit risk assumed by the District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counter party's trust department or agent in the District's name

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

Interest Rate Risk: The Board of Education's formal investment policy states that "Investments held by the Treasurer must mature within five (5) years, unless they are matched to a specific obligation or debt of the District." This policy is intended to mitigate interest rate risk. STAR Ohio maturity dates are varied and short and are not subject to interest rate risk.

Concentration of Credit Risk: The Board places a twenty-five percent "(25%) limit on the concentration of interim funds invested in commercial paper notes or bankers acceptances provided the Treasurer has completed additional training. At June 30, 2005, the Treasurer did not hold either type of investment. The concentration percentages are shown in Table 1, which illustrates that more than five percent (5%) of the Board's investments are held with each issuer.

5. Property Taxes

Property taxes include amounts levied against real, public utility, and tangible personal (business) property. The assessed value, by property classification, upon which taxes collected in 2004 were based are as follows.

Real Estate	\$799,772,110
Public Utility Personal	13,687,220
Tangible Personal	68,433,194
Total Assessed Value	<u>\$881,892,524</u>

In 2005, real property taxes were levied in January on the assessed values as of January 1, 2004, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. A revaluation of real property is required to be completed no less than every six years, with a statistical update every third year. The most recent revaluation was completed in January 2002.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

5. Property Taxes (Continued)

Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 25% of true value (as defined). In 2005, each business was eligible to receive a \$10,000 exemption in assessed value which is reimbursed by the State. However, in 2004, the State began reducing the reimbursement by 10% until the reimbursement has been eliminated.

Real property taxes are payable annually or semi-annually. In 2005, if paid annually, payment was due by February 13th. If paid semiannually, the first payment (at least ½ of amount billed) was due February 13th with the remainder due August 4th.

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

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

6. Capital Assets

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

6. Capital Assets (Continued)

Table 2: Schedule of Capital Assets

	Balance 7/1/04	Additions	Disposals	Transfer In / (Out)	Balance 6/30/05
<i>Non-Depreciable Capital Assets:</i>					
Land	\$1,239,603	\$0	\$(16,596)	\$0	\$1,223,007
Construction in Progress	24,755,242	1,576,055	0	(6,761,174)	19,570,123
Subtotal	<u>25,994,845</u>	<u>1,576,055</u>	<u>(16,596)</u>	<u>(6,761,174)</u>	<u>20,793,130</u>
<i>Depreciable Capital Assets:</i>					
Land Improvements	952,665	14,156	0	0	966,821
Building and Improvements	47,561,512	6,106,681	(155,903)	5,479,489	58,991,779
Furniture/ Fixtures/ Equipment	11,586,158	2,920,759	(772,005)	1,281,685	15,016,597
Vehicles	3,412,271	310,177	(4,650)	0	3,717,798
Subtotal	<u>63,512,606</u>	<u>9,351,773</u>	<u>(932,558)</u>	<u>6,761,174</u>	<u>78,692,995</u>
Total Capital Assets, Gross	<u>89,507,451</u>	<u>10,927,828</u>	<u>(949,154)</u>	<u>0</u>	<u>99,486,125</u>
<i>Less Accumulated Depreciation:</i>					
Land Improvements	295,952	32,811	0	0	328,763
Building and Improvements	8,322,969	1,060,825	(30,161)	0	9,353,633
Furniture/ Fixtures/ Equipment	7,461,109	970,879	(763,905)	0	7,668,083
Vehicles	1,809,348	221,118	(732)	0	2,029,734
Total Accumulated Depreciation	<u>17,889,378</u>	<u>2,285,633</u>	<u>(794,798)</u>	<u>0</u>	<u>19,380,213</u>
Total Capital Assets, Net	<u>\$71,618,073</u>	<u>\$8,642,195</u>	<u>\$(154,356)</u>	<u>\$0</u>	<u>\$80,105,912</u>

Depreciation expense was charged to functions as follows.

Instruction:	
Regular	\$835,062
Special	207,140
Vocational	198,130
Adult/Continuing	2,534
Support Services:	
Pupils	149,778
Instructional Staff	211,916
Board of Education	2,503
Administration	82,505
Fiscal Services	7,968
Business	12,785
Operation & Maintenance	184,210
Pupil Transportation	176,664
Central	33,507
Food Services	63,996
Community Services	22,531
Extra-Curricular Activities	94,404
Total Depreciation Expense	<u>\$2,285,633</u>

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

7. Long-Term Obligations

A. General Long-Term Bonds

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

Table 3: Summary of District's Bond Issuance

Purpose	Interest Rate	Issuance Date	Delivery Date	Final Maturity Date	Issuance Amount
School Improvement	5.51%	6/1/99	6/22/99	12/1/24	\$4,500,000
School Improvement	5.61%	9/1/99	9/28/99	12/1/24	\$44,500,000
Debt Refunding Bonds	4.74%	3/29/05	6/1/05	12/1/24	\$23,215,000

A summary of the District's bond activity for FY 2005 is contained in Table 4.

Table 4: Summary of District's FY 2005 Bond Activity

Purpose	Balance 7/1/04	FY 2005 Additions	FY 2005 Reductions	Balance 6/30/05
School Improvement	\$4,100,000	\$0	\$3,600,000	\$500,000
School Improvement	38,665,000	0	20,755,000	17,910,000
Refunding Bonds	0	\$23,215,000	0	23,215,000
Totals	<u>\$42,765,000</u>	<u>\$23,215,000</u>	<u>\$24,355,000</u>	<u>\$41,625,000</u>

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

Table 5: Schedule of Future Debt Obligations Related to Bonds

Fiscal Year Ending June 30	Principal Due	Interest Due	Total FY Payments
FY 2006	\$1,650,000	\$2,119,028	\$3,769,028
FY 2007	1,425,000	2,048,483	3,473,483
FY 2008	1,490,000	1,980,486	3,470,486
FY 2009	1,595,000	1,907,401	3,502,401
FY 2010	1,630,000	1,829,370	3,459,370
FY 2011 to FY 2015	9,190,000	7,669,040	16,859,040
FY 2016 to FY 2020	9,705,000	7,175,306	16,880,306
FY 2021 to FY 2025	14,940,000	1,944,000	16,884,000
Totals	<u>\$41,625,000</u>	<u>\$26,673,114</u>	<u>\$68,298,114</u>

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

7. Long-Term Obligations (Continued)

B. Refunding Bonds

In March 2005, the District issued a \$23,215,000 General Obligation bond for the purpose of refunding \$3,500,000 of May 1999 School Improvement Serial Bonds and \$19,715,000 of May 1999 School Improvement Term Bonds. The bonds were issued for a twenty-year period, with final maturity in December 2024. The refunding resulted in no difference between the net carrying amount of the debt and the acquisition price. The District's total debt service payments decreased by \$1,443,180 as a result of the refunding. The District also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$1,018,521.

C. Capital Leases

During FY 2004, the District entered into a lease agreement for the acquisition of Canon copiers. The terms of each agreement provide options to purchase the equipment. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one that transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Therefore, these lease agreements have been recorded at the present value of the future minimum lease payments as of the date of inception. During FY 2005, the District made payments of \$102,141 under the Canon copier capital lease. The entire amount paid is attributable to principal payments as the Canon copier capital lease is interest free. The total original Canon copier capital lease was for \$496,018 in services. In FY 2005, the District added an additional copier to the lease increasing the total amount to \$516,944.

D. Changes in Long-Term Debt Obligations

During FY 2005, the changes presented in Table 7 occurred in relation to the District's long-term debt obligations. As stated previously, the District's long-term debt obligations are presented in the government-wide financial statements in the Statement of Net Assets.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

D. Changes in Long-Term Debt Obligations (Continued)

Table 7: Changes in Long-Term Debt Obligations

	<u>Principal Balance 7/1/04</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Balance 6/30/05</u>	<u>Amounts Due in One Year</u>
Governmental Activities:					
General Obligation Bonds	\$42,765,000	\$23,215,000	\$24,355,000	\$41,625,000	\$1,650,000
Bond Anticipation Notes	300,000	0	300,000	0	0
Copier Capital Lease	405,324	20,627	102,141	323,810	105,020
Compensated Absences	5,344,897	316,364	161,772	5,499,489	316,364
Totals	<u>\$48,815,221</u>	<u>\$23,551,991</u>	<u>\$24,918,913</u>	<u>\$47,448,299</u>	<u>\$2,071,384</u>

8. Defined Benefit Pension Plans

A. School Employees Retirement System:

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

Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute an actuarially determined rate, which is currently 14 percent of approved payroll. The contribution rates are established by SERS' Retirement Board within the rates allowed by State statute. The adequacy of the contribution rate is determined annually. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2005, 2004, and 2003 were \$1,786,427; \$1,552,765; and \$1,473,336, respectively; 83.02 percent has been contributed for fiscal year 2005 and 100 percent for fiscal years 2004 and 2003. The District's current portion of the contribution for fiscal year 2005 is recorded as a liability within the respective funds.

B. State Teachers Retirement System

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

8. Defined Benefit Pension Plans (Continued)

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

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

In the Combined Plan, member contributions are invested by the members, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan.

DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The District's required contributions for pension obligations to STRS for the years ended June 30, 2005, 2004, and 2003, were \$5,520,225; \$5,312,451; and \$5,031,696, respectively; 83.29 percent has been contributed for fiscal year 2005 and 100 percent has been contributed for fiscal years 2004 and 2003. The unpaid contribution for fiscal year 2005 is recorded as a liability within the respective funds.

C. Social Security System

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

Ohio law permits Board of Education members to be compensated up to \$80 per meeting. As of June 30, 2005, members of the Hamilton City School District Board of Education have chosen to serve without compensation.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

8. Defined Benefit Pension Plans (Continued)

The District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physician fees, prescription drugs, and reimbursements of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by STRS and SERS based on authority granted by State statute. Both STRS and SERS are on a pay-as-you-go basis. For STRS, all benefit recipients are required to pay a portion of health care costs in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2004, the board allocated employer contributions equal to 1.0 percent of covered payroll to the Health Care Reserve Fund. For the District, the amount to fund health care benefits equaled approximately \$394,302 during FY 2005. The balance in the fund was \$3.1 billion at June 30, 2004. For the year ended June 30, 2004, net health care costs paid by STRS were \$268.7 million and STRS had 111,853 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, disability, and survivor benefit recipients. Members retiring on or after August 1, 1989 with less than 25 years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium. For this fiscal year, employer contributions to fund health care benefits were 4.91 percent of covered payroll.

An additional health care surcharge on employers is collected by SERS for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than two percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2004, the minimum pay established at \$25,400.

The surcharge rate added to the unallocated portion of the 14 percent employer contribution rates provides for maintenance of the asset target level for the health care fund. Expenses for health care for the year ended June 30, 2004 were \$223.4 million and the target level was \$335.2 million. At June 30, 2004, SERS' net assets available for payment of health care benefits were \$34.3 million below the target amount. SERS has approximately 62,000 participants currently receiving health care benefits. For the District, the amount to fund health care benefits equaled approximately \$626,525 during FY 2005.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

9. Other Employee Benefits

A. Compensated Absences

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

B. Insurance Benefits

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

10. Interfund Receivables / Payables

On the fund financial statements, the General Fund has a receivable of \$7,844 that consists of amounts due from other funds. Conversely, the General Fund and the Other Governmental Funds has a payable of \$7,844 that consists of amounts due to other funds. In addition, the General Fund has an interfund loan receivable of \$2,384,061. These interfund loans were made to provide operating capital. The interfund loan receivable will be repaid by the funds included in the Other Governmental Funds group. The District anticipates that all interfund loans will be repaid to the General Fund by the June 30, 2006.

During the year-ended June 30, 2005, the General Fund made transfers of \$150,000 to non-major governmental funds as well as transfers of \$85,806 between non-major governmental funds. Transfers are used to (1) move revenues from the fund that statute or budget requires collect them to the fund that statute or budget requires expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

11. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2005, insurance coverage for property, liability, and vehicles was provided by commercial insurance carriers. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

11. Risk Management (Continued)

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

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

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

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

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

12. Jointly Governed Organizations

Southwestern Ohio Computer Association (SWOCA) is a jointly governed organization among a three county consortium of school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the governments of these schools support SWOCA based upon a per pupil charge dependent upon the software package used. SWOCA is governed by a Board of Directors consisting of the superintendents and treasurers of member school districts. The degree of control exercised by any participating school district is limited to its representation on the Board of Directors. The Board of Directors consists of one representative from each of the participating 29 school districts. During FY 2005, the District paid \$172,076 to SWOCA for services.

13. Contingent Liabilities

A. Grants

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

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

13. Contingent Liabilities (Continued)

Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2005.

B. Litigation

The District was party to legal proceedings as of June 30, 2005. The District is of the opinion that the ultimate disposition of claims will not have a material effect, if any, on the financial condition of the District.

14. State School Funding Decision

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

15. Statutory Resources

The District is required, by state law, to set aside certain General Fund revenue amounts, as defined, into various reserves. During the fiscal year ending June 30, 2005, the reserve activity (cash-basis) was as follows.

Table 10: Statutory Reserves Summary

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Totals</u>
Set-aside Cash Balance as of June 30, 2004	\$0	\$0	\$0
Current Year Set-aside Requirement	1,408,354	1,408,354	2,808,708
Current Year Offsets	0	0	0
Qualifying Disbursements	<u>1,408,354</u>	<u>1,408,354</u>	<u>2,808,708</u>
Set Aside Cash Balance as of June 30, 2005			0
Amount Restricted for Bus Purchases			<u>0</u>
Total Restricted Assets			<u>\$0</u>

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

15. Statutory Resources (Continued)

Expenditures for textbooks and instructional materials during the fiscal year totaled \$1,585,612, which is exceeded the amount required for the set-aside.

Expenditures for the capital acquisition activity during the fiscal year totaled \$3,309,788, which exceeded the amount required for the set-aside.

16. Prior Period Adjustments

Prior Period Corrections

- A. During the 2005 audit, an error was discovered in the 2004 financial statements in the Permanent Improvement Fund. Taxes receivable was overstated by \$2,732,889, unearned revenues were overstated by \$2,590,350 and tax revenue and equity were overstated by \$142,539. The beginning balance for net assets in the accompanying financial statements has been restated to reflect the reduction in equity of \$142,539.
- B. The ending fund balance for Uniform School Supplies was understated by \$6,695 in the prior year Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The beginning fund balance for the Uniform School Supplies Fund has been increased to reflect actual beginning fund balance in the accompanying financial statements
- C. Operating Grants and Contributions were overstated by \$1,240,941 in the prior period statement of activities. Net assets at the beginning of the year have been restated to reflect the reduction in equity.
- D. Cash was overstated in the Building program fund in the prior year. The Building Program fund's beginning fund balance and beginning net assets have been reduced to reflect the \$170,846 overstatement in cash.

Changes in Accounting Principles

The School District has implemented GASB Statement No. 40, *Deposit and Investment Risk Disclosures* which addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk and foreign currency risk and outlines disclosure requirements.

The School District has implemented GASB Technical Bulletin 2004-2, *Recognition of Pension and Other Postemployment Benefit Expenditures/Expense and Liabilities by Cost-Sharing Employers*. The Technical Bulletin clarifies the amount that should be recognized as an expenditure/expense and as a liability each period by employers participating in a cost-sharing multiple employer pension and other postemployment benefit plans.

HAMILTON CITY SCHOOL DISTRICT

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2005

16. Prior Period Adjustments (Continued)

The implementation of GASB Technical Bulletin 2004-2 and the prior period corrections had the following effect on fund balances previously reported:

	<u>General Fund</u>	<u>Permanent Improvement</u>	<u>Building Program</u>	<u>Non Major Governmental Funds</u>	<u>Governmental Activities</u>
Fund Balance/Net Assets at June 30, 2004 as previously reported	\$ 687,658	5,904,999	851,027	796,752	34,866,932
Implementation of GASB Technical Bulletin 2004-2	(418,796)			(141,708)	
Prior Period Correction (Note 17 A)		(142,539)			(142,539)
Prior Period Correction (Note 17 B)				6,695	
Prior Period Correction (Note 17 C)					(1,240,941)
Prior Period Correction (Note 17 D)			(170,846)		(170,846)
Fund Balance/Net Assets at June 30, 2004, restated	\$ <u>268,862</u>	<u>5,762,460</u>	<u>680,181</u>	<u>661,739</u>	<u>33,312,606</u>

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Required Supplementary Information

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund - General Fund Source Information (001)
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 18,501,108	\$ 18,501,108	\$ 18,585,046	\$ 83,938
Tuition and Fees	507,685	507,685	563,470	55,785
Charges for Services	40,525	135,525	134,125	(1,400)
Earnings on Investments	156,642	311,642	309,257	(2,385)
Other Local Revenues:				
Rental of Property	31,479	31,479	42,369	10,890
Miscellaneous Revenue	50,717	50,717	46,828	(3,889)
Total Other Local Revenues	82,196	82,196	89,197	7,001
Intergovernmental	41,500,409	42,300,409	42,431,620	131,211
Total Revenues	60,788,565	61,838,565	62,112,715	274,150
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	20,211,606	21,129,802	19,436,295	1,693,507
Fringe Benefits	9,068,101	10,122,643	9,248,465	874,178
Purchased Services	168,615	193,192	339,724	(146,532)
Materials and Supplies	440,866	768,756	675,857	92,899
Equipment Purchased	16,439	59,980	6,068	53,912
Other Expenditures	2,753	11,153	9,270	1,883
Total Regular Instruction	29,908,380	32,285,526	29,715,679	2,569,847
Special:				
Salaries and Wages	4,821,408	4,821,408	5,103,227	(281,819)
Fringe Benefits	515,871	515,871	602,029	(86,158)
Purchased Services	18,404	19,904	21,928	(2,024)
Materials and Supplies	26,383	34,256	31,584	2,672
Equipment Purchased	7,691	9,691	2,017	7,674
Total Special Instruction	5,389,757	5,401,130	5,760,785	(359,655)
Vocational:				
Salaries and Wages	1,064,060	1,064,060	1,044,585	19,475
Fringe Benefits	103,653	103,653	159,780	(56,127)
Purchased Services	64,619	66,019	93,511	(27,492)
Materials and Supplies	225,756	226,330	290,985	(64,655)
Equipment Purchased	356,589	356,589	336,085	20,504
Other Expenditures	12,403	12,403	9,063	3,340
Total Vocational Instruction	1,827,080	1,829,054	1,934,009	(104,955)
Other:				
Purchased Services	957,751	957,751	1,413,447	(455,696)
Total Other Instruction	957,751	957,751	1,413,447	(455,696)

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund - General Fund Source Information (001)
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Support Services:				
Pupil:				
Salaries and Wages	3,512,065	3,512,065	3,364,944	147,121
Fringe Benefits	340,135	340,135	504,290	(164,155)
Purchased Services	55,085	57,285	68,698	(11,413)
Materials and Supplies	421,027	430,244	317,586	112,658
Equipment Purchased	11,635	10,135	26,858	(16,723)
Other Expenditures	1,015	1,115	935	180
Total Pupil	4,340,962	4,350,979	4,283,311	67,668
Instructional Staff:				
Salaries and Wages	1,927,039	1,927,039	2,029,129	(102,090)
Fringe Benefits	380,192	385,817	491,111	(105,294)
Purchased Services	312,278	145,228	118,956	26,272
Materials and Supplies	142,415	179,949	136,717	43,232
Equipment Purchased	359,723	62,723	42,394	20,329
Other Expenditures	8,875	11,876	13,417	(1,541)
Total Instructional Staff	3,130,522	2,712,632	2,831,724	(119,092)
Board of Education:				
Purchased Services	140,875	142,175	141,476	699
Materials and Supplies	125	125	255	(130)
Other Expenditures	124,110	310,992	297,213	13,779
Total Board of Education	265,110	453,292	438,944	14,348
Administration:				
Salaries and Wages	3,324,262	3,324,262	3,531,728	(207,466)
Fringe Benefits	467,875	468,040	669,420	(201,380)
Purchased Services	33,600	13,530	22,093	(8,563)
Materials and Supplies	29,162	63,211	76,772	(13,561)
Equipment Purchased	12,661	17,761	2,664	15,097
Other Expenditures	2,549	2,549	13,550	(11,001)
Total Administration	3,870,109	3,889,353	4,316,227	(426,874)
Fiscal:				
Salaries and Wages	452,134	452,134	433,088	19,046
Fringe Benefits	62,300	62,300	90,115	(27,815)
Purchased Services	4,746	9,291	14,621	(5,330)
Materials and Supplies	21,229	27,229	27,684	(455)
Equipment Purchased	7,320	7,320	255	7,065
Other Expenditures	418,595	363,295	369,414	(6,119)
Total Fiscal	966,324	921,569	935,177	(13,608)

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund - General Fund Source Information (001)
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Business:				
Salaries and Wages	300,969	300,969	300,428	541
Fringe Benefits	46,292	47,042	51,409	(4,367)
Purchased Services	207,771	193,921	119,968	73,953
Materials and Supplies	4,676	(6,824)	(25,511)	18,687
Equipment Purchased	13,185	3,005	-	3,005
Other Expenditures	125	125	110	15
Total Business	573,018	538,238	446,404	91,834
Operations and Maintenance:				
Salaries and Wages	3,417,212	3,417,212	3,452,332	(35,120)
Fringe Benefits	348,940	348,940	576,473	(227,533)
Purchased Services	3,447,515	3,554,043	3,753,030	(198,987)
Materials and Supplies	407,631	398,193	441,871	(43,678)
Equipment Purchased	64,205	93,299	5,794	87,505
Other Expenditures	285	631	624	7
Total Operations and Maintenance	7,685,788	7,812,318	8,230,124	(417,806)
Pupil Transportation:				
Salaries and Wages	1,447,201	1,447,201	1,668,773	(221,572)
Fringe Benefits	164,011	164,011	271,417	(107,406)
Purchased Services	356,561	296,561	265,074	31,487
Materials and Supplies	199,495	224,495	295,617	(71,122)
Equipment Purchased	7,200	7,200	-	7,200
Total Transportation	2,174,468	2,139,468	2,500,881	(361,413)
Central:				
Salaries and Wages	99,007	99,007	99,893	(886)
Fringe Benefits	10,223	10,223	16,523	(6,300)
Purchased Services	328,840	329,195	280,199	48,996
Materials and Supplies	27,453	27,453	39,365	(11,912)
Equipment Purchased	2,064	2,064	0	2,064
Other Expenditures	280,546	280,546	337,740	(57,194)
Total Central	748,133	748,488	773,720	(25,232)
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	-	-	8,664	(8,664)
Fringe Benefits	-	-	1,406	(1,406)
Total Community Services	-	-	10,070	(10,070)
Other Expenditures:				
Other Expenditures	-	-	461	(461)
Total Other Expenditures	-	-	461	(461)

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund - General Fund Source Information (001)
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Extracurricular Activities:				
Salaries and Wages	641,802	641,802	626,960	14,842
Fringe Benefits	72,593	72,593	102,379	(29,786)
Other Expenditures			4,300	(4,300)
Total Extracurricular Activities	<u>714,395</u>	<u>714,395</u>	<u>733,639</u>	<u>(19,244)</u>
Capital Outlay:				
Salaries and Wages	84,133	84,133	83,598	535
Fringe Benefits	12,258	12,258	18,228	(5,970)
Purchased Services	43,265	48,265	14,927	33,338
Materials and Supplies	700	1,320	150	1,170
Building Acquisition/Construction	1,200	1,200	-	1,200
Improvements/Renovations	52,528	52,528	63,529	(11,001)
Other Expenditures	800	800	-	800
Total Capital Outlay	<u>194,884</u>	<u>200,504</u>	<u>180,432</u>	<u>20,072</u>
Total Expenditures	<u>62,746,681</u>	<u>64,954,697</u>	<u>64,505,034</u>	<u>449,663</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,958,116)</u>	<u>(3,116,132)</u>	<u>(2,392,319)</u>	<u>723,813</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	-	-	12,365	12,365
Operating Transfers In (Out)	(139,200)	(139,200)	(150,000)	(10,800)
Advances In	-	1,532,995	1,532,995	-
Advances Out	(50,000)	(2,384,060)	(2,384,060)	-
Refund of Prior Year Expenditures	-	-	9,978	9,978
Refund of Prior Year Receipts				-
Miscellaneous Financing Sources (Uses)	(82,250)	(88,250)		88,250
Total Other Financing Sources (Uses)	<u>(271,450)</u>	<u>(1,078,515)</u>	<u>(978,722)</u>	<u>99,793</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(2,229,566)</u>	<u>(4,194,647)</u>	<u>(3,371,041)</u>	<u>823,606</u>
Fund Balance July 1, 2004	7,418,626	7,418,626	7,418,626	-
Prior Year Encumbrances Appropriated	<u>1,009,234</u>	<u>1,009,234</u>	<u>1,009,234</u>	<u>-</u>
Fund Balances June 30, 2005	<u>\$ 6,198,294</u>	<u>\$ 4,233,213</u>	<u>\$ 5,056,819</u>	<u>\$ 823,606</u>

Hamilton City School District
Notes to Required Supplementary Information
June 30, 2005

Note A Budgetary Basis of Accounting

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

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

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

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

	<u>General Fund</u>
Change in Fund Balance (GAAP Basis)	\$(1,665,741)
Increase / (Decrease):	
Due to Revenues	(63,487)
Due to Expenditures	(789,649)
Due to Other Sources (Uses)	<u>(852,164)</u>
Change in Fund Balance (Budgetary Basis)	<u>(\$3,371,041)</u>

Supplemental Section:
Combining Statements and
Individual Fund Schedules

Other Major Governmental Funds

Other Major Governmental Funds

This section contains Budget and Actual statements on a non-GAAP basis of accounting for the Other Major Governmental Funds. The Other Major Governmental Funds consist of one Debt Service Fund and two Capital Project Funds. Combining statements are not required as all pertinent information is portrayed on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

Debt Service Fund - This fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment.

Permanent Improvement Fund – A fund provided to account for all transactions related to the acquisition, construction, or improvements to the District’s facilities (as authorized by Chapter 5705 of the Ohio Revised Code). This fund does not include amounts directly related to levy proceed expenditures.

Building Program Fund – A fund provided to account for expenditures of levy generated funds for the acquisition, construction, or improvement of the District’s facilities.

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Debt Service Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / Negative
	Original	Final		
Revenues:				
Taxes	\$ 3,055,000	\$ 3,574,624	\$ 3,583,028	\$ 8,404
Other Local Revenues:				
Gifts and Donations	75,000	75,000	75,000	-
Miscellaneous Revenue	-	116,806	116,806	-
Total Other Local Revenues	75,000	191,806	191,806	-
Intergovernmental	410,000	410,000	451,434	41,434
Total Revenues	3,540,000	4,176,430	4,226,268	49,838
Expenditures:				
Current:				
Support Services:				
Fiscal:				
Other Expenditures	55,500	56,500	56,852	(352)
Total Fiscal	55,500	56,500	56,852	(352)
Debt Service:				
Principal:				
Principal Retirement	1,444,500	1,444,624	1,444,624	-
Total Principal	1,444,500	1,444,624	1,444,624	-
Interest:				
Interest and Fiscal Charges	2,359,625	2,359,625	1,910,572	449,053
Total Interest	2,359,625	2,359,625	1,910,572	449,053
Total Expenditures	3,859,625	3,860,749	3,412,048	448,701
Excess (Deficiency) of Revenues Over (Under) Expenditures	(319,625)	315,681	814,220	498,539
Other Financing Sources				
Proceeds from the Sale of Notes	225,000	-	-	-
Total Other Financing Sources	225,000	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(94,625)	315,681	814,220	498,539
Fund Balance: July 1, 2004	760,659	760,659	760,659	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance: June 30, 2005	\$ 666,034	\$ 1,076,340	\$ 1,574,879	\$ 498,539

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance:
	Original	Final		Positive / Negative
Revenues:				
Taxes	\$ 180,000	\$ 2,435,000	\$ 2,462,192	\$ 27,192
Earnings on Investments	-	60,000	64,036	4,036
Intergovernmental	145,000	290,000	296,189	6,189
Total Revenues	<u>325,000</u>	<u>2,785,000</u>	<u>2,822,417</u>	<u>37,417</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	8,000	9,956	9,956	-
Materials and Supplies	924,370	957,634	982,183	(24,549)
Equipment Purchased	2,404,659	2,780,698	540,190	2,240,508
Total Regular Instruction	<u>3,337,029</u>	<u>3,748,288</u>	<u>1,532,329</u>	<u>2,215,959</u>
Special:				
Equipment Purchased	-	-	4,924	(4,924)
Total Special Instruction	<u>-</u>	<u>-</u>	<u>4,924</u>	<u>(4,924)</u>
Vocational:				
Equipment Purchased	-	-	4,681	(4,681)
Total Vocational Instruction	<u>-</u>	<u>-</u>	<u>4,681</u>	<u>(4,681)</u>
Support Services:				
Pupils:				
Equipment Purchased	1,851	14,215	21,902	(7,687)
Total Pupils	<u>1,851</u>	<u>14,215</u>	<u>21,902</u>	<u>(7,687)</u>
Instructional Staff:				
Equipment Purchased	153,893	473,406	501,079	(27,673)
Total Instructional Staff	<u>153,893</u>	<u>473,406</u>	<u>501,079</u>	<u>(27,673)</u>
Board of Education:				
Equipment Purchased	-	-	39,251	(39,251)
Total Administration	<u>-</u>	<u>-</u>	<u>39,251</u>	<u>(39,251)</u>
Administration:				
Equipment Purchased	37,438	38,772	55,434	(16,662)
Total Administration	<u>37,438</u>	<u>38,772</u>	<u>55,434</u>	<u>(16,662)</u>
Fiscal:				
Equipment Purchased	-	4,499	12,919	(8,420)
Other Expenditures	-	16,970	38,750	(21,780)
Total Fiscal	<u>-</u>	<u>21,469</u>	<u>51,669</u>	<u>(30,200)</u>
Business:				
Equipment Purchased	5,043	5,043	7,462	(2,419)
Total Business	<u>5,043</u>	<u>5,043</u>	<u>7,462</u>	<u>(2,419)</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / Negative
	Original	Final		
Operations and Maintenance:				
Purchased Services	55,080	117,020	135,992	(18,972)
Materials and Supplies	12,271	12,420	27,462	(15,042)
Equipment Purchased	69,864	124,986	262,078	(137,092)
Total Operations and Maintenance	137,215	254,426	425,532	(171,106)
Pupil Transportation:				
Equipment Purchased	222,480	283,600	286,321	(2,721)
Total Pupil Transportation	222,480	283,600	286,321	(2,721)
Central:				
Purchased Services	1,955	1,955	-	1,955
Equipment Purchased	9,693	9,693	5,649	4,044
Total Central	11,648	11,648	5,649	5,999
Operation of Non-Instructional Services:				
Food Service Operations:				
Materials and Supplies	-	8,162	8,162	-
Equipment Purchased	-	59,688	59,688	-
Total Operation Food Service Operations	-	67,850	67,850	-
Capital Outlay:				
Site Acquisition Services:				
Purchased Services	107,672	107,672	137,592	(29,920)
Equipment Purchased	26,395	26,395	77,712	(51,317)
Total Site Acquisition Services	134,067	134,067	215,304	(81,237)
Site Improvement Services:				
Purchased Services	1,934	1,934	102,687	(100,753)
Equipment Purchased	8,665	31,013	44,417	(13,404)
Total Site Improvement Services	10,599	32,947	147,104	(114,157)
Architecture and Engineering Services:				
Purchased Services	1,825,426	951,648	138,267	813,381
Total Architecture and Engineering Services	1,825,426	951,648	138,267	813,381
Building Acquisition and Construction Services:				
Purchased Services	244,131	244,131	244,131	-
Total Building Acquisition and Construction Services	244,131	244,131	244,131	-
Building Improvement Services:				
Purchased Services	9,651	46,937	46,937	-
Equipment Purchased	1,336,283	1,438,307	1,836,838	(398,531)
Total Building Improvement Services	1,345,934	1,485,244	1,883,775	(398,531)
Total Expenditures	7,466,754	7,766,754	5,632,664	2,134,090
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,141,754)	(4,981,754)	(2,810,247)	2,171,507

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / Negative
	Original	Final		
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	-	95,000	95,000	-
Refund of Prior Year Expenditures	-	20,000	16,768	(3,232)
Refund of Prior Year Receipts	-		(55,826)	(55,826)
Total Other Financing Sources (Uses)	-	115,000	55,942	(59,058)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(7,141,754)	(4,866,754)	(2,754,305)	2,112,449
Fund Balance: July 1, 2004	3,500,401	3,500,401	3,500,401	-
Prior Year Encumbrances Appropriated	2,666,750	2,666,750	2,666,750	-
Fund Balance: June 30, 2005	\$ (974,603)	\$ 1,300,397	\$ 3,412,846	\$ 2,112,449

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Building Program Capital Projects Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / Negative
	Original	Final		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital Outlay:				
Site Acquisition Services:				
Equipment Purchased	313,631	313,631	313,631	-
Total Site Acquisition Services	313,631	313,631	313,631	-
Architecture and Engineering Services:				
Purchased Services	7,094	27,851	27,352	499
Total Architecture and Engineering Services	7,094	27,851	27,352	499
Building Acquisition and Construction Services:				
Purchased Services	(223,026)	(223,026)	(223,026)	-
Total Building Acquisition and Construction Services	(223,026)	(223,026)	(223,026)	-
Building Improvement Services:				
Equipment Purchased	942,962	925,318	925,818	(500)
Total Building Improvement Services	942,962	925,318	925,818	(500)
Total Expenditures	1,040,661	1,043,774	1,043,775	(1)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,040,661)	(1,043,774)	(1,043,775)	(1)
Fund Balance: July 1, 2004	3,114	3,114	3,114	-
Prior Year Encumbrances Appropriated	1,040,661	1,040,661	1,040,661	-
Fund Balance: June 30, 2005	\$ 3,114	\$ 1	\$ -	\$ (1)

Non-Major Governmental Funds

Non-Major Special Revenue Funds

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

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

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

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

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

Athletic Fund - A fund provided to account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, drill team, flag corps, drama club, and other similar type of activities.

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

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

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

Non-Major Governmental Funds (Continued)

Entry Year Programs – A fund set up to implement entry-year programs pursuant to Ohio Revised Code § 3317.024(T).

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

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

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

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

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

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

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

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

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

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

Non-Major Governmental Funds (Continued)

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

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

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

Title V - A fund to assist state and local educational agencies in the reform of elementary and secondary education. Funds may be used for various materials, technology, and projects implementing school improvement and parental involvement activities authorized under ESEA, Title I. This program is subject to non-supplanting requirement and must use a restricted indirect cost rate which is referenced under 34 CFR 76.564-76.569.

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

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

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

Non-Major Governmental Funds (Continued)

Improving Teacher Quality – A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants – A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant.

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

Uniform School Supplies - A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District.

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

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

Non-Major Governmental Funds (Continued)

Non-Major Capital Projects Funds

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

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

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

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**Hamilton City School District
Combining Balance Sheet
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2005**

	Non-Major Special Revenue	Non-Major Capital Projects	Total Non-Major Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 3,551,592	\$ 155,597	\$ 3,707,189
Receivables (Net of Allowances for Uncollectibles):			
Accounts	6,518	-	6,518
Accrued Interest	1,170	-	1,170
Intergovernmental	1,787,074	-	1,787,074
Materials and Supplies Inventory	31,738	-	31,738
Total Assets	<u>\$ 5,378,092</u>	<u>\$ 155,597</u>	<u>\$ 5,533,689</u>
Liabilities:			
Accounts Payable	\$ 175,463	\$ -	175,463
Contracts Payable	181,371	-	181,371
Accrued Wages and Benefits	2,058,192	-	2,058,192
Interfund Loans Payable	2,384,061	-	2,384,061
Intergovernmental Payable	70,999	-	70,999
Due to Other Funds	7,844	-	7,844
Total Liabilities	<u>\$ 4,877,930</u>	<u>\$ -</u>	<u>\$ 4,877,930</u>
Fund Balances:			
Reserved for:			
Encumbrances	\$ 2,941,411	\$ 4,349	2,945,760
Inventory	31,738	-	31,738
Unreserved, Reported In:			
Special Revenue Fund	(2,472,987)	-	(2,472,987)
Capital Projects Fund	-	151,248	151,248
Total Fund Balances	<u>\$ 500,162</u>	<u>\$ 155,597</u>	<u>\$ 655,759</u>
Total Liabilities and Fund Balances	<u>\$ 5,378,092</u>	<u>\$ 155,597</u>	<u>\$ 5,533,689</u>

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

Hamilton City School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2005

	Non-Major Special Revenue	Non-Major Capital Projects	Total Non-Major Governmental Funds
Revenues:			
Tuition	\$ 112,499	\$ -	\$ 112,499
Charges for Services	1,250,165	-	1,250,165
Earnings on Investments	13,155	-	13,155
Intergovernmental	14,472,726	-	14,472,726
Other Local Revenues	754,124	151,248	905,372
Total Revenues	<u>16,602,669</u>	<u>151,248</u>	<u>16,753,917</u>
Expenditures:			
Current:			
Instruction:			
Regular	3,495,197	-	3,495,197
Special	3,381,352	-	3,381,352
Vocational	305,844	-	305,844
Adult/Continuing	237,598	-	237,598
Support Services:			
Pupils	1,661,214	-	1,661,214
Instructional Staff	2,278,924	-	2,278,924
Administration	315,570	-	315,570
Operations and Maintenance	74,195	-	74,195
Pupil Transportation	1,656	-	1,656
Central	188,861	-	188,861
Non-Instructional Services:			
Food Service Operations	3,428,857	-	3,428,857
Community Services	1,065,455	-	1,065,455
Extracurricular Activities	327,591	-	327,591
Capital Outlay	-	146,421	146,421
Debt Service:			
Principal Retirement	1,162	-	1,162
Total Expenditures	<u>16,763,476</u>	<u>146,421</u>	<u>16,909,897</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(160,807)</u>	<u>4,827</u>	<u>(155,980)</u>
Other Financing Sources (Uses):			
Transfers In	235,806	-	235,806
Transfers Out	(85,806)	-	(85,806)
Total Other Financing Sources (Uses)	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Change in Fund Balance	(10,807)	4,827	(5,980)
Fund Balance: July 1, 2004	510,969	150,770	661,739
Fund Balance: June 30, 2005	<u>\$ 500,162</u>	<u>\$ 155,597</u>	<u>\$ 655,759</u>

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

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**Hamilton City School District
Combining Balance Sheet
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2005**

	<u>Insurance Replacement</u>	<u>TV Hamilton</u>	<u>Public School Support</u>	<u>Other Grants</u>
Assets:				
Cash and Cash Equivalents	\$ 28,512	\$83,362	\$ 220,210	\$30,182
Receivables (Net of Allowance of Uncollectibles):				
Accounts	-	95	3,000	-
Accrued Interest	-	-	545	-
Intergovernmental	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Total Assets	<u>\$ 28,512</u>	<u>\$83,457</u>	<u>\$ 223,755</u>	<u>\$30,182</u>
Liabilities:				
Accounts Payable	\$ 130	\$ 2,686	\$ 19,214	\$ 4,758
Contracts Payable	-	-	-	-
Accrued Wages and Benefits	-	9,157	42	-
Interfund Loans Payable	-	-	-	937
Intergovernmental Payable	-	559	50	-
Due to Other Funds	-	70	392	-
Total Liabilities	<u>\$ 130</u>	<u>\$12,472</u>	<u>\$ 19,698</u>	<u>\$ 5,695</u>
Fund Balances:				
Reserved for Encumbrances	\$ 1,627	\$ 6,201	\$ 27,901	\$ 2,363
Reserved for Inventory	-	-	-	-
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	26,755	64,784	176,156	22,124
Total Fund Balances	<u>\$ 28,382</u>	<u>\$70,985</u>	<u>\$ 204,057</u>	<u>\$24,487</u>
Total Liabilities and Fund Balances	<u>\$ 28,512</u>	<u>\$83,457</u>	<u>\$ 223,755</u>	<u>\$30,182</u>

Athletic Fund	Auxiliary Service	Career Development	Management Information System	Entry Year Programs	DPIA	Network Connectivity	School Net Professional Development
\$ 132,475	\$ 122,389	\$ 1	\$ 5,000	\$ -	\$ 1,041,534	\$ -	\$ 900
2,682	-	-	-	-	-	-	-
322	303	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 135,479</u>	<u>\$ 122,692</u>	<u>\$ 1</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 1,041,534</u>	<u>\$ -</u>	<u>\$ 900</u>
\$ 14,858	\$ 14,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 311
-	-	-	-	-	-	-	-
1,220	104,734	6	1,383	-	646,745	-	-
235	-	-	-	-	-	-	-
-	457	-	-	-	7,662	-	-
260	-	-	-	-	-	-	-
<u>\$ 16,573</u>	<u>\$ 119,527</u>	<u>\$ 6</u>	<u>\$ 1,383</u>	<u>\$ -</u>	<u>\$ 654,407</u>	<u>\$ -</u>	<u>\$ 311</u>
\$ 10,477	\$ 108,139	\$ -	\$ 5,000	\$ -	\$ 1,041,538	\$ -	\$ 589
-	-	-	-	-	-	-	-
108,429	(104,974)	(5)	(1,383)	-	(654,411)	-	-
<u>\$ 118,906</u>	<u>\$ 3,165</u>	<u>\$ (5)</u>	<u>\$ 3,617</u>	<u>\$ -</u>	<u>\$ 387,127</u>	<u>\$ -</u>	<u>\$ 589</u>
<u>\$ 135,479</u>	<u>\$ 122,692</u>	<u>\$ 1</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 1,041,534</u>	<u>\$ -</u>	<u>\$ 900</u>

(Continued)

Hamilton City School District
Combining Balance Sheet
Non-Major Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2005

	Ohio Reads Volunteer Grant	Summer Intervention	Vocational Education Enhancement	Alternative Schools
Assets:				
Cash and Cash Equivalents	\$ 1,866	\$ 4,416	\$ -	\$ 44,291
Receivables (Net of Allowance of Uncollectibles):				
Accounts	-	-	-	-
Accrued Interest	-	-	-	-
Intergovernmental	3,665	96,694	-	53,540
Materials and Supplies Inventory	-	-	-	-
Total Assets	\$ 5,531	\$ 101,110	\$ -	\$ 97,831
Liabilities:				
Accounts Payable	\$ 1,020	\$ -	\$ -	\$ -
Contracts Payable	-	-	-	-
Accrued Wages and Benefits	7,620	15,007	-	55,552
Interfund Loans Payable	3,665	96,694	-	66,158
Intergovernmental Payable	4,544	172	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	\$ 16,849	\$ 111,873	\$ -	\$ 121,710
Fund Balances:				
Reserved for Encumbrances	\$ 845	\$ 4,414	\$ -	\$ 44,290
Reserved for Inventory	-	-	-	-
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	(12,163)	(15,177)	-	(68,169)
Total Fund Balances	\$ (11,318)	\$ (10,763)	\$ -	\$ (23,879)
Total Liabilities and Fund Balances	\$ 5,531	\$ 101,110	\$ -	\$ 97,831

<u>Miscellaneous State Grants</u>	<u>Adult Basic Education</u>	<u>Title VI-B</u>	<u>Carl D. Perkins</u>	<u>Title III</u>	<u>Title I</u>	<u>Title V</u>
\$ 33,793	\$ 19,231	\$ 695,835	\$ 71,888	\$ 13,129	\$ 476,645	\$ 304
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	170,398	754,421	78,129	12,494	354,064	-
-	-	-	-	-	-	-
<u>\$ 33,793</u>	<u>\$ 189,629</u>	<u>\$ 1,450,256</u>	<u>\$ 150,017</u>	<u>\$ 25,623</u>	<u>\$ 830,709</u>	<u>\$ 304</u>
\$ 96	\$ 275	\$ 8,288	\$ 38,163	\$ 6,537	\$ 11,741	\$ -
-	-	181,371	-	-	-	-
14,816	24,986	317,745	41,462	9,181	527,206	-
-	173,590	873,290	78,129	8,191	375,377	-
288	-	9,217	2,470	830	209	-
1,000	-	-	-	-	-	-
<u>\$ 16,200</u>	<u>\$ 198,851</u>	<u>\$ 1,389,911</u>	<u>\$ 160,224</u>	<u>\$ 24,739</u>	<u>\$ 914,533</u>	<u>\$ -</u>
\$ 19,471	\$ 19,122	\$ 695,841	\$ 33,728	\$ 6,592	\$ 462,999	\$ 302
-	-	-	-	-	-	-
(1,878)	(28,344)	(635,496)	(43,935)	(5,708)	(546,823)	2
<u>\$ 17,593</u>	<u>\$ (9,222)</u>	<u>\$ 60,345</u>	<u>\$ (10,207)</u>	<u>\$ 884</u>	<u>\$ (83,824)</u>	<u>\$ 304</u>
<u>\$ 33,793</u>	<u>\$ 189,629</u>	<u>\$ 1,450,256</u>	<u>\$ 150,017</u>	<u>\$ 25,623</u>	<u>\$ 830,709</u>	<u>\$ 304</u>

(Continued)

Hamilton City School District
Combining Balance Sheet
Non-Major Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2005

	Federal	Drug Free	Title VI-B	Improving
	Emergency	Schools	Preschool	Teacher
	Repair			Quality
Assets:				
Cash and Cash Equivalents	\$ -	\$ 7,918	\$ 23,538	\$ 137,303
Receivables (Net of Allowance of Uncollectibles):				
Accounts	-	-	-	-
Accrued Interest	-	-	-	-
Intergovernmental	-	8,655	15,516	92,740
Materials and Supplies Inventory	-	-	-	-
Total Assets	\$ -	\$ 16,573	\$ 39,054	\$ 230,043
Liabilities:				
Accounts Payable	\$ -	\$ 927	\$ 1,382	\$ 7,442
Contracts Payable	-	-	-	-
Accrued Wages and Benefits	-	10,073	14,936	143,722
Interfund Loans Payable	-	15	21,322	103,574
Intergovernmental Payable	-	330	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	\$ -	\$ 11,345	\$ 37,640	\$ 254,738
Fund Balances:				
Reserved for Encumbrances	\$ -	\$ 7,614	\$ 22,157	\$ 129,863
Reserved for Inventory	-	-	-	-
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	-	(2,386)	(20,743)	(154,558)
Total Fund Balances	\$ -	\$ 5,228	\$ 1,414	\$ (24,695)
Total Liabilities and Fund Balances	\$ -	\$ 16,573	\$ 39,054	\$ 230,043

Miscellaneous	Federal	Food	Uniform	Vocational	Adult	Totals
Grants	Service	School	Rotary	Education		
		Supplies				
\$ 242,102	\$ 31,781	\$63,718	\$ 15,822	\$ 3,447		\$3,551,592
-	305	436	-	-		6,518
-	-	-	-	-		1,170
43,994	100,334	-	-	2,430		1,787,074
-	31,738	-	-	-		31,738
<u>\$ 286,096</u>	<u>\$ 164,158</u>	<u>\$64,154</u>	<u>\$ 15,822</u>	<u>\$ 5,877</u>		<u>\$5,378,092</u>
\$ 4,593	\$ 23,806	\$13,776	\$ 1,124	\$ -		\$ 175,463
-	-	-	-	-		181,371
11,388	101,012	-	-	199		2,058,192
364,846	188,682	29,356	-	-		2,384,061
170	44,041	-	-	-		70,999
5,672	450	-	-	-		7,844
<u>\$ 386,669</u>	<u>\$ 357,991</u>	<u>\$43,132</u>	<u>\$ 1,124</u>	<u>\$ 199</u>		<u>\$4,877,930</u>
\$ 231,849	\$ 8,026	\$49,943	\$ 276	\$ 244		\$2,941,411
-	31,738	-	-	-		31,738
(332,422)	(233,597)	(28,921)	14,422	5,434		(2,472,987)
<u>\$ (100,573)</u>	<u>\$ (193,833)</u>	<u>\$21,022</u>	<u>\$ 14,698</u>	<u>\$ 5,678</u>		<u>\$ 500,162</u>
<u>\$ 286,096</u>	<u>\$ 164,158</u>	<u>\$64,154</u>	<u>\$ 15,822</u>	<u>\$ 5,877</u>		<u>\$5,378,092</u>

**Hamilton City School District
Combining Balance Sheet
Non-Major Capital Project Funds
For the Fiscal Year Ended June 30, 2005**

	<u>Capital Projects</u>	<u>SchoolNet Plus</u>	<u>Totals</u>
Assets:			
Cash and Cash Equivalents	\$ 155,597	\$ -	\$ 155,597
Total Assets	<u>\$ 155,597</u>	<u>\$ -</u>	<u>\$ 155,597</u>
Liabilities:			
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:			
Reserved for Encumbrances	\$ 4,349	\$ -	\$ 4,349
Unreserved, Undesignated	151,248		151,248
Total Fund Balances	<u>\$ 155,597</u>	<u>\$ -</u>	<u>\$ 155,597</u>
Total Liabilities and Fund Balances	<u>\$ 155,597</u>	<u>\$ -</u>	<u>\$ 155,597</u>

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Hamilton City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2005

	Insurance Replacement	TV Hamilton	Public School Support	Other Grants
Revenues:				
From Local Sources:				
Tuition	\$ -	\$ -	\$ 45,924	\$ -
Sales and Charges for Services	-	-	-	-
Earnings on Investments	-	-	4,694	-
Intergovernmental	-	130,000	-	22,407
Other Revenues	27,977	23,870	351,889	6,922
Total Revenues	<u>27,977</u>	<u>153,870</u>	<u>402,507</u>	<u>29,329</u>
Expenditures:				
Current:				
Instruction:				
Regular	3,252	-	-	24,116
Special	-	-	6	3,243
Vocational	-	128,668	-	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	-	-	398,081	-
Instructional Staff	382	-	-	3,026
Administration	-	-	-	-
Operations and Maintenance	11,700	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	4,874
Non-Instructional Services:				
Food Service Operations	-	-	-	-
Community Services	-	-	-	500
Extracurricular Activities	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Total Expenditures	<u>15,334</u>	<u>128,668</u>	<u>398,087</u>	<u>35,759</u>
Excess (Deficiency) of Revenues Over / (Under)				
Expenditures	<u>12,643</u>	<u>25,202</u>	<u>4,420</u>	<u>(6,430)</u>
Other Financing Sources (Uses):				
Transfers In	-	-	6,304	-
Transfers Out	-	-	(5,508)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>796</u>	<u>-</u>
Change in Fund Balance	12,643	25,202	5,216	(6,430)
Fund Balance: July 1, 2004 (Restated)	<u>15,739</u>	<u>45,783</u>	<u>198,841</u>	<u>30,917</u>
Fund Balance: June 30, 2005	<u>\$ 28,382</u>	<u>\$ 70,985</u>	<u>\$ 204,057</u>	<u>\$ 24,487</u>

Athletic Fund	Auxiliary Service	Career Development	Management Information System	Entry Year Programs	DPIA	Network Connectivity	School Net Professional Development
\$ 216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
3,173	5,283	-	-	-	-	-	-
-	881,188	6,000	30,840	25,300	3,407,997	57,000	6,750
343,468	-	-	-	-	-	-	-
<u>346,857</u>	<u>886,471</u>	<u>6,000</u>	<u>30,840</u>	<u>25,300</u>	<u>3,407,997</u>	<u>57,000</u>	<u>6,750</u>
-	-	-	-	-	2,670,909	-	-
-	-	-	-	-	-	-	-
-	-	5,988	-	-	507	-	-
-	-	-	-	-	-	-	-
-	-	-	21,904	-	204,899	-	-
-	-	-	-	24,819	92,939	-	6,161
-	-	-	-	-	59,524	-	-
14,584	-	-	-	-	33,601	-	-
(1,344)	-	-	-	-	-	-	-
-	-	-	3,150	-	-	57,000	-
-	-	-	-	-	-	-	-
889	926,212	-	-	-	-	-	-
327,591	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>341,720</u>	<u>926,212</u>	<u>5,988</u>	<u>25,054</u>	<u>24,819</u>	<u>3,062,379</u>	<u>57,000</u>	<u>6,161</u>
5,137	(39,741)	12	5,786	481	345,618	-	589
1,566	61,183	-	-	-	-	-	-
(2,362)	(61,183)	-	-	-	-	-	-
<u>(796)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4,341	(39,741)	12	5,786	481	345,618	-	589
114,565	42,906	(17)	(2,169)	(481)	41,509	-	-
<u>\$ 118,906</u>	<u>\$ 3,165</u>	<u>\$ (5)</u>	<u>\$ 3,617</u>	<u>\$ -</u>	<u>\$ 387,127</u>	<u>\$ -</u>	<u>\$ 589</u>

(Continued)

Hamilton City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2005

	Ohio Reads Volunteer Grant	Summer Intervention	Vocational Education Enhancement	Alternative Schools
Revenues:				
From Local Sources:				
Tuition	\$ -	\$ -	\$ -	\$ -
Sales and Charges for Services	-	-	-	-
Earnings on Investments	-	-	-	-
Intergovernmental	175,000	186,582	4,922	378,790
Other Revenues	-	-	-	-
Total Revenues	<u>175,000</u>	<u>186,582</u>	<u>4,922</u>	<u>378,790</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	-
Special	70,920	-	-	353,199
Vocational	-	-	4,922	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	121,523	197,165	-	-
Administration	-	-	-	-
Operations and Maintenance	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Non-Instructional Services:				
Food Service Operations	-	-	-	-
Community Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Total Expenditures	<u>192,443</u>	<u>197,165</u>	<u>4,922</u>	<u>353,199</u>
Excess (Deficiency) of Revenues Over / (Under) Expenditures	<u>(17,443)</u>	<u>(10,583)</u>	<u>-</u>	<u>25,591</u>
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Fund Balance	(17,443)	(10,583)	-	25,591
Fund Balance: July 1, 2004 (Restated)	<u>6,125</u>	<u>(180)</u>	<u>-</u>	<u>(49,470)</u>
Fund Balance: June 30, 2005	<u>\$ (11,318)</u>	<u>\$ (10,763)</u>	<u>\$ -</u>	<u>\$ (23,879)</u>

Miscellaneous State Grants	Adult Basic Education	Title VI-B	Carl D. Perkins	Title III	Title I	Title V
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
137,885	294,679	2,136,686	254,930	74,065	2,815,471	50,511
-	-	-	-	-	-	-
<u>137,885</u>	<u>294,679</u>	<u>2,136,686</u>	<u>254,930</u>	<u>74,065</u>	<u>2,815,471</u>	<u>50,511</u>
67	-	-	-	-	161,841	61,970
1,107	-	535,412	-	5,694	2,370,377	-
-	(4,666)	-	168,325	-	-	-
-	223,767	-	-	-	-	-
119,231	-	677,817	79,184	63,617	15,000	-
78,991	71,136	636,384	(3,387)	-	408,203	-
-	424	157,622	9,979	-	87,913	-
8,638	-	-	-	-	-	-
3,000	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
750	-	69,608	-	-	41,832	6,362
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>211,784</u>	<u>290,661</u>	<u>2,076,843</u>	<u>254,101</u>	<u>69,311</u>	<u>3,085,166</u>	<u>68,332</u>
<u>(73,899)</u>	<u>4,018</u>	<u>59,843</u>	<u>829</u>	<u>4,754</u>	<u>(269,695)</u>	<u>(17,821)</u>
-	-	-	-	2,285	7,796	-
-	-	-	-	(2,285)	(7,796)	-
-	-	-	-	-	-	-
<u>(73,899)</u>	<u>4,018</u>	<u>59,843</u>	<u>829</u>	<u>4,754</u>	<u>(269,695)</u>	<u>(17,821)</u>
<u>91,492</u>	<u>(13,240)</u>	<u>502</u>	<u>(11,036)</u>	<u>(3,870)</u>	<u>185,871</u>	<u>18,125</u>
<u>\$ 17,593</u>	<u>\$ (9,222)</u>	<u>\$ 60,345</u>	<u>\$ (10,207)</u>	<u>\$ 884</u>	<u>\$ (83,824)</u>	<u>\$ 304</u>

(Continued)

Hamilton City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2005

	Federal Emergency Repair	Drug Free Schools	Title VI-B Preschool	Improving Teacher Quality
Revenues:				
From Local Sources:				
Tuition	\$ -	\$ -	\$ -	\$ -
Sales and Charges for Services	-	-	-	-
Earnings on Investments	-	-	-	-
Intergovernmental	2,000	73,291	71,774	707,938
Other Revenues	-	-	-	-
Total Revenues	<u>2,000</u>	<u>73,291</u>	<u>71,774</u>	<u>707,938</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	344,203
Special	-	37,810	3,584	-
Vocational	-	-	-	-
Adult/Continuing	-	-	-	-
Support Services:				
Pupils	-	12,720	67,147	-
Instructional Staff	-	11,768	6	372,460
Administration	-	-	108	-
Operations and Maintenance	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Non-Instructional Services:				
Food Service Operations	-	-	-	-
Community Services	-	7,792	1,417	-
Extracurricular Activities	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Total Expenditures	<u>-</u>	<u>70,090</u>	<u>72,262</u>	<u>716,663</u>
Excess (Deficiency) of Revenues Over / (Under)				
Expenditures	<u>2,000</u>	<u>3,201</u>	<u>(488)</u>	<u>(8,725)</u>
Other Financing Sources (Uses):				
Transfers In	-	5,140	-	-
Transfers Out	-	(5,140)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Fund Balance	2,000	3,201	(488)	(8,725)
Fund Balance: July 1, 2004 (Restated)	<u>(2,000)</u>	<u>2,027</u>	<u>1,902</u>	<u>(15,970)</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ 5,228</u>	<u>\$ 1,414</u>	<u>\$ (24,695)</u>

Miscellaneous Federal Grant	Food Service	Uniform School Supplies	Vocational Rotary	Adult Education	Totals
\$ -	\$ -	\$ 63,959	\$ -	\$ 2,400	\$ 112,499
-	1,244,119	-	6,046	-	1,250,165
-	5	-	-	-	13,155
399,657	2,134,853	-	-	6,210	14,472,726
-	-	-	(2)	-	754,124
<u>399,657</u>	<u>3,378,977</u>	<u>63,959</u>	<u>6,044</u>	<u>8,610</u>	<u>16,602,669</u>
57,009	-	171,830	-	-	3,495,197
-	-	-	-	-	3,381,352
-	-	-	2,100	-	305,844
-	-	-	-	13,831	237,598
1,614	-	-	-	-	1,661,214
257,252	-	-	-	96	2,278,924
-	-	-	-	-	315,570
5,672	-	-	-	-	74,195
-	-	-	-	-	1,656
123,837	-	-	-	-	188,861
-	3,428,857	-	-	-	3,428,857
10,093	-	-	-	-	1,065,455
-	-	-	-	-	327,591
-	1,162	-	-	-	1,162
<u>455,477</u>	<u>3,430,019</u>	<u>171,830</u>	<u>2,100</u>	<u>13,927</u>	<u>16,763,476</u>
<u>(55,820)</u>	<u>(51,042)</u>	<u>(107,871)</u>	<u>3,944</u>	<u>(5,317)</u>	<u>(160,807)</u>
1,532	50,000	100,000	-	-	235,806
(1,532)	-	-	-	-	(85,806)
-	50,000	100,000	-	-	150,000
(55,820)	(1,042)	(7,871)	3,944	(5,317)	(10,807)
<u>(44,753)</u>	<u>(192,791)</u>	<u>28,893</u>	<u>10,754</u>	<u>10,995</u>	<u>510,969</u>
<u>\$ (100,573)</u>	<u>\$ (193,833)</u>	<u>\$ 21,022</u>	<u>\$ 14,698</u>	<u>\$ 5,678</u>	<u>\$ 500,162</u>

Hamilton City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Capital Project Funds
For the Fiscal Year Ended June 30, 2005

	<u>Capital Projects</u>	<u>SchoolNet Plus</u>	<u>Totals</u>
Revenues:			
Gifts and Donations	\$ 151,248	\$ -	\$ 151,248
Total Revenues	<u>151,248</u>	<u>-</u>	<u>151,248</u>
Expenditures:			
Capital Outlay	24,944	121,477	146,421
Total Expenditures	<u>24,944</u>	<u>121,477</u>	<u>146,421</u>
Excess (Deficiency) of Revenues Over / (Under) Expenditures	<u>126,304</u>	<u>(121,477)</u>	<u>4,827</u>
Fund Balance: July 1, 2004	<u>29,293</u>	<u>121,477</u>	<u>150,770</u>
Fund Balance: June 30, 2005	<u><u>\$ 155,597</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 155,597</u></u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Insurance Replacement Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Other Local Revenues:				
Miscellaneous Revenue	\$ -	\$ 11,000	\$ 27,977	\$ 16,977
Total Other Local Revenues	-	11,000	27,977	16,977
Total Revenues	-	11,000	27,977	16,977
Expenditures:				
Current:				
Instruction:				
Regular:				
Equipment Purchased	10,425	10,425	3,252	7,173
Total Regular Instruction	10,425	10,425	3,252	7,173
Support Services:				
Instructional Staff:				
Purchased Services	-	-	2,009	(2,009)
Total Pupils	-	-	2,009	(2,009)
Operations and Maintenance:				
Purchased Services	-	11,700	11,700	-
Total Operations and Maintenance	-	11,700	11,700	-
Total Expenditures	10,425	22,125	16,961	5,164
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,425)	(11,125)	11,016	22,141
Other Financing Sources (Uses)				
Advances (Out)	-	16,000	-	(16,000)
Total Other Financing Sources (Uses)	-	16,000	-	(16,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(10,425)	4,875	11,016	6,141
Fund Balance: July 1, 2004	15,314	15,314	15,314	-
Prior Year Encumbrances Appropriated	426	426	426	-
Fund Balance: June 30, 2005	<u>\$ 5,315</u>	<u>\$ 20,615</u>	<u>\$ 26,756</u>	<u>\$ 6,141</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
TV Hamilton Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Other Local Revenues:				
Gifts and Donations	-	53,459	\$ 23,775	(29,684)
Total Other Local Revenues	-	53,459	23,775	(29,684)
Intergovernmental	-	100,000	130,000	30,000
Total Revenues	-	153,459	153,775	316
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	100,690	100,690	101,977	(1,287)
Fringe Benefits	30,883	30,883	15,730	15,153
Purchased Services	17,318	17,318	10,398	6,920
Materials and Supplies	8,231	8,231	10,745	(2,514)
Equipment Purchased	8,042	8,042	7,928	114
Total Vocational Instruction	165,164	165,164	146,778	18,386
Total Expenditures	165,164	165,164	146,778	18,386
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(165,164)	(11,705)	6,997	18,702
Fund Balance: July 1, 2004	57,994	57,994	57,994	-
Prior Year Encumbrances Appropriated	9,553	9,553	9,553	-
Fund Balance: June 30, 2005	\$ (97,617)	\$ 55,842	\$ 74,544	\$ 18,702

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Public School Support Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Tuition and Fees	\$ -	\$ 65,398	\$ 46,242	\$ (19,156)
Earnings on Investments	-	28,739	4,149	(24,590)
Other Local Revenues:				
Extracurricular Activities	341,000	370,828	246,764	(124,064)
Gifts and Donations	-	12,600	69,809	57,209
Miscellaneous Revenues	-	108	35,585	35,477
Total Other Local Revenues	<u>341,000</u>	<u>383,536</u>	<u>352,158</u>	<u>(31,378)</u>
Total Revenues	<u>341,000</u>	<u>477,673</u>	<u>402,549</u>	<u>(75,124)</u>
Expenditures:				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	75	405	1,620	(1,215)
Fringe Benefits	6,681	9,941	6,585	3,356
Purchased Services	165,335	153,346	97,543	55,803
Materials and Supplies	282,395	293,659	236,110	57,549
Equipment Purchased	27,052	28,573	30,668	(2,095)
Other Expenditures	<u>73,572</u>	<u>83,667</u>	<u>67,150</u>	<u>16,517</u>
Total Pupil	555,110	569,591	439,676	129,915
Operation of Non-Instructional Services:				
Community Services:				
Other Expenditures	<u>130</u>	<u>130</u>	<u>-</u>	<u>130</u>
Total Community Services	<u>130</u>	<u>130</u>	<u>-</u>	<u>130</u>
Total Expenditures	<u>555,240</u>	<u>569,721</u>	<u>439,676</u>	<u>130,045</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(214,240)	(92,048)	(37,127)	54,921
Other Financing Sources (Uses)				
Operating Transfers In	-	-	6,304	6,304
Operating Transfers Out	<u>-</u>	<u>(4,002)</u>	<u>(5,508)</u>	<u>(1,506)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(4,002)</u>	<u>796</u>	<u>4,798</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(214,240)	(96,050)	(36,331)	59,719
Fund Balance: July 1, 2004	176,826	176,826	176,826	-
Prior Year Encumbrances Appropriated	<u>33,739</u>	<u>33,739</u>	<u>33,739</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ (3,675)</u>	<u>\$114,515</u>	<u>\$174,234</u>	<u>\$ 59,719</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Other Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Other Local Revenues:				
Miscellaneous Revenues	\$ 9,900	\$ 9,900	\$ 6,922	\$ (2,978)
Total Other Local Revenues	9,900	9,900	6,922	(2,978)
Intergovernmental	13,275	24,307	22,407	(1,900)
Total Revenues	23,175	34,207	29,329	(4,878)
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased Services	600	750	750	-
Materials and Supplies	8,538	17,260	18,449	(1,189)
Equipment Purchased	336	6,136	5,784	352
Other Expenditures	1,800	1,800	-	1,800
Total Regular Instruction	11,274	25,946	24,983	963
Special:				
Salaries and Wages	-	900	653	247
Fringe Benefits	-	149	-	149
Purchased Services	-	2,739	2,133	606
Materials and Supplies	450	1,472	1,475	(3)
Total Special Instruction	450	5,260	4,261	999
Support Services:				
Pupils:				
Purchased Services	-	616	616	-
Materials and Supplies	2,600	2,984	2,984	-
Total Pupils	2,600	3,600	3,600	-
Central:				
Purchased Services	20,448	20,448	-	20,448
Other	5,000	11,050	11,050	-
Total Central	25,448	31,498	11,050	20,448
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	500	500	500	-
Total Community Services	500	500	500	-
Total Expenditures	40,272	66,804	44,394	22,410

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Other Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(17,097)</u>	<u>(32,597)</u>	<u>(15,065)</u>	<u>17,532</u>
Other Financing Sources (Uses)				
Advances In	<u>-</u>	<u>937</u>	<u>937</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>937</u>	<u>937</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(17,097)	(31,660)	(14,128)	17,532
Fund Balance: July 1, 2004	10,192	10,192	10,192	-
Prior Year Encumbrances Appropriated	<u>26,996</u>	<u>26,996</u>	<u>26,996</u>	<u>-</u>
Fund Balance: June 30, 2005	<u><u>\$ 20,091</u></u>	<u><u>\$ 5,528</u></u>	<u><u>\$ 23,060</u></u>	<u><u>\$ 17,532</u></u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Athletic Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Tuition and Fees		\$ 7,000	\$ 216	\$ (6,784)
Earnings on Investments	645	640	2,851	2,211
Other Local Revenues:				
Extracurricular Activities	279,080	297,342	255,923	(41,419)
Gifts and Donations	1,360	42,737	63,516	20,779
Miscellaneous Revenues			26,010	26,010
Total Other Local Revenues	<u>280,440</u>	<u>340,079</u>	<u>345,449</u>	<u>5,370</u>
Total Revenues	<u>281,085</u>	<u>347,719</u>	<u>348,516</u>	<u>797</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Equipment Purchased	1,000	330	-	330
Total Regular Instruction	<u>1,000</u>	<u>330</u>	<u>-</u>	<u>330</u>
Support Services:				
Operations and Maintenance:				
Purchased Services	12,901	12,901	11,356	1,545
Materials and Supplies	1,590	1,590	3,528	(1,938)
Total Operations and Maintenance	<u>14,491</u>	<u>14,491</u>	<u>14,884</u>	<u>(393)</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	-	825	825	-
Other Expenditures	-	64	64	-
Total Community Services	<u>-</u>	<u>889</u>	<u>889</u>	<u>-</u>
Extracurricular Activities:				
Salaries and Wages	22,719	20,339	17,426	2,913
Fringe Benefits	3,208	3,258	2,687	571
Purchased Services	123,886	125,490	117,293	8,197
Materials and Supplies	132,839	190,001	149,017	40,984
Equipment Purchased	43,436	6,001	11,444	(5,443)
Other Expenditures	58,559	75,216	56,563	18,653
Total Extracurricular Activities	<u>384,647</u>	<u>420,305</u>	<u>354,430</u>	<u>65,875</u>
Total Expenditures	<u>400,138</u>	<u>436,015</u>	<u>370,203</u>	<u>65,812</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(119,053)</u>	<u>(88,296)</u>	<u>(21,687)</u>	<u>66,609</u>
Other Financing Sources (Uses)				
Operating Transfers In	-	934	1,566	632
Advances In	-	235	235	-
Operating Transfers Out	-	(2,110)	(2,362)	(252)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(941)</u>	<u>(561)</u>	<u>380</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Athletic Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance: Positive / (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(119,053)	(89,237)	(22,248)	66,989
Fund Balance: July 1, 2004	92,489	92,489	92,489	-
Prior Year Encumbrances Appropriated	<u>38,302</u>	<u>38,302</u>	<u>38,302</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ 11,738</u>	<u>\$ 41,554</u>	<u>\$ 108,543</u>	<u>\$ 66,989</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Auxiliary Service Special Revenue Funds
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Earnings on Investments	\$ -	\$ 4,980	\$ 4,980	\$ -
Intergovernmental	865,260	886,892	881,188	(5,704)
Total Revenues	<u>865,260</u>	<u>891,872</u>	<u>886,168</u>	<u>(5,704)</u>
Expenditures:				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	502,273	537,944	537,946	(2)
Fringe Benefits	120,811	114,450	114,451	(1)
Purchased Services	12,287	14,784	14,784	-
Materials and Supplies	207,445	273,041	273,041	-
Equipment Purchased	81,401	142,981	142,981	-
Total Community Services	<u>924,217</u>	<u>1,083,200</u>	<u>1,083,203</u>	<u>(3)</u>
Total Expenditures	<u>924,217</u>	<u>1,083,200</u>	<u>1,083,203</u>	<u>(3)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(58,957)	(191,328)	(197,035)	(5,707)
Fund Balance: July 1, 2004	138,065	138,065	138,065	-
Prior Year Encumbrances Appropriated	<u>58,963</u>	<u>58,963</u>	<u>58,963</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ 138,071</u>	<u>\$ 5,700</u>	<u>\$ (7)</u>	<u>\$ (5,707)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Career Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 6,000	\$ 6,000	\$ 6,000	\$ -
Total Revenues	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	-	-	440	(440)
Fringe Benefits	-	-	45	(45)
Purchased Services	500	500	1,465	(965)
Materials and Supplies	6,836	6,836	5,386	1,450
Total Vocational Instruction	<u>7,336</u>	<u>7,336</u>	<u>7,336</u>	<u>-</u>
Total Expenditures	<u>7,336</u>	<u>7,336</u>	<u>7,336</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,336)	(1,336)	(1,336)	-
Fund Balance: July 1, 2004	1	1	1	-
Prior Year Encumbrances Appropriated	<u>1,335</u>	<u>1,335</u>	<u>1,335</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Management Information System Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 30,840	\$ 30,840	\$ -
Total Revenues	-	30,840	30,840	-
Expenditures:				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	-	23,864	23,864	-
Fringe Benefits	-	3,826	3,826	-
Total Pupils	-	27,690	27,690	-
Central:				
Equipment Purchased	-	2,600	2,600	-
Other Expenditures	-	550	550	-
Total Central	-	3,150	3,150	-
Total Expenditures	-	30,840	30,840	-
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	-	-	-
Fund Balance: July 1, 2004	-	-	-	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Entry Year Program Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 25,300	\$ 25,300	\$ -
Total Revenues	-	25,300	25,300	-
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	-	25,300	25,300	-
Total Instructional Staff	-	25,300	25,300	-
Total Expenditures	-	25,300	25,300	-
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	-	-	-
Fund Balance: July 1, 2004	-	-	-	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Disadvantaged Pupil Impact Aid (DPIA) Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,407,997	\$3,407,997	\$3,407,997	\$ -
Total Revenues	<u>3,407,997</u>	<u>3,407,997</u>	<u>3,407,997</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	4,064,821	4,072,818	3,855,805	217,013
Fringe Benefits	362,383	362,383	111,279	251,104
Total Regular Instruction	<u>4,427,204</u>	<u>4,435,201</u>	<u>3,967,084</u>	<u>468,117</u>
Vocational:				
Fringe Benefits	-	-	7	(7)
Total Vocational Instruction	<u>-</u>	<u>-</u>	<u>7</u>	<u>(7)</u>
Support Services:				
Pupils:				
Salaries and Wages	(198,151)	(198,151)	1,171	(199,322)
Fringe Benefits	(12,590)	(12,590)	(5,465)	(7,125)
Total Pupil	<u>(210,741)</u>	<u>(210,741)</u>	<u>(4,294)</u>	<u>(206,447)</u>
Instructional Staff:				
Salaries and Wages	4,139	4,139	97,269	(93,130)
Fringe Benefits	-	-	1,554	(1,554)
Total Instructional Staff	<u>4,139</u>	<u>4,139</u>	<u>98,823</u>	<u>(94,684)</u>
Administration:				
Salaries and Wages	(49,183)	(49,183)	71,045	(120,228)
Fringe Benefits	(16,762)	(16,762)	(5,677)	(11,085)
Total Administration	<u>(65,945)</u>	<u>(65,945)</u>	<u>65,368</u>	<u>(131,313)</u>
Operations and Maintenance:				
Salaries and Wages	6,847	6,847	42,434	(35,587)
Fringe Benefits	-	-	76	(76)
Total Operations and Maintenance	<u>6,847</u>	<u>6,847</u>	<u>42,510</u>	<u>(35,663)</u>
Total Expenditures	<u>4,161,504</u>	<u>4,169,501</u>	<u>4,169,498</u>	<u>3</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(753,507)	(761,504)	(761,501)	3
Fund Balance: July 1, 2004	(6)	(6)	(6)	-
Prior Year Encumbrances Appropriated	<u>761,509</u>	<u>761,509</u>	<u>761,509</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ 7,996</u>	<u>\$ (1)</u>	<u>\$ 2</u>	<u>\$ 3</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Network Connectivity Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 57,000	\$ 57,000	\$ 57,000	\$ -
Total Revenues	<u>57,000</u>	<u>57,000</u>	<u>57,000</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Central:				
Purchased Services	57,000	57,000	57,000	-
Total Central	<u>57,000</u>	<u>57,000</u>	<u>57,000</u>	<u>-</u>
Total Expenditures	<u>57,000</u>	<u>57,000</u>	<u>57,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	-	-	-
Fund Balance: July 1, 2004	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance: June 30, 2005	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
School Net Professional Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 6,750	\$ 6,750	\$ 6,750	\$ -
Total Revenues	<u>6,750</u>	<u>6,750</u>	<u>6,750</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	6,450	6,450	6,450	-
Materials and Supplies	300	300	300	-
Total Instructional Staff	<u>6,750</u>	<u>6,750</u>	<u>6,750</u>	<u>-</u>
Total Expenditures	<u>6,750</u>	<u>6,750</u>	<u>6,750</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	-	-	-
Fund Balance: July 1, 2004	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance: June 30, 2005	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Ohio Reads Volunteer Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 175,000	\$ 175,000	\$ 171,335	\$ (3,665)
Total Revenues	<u>175,000</u>	<u>175,000</u>	<u>171,335</u>	<u>(3,665)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	33,464	24,140	9,528	14,612
Fringe Benefits	6,091	4,125	1,549	2,576
Materials and Supplies	34,662	51,874	51,546	328
Other Expenditures	388	9,997	10,031	(34)
Total Special Instruction	<u>74,605</u>	<u>90,136</u>	<u>72,654</u>	<u>17,482</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	108,091	94,058	108,752	(14,694)
Fringe Benefits	18,318	16,820	19,612	(2,792)
Total Instructional Staff	<u>126,409</u>	<u>110,878</u>	<u>128,364</u>	<u>(17,486)</u>
Total Expenditures	<u>201,014</u>	<u>201,014</u>	<u>201,018</u>	<u>(4)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(26,014)	(26,014)	(29,683)	(3,669)
Other Financing Sources (Uses)				
Advances In	-	3,665	3,665	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>3,665</u>	<u>3,665</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(26,014)	(22,349)	(26,018)	(3,669)
Fund Balance: July 1, 2004	4	4	4	-
Prior Year Encumbrances Appropriated	<u>26,010</u>	<u>26,010</u>	<u>26,010</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ 3,665</u>	<u>\$ (4)</u>	<u>\$ (3,669)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Summer Intervention Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 186,582	\$ 89,888	\$ (96,694)
Total Revenues	<u>-</u>	<u>186,582</u>	<u>89,888</u>	<u>(96,694)</u>
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	-	138,267	146,912	(8,645)
Fringe Benefits	-	32,222	26,992	5,230
Materials and Supplies	-	16,094	12,675	3,419
Total Instructional Staff	<u>-</u>	<u>186,583</u>	<u>186,579</u>	<u>4</u>
Total Expenditures	<u>-</u>	<u>186,583</u>	<u>186,579</u>	<u>4</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1)	(96,691)	(96,690)
Other Financing Sources (Uses)				
Advances In	-	96,694	96,694	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>96,694</u>	<u>96,694</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	96,693	3	(96,690)
Fund Balance: July 1, 2004	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ 96,693</u>	<u>\$ 3</u>	<u>\$ (96,690)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Vocational Education Enhancement Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,922	\$ 4,922	\$ 4,922	\$ -
Total Revenues	<u>4,922</u>	<u>4,922</u>	<u>4,922</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Vocational:				
Equipment Purchased	4,922	4,922	4,922	-
Total Vocational Instruction	<u>4,922</u>	<u>4,922</u>	<u>4,922</u>	<u>-</u>
Total Expenditures	<u>4,922</u>	<u>4,922</u>	<u>4,922</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	-	-	-
Fund Balance: July 1, 2004	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance: June 30, 2005	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Alternative Schools Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 316,718	\$ 391,408	\$ 325,250	\$ (66,158)
Total Revenues	<u>316,718</u>	<u>391,408</u>	<u>325,250</u>	<u>(66,158)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	318,680	296,714	329,499	(32,785)
Fringe Benefits	79,790	101,757	68,972	32,785
Total Special Instruction	<u>398,470</u>	<u>398,471</u>	<u>398,471</u>	<u>-</u>
Total Expenditures	<u>398,470</u>	<u>398,471</u>	<u>398,471</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(81,752)	(7,063)	(73,221)	(66,158)
Other Financing Sources (Uses)				
Advances In	-	66,158	66,158	-
Advances (Out)	<u>-</u>	<u>(74,690)</u>	<u>(74,690)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(8,532)</u>	<u>(8,532)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(81,752)	(15,595)	(81,753)	(66,158)
Fund Balance: July 1, 2004	1	1	1	-
Prior Year Encumbrances Appropriated	<u>81,753</u>	<u>81,753</u>	<u>81,753</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ 2</u>	<u>\$ 66,159</u>	<u>\$ 1</u>	<u>\$ (66,158)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 313,258	\$ 286,374	\$ 286,374	\$ -
Total Revenues	<u>313,258</u>	<u>286,374</u>	<u>286,374</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	-	67	67	-
Total Regular Instruction	-	<u>67</u>	<u>67</u>	<u>-</u>
Special:				
Salaries and Wages	-	40	40	
Fringe Benefits	-	7	7	-
Materials and Supplies	-	9,545	9,625	(80)
Total Special Instruction	-	<u>9,592</u>	<u>9,672</u>	<u>(80)</u>
Support Services:				
Pupils:				
Salaries and Wages	43,800	43,800	43,800	-
Fringe Benefits	14,187	14,187	14,186	1
Purchased Services	60,510	60,510	60,510	-
Total Pupils	<u>118,497</u>	<u>118,497</u>	<u>118,496</u>	<u>1</u>
Instructional Staff:				
Salaries and Wages	191,488	57,970	57,048	922
Fringe Benefits	42,236	20,343	20,674	(331)
Purchased Services	-	282	283	(1)
Materials and Supplies	15,112	126	634	(508)
Total Instructional Staff	<u>248,836</u>	<u>78,721</u>	<u>78,639</u>	<u>82</u>
Operations and Maintenance:				
Purchased Services	8,638	8,638	8,638	-
Total Operations and Maintenance	<u>8,638</u>	<u>8,638</u>	<u>8,638</u>	<u>-</u>
Pupil Transportation:				
Salaries and Wages	7,000	-	-	-
Fringe Benefits	1,119	-	-	-
Purchased Services	-	3,000	3,000	-
Total Transportation	<u>8,119</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	250	750	750	-
Total Community Services	250	750	750	-
Total Expenditures	384,340	219,265	219,262	3
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71,082)	67,109	67,112	3
Other Financing Sources (Uses)				
Advances (Out)	-	(148,489)	(148,489)	-
Total Other Financing Sources (Uses)	-	(148,489)	(148,489)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(71,082)	(81,380)	(81,377)	3
Fund Balance: July 1, 2004	24,522	24,522	24,522	-
Prior Year Encumbrances Appropriated	71,084	71,084	71,084	-
Fund Balance: June 30, 2005	\$ 24,524	\$ 14,226	\$ 14,229	\$ 3

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Adult Basic Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 297,542	\$ 315,635	\$ 124,281	\$ (191,354)
Total Revenues	<u>297,542</u>	<u>315,635</u>	<u>124,281</u>	<u>(191,354)</u>
Expenditures:				
Current:				
Instruction:				
Adult / Continuing:				
Salaries and Wages	140,126	189,709	169,340	20,369
Fringe Benefits	38,545	42,091	38,321	3,770
Purchased Services	3,735	4,092	1,637	2,455
Materials and Supplies	15,554	21,176	19,895	1,281
Total Adult / Continuing	<u>197,960</u>	<u>257,068</u>	<u>229,193</u>	<u>27,875</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	63,925	53,777	68,008	(14,231)
Fringe Benefits	20,623	11,826	11,601	225
Purchased Services	5,750	3,600	3,818	(218)
Materials and Supplies	7,345	3,301	2,052	1,249
Equipment Purchased	3,000	2,000	-	2,000
Other Expenditures	950	700	577	123
Total Instructional Staff	<u>101,593</u>	<u>75,204</u>	<u>86,056</u>	<u>(10,852)</u>
Administration:				
Purchased Services	-	1,000	260	740
Total Administration	<u>-</u>	<u>1,000</u>	<u>260</u>	<u>740</u>
Fiscal:				
Other Expenditures	1,000	-	-	-
Total Fiscal	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>300,553</u>	<u>333,272</u>	<u>315,509</u>	<u>17,763</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,011)	(17,637)	(191,228)	(173,591)
Other Financing Sources (Uses)				
Advances In	-	173,590	173,590	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>173,590</u>	<u>173,590</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,011)	155,953	(17,638)	(173,591)
Fund Balance: July 1, 2004	14,625	14,625	14,625	-
Prior Year Encumbrances Appropriated	<u>3,012</u>	<u>3,012</u>	<u>3,012</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ 14,626</u>	<u>\$ 173,590</u>	<u>\$ (1)</u>	<u>\$ (173,591)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$2,339,334	\$2,499,764	\$ 1,542,695	\$ (957,069)
Total Revenues	<u>2,339,334</u>	<u>2,499,764</u>	<u>1,542,695</u>	<u>(957,069)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	439,470	380,489	453,789	(73,300)
Fringe Benefits	64,599	64,599	61,883	2,716
Purchased Services	250,500	250,000	250,000	-
Materials and Supplies	5,062	1,012	778	234
Equipment Purchased	18,655	23,205	22,905	300
Total Special Instruction	<u>778,286</u>	<u>719,305</u>	<u>789,355</u>	<u>(70,050)</u>
Support Services:				
Pupils:				
Salaries and Wages	553,372	455,561	443,635	11,926
Fringe Benefits	153,799	118,091	113,500	4,591
Purchased Services	28,209	220,709	198,423	22,286
Materials and Supplies	587	587	587	-
Equipment Purchased	9,367	9,367	9,640	(273)
Total Pupils	<u>745,334</u>	<u>804,315</u>	<u>765,785</u>	<u>38,530</u>
Instructional Staff:				
Salaries and Wages	565,564	565,564	479,086	86,478
Fringe Benefits	281,355	281,355	247,573	33,782
Total Instructional Staff	<u>846,919</u>	<u>846,919</u>	<u>726,659</u>	<u>120,260</u>
Administration:				
Salaries and Wages	141,024	141,024	145,475	(4,451)
Fringe Benefits	35,619	35,619	39,212	(3,593)
Total Administration	<u>176,643</u>	<u>176,643</u>	<u>184,687</u>	<u>(8,044)</u>
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	67,625	67,625	65,007	2,618
Fringe Benefits	13,921	13,921	13,455	466
Total Community Services	<u>81,546</u>	<u>81,546</u>	<u>78,462</u>	<u>3,084</u>
Total Expenditures	<u>2,628,728</u>	<u>2,628,728</u>	<u>2,544,948</u>	<u>83,780</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(289,394)	(128,964)	(1,002,253)	(873,289)

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Other Financing Sources (Uses)				
Advances In	-	873,290	873,290	-
Advances (Out)	-	(160,430)	(160,430)	-
Total Other Financing Sources (Uses)	-	712,860	712,860	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(289,394)	583,896	(289,393)	(873,289)
Fund Balance: July 1, 2004	(5)	(5)	(5)	-
Prior Year Encumbrances Appropriated	289,396	289,396	289,396	-
Fund Balance: June 30, 2005	<u>\$ (3)</u>	<u>\$ 873,287</u>	<u>\$ (2)</u>	<u>\$ (873,289)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Carl D. Perkins Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 233,718	\$ 273,156	\$ 195,027	\$ (78,129)
Total Revenues	<u>233,718</u>	<u>273,156</u>	<u>195,027</u>	<u>(78,129)</u>
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	114,519	120,666	120,086	580
Fringe Benefits	42,951	29,716	32,080	(2,364)
Equipment Purchased	9,878	51,457	48,041	3,416
Total Vocational Instruction	<u>167,348</u>	<u>201,839</u>	<u>200,207</u>	<u>1,632</u>
Support Services:				
Pupils:				
Salaries and Wages	60,659	59,032	61,010	(1,978)
Fringe Benefits	24,477	19,300	19,033	267
Purchased Services	6,038	-	-	-
Materials and Supplies	5,653	5,790	5,293	497
Total Pupils	<u>96,827</u>	<u>84,122</u>	<u>85,336</u>	<u>(1,214)</u>
Administration:				
Salaries and Wages	10,299	9,976	9,973	3
Fringe Benefits	1,677	1,422	1,846	(424)
Total Administration	<u>11,976</u>	<u>11,398</u>	<u>11,819</u>	<u>(421)</u>
Total Expenditures	<u>276,151</u>	<u>297,359</u>	<u>297,362</u>	<u>(3)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,433)	(24,203)	(102,335)	(78,132)
Other Financing Sources (Uses)				
Advances In	-	78,129	78,129	-
Advances (Out)	-	(18,226)	(18,226)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>59,903</u>	<u>59,903</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(42,433)	35,700	(42,432)	(78,132)
Fund Balance: July 1, 2004	(1)	(1)	(1)	-
Prior Year Encumbrances Appropriated	<u>42,434</u>	<u>42,434</u>	<u>42,434</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ 78,133</u>	<u>\$ 1</u>	<u>\$ (78,132)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Bilingual Education Program (Title III) Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 45,388	\$ 88,002	\$ 69,056	\$ (18,946)
Total Revenues	<u>45,388</u>	<u>88,002</u>	<u>69,056</u>	<u>(18,946)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	-	2,419	2,400	19
Fringe Benefits	-	(3,693)	(3,653)	(40)
Purchased Services	-	40	40	-
Materials and Supplies	3,277	19,559	9,088	10,471
Total Special Instruction	<u>3,277</u>	<u>18,325</u>	<u>7,875</u>	<u>10,450</u>
Support Services:				
Pupils:				
Salaries and Wages	37,588	44,504	44,731	(227)
Fringe Benefits	7,933	15,038	14,640	398
Materials and Supplies	-	5,921	5,786	135
Equipment Purchased	-	135	135	-
Total Pupils	<u>45,521</u>	<u>65,598</u>	<u>65,292</u>	<u>306</u>
Total Expenditures	<u>48,798</u>	<u>83,923</u>	<u>73,167</u>	<u>10,756</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,410)	4,079	(4,111)	(8,190)
Other Financing Sources (Uses)				
Operating Transfers In	-	2,285	2,285	-
Advances In	-	8,191	8,191	-
Operating Transfers (Out)	-	(2,285)	(2,285)	-
Advances (Out)	-	(7,485)	(7,485)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>706</u>	<u>706</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,410)	4,785	(3,405)	(8,190)
Fund Balance: July 1, 2004	(3)	(3)	(3)	-
Prior Year Encumbrances Appropriated	<u>3,411</u>	<u>3,411</u>	<u>3,411</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ (2)</u>	<u>\$ 8,193</u>	<u>\$ 3</u>	<u>\$ (8,190)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$2,866,047	\$3,831,305	\$3,078,725	\$ (752,580)
Total Revenues	<u>2,866,047</u>	<u>3,831,305</u>	<u>3,078,725</u>	<u>(752,580)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	132,788	130,888	115,828	15,060
Fringe Benefits	26,808	26,440	30,978	(4,538)
Purchased Services	1,000	792	522	270
Materials and Supplies	34,600	43,385	22,818	20,567
Equipment Purchased	10,000	10,000	-	10,000
Total Regular Instruction	<u>205,196</u>	<u>211,505</u>	<u>170,146</u>	<u>41,359</u>
Special:				
Salaries and Wages	1,498,057	2,034,185	2,065,489	(31,304)
Fringe Benefits	535,940	582,679	507,832	74,847
Purchased Services	1,500	3,000	389	2,611
Materials and Supplies	241,855	66,685	226,424	(159,739)
Equipment Purchased	29,544	1,631	2,353	(722)
Total Special Instruction	<u>2,306,896</u>	<u>2,688,180</u>	<u>2,802,487</u>	<u>(114,307)</u>
Support Services:				
Pupils:				
Purchased Services	4,045	29,185	14,045	15,140
Materials and Supplies	5,000	5,000	5,000	-
Total Pupils	<u>9,045</u>	<u>34,185</u>	<u>19,045</u>	<u>15,140</u>
Instructional Staff:				
Salaries and Wages	299,247	349,305	287,350	61,955
Fringe Benefits	91,470	100,044	85,450	14,594
Purchased Services	423,911	378,344	35,104	343,240
Materials and Supplies	86,324	82,150	70,887	11,263
Equipment Purchased	4,617	6,908	5,832	1,076
Total Instructional Staff	<u>905,569</u>	<u>916,751</u>	<u>484,623</u>	<u>432,128</u>
Administration:				
Salaries and Wages	77,246	77,751	83,369	(5,618)
Fringe Benefits	18,707	15,879	21,021	(5,142)
Purchased Services	3,250	6,350	1,140	5,210
Materials and Supplies	6,000	5,603	2,335	3,268
Equipment Purchased	5,000	5,535	625	4,910
Total Administration	<u>110,203</u>	<u>111,118</u>	<u>108,490</u>	<u>2,628</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	38,592	38,592	38,486	106
Fringe Benefits	7,086	7,086	6,237	849
Purchased Services	1,300	1,300	600	700
Materials and Supplies	1,542	1,542	1,423	119
Total Community Services	<u>48,520</u>	<u>48,520</u>	<u>46,746</u>	<u>1,774</u>
Total Expenditures	<u>3,585,429</u>	<u>4,010,259</u>	<u>3,631,537</u>	<u>378,722</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(719,382)	(178,954)	(552,812)	(373,858)
Other Financing Sources (Uses)				
Operating Transfers In	-	7,796	7,796	-
Advances In	-	375,376	375,376	-
Operating Transfers (Out)	-	(7,796)	(7,796)	-
Advances (Out)	-	(540,028)	(540,028)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(164,652)</u>	<u>(164,652)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(719,382)	(343,606)	(717,464)	(373,858)
Fund Balance: July 1, 2004	(1)	(1)	(1)	-
Prior Year Encumbrances Appropriated	<u>719,382</u>	<u>719,382</u>	<u>719,382</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ (1)</u>	<u>\$ 375,775</u>	<u>\$ 1,917</u>	<u>\$ (373,858)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title V Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 50,592	\$ 50,511	\$ 50,511	\$ -
Total Revenues	<u>50,592</u>	<u>50,511</u>	<u>50,511</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	62,026	61,945	61,970	(25)
Total Regular Instruction	<u>62,026</u>	<u>61,945</u>	<u>61,970</u>	<u>(25)</u>
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	6,699	6,199	6,241	(42)
Equipment Purchased	500	1,000	933	67
Total Community Services	<u>7,199</u>	<u>7,199</u>	<u>7,174</u>	<u>25</u>
Total Expenditures	<u>69,225</u>	<u>69,144</u>	<u>69,144</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(18,633)	(18,633)	(18,633)	-
Fund Balance: July 1, 2004	18,635	18,635	18,635	-
Prior Year Encumbrances Appropriated	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Federal Emergency Repair Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 124,930	\$ 124,930	\$ -
Total Revenues	<u>-</u>	<u>124,930</u>	<u>124,930</u>	<u>-</u>
Expenditures:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	124,930	124,930	-
Other Financing Sources (Uses)				
Advances (Out)	-	(124,930)	(124,930)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(124,930)</u>	<u>(124,930)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	-	-
Fund Balance: July 1, 2004	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Drug Free School Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 69,842	\$ 86,555	\$ 64,636	\$ (21,919)
Total Revenues	<u>69,842</u>	<u>86,555</u>	<u>64,636</u>	<u>(21,919)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and Wages	38,262	38,262	37,954	308
Fringe Benefits	6,625	6,639	6,654	(15)
Total Special Instruction	<u>44,887</u>	<u>44,901</u>	<u>44,608</u>	<u>293</u>
Support Services:				
Pupils:				
Purchased Services	10,390	26,032	9,290	16,742
Materials and Supplies	1,477	2,404	4,541	(2,137)
Total Pupils	<u>11,867</u>	<u>28,436</u>	<u>13,831</u>	<u>14,605</u>
Instructional Staff:				
Salaries and Wages	11,332	11,332	9,849	1,483
Benefits	2,135	2,135	1,692	443
Total Instructional Staff	<u>13,467</u>	<u>13,467</u>	<u>11,541</u>	<u>1,926</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	3,133	2,363	2,363	-
Materials and Supplies	1,174	1,667	1,730	(63)
Equipment Purchased	7,749	7,749	7,749	-
Total Community Services	<u>12,056</u>	<u>11,779</u>	<u>11,842</u>	<u>(63)</u>
Total Expenditures	<u>82,277</u>	<u>98,583</u>	<u>81,822</u>	<u>16,761</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,435)	(12,028)	(17,186)	(5,158)
Other Financing Sources (Uses)				
Transfers In	-	5,140	5,140	-
Advances In	-	15	15	-
Transfers (Out)	-	(5,140)	(5,140)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>15</u>	<u>15</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(12,435)	(12,013)	(17,171)	(5,158)
Fund Balance: July 1, 2004	4,732	4,732	4,732	-
Prior Year Encumbrances Appropriated	<u>12,435</u>	<u>12,435</u>	<u>12,435</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ 4,732</u>	<u>\$ 5,154</u>	<u>\$ (4)</u>	<u>\$ (5,158)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Preschool Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 67,470	\$ 81,164	\$ 59,842	\$ (21,322)
Total Revenues	<u>67,470</u>	<u>81,164</u>	<u>59,842</u>	<u>(21,322)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Materials and Supplies	134	134	134	-
Equipment Purchased	3,450	3,450	3,450	-
Total Special Instruction	<u>3,584</u>	<u>3,584</u>	<u>3,584</u>	<u>-</u>
Support Services:				
Pupils:				
Salaries and Wages	64,653	73,279	72,604	675
Fringe Benefits	13,239	13,078	13,572	(494)
Materials and Supplies	-	239	281	(42)
Total Pupils	<u>77,892</u>	<u>86,596</u>	<u>86,457</u>	<u>139</u>
Administration:				
Salaries and Wages	-	-	94	(94)
Fringe Benefits	-	-	14	(14)
Total Administration	<u>-</u>	<u>-</u>	<u>108</u>	<u>(108)</u>
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	-	1,406	1,440	(34)
Total Community Services	<u>-</u>	<u>1,406</u>	<u>1,440</u>	<u>(34)</u>
Total Expenditures	<u>81,476</u>	<u>91,586</u>	<u>91,589</u>	<u>(3)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,006)	(10,422)	(31,747)	(21,325)
Other Financing Sources (Uses)				
Advances In	-	21,322	21,322	-
Advances (Out)	-	(3,584)	(3,584)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>17,738</u>	<u>17,738</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(14,006)	7,316	(14,009)	(21,325)
Fund Balance: July 1, 2004	1	1	1	-
Prior Year Encumbrances Appropriated	<u>14,005</u>	<u>14,005</u>	<u>14,005</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ 21,322</u>	<u>\$ (3)</u>	<u>\$ (21,325)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Improving Teacher Quality Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 691,665	\$ 960,475	\$ 652,538	\$ (307,937)
Total Revenues	<u>691,665</u>	<u>960,475</u>	<u>652,538</u>	<u>(307,937)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	291,888	361,966	317,666	44,300
Fringe Benefits	90,348	88,677	80,542	8,135
Total Regular Instruction	<u>382,236</u>	<u>450,643</u>	<u>398,208</u>	<u>52,435</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	294,876	395,113	272,974	122,139
Fringe Benefits	48,873	102,027	85,857	16,170
Purchased Services	32,368	20,344	21,608	(1,264)
Materials and Supplies	25,790	30,944	16,570	14,374
Equipment Purchased	-	18,043	18,037	6
Total Instructional Staff	<u>401,907</u>	<u>566,471</u>	<u>415,046</u>	<u>151,425</u>
Non-Instructional Services:				
Community Services:				
Purchased Services	-	500	-	500
Total Community Services	<u>-</u>	<u>500</u>	<u>-</u>	<u>500</u>
Total Expenditures	<u>784,143</u>	<u>1,017,614</u>	<u>813,254</u>	<u>204,360</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(92,478)	(57,139)	(160,716)	(103,577)
Other Financing Sources (Uses)				
Advances In	-	106,574	103,574	(3,000)
Advances (Out)	-	(35,340)	(35,340)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>71,234</u>	<u>68,234</u>	<u>(3,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(92,478)	14,095	(92,482)	(106,577)
Fund Balance: July 1, 2004	1	1	1	-
Prior Year Encumbrances Appropriated	<u>92,477</u>	<u>92,477</u>	<u>92,477</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ 106,573</u>	<u>\$ (4)</u>	<u>\$ (106,577)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 137,100	\$ 874,535	\$ 384,180	\$ (490,355)
Total Revenues	<u>137,100</u>	<u>874,535</u>	<u>384,180</u>	<u>(490,355)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and Wages	-	49,756	49,755	1
Fringe Benefits	-	6,966	6,966	-
Purchased Services	400	7,277	7,277	-
Materials and Supplies	286	952	952	-
Other Expenditures	210	420	420	-
Total Regular Instruction	<u>896</u>	<u>65,371</u>	<u>65,370</u>	<u>1</u>
Support Services:				
Pupils:				
Salaries and Wages	19	19	-	19
Fringe Benefits	26	26	-	26
Materials and Supplies	50	50	96	(46)
Total Pupils	<u>95</u>	<u>95</u>	<u>96</u>	<u>(1)</u>
Instructional Staff:				
Salaries and Wages	50,097	146,487	114,685	31,802
Fringe Benefits	21,673	33,358	29,697	3,661
Purchased Services	187,088	383,371	371,477	11,894
Materials and Supplies	35,063	18,001	16,069	1,932
Equipment Purchased	9,236	19,607	18,884	723
Total Instructional Staff	<u>303,157</u>	<u>600,824</u>	<u>550,812</u>	<u>50,012</u>
Central:				
Salaries and Wages	-	146,000	73,510	72,490
Fringe Benefits	-	24,820	12,296	12,524
Purchased Services	-	46,623	39,974	6,649
Materials and Supplies	-	14,680	15,496	(816)
Total Central	<u>-</u>	<u>232,123</u>	<u>141,276</u>	<u>90,847</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	3,577	2,640	2,316	324
Materials and Supplies	4,483	(10,054)	5,240	(15,294)
Equipment Purchased	7,280	7,324	7,655	(331)
Total Community Services	<u>15,340</u>	<u>(90)</u>	<u>15,211</u>	<u>(15,301)</u>
Total Expenditures	<u>319,488</u>	<u>898,323</u>	<u>772,765</u>	<u>125,558</u>

(continued)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Excess (Deficiency) of Revenues Over (Under) Expenditures	(182,388)	(23,788)	(388,585)	(364,797)
Other Financing Sources (Uses)				
Transfers In	-	1,532	1,532	-
Advances In	-	364,846	364,846	-
Transfers (Out)	-	(1,532)	(1,532)	-
Advances (Out)	-	(189,792)	(189,792)	-
Total Other Financing Sources (Uses)	-	175,054	175,054	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(182,388)	151,266	(213,531)	(364,797)
Fund Balance: July 1, 2004	36,814	36,814	36,814	-
Prior Year Encumbrances Appropriated	182,390	182,390	182,390	-
Fund Balance: June 30, 2005	<u>\$ 36,816</u>	<u>\$ 370,470</u>	<u>\$ 5,673</u>	<u>\$ (364,797)</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Food Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance:
	Original	Final		Positive / (Negative)
Revenues:				
Charges for Services	\$ -	\$ -	\$ 2,138,468	\$ 2,138,468
Earnings on Investments	-	-	5	5
Intergovernmental	-	3,511,819	1,244,119	(2,267,700)
Total Revenues	-	3,511,819	3,382,592	(129,227)
Expenditures:				
Current:				
Operation of Non-Instructional Services:				
Food Service:				
Salaries and Wages	1,263,519	1,378,380	1,301,029	77,351
Fringe Benefits	571,376	571,376	527,701	43,675
Purchased Services	240,622	240,622	229,305	11,317
Materials and Supplies	1,229,114	1,447,192	1,462,570	(15,378)
Equipment Purchased	1,960	1,960	3,290	(1,330)
Other Expenditures	2,478	2,478	2,891	(413)
Total Food Service	3,309,069	3,642,008	3,526,786	115,222
Total Expenditures	3,309,069	3,642,008	3,526,786	115,222
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,309,069)	(130,189)	(144,194)	(14,005)
Other Financing Sources (Uses)				
Transfers In	-	50,000	50,000	-
Advances In	-	188,682	188,682	-
Advances (Out)	(169,000)	(169,000)	(155,000)	14,000
Total Other Financing Sources (Uses)	(169,000)	69,682	83,682	14,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,478,069)	(60,507)	(60,512)	(5)
Fund Balance: July 1, 2004	10,624	10,624	10,624	-
Prior Year Encumbrances Appropriated	49,884	49,884	49,884	-
Fund Balance: June 30, 2005	\$(3,417,561)	\$ 1	\$ (4)	\$ (5)

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Uniform School Supplies Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Tuition and Fees	\$ 65,000	\$ 78,849	\$ 63,543	\$ (15,306)
Total Revenues	<u>65,000</u>	<u>78,849</u>	<u>63,543</u>	<u>(15,306)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Materials and Supplies	207,296	252,723	237,415	15,308
Total Regular Instruction	<u>207,296</u>	<u>252,723</u>	<u>237,415</u>	<u>15,308</u>
Total Expenditures	<u>207,296</u>	<u>252,723</u>	<u>237,415</u>	<u>15,308</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(142,296)	(173,874)	(173,872)	2
Other Financing Sources (Uses)				
Transfers In	-	100,000	100,000	-
Advances In	-	29,357	29,357	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>129,357</u>	<u>129,357</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(142,296)	(44,517)	(44,515)	2
Fund Balance: July 1, 2004	4,669	4,669	4,669	-
Prior Year Encumbrances Appropriated	<u>39,847</u>	<u>39,847</u>	<u>39,847</u>	<u>-</u>
Fund Balance: June 30, 2005	<u>\$ (97,780)</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ 2</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Vocational Rotary Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Charges for Services	-	6,000	6,046	46
Other Local Revenues:				
Miscellaneous Revenue	-	-	(2)	(2)
Total Other Local Revenues	-	-	(2)	(2)
Total Revenues	-	6,000	6,044	44
Expenditures:				
Current:				
Instruction:				
Vocational:				
Materials and Supplies	4,000	4,000	2,376	1,624
Total Vocational Instruction	4,000	4,000	2,376	1,624
Total Expenditures	4,000	4,000	2,376	1,624
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,000)	2,000	3,668	1,668
Fund Balance: July 1, 2004	10,754	10,754	10,754	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance: June 30, 2005	\$ 6,754	\$ 12,754	\$ 14,422	\$ 1,668

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Adult Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Favorable (Unfavorable)
	Original	Final		
Revenues:				
Tuition and Fees	\$ -	\$ 9,420	\$ 2,400	\$ (7,020)
Total Other Local Revenues	-	-	-	-
Intergovernmental	-	-	7,200	7,200
Total Revenues	-	9,420	9,600	180
Expenditures:				
Current:				
Instruction:				
Adult / Continuing:				
Salaries and Wages	5,660	9,080	8,250	830
Fringe Benefits	1,039	1,393	1,482	(89)
Materials and Supplies	2,810	4,035	4,035	-
Equipment Purchased	-	244	244	-
Total Adult / Continuing Instruction	9,509	14,752	14,011	741
Support Services:				
Instructional Staff:				
Salaries and Wages	-	-	79	(79)
Benefits	-	-	12	(12)
Total Instructional Staff	-	-	91	(91)
Total Expenditures	9,509	14,752	14,102	650
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,509)	(5,332)	(4,502)	830
Fund Balance: July 1, 2004	7,705	7,705	7,705	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance: June 30, 2005	<u>\$ (1,804)</u>	<u>\$ 2,373</u>	<u>\$ 3,203</u>	<u>\$ 830</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous Capital Project Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / Negative
	Original	Final		
Revenues:				
Other Local Revenues:				
Gifts and Donations	\$ -	\$ 151,248	\$ 151,248	\$ -
Total Other Local Revenues	-	151,248	151,248	-
Total Revenues	-	151,248	151,248	-
Expenditures:				
Capital Outlay:				
Building Improvement Services:				
Equipment Purchased	34,678	39,028	39,027	1
Total Building Improvement Services	34,678	39,028	39,027	1
Total Expenditures	34,678	39,028	39,027	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,678)	112,220	112,221	1
Fund Balance: July 1, 2004	4,349	4,349	4,349	-
Prior Year Encumbrances Appropriated	34,679	34,679	34,679	-
Fund Balance: June 30, 2005	<u>\$ 4,350</u>	<u>\$ 151,248</u>	<u>\$ 151,249</u>	<u>\$ 1</u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
SchoolNet Plus Capital Project Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / Negative
	Original	Final		
Revenues:				
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Current:				
Capital Outlay:				
Building Improvement Services:				
Equipment Purchased	-	121,477	121,477	-
Total Building Improvement Services	-	121,477	121,477	-
Total Expenditures	<u>-</u>	<u>121,477</u>	<u>121,477</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(121,477)	(121,477)	-
Fund Balance: July 1, 2004	121,477	121,477	121,477	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance: June 30, 2005	<u><u>\$ 121,477</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Hamilton City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Interactive Video Distance Learning Capital Project Fund
For the Fiscal Year Ended June 30, 2005

	Budgeted Amounts		Actual	Variance: Positive / (Negative)
	Original	Final		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies				-
Total Instructional Staff	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Fund Balance: July 1, 2004	-	-	-	-
Prior Year Encumbrances Appropriated				-
Fund Balance: June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**The 2004 Hamilton High School Boys Golf
qualified for the Division I State Golf Tournament
at the Ohio State University Scarlet Course in Columbus
and finished 12th in the state.**



Members of the team included, left to right:
Head Coach Mark Smith, Justin Lehman,
Justin Fields, Adam LaTulippe, Joey Caldwell,
Kyle Hodges, T.J. Noonan, and Assistant Coach
Dan Richter.

**Hamilton High School Senior Kyle Hodges shot
a 2-over-par total of 146 to capture the
individual state championship by three strokes.
Hodges will continue his golfing career at
Xavier University.**



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

	FY 2005	FY 2004	FY 2003	FY 2002
	CAFR	CAFR	CAFR	CAFR
Revenues:				
Taxes	\$ 18,570,674	\$ 17,975,698	\$ 17,920,246	\$ 16,033,556
Tuition	624,007	542,912	490,562	673,865
Earnings and Investments	336,288	173,942	362,267	583,386
Other Local Revenue	237,109	109,517	-	308,061
Intergovernmental	42,419,200	41,534,697	37,890,068	36,255,905
Total Revenue	\$ 62,187,278	\$ 60,336,766	\$ 56,663,143	\$ 53,854,773
Expenditures:				
Current:				
Instruction:				
Regular	\$ 30,010,858	\$ 30,269,182	\$ 24,329,316	\$ 23,851,264
Special	6,163,896	5,279,119	5,649,778	6,051,693
Vocational	1,833,992	1,409,468	1,723,968	1,823,642
Adult/Continuing	-	-	-	1,558
Other	1,128,051	905,821	759,423	757,436
Support Services:				
Pupils	4,209,456	3,656,356	4,359,089	4,334,458
Instructional Staff	2,776,492	2,449,945	2,665,644	2,836,667
Board of Education	375,324	249,873	242,052	217,940
Administration	4,308,552	3,601,452	4,132,337	3,903,564
Fiscal	899,568	897,435	1,053,263	934,570
Business	363,867	482,769	531,917	576,139
Operations and Maintenance	7,450,225	7,084,187	7,139,692	6,908,000
Pupil Transportation	2,465,486	2,030,100	2,042,874	2,083,505
Central	729,865	613,764	708,036	601,708
Non-Instructional Services	12,016	8,573	-	602
Extracurricular Activities	733,061	695,004	677,345	665,420
Capital Outlay	174,323	99,566	128,612	300,354
Debt Service:				
Principal Retirement	100,979	102,781	148,650	238,767
Interest and Fiscal Charges	-	1,139	19,273	49,157
Total Expenditures	\$ 63,736,011	\$ 59,836,534	\$ 56,311,269	\$ 56,136,444

Source: Hamilton City School District CAFR's (FY 1996 to Present)

	FY 2001 CAFR	FY 2000 CAFR	FY 1999 CAFR	FY 1998 CAFR	FY 1997 CAFR	FY 1996 CAFR
\$	19,503,988	\$ 16,179,279	\$ 21,725,163	\$ 17,503,741	\$ 16,714,433	\$ 18,383,006
	650,670	669,155	615,100	602,069	600,376	578,934
	979,892	712,062	450,073	533,747	268,368	237,045
	343,190	264,107	462,502	184,152	125,854	117,035
	35,301,605	35,146,030	32,454,804	29,113,379	27,509,104	26,669,670
\$	56,779,345	\$ 52,970,633	\$ 55,707,642	\$ 47,937,088	\$ 45,218,135	\$ 45,985,690
\$	23,575,334	\$ 24,082,820	\$ 22,941,260	\$ 22,236,487	\$ 22,141,607	\$ 21,072,843
	5,641,680	5,523,041	4,913,488	4,786,861	4,402,230	4,052,192
	1,889,236	1,690,872	1,608,147	1,809,590	1,982,738	1,955,643
	(1,558)	-	-	-	-	-
	531,719	574,758	850,320	601,182	605,454	593,782
	4,239,016	3,846,757	3,294,347	2,017,936	1,922,047	1,695,580
	2,462,060	2,057,455	1,770,316	1,671,359	1,529,803	1,490,742
	187,621	127,592	149,854	181,143	118,322	231,313
	3,800,574	3,599,668	3,426,900	3,362,957	3,187,048	3,101,108
	981,880	894,605	878,025	746,813	783,542	760,866
	721,704	435,214	442,791	546,686	520,454	520,299
	6,428,708	5,782,658	5,303,452	5,187,725	5,109,307	5,185,472
	2,235,084	1,732,379	1,924,739	1,439,211	1,510,129	1,207,213
	687,525	569,989	865,285	596,601	504,418	450,438
	9,130	11,182	43,248	20,908	91,136	134,878
	647,974	567,312	559,900	512,224	535,319	529,059
	324,333	774,209	1,413,945	132,789	643,891	473,028
	229,540	120,927	104,545	224,981	220,530	216,166
	63,384	46,997	19,397	50,115	28,950	57,788
\$	54,654,944	\$ 52,438,435	\$ 50,509,959	\$ 46,125,568	\$ 45,836,925	\$ 43,728,410

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

Description	FY 2005	FY 2004	FY 2003	FY 2002	FY 2001
Current Levy	\$ 27,365,431	\$ 23,896,830	\$ 23,757,745	\$ 20,913,594	\$ 19,580,026
Current Tax Collections (2)	24,884,976	21,810,030	22,745,476	19,311,203	19,073,877
Percent Collected	90.94%	91.27%	95.74%	92.34%	97.41%
Delinquent Tax Collections	1,213,114	1,167,323	970,631	802,539	570,194
Total Tax Collections	\$ 26,098,090	\$ 22,977,353	\$ 23,716,107	\$ 20,113,742	\$ 19,644,071
Percent of Total Tax Collections to Current Tax Levy	95.37%	96.15%	99.82%	96.18%	100.33%
Outstanding Delinquent Taxes (3)	2,138,597	2,488,818	1,971,844	1,766,711	966,859
Percent of Outstanding Delinquent Taxes to Current Tax Levy	7.81%	10.41%	8.30%	8.45%	4.94%

Source: Butler County Auditor

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

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

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

	FY 2000	FY 1999	FY 1998	FY 1997	FY 1996
\$	19,266,197	\$ 16,376,169	\$ 16,310,858	\$ 16,172,129	\$ 16,097,941
	18,826,628	15,999,474	15,543,679	15,558,589	15,999,165
	97.72%	97.70%	95.30%	96.21%	99.39%
	482,300	487,037	437,960	360,280	519,160
\$	19,308,928	\$ 16,486,511	\$ 15,981,639	\$ 15,918,869	\$ 16,518,325
	100.22%	100.67%	97.98%	98.43%	102.61%
	52,333	250,401	615,779	561,638	365,314
	0.27%	1.53%	3.78%	3.47%	2.27%

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

Tax Year/ Collection Year	Real Property (1)		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2004/05	\$799,772,110	\$2,285,063,171	\$68,433,194	\$ 297,535,626
2003/04	\$801,948,400	\$2,291,281,143	\$71,947,749	\$ 312,816,300
2002/03	805,594,360	2,301,698,171	73,902,758	321,316,339
2001/02	682,507,170	1,950,020,486	106,392,029	443,300,121
2000/01	666,447,840	1,904,136,686	105,172,192	420,688,768
1999/00	650,927,570	1,859,793,057	102,190,030	408,760,120
1998/99	573,679,770	1,639,085,057	104,649,106	418,596,424
1997/98	560,234,590	1,600,670,257	107,727,106	430,908,424
1996/97	558,252,900	1,595,008,286	99,575,954	398,303,816
1995/96	522,364,200	1,492,469,143	91,398,790	365,595,160

Source: Butler County Auditor

(1) Includes Public Utility Real Property

(2) Ratio represents Total Assessed Value/Total Estimated Actual Value

Public Utilities Personal		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio (2)
\$13,687,220	\$ 13,687,220	\$881,892,524	\$ 2,596,286,018	33.97%
\$14,106,620	\$ 14,106,620	\$888,002,769	\$ 2,618,204,063	33.92%
14,583,730	14,583,730	894,080,848	2,637,598,241	33.90%
16,859,270	16,859,270	805,758,469	2,410,179,877	33.43%
18,735,220	18,735,220	790,355,252	2,343,560,674	33.72%
22,306,500	22,306,500	775,424,100	2,290,859,677	33.85%
23,519,560	23,519,560	701,848,436	2,081,201,041	33.72%
23,906,010	23,906,010	691,867,706	2,055,484,691	33.66%
25,232,450	25,232,450	683,061,304	2,018,544,552	33.84%
27,019,240	27,019,240	640,782,230	1,885,083,543	33.99%

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

Tax Year/ Collection Year	Butler County	Hanover Township	City of Hamilton	Hamilton City School District
2004/2005	8.74	2.72	7.16	48.21
2003/2004	8.75	2.72	6.80	48.21
2002/2003	8.75	2.72	7.12	48.21
2001/2002	8.75	2.72	5.12	48.21
2000/2001	8.45	2.72	5.06	48.21
1999/2000	8.45	2.72	5.06	48.21
1998/1999	8.45	2.72	5.06	43.81
1997/1998	8.45	2.72	5.06	43.81
1996/1997	7.45	2.72	5.11	43.81
1995/1996	7.45	2.72	5.11	43.81

Source: Butler County 2004 CAFR; City of Hamilton 2004 CAFR

Hamilton City School District
Computation of Direct and Overlapping Debt
For the Fiscal Year Ended June 30, 2005

Governmental Unit	Gross General Obligation Debt Outstanding	Percent Applicable To District (1)	Amount Applicable To District
Direct:			
Hamilton City School District			
General Obligation Bonds	\$ 41,625,000	100.00%	\$ 41,625,000
Total Hamilton City School District	\$ 41,625,000		\$ 41,625,000
Overlapping:			
City of Hamilton	9,233,641	96.28%	8,889,768
Butler County	56,695,000	12.31%	6,981,606
Total Overlapping	65,928,641		15,871,374
Total Direct and Overlapping Debt	\$ 107,553,641		\$57,496,374

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

On May 5, 1999 voters approved a 4.4 mill bond issue that generated \$45.00 million for building additions and renovations. The District issued the debt in June 1999.

Overlapping governments with no outstanding debt are not reflected.

Source: Hamilton City School District Records; City of Hamilton 2004 CAFR; Butler County 2004 PAFR; and 2004 Tax Values

Hamilton City School District
Computation of Legal Debt Margin (Unaudited)
For the Fiscal Year Ended June 30, 2005

Assessed Valuation of the Hamilton City School District (2004)		<u>\$881,892,524</u>
Overall Direct Debt Limitation:		
Direct Debt Limitation		
9% of Assessed Valuation		\$ 79,370,327
Amount Available in Debt Service Fund		-
Gross Indebtedness (All Bonds and Tax Anticipation Notes Outstanding Subject to this Limitation)	\$ 41,625,000	
Less: Debt Exempt from Limitation	<u>-</u>	
Debt Subject to 9% Limitation		<u>(41,625,000)</u>
Legal Debt Margin within 9% Limitation		<u>\$ 37,745,327</u>
Unvoted Direct Debt Limitation:		
Unvoted Debt Limitation		
0.1% of Assessed Valuation		\$ 881,892
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>\$ 881,892</u>
Energy Conservation Measure Limitation:		
Unvoted Debt Limitation		
0.9% of Assessed Valuation		\$ 7,937,033
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 0.9% Limitation		<u>-</u>
Legal Debt Margin within 0.9% Limitation		<u>\$ 7,937,033</u>

Source: Butler County Auditor and School District financial records

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

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

Tax Year/ Collection Year	New Construction (1)			Bank Deposits (2)	Real Property Value (3)		
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction		Agricultural/ Residential	Commercial/ Industrial	Tax Exempt
2004/05	\$ 8,279,270	\$ 2,106,070	\$ 10,385,340	\$ 10,267,537,000	\$ 607,199,820	\$ 192,572,290	\$ 170,078,900
2003/04	\$ 3,825,940	\$ 9,806,150	\$ 13,632,090	\$ 1,355,739,000	\$ 598,211,260	\$ 203,737,140	\$ 164,387,420
2002/03	4,849,320	8,435,620	13,284,940	1,136,994,000	595,685,150	209,909,210	164,387,420
2001/02	3,408,620	11,484,760	14,893,380	1,136,994,000	495,402,210	187,104,960	164,387,420
2000/01	4,435,650	4,765,550	9,201,200	1,152,810,000	490,850,260	175,597,580	164,387,420
1999/00	3,590,790	2,268,380	5,859,170	913,169,000	485,314,790	165,612,780	164,408,060
1998/99	4,914,530	4,233,390	9,147,920	864,105,000	424,853,760	148,826,010	162,501,540
1997/98	4,914,530	4,207,030	9,121,560	815,435,000	419,801,020	140,433,570	137,748,520
1996/97	4,488,940	4,629,580	9,118,520	783,398,000	414,506,150	143,531,730	143,962,130
1995/96	2,733,520	3,826,940	6,560,460	800,556,000	378,687,100	143,261,280	146,322,440

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

(2) Bank deposits are reported by and for Butler County, Ohio. Obtained from the Butler County 2004 CAFR.

(3) Figures are 35% of real property values. Obtained from the Butler County Auditor.

Hamilton City School District
Real and Tangible Personal Property
Principal Taxpayers (Unaudited)
As of December 31, 2004

Name of Taxpayer	Nature of Business	Total Assessed Valuation		Percent of Total School District Assessed Valuation (2004 Tax Year)	
			Tangible Personal		
		Real Estate	Property	Total	
				Percent of Total Valuation	
<i>Principal Taxpayers</i>					
The Sisters of Mercy	Health Care	9,969,450		\$ 9,969,450	1.13%
Cincinnati Bell	Utility	9,044,220	-	9,044,220	1.03%
Fort Hamilton Hospital	Health Care	8,126,310	-	8,126,310	0.92%
Champion International	Manufacturing	7,893,070	-	7,893,070	0.89%
Smart Papers	Manufacturing	7,341,320	-	7,341,320	0.83%
First National Bank	Financial	6,124,560	106,240	6,230,800	0.71%
Colonial Senior Services	Health Care	5,619,720	-	5,619,720	0.64%
Tippman Realty PRT	Real Estate	5,067,770	275,190	5,342,960	0.61%
Hamilton Crossing LLC	Retail	3,994,740	-	3,994,740	0.45%
Hatteras Properties LLC	Real Estate	3,871,450		3,871,450	0.44%
Total Assessed Value of Top Ten Taxpayers		67,052,610	381,430	67,434,040	
<i>All Others</i>		732,734,560	81,830,164	814,564,724	
<i>Total Assessed Value</i>		<u>\$ 799,787,170</u>	<u>\$ 82,211,594</u>	<u>\$ 881,998,764</u>	

Source: Butler County Auditor

**Hamilton City School District
Principal Private Sector Employers
For the Fiscal Year Ended June 30, 2005**

<u>Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Fort Hamilton Hospital	Health Care	1250
Butler County	Government	900
Smart Paper, LLC	Manufacturing	500
Valeo Climate Control	Manufacturing	450
Ohio Casualty Group	Insurance	350
The Kroger Co.	Groceries	350
Meijer, Inc.	Retail	325
International Paper	Manufacturing	250
General Electric	Manufacturing	240
First Financial Bank	Financial	230

Source: City of Hamilton, Economic Development Department.

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

Fiscal Year	General Fund Expenditures	Average Daily Membership	General Fund Cost Per Pupil
2005	\$ 63,736,011	9,196	\$ 7,143
2004	59,836,534	9,297	6,576
2003	56,311,269	9,192	6,191
2002	56,136,444	9,244	6,189
2001	54,654,944	9,363	5,922
2000	52,438,435	9,526	5,527
1999	50,509,959	9,835	5,285
1998	46,125,568	10,029	4,876
1997	45,836,925	10,152	4,729
1996	43,728,410	10,344	4,435

Source: School District Records

Hamilton City School District
Cost to Educate a 2005 Graduate
Hamilton City School District vs. State of Ohio Average
Last Thirteen Fiscal Years (Unaudited)

<u>Fiscal Year</u>	<u>Grade</u>	<u>Hamilton City School District Annual Per Pupil Cost</u>	<u>State Of Ohio Average Per Pupil Cost</u>	<u>Comparison to State Average Cost</u>
2005	12	\$7,143	\$7,914	(771)
2004	11	6,576	7,725	(1,149)
2003	10	6,191	7,483	(1,292)
2002	9	6,189	7,052	(863)
2001	8	5,922	6,602	(680)
2000	7	5,527	6,176	(649)
1999	6	5,285	5,788	(503)
1998	5	4,876	5,113	(237)
1997	4	4,729	4,915	(186)
1996	3	4,435	4,758	(323)
1995	2	4,400	4,640	(240)
1994	1	4,115	4,437	(322)
1993	0	3,890	4,254	(364)
Total Cost		<u><u>\$69,278</u></u>	<u><u>\$76,857</u></u>	<u><u>(\$7,579)</u></u>

Source: Ohio Department of Education and District Records

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

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

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

<u>School Year</u>	<u>Enrollment</u>	<u>Minority Percent</u>	<u>OWF Percent</u>	<u>Attendance Rate</u>
2004-05	9,196	19.00%	35.14%	94.50%
2003-04	9,297	17.70%	35.30% A	94.50%
2002-03	9,192	16.60%	10.50%	94.80%
2001-02	9,244	15.80%	12.36%	94.30%
2000-01	9,363	15.80%	14.49%	93.80%
1999-00	9,526	13.21%	17.05%	92.60%
1998-99	9,835	13.20%	19.24%	93.20%
1997-98	10,029	13.10%	19.90%	92.15%
1996-97	10,152	12.23%	21.00%	93.20%
1995-96	10,344	11.94%	22.02%	92.23%

Source: District records and Ohio Department of Education

A - During FY 2004, the Ohio Department of Education changed their method of calculating OWF.

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

School Year	Teaching Staff Professional Training				Total
	Bachelor	Bachelor + 150 Hours	Master	Master + 30 hours	
2004-05	13.06% 90	29.46% 203	45.28% 312	12.19% 84	100.00% 689
2003-04	14.00% 92	31.90% 211	43.60% 289	10.50% 70	100.00% 662
2002-03	17.52% 116	32.78% 217	40.48% 268	10.57% 70	101.36% 671
2001-02	20.51% 145	31.97% 226	38.47% 272	9.05% 64	100.00% 707
2000-01	20.51% 145	31.97% 226	38.47% 272	9.05% 64	100.00% 707
1999-00	20.08% 142	31.68% 224	39.04% 276	7.64% 54	98.44% 696
1998-99	19.83% 138	31.32% 218	38.22% 266	8.19% 57	97.56% 679
1997-98	18.22% 118	32.56% 209	40.50% 260	8.72% 56	100.00% 642
1996-97	17.30% 113	32.80% 213	41.10% 267	8.80% 57	100.00% 650
1995-96	18.40% 120	33.80% 220	38.60% 251	9.20% 60	100.00% 651

Teaching Staff Average Classroom Experience (Years)

School Year	Average Experience
2004-05	14.42
2003-04	14.31
2002-03	14.06
2001-02	13.56
2000-01	13.95
1999-00	13.99
1998-99	14.26
1997-98	15.11
1996-97	15.18
1995-96	14.90

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

Effective July 1, 2004, Hamilton City School District entered into an insurance agreement with the Southwestern Ohio Purchasing Council and Marsh USA, Inc. for its Risk Management and its insurance coverage. All insurance policies, with the exception of bonds for individual employees will fall under this contract. Below is a brief schedule of liability limits under the Southwestern Ohio Purchasing Council, as well as bonds for specific employees.

Company	Policy		Details of Coverage	Liability Limits	
	Beginning	Ending			
Marsh USA, Inc.	7/1/2005	7/1/2006	Fleet & Property Program	\$1,000,000	Each Occurrence
			General Liability	1,000,000	Each Occurrence
			Automobile Liability	1,000,000	Each Occurrence
			Uninsured Motorist Coverage	1,000,000	Each Occurrence
			Underinsured Motorist Coverage	1,000,000	Each Occurrence
			Excess Property Insurance	300,000,000	
			Earthquake Coverage	4,000,000	
			Flooding Coverage	4,000,000	
			Data Processing Equipment	10,000,000	Each Occurrence
			Musical Instruments	3,253,926	
			Vehicles on Premises	5,000,000	
			School Leaders Errors and Omissions	1,000,000	
			Boiler and Machinery	50,000,000	
			Ohio Casualty	1/10/2005	1/10/2006
Ohio Casualty	1/15/2005	1/15/2006	Public Official Bond - Business Manager	25,000	
Ohio Casualty	6/15/2005	6/15/2006	Public Official Bond - Superintendent	20,000	
Ohio Casualty	1/5/2005	1/5/2006	Public Official Bond - Treasurer	50,000	
Ohio Casualty	1/5/2005	1/5/2006	Public Employee Bond	5,000	

Source: School District records.

**Hamilton City School District
Board Owned Property
For the Fiscal Year Ended June 30, 2005**

						<u>Year</u>	<u>Capacity /</u>	
						<u>Constructed</u>	<u>Square Ft.</u>	<u>Acreage</u>
<i>Instructional Sites:</i>								
<i>Elementary Schools</i>								
Adams	South "F" Street at Ridgewood Ave.	Hamilton	Ohio	45013	1953	53,602	6.60	
Buchanan	263 Hancock Avenue	Hamilton	Ohio	45011	1929	36,849	4.50	
Cleveland	900 Brookwood Avenue	Hamilton	Ohio	45013	1959	38,565	9.50	
Fillmore	1125 Main Street	Hamilton	Ohio	45013	1929	49,832	9.40	
Grant	Campbell Drive at Greenwood Ave.	Hamilton	Ohio	45011	1954	20,861	6.20	
Harrison	250 Knightsbridge Drive	Hamilton	Ohio	45011	1952	53,944	5.50	
Hayes	901 Hoadley Avenue	Hamilton	Ohio	45015	1958	27,866	30.00	
Jefferson	526 South Eighth Street	Hamilton	Ohio	45011	1951	63,918	2.70	
Lincoln	701 North "E" Street	Hamilton	Ohio	45013	1909	65,567	3.60	
Madison	250 North Ninth Street	Hamilton	Ohio	45011	1955	44,729	1.00	
McKinley	991 Westview Avenue	Hamilton	Ohio	45013	1957	14,944	5.70	
Monroe	537 Carriage Hill Lane	Hamilton	Ohio	45013	1959	23,976	8.50	
Pierce	2890 Freeman Avenue	Hamilton	Ohio	45015	1929	50,853	4.70	
Van Buren	2311 Lincoln Avenue	Hamilton	Ohio	45011	1955	39,617	11.70	
<i>Junior High</i>								
Garfield (6)	250 North Fair Avenue	Hamilton	Ohio	45011	1959	126,844	34.00	
Washington	5000 Madison Avenue	Hamilton	Ohio	45015	1955	83,777	(2)	
Wilson	714 Eaton Avenue	Hamilton	Ohio	45013	1934	98,649	26.80	
Freshman School	2260 NW Washington Blvd.	Hamilton	Ohio	45013	2003	121,625	30.00	
<i>Senior High</i>								
Hamilton High	1165 Eaton Avenue	Hamilton	Ohio	45013	1959	139,469	33.90	
Job Development Center (1)	1111 Eaton Avenue	Hamilton	Ohio	45013	1985	62,126	(3)	
<i>Administrative and Service Sites</i>								
Administration and Training Center								
Building	533 Dayton Street/P.O. Box 627	Hamilton	Ohio	45012	1923	20,680	1.00	
Old Administration								
Building	332 Dayton Street	Hamilton	Ohio	45011	1889	12,250	0.00	
Food Service	501 Central Avenue	Hamilton	Ohio	45011		7,506	0.00	
Jefferson Annex								
Office Bldg.	541 South Ninth Street	Hamilton	Ohio	45011	1904	18,261	(4)	
Maintenance								
Department	1316 Chestnut Street	Hamilton	Ohio	45011	1950	14,514	10.00	
Transportation								
Department	1315 Chestnut Street	Hamilton	Ohio	45011	1950	14,436	(5)	
<i>Other Sites</i>								
Mark Avenue	Currently being used as a soccer field.						8.26	
Smalley Blvd.	Undeveloped						9.13	
Timberhill Dr.	Undeveloped						11.00	
Washington Blvd.	Undeveloped						23.00	

Source: School District Records

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

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

Instructional Sites:

Elementary Schools

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

Secondary Schools

Garfield Middle	Principal	Ms. Patricia Blake	(513) 887-5035
Wilson Middle	Principal	Mrs. Sheryl Burk	(513) 887-5170
Freshman School	Principal	Mr. Greg Rulon	(513) 896-3400
Hamilton High	Principal	Mr. Dennis Malone	(513) 868-7700
Job Development Center	Director	Mr. Herb Dietz	(513) 887- 4840

Administrative and Service Sites

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

Source: School District Records

Hamilton City School District
Miscellaneous Demographic Information
June 30, 2005

Hamilton Facts

Area	19.9 square miles	Police Protection	1 Station 100+ Uniformed Police Officers
Government	Charter, City-Manager form Council consists of 7 member	Churches	More than 130 places of worship
Population	60,690 (2000 census)	Radio Stations	4 local stations
Climate	Mean annual temperature 53.7 F Average annual precipitation 40.96 inches Prevailing winds - South-Southwesterly	Newspapers	Journal News (local) Cincinnati Enquirer (regional) Cincinnati Post (regional)
Hospitals	Fort Hamilton Hughes	Utilities	Telephone - Cincinnati Bell Electric - City owned Gas - City owned Water/Sewer - City owned
Fire Protection	Class III 100+ person force	Banks	9 full-service banks and savings and loan associations and more than 20 branches
Aviation	The Hamilton-Fairfield Regional Airport is an all-weather facility with a 5,500 ft. paved and lighted runway.		

Elected Representatives:

Hamilton City Council Members
 345 High Street Hamilton, Ohio 45011
 Telephone: (513) 785-7040

Mr. Don Ryan, Mayor

Mr. Pat Moeller, Vice Mayor

Mr. James Noonan, Council Member

Mr. Chris Flaig, Council Member

Mr. George McNally, Council Member

Mrs. Kathy Becker, Council Member

Mr. Ed Shelton, Council Member

Ohio State Board of Education
 Mr. John Griffin

Ohio State Senate
 Mr. Gary Cates

Ohio House of Representatives
 Mr. Courtney Combs

United States Senate
 Mr. Michael DeWine
 Mr. George Voinovich

United States House of Representatives
 Mr. John Boehner



533 Dayton Street, P.O. Box 627, Hamilton, Ohio 45012
(513) 887-5000

*Hamilton City Schools offer Equal Educational and Employment Opportunities
without regard to race, color, national origin, age, sex or handicap.*



**Auditor of State
Betty Montgomery**

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

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

**HAMILTON CITY SCHOOL DISTRICT
BUTLER COUNTY**

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MARCH 30, 2006**