

**BEAVERCREEK CITY
SCHOOL DISTRICT
GREENE COUNTY, OHIO**

*SUPPLEMENTAL REPORTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2004*

STEPHEN MAAG, TREASURER



**Auditor of State
Betty Montgomery**

Board of Trustees
Beavercreek City School District

We have reviewed the Independent Auditor's Report of the Beavercreek City School District, Greene County, prepared by Trimble, Julian & Grube, Inc. for the audit period July 1, 2003 through June 30, 2004. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

BETTY MONTGOMERY
Auditor of State

January 24, 2005

This Page is Intentionally Left Blank.

**BEAVERCREEK CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

TABLE OF CONTENTS

Independent Auditor’s Report on Supplementary Schedule of Receipts and Expenditures of Federal Awards.....	1
Schedule of Receipts and Expenditures of Federal Awards	2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required By <i>Government Auditing Standards</i>	3 - 4
Report on Compliance With Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance With <i>OMB Circular A-133</i>	5 - 6
Schedule of Findings <i>OMB Circular A-133</i> §505	7 - 8

TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

1445 Worthington Woods Boulevard
Suite B
Worthington, Ohio 43085

Telephone 614.846.1899
Facsimile 614.846.2799

Independent Auditor’s Report on Supplementary Schedule of Receipts and Expenditures of Federal Awards

Board of Education
Beavercreek City School District
3040 Kemp Road
Beavercreek, Ohio 45431

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beavercreek City School District (the “District”) as of and for the fiscal year ended June 30, 2004, and have issued our report thereon dated October 20, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Beavercreek City School District’s basic financial statements. The accompanying Schedule of Receipts and 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 whole.

Trimble, Julian & Grube, Inc.

Trimble, Julian & Grube, Inc.
October 20, 2004

**BEAVERCREEK CITY SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANT NUMBER	(E) CASH FEDERAL RECEIPTS	OTHER FEDERAL RECEIPTS	(E) CASH FEDERAL DISBURSEMENTS	OTHER FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION:						
Nutrition Cluster:						
(A),(C) Food Distribution	10.550	N/A	\$ -	\$ 77,927	\$ -	\$ 77,927
(A),(D) School Breakfast Program	10.553	047241-05-PU 2003	383	-	383	-
(A),(D) School Breakfast Program	10.553	047241-05-PU 2004	1,315	-	1,315	-
(A),(D) National School Lunch	10.555	047241-LL-P4 2003	53,931	-	53,931	-
(A),(D) National School Lunch	10.555	047241-LL-P4 2004	148,070	-	148,070	-
Total U.S. Department of Agriculture and Nutrition Cluster			<u>203,699</u>	<u>77,927</u>	<u>203,699</u>	<u>77,927</u>
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE N/A						
Impact Aid	84.041	N/A	<u>401,870</u>		<u>401,870</u>	
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION:						
Title I - Grants to Local Educational Agencies	84.010	047241-C1-S1 2003	25,462		44,472	
Title I - Grants to Local Educational Agencies	84.010	047241-C1-S1 2004	179,399		160,537	
Total Title I			<u>204,861</u>		<u>205,009</u>	
Special Education Cluster:						
(B),(G) IDEA - Part B - Special Education: Grants to States	84.027	047241-6B-SF 2002P	(2,266)		-	
(B),(G) IDEA - Part B - Special Education: Grants to States	84.027	047241-6B-PM 2003P	(920)		222	
(B) IDEA - Part B - Special Education: Grants to States	84.027	047241-6B-SF 2003P	82,110		106,432	
(B) IDEA - Part B - Special Education: Grants to States	84.027	0472416-6B-SF 2004P	718,269		726,441	
(B) IDEA - Part B - Special Education: Grants to States	84.027	047241-6B-PM 2004P	25,000		24,127	
Total Title VI-B			<u>822,193</u>		<u>857,222</u>	
(B) Special Education: Preschool	84.173	047241-PG-S1 2003P	4,273		7,419	
(B) Special Education: Preschool	84.173	047241-PG-S1 2004P	27,315		24,924	
Total Special Education Preschool			<u>31,588</u>		<u>32,343</u>	
Total Special Education Cluster						
			<u>853,781</u>		<u>889,565</u>	
Safe and Drug-Free Schools	84.186	047241-DR-S1 2003	6,268		4,229	
Safe and Drug-Free Schools	84.186	047241-DR-S1 2004	25,970		25,599	
Total Safe and Drug-Free Schools			<u>32,238</u>		<u>29,828</u>	
Title VI - Innovative Educational Program Strategies	84.298	047241-C2-S1 2003	3,707		2,377	
Title VI - Innovative Educational Program Strategies	84.298	047241-C2-S1 2004	37,282		40,587	
Total Title VI			<u>40,989</u>		<u>42,964</u>	
(H) Technology Literacy Challenge	84.318	047241-TJ-S1 2003	(100)		-	
Technology Literacy Challenge	84.318	047241-TJ-S1 2004	4,366		5,087	
Total Technology Literacy Challenge			<u>4,266</u>		<u>5,087</u>	
(F) English Language Acquisition	84.365	047241-T3-S1 2004	5,148		14,774	
(H) Improving Teacher Quality State Grants	84.367	047241-TR-S1 2003	(3,418)		13,993	
Improving Teacher Quality State Grants	84.367	047241-TR-S1 2004	145,769		131,668	
Total Improving Teacher Quality State Grants			<u>142,351</u>		<u>145,661</u>	
Total U.S. Department of Education						
			<u>1,283,634</u>		<u>1,332,888</u>	
FEDERAL AGENCY DEPARTMENT OF HOMELAND SECURITY PASSED THROUGH THE OHIO EMERGENCY MANAGEMENT AGENCY						
Public Assistance	97.036	FEMA-1453-DR-057U93YX	7,799		7,799	
Total Federal Agency Department of Homeland Security			<u>7,799</u>		<u>7,799</u>	
Total Federal Financial Assistance						
			<u>\$ 1,897,002</u>	<u>\$ 77,927</u>	<u>\$ 1,946,256</u>	<u>\$ 77,927</u>

(A)Included as part of "Nutrition Grant Cluster" in determining major programs.
(B)Included as part of "Special Education Grant Cluster" in determining major programs.
(C)The Food Distribution Program is a non-cash, in kind, federal grant. Commodities are valued at fair market prices.
(D)Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first-in, first-out basis.

(E)This schedule was prepared on the cash basis of accounting.
(F)These funds were passed through the Fairborn City School District.
(G)Repayment of unspent funds.
(H)Monies carried over to fiscal year 2004 grant based on Ohio Department of Education administrative action.

TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

1445 Worthington Woods Boulevard
Suite B
Worthington, Ohio 43085

Telephone 614.846.1899
Facsimile 614.846.2799

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required By *Government Auditing Standards*

Board of Education
Beavercreek City School District
3040 Kemp Road
Beavercreek, Ohio 45431

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beavercreek City School District as of and for the fiscal year ended June 30, 2004, which collectively comprise the Beavercreek City School District's basic financial statements and have issued our report thereon dated October 20, 2004. As disclosed in Note 3, the District had a prior period restatement to net assets for errors and omissions related to its capital assets. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Beavercreek City School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of Beavercreek City School District in a separate letter dated October 20, 2004.

Board of Education
Beavercreek City School District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Beavercreek 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 or other matters that are required to be reported under *Government Auditing Standards*.

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

Trimble, Julian & Grube, Inc.

Trimble, Julian & Grube, Inc.
October 20, 2004

TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

1445 Worthington Woods Boulevard
Suite B
Worthington, Ohio 43085

Telephone 614.846.1899
Facsimile 614.846.2799

Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance With *OMB Circular A-133*

Board of Education
Beavercreek City School District
3040 Kemp Road
Beavercreek, Ohio 45431

Compliance

We have audited the compliance of Beavercreek 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 fiscal year ended June 30, 2004. As disclosed in Note 3, the District had a prior period restatement to net assets for errors and omissions related to its capital assets. Beavercreek City School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Beavercreek City School District's management. Our responsibility is to express an opinion on Beavercreek 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 of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audit 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 Beavercreek 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 on Beavercreek City School District's compliance with those requirements.

Board of Education
Beavercreek City School District

In our opinion, Beavercreek 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 fiscal year ended June 30, 2004.

Internal Control Over Compliance

The management of Beavercreek City School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Beavercreek 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 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 caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

Trimble, Julian & Grube, Inc.

Trimble, Julian & Grube, Inc.
October 20, 2004

**BEAVERCREEK CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 2004**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported non-compliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any other reportable internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under § .510?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs:</i>	Impact Aid: CFDA #84.041 and Improving Teacher Quality State Grants: CFDA #84.367
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes

**BEAVERCREEK CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 2004**

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.



BEAVERCREEK,
OHIO

COMPREHENSIVE ANNUAL
FINANCIAL REPORT



FOR THE
FISCAL YEAR
ENDED
JUNE 30,
2004



BEAVERCREEK CITY SCHOOL DISTRICT

Beavercreek, Ohio

Comprehensive Annual Financial Report

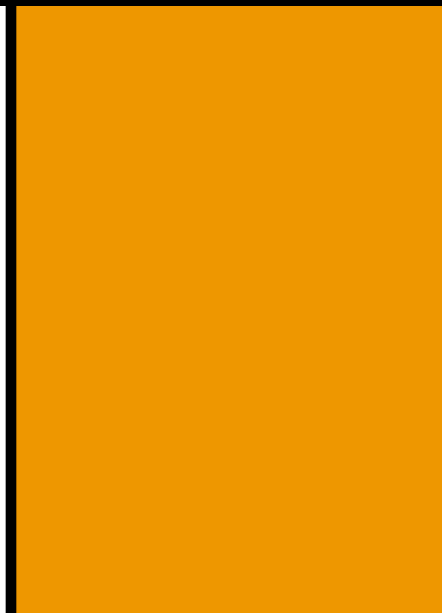
For the Fiscal Year Ended June 30, 2004

Prepared by: Stephen L. Maag, Treasurer/CFO

THIS PAGE INTENTIONALLY LEFT BLANK



INTRODUCTORY SECTION



2004

Beavercreek City School District, Ohio
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2004

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	i
List of Principal Officials	viii
Organizational Chart	ix
Certificate of Achievement, Government Finance Officers Association	x
Certificate of Achievement, Association of School Business Officials International	xi
 II. <u>FINANCIAL SECTION</u>	
Independent Auditor’s Report	1
Management’s Discussion and Analysis	3
 Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Assets	11
Statement of Activities	12
 Fund Financial Statements	
Balance Sheet – Governmental Funds	13
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) And Actual - General Fund	17
Statement of Fiduciary Net Assets – Fiduciary Funds	18
Statement of Changes in Fiduciary Net Assets – Fiduciary Fund	19
 Notes to the Basic Financial Statements	 20

Beavercreek City School District, Ohio
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2004

TABLE OF CONTENTS (continued)

	<u>Page</u>
Combining Statements and Individual Fund Schedules	
Combining Statements – Non-Major Governmental Funds:	
Fund Descriptions	48
Combining Balance Sheet – Non-major Governmental Funds (by fund type)	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds (by fund type)	55
Combining Balance Sheet – Non-major Special Revenue Funds	56
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds	62
Balance Sheet – Non-major Capital Projects Fund	68
Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Capital Projects Funds	69
Statement of Changes in Assets and Liabilities – Agency Fund	70
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual	
Food Service Fund	72
Uniform School Supply Fund	72
Public School Support Fund	72
Other Grant Fund	73
Summer School Fund	73
District Managed Student Activity Fund	73
Auxiliary Services Fund	74
Management Information Systems Fund	74
Entry Year Programs Fund	74
Data Communication Fund	75
School-Net Professional Development Fund	75
Interactive Video Distance Learning Fund	75
Ohio Reads Fund	76
Summer Intervention Fund	76
Other State Grants Fund	76
IDEA, Part B Grant Fund	77
Title II, Limited English Proficiency Grant Fund	77
Title I Grant Fund	77
Title V - Innovative Education Programs Grant Fund	78
Drug Free Schools Grant Fund	78

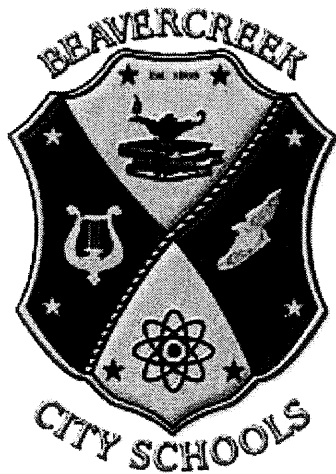
Beavercreek City School District, Ohio
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2004

TABLE OF CONTENTS (continued)

	<u>Page</u>
IDEA Preschool Grant Fund	78
Improving Teacher Quality Grant Fund.....	79
Miscellaneous Federal Grants Fund	79
Debt Service Fund	80
Permanent Improvement Fund	80
Building Fund	80

III. STATISTICAL SECTION

Description of Tables	81
General Fund Revenues by Source.....	82
General Fund Expenditures by Function	83
Property Tax Levies and Collections	84
Assessed and Estimated Actual Values of Taxable Property	85
Property Tax Rates (Per \$1,000 of Assessed Valuation)	86
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	87
Computation of Legal Debt Margin	88
Computation of Direct and Overlapping Debt	89
Ratio of Annual Debt Service Expenditures for General Bond Debt to Total General Fund Expenditures	90
Demographic Statistics	91
Construction, Bank Deposits and Property Values.....	92
Principal Taxpayers - Real and Public Utility Personal Property	93
Other Demographic Statistics	94



November 16, 2004

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

We are pleased to present the third annual Comprehensive Annual Financial Report (CAFR) of the Beavercreek City School District, (the "District"). The information reported is for the fiscal year ended June 30, 2004. The report contains financial statements, supplemental statements and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for 2003 -2004 fiscal year.

Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects. Our report is designed to present fairly the financial position of the various funds of the District.

This report is prepared in conformance with accounting principles generally accepted in the United States of America, (GAAP), as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative services, and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District.

The CAFR report is divided into three sections:

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

The Financial Section includes the unqualified opinion of our independent auditor, Trimble, Julian & Grube, Inc. It also includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the District's financial operating results, the Combining Statements for non-major funds and other schedules that provide detailed information relative to the Basic Financial Statements.

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

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 it. The District's MD&A can be found immediately following the report of the independent auditors.

THE REPORTING ENTITY

The District has reviewed its operating entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up Beaver Creek City School District (the primary government) and its potential component units. The District has no component units for the fiscal year 2004.

ECONOMIC CONDITION AND OUTLOOK

The Beaver Creek City School District is located in southwestern Ohio in the heart of Greene County. The District is the fourth largest employer within Greene County. The community includes a population of more than 40,000 residents who encompass all of the City of Beaver Creek and Beaver Creek Township and small portions of Fairborn, Xenia, Bellbrook, Kettering and Mad River Township. The socioeconomic profile of district residents, as measured by income levels and housing values, is substantially above average for the state.

The City of Beaver Creek is the largest City within Greene County and has accessibility to major highways including I-70, I-75, and I-675. It is also in close proximity to major metropolitan areas such as Dayton, Cincinnati and Columbus. The local economy consists mainly of research-based industries, some manufacturing companies, and Wright-Patterson Air Force Base. The tax base is comprised of over 70% residential property, and has seen significant growth recently with 29% of total homes located in the City of Beaver Creek being constructed in the past decade.

The District and the community it serves anticipate continued growth. Not only is the District anticipating increased student enrollment, but is in the process of reviewing current enrollment imbalances at the middle and elementary schools. In fiscal year 2004, the District will be striving to maintain the excellent academic rating while implementing non-cost portions of its continuous improvement plan.

MAJOR INITIATIVES

Primary accomplishments for 2004 were as follows:

The Beaver Creek City School District achieved an "excellent" school district designation as prescribed by the Ohio Department of Education. Achievement of this designation is based on a 75% pass rate on the 3rd, 4th, and 6th grade proficiency test(s), 85% pass rate on the 10th grade students taking the 9th grade proficiency test, a 93% student attendance rate, and at least a 90% graduation rate. Additionally, the District also met adequate year progress (AYP) for the first year. AYP is a federal requirement in which all student groups must be at or able to obtain annual goals in the areas of reading, math, attendance and graduation. These goals are set by the federal government. These designations are indicative of Beaver Creek City School District's commitment to providing a quality educational environment.

During school year 2004, the Beaver Creek City School District was privileged to have nine National Merit Scholarship Semifinalists, and six National Merit Finalists. Additionally, the class of 2004 earned approximately \$12 million in college scholarship awards. These statistics are indicative of the district's commitment to educational excellence.

Finance

- Produced a user-friendly budget document that is available for all interested parties.
- Updated a detailed Accounting and Student Activity Manual.
- Produced and distributed the District's second annual CAFR.
- Received Auditor of State of Ohio Auditor's Award for outstanding financial reporting.
- Conducted the District's first annual Benefits Fair for all staff in the District.

Curriculum, Instruction and Pupil Services

- K-12 Language Arts Course of Revision study and textbook adoption
- Identification and alignment of curriculum to meet Ohio Graduation Test standards
- Successful addition of new multi-handicapped unit and new County Autistic Special Education Units
- Meeting adequate year progress on States annual Local Report Card
- Compliance with No Child Left Behind (NCLB) mandates

Staff Services

- Institution of new automated substitute calling system
- Approval of a four year labor agreement with all union staff

Technology

- Replacement and installation of all new computers at Fairbrook and Main Elementary Schools
- Revised the District's technology plan to extend through the next three years
- Completed installation of audio visual equipment at Beaver creek High School to support classroom display of television, video and computer generated imagery
- Completed review process of evaluating long-term solutions to replace aging student information system
- Replaced District phone systems, voice mail systems, and voice carriers resulting in significant cost savings

Facilities

- Completion of approximately \$600,000 worth of permanent improvement projects throughout the District including:
 - Creation of two additional kindergarten rooms
 - Renovation and expansion of restrooms at Ankeney Middle School
 - Expansion/enhancement of outdoor athletic facilities
 - Installation of security equipment at Beaver creek High School

Nutrition Services

- Replacement of approximately \$100,000 worth of cooking and serving equipment throughout the District
- Receipt of excellent rating by Greene County Health Department for all kitchens in the District
- Offered and conducted regional Food Safety and Sanitation Classes and Cafeteria Manager Classes

Goals for 2005 are:

Finance

- Receive the third annual award from the Government Finance Officer's Association (GFOA), and Association of School Business Officials (ASBO), Certificate of Excellence in Financial Reporting for the District's 2004 Comprehensive Annual Financial Report.
- Receive the third annual award from the Government Finance Officer's Associate (GFOA) Award for Outstanding Achievement in Popular Annual Financial Reporting for the District's 2004 Popular Annual Financial Report.
- Conduct internal audits of major cash collection points within the District

Curriculum, Instruction and Pupil Services

- Implementation of new character Education Program for all staff and students based on the six pillars of Character Education
- Increase the number of staff members who effectively integrate technology in their instruction
- Update the District's enrollment study for re-districting purposes

Staff Services

- Continue to identify, recruit, employ and retain excellent educators
- Attempt to reach more applicants with the on-line screening instrument

Technology

- Replace student information system
- Replace all classroom lab computers at Shaw and Valley Elementary schools
- Develop and implement project plan for updates to secondary exploratory technology labs

Facilities

- Replacement of HVAC control systems and equipment throughout the District
- Addition of facility and safety equipment throughout the District

Nutrition Services

- Implementation of point of sale, POS system district wide
- Establish nutrition standards for a-la-carte foods sold in elementary and middle schools
- Work with community on wellness policy

FINANCIAL INFORMATION

Internal Accounting and Budgetary Control

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

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

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

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

The accounting system used by the District provides interim financial reports which detail month and year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished the reports showing the status of the budget accounts for which they are responsible. In addition, an on line inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond. Additional information on the District's budgetary accounts can also be found in notes to the basic financial statements.

Financial Condition

This is the second year the District has prepared financial statements in accordance with GASB Statement no. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 created new basic financial statements for reports.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis for the District. This discussion is located in the financial section of this report following the audit opinion and provides an assessment of the District finances for fiscal year 2004 and the outlook for the future.

Debt Administration

The District has five debt issues outstanding at June 30, 2004: a 1995 Bond Issue, one EPA Asbestos Loan, two Energy Conservation Notes, and a 2002 Tax Anticipation Note.

Cash Management

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. All investments are spread among available investment options to insure safety. The District utilizes repurchase agreements, money market accounts, high-yield savings, U.S. Treasuries and Federal Agency securities for ready cash and yield. Investment earnings for all funds during the fiscal year were \$426,142.

RISK MANAGEMENT

The District continues to protect its assets through a comprehensive insurance program. Insurance policies for fleet liability, property loss and boiler and machinery are purchased from the Indiana Insurance Company. Insurance policies for vehicle fleet liability, general liability, property loss, and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio.

The District is a member of the Southwestern Ohio Educational Purchasing Council (SOEPC). The cooperative contracts with Comp Management to provide an insurance purchasing pool for workers compensation. The intent of the pool is to achieve the benefit of a reduced premium for the District by virtue of its grouping a representation with other participants in the pool. The workers compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the pool. Each participant pays its workers compensation premium to the State based on the rate for the pool rather than its individual rate.

Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the pool. A participant will then either receive money from or be required to contribute to the pool. This equity pooling arrangement insures that each participant shares equally in the overall performance of the pool. Participation in the pool is limited to school districts that can meet the pool's selection criteria. Comp Management provides administrative, cost control and actuarial services to the SOEPC.

INDEPENDENT AUDIT

State statutes require the District to be subjected to an annual examination by an independent auditor. Independent auditor Trimble, Julian & Grube, Inc. was selected to render an opinion on the District's financial statements as of June 30, 2004. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls.

In addition to the financial audit, a single audit was performed as required by the Single Audit Act Amendment of 1996 and the provisions of OMB circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in this Comprehensive Annual Financial Report.

Pursuant to statute, the State prescribed a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Beaver Creek City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report will conform to the high standards required by the Certificate of Achievement program.

The District also received the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2003. This award certifies that a Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the ASBO. This award is granted only after an extensive review of the report by an expert panel of certified public accountants and practicing school business officials.

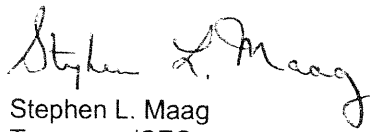
The ASBO certificate is also valid for a period of one year only. The District believes our current report meets ASBO requirements.

ACKNOWLEDGEMENTS

The preparation and publication of this second annual Comprehensive Annual Financial Report would not have been possible without the cooperation and support of the entire staff of the Treasurer's Office. Sincere appreciation is extended to Gina M. Colston for her exceptional individual effort and dedication to this achievement.

Finally, this report would not have been possible without the leadership of the Board of Education for their commitment to excellence in financial accountability.

Respectfully submitted,

A handwritten signature in black ink that reads "Stephen L. Maag". The signature is written in a cursive style with a large, looped initial 'S'.

Stephen L. Maag
Treasurer /CFO

BEAVERCREEK CITY SCHOOL DISTRICT, OHIO

**LIST OF PRINCIPAL OFFICIALS
June 30, 2004**

Board of Education

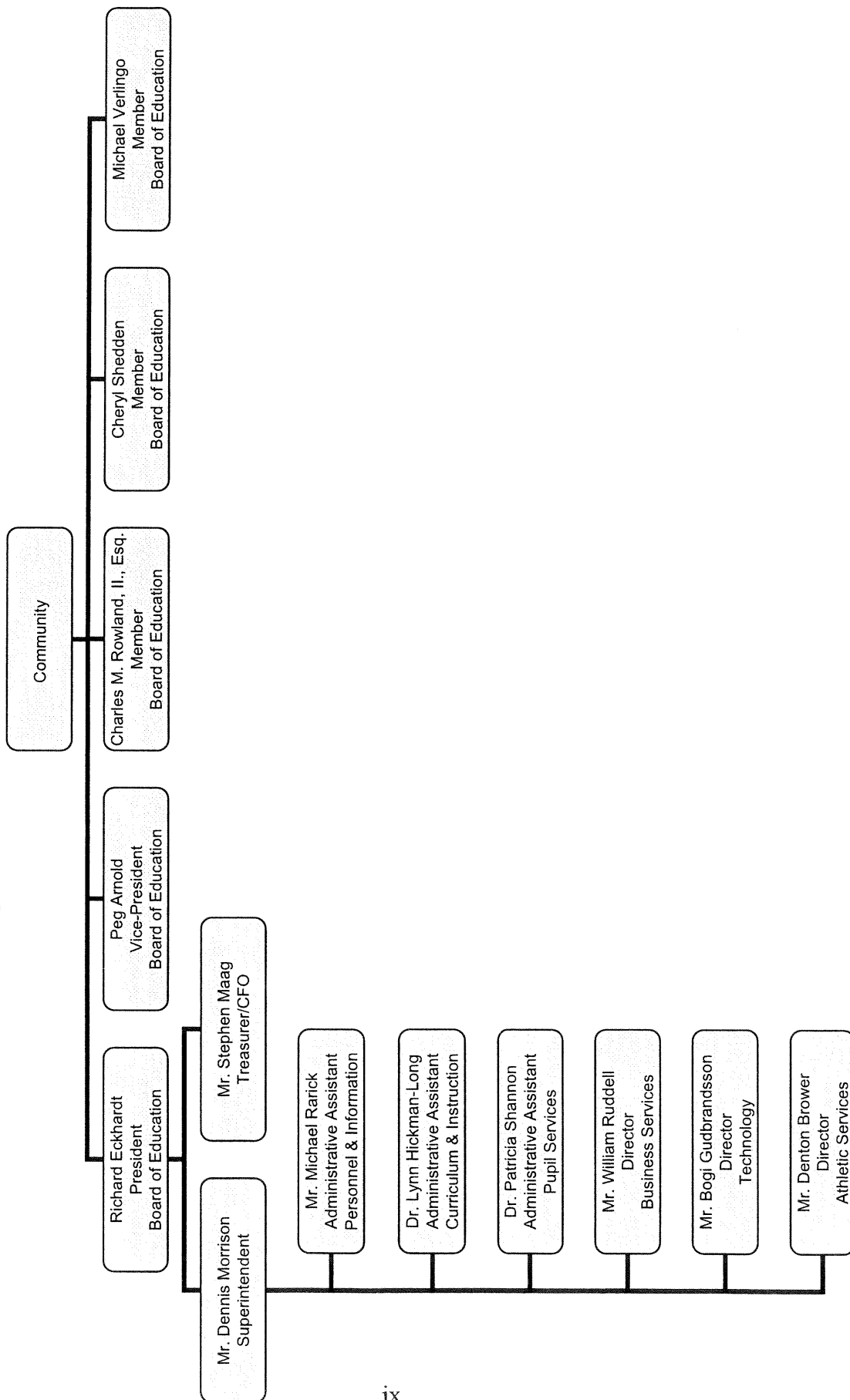
Richard Eckhardt, President
Peg Arnold, Vice-President
Mike Verlingo, Member
Charles Rowland, II. Esq., Member
Cheryl Shedden, Member

Administration

Dennis Morrison, Superintendent
Stephen L. Maag, Treasurer/CFO

Michael Rarick, Administrative Assistant, Personnel and Information
Dr. Lynn Hickman-Long, Administrative Assistant, Curriculum and Instruction
Dr. Patricia Shannon, Administrative Assistant, Pupil Services
William Ruddell, Director, Business Services
Bogi Gudbrandsson, Director, Technology
Denton Brower, Director, Athletic Services

Beavercreek City Schools Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Beavercreek City School
District, Ohio

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

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



Nancy L. Zielke

President

Jeffrey R. Enser

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

BEAVERCREEK CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2003

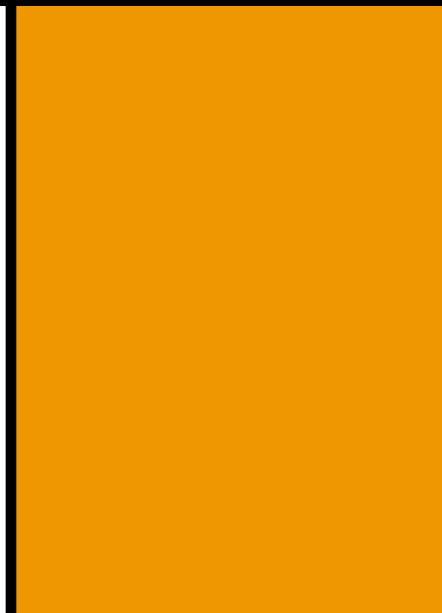
Upon recommendation of the Association's Panel of Review which has judged the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

William A. Fall
President

Barbara W. Keller
Executive Director



FINANCIAL SECTION



2004

TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

1445 Worthington Woods Boulevard
Suite B
Worthington, Ohio 43085

Telephone 614.846.1899
Facsimile 614.846.2799

Independent Auditor’s Report

Board of Education
Beavercreek City School District
3040 Kemp Road
Beavercreek, Ohio 45431

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 Beavercreek City School District, Greene County, as of June 30, 2004, and the respective changes in financial position, thereof and the respective budgetary comparison for the general fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in Note 3, the District had a prior period restatement to net assets for errors and omissions related to its capital assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2004, on our consideration of the Beavercreek City School District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management’s discussion and analysis on pages 3 through 9 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Board of Education
Beavercreek City School District

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Beavercreek City School 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 of Beavercreek City School District. 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.

Trimble, Julian & Grube, Inc.

Trimble, Julian & Grube, Inc.
October 20, 2004

Beavercreek City School District, Ohio
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Our discussion and analysis of Beavercreek City School District's, (the District), financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2004.

Financial Highlights

The District's net assets increased by over \$ 8.4 million or over 275%. Program revenues accounted for \$8.8 million or 13% of total revenues, and general revenues accounted for \$ 58.8 million or 87%.

The general fund reported a positive fund balance of \$ 9,357,783.

Using this Comprehensive Annual Financial Report

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

Reporting the District as a Whole

The Statement of Net Assets and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's governmental activities begins on page 11. The fund financial statements begin on page 13 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's two types of funds, governmental and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds

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

Beavercreek City School District, Ohio
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Fiduciary Funds

The District is the trustee, or fiduciary, for its scholarship program and other items listed as private purpose trust. It is also responsible for other assets that, due to a trust arrangement, can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 18 and 19. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its' operations.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by over \$3 million at the close of the most recent fiscal year. This is a condition that has significantly improved from prior years due mostly to collection of tax revenue in the second half of fiscal year 2004 from a levy approved by the voters in November 2003.

A significant portion of the District's net assets reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A comparative analysis of fiscal year 2004 to 2003 follows:

Table 1
Net Assets

	<u>2003</u>	<u>2004</u>
Assets:		
Current Assets	\$56,481,963	\$69,200,210
Capital Assets, Net	<u>32,201,906</u>	<u>31,526,873</u>
Total Assets	<u>88,683,869</u>	<u>100,727,083</u>
Liabilities:		
Current and Other Liabilities	51,261,901	55,007,627
Long-Term Liabilities	<u>42,382,053</u>	<u>42,063,095</u>
Total Liabilities	<u>93,643,954</u>	<u>97,070,722</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	25,310,306	24,603,654
Restricted	2,814,557	3,605,318
Unrestricted	<u>(33,084,948)</u>	<u>(24,552,611)</u>
Total Net Assets	<u>\$(4,960,085)</u>	<u>\$3,656,361</u>

Beavercreek City School District, Ohio
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

A comparative analysis of fiscal year 2004 to 2003 follows:

Table 2
Change in Net Assets

	<u>2003</u>	<u>2004</u>
Revenues:		
Program Revenues:		
Charges for Services	\$2,718,894	\$5,836,397
Operating Grants and Contributions	2,604,970	2,977,200
Capital Grants and Contributions	<u>0</u>	<u>31,333</u>
Total Program Revenues	5,323,864	8,844,930
General Revenues:		
Property Taxes	36,575,002	43,729,866
Grants and Entitlements	16,391,774	14,066,118
Tuition and Fees	249,899	0
Investment Earnings	247,700	426,142
Other	<u>731,015</u>	<u>592,567</u>
Total Revenues	<u>59,519,254</u>	<u>67,659,623</u>
Program Expenses:		
Instruction:		
Regular	22,298,393	23,456,220
Special	5,161,890	5,318,139
Vocational	349,438	327,750
Other	694,624	424,555
Support Services:		
Pupils	3,190,845	3,599,093
Instructional	3,320,764	3,498,536
Board of Education	76,470	79,139
Administration	2,773,427	3,147,851
Fiscal	1,159,335	1,370,275
Business	178,085	510,726
Operation and Maintenance of Plant	5,193,056	5,556,628
Pupil Transportation	3,037,339	3,015,547
Central	1,680,066	1,779,880
Operation of Non-Instructional Services	2,766,040	2,561,691
Extracurricular Activities	1,121,428	1,185,587
Building and Site Improvement Services	1,270,381	847,482
Interest and Fiscal Charges	<u>2,624,217</u>	<u>2,490,143</u>
Total Expenses	<u>56,895,798</u>	<u>59,169,242</u>
Net Assets at Beginning of Year	(7,583,541)	(4,834,020)
Increase in Net Assets	<u>2,623,456</u>	<u>8,490,381</u>
Net Assets at End of Year	<u>\$(4,960,085)</u>	<u>\$3,656,361</u>

Beavercreek City School District, Ohio
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Governmental Activities

Net assets of the District's governmental activities increased by approximately \$9.3 million and unrestricted net assets increased by approximately \$8.5. The increase in net assets is primarily the result of additional property tax revenue collected in the second half of fiscal year 2004 from a levy approved by the voters in November 2003.

At the end of the current fiscal year, the District is able to report positive net assets. This is a change from prior years in which the District reported a negative net asset figure.

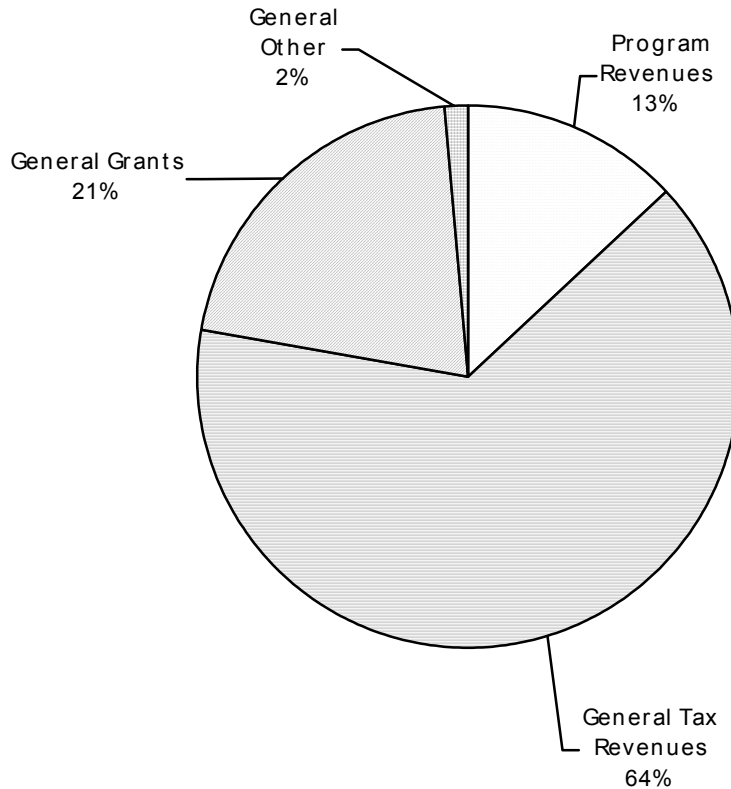
The property tax laws in Ohio create the need to periodically seek voter approval for additional operating funds. In general, tax revenues generated from a levy do not increase as a result of inflation. An operating levy is approved for a fixed millage rate, but the rate is reduced for inflation with the affect of providing the District the same amount of tax dollars as originally approved. Therefore, school districts such as ours that are dependent upon property taxes as a primary source of revenue must periodically return to the ballot and ask voters for additional resources to maintain current programs. Since the District must rely heavily on voter approval of operating tax issues, management of the resources is of paramount concern to District administration and the voting public. The District utilizes a five-year cash financial forecast to estimate revenues and control expenditures to assure tax levy revenues can maintain operations for a significant period of time. The current forecast reflected a need for additional operating resources in fiscal year 2005, and as such an emergency operating levy was requested and passed on the November 2004 ballot.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. General revenues including tax revenue, investment earnings and unrestricted State entitlements must support the net cost of program services. Comparisons to 2003 are as follows:

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

	2003	2003	2004	2004
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Instruction	\$28,504,345	\$(26,952,792)	\$29,526,664	\$(25,916,777)
Support Services	20,609,387	(19,758,957)	22,557,675	(20,236,539)
Operation of Non-Instructional Services	2,766,040	(144,104)	2,561,691	69,306
Extracurricular Activities	1,121,428	(821,483)	1,185,587	(902,677)
Building and Site Improvement Svcs	1,270,381	(1,270,381)	847,482	(847,482)
Interest and Fiscal Charges	<u>2,624,217</u>	<u>(2,624,217)</u>	<u>2,490,143</u>	<u>(2,490,143)</u>
Total Expenses	<u>\$56,895,798</u>	<u>\$(51,571,934)</u>	<u>\$59,169,242</u>	<u>\$(50,324,312)</u>

Beavercreek City School District, Ohio
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited



The District's reliance upon tax revenues is demonstrated by the graph above that indicates 64% of total revenues for governmental activities come from local taxes. The reliance on general revenues to support governmental activities is indicated by the net services column reflecting the need for \$50.3 million dollars of support as well as the graph indicating general revenues comprise 87% of total revenues.

The District's Funds

Information about the District's governmental funds begins on Page 13. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$68,580,883 and expenditures and other financing uses of \$59,289,010. The net change in fund balance was most significant in the General, Debt Service and Permanent Improvement Funds. The Other Governmental Funds had a negative net change in fund balance caused by accruals and the major portion of these funds consisting of reimbursable grant funds.

The fund balance of the General, Debt Service and Permanent Improvement funds increased by \$8,611,576, \$136,799, and \$700,107, respectively. The fund balance of the Other Governmental Funds decreased by \$(156,609). The increase in the General Fund was primarily due to an increase in tax collections due to receipt of property taxes in the second half of the fiscal year from a voter approved levy in reappraisal of property values and continued growth of new construction. The decrease in the Other Governmental Fund fund balance was primarily due to the accrual of liabilities within these funds and the requirement of many grant funds to expend funds before obtaining reimbursement.

Beavercreek City School District, Ohio
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

General Fund Budget Information

The District's budget is prepared in accordance with Ohio law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

The District utilizes the five-year forecast as the original document from which to form the operating budget. After updating of the forecast for changes in revenue and expenditure assumptions the operating budget begins at the school level. Each school in the district and department receive an allocation based on a number of factors including a historical analysis, projected current need and projected current resources. The site and department budgets are reviewed periodically to ensure management becomes aware of any significant variations during the year.

Capital Assets

At the end of the fiscal year 2004, the District had \$31,526,873 invested in land, land improvements, buildings, building improvements, furniture, equipment and vehicles. Table 4 shows the fiscal year 2004 balances compared to fiscal year 2003. Additional information regarding capital assets can be found in Note 10 of this report.

Table 4
Capital Assets
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>	
	<u>2003</u>	<u>2004</u>
Land	\$3,264,725	\$3,264,725
Land Improvements	785,361	998,411
Buildings	25,402,532	24,202,522
Building Improvements	834,428	1,041,071
Furniture & Equipment	363,225	504,340
Vehicles	<u>1,677,700</u>	<u>1,515,804</u>
Total	<u>\$32,327,971</u>	<u>\$31,526,873</u>

Debt

At June 30, 2004, the District had \$41.2 million in outstanding bonds, notes and loans payable. The District paid \$565,000 in principal on bonds outstanding and \$2,584,312 in notes and loans payable during the fiscal year. Detailed information regarding long term debt and notes payable activity is included in the notes to the basic financial statements (Note 11).

In addition, the District has entered into capital leases which include a balance outstanding of \$3.2 million at June 30, 2004. During the fiscal year, the District paid \$80,348 which was considered principal on these capital leases.

At June 30, 2004, the District's overall legal debt margin was \$76,433,551 with an un-voted debt margin of \$1,287,409.

Beavercreek City School District, Ohio
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Contacting the District

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the District's financial position and to show the District's accountability for the funds it receives. Should you have any questions about this report or any other financial matter, contact Stephen L. Maag, Treasurer/CFO, Beavercreek City School District, 3040 Kemp Road, Beavercreek, Ohio 45431.

THIS PAGE INTENTIONALLY LEFT BLANK

Beavercreek City School District, Ohio
Statement of Net Assets
June 30, 2004

	<u>Governmental</u> <u>Activities</u>
ASSETS:	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 24,105,300
Cash and Cash Equivalents with Escrow Agents	174,414
Inventory Held for Resale	11,977
Materials and Supplies Inventory	10,007
Accrued Interest Receivable	25,703
Accounts Receivable	274,146
Intergovernmental Receivable	185,411
Prepaid Items	23,478
Taxes Receivable	44,389,774
Noncurrent Assets:	
Land and Construction in Progress	3,264,725
Depreciable Capital Assets, net	<u>28,262,148</u>
<i>Total Assets</i>	<u>100,727,083</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	\$ 439,715
Accrued Wages and Benefits	4,966,492
Contracts Payable	42,215
Intergovernmental Payable	1,610,268
Accrued Interest Payable	184,240
Retainage Payable	2,334
Deferred Revenue	40,367,555
Notes Payable	6,815,000
Compensated Absences Payable	579,808
Noncurrent Liabilities:	
Long-Term Liabilities:	
Due Within One Year	2,074,129
Due in More Than One Year	<u>39,988,966</u>
<i>Total Liabilities</i>	<u>97,070,722</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	24,603,654
Restricted for Debt Service	1,089,993
Restricted for Capital Outlay	2,447,454
Restricted for Other Purposes	67,871
Unrestricted	<u>(24,552,611)</u>
<i>Total Net Assets</i>	<u>\$ 3,656,361</u>

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

Beavercreek City School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2004

		<u>Program Revenues</u>			<u>Net (Expenses)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital Grants</u>	<u>Revenues</u>
	<u>Expenses</u>	<u>Services and</u>	<u>Grants and</u>	<u>and</u>	<u>and Changes in</u>
		<u>Sales</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Net Assets</u>
					<u>Governmental</u>
					<u>Activities</u>
Governmental Activities:					
Instruction:					
Regular	\$ 23,456,220	\$ 1,107,076	\$ 594,822	\$ -	\$ (21,754,322)
Special	5,318,139	1,517,093	387,217	-	(3,413,829)
Vocational	327,750	-	-	-	(327,750)
Other	424,555	-	3,679	-	(420,876)
Support Services:					
Pupils	3,599,093	-	223,713	-	(3,375,380)
Instructional Staff	3,498,536	-	517,950	-	(2,980,586)
Board of Education	79,139	-	-	-	(79,139)
Administration	3,147,851	-	145,916	-	(3,001,935)
Fiscal	1,370,275	-	-	-	(1,370,275)
Business	510,726	-	-	-	(510,726)
Operation and Maintenance of Plant	5,556,628	26,740	8,046	-	(5,521,842)
Pupil Transportation	3,015,547	1,316,839	770	31,333	(1,666,605)
Central	1,779,880	24,000	25,829	-	(1,730,051)
Operation of Non-Instructional Services:					
Food Service Operations	1,700,767	1,523,966	200,417	-	23,616
Community Services	773,933	38,946	867,668	-	132,681
Other	86,991	-	-	-	(86,991)
Extracurricular Activities:					
Academic Oriented Activities	324,620	1,575	-	-	(323,045)
Sport Oriented Activities	838,244	224,617	-	-	(613,627)
School and Public Service Co-Curricular Activities	22,723	55,545	1,173	-	33,995
Site Improvement Services	326,900	-	-	-	(326,900)
Architecture and Engineering Services	27,614	-	-	-	(27,614)
Building Improvement Services	492,968	-	-	-	(492,968)
Interest and Fiscal Charges	2,490,143	-	-	-	(2,490,143)
Total Governmental Activities	\$ 59,169,242	\$ 5,836,397	\$ 2,977,200	\$ 31,333	(50,324,312)
General Revenues:					
Grants and Entitlements not Restricted to Specific Programs					14,066,118
Gifts and Donations					91,004
Investment Earnings					426,142
Miscellaneous					280,135
Property and Other Local Taxes					43,729,866
Extracurricular Activities					218,457
Proceeds from Sale of Fixed Assets					2,971
Total General Revenues					58,814,693
Change in Net Assets					8,490,381
Net Assets Beginning of Year (As Restated. See Note 3)					(4,834,020)
Net Assets End of Year					\$ 3,656,361

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

Beavercreek City School District, Ohio
Balance Sheet
Governmental Funds
June 30, 2004

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Permanent Improvement Fund</u>	<u>All Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:					
Current Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 18,926,567	\$ 876,707	\$ 2,423,371	\$ 1,878,655	\$ 24,105,300
Cash and Cash Equivalents with Escrow Agents	174,414	-	-	-	174,414
Inventory Held for Resale	-	-	-	11,977	11,977
Materials and Supplies Inventory	-	-	-	10,007	10,007
Accrued Interest Receivable	24,944	-	-	759	25,703
Accounts Receivable	255,180	-	-	18,966	274,146
Interfund Receivable	195,000	-	-	-	195,000
Intergovernmental Receivable	-	-	-	185,411	185,411
Prepaid Items	23,478	-	-	-	23,478
Taxes Receivable	40,677,801	2,359,751	1,352,222	-	44,389,774
Total Assets	\$ 60,277,384	\$ 3,236,458	\$ 3,775,593	\$ 2,105,775	\$ 69,395,210
LIABILITIES:					
Current Liabilities:					
Accounts Payable	\$ 282,084	\$ -	\$ 93,065	\$ 64,566	\$ 439,715
Accrued Wages and Benefits	4,777,361	-	-	189,131	4,966,492
Contracts Payable	-	-	42,215	-	42,215
Interfund Payable	-	-	-	195,000	195,000
Intergovernmental Payable	1,003,042	-	-	69,723	1,072,765
Accrued Interest Payable	17,842	-	-	-	17,842
Retainage Payable	-	-	2,334	-	2,334
Deferred Revenue	37,465,021	2,158,695	1,199,797	-	40,823,513
Notes Payable	6,815,000	-	-	-	6,815,000
Compensated Absences Payable	559,251	-	-	20,557	579,808
Total Liabilities	50,919,601	2,158,695	1,337,411	538,977	54,954,684
Equity:					
FUND BALANCES:					
Reserved:					
Reserved for Encumbrances	490,631	-	758,330	647,010	1,895,971
Reserved for Inventory	-	-	-	10,007	10,007
Reserved for Prepaid Items	23,478	-	-	-	23,478
Reserved for Property Taxes	3,438,052	201,056	152,425	-	3,791,533
Reserved for Debt Service	-	876,707	-	-	876,707
Unreserved, Undesignated, Reported in:					
General Fund	5,405,622	-	-	-	5,405,622
Special Revenue Funds	-	-	-	867,253	867,253
Capital Projects Funds	-	-	1,527,427	42,528	1,569,955
Total Fund Balances	9,357,783	1,077,763	2,438,182	1,566,798	14,440,526
Total Liabilities and Fund Balances	\$ 60,277,384	\$ 3,236,458	\$ 3,775,593	\$ 2,105,775	\$ 69,395,210

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

Beavercreek City School District, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2004*

Total Governmental Fund Balances	\$ 14,440,526
---	----------------------

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	31,526,873
---	------------

Other assets are not available to pay for current period expenditures and therefore are deferred in the funds.	
Intergovernmental Receivable	225,272
Taxes	230,686

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

Interest Payable	(166,398)
Compensated Absences Payable	(4,361,998)
Intergovernmental Payable	(537,503)
General Obligation Debt	<u>(37,701,097)</u>

Net Assets of Governmental Activities	<u>\$ 3,656,361</u>
--	----------------------------

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

Beavercreek City School District, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2004

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Permanent Improvement Fund</u>	<u>All Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:					
Property and Other Local Taxes	\$ 39,658,105	\$ 2,412,222	\$ 1,878,429	\$ -	\$ 43,948,756
Intergovernmental	16,831,538	285,572	253,512	2,772,160	20,142,782
Interest	419,738	-	-	6,404	426,142
Tuition and Fees	494,707	-	-	410,884	905,591
Rent	26,740	-	-	-	26,740
Extracurricular Activities	485	-	-	499,504	499,989
Gifts and Donations	-	-	20,000	72,177	92,177
Customer Sales and Services	38,946	-	-	1,523,966	1,562,912
Miscellaneous	279,671	-	-	464	280,135
Total Revenues	57,749,930	2,697,794	2,151,941	5,285,559	67,885,224
EXPENDITURES:					
Current:					
Instruction:					
Regular	22,070,208	-	693,176	620,403	23,383,787
Special	4,847,255	-	-	465,217	5,312,472
Vocational	307,661	-	-	-	307,661
Other	424,399	-	-	4,034	428,433
Support Services:					
Pupils	3,261,581	-	-	246,420	3,508,001
Instructional Staff	2,893,030	-	-	535,886	3,428,916
Board of Education	80,212	-	-	-	80,212
Administration	2,924,304	-	39,646	174,635	3,138,585
Fiscal	1,275,496	38,317	30,462	-	1,344,275
Business	429,860	-	-	52,888	482,748
Operation and Maintenance of Plant	5,526,656	-	130,426	10,219	5,667,301
Pupil Transportation	2,701,431	-	16,029	1,216	2,718,676
Central	757,182	-	10,200	85,384	852,766
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	1,629,703	1,629,703
Community Services	-	-	-	757,558	757,558
Other	-	-	-	86,991	86,991
Extracurricular Activities:					
Academic Oriented Activities	72,450	-	-	250,737	323,187
Sport Oriented Activities	582,240	-	-	211,871	794,111
School and Public Service Co-Curricular Activities	20,648	-	-	2,075	22,723
Capital Outlay:					
Site Improvement Services	40,140	-	331,309	-	371,449
Architecture and Engineering Services	-	-	27,614	-	27,614
Building Improvement Services	13,065	-	172,972	306,931	492,968
Debt Service:					
Principal	80,348	1,034,312	-	-	1,114,660
Interest	488,707	2,006,936	-	-	2,495,643
Total Expenditures	48,796,873	3,079,565	1,451,834	5,442,168	58,770,440
Excess of Revenues Over (Under) Expenditures	8,953,057	(381,771)	700,107	(156,609)	9,114,784
OTHER FINANCING SOURCES AND USES:					
Transfers In	-	518,570	-	-	518,570
Proceeds from Sale of Fixed Assets	2,971	-	-	-	2,971
Proceeds from Capital Lease	174,118	-	-	-	174,118
Transfers Out	(518,570)	-	-	-	(518,570)
Total Other Financing Sources and Uses	(341,481)	518,570	-	-	177,089
Net Change in Fund Balances	8,611,576	136,799	700,107	(156,609)	9,291,873
Fund Balance (Deficit) at Beginning of Year	746,207	940,964	1,738,075	1,723,407	5,148,653
Fund Balance (Deficit) at End of Year	\$ 9,357,783	\$ 1,077,763	\$ 2,438,182	\$ 1,566,798	\$ 14,440,526

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

Beavercreek City School District, Ohio
*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, 2004*

Net Change in Fund Balances - Total Governmental Funds	\$ 9,291,873
---	---------------------

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

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. This is the amount by which depreciation exceeded capital outlay in the current period.	(801,098)
--	-----------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Intergovernmental Receivable	(9,682)
Taxes	(218,890)

Repayment of bond principal, notes, and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and does not result in an expense in the statement of activities.	1,114,660
--	-----------

Inception of capital leases are reported as revenues in the governmental funds, but the inception increases long-term liabilities in the statement of net assets.	(174,118)
---	-----------

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expense is reported when due.	5,500
--	-------

Some expenses reported in the statement of activities do not required the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Compensated Absences	(621,583)
Intergovernmental Payable	(96,281)

Change in Net Assets of Governmental Activities	<u><u>\$ 8,490,381</u></u>
--	-----------------------------------

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

Beavercreek City School District, Ohio
*Statement of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 General Fund
 For the Fiscal Year Ended June 30, 2004*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ 51,193,000	\$ 51,193,000	\$ 56,089,202	\$ 4,896,202
Total Expenditures and Other Uses	<u>52,827,537</u>	<u>52,827,537</u>	<u>51,373,006</u>	<u>1,454,531</u>
Net Change in Fund Balances	(1,634,537)	(1,634,537)	4,716,196	6,350,733
Fund Balance, July 1	13,359,177	13,359,177	13,359,177	
Prior Year Encumbrances Appropriated	<u>305,634</u>	<u>305,634</u>	<u>305,634</u>	
Fund Balance, June 30	<u>\$ 12,030,274</u>	<u>\$ 12,030,274</u>	<u>\$ 18,381,007</u>	<u>\$ 6,350,733</u>

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

Beavercreek City School District, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2004

	<u>Private</u> <u>Purpose Trust</u>	<u>Agency Fund</u>
ASSETS:		
Current Assets:		
Equity in Pooled Cash and Cash Equivalents	\$ 21,105	\$ 131,715
<i>Total Assets</i>	<u>\$ 21,105</u>	<u>\$ 131,715</u>
LIABILITIES:		
Current Liabilities:		
Due to Students	\$ -	\$ 131,715
<i>Total Liabilities</i>		<u>\$ 131,715</u>
NET ASSETS:		
Held in Trust for Upkeep and Maintenance of Trust	<u>21,105</u>	
<i>Total Net Assets</i>	<u>\$ 21,105</u>	

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

Beavercreek City School District, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2004

	<u>Private</u> <u>Purpose Trust</u>
ADDITIONS:	
Gifts and Contributions	\$ 1,200
<i>Total Additions</i>	<u>1,200</u>
DEDUCTIONS:	
Payments in Accordance with Trust Agreements	<u>2,968</u>
<i>Total Deductions</i>	<u>2,968</u>
<i>Change in Net Assets</i>	(1,768)
<i>Net Assets Beginning of Year</i>	<u>22,873</u>
<i>Net Assets End of Year</i>	<u>\$ 21,105</u>

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

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

1. Description of the District and Reporting Entity

The Beavercreek City School District (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five member board and is responsible for the provision of public education to residents of the District. The Board controls the District's instructional/support facilities staffed by 228 non-certificated employees, 423 certificated full time-teaching personnel and 30 administrative employees to provide services to approximately 6,923 students and other community members.

Reporting Entity

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

The primary government consists of all funds and departments, which provide various services including instruction, student guidance, extracurricular activities, food service, pre-school, educational media and care and upkeep of grounds and buildings. The operation of each of these activities is directly controlled by the Board of Education.

Current State legislation provides funding to parochial schools, as well as the community and Montessori schools within the District boundaries. These monies are received and disbursed on behalf of the parochial school by the treasurer of the District, as directed by the parochial school. The State monies received/dispursed by the District is reflected as a governmental activity for financial reporting purposes.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing body and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations for which the District approves the budget, the issuance of debt or the levying of taxes. The District does not have any component units.

The District is associated with three organizations, which are defined as jointly governed. These organizations include the Southwestern Ohio Education Purchasing Council (SOEPC), Miami Valley Educational Cooperative Association (MVECA) and the Greene County Career Center. These organizations are presented in Note 17 to the basic financial statements.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

2. Summary of Significant Accounting Policies

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements.

a. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are divided into two categories, governmental and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the District are financed. Governmental fund reporting focuses 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 the general operating fund of the district and is used to account for all financial resources except those required to be accounted for in another fund.

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, interest and related costs.

Permanent Improvement Fund - The Permanent Improvement Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by trust funds.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

Fiduciary Funds

Fiduciary Funds - Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include private-purpose trust and agency funds. Private-purpose trust funds account for resources, including both principal and earnings, which must be expended according to the provision of a trust agreement, and are accounted for in essentially the same manner as governmental funds. Agency funds are purely custodial and thus do not involve measurement of results of operations.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

2. Summary of Significant Accounting Policies (continued)

b. 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 government-wide statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all non-major funds are aggregated into one 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 funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The private-purpose trust fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of this fund is included on the balance sheet. Fund equity (i.e., net total assets) is segregated into unrestricted components.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

2. Summary of Significant Accounting Policies (continued)

c. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The Fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for fiduciary funds.

Revenues, Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been met. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue.

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

Expenditures/Expenses

On the accrual basis of accounting, expenses are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

2. Summary of Significant Accounting Policies (continued)

Budgets and Budgetary Accounting

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

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

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

Tax Budget

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing on the following July 1. The budget includes proposed expenditures and means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayer's comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Greene County Budget Commission for rate determination.

Estimated Resources

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include unencumbered cash balances from the preceding year. The certificate may be further amended during the year if the fiscal officer determines that the revenue collected is greater or less than the current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2004.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

2. Summary of Significant Accounting Policies (continued)

Appropriations

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriation by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. The budget figures, which appear in the statements of budgetary comparison, represent the final appropriation amounts, including all amendments and modification.

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the fund financial statement encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent-year expenditure for governmental funds. A reserve for encumbrances is not reported on the government-wide financial statements. Encumbrances are reported as part of expenditures/expenses on a non-GAAP budgetary basis in the Required Supplemental Information.

Lapsing of Appropriations

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

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

2. Summary of Significant Accounting Policies (continued)

d. Cash and Investments

The District maintains a cash and investment pool used by all funds. The cash and investment pool has the same characteristics as demand deposits. Each fund type's portion of this pool is displayed in the financial statements as cash and cash equivalents. The District utilizes a financial institution to service bonded debt as principal and interest payments come due. The monies are either maintained in a central bank account or used to purchase legal investments.

It is the policy of the District to value investment contracts and money market investments at fair value.

The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes and other obligations; bank certificates of deposit; banker's acceptances; commercial paper notes rated prime and issued by United States corporations; and STAR Ohio. It is management's policy to invest in all of the above types of investments. Under existing Ohio statutes, all investment earnings accrue to the general, food service fund and auxiliary service fund. Interest earnings are allocated to these funds based on average monthly cash balances. Investment income credited to the general fund during the fiscal year amounted to \$419,738, which includes \$83,888 assigned from other District funds. The, food service fund, building and auxiliary service funds also received interest revenue of \$2,542, \$1,837 and \$2,025 respectively.

e. Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market using the first in, first out (FIFO) method and are expensed when used.

On fund financial statements, inventories of governmental funds are valued at cost. For all funds, cost is determined using the FIFO method, and are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption, and supplies held for resale. The cost is recorded as an expenditure when used. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they do not represent available spendable resources.

f. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004 are recorded as prepaid items on the government-wide financial statements using the consumption method and recording a current asset for the prepaid amount and reflecting the expenditure in the current year in which services are consumed. Reported prepaids are equally offset by a fund balance reserve, which indicates they do not represent available spendable resources.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

2. Summary of Significant Accounting Policies (continued)

g. Capital Assets and Depreciation

General capital assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$5,000 and a useful life of less than 1 year. The District does not possess any infrastructure.

All reported capital assets, with the exception of land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Useful Life</u>
Land	Not depreciated
Land Improvements	30
Buildings & Improvements	30
Furniture & Equipment	5-10
Vehicles	10

h. Inter-fund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in governmental funds.

On fund financial statements, short-term inter-fund loans are classified as inter-fund receivables/payables. These amounts are eliminated in the statement of net assets.

i. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and state laws.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employee will be paid.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

2. Summary of Significant Accounting Policies (continued)

j. Accrued Liabilities and Long-term Debt

For governmental fund financial statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, compensated absences paid from governmental funds (typically the general fund) are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term debt paid from governmental funds is not recognized as a liability in the fund financial statements until due.

k. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist 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. For the district this includes outstanding balance for a portion of the 1995 School Improvement Bond, and all of the telephone and administration building leases. 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, regulations or other governments.

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

l. Fund Balance Reserves

The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available spendable resources and therefore not available for appropriation. Unreserved fund balance indicates the portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, property taxes, prepaid items and supplies inventory, and debt service.

m. Estimates

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

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

3. Restatements

Restatement of Net Assets

During fiscal year 2004 it was determined that depreciable capital assets were understated by \$126,065. This restatement had the following effect on the beginning net assets as it was previously reported.

	<u>Net Assets</u>	<u>Depreciable Assets</u>	<u>Accumulated Depreciation</u>
At June 30, 2003	\$(4,960,085)	\$46,170,696	\$13,968,790
Capital Asset Addition Adjustment	126,065	170,187	44,122
Adjusted Balance At June 30, 2003	<u>\$(4,834,020)</u>	<u>\$46,340,883</u>	<u>\$14,012,912</u>

4. Accountability

Deficit Fund Balance

The Title III - Limited English Proficiency Grant Fund and Miscellaneous Federal Grants Fund had deficit balances of \$3,499 and \$1,199 respectively. These deficit balances resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and will provide operating transfers when cash is required, not when accruals occur.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

5. Budgetary Basis of Accounting

While the District is reporting financial position, results of operations and changes in fund balance on the basis of 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 Balances – Budget (Non-GAAP Basis) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

Net Change in Fund Balance	
GAAP Basis	\$8,611,576
Adjustments:	
Revenue Accruals	(1,837,817)
Expenditure Accrual	(1,566,932)
Encumbrances	<u>(490,631)</u>
Budget Basis	<u>\$4,716,196</u>

6. Deposits and Investments

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

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

Inactive Monies - Those monies not required for use within the current five year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

Interim Monies - Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested in legal securities (see Note 2d).

Protection of District cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 110 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

6. Deposits and Investments (continued)

Deposits

At year end, the carrying amount of the District's deposits was \$ 21,362,370 and the bank balance was \$ 22,701,732. Of the bank balance, \$ 316,597 was covered by federal depository insurance. Although all state statutory requirements for the deposit of money had been followed, the remaining amounts were uninsured and uncollateralized as defined by GASB Statement 3.

Cash with Escrow Agents

The District had \$174,414 in an escrow account held in trust for payment of the telephone capital lease.

Investments

The District's investments are categorized below to give an indication of the level of risk assumed by the District at 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 which are held by the counter-party's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter-party, or by its trust department or agent but not in the District's name.

	<u>Category 2</u>	<u>Fair Value</u>
Federal Agency Securities	<u>\$3,090,165</u>	<u>\$3,070,164</u>
Total	<u>\$3,090,165</u>	<u>\$3,070,164</u>

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting. Cash and cash equivalents are defined to include investments included within the District's cash management pool and investments with a maturity date of three months or less.

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

	<u>Cash and Cash</u>	<u>Investments</u>
	<u>Equivalents/Deposits</u>	
GASB Statement No. 9	\$24,432,534	\$0
Investments of the Cash Management Pool:		
Federal Agency Securities	<u>(3,070,164)</u>	<u>3,070,164</u>
GASB Statement No. 3	<u>\$21,362,370</u>	<u>\$3,070,164</u>

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

7. Property Taxes

Property taxes are levied and assessed on a calendar year basis. Distributions from the second half occur in a new fiscal year and are intended to finance the operations of that year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the District. Taxpayers remit payment to their respective county, Greene or Montgomery, which then distributes funds to the District on settlement dates that vary each year.

Real property taxes and public utility taxes are levied in April on the assessed value listed as of the prior January 1, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. Settlement dates for real property taxes generally occur during the months of February and August but on occasion run into the following month. Amounts certified by the county auditor prior to June 30 are available to the District as an advance and should therefore be recognized as revenue in the current fiscal year. The District's policy is not to take an advance on these taxes, as they are budgeted for the next fiscal year, and therefore has designated fund balance accordingly.

Public utility property taxes are assessed on tangible personal property at 25 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Tangible personal property taxes are levied in April on the value listed as of December 31 of the current year. Tangible personal property settlements are 25 percent of true value. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Settlement dates for tangible personal property taxes generally occur during the months of October and June.

The assessed values upon which fiscal year 2004 taxes were collected are:

	<u>2003 Second Half Collections</u>	<u>2004 First Half Collections</u>
Real Estate		
Residential/Agriculture	\$900,981,240	\$933,436,000
Commercial	276,249,170	280,943,690
Public Utility Personal	37,108,390	37,108,390
Tangible Personal Property	<u>73,070,575</u>	<u>73,070,575</u>
Total	<u>\$1,287,409,375</u>	<u>\$1,324,558,655</u>

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2004, and for which there is an enforceable legal claim. 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.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

8. Receivables

Receivables at June 30, 2004 consisted of taxes, accounts (rent, tuition and student fees), interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of receivables is as follows:

	<u>Amount</u>
Governmental Activities	
Taxes – Current & Delinquent	\$44,389,774
Accounts	274,146
Interest	25,703
Intergovernmental	185,411
Total Receivables	<u>\$44,875,034</u>

9. Inter-fund Transactions

Inter-fund balances on the fund statements at June 30, 2004 consist of the following receivables and payables:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	<u>\$195,000</u>	
Other Governmental Funds:		
Summer Intervention Fund		\$3,000
IDEA, Part B Grant Fund		100,000
Title III – Limited English Proficiency Grant Fund		11,000
Title I Grant Fund		25,000
Title V – Innovative Education Programs Grant		10,000
Drug Free Schools Grant Fund		5,000
IDEA Preschool Grant Fund		5,000
Improving Teacher Quality Grant Fund		35,000
Miscellaneous Federal Grants Fund		<u>1,000</u>
Total	<u>\$195,000</u>	<u>\$195,000</u>

Inter-fund receivables and payables were made by the general fund to other governmental funds to comply with Ohio revised code which requires all funds have a positive unencumbered balance at the end of each fiscal year. Funds will be returned to the general fund within one year from June 30, 2004.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

9. Inter-fund Transactions (continued)

Inter-fund transfers on the fund statements at June 30, 2004 consist of the following:

Transfer from General Fund to Debt Service Fund \$518,570

The purpose of the transfer from the General Fund to the Debt Service Fund was for the repayment of debt.

10. Capital Assets

A summary of capital asset activity during the fiscal year follows:

	<u>Balance at</u> <u>6/30/03</u> <u>(Restated</u> <u>see Note 3)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>6/30/04</u>
Land	\$ 3,264,725	\$0	\$0	\$3,264,725
Land Improvements	915,518	251,967	0	1,167,485
Buildings	36,000,290	0	0	36,000,290
Building Improvements	928,208	245,283	0	1,173,491
Furniture & Equipment	1,419,716	292,733	87,248	1,625,201
Vehicles	<u>3,812,426</u>	<u>91,017</u>	<u>265,198</u>	<u>3,638,245</u>
Total at Cost	<u>46,340,883</u>	<u>881,000</u>	<u>352,446</u>	<u>46,869,437</u>
Less: Accumulated Depreciation				
Land Improvements	130,157	38,917	0	169,074
Buildings	10,597,758	1,200,010	0	11,797,768
Building Improvements	93,780	38,640	0	132,420
Furniture & Equipment	1,056,491	146,420	82,050	1,120,861
Vehicles	<u>2,134,726</u>	<u>233,154</u>	<u>245,439</u>	<u>2,122,441</u>
Total Accumulated Depreciation	<u>14,012,912</u>	<u>1,657,141*</u>	<u>327,489</u>	<u>15,342,564</u>
Total Capital Assets, net	<u>\$32,327,971</u>	<u>\$(776,141)</u>	<u>\$24,957</u>	<u>\$31,526,873</u>

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

10. Capital Assets (continued)

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$56,178
Special	1,696
Vocational	7,063
Support Services:	
Instruction	1,014
Administration	5,274
Board of Education	1,076
Operation & Maintenance of Plant	35,552
Pupil Transportation	221,344
Central	1,251,378
Non-Instructional Services:	
Food Service	44,362
Extracurricular Activities:	
Academic Oriented	1,433
Sports Oriented	<u>30,771</u>
Total Depreciation Expense	<u>\$1,657,141</u>

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

11. Long-Term Debt

a. General Obligation Bonds

The following is a description of the District's bonds outstanding as of June 30, 2004:

<u>Governmental Activities</u>	<u>Balance June 30, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2004</u>	<u>Amounts due within one Year</u>
General Obligation Bonds:					
1995 School Improvement Bond – 3.6% - 6.60%	\$34,060,000	\$0	\$565,000	\$33,495,000	\$665,000
1995 Energy Conservation Note – 5.48%	615,815	0	299,533	316,282	316,282
1998 Energy Conservation Note – 4 - 4.95%	445,000	0	105,000	340,000	105,000
1994 EPA Asbestos Loan	375,825	0	64,779	311,046	64,779
Obligations under Capital Leases	3,144,999	174,118	80,348	3,238,769	107,631
Compensated Absences	<u>3,740,414</u>	<u>1,020,842</u>	<u>399,258</u>	<u>4,361,998</u>	<u>815,437</u>
Total Governmental Activities	<u>\$42,382,053</u>	<u>\$1,194,960</u>	<u>\$1,513,918</u>	<u>\$42,063,095</u>	<u>\$2,074,129</u>

In fiscal year 1996, the District issued approximately \$42,000,000 in general obligation bonds for the improvement and addition of District school buildings. These bond issues will be paid through the debt service fund from property taxes collected by the County Auditor.

The energy conservation notes were issued for the purpose of remodeling schools in the District, and will be repaid with anticipated energy savings from the general fund. Ohio law requires these debt payments be paid out of a debt service fund, therefore amounts for principal and interest are transferred out of the general fund to the debt service fund.

In fiscal year 1995, the district received \$1,168,991 in interest-free loans from the United States Environmental Protection Agency (EPA) for asbestos removal from buildings throughout the District. These loans are being repaid with general fund revenues which are transferred to the debt service fund as principal obligations come due.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

11. Long-Term Debt (continued)

The following is a summary of the District's future annual debt service requirements to maturity for general obligation debt:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	1,151,061	1,956,104	3,107,165
2006	954,778	1,905,210	2,859,988
2007	1,184,780	1,855,086	3,039,866
2008	1,194,780	1,793,984	2,988,764
2009	1,326,929	1,730,534	3,057,463
2010-2014	8,010,000	7,368,745	15,378,745
2015-2019	13,140,000	4,236,693	17,376,693
2020-2021	<u>7,500,000</u>	<u>436,620</u>	<u>7,936,620</u>
Total	<u>\$34,462,328</u>	<u>\$21,282,976</u>	<u>\$55,745,304</u>

b. Note Payable

The following is a summary of the tax anticipation note (TAN) transactions for the fiscal year ended June 30, 2004:

	<u>Balance July 1,</u> <u>2003</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30,</u> <u>2004</u>
2002 Tax Anticipation Note Payable	\$8,930,000	\$0	\$2,115,000	\$6,815,000

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

11. Long-Term Debt (continued)

c. Capitalized Leases - Lessee Disclosure

In prior years, the District had entered into a lease agreement for the construction of an administrative office building. The District also entered into a lease agreement in fiscal 2004 for the purchase of telephone equipment. These leases meet 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. Capital lease payments are reflected as debt service payments in the general fund in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

The assets acquired through the capital leases is as follows:

	<u>Asset Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Administration Building	\$3,002,317	\$700,540	\$2,301,777
Telephone Lease	\$174,118	\$5,804	\$168,314

The following is a schedule of the future long-term minimum lease payments required under the capital leases, and the present value of the minimum lease payments as of June 30, 2004:

Fiscal Year Ended June 30,	Total Payments
2005	\$281,586
2006	282,915
2007	283,958
2008	284,711
2009	278,841
2010-2014	1,232,175
2015-2019	1,223,540
2020-2024	1,221,400
2025	<u>491,505</u>
Total Minimum Lease Payments	5,580,631
Less: Amount Representing Interest	<u>(2,341,862)</u>
Present Value of Minimum Lease Payments	<u>\$3,238,769</u>

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

12. Risk Management

The District is exposed to various risks of loss related to torts, theft or, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters.

During fiscal year 2004, the District contracted with Indiana Insurance for general liability insurance, property and vehicle coverage. General liability insurance has coverage of \$1,000,000 single occurrence limit and a \$2,000,000 aggregate. Property insurance is at blanket value and generally has a \$5,000 deductible. Certain scheduled items (computers, software, cameras, instruments, etc.) have a \$1,000 deductible. The vehicle coverage has \$1,000,000 injury property damage, a medical payment of \$5,000 uninsured/underinsured \$50,000 and a comprehensive deductible of \$500 and a collision deductible of \$1,000. In addition, the District has an umbrella liability policy that provides an additional \$5,000,000 limit with a \$ 1,000 deductible. The superintendent, treasurer and board president are all bonded separately. Settled claims have not exceeded this coverage in any of the past three years. There have been no significant reductions in insurance coverage from last year.

The District elected to provide employee medical benefits through United Health Care. The Board picks up ninety percent of the monthly premium for certified employees and a scaled percentage based on hours worked for classified employees.

Dental benefits are provided through Superior Dental. The Board picks up ninety percent of the monthly premium for certified employees and a scaled percentage based on hours worked for classified employees.

The District provides life insurance to employees through Assurant Employee Benefits.

The District is a member of the Southwestern Ohio Educational Purchasing Council (SOEPC). The cooperative contracts with Comp Management to provide an insurance purchasing pool for workers compensation. The intent of the pool is to achieve the benefit of a reduced premium for the District by virtue of its grouping a representation with other participants in the pool. The workers compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the pool. Each participant pays its workers compensation premium to the State based on the rate for the pool rather than its individual rate.

Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the pool. A participant will then either receive money from or be required to contribute to the pool. This equity pooling arrangement insures that each participant shares equally in the overall performance of the pool. Participation in the pool is limited to school districts that can meet the pool's selection criteria. Comp Management provides administrative, cost control and actuarial services to the SOEPC.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

13. Pension Plans

a. School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing, multiple-employer public employee retirement system administered by the School Employees Retirement Board. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746, or by calling 614.222.5853.

Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by SERS' Retirement Board. The District's contributions to SERS for the years ending June 30, 2004, 2003, and 2002 were \$2,079,746 \$1,788,222, and \$1,672,312, respectively, 65% has been contributed for fiscal year 2004 and 100% for the fiscal years 2003 and 2002. \$728,203 represented the unpaid contribution for fiscal year 2004.

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, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371, or by calling 614.227.4090.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and 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 their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

13. Pension Plans (continued)

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

Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% for 2004, 13% was the portion used to fund pension obligations. The contribution rates are established by STRS upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The District's contributions to STRS for the years ending June 30, 2004, 2003, and 2002 were \$4,097,228, \$3,967,027, and \$3,993,116 respectively; 86% has been contributed for the fiscal year 2004 and 100% for the fiscal years 2003 and 2002. \$570,456 represents the unpaid contribution for the fiscal year 2004.

c. Social Security System

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

14. Post-employment Benefits

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

For STRS, most benefit recipients are required to pay a portion of health care cost 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. The board currently allocates employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. For the fiscal year ended June 30, 2002, 4.5% of covered payroll was allocated to the fund. The balance in the Health Care Stabilization Fund was \$2.8 billion on June 30, 2003. For the District, this amount equaled \$249,965 during fiscal year 2004.

For the year ended June 30, 2003, the most recent year available, net health care costs paid by STRS were \$ 352,301,000 and eligible benefit recipients totaled 108,294.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

14. Post-employment Benefits (continued)

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 twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service credit up to a maximum of 75% of the premium.

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. At June 30, 2003, the most recent year available, the health care allocation is 5.83%. For the District, this amount equaled \$ 455,558 during fiscal year 2004. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal 2003, the minimum pay as been established as \$14,500. The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund. Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2003 were \$204,930,737 and the target level was \$307.4 million. At June 30, 2003, the Retirement System's net assets available for payment of health care benefits was \$303.6 million. The number of retirees and covered dependents currently receiving benefits is approximately 50,000.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

15. Set Aside Calculations and Fund Reserves

The District is required by State statute to annually set aside, in the General Fund, an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition or construction of capital improvements. Amounts not spent by the year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purpose in future years.

The following cash basis information describes the change in year-end set aside amounts. Disclosure of this information is required by State statute.

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside cash balance as of June 30, 2003	\$0	\$0	\$0
Current year set-aside requirements	958,133	958,133	0
Prior year carryover (restated)	(4,285,309)	(9,429,025)	0
Current year offsets	0	(728,308)	0
Qualifying disbursements	<u>(862,852)</u>	<u>(2,106,942)</u>	<u>0</u>
Set-aside cash balances as of June 30, 2004	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Required set-aside balances carried forward to FY 2005	<u>\$(4,190,028)</u>	<u>\$(11,306,142)</u>	<u>\$0</u>

The District had qualifying disbursements and prior year carryover balances that reduced the textbooks and capital acquisition set-aside amounts below zero. These negative amounts may be used to reduce the set-aside requirements of future years. Prior year carryover balances were restated to reflect the cumulative effect of the carry over and reclassifications of offsets and qualifying disbursements.

16. Contingencies

a. Grants

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits should 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, 2004.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

16. Contingencies (continued)

b. Litigation

There are currently matters in litigation with the District as defendant. It is the opinion of management that the potential claims against the District not covered by insurance would not materially affect the financial statements.

c. State School Funding Decision

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

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school funding scheme that is thorough and efficient...". The District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations.

17. Jointly Governed Organizations

a. *Southwestern Ohio Educational Purchasing Council (SOEPC)*

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing council made up of 118 public school districts in 17 counties in southwestern Ohio. The purpose of the council is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group.

During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the General Fund. During fiscal year 2004, the District paid \$44,296 to SOEPC. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, 1831 Harshman Road, Dayton, Ohio 45424.

Beavercreek City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004

17. Jointly Governed Organizations (continued)

b. *Miami Valley Educational Computer Association (MVECA)*

The School District is a participant in the Miami Valley Educational Computer Association (MVECA) which is a computer consortium. MVECA is an association of 24 public school districts within the boundaries of Clark, Clinton, Fayette, Greene and Highland Counties and Cities of Springfield, Wilmington, Washington Court House, Xenia and Hillsboro. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts.

The governing board of MVECA consists of five Superintendents and two Treasurers of member school districts, with four of the five Superintendents and both Treasurers elected by a majority vote of all member school districts except the Greene County Career Center. The fifth Superintendent is from the Greene County Career Center. The School District paid MVECA \$39,839 for services provided during the year. Financial information can be obtained from Norma Stewart, Executive Director, at 330 East Enon Road, Yellow Springs, Ohio 45387.

c. *Greene County Career Center*

The Greene County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the seven participating school districts elected boards, which possesses its own budgeting and taxing authority. To obtain financial information, write to the Greene County Career Center, 2960 West Enon Road, Xenia, Ohio 45385-9545.

THIS PAGE INTENTIONALLY LEFT BLANK

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS
AND SCHEDULES**

SPECIAL REVENUE FUNDS

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

Non-major Special Revenue Funds

Food Service Fund

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

Uniform School Supply Fund

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

Public School Support Fund

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

Other Grant Fund

To account for state funds which are provided to assist the District with various programs.

Summer School Fund

To account for tuition/fees received for the operation of the summer school.

District Managed Student Activity Fund

To account for local funds generated to assist student activities, which are managed by District personnel.

Auxiliary Services Fund

To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

Management Information Systems Fund

To account for state funds which are provided for hardware and software development, or other costs associated with the requirements of the management information system.

Non-major Special Revenue Funds (continued)

Entry Year Programs Fund

To account for state funds provided to implement entry-year programs pursuant to Ohio Revised Code.

Data Communication Fund

To account for state funds appropriated for the Ohio Educational Computer Network Connections.

School-Net Professional Development Fund

To account for funds received under House Bill 117 to be used for locally held professional development and teacher training activities which are guided by Ohio's model competency based education programming or comparable models to support student achievement, including proficiency test performance.

Interactive Video Distance Learning Fund

To account for state funds for financing the interactive video distance learning project.

Ohio Reads Fund

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

Summer Intervention Fund

To account for state funds provided for the implementation of, or expansion of, summer remedial math, reading and science classes.

Other State Grants Fund

To account for state funds provided for miscellaneous state programs.

IDEA, Part B Grant Fund

To account for federal funds received for the purpose of assisting in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternate service patterns, and provision of full educational opportunities to handicapped children.

Title III, Limited English Proficiency Grant fund

To account for federal funds used to meet the educational needs of children of limited English proficiency.

Title I Grant Fund

To account for federal funds used to meet the special needs of educationally deprived children.

Title V – Innovative Education Programs Grant Fund

To account for federal funds used to assist State and local educational agencies in the reform of elementary and secondary education.

Non-major Special Revenue Funds (continued)

Title V – Innovative Education Programs Grant Fund

To account for federal funds used to assist State and local educational agencies in the reform of elementary and secondary education.

Drug Free Schools Grant Fund

To account for federal funds used for establishment, operations, and improvement of programs of drug abuse prevention, early intervention, rehabilitation, referral and education in schools.

IDEA Preschool Grant Fund

To account for revenues and expenditures made in conjunction with child abuse and child neglect prevention programs.

Improving Teacher Quality Grant Fund

To account for monies received under a federal grant to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund

To account for federal funds provided for miscellaneous federal programs.

DEBT SERVICE FUND

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

Since there is only one Debt Service Fund and the level of budgetary control is not greater than that presented in the Basic Financial Statements, no individual fund information is presented.

CAPITAL PROJECTS FUNDS

The Capital Projects funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects. The following are descriptions of each of the Capital Projects Funds.

Permanent Improvement Fund

To account for all transactions related to acquiring, constructing, or improving such permanent improvements as are authorized by Chapter 5705 of the Ohio Revised Code.

Non-major Capital Project Fund

Building Fund

To account for all transactions related to special bond funds in the District. Proceeds from the same of bonds, except premium and accrued interest, are paid into this fund.

FIDUCIARY FUNDS

Fiduciary are used to account for assets held by the District in a trustee capacity or as an agent for individuals, organizations, other governmental units, and/or other funds. The District's Fiduciary Funds include a Private-Purpose Trust Fund, and a Agency Fund. The following are descriptions of each of the District's Fiduciary Funds.

Private-Purpose Trust Fund

Special Trust Fund

To account for donations and maintenance on a land trust held by the District in a trustee capacity. Since there is only one Private-Purpose Trust Fund and the level of budgetary controls is not greater than that presented in the Basic Financial Statements, no individual fund information is presented.

Agency Fund

Student Managed Activities Fund

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

Beavercreek City School District, Ohio
Combining Balance Sheet
Non-major Governmental Funds (by fund type)
June 30, 2004

	<u>Non-major Special Revenue Funds</u>	<u>Non-major Capital Projects Fund</u>	<u>Total</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 1,662,300	\$ 216,355	\$ 1,878,655
Inventory Held for Resale	11,977	-	11,977
Materials and Supplies Inventory	10,007	-	10,007
Accrued Interest Receivable	560	199	759
Accounts Receivable	18,966	-	18,966
Intergovernmental Receivable	185,411	-	185,411
<i>Total Assets</i>	<u>\$ 1,889,221</u>	<u>\$ 216,554</u>	<u>\$ 2,105,775</u>
LIABILITIES:			
Accounts Payable	\$ 64,566	\$ -	\$ 64,566
Accrued Wages and Benefits	189,131	-	189,131
Interfund Payable	195,000	-	195,000
Intergovernmental Payable	69,723	-	69,723
Compensated Absences Payable	20,557	-	20,557
<i>Total Liabilities</i>	<u>538,977</u>	<u>-</u>	<u>538,977</u>
Equity:			
FUND BALANCES:			
Reserved:			
Reserved for Encumbrances	472,984	174,026	647,010
Reserved for Inventory	10,007	-	10,007
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	867,253	-	867,253
Capital Projects Funds	-	42,528	42,528
<i>Total Fund Balances</i>	<u>1,350,244</u>	<u>216,554</u>	<u>1,566,798</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 1,889,221</u>	<u>\$ 216,554</u>	<u>\$ 2,105,775</u>

Beavercreek City School District, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds (by fund type)
For the Fiscal Year Ended June 30, 2004

	<u>Non-major Special Revenue Funds</u>	<u>Non-Major Capital Projects Fund</u>	<u>Total</u>
REVENUES:			
Intergovernmental	\$ 2,772,160	\$ -	\$ 2,772,160
Interest	4,567	1,837	6,404
Tuition and Fees	410,884	-	410,884
Extracurricular Activities	499,504	-	499,504
Gifts and Donations	72,177	-	72,177
Customer Sales and Services	1,523,966	-	1,523,966
Miscellaneous	464	-	464
<i>Total Revenues</i>	<u>5,283,722</u>	<u>1,837</u>	<u>5,285,559</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	620,403	-	620,403
Special	465,217	-	465,217
Other	4,034	-	4,034
Support Services:			
Pupils	246,420	-	246,420
Instructional Staff	535,886	-	535,886
Administration	170,789	3,846	174,635
Business	-	52,888	52,888
Operation and Maintenance of Plant	10,219	-	10,219
Pupil Transportation	1,216	-	1,216
Central	85,384	-	85,384
Operation of Non-Instructional Services:			
Food Service Operations	1,629,703	-	1,629,703
Community Services	757,558	-	757,558
Other	86,991	-	86,991
Extracurricular Activities:			
Academic Oriented Activities	250,737	-	250,737
Sport Oriented Activities	211,871	-	211,871
School and Public Service Co-Curricular Activities	2,075	-	2,075
Capital Outlay:			
Building Improvement Services	-	306,931	306,931
<i>Total Expenditures</i>	<u>5,078,503</u>	<u>363,665</u>	<u>5,442,168</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>205,219</u>	<u>(361,828)</u>	<u>(156,609)</u>
<i>Net Change in Fund Balances</i>	205,219	(361,828)	(156,609)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>1,145,025</u>	<u>578,382</u>	<u>1,723,407</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,350,244</u>	<u>\$ 216,554</u>	<u>\$ 1,566,798</u>

Beavercreek City School District, Ohio
Combining Balance Sheet
Non-major Special Revenue Funds
June 30, 2004

	<u>Food Service Fund</u>	<u>Uniform School Supply Fund</u>	<u>Public School Support Fund</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 384,354	\$ 92,544	\$ 279,628
Inventory Held for Resale	11,977	-	-
Materials and Supplies Inventory	3,449	6,558	-
Accrued Interest Receivable	352	-	-
Accounts Receivable	-	17,266	1,700
Intergovernmental Receivable	27,402	-	-
<i>Total Assets</i>	<u>\$ 427,534</u>	<u>\$ 116,368</u>	<u>\$ 281,328</u>
LIABILITIES:			
Accounts Payable	\$ 310	\$ 2,672	\$ 3,773
Accrued Wages and Benefits	5,972	-	-
Interfund Payable	-	-	-
Intergovernmental Payable	12,287	-	15
Compensated Absences Payable	14,939	-	-
<i>Total Liabilities</i>	<u>33,508</u>	<u>2,672</u>	<u>3,788</u>
Equity:			
FUND BALANCES:			
Reserved:			
Reserved for Encumbrances	400	7,934	8,761
Reserved for Inventory	3,449	6,558	-
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	390,177	99,204	268,779
<i>Total Fund Balances</i>	<u>394,026</u>	<u>113,696</u>	<u>277,540</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 427,534</u>	<u>\$ 116,368</u>	<u>\$ 281,328</u>

<u>Other Grant Fund</u>	<u>Summer School Fund</u>	<u>District Managed Student Activity Fund</u>	<u>Auxiliary Services Fund</u>	<u>Management Information Systems Fund</u>
\$ 4,864	\$ 65,600	\$ 359,873	\$ 227,014	\$ 2,876
-	-	-	-	-
-	-	-	-	-
-	-	-	208	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 4,864</u>	<u>\$ 65,600</u>	<u>\$ 359,873</u>	<u>\$ 227,222</u>	<u>\$ 2,876</u>
\$ 970	\$ -	\$ 19,136	\$ 23,760	\$ -
723	-	-	86,991	1,321
-	-	-	-	-
528	7,390	87	21,203	189
-	-	-	910	-
<u>2,221</u>	<u>7,390</u>	<u>19,223</u>	<u>132,864</u>	<u>1,510</u>
3,892	359	21,579	201,754	2,878
-	-	-	-	-
<u>(1,249)</u>	<u>57,851</u>	<u>319,071</u>	<u>(107,396)</u>	<u>(1,512)</u>
<u>2,643</u>	<u>58,210</u>	<u>340,650</u>	<u>94,358</u>	<u>1,366</u>
<u>\$ 4,864</u>	<u>\$ 65,600</u>	<u>\$ 359,873</u>	<u>\$ 227,222</u>	<u>\$ 2,876</u>

Continued

Beavercreek City School District, Ohio
Combining Balance Sheet
Non-major Special Revenue Funds (Continued)
June 30, 2004

	<u>Data</u> <u>Communication</u> <u>Fund</u>	<u>Ohio Reads</u> <u>Fund</u>	<u>Summer</u> <u>Intervention</u> <u>Fund</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 11,380	\$ 6,043	\$ 9,824
Inventory Held for Resale	-	-	-
Materials and Supplies Inventory	-	-	-
Accrued Interest Receivable	-	-	-
Accounts Receivable	-	-	-
Intergovernmental Receivable	-	-	-
<i>Total Assets</i>	<u>\$ 11,380</u>	<u>\$ 6,043</u>	<u>\$ 9,824</u>
LIABILITIES:			
Accounts Payable	\$ -	\$ 2,708	\$ 292
Accrued Wages and Benefits	-	-	-
Interfund Payable	-	-	3,000
Intergovernmental Payable	-	130	1,602
Compensated Absences Payable	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>2,838</u>	<u>4,894</u>
Equity:			
FUND BALANCES:			
Reserved:			
Reserved for Encumbrances	11,380	3,335	9,294
Reserved for Inventory	-	-	-
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	-	(130)	(4,364)
<i>Total Fund Balances</i>	<u>11,380</u>	<u>3,205</u>	<u>4,930</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 11,380</u>	<u>\$ 6,043</u>	<u>\$ 9,824</u>

<u>Other State Grants Fund</u>	<u>IDEA, Part B Grant Fund</u>	<u>Title III - Limited English Proficiency Grant Fund</u>	<u>Title I Grant Fund</u>	<u>Title V - Innovative Education Programs Grant Fund</u>
\$ 11,526	\$ 92,698	\$ 1,374	\$ 43,865	\$ 6,694
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	98,533	6,246	13,764	8,716
<u>\$ 11,526</u>	<u>\$ 191,231</u>	<u>\$ 7,620</u>	<u>\$ 57,629</u>	<u>\$ 15,410</u>
\$ 2,691	\$ 6,029	\$ -	\$ -	\$ 2,225
-	63,277	-	24,301	1,149
-	100,000	11,000	25,000	10,000
487	15,579	119	6,459	225
-	3,737	-	971	-
<u>3,178</u>	<u>188,622</u>	<u>11,119</u>	<u>56,731</u>	<u>13,599</u>
8,872	85,205	1,060	43,380	3,885
-	-	-	-	-
<u>(524)</u>	<u>(82,596)</u>	<u>(4,559)</u>	<u>(42,482)</u>	<u>(2,074)</u>
<u>8,348</u>	<u>2,609</u>	<u>(3,499)</u>	<u>898</u>	<u>1,811</u>
<u>\$ 11,526</u>	<u>\$ 191,231</u>	<u>\$ 7,620</u>	<u>\$ 57,629</u>	<u>\$ 15,410</u>

Continued

Beavercreek City School District, Ohio
Combining Balance Sheet
Non-major Special Revenue Funds (Continued)
June 30, 2004

	<u>Drug Free</u> <u>Schools Grant</u> <u>Fund</u>	<u>IDEA</u> <u>Preschool</u> <u>Grant Fund</u>	<u>Improving</u> <u>Teacher Quality</u> <u>Grant Fund</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 5,373	\$ 7,391	\$ 49,097
Inventory Held for Resale	-	-	-
Materials and Supplies Inventory	-	-	-
Accrued Interest Receivable	-	-	-
Accounts Receivable	-	-	-
Intergovernmental Receivable	16,674	4,692	8,522
	<u>16,674</u>	<u>4,692</u>	<u>8,522</u>
<i>Total Assets</i>	<u>\$ 22,047</u>	<u>\$ 12,083</u>	<u>\$ 57,619</u>
LIABILITIES:			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Wages and Benefits	578	4,819	-
Interfund Payable	5,000	5,000	35,000
Intergovernmental Payable	512	1,107	461
Compensated Absences Payable	-	-	-
	<u>6,090</u>	<u>10,926</u>	<u>35,461</u>
<i>Total Liabilities</i>	<u>6,090</u>	<u>10,926</u>	<u>35,461</u>
Equity:			
FUND BALANCES:			
Reserved:			
Reserved for Encumbrances	4,020	7,083	47,671
Reserved for Inventory	-	-	-
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	11,937	(5,926)	(25,513)
	<u>11,937</u>	<u>(5,926)</u>	<u>(25,513)</u>
<i>Total Fund Balances</i>	<u>15,957</u>	<u>1,157</u>	<u>22,158</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 22,047</u>	<u>\$ 12,083</u>	<u>\$ 57,619</u>

<u>Miscellaneous Federal Grants Fund</u>	<u>Total Non- major Special Revenue</u>
\$ 282	\$ 1,662,300
-	11,977
-	10,007
-	560
-	18,966
862	185,411
<u>\$ 1,144</u>	<u>\$ 1,889,221</u>
\$ -	\$ 64,566
-	189,131
1,000	195,000
1,343	69,723
-	20,557
<u>2,343</u>	<u>538,977</u>
242	472,984
-	10,007
<u>(1,441)</u>	<u>867,253</u>
<u>(1,199)</u>	<u>1,350,244</u>
<u>\$ 1,144</u>	<u>\$ 1,889,221</u>

Beavercreek City School District, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Special Revenue Funds
For the Fiscal Year Ended June 30, 2004

	<u>Food Service</u> <u>Fund</u>	<u>Uniform</u> <u>School</u> <u>Supply Fund</u>	<u>Public School</u> <u>Support Fund</u>
REVENUES:			
Intergovernmental	\$ 200,417	\$ -	\$ -
Interest	2,542	-	-
Tuition and Fees	-	363,009	-
Extracurricular Activities	-	-	191,245
Gifts and Donations	-	1,707	36,802
Customer Sales and Services	1,523,966	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	<u>1,726,925</u>	<u>364,716</u>	<u>228,047</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	-	349,869	1,504
Special	-	-	2,266
Other	-	-	-
Support Services:			
Pupils	-	-	-
Instructional Staff	-	-	16,966
Administration	-	-	-
Operation and Maintenance of Plant	-	-	1,170
Pupil Transportation	-	-	446
Central	-	-	-
Operation of Non-Instructional Services:			
Food Service Operations	1,629,703	-	-
Community Services	-	-	-
Other	-	-	-
Extracurricular Activities:			
Academic Oriented Activities	-	-	179,978
Sport Oriented Activities	-	-	2,000
School and Public Service Co-Curricular Activities	-	-	-
<i>Total Expenditures</i>	<u>1,629,703</u>	<u>349,869</u>	<u>204,330</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>97,222</u>	<u>14,847</u>	<u>23,717</u>
<i>Net Change in Fund Balances</i>	97,222	14,847	23,717
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>296,804</u>	<u>98,849</u>	<u>253,823</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 394,026</u>	<u>\$ 113,696</u>	<u>\$ 277,540</u>

<u>Other Grant Fund</u>	<u>Summer School Fund</u>	<u>District Managed Student Activity Fund</u>	<u>Auxiliary Services Fund</u>	<u>Management Information Systems Fund</u>	<u>Entry Year Programs Fund</u>
\$ 32,998	\$ -	\$ -	\$ 891,541	\$ 25,829	\$ 14,300
-	-	-	2,025	-	-
-	47,875	-	-	-	-
-	-	308,259	-	-	-
-	-	33,668	-	-	-
-	-	-	-	-	-
-	-	464	-	-	-
<u>32,998</u>	<u>47,875</u>	<u>342,391</u>	<u>893,566</u>	<u>25,829</u>	<u>14,300</u>
705	63,349	-	-	-	-
34,619	-	-	-	-	-
355	-	-	-	-	-
-	-	-	-	1,510	-
970	-	-	-	-	14,300
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	49,945	-
-	-	-	-	-	-
-	-	-	698,488	-	-
-	-	-	86,991	-	-
-	-	70,759	-	-	-
-	-	209,871	-	-	-
-	-	2,075	-	-	-
<u>36,649</u>	<u>63,349</u>	<u>282,705</u>	<u>785,479</u>	<u>51,455</u>	<u>14,300</u>
<u>(3,651)</u>	<u>(15,474)</u>	<u>59,686</u>	<u>108,087</u>	<u>(25,626)</u>	<u>-</u>
(3,651)	(15,474)	59,686	108,087	(25,626)	-
<u>6,294</u>	<u>73,684</u>	<u>280,964</u>	<u>(13,729)</u>	<u>26,992</u>	<u>-</u>
<u>\$ 2,643</u>	<u>\$ 58,210</u>	<u>\$ 340,650</u>	<u>\$ 94,358</u>	<u>\$ 1,366</u>	<u>\$ -</u>

Continued

Beavercreek City School District, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2004

	<u>Data</u> <u>Communication</u> <u>Fund</u>	<u>School-Net</u> <u>Professional</u> <u>Development</u> <u>Fund</u>	<u>Interactive</u> <u>Video</u> <u>Distance</u> <u>Learning</u> <u>Fund</u>
REVENUES:			
Intergovernmental	\$ 24,000	\$ 4,140	\$ -
Interest	-	-	-
Tuition and Fees	-	-	-
Extracurricular Activities	-	-	-
Gifts and Donations	-	-	-
Customer Sales and Services	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	<u>24,000</u>	<u>4,140</u>	<u>-</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	-	4,109	4,857
Special	-	-	-
Other	-	-	-
Support Services:			
Pupils	-	-	-
Instructional Staff	-	-	-
Administration	-	-	-
Operation and Maintenance of Plant	-	-	-
Pupil Transportation	-	-	-
Central	35,439	-	-
Operation of Non-Instructional Services:			
Food Service Operations	-	-	-
Community Services	-	-	-
Other	-	-	-
Extracurricular Activities:			
Academic Oriented Activities	-	-	-
Sport Oriented Activities	-	-	-
School and Public Service Co-Curricular Activities	-	-	-
<i>Total Expenditures</i>	<u>35,439</u>	<u>4,109</u>	<u>4,857</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,439)</u>	<u>31</u>	<u>(4,857)</u>
<i>Net Change in Fund Balances</i>	(11,439)	31	(4,857)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>22,819</u>	<u>(31)</u>	<u>4,857</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 11,380</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Ohio Reads Fund</u>	<u>Summer Intervention Fund</u>	<u>Other State Grants Fund</u>	<u>IDEA, Part B Grant Fund</u>	<u>Title III - Limited English Proficiency Grant Fund</u>	<u>Title I Grant Fund</u>
\$ 52,000	\$ 119,612	\$ 95,393	\$ 824,674	\$ 11,394	\$ 196,632
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>52,000</u>	<u>119,612</u>	<u>95,393</u>	<u>824,674</u>	<u>11,394</u>	<u>196,632</u>
59,198	96,217	16,276	-	-	-
-	-	16,338	189,562	14,893	193,492
-	-	-	-	-	-
-	-	52,467	169,932	-	-
-	21,219	2,068	334,115	-	-
-	-	-	145,916	-	-
-	-	-	-	-	-
-	-	770	-	-	-
-	-	-	-	-	-
-	-	-	44,030	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>59,198</u>	<u>117,436</u>	<u>87,919</u>	<u>883,555</u>	<u>14,893</u>	<u>193,492</u>
<u>(7,198)</u>	<u>2,176</u>	<u>7,474</u>	<u>(58,881)</u>	<u>(3,499)</u>	<u>3,140</u>
(7,198)	2,176	7,474	(58,881)	(3,499)	3,140
<u>10,403</u>	<u>2,754</u>	<u>874</u>	<u>61,490</u>	<u>-</u>	<u>(2,242)</u>
<u>\$ 3,205</u>	<u>\$ 4,930</u>	<u>\$ 8,348</u>	<u>\$ 2,609</u>	<u>\$ (3,499)</u>	<u>\$ 898</u>

Continued

Beavercreek City School District, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2004

	<u>Title V - Innovative Education Programs Grant Fund</u>	<u>Drug Free Schools Grant Fund</u>	<u>IDEA Preschool Grant Fund</u>
REVENUES:			
Intergovernmental	\$ 47,890	\$ 35,963	\$ 32,007
Interest	-	-	-
Tuition and Fees	-	-	-
Extracurricular Activities	-	-	-
Gifts and Donations	-	-	-
Customer Sales and Services	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	<u>47,890</u>	<u>35,963</u>	<u>32,007</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	5,000	5,835	-
Special	6,541	-	7,506
Other	-	-	-
Support Services:			
Pupils	-	21,197	1,314
Instructional Staff	25,126	-	-
Administration	-	-	24,873
Operation and Maintenance of Plant	-	-	-
Pupil Transportation	-	-	-
Central	-	-	-
Operation of Non-Instructional Services:			
Food Service Operations	-	-	-
Community Services	9,897	3,057	-
Other	-	-	-
Extracurricular Activities:			
Academic Oriented Activities	-	-	-
Sport Oriented Activities	-	-	-
School and Public Service Co-Curricular Activities	-	-	-
<i>Total Expenditures</i>	<u>46,564</u>	<u>30,089</u>	<u>33,693</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,326</u>	<u>5,874</u>	<u>(1,686)</u>
<i>Net Change in Fund Balances</i>	1,326	5,874	(1,686)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>485</u>	<u>10,083</u>	<u>2,843</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,811</u>	<u>\$ 15,957</u>	<u>\$ 1,157</u>

<u>Improving Teacher Quality Grant Fund</u>	<u>Miscellaneous Federal Grants Fund</u>	<u>Total Non- major Special Revenue</u>
\$ 149,193	\$ 14,177	\$ 2,772,160
-	-	4,567
-	-	410,884
-	-	499,504
-	-	72,177
-	-	1,523,966
-	-	464
<u>149,193</u>	<u>14,177</u>	<u>5,283,722</u>
12,391	1,093	620,403
-	-	465,217
-	3,679	4,034
-	-	246,420
119,831	1,291	535,886
-	-	170,789
-	9,049	10,219
-	-	1,216
-	-	85,384
-	-	1,629,703
2,018	68	757,558
-	-	86,991
-	-	250,737
-	-	211,871
-	-	2,075
<u>134,240</u>	<u>15,180</u>	<u>5,078,503</u>
<u>14,953</u>	<u>(1,003)</u>	<u>205,219</u>
14,953	(1,003)	205,219
<u>7,205</u>	<u>(196)</u>	<u>1,145,025</u>
<u>\$ 22,158</u>	<u>\$ (1,199)</u>	<u>\$ 1,350,244</u>

Beavercreek City School District, Ohio
Balance Sheet
Non-major Capital Projects Fund
June 30, 2004

	<u>Building Fund</u>
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	\$ 216,355
Accrued Interest Receivable	<u>199</u>
<i>Total Assets</i>	<u><u>\$ 216,554</u></u>
Equity:	
FUND BALANCES:	
Reserved:	
Reserved for Encumbrances	\$ 174,026
Unreserved, Undesignated, Reported in:	
Capital Projects Funds	<u>42,528</u>
<i>Total Fund Balance</i>	<u>216,554</u>
<i>Total Fund Balance</i>	<u><u>\$ 216,554</u></u>

Beavercreek City School District, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Capital Project Fund
For the Fiscal Year Ended June 30, 2004

	<u>Building Fund</u>
REVENUES:	
Interest	\$ 1,837
<i>Total Revenues</i>	<u>1,837</u>
EXPENDITURES:	
Current:	
Support Services:	
Administration	3,846
Business	52,888
Capital Outlay:	
Building Improvement Services	<u>306,931</u>
<i>Total Expenditures</i>	<u>363,665</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(361,828)</u>
<i>Net Change in Fund Balance</i>	(361,828)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>578,382</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 216,554</u></u>

Beavercreek City School District, Ohio
Statement of Changes in Assets and Liabilities
 Agency Fund
 Fiscal Year Ended June 30, 2004

	<u>Balance 7/1/2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2004</u>
STUDENT MANAGED ACTIVITIES				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 184,854	\$ 257,262	\$ 310,401	\$ 131,715
Total Assets	<u>\$ 184,854</u>	<u>\$ 257,262</u>	<u>\$ 310,401</u>	<u>\$ 131,715</u>
Liabilities				
Due to Students	\$ 184,854	\$ 257,262	\$ 310,401	\$ 131,715
Total Liabilities	<u>\$ 184,854</u>	<u>\$ 257,262</u>	<u>\$ 310,401</u>	<u>\$ 131,715</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET
(NON-GAAP BASIS) AND ACTUAL**

Beavercreek City School District, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 For the Fiscal Year Ended June 30, 2004*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Food Service Fund				
Total Revenues and Other Sources	\$ 1,625,000	\$ 1,625,000	\$ 1,734,825	\$ 109,825
Total Expenditures and Other Uses	<u>1,547,930</u>	<u>1,652,917</u>	<u>1,622,059</u>	<u>30,858</u>
Net Change in Fund Balances	77,070	(27,917)	112,766	140,683
Fund Balance, July 1	270,674	270,674	270,674	
Prior Year Encumbrances Appropriated	<u>200</u>	<u>200</u>	<u>200</u>	
Fund Balance, June 30	<u>\$ 347,944</u>	<u>\$ 242,957</u>	<u>\$ 383,640</u>	<u>140,683</u>
Uniform School Supply Fund				
Total Revenues and Other Sources	\$ 489,451	\$ 504,451	\$ 360,394	\$ (144,057)
Total Expenditures and Other Uses	<u>496,842</u>	<u>522,398</u>	<u>364,638</u>	<u>157,760</u>
Net Change in Fund Balances	(7,391)	(17,947)	(4,244)	13,703
Fund Balance, July 1	78,378	78,378	78,378	
Prior Year Encumbrances Appropriated	<u>7,806</u>	<u>7,806</u>	<u>7,806</u>	
Fund Balance, June 30	<u>\$ 78,793</u>	<u>\$ 68,237</u>	<u>\$ 81,940</u>	<u>\$ 13,703</u>
Public School Support Fund				
Total Revenues and Other Sources	\$ 234,130	\$ 253,695	\$ 226,378	\$ (27,317)
Total Expenditures and Other Uses	<u>361,026</u>	<u>395,839</u>	<u>213,013</u>	<u>182,826</u>
Net Change in Fund Balances	(126,896)	(142,144)	13,365	155,509
Fund Balance, July 1	248,983	248,983	248,983	
Prior Year Encumbrances Appropriated	<u>4,967</u>	<u>4,967</u>	<u>4,967</u>	
Fund Balance, June 30	<u>\$ 127,054</u>	<u>\$ 111,806</u>	<u>\$ 267,315</u>	<u>\$ 155,509</u>

Beavercreek City School District, Ohio
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Fiscal Year Ended June 30, 2004*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Other Grant Fund				
Total Revenues and Other Sources	\$ 32,998	\$ 32,998	\$ 32,998	\$ -
Total Expenditures and Other Uses	<u>40,711</u>	<u>40,711</u>	<u>40,711</u>	<u>-</u>
Net Change in Fund Balances	(7,713)	(7,713)	(7,713)	-
Fund Balance, July 1	7,713	7,713	7,713	
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Summer School Fund				
Total Revenues and Other Sources	\$ 80,713	\$ 80,713	\$ 47,875	\$ (32,838)
Total Expenditures and Other Uses	<u>86,678</u>	<u>98,449</u>	<u>60,168</u>	<u>38,281</u>
Net Change in Fund Balances	(5,965)	(17,736)	(12,293)	5,443
Fund Balance, July 1	77,094	77,094	77,094	
Prior Year Encumbrances Appropriated	<u>441</u>	<u>441</u>	<u>441</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 71,570</u>	<u>\$ 59,799</u>	<u>\$ 65,242</u>	<u>\$ 5,443</u>
District Managed Student Activity Fund				
Total Revenues and Other Sources	\$ 330,100	\$ 330,100	\$ 343,175	\$ 13,075
Total Expenditures and Other Uses	<u>525,211</u>	<u>537,211</u>	<u>306,890</u>	<u>230,321</u>
Net Change in Fund Balances	(195,111)	(207,111)	36,285	243,396
Fund Balance, July 1	264,099	264,099	264,099	
Prior Year Encumbrances Appropriated	<u>18,778</u>	<u>18,778</u>	<u>18,778</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 87,766</u>	<u>\$ 75,766</u>	<u>\$ 319,162</u>	<u>\$ 243,396</u>

Beavercreek City School District, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 For the Fiscal Year Ended June 30, 2004*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Variance with Final Budget</u>
Auxiliary Services Fund				
Total Revenues and Other Sources	\$ -	\$ 895,023	\$ 893,360	\$ (1,663)
Total Expenditures and Other Uses	<u>211,793</u>	<u>1,106,816</u>	<u>1,103,650</u>	<u>3,166</u>
Net Change in Fund Balances	(211,793)	(211,793)	(210,290)	1,503
Fund Balance, July 1	123,122	123,122	123,122	
Prior Year Encumbrances Appropriated	<u>88,671</u>	<u>88,671</u>	<u>88,671</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,503</u>	<u>\$ 1,503</u>
Mangement Information Systems Fund				
Total Revenues and Other Sources	\$ -	\$ 25,829	\$ 25,829	\$ -
Total Expenditures and Other Uses	<u>26,993</u>	<u>52,822</u>	<u>52,822</u>	<u>-</u>
Net Change in Fund Balances	(26,993)	(26,993)	(26,993)	-
Fund Balance, July 1	26,993	26,993	26,993	
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entry Year Programs Fund				
Total Revenues and Other Sources	\$ -	\$ 14,300	\$ 14,300	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>14,300</u>	<u>14,300</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance, July 1	-	-	-	
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beavercreek City School District, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 For the Fiscal Year Ended June 30, 2004*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Data Communication Fund				
Total Revenues and Other Sources	\$ -	\$ 24,000	\$ 24,000	\$ -
Total Expenditures and Other Uses	<u>22,819</u>	<u>46,819</u>	<u>46,819</u>	<u>-</u>
Net Change in Fund Balances	(22,819)	(22,819)	(22,819)	-
Fund Balance, July 1	20	20	20	
Prior Year Encumbrances Appropriated	<u>22,799</u>	<u>22,799</u>	<u>22,799</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School-Net Professional Development Fund				
Total Revenues and Other Sources	\$ -	\$ 4,140	\$ 4,140	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>4,140</u>	<u>4,140</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance, July 1	-	-	-	
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Interactive Video Distance Learning Fund				
Total Revenues and Other Sources	\$ -	\$ -	\$ (1,200)	\$ (1,200)
Total Expenditures and Other Uses	<u>4,857</u>	<u>4,857</u>	<u>3,657</u>	<u>1,200</u>
Net Change in Fund Balances	(4,857)	(4,857)	(4,857)	-
Fund Balance, July 1	257	257	257	
Prior Year Encumbrances Appropriated	<u>4,600</u>	<u>4,600</u>	<u>4,600</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beavercreek City School District, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 For the Fiscal Year Ended June 30, 2004*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Ohio Reads Fund				
Total Revenues and Other Sources	\$ -	\$ 52,000	\$ 52,000	\$ -
Total Expenditures and Other Uses	<u>15,106</u>	<u>67,106</u>	<u>67,106</u>	<u>-</u>
Net Change in Fund Balances	(15,106)	(15,106)	(15,106)	-
Fund Balance, July 1	622	622	622	
Prior Year Encumbrances Appropriated	<u>14,484</u>	<u>14,484</u>	<u>14,484</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Summer Intervention Fund				
Total Revenues and Other Sources	\$ -	\$ 122,373	\$ 122,612	\$ 239
Total Expenditures and Other Uses	<u>4,862</u>	<u>127,235</u>	<u>127,235</u>	<u>-</u>
Net Change in Fund Balances	(4,862)	(4,862)	(4,623)	239
Fund Balance, July 1	655	655	655	
Prior Year Encumbrances Appropriated	<u>4,207</u>	<u>4,207</u>	<u>4,207</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 239</u>	<u>\$ 239</u>
Other State Grants Fund				
Total Revenues and Other Sources	\$ -	\$ 95,393	\$ 95,393	\$ -
Total Expenditures and Other Uses	<u>3,578</u>	<u>98,971</u>	<u>98,971</u>	<u>-</u>
Net Change in Fund Balances	(3,578)	(3,578)	(3,578)	-
Fund Balance, July 1	-	-	-	
Prior Year Encumbrances Appropriated	<u>3,578</u>	<u>3,578</u>	<u>3,578</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beavercreek City School District, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Fiscal Year Ended June 30, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
IDEA, Part B Grant Fund				
Total Revenues and Other Sources	\$ 902,621	\$ 920,727	\$ 922,193	\$ 1,466
Total Expenditures and Other Uses	<u>955,351</u>	<u>948,457</u>	<u>948,457</u>	<u>-</u>
Net Change in Fund Balances	(52,730)	(27,730)	(26,264)	1,466
Fund Balance, July 1	301	301	301	
Prior Year Encumbrances Appropriated	<u>27,429</u>	<u>27,429</u>	<u>27,429</u>	
Fund Balance, June 30	<u>\$ (25,000)</u>	<u>\$ -</u>	<u>\$ 1,466</u>	<u>\$ 1,466</u>
Title II - Limited English Proficiency Grant Fund				
Total Revenues and Other Sources	\$ -	\$ 15,833	\$ 16,148	\$ 315
Total Expenditures and Other Uses	<u>-</u>	<u>15,833</u>	<u>15,833</u>	<u>-</u>
Net Change in Fund Balances	-	-	315	315
Fund Balance, July 1	-	-	-	
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 315</u>	<u>\$ 315</u>
Title I Grant Fund				
Total Revenues and Other Sources	\$ 234,660	\$ 240,132	\$ 229,861	\$ (10,271)
Total Expenditures and Other Uses	<u>253,670</u>	<u>259,142</u>	<u>248,389</u>	<u>10,753</u>
Net Change in Fund Balances	(19,010)	(19,010)	(18,528)	482
Fund Balance, July 1	17,797	17,797	17,797	
Prior Year Encumbrances Appropriated	<u>1,213</u>	<u>1,213</u>	<u>1,213</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 482</u>	<u>\$ 482</u>

Beavercreek City School District, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 For the Fiscal Year Ended June 30, 2004*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Title V - Innovative Education Programs Grant Fund				
Total Revenues and Other Sources	\$ 50,436	\$ 50,404	\$ 50,989	\$ 585
Total Expenditures and Other Uses	<u>64,106</u>	<u>64,074</u>	<u>64,074</u>	<u>-</u>
Net Change in Fund Balances	(13,670)	(13,670)	(13,085)	585
Fund Balance, July 1	10,775	10,775	10,775	
Prior Year Encumbrances Appropriated	<u>2,895</u>	<u>2,895</u>	<u>2,895</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 585</u>	<u>\$ 585</u>
Drug Free Schools Grant Fund				
Total Revenues and Other Sources	\$ 12,949	\$ 42,566	\$ 37,238	\$ (5,328)
Total Expenditures and Other Uses	<u>25,909</u>	<u>55,526</u>	<u>48,848</u>	<u>6,678</u>
Net Change in Fund Balances	(12,960)	(12,960)	(11,610)	1,350
Fund Balance, July 1	11,503	11,503	11,503	
Prior Year Encumbrances Appropriated	<u>1,457</u>	<u>1,457</u>	<u>1,457</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,350</u>	<u>\$ 1,350</u>
IDEA Preschool Grant Fund				
Total Revenues and Other Sources	\$ 4,273	\$ 36,281	\$ 36,589	\$ 308
Total Expenditures and Other Uses	<u>7,418</u>	<u>39,426</u>	<u>39,426</u>	<u>-</u>
Net Change in Fund Balances	(3,145)	(3,145)	(2,837)	308
Fund Balance, July 1	1,983	1,983	1,983	
Prior Year Encumbrances Appropriated	<u>1,162</u>	<u>1,162</u>	<u>1,162</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 308</u>	<u>\$ 308</u>

Beavercreek City School District, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 For the Fiscal Year Ended June 30, 2004*

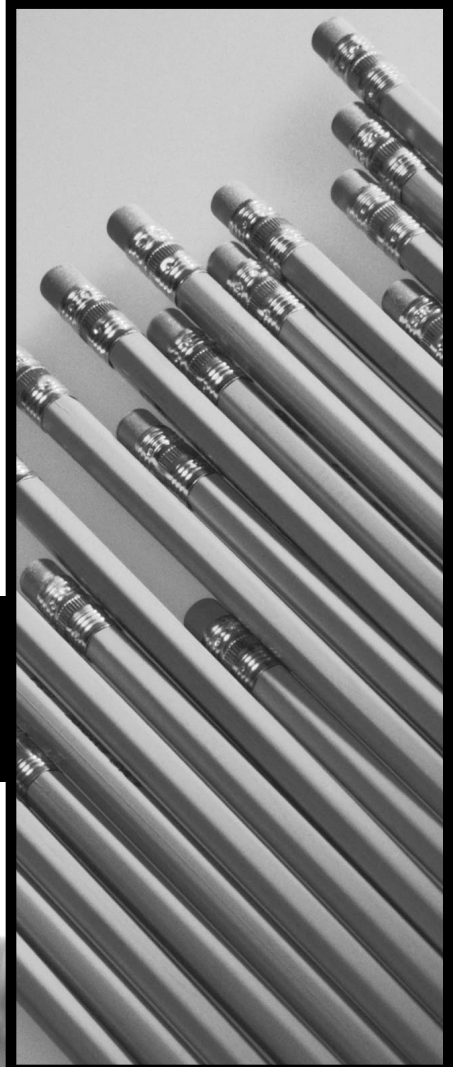
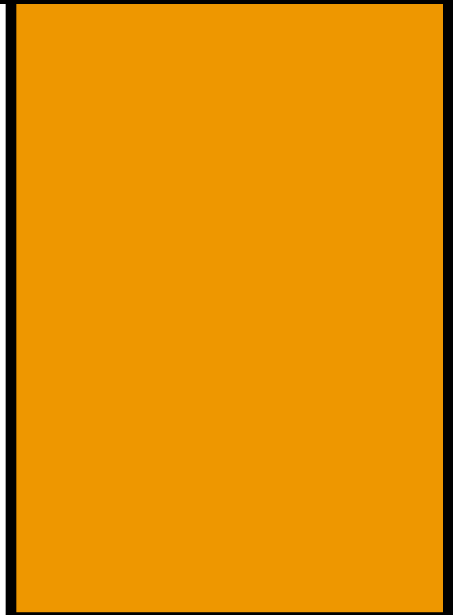
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Improving Teacher Quality Grant Fund				
Total Revenues and Other Sources	\$ 176,331	\$ 175,921	\$ 177,351	\$ 1,430
Total Expenditures and Other Uses	<u>193,742</u>	<u>193,332</u>	<u>193,332</u>	<u>-</u>
Net Change in Fund Balances	(17,411)	(17,411)	(15,981)	1,430
Fund Balance, July 1	8,210	8,210	8,210	
Prior Year Encumbrances Appropriated	<u>9,201</u>	<u>9,201</u>	<u>9,201</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,430</u>	<u>\$ 1,430</u>
Miscellaneous Federal Grants Fund				
Total Revenues and Other Sources	\$ 13,280	\$ 14,277	\$ 14,314	\$ 37
Total Expenditures and Other Uses	<u>13,381</u>	<u>14,378</u>	<u>14,378</u>	<u>-</u>
Net Change in Fund Balances	(101)	(101)	(64)	37
Fund Balance, July 1	101	101	101	
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 37</u>

Beavercreek City School District, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Fiscal Year Ended June 30, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Debt Service Fund				
Total Revenues and Other Sources	\$ 5,499,902	\$ 5,499,902	\$ 5,573,640	\$ 73,738
Total Expenditures and Other Uses	<u>5,519,580</u>	<u>5,519,580</u>	<u>5,512,896</u>	<u>6,684</u>
Net Change in Fund Balances	(19,678)	(19,678)	60,744	80,422
Fund Balance, July 1	815,965	815,965	815,965	
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance, June 30	<u>\$ 796,287</u>	<u>\$ 796,287</u>	<u>\$ 876,709</u>	<u>\$ 80,422</u>
Permanent Improvement Fund				
Total Revenues and Other Sources	\$ 2,012,000	\$ 2,012,000	\$ 2,094,357	\$ 82,357
Total Expenditures and Other Uses	<u>3,654,185</u>	<u>3,654,185</u>	<u>2,139,921</u>	<u>1,514,264</u>
Net Change in Fund Balances	(1,642,185)	(1,642,185)	(45,564)	1,596,621
Fund Balance, July 1	1,339,047	1,339,047	1,339,047	
Prior Year Encumbrances Appropriated	<u>304,187</u>	<u>304,187</u>	<u>304,187</u>	
Fund Balance, June 30	<u>\$ 1,049</u>	<u>\$ 1,049</u>	<u>\$ 1,597,670</u>	<u>\$ 1,596,621</u>
Building Fund				
Total Revenues and Other Sources	\$ -	\$ 399,916	\$ 1,638	\$ (398,278)
Total Expenditures and Other Uses	<u>571,268</u>	<u>575,167</u>	<u>537,691</u>	<u>37,476</u>
Net Change in Fund Balances	(571,268)	(175,251)	(536,053)	(360,802)
Fund Balance, July 1	399,916	399,916	399,916	
Prior Year Encumbrances Appropriated	<u>178,464</u>	<u>178,464</u>	<u>178,464</u>	
Fund Balance, June 30	<u>\$ 7,112</u>	<u>\$ 403,129</u>	<u>\$ 42,327</u>	<u>\$ (360,802)</u>



STATISTICAL SECTION



STATISTICAL TABLES

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

Table 1

Beavercreek City School District, Ohio
General Fund Revenues by Source
Last Ten Fiscal Years (1)

Fiscal Year	2004	2003	2002	2001 (1)	2000 (1)	1999	1998	1997	1996	1995 (1)
Taxes	\$ 39,658,105	\$ 32,127,848	\$ 30,599,761	\$ 25,877,825	\$ 27,987,059	\$ 27,555,682	\$ 25,336,523	\$ 23,237,639	\$ 21,091,745	\$ 17,187,205
Intergovernmental	16,831,538	15,603,494	15,099,768	14,433,101	13,810,457	14,047,606	13,277,555	12,907,500	12,478,457	12,822,053
Tuition and Fees	494,707	614,089	388,536	483,946	455,001	138,744	93,084	151,257	145,266	298,639
Interest	419,738	243,240	358,748	417,786	509,505	877,694	452,000	273,153	199,398	144,535
Miscellaneous	345,842	454,309	176,203	103,431	72,052	3,209,025	71,167	121,424	59,719	53,331
Total Revenues	\$ 57,749,930	\$ 49,042,980	\$ 46,623,016	\$ 41,316,089	\$ 42,834,074	\$ 45,828,751	\$ 39,230,329	\$ 36,690,973	\$ 33,974,585	\$ 30,505,763

Source: Beavercreek City School District records.

(1) The District did not prepare GAAP basis financial statements in these fiscal years, therefore, cash basis figures were used.

Table 2

Beavercreek City School District, Ohio
General Fund Expenditures by Function
Last Ten Fiscal years (1)

Fiscal Year	2004	2003	2002	2001 (1)	2000 (1)	1999	1998	1997	1996	1995 (1)
Regular Instruction	\$ 22,070,208	\$ 21,512,984	\$ 20,750,772	\$ 19,176,419	\$ 22,474,628	\$ 20,147,086	\$ 16,948,764	\$ 18,244,061	\$ 17,432,457	\$ 17,445,245
Special Instruction	4,847,255	4,710,317	4,290,130	4,278,206	3,306,570	2,896,253	2,487,611	2,241,329	2,100,542	2,130,110
Vocational Instruction	307,661	342,543	281,931	193,963	125,223	109,952	113,538	151,793	74,565	109,291
Other Instruction	424,399	646,551	840,167	869,531	746,950	754,103	625,993	629,348	655,659	545,697
Support Services - Pupils	3,261,581	3,043,561	3,100,779	2,810,964	2,661,554	2,625,260	2,386,720	2,419,980	2,280,938	2,259,181
Support Services - Instructional Staff	2,893,030	2,878,690	2,234,998	2,130,463	2,127,256	2,078,058	2,183,057	1,801,014	1,691,504	1,619,201
Board of Education	80,212	77,481	84,787	26,410	28,660	43,311	24,833	35,893	46,463	22,046
Administration	2,924,304	2,587,544	2,556,630	2,756,477	3,714,931	3,294,660	2,561,883	2,306,610	2,242,816	2,315,397
Fiscal	1,275,496	1,082,553	1,115,892	1,285,634	841,780	797,438	761,837	569,855	641,866	617,174
Business	429,860	146,597	152,942	147,805	204,453	199,555	392,351	388,936	301,316	317,837
Plant Operation and Maintenance	5,526,641	5,172,771	4,840,543	4,533,112	5,239,668	5,069,447	3,610,990	3,261,749	2,972,160	3,900,082
Pupil Transportation	2,701,431	2,588,471	2,528,861	2,265,826	2,570,387	2,143,229	2,367,259	2,533,945	1,993,313	2,046,384
Central	757,182	533,302	606,932	568,077	707,203	523,925	363,198	470,776	391,357	455,031
Extracurricular Activities	675,338	611,842	650,242	643,915	649,146	666,125	562,053	564,490	598,657	574,569
Capital Outlay	53,205	17,598	36,414	229,220	39,689	187,668	34,126	304,033	10,232	156,437
Debt Service	569,070	249,074	537,279	-	-	67,111	80,320	52,520	310,218	-
Total Expenditures	\$ 48,796,873	\$ 46,201,879	\$ 44,609,299	\$ 41,916,022	\$ 45,438,098	\$ 41,603,181	\$ 35,504,533	\$ 35,976,332	\$ 33,744,063	\$ 34,513,682

Source: Beavercreek City School District records.

(1) The District did not prepare GAAP basis financial statements in these fiscal years, therefore, cash basis figures were used.

Beavercreek City School District, Ohio
Property Tax Levies and Collections
Last Ten Collection (Calendar) Years

Table 3

Collection Year	Tax Levied	Current Tax Collections	Percent Collected	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Tax Levied
2003	\$ 41,800,185	\$ 40,628,506	97.20%	\$ 2,183,965	5.22%
2002	\$ 41,306,350	\$ 38,826,274	94.00%	\$ 747,578	1.81%
2001	\$ 35,701,178	\$ 34,888,051	97.72%	\$ 657,373	1.84%
2000	\$ 37,165,728	\$ 34,660,798	93.26%	\$ 628,645	1.69%
1999	\$ 34,232,270	\$ 33,056,796	96.57%	\$ 461,135	1.35%
1998	\$ 33,782,425	\$ 32,543,739	96.33%	\$ 231,278	0.68%
1997	\$ 33,439,130	\$ 33,220,349	99.35%	(1)	N/A
1996	\$ 33,248,167	\$ 33,013,352	99.29%	(1)	N/A
1995	\$ 23,165,672	\$ 22,298,435	96.26%	(1)	N/A
1994	\$ 23,120,296	\$ 22,093,180	95.56%	(1)	N/A

Source: Greene County Auditor

(1) Information could not practically be obtained.

Table 4

Beavercreek City School District, Ohio
Assessed and Estimated Actual Values of Taxable Property
Last Ten Collection (Calendar) years

Tax Year	Real Property		Public Utilities Personal		Tangible Personal Property		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2003	\$ 1,177,230,410	\$ 3,363,515,457	\$ 37,108,390	\$106,023,971	\$ 73,070,575	\$ 208,773,071	\$ 1,287,409,375	\$ 3,678,312,500
2002	\$ 1,152,325,110	\$ 3,292,357,457	\$ 36,161,510	\$103,318,600	\$ 69,839,614	\$ 279,358,456	\$ 1,258,326,234	\$ 3,675,034,513
2001	\$ 1,042,097,790	\$ 2,977,422,257	\$ 33,827,070	\$ 96,648,771	\$ 76,033,145	\$ 149,882,636	\$ 1,151,958,005	\$ 3,223,953,664
2000	\$ 1,001,536,450	\$ 2,861,532,714	\$ 47,890,150	\$136,829,000	\$ 80,000,544	\$ 122,366,692	\$ 1,129,427,144	\$ 3,120,728,406
1999	\$ 964,956,670	\$ 2,748,447,629	\$ 54,120,160	\$154,629,029	\$ 77,885,384	\$ 186,432,788	\$ 1,096,962,214	\$ 3,089,509,446
1998	\$ 914,497,790	\$ 2,612,850,829	\$ 52,138,770	\$148,967,914	\$ 77,012,015	\$ 229,377,768	\$ 1,043,648,575	\$ 2,991,196,511
1997	\$ 890,729,340	\$ 2,544,940,971	\$ 52,083,210	\$148,809,171	\$ 75,108,354	\$ 287,041,532	\$ 1,017,920,904	\$ 2,980,791,674
1996	\$ 878,467,500	\$ 2,509,907,143	\$ 48,196,560	\$137,704,457	\$ 71,760,383	\$ 300,433,416	\$ 998,424,443	\$ 2,948,045,016
1995	\$ 750,776,840	\$ 2,145,076,686	\$ 45,335,440	\$129,529,829	\$ 57,344,442	\$ 308,048,060	\$ 853,456,722	\$ 2,582,654,575
1994	\$ 708,018,590	\$ 2,022,910,257	\$ 49,229,570	\$140,655,914	\$ 46,608,197	\$ 311,541,536	\$ 803,856,357	\$ 2,475,107,707

Source: Greene County Auditor.

Beavercreek City School District, Ohio
Property Tax Rates (Per \$1,000 of Assessed Valuation)
Last Ten Collection (Calendar) Years

Table 5

Collection Year	Beavercreek City School District	City of Beavercreek	Beavercreek Township	Greene County Career Center	Greene County	Total
2004	49.00	13.10	16.05	3.45	9.72	91.32
2003	43.50	12.95	16.05	3.45	9.98	85.93
2002	45.40	12.50	19.05	3.45	9.98	90.38
2001	42.12	12.00	19.05	3.45	10.63	87.25
2000	42.60	12.00	19.35	3.45	9.38	86.78
1999	42.00	12.00	19.35	3.45	9.08	85.88
1998	42.90	12.00	16.35	3.45	9.08	83.78
1997	43.00	12.00	16.35	3.45	9.08	83.88
1996	42.50	12.70	16.35	3.45	9.08	84.08
1995	39.00	12.70	16.35	3.45	9.08	80.58

Source: Greene County Auditor.

Beavercreek City School District, Ohio
*Ratio of Net General Bonded Debt to Assessed Value
and Net Bonded Debt Per Capita
Last Ten Fiscal Years*

Table 6

Fiscal Year	Population (1)	Total Assessed Value (2)	Gross Bonded Debt	Less Debt Service Fund (3)	Net Bonded Debt	Ratio of Net Bonded Debt to Assesed Value (%)	Net Bonded Debt Per Capita
2004	37,984	\$ 1,287,409,375	\$ 33,495,000	\$ 876,707	\$ 32,618,293	2.53%	859
2003	37,984	\$ 1,258,326,234	\$ 34,060,000	\$ 815,963	\$ 33,244,037	2.64%	875
2002	37,984	\$ 1,151,958,005	\$ 34,445,000	\$ 265,576	\$ 34,179,424	2.97%	900
2001	37,984	\$ 1,129,427,144	\$ 36,220,000	\$ 530,541	\$ 35,689,459	3.16%	940
2000	37,984	\$ 1,096,962,214	\$ 37,820,000	\$ -	\$ 37,820,000	3.45%	996
1999	33,626	\$ 1,043,648,575	\$ 39,130,000	\$ 580,957	\$ 38,549,043	3.69%	1,146
1998	33,626	\$ 1,017,920,904	\$ 40,435,000	\$ 2,742	\$ 40,432,258	3.97%	1,202
1997	33,626	\$ 998,424,443	\$ 41,550,000	\$ 103,932	\$ 41,446,068	4.15%	1,233
1996	33,626	\$ 853,456,722	\$ 42,420,000	\$ 43,308,254	\$ -	0.00%	-
1995	33,626	\$ 803,856,357	\$ 560,000	\$ 201,815	\$ 358,185	0.04%	11

(1) City of Beavercreek. Based on most current Federal Census.

(2) Greene County Auditor

(3) Beavercreek City School District records. Beginning in fiscal year 2002, the District prepared GAAP basis financial statements. Cash basis figures were used prior to fiscal year 2001.

Beavercreek City School District, Ohio
Computation of Legal Debt Margin
June 30, 2004

Table 7

Assessed Valuation of District		<u>\$ 1,287,409,375</u>
<u>Overall Direct Debt Limitation:</u>		
Direct Debt Limitation - 9% of Assessed Valuation		115,866,844
Amount available in Debt Service Fund		876,707
Gross Indebtedness	(40,310,000)	
Less: Debt Exempt from Limitation	-	
Debt Subject to 9% Limitation	<u> -</u>	<u>(40,310,000)</u>
Legal Debt Margin Within 9% Limitation		<u>\$ 76,433,551</u>
<u>Unvoted Direct Debt Limitation:</u>		
Unvoted Debt Limitation - 0.1% of Assessed Valuation		\$ 1,287,409
Amount available in Debt Service Fund Related to Unvoted Debt		-
Gross Indebtedness Authorized by the Board	-	
Less: Debt Exempt from Limitation	-	
Debt Subject to 0.1% Limitation	<u> -</u>	<u> -</u>
Legal Debt Margin Within 0.1% Limitation		<u>\$ 1,287,409</u>
<u>Energy Conservation Bond Limitation:</u>		
Debt Limitation - 0.9% of Assessed Valuation		\$ 11,586,684
Energy Conservation Notes Authorized by the Board		(656,282)
Legal Debt Margin Within 0.9% Limitation		<u>\$ 10,930,402</u>

Source: Beavercreek City School District records.

Beavercreek City School District, Ohio
Computation of Direct and Overlapping Debt
 June 30, 2004

Table 8

	General Obligation Bonded Debt	Percentage Applicable to the District (1)	Amount Applicable to the District
Governmental Unit:			
Direct:			
Beavercreek City School District	<u>\$ 34,151,281</u>	100.00%	<u>\$ 34,151,281</u>
Overlapping:			
Greene County	17,185,000	41.07%	7,057,880
Montgomery County	34,615,260	0.28%	96,923
City of Beavercreek	14,289,455	100.00%	14,289,455
City of Fairborn	6,362,701	10.56%	671,901
City of Kettering	4,350,962	1.33%	57,868
City of Riverside	2,348,000	7.33%	172,108
Beavercreek Township	500,000	99.38%	496,900
Miami Valley Regional Transit Authority	<u>11,580,000</u>	0.28%	<u>32,424</u>
Total Overlapping	<u>91,231,378</u>		<u>22,875,459</u>
Total Direct and Overlapping Debt	<u>\$ 125,382,659</u>		<u>\$ 57,026,740</u>

Source: Ohio Municipal Advisory Council.

(1) - Percentage derived by comparing subdivision's valuation within the School District compared to the total valuation within School District.

Beavercreek City School District, Ohio
*Ratio of Annual Debt Service Expenditures
for General Bonded Debt to Total General Fund Expenditures
Last Ten Fiscal Years (1)*

Table 9

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (%)
2004	\$ 565,000	\$ 1,957,678	\$ 2,522,678	\$ 48,796,873	5.17%
2003	\$ 385,000	\$ 1,979,573	\$ 2,364,573	\$ 46,201,879	5.12%
2002	\$ 1,775,000	\$ 2,027,825	\$ 3,802,825	\$ 44,609,299	8.52%
2001	\$ 1,600,000	\$ 2,102,119	\$ 3,702,119	\$ 41,916,022	8.83%
2000	\$ 1,310,000	\$ 2,164,429	\$ 3,474,429	\$ 45,438,098	7.65%
1999	\$ 1,165,000	\$ 2,215,822	\$ 3,380,822	\$ 41,603,181	8.13%
1998	\$ 1,115,000	\$ 2,262,323	\$ 3,377,323	\$ 35,504,533	9.51%
1997	\$ 870,000	\$ 2,685,852	\$ 3,555,852	\$ 35,976,332	9.88%
1996	\$ 140,000	\$ 19,250	\$ 159,250	\$ 33,744,063	0.47%
1995	\$ 140,000	\$ 26,950	\$ 166,950	\$ 34,513,682	0.48%

Source: Beavercreek City School District records.

(1) The District did not prepare GAAP statements in fiscal years 1993, 1994, 1995, 2000 and 2001, therefore, cash basis figures were used.

Beavercreek City School District, Ohio
Demographic Statistics
Last Ten Fiscal Years

Table 10

Fiscal Year	Population (1)	Unemployment Rate Greene County (2)
2004	37,984	4.90%
2003	37,984	5.30%
2002	37,984	4.70%
2001	37,984	3.40%
2000	37,984	3.60%
1999	33,626	3.60%
1998	33,626	3.60%
1997	33,626	3.60%
1996	33,626	4.20%
1995	33,626	3.80%

- (1) City of Beavercreek. Based on most current Federal Census.
(2) U.S. Department Labor Statistics. Estimated unemployment rate for civilian labor force in Greene County. Not seasonally adjusted. Adjusted to incorporate revised intercensal population controls for the 1990's.

Beavercreek City School District, Ohio
Construction, Bank Deposits and Real Property Values
Last Ten Calendar Years

Table 11

Calendar Year	Number of Residential Housing Permits (1)	Valuation of Construction (1)	Bank Deposits (2)	Real Property Values
2004	(3)	(3)	(3) \$	1,177,230,410
2003	359	\$ 82,830,544	\$ 1,173,000,000	\$ 1,152,325,110
2002	304	56,465,794	\$ 1,157,000,000	\$ 1,042,097,790
2001	947	\$ 122,168,000	\$ 1,143,000,000	\$ 1,001,536,450
2000	860	\$ 96,110,000	\$ 1,115,000,000	\$ 964,956,670
1999	1,062	\$ 111,593,000	\$ 1,083,000,000	\$ 914,497,790
1998	1,514	\$ 117,071,000	\$ 1,063,000,000	\$ 890,729,340
1997	963	\$ 73,605,000	\$ 1,058,000,000	\$ 878,467,500
1996	757	\$ 78,549,000	\$ 1,101,000,000	\$ 750,776,840
1995	944	\$ 110,461,000	\$ 1,094,000,000	\$ 708,018,590

- (1) Ohio Department of Development. Amounts reported in years 1994-2002 include all of Greene County as information specific to the District is not readily available. Amounts in 2002 and 2003 obtained from Greene County Office of Building Regulation, and include City of Beavercreek and Beavercreek Township.
- (2) Federal Deposit Insurance Corporation. Amount are as of June 30 and include all of Greene County as information specific to the District is not maintained.
- (3) Information not readily available.

Beavercreek City School District, Ohio
Principal Taxpayers - Real and Public Utility Personal Property
 December 31, 2003

Table 12

Name of Taxpayer	Total Assessed Valuation	Percent of Total Assessed Valuation (1)
MFC Beavercreek LLC	\$ 36,161,530	2.81%
Dayton Power and Light	\$ 23,841,330	1.85%
Elano Industries	\$ 8,674,590	0.67%
MV-RGII	\$ 8,357,250	0.65%
Ohio Bell Telephone	\$ 7,502,000	0.58%
Continental 44 Fund	\$ 6,395,270	0.50%
Hills Real Estate Group	\$ 5,849,230	0.45%
EL Apartments	\$ 5,713,030	0.44%
Wares Delaware Corp	\$ 5,540,500	0.43%
Meijers, Inc.	<u>\$ 5,497,510</u>	0.43%
SubTotal	\$ 113,532,240	8.82%
All Other Taxpayers	<u>\$ 1,173,877,135</u>	91.18%
Total Assessed Valuation	<u><u>\$ 1,287,409,375</u></u>	100.00%

Source: Greene County Auditor.

(1) Percent of total assessed valuation based on collection year 2004.

Beavercreek City School District, Ohio
Other Demographic Statistics
Last Ten Calendar Years

Table 13

Year	Enrollment (1)	Valuation Per Pupil (1)	Average Personal Income Federal AGI (2)	Median Personal Income State (2)	Average Teacher Salary (1)	Graduation Rate (1)	Pupil/Teacher Ratio (1)
2003	6,507	(3)	(3)	(3)	\$ 50,268	93.3%	19.3
2002	6,500	\$ 191,893	59,764	45,894	\$ 48,213	94.1%	19.1
2001	6,540	\$ 172,360	\$ 59,482	\$ 45,345	\$ 47,917	90.1%	19.2
2000	6,272	\$ 167,482	\$ 60,075	\$ 46,124	\$ 46,466	95.1%	18.9
1999	6,704	\$ 163,278	\$ 57,675	\$ 44,977	\$ 45,793	91.4%	19.6
1998	6,759	\$ 155,523	\$ 55,435	\$ 45,447	\$ 44,527	91.1%	20.7
1997	(3)	\$ 150,966	\$ 52,956	\$ 41,725	\$ 42,882	91.6%	21.6
1996	(3)	\$ 119,231	\$ 49,386	\$ 38,723	\$ 43,049	87.9%	(3)
1995	(3)	\$ 106,820	\$ 47,111	\$ 37,353	\$ 40,590	89.3%	(3)
1994	(3)	\$ 98,925	\$ 44,177	\$ 35,493	\$ 37,951	(3)	(3)
1993	(3)	(3)	\$ 43,308	\$ 35,388	(3)	(3)	(3)

- (1) State Department of Education.
- (2) State Department of Taxation.
- (3) Information not readily available.



**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

**BEAVERCREEK CITY SCHOOL DISTRICT
GREENE COUNTY**

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 10, 2005**