

# **LOVELAND CITY SCHOOL DISTRICT**

Single Audit Reports

Year Ended June 30, 2008





Mary Taylor, CPA  
Auditor of State

Board of Education  
Loveland City School District  
757 South Lebanon Road  
Loveland, Ohio 45140

We have reviewed the *Independent Auditors' Report* of the Loveland City School District, Hamilton County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2007 through June 30, 2008. 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 Loveland City School District is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

January 16, 2009

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**LOVELAND CITY SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2008

<u>Federal Grantor/Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture:</b>				
<i>(Passed through Ohio Department of Education)</i>				
National School Lunch Program	LLP4	10.555	\$ <u>201,195</u>	<u>201,195</u>
Total U.S. Department of Agriculture			<u>201,195</u>	<u>201,195</u>
<b>U.S. Department of Education:</b>				
<i>(Passed through Ohio Department of Education)</i>				
Special Education Cluster:				
Special Education - Grants to States	6BSF	84.027	1,018,902	930,215
Special Education - Preschool Grants	PGS1	84.173	<u>18,136</u>	<u>18,136</u>
Total Special Education Cluster			<u>1,037,038</u>	<u>948,351</u>
Title I Grants to Local Educational Agencies	C1S1/C1SD	84.010	150,048	149,851
Safe and Drug-Free Schools and Communities	DRS1	84.186	10,828	9,976
Innovative Education Program Strategies	C2S1	84.298	13,229	11,710
Education Technology State Grants	TJS1	84.318	1,496	1,496
Improving Teacher Quality State Grants	TRS1	84.367	110,918	110,918
<i>(Passed through Great Oaks Institute of Technology and Career Development)</i>				
Vocational Education - Basic Grants to States	n/a	84.048	<u>9,014</u>	<u>9,014</u>
Total U.S. Department of Education			<u>1,332,571</u>	<u>1,241,316</u>
Total Federal Awards			\$ <u>1,533,766</u>	<u>1,442,511</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The schedule of expenditures of federal awards is a summary of the activity of the School District's federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

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

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

To the Board of Education  
Loveland City School District:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Loveland City School District (the "School District") as of and for the year ended June 30, 2008, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 16, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance And Other Matters**

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

We noted certain matters that we reported to management of the School District in a separate letter dated December 16, 2008.

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

*Clark, Schaefer, Hachett & Co.*

Cincinnati, Ohio  
December 16, 2008



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

To the Board of Education  
Loveland City School District:

**Compliance**

We have audited the compliance of the Loveland City School District (the “School District”) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. The School District’s major federal programs are identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School District’s management. Our responsibility is to express an opinion on the School District’s compliance based on our audit.

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

In our opinion, the School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

**Internal Control Over Compliance**

The management of the School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School District’s internal control over compliance with the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District’s internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material compliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of and for the year ended June 30, 2008, and have issued our report thereon dated December 16, 2008. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

*Clark, Schaefer, Hachett & Co.*

Cincinnati, Ohio  
December 16, 2008

**LOVELAND CITY SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2008

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditors’ report issued:	unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none
Noncompliance material to the financial statements noted?	none

**Federal Awards**

Internal control over major programs:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none

Type of auditors’ report issued on compliance for major programs:	unqualified
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Any audit findings that are required to be reported in accordance with 510(a) of Circular A-133?	no
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Identification of major programs:

*Special Education Cluster:*  
*CFDA 84.027 – Special Education – Grants to States*  
*CFDA 84.173 – Special Education – Preschool Grants*

Dollar threshold to distinguish between Type A and Type B Programs:	\$300,000
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Auditee qualified as low-risk auditee?	yes
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**Section II – Financial Statement Findings**

None.

**Section III – Federal Award Findings and Questioned Costs**

None.

**Section IV – Summary of Prior Audit Findings and Questioned Costs**

None.



# Comprehensive Annual Financial Report



**Loveland City School District  
Loveland, Ohio**

**For the fiscal year ending  
June 30, 2008**

**Loveland City School District**  
**Loveland, Ohio**

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**Comprehensive Annual Financial Report**  
**For The Fiscal Year Ended June 30, 2008**

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**Prepared By:**  
**Office Of The Treasurer**  
**Brett Griffith, Treasurer/CFO**

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# Comprehensive Annual Financial Report

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## INTRODUCTION



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**Loveland City School District  
Loveland, Ohio  
For the fiscal year ending  
June 30, 2008**



# Loveland City School District

Office of the Treasurer  
757 S. Lebanon Road Loveland, Ohio 45140  
Telephone (513) 683-5600  
Fax (513) 683-9149

December 11, 2008

To The Citizens and Board of Education  
of the Loveland City School District:

The Comprehensive Annual Financial Report [CAFR] of the Loveland City School District [District] for the fiscal year ended June 30, 2008, is hereby submitted. This report, prepared by the Treasurer's office, includes an opinion from the Clark, Schaefer, Hackett & Co. and conforms to Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report will provide the taxpayers of the Loveland City School District with comprehensive financial data in a format that will enable them to gain an understanding of the District's financial affairs. Copies will be available upon request to taxpayers, financial rating services, banking institutions and other interested parties.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management 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 independent auditors' report.

The District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and career-technical levels; a broad range of cocurricular and extracurricular activities; and special education programs. Post-secondary enrollment options are also offered.

The District receives pass-through grants from the State and distributes these grants to parochial/private schools located within the District. This activity is included in the entity as the Auxiliary Services Special Revenue Fund because of the District's administrative involvement in the program. The parochial/private schools served are: St. Columban, Children's Meeting House Montessori School, and Ohio Valley Voices. While these organizations share operational and service similarity with the District, each is a legally separate and distinct entity. Because of their independent nature, none of these organizations are included in this report.

## **ECONOMIC CONDITION AND OUTLOOK**

The District is just northeast of the city of Cincinnati. The school's community lies in the corners of the counties of Hamilton, Clermont and Warren and is comprised of approximately 10.6 square miles. The District surrounds the City of Loveland and overlaps portions of the townships of Symmes, Miami, Hamilton and Goshen.

Property tax revenues of the residential/agricultural class predominantly support Loveland City Schools. Through the continued conversion of agricultural land into upscale residential properties being inhabited by well-educated upper middle-class families, Loveland City Schools is secure in its economic future in that the community understands and supports the value of education not just for sustaining property values, but because of the intrinsic value it has brought to their own lives and their desire to insure this for the children.

The District is as stable as the region in which the community works. Since Loveland City Schools is the largest employer within the District's boundaries, it is safe to say that the District's economic stability is as broad based as the businesses in Cincinnati and surrounding areas, which employ these taxpayers.

The District is continually challenged by the responsibility bestowed upon it by the community at large. We are always striving to provide the very best opportunities to every student, while carefully guarding the District's resources.

**THE DISTRICT AND ITS FACILITIES**

The District now houses 4,743 students in one high school, one middle school, one intermediate school and three elementary schools.

<b>CONSTRUCTED</b>	<b>SCHOOL ADDRESS</b>	<b>OCTOBER 2007 ENROLLMENT</b>
1963	Loveland Early Childhood Center 6740 Loveland Miamiville Road	600
1957	Loveland Primary School 550 Loveland Maderia Road	591
1941	Loveland Elementary School 600 Loveland Madeira Road	751
2000	Loveland Intermediate School 757 South Lebanon Road	718
1962	Loveland Middle School 801 South Lebanon Road	707
1992	Loveland High School 1 Tiger Trail	1,376

**ORGANIZATION OF THE SCHOOL DISTRICT**

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

The Board members represent a cross section of professions in the community. The Board members on June 30, 2008, were as follows:

<u>BOARD MEMBER</u>	<u>BEGAN SERVICE</u>	<u>TERM EXPIRES</u>	<u>PROFESSION</u>
Dr. Kathryn Lorenz	November, 1991	December, 2007	Professor
Mrs. Christine Olsen	January, 2002	December, 2009	Business Manager
Dr. James L. Kolp	January, 2000	December, 2007	Physician
Dr. Judy McClanahan	January, 1998	December, 2009	Homemaker
Mrs. Linda Pennington	January, 1996	December, 2009	Homemaker

The Superintendent is the chief executive officer of the District and responsible directly to the Board of Education for educational and support operations. Dr. Kevin Boys was appointed Superintendent in July of 2002. Prior to his appointment in Loveland, Dr. Boys served as a teacher, principal, and assistant superintendent in Sycamore Community School District for 23 years. Dr. Boys graduated summa cum laude from the University of Cincinnati, received a Master of Education degree from Xavier University and earned his doctorate degree in Educational Leadership from Miami University. In the broader educational community, Dr. Boys serves on steering committees and writing teams for the Ohio Department of Education and was elected to represent area superintendents on the Buckeye Association of School Administrators' Executive Committee.

The Treasurer is the chief fiscal officer of the Loveland City School District who reports directly to the Board of Education. The Treasurer/CFO is responsible for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets and investing idle funds as specified by Ohio law. Mr. Brett Griffith was appointed Treasurer/CFO in April 2008. Mr. Griffith graduated from The Ohio State University with a Bachelor of Science Degree, from The Department of Education in 1982. The next thirteen years he spent in manufacturing working in the purchasing and engineering departments. While still working in industry, Brett returned to college receiving his Masters degree in Education, focusing on School finance from Ashland University in 1998. Brett started working as a Treasurer/CFO for schools in 1996. Over the last twelve years Mr. Griffith has worked as Treasurer/CFO for schools and prior to coming to Loveland, Brett worked for nine years at Granville Exempted Village schools. Brett also graduated from the Ohio Association of School Business Officials Leadership Academy in 2003.

## **EMPLOYEE RELATIONS**

The District currently has approximately 516 full-time employees and 132 substitutes (as needed). The number of employees has been steady for the last several years. During the 2008 fiscal year, the District paid from its General Fund \$24,377,621 in salaries and wages, and \$8,358,850 in fringe benefits, such as retirement contributions, workers' compensation and life and health benefits.

The District's teachers are represented for collective bargaining purposes by the Loveland Education Association [LEA]. The District has a collective bargaining agreement with LEA which expires June 30, 2009. The District's classified employees are represented for collective bargaining purposes by the Ohio Association of Public School Employees [OAPSE]. The District has a collective bargaining agreement with OAPSE which expires June 30, 2011, with a re-opener on wages and benefits in 2009.

## **SERVICES PROVIDED**

The District provides a wide variety of educational and support services, as mandated by the Ohio Revised Code or board directives. Transportation is provided for over 5,624 students each day. The District fleet of buses travels over 3,126 miles each day transporting to 25 different sites. In addition to making more than 315 daily runs, the department transported both public and non-public students on 984 extra-curricular trips during the year.

The food service department served 348,389 plate lunches through the District's five kitchens. This is accomplished through the full operation of three kitchens (one kitchen services two adjoining buildings, each having their own dining room) and two satellite sites.

In addition to transportation and school lunch support services, students in the District also receive guidance, psychological and limited health services free of charge. The guidance services are designed to help students match their natural skills with vocational and/or academic programs to help them achieve their full potential in life. Psychological services include the testing and identification of students for special education services.

Health services are provided by district registered nurses and health aides at each of the six school sites.

The District offers regular instructional programs daily to students in grades K-12. There are approximately 54 students receiving career-technical education through the Great Oaks Institute of Technology and Career Development. Over 485 students receive special services, due to identified disabilities. In grades 3-8, approximately 105 students participated in the gifted program. The District presented 336 high school diplomas in 2008.

## **LOVELAND SCHOOLS**

### **FOCUS STATEMENT**

Loveland School District provides the experiences that empower each student to develop and use personal strengths to maximize individual potential.

Loveland Schools will continue to:

- Foster individual achievement according to desires, needs, interests and abilities
- Demonstrate flexibility in creatively meeting the needs of the school community
- Prioritize the allocation of resources accordingly

This is demonstrated by designation of academic "excellence," success of individual students, and continued financial support of the community.

## **LOVELAND SCHOOLS GUIDING PRINCIPLES**

Student academic achievement is our primary product.

We are student focused:

- We seek to be recognized for student academic achievement
- We inspire and enable students in academic achievement
- We affirm students for academic performance

We build cooperative relationships with all parties who contribute to fulfilling our purpose. This includes students, staff, parents and community.

- Interests of school and community are inseparable and interdependent
- We show respect for all individuals and work to build confidence and trust
- We develop close, mutually productive, cooperative relationships with the community
- We communicate clearly, broadly and honestly with all stakeholders

We are a learning community:

- We believe that it is the responsibility of all individuals to continually develop themselves and other members of the learning community
- We value personal achievement
- We value professional achievement
- We recognize achievement is broader than academics alone

Ideas and concepts are evaluated as they relate to our vision and strategies:

- Both innovative and proven programs will contribute to the success of Loveland schools
- Research data is used to evaluate programs prior to their implementation
- Benchmarks are used to evaluate the performance of ongoing programs
- Flexibility is an important aspect for the use of resources in our school system

## **SUMMARY OF RESULTS**

For the eighth consecutive year, the Loveland City School District has earned the state's highest designation on the Ohio Department of Education's state report card. The "Excellent with Distinction" rating was achieved by meeting 30 of the state's 30 indicators and by exhibiting more than average growth in the state's new value-added measure for two consecutive years.

Loveland students continue to score above the state average in all areas of the ACT.

Under the federal "No Child Left Behind" legislation, the final goal for all students is to reach the proficient level in reading and mathematics by 2013-2014. Until then, yearly goals are set requiring a specific percentage of students in 10 sub-groups, such as African American, Hispanic, White and those with special education needs on an Individualized Education Plan (IEP), to reach proficiency in these subjects. If any goal in any one of these sub-groups is missed, the district does not meet Adequate Yearly Progress (AYP) for the year. Loveland did



not meet AYP for the 2004-2005 and 2005-2006 school years because the IEP sub-group did not meet a proficiency level in reading. However, during the 2006-2007 school year, concerted effort was made to address this growth area, and the District met AYP with all sub-groups. The District also met AYP in the 2007-2008 school year due to the implementation of the state's value-added measure applied to the sub-groups.

In order to maintain excellence, meet increasingly difficult AYP goals, and continue to demonstrate to our stakeholders a strong return on its investment in our schools, the Board identified the following priorities to be initiated during the 2007-2008 school year:

1. Continue to align curriculum, instruction and assessment with rigorous state and national standards. Outcomes will include:
  - Refinement of short-cycle assessments in core subjects
  - Social Studies curriculum revision and text/materials adoption in K- 8
  - Improved results on Social Studies section of the Ohio Achievement Test
  - Staff understanding of Ohio's value-added measure and how it can be used to improve individual student achievement
  - Continued implementation of the "Investigations" math program in grades K-5
2. Continue to implement an intervention system based on a strong core curriculum and a continuum of interventions. Outcomes will include:
  - Monitoring system for all students
  - Awareness of whole group, sub-group, and individual student needs
  - Articulation of a drop-out prevention system for high school students
3. Design a customer care program that emphasizes a helpful, welcoming approach throughout the school district.
4. Identify and implement different mechanisms for increasing community involvement in schools. Outcomes may include:
  - Technology-related continuing education opportunities for community members
  - Continuation of Drug and Substance Abuse Task Force
  - Implementation of additional formal and informal two-way communication between the public and school leaders

## **RELAVENT FINANCIAL POLICIES**

In June of 2006, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2007 and will be eliminated by 2009. The tax on telephone and telecommunication property will begin being phased out in 2009 and will be eliminated by 2011. The tax is being phased out by reducing the assessment rate on the property each year. In the first five years, the District will be reimbursed fully for the lost revenue; in the following seven years, the reimbursements will be phased out.

## **FINANCIAL INFORMATION**

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles [GAAP] as promulgated by the Governmental Accounting Standards Board [GASB].

## **INTERNAL ACCOUNTING AND BUDGETARY CONTROL**

In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) 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 District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted within three months.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level. All purchase order requests must be approved by the individual program managers and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors.

The accounting system used by the District provides financial reports, which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to the financial statements retained in the Treasurer's Office, each program manager can monitor their budgets by running interim financial reports.

As an additional safeguard, a blanket bond covers all employees involved with receiving and depositing funds and a separate, higher bond covers certain individuals in policy-making roles.

The basis of accounting and the various funds utilized by the District are fully described in the notes to the general purpose financial statements. Additional information on the District's budgetary accounts can also be found in the notes to the general purpose financial statements.

## **CASH MANAGEMENT**

The Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by the United States Government, or the State of Ohio issued instruments or insured by the Federal Deposit Insurance Corporation [FDIC]. The total amount of earnings on investments was \$1,004,700 for the year ended June 30, 2008.

The cash management program is designed to minimize cash on hand and maximize investment holdings. All investments are spread among available investment options to insure maximum interest rates.

The District's investment policy is to minimize market risk while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by FDIC or collateralized. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

## **RISK MANAGEMENT**

The District constantly faces the risk of loss of assets by fire, storm, theft, accident or other catastrophes. Generally, the District shifts the burden of such losses by entering into a casualty insurance contract whereby an insurance company, in consideration of a premium payment, assumes the risk of all or a portion of these losses. The Ohio Casualty Company (member of Liberty Mutual group) provides insurance coverage on the buildings and contents, boiler and machinery, burglary/robbery/theft (inside and outside), and mobile instruction units. The Ohio Casualty Company also insures our fleet of vehicles and radio and communication equipment.

All employees, volunteers and booster groups are covered under the District's liability policy. The limits of liability are \$4,000,000 for each occurrence and with a \$5,000,000 aggregate.

The Travelers Insurance Company insures the performance bonds. The Superintendent, Board President and Assistant Treasurer are each insured in the amount of \$50,000. In addition, the Treasurer and Business Manager are each insured in the amount of \$100,000. The District uses the State Workers' Compensation plan.

The District maintains a comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Real property and contents are 90% co-insured. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District contracted with The Ohio Casualty Company for property insurance, fleet insurance, and for liability insurance coverage. Coverage provided are as follows:

Building and Contents – replacement cost (\$1,000 deductible)	\$74,209,062
Automobile Liability -	4,000,000
Uninsured Motorist -	1,000,000
General Liability	
Per Occurrence -	4,000,000
Total Per Year -	5,000,000

**INDEPENDENT AUDIT**

Provisions of State statute require that the District's financial statements be subjected to an annual examination by an independent auditor. The independent auditor's opinion rendered on the District's basic financial statements, combining statements and individual fund schedules, is included in the financial section of this Comprehensive Annual Financial Report. Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and is in conformance with that system.

**AWARDS**

ASBO Certificate of Excellence in Financial Reporting


The Association of School Business Officials International [ASBO] awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by all expert panels of certified public accountants and practicing school business officials.

The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2007. The District believes that the current Comprehensive Annual Financial Report will be submitted to ASBO for review, will conform to ASBO's principles and standards.

**ACKNOWLEDGEMENTS**

The preparation of the 2008 Comprehensive Annual Financial Report of the Loveland City School District was made possible by the combined efforts of the District's Finance Department and Plattenburg & Associates, Inc. The publication of this Comprehensive Annual Financial Report for the District ensures that the tax-payers of this community have and opportunity to review key financial statements.

Respectfully submitted,

  
 Brett Griffith  
 Treasurer

  
 Dr. Kevin Boys  
 Superintendent

# LOVELAND CITY SCHOOL DISTRICT, OHIO

## LIST OF PRINCIPAL OFFICIALS

June 30, 2008

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### BOARD OF EDUCATION

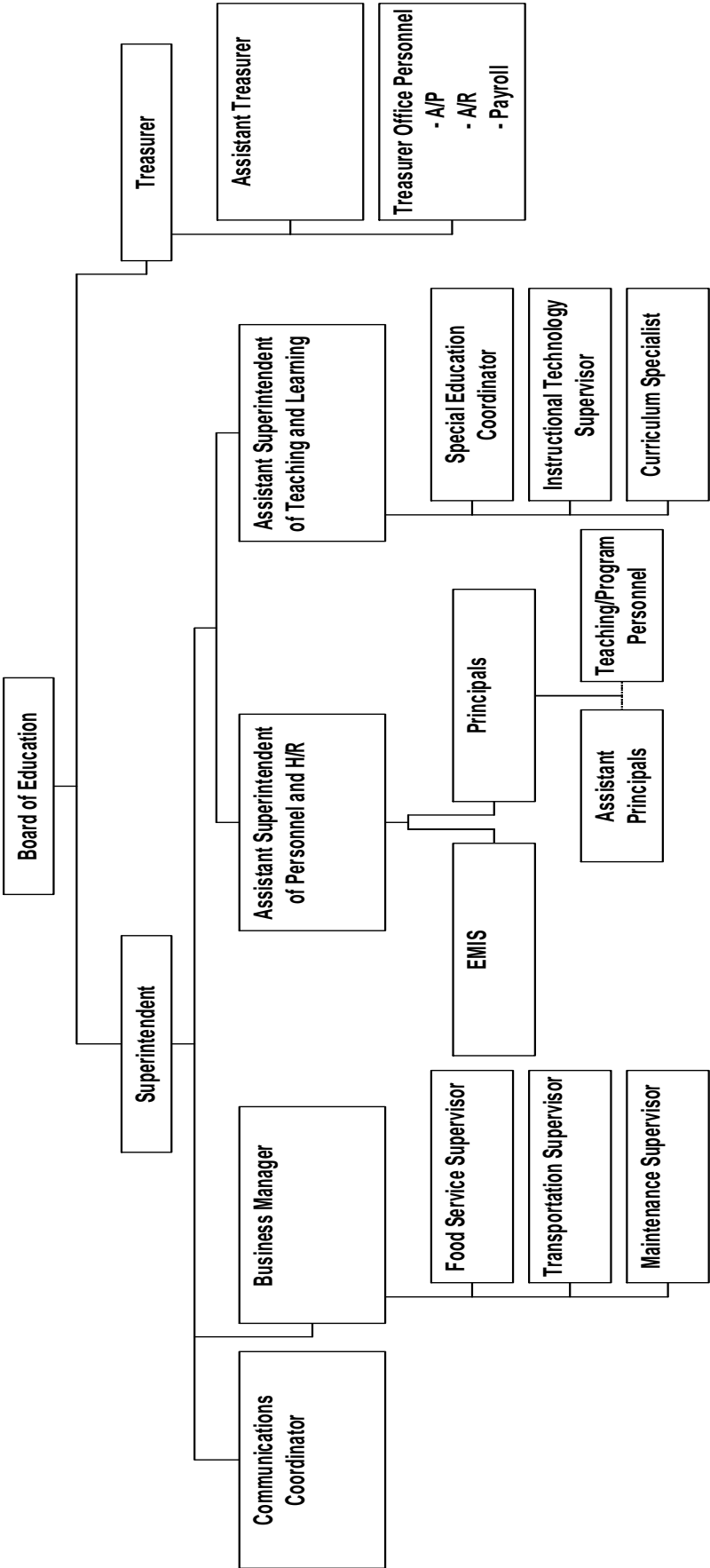
President	Dr. Kathryn Lorenz
Vice President	Dr. James Kolp
Board Member	Mrs. Christine Olsen
Board Member	Dr. Judy McClanahan
Board Member	Mrs. Linda Pennington

### ADMINISTRATIVE OFFICIALS

Superintendent	Dr. Kevin Boys
Treasurer/CFO	Mr. Brett Griffith*

\* - Was hired on March 18, 2008

# Organizational Chart Loveland City School District



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**LOVELAND CITY SCHOOL DISTRICT**

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2007

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

*Ernie E. Brendel*

President

*John D. Mueser*

Executive Director

# Comprehensive Annual Financial Report

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## FINANCIAL



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**Loveland City School District  
Loveland, Ohio  
For the fiscal year ending  
June 30, 2008**



## **INDEPENDENT AUDITORS' REPORT**

To the Board of Education  
Loveland City School District:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Loveland City School District (the "School District") as of and for the year ended June 30, 2008, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on the 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 Loveland City School District as of June 30, 2008, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2008 on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing* and should be considered in assessing the results of our audit.

105 east fourth street, ste. 1500  
cincinnati, oh 45202

www.cshco.com  
p. 513.241.3111  
f. 513.241.1212

The management's discussion and analysis and the budgetary information on pages 3 through 10 and 44 through 46, are not a required part of the basic financial statements but are 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 methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules 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 and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Clark, Schaefer, Hachett & Co.*

Cincinnati, Ohio  
December 16, 2008

**LOVELAND CITY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2008  
(Unaudited)**

The discussion and analysis of Loveland City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2008. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

**Financial Highlights**

Key financial highlights for 2008 are as follows:

- Net assets of governmental activities increased \$843,777 which represents a 2.7% increase from 2007.
- General revenues accounted for \$43,741,784 in revenue or 90% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$4,951,032 or 10% of total revenues of \$48,692,816.
- The District had \$47,849,039 in expenses related to governmental activities; \$4,951,032 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$43,741,784 were adequate to provide for these programs.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

The *Statement of Net Assets* and *Statements of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. The General, Debt Service and Permanent Improvement Funds are the major funds of the District.

**Government-wide Financial Statements**

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2008?" The Government-wide Financial Statements answers this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Government-wide Financial Statements, the overall financial position of the District is presented in the following manner:

- Governmental Activities – Most of the District's programs and services are reported here including instruction, support services, operation of non-instructional services, extracurricular activities, and interest and fiscal charges.

### **Fund Financial Statements**

The analysis of the District's major funds is presented in the Fund Financial Statements (see Table of Contents). Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds.

**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 all 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 fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements.

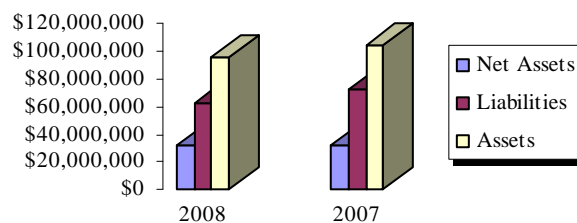
**Fiduciary Funds** Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

## The District as a Whole

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

Table 1 provides a summary of the District's net assets for 2008 compared to 2007:

	Governmental Activities	
	2008	2007
<b>Assets</b>		
Current Assets	\$44,810,260	\$52,262,780
Capital Assets	49,762,841	51,351,476
<b>Total Assets</b>	<b>94,573,101</b>	<b>103,614,256</b>
<b>Liabilities</b>		
Long-Term Liabilities	26,517,583	30,709,515
Other Liabilities	35,623,531	41,316,531
<b>Total Liabilities</b>	<b>62,141,114</b>	<b>72,026,046</b>
<b>Net Assets</b>		
<b>Invested in Capital</b>		
Assets Net of Related Debt	15,382,993	11,296,649
Restricted	6,307,212	11,644,200
Unrestricted	10,741,782	8,647,361
<b>Total Net Assets</b>	<b>\$32,431,987</b>	<b>\$31,588,210</b>



Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2008, the District's assets exceeded liabilities by \$32,431,987.

At year end, capital assets represented 53% of total assets. Capital assets include land, buildings and improvements and equipment. Capital assets, net of related debt to acquire the assets at June 30, 2008, totaled \$15,382,993. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net assets, \$6,307,212, represents resources that are subject to external restriction on how they must be used. The remaining balance of unrestricted net assets of \$10,741,782 may be used to meet the District's ongoing obligations to the students and creditors. The external restriction will not affect the availability of fund resources for future use.

Current assets decreased mainly due to a decrease in tax receivable in 2008 as compared to 2007. Long-term liabilities decreased primarily due to the District making its regularly scheduled debt (principal) payments. Other liabilities decreased mainly due to a decrease in unearned revenue which was due to a corresponding decrease in taxes receivable.

Table 2 shows the change in net assets for fiscal year 2008 with comparisons to fiscal year 2007.

Table 2  
Changes in Net Assets

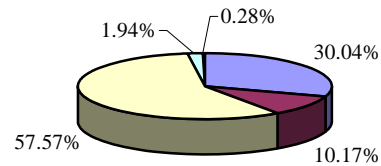
	Governmental Activities	
	2008	2007
Program Revenues:		
Charges for Services	\$1,982,841	\$1,910,194
Operating Grants	2,906,291	2,816,980
Capital Grants	61,900	36,081
General Revenue:		
Property Taxes	28,033,642	24,872,716
Grants and Entitlements	14,627,046	14,173,994
Other	1,081,096	1,756,642
Total Revenues	<u>48,692,816</u>	<u>45,566,607</u>
Program Expenses:		
Instruction	27,510,030	24,580,266
Support Services:		
Pupil and Instructional Staff	3,592,701	3,689,852
General and School Administrative, Fiscal and Business	4,399,199	4,382,951
Operations and Maintenance	3,323,515	3,779,703
Pupil Transportation	3,118,514	3,182,483
Central	1,025,119	1,041,051
Operation of Non-Instructional Services	2,088,793	2,025,177
Extracurricular Activities	1,216,617	1,026,859
Interest and Fiscal Charges	1,574,551	1,743,758
Total Expenses	<u>47,849,039</u>	<u>45,452,100</u>
Change in Net Assets	843,777	114,507
Beginning Net Assets	<u>31,588,210</u>	<u>31,473,703</u>
Ending Net Assets	<u><u>\$32,431,987</u></u>	<u><u>\$31,588,210</u></u>

The District revenues are mainly from two sources. Property taxes levied for general, debt service and capital projects purposes and grants and entitlements comprised 88% of the District's revenues for governmental activities.

The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus Ohio districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 58% of revenue for governmental activities for the District in fiscal year 2008.

<u>Revenue Sources</u>	<u>2008</u>	<u>Percent of Total</u>
General Grants	\$14,627,046	30.04%
Program Revenues	4,951,032	10.17%
General Tax Revenues	28,033,642	57.57%
Investment Earnings	946,817	1.94%
Other Revenues	134,279	0.28%
	<u>\$48,692,816</u>	<u>100.00%</u>



Instruction comprises 58% of governmental program expenses. Support services expenses were 32% of governmental program expenses. All other expenses including interest expense were 10%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Property tax revenue increased in 2008 compared to 2007 mainly due to an increase in taxes receivable which is largely due to an increase in property tax advances available. Instruction expenses increased over the prior year due to increases of personnel costs and general inflationary factors.

## Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3  
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2008	2007	2008	2007
Instruction	\$27,510,030	\$24,580,266	(\$25,751,575)	(\$22,850,619)
Support Services:				
Pupil and Instructional Staff	3,592,701	3,689,852	(2,976,517)	(3,144,355)
General and School Administrative, Fiscal and Business	4,399,199	4,382,951	(4,381,387)	(4,382,951)
Operations and Maintenance	3,323,515	3,779,703	(3,312,762)	(3,779,703)
Pupil Transportation	3,118,514	3,182,483	(2,984,156)	(3,065,061)
Central	1,025,119	1,041,051	(990,121)	(994,086)
Operation of Non-Instructional Services	2,088,793	2,025,177	(132,731)	(145,818)
Extracurricular Activities	1,216,617	1,026,859	(794,207)	(582,494)
Interest and Fiscal Charges	1,574,551	1,743,758	(1,574,551)	(1,743,758)
Total Expenses	<u>\$47,849,039</u>	<u>\$45,452,100</u>	<u>(\$42,898,007)</u>	<u>(\$40,688,845)</u>

## The District's Funds

The District has three major governmental funds: the General Fund, Debt Service Fund and Permanent Improvement Fund. Assets of the general fund comprised \$26,224,855 (59%), the debt service fund comprised \$8,032,882 (18%) and the permanent improvement fund comprised \$9,174,198 (21%) of the total \$44,606,703 governmental funds assets.

**General Fund:** Fund balance at June 30, 2008 was \$5,182,606 a decrease in fund balance of \$2,578,172 from 2007. The primary reason for the decrease in fund balance was due to an increase in instructional expenditures.

**Debt Service Fund:** Fund balance at June 30, 2008 was \$5,659,770 including \$4,652,016 of unreserved balance. The fund balance remained relatively consistent in 2008 compared to 2007.

**Permanent Improvement Fund:** Fund balance at June 30, 2008 was (\$3,700,138) an increase of \$708,984 from 2007. The increase in fund balance was mainly due to an increase property tax receipts.

## General Fund Budgeting Highlights

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

During the course of fiscal 2008, the District amended its general fund budget three times, however none were significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. During the course of the year, the District revised the budget in an attempt to deal with unexpected changes in revenues and expenditures.



For the General Fund, final budgeted revenue was \$36,016,325, compared to original budget estimates of \$35,844,183. Of the \$172,142 difference, most was due to a conservative estimate for taxes and intergovernmental revenue.

The District's ending unobligated cash balance for the general fund was \$77,849 above the final budgeted amount.

### **Capital Assets and Debt Administration**

#### *Capital Assets*

At the end of fiscal 2008, the District had \$49,762,841 invested in land, buildings and improvements, and equipment. Table 4 shows fiscal 2008 balances compared to fiscal 2007:

Table 4  
Capital Assets at June 30  
(Net of Depreciation)

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2007</u>
Land	\$1,436,356	\$1,436,356
Buildings and Improvements	44,388,958	45,919,607
Equipment	<u>3,937,527</u>	<u>3,995,513</u>
Total Net Capital Assets	<u><u>\$49,762,841</u></u>	<u><u>\$51,351,476</u></u>

The decrease in capital assets is due to current year depreciation expense exceeding current year additions.

See Note 6 in the notes to the basic financial statements for the details on the District's capital assets.

## **Debt**

At June 30, 2008, the District had \$24,474,648 in debt outstanding, \$3,577,247 due within one year. Table 5 summarizes total debt outstanding.

Table 5  
Outstanding Debt, at Year End

	Governmental Activities	
	2008	2007
Bonds Payable:		
1999 Bond Issue	\$5,539,467	\$6,509,467
Refunding Bonds:		
Current Interest Bonds -		
School Improvement	15,415,000	18,390,000
Capital Appreciation Bonds		
School Improvement	1,326,249	1,326,249
Accretion of Interest	594,800	380,523
Premium on Bonds	1,599,132	1,693,199
Total Outstanding Debt at Year End	<u>\$24,474,648</u>	<u>\$28,299,438</u>

See Note 8 in the notes to the basic financial statements for the details on the District's long term obligations.

## **For the Future**

In June of 2005, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone, and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2006 and will be eliminated by 2009. The tax on telephone and telecommunication property will begin being phased out in 2009 and will be eliminated by 2011. The tax is being phased out by reducing the assessment rate on the property each year. In the first five years, school districts are being reimbursed fully for the lost revenue; in the following seven years, the reimbursements are phased out.

All of the District's financial abilities will be needed to meet the challenges of the future. With careful planning and monitoring of the District's finances, the District's management is confident that the District can continue to provide a quality education for our students and provide a secure financial future.

## **Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Brett Griffith at Loveland City School District, 757 South Lebanon Road, Loveland, Ohio 45140.

Loveland City School District  
Statement of Net Assets  
June 30, 2008

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Investments	\$17,475,781
Restricted Cash and Investments	336,785
Receivables:	
Taxes	26,756,590
Deferred Bond Issuance Costs	231,021
Inventory	10,083
Nondepreciable Capital Assets	1,436,356
Depreciable Capital Assets, Net	<u>48,326,485</u>
 Total Assets	 <u>94,573,101</u>
Liabilities:	
Accounts Payable	129,463
Accrued Wages and Benefits	5,542,409
Accrued Interest Payable	140,954
Unearned Revenue	19,310,705
Tax Anticipation Notes Payable	10,500,000
Long-Term Liabilities:	
Due Within One Year	3,769,936
Due In More Than One Year	<u>22,747,647</u>
 Total Liabilities	 <u>62,141,114</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	15,382,993
Restricted for:	
Special Revenue	260,026
Debt Service	5,710,401
Set-Aside	336,785
Unrestricted	<u>10,741,782</u>
 Total Net Assets	 <u><u>\$32,431,987</u></u>

See accompanying notes to the basic financial statements.

Loveland City School District  
Statement of Activities  
For the Fiscal Year Ended June 30, 2008

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions		Capital Grants and Contributions
Governmental Activities:					
Instruction:					
Regular	\$21,495,360	\$325,267	\$66,609	\$26,158	(\$21,077,326)
Special	5,053,871	0	1,213,460	0	(3,840,411)
Vocational	170,407	0	24,323	0	(146,084)
Other	790,392	0	102,638	0	(687,754)
Support Services:					
Pupil	2,249,688	0	306,320	0	(1,943,368)
Instructional Staff	1,343,013	0	309,864	0	(1,033,149)
General Administration	92,629	0	0	0	(92,629)
School Administration	2,950,719	17,812	0	0	(2,932,907)
Fiscal	1,135,451	0	0	0	(1,135,451)
Business	220,400	0	0	0	(220,400)
Operations and Maintenance	3,323,515	10,753	0	0	(3,312,762)
Pupil Transportation	3,118,514	0	98,616	35,742	(2,984,156)
Central	1,025,119	0	34,998	0	(990,121)
Operation of Non-Instructional Services	2,088,793	1,206,599	749,463	0	(132,731)
Extracurricular Activities	1,216,617	422,410	0	0	(794,207)
Interest and Fiscal Charges	1,574,551	0	0	0	(1,574,551)
Total Governmental Activities	\$47,849,039	\$1,982,841	\$2,906,291	\$61,900	(42,898,007)

General Revenues:

Property Taxes Levied for:

General Purposes	20,606,788
Debt Service Purposes	4,439,187
Capital Projects Purposes	2,987,667
Grants and Entitlements not Restricted to Specific Programs	14,627,046
Unrestricted Contributions	6,601
Investment Earnings	946,817
Other Revenues	127,678

Total General Revenues 43,741,784

Change in Net Assets 843,777

Net Assets Beginning of Year 31,588,210

Net Assets End of Year \$32,431,987

See accompanying notes to the basic financial statements.

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Loveland City School District  
Balance Sheet  
Governmental Funds  
June 30, 2008

	General	Debt Service	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$5,510,148	\$4,652,016	\$6,148,932	\$1,164,685	\$17,475,781
Restricted Cash and Investments	336,785	0	0	0	336,785
<b>Receivables:</b>					
Taxes	20,350,458	3,380,866	3,025,266	0	26,756,590
Interfund	27,464	0	0	0	27,464
Inventory	0	0	0	10,083	10,083
<b>Total Assets</b>	<b>26,224,855</b>	<b>8,032,882</b>	<b>9,174,198</b>	<b>1,174,768</b>	<b>44,606,703</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	111,496	0	13,885	4,082	129,463
Accrued Wages and Benefits	5,116,739	0	26,183	399,487	5,542,409
Compensated Absences	137,496	0	0	0	137,496
Interfund Payable	0	0	0	27,464	27,464
Deferred Revenue	15,676,518	2,373,112	2,334,268	0	20,383,898
Tax Anticipation Notes Payable	0	0	10,500,000	0	10,500,000
<b>Total Liabilities</b>	<b>21,042,249</b>	<b>2,373,112</b>	<b>12,874,336</b>	<b>431,033</b>	<b>36,720,730</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	21,254	0	73,845	15,343	110,442
Reserved for Inventory	0	0	0	10,083	10,083
Reserved for Property Tax Advances	4,673,940	1,007,754	690,998	0	6,372,692
Reserved for Set-Aside	336,785	0	0	0	336,785
<b>Unreserved, Undesignated, Reported in:</b>					
General Fund	150,627	0	0	0	150,627
Special Revenue Funds	0	0	0	699,951	699,951
Debt Service Funds	0	4,652,016	0	0	4,652,016
Capital Projects Funds	0	0	(4,464,981)	18,358	(4,446,623)
<b>Total Fund Balances</b>	<b>5,182,606</b>	<b>5,659,770</b>	<b>(3,700,138)</b>	<b>743,735</b>	<b>7,885,973</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$26,224,855</b>	<b>\$8,032,882</b>	<b>\$9,174,198</b>	<b>\$1,174,768</b>	<b>\$44,606,703</b>

See accompanying notes to the basic financial statements.

Loveland City School District  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 June 30, 2008

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Total Governmental Fund Balance		\$7,885,973
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.		49,762,841
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	<u>1,073,193</u>	1,073,193
In the statement of net assets interest payable is accrued when incurred, whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		(140,954)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences	<u>(1,905,439)</u>	(1,905,439)
Deferred bond issuance cost associated with long-term liabilities are not reported in the funds.		231,021
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(24,474,648)</u>
Net Assets of Governmental Activities		<u><u>\$32,431,987</u></u>

See accompanying notes to the basic financial statements.

Loveland City School District  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2008

	General	Debt Service	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes	\$20,474,438	\$4,417,541	\$2,964,009	\$0	\$27,855,988
Tuition and Fees	323,187	0	0	15,765	338,952
Investment Earnings	679,906	0	307,719	17,075	1,004,700
Intergovernmental	14,502,064	591,299	464,355	2,023,397	17,581,115
Extracurricular Activities	0	0	0	406,645	406,645
Charges for Services	0	0	0	1,206,599	1,206,599
Other Revenues	118,507	0	0	65,556	184,063
<b>Total Revenues</b>	<b>36,098,102</b>	<b>5,008,840</b>	<b>3,736,083</b>	<b>3,735,037</b>	<b>48,578,062</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	19,048,001	0	774,394	35,282	19,857,677
Special	4,454,359	0	16,562	480,198	4,951,119
Vocational	170,407	0	0	0	170,407
Other	679,491	0	0	110,901	790,392
<b>Support Services:</b>					
Pupil	1,915,133	0	0	315,394	2,230,527
Instructional Staff	930,353	0	120,020	298,092	1,348,465
General Administration	92,629	0	0	0	92,629
School Administration	2,833,290	5,960	39,314	0	2,878,564
Fiscal	1,017,557	58,204	53,674	0	1,129,435
Business	210,642	0	4,362	0	215,004
Operations and Maintenance	2,986,222	0	624,420	0	3,610,642
Pupil Transportation	2,859,182	0	215,189	10,000	3,084,371
Central	611,648	0	221,943	28,796	862,387
Operation of Non-Instructional Services	142,344	0	0	1,989,289	2,131,633
Extracurricular Activities	711,052	0	0	391,312	1,102,364
Capital Outlay	16,741	0	503,471	0	520,212
<b>Debt Service:</b>					
Principal Retirement	0	3,945,000	0	0	3,945,000
Interest and Fiscal Charges	0	976,228	453,750	0	1,429,978
<b>Total Expenditures</b>	<b>38,679,051</b>	<b>4,985,392</b>	<b>3,027,099</b>	<b>3,659,264</b>	<b>50,350,806</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(2,580,949)</b>	<b>23,448</b>	<b>708,984</b>	<b>75,773</b>	<b>(1,772,744)</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds from Sale of Capital Assets	4,042	0	0	0	4,042
Transfers In	0	0	0	1,265	1,265
Transfers (Out)	(1,265)	0	0	0	(1,265)
<b>Total Other Financing Sources (Uses)</b>	<b>2,777</b>	<b>0</b>	<b>0</b>	<b>1,265</b>	<b>4,042</b>
<b>Net Change in Fund Balance</b>	<b>(2,578,172)</b>	<b>23,448</b>	<b>708,984</b>	<b>77,038</b>	<b>(1,768,702)</b>
<b>Fund Balance Beginning of Year</b>	<b>7,760,778</b>	<b>5,636,322</b>	<b>(4,409,122)</b>	<b>666,697</b>	<b>9,654,675</b>
<b>Fund Balance End of Year</b>	<b>\$5,182,606</b>	<b>\$5,659,770</b>	<b>(\$3,700,138)</b>	<b>\$743,735</b>	<b>\$7,885,973</b>

See accompanying notes to the basic financial statements.



Loveland City School District  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2008

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Net Change in Fund Balance - Total Governmental Funds (\$1,768,702)

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

Governmental funds report capital asset additions 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 of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	900,581	
Depreciation Expense	<u>(2,469,259)</u>	(1,568,678)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (19,957)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Delinquent Property Taxes	177,654	
Interest	(57,883)	
Intergovernmental	<u>(5,017)</u>	114,754

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 3,945,000

Interest expense in the statement of activities differs from the amount reported in governmental funds for accrued interest was calculated for bonds and notes payable.

Accrued Interest	<u>(10,773)</u>	(10,773)
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	285,933	
Amortization of Bond Issuance Cost	(13,590)	
Amortization of Bond Premium	94,067	
Bond Accretion	<u>(214,277)</u>	<u>152,133</u>

Change in Net Assets of Governmental Activities \$843,777

See accompanying notes to the basic financial statements.

Loveland City School District  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Fund  
June 30, 2008

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	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$149,922</u>
Total Assets	<u>149,922</u>
Liabilities:	
Other Liabilities	<u>149,922</u>
Total Liabilities	<u>\$149,922</u>

See accompanying notes to the basic financial statements.

**LOVELAND CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2008**

**1. DESCRIPTION OF THE DISTRICT**

The Loveland 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 Loveland City School District is a city school district as defined by Section 3311.02, Revised Code. The District operates under an elected Board of Education (5 members) and is responsible for the provision of public education to residents of the District.

Management believes the financial statements included in this report represent all of the funds of the District for which the Board of Education has fiscal responsibility.

**REPORTING ENTITY**

In accordance with Governmental Accounting Standards Board [GASB] Statement 14, the financial reporting entity consists of a primary government. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

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

**PAROCHIAL SCHOOLS**

The District has 3 non-publics schools within its boundaries. St. Columbia School is operated through the Catholic Diocese. Children's Meeting House Montessori School is guided by the American Montessori Society; and Ohio Valley Voices which is a school for the Hearing Impaired. Current State legislation provides funding to this parochial school. 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 activity of these State monies by the District is reflected in a special revenue fund for financial reporting purposes.

The District is associated with two jointly governed organizations and two public entity risk pools. These organizations are:

**Jointly Governed Organizations:**

The Southwest Ohio Computer Association  
Hamilton Clermont Cooperative Association / Unified Purchasing Association  
The Great Oaks Institute of Technology and Career Development

**Public Entity Risk Pools:**

Greater Cincinnati Insurance Consortium  
Ohio School Boards Association Workers' Compensation Group Rating Plan

These organizations are presented in Notes 13 and 15.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

### **MEASUREMENT FOCUS**

#### **Government-wide Financial Statements**

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

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net assets. Fiduciary funds are not included in entity-wide statements.

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

## **Fund Financial Statements**

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

Fiduciary funds (except agency funds) are reported using the economic resources measurement focus.

## **FUND ACCOUNTING**

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories governmental and fiduciary. The focus of government fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

## **Governmental Funds**

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

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

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for 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.

Permanent Improvement – The capital projects fund is used to account for all transactions related to acquiring, constructing or improving such permanent improvements as are authorized by Chapter 5705, Revised Code.

## **Fiduciary Funds**

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodian in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has two fiduciary funds which are both agency funds. The student activities fund is used to account for assets and liabilities generated by student managed activities. The fund accounts for sales and other revenue generating activities by student activity programs, which have students involved in the management of the program. The Section 125 plan accounts for monies voluntarily withheld from employees on a pre-tax basis to reimburse employees for medical and dental expenses not covered by group insurance.

## **BASIS OF ACCOUNTING**

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

### Revenues – Exchange and Non-exchange Transactions

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

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes available for advance.

### 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, 2008, but which were levied to finance fiscal year 2009 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

### Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met because such amounts have not yet been earned.

### Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

## **EQUITY IN POOLED CASH AND INVESTMENTS**

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as “Equity in Pooled Cash and Investments” on the financial statements.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits and repurchase agreements are reported at cost.

The District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2008. STAR Ohio is an investment pool managed by the State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule2A7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price, which is the price the investment could be sold for on June 30, 2008.

Following Ohio statutes, the Board has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during the fiscal year amounted to \$679,906, \$307,719 to Permanent Improvement and \$17,075 to Other Governmental Funds.

**INVENTORY**

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of food held for resale and consumable supplies.

**CAPITAL ASSETS**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five hundred dollars (\$500). The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20-40 years
Equipment	5-15 years

**COMPENSATED ABSENCES**

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences.” Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.



Sick leave benefits are accrued as a liability using the vested payment method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the expenditures for unpaid compensated absences are recognized when due. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. Compensated absences are reported in governmental funds only if they have matured.

The District’s policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>	<u>Exempt</u>
How Earned	Not Eligible	25-30 days per year or 2.08-2.50 per month	10-25 days for each service year depending on length of service	10-25 days for each service year depending on length of service
Maximum Accumulation	Not Applicable	30 days Payoff up to 10 days/yr. unused earned	One Year	Two Years
Vested	Not Applicable	As Earned	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination	Paid upon termination
<u>Sick Leave</u>				
How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	240 Days	293 Days	250 Days	240 Days
Vested	As Earned	As Earned	As Earned	As Earned
Termination Entitlement	35 days plus 25% of unused sick days above 35	35 days plus 25% of unused sick days above 35	35 days plus 25% of unused sick days above 35	35 days plus 25% of unused sick days above 35

## NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the \$6,307,212 in restricted net assets, none were restricted by enabling legislation.

## **INTERFUND 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 interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as interfund "receivables/payables". These amounts are eliminated in the governmental activities columns of the statement of net assets.

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

## **FUND EQUITY**

Reserved fund balances indicate a portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, inventory, property tax advances and set-asides. The unreserved portion of fund equity, reflected for the Governmental Funds, is available for use within the specific purpose of those funds.

## **ESTIMATES**

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

## **RESTRICTED ASSETS**

Restricted assets in the general fund represent equity in pooled cash and investments set aside to establish a budget stabilization reserve. A corresponding fund balance reserve has also been established.

### **3. EQUITY IN POOLED CASH AND INVESTMENTS**

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires 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 by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated 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 or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

### **Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of June 30, 2008, \$9,221,130 of the District's bank balance of \$9,796,130 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

### **Investments**

As of June 30, 2008, the District had the following investments:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
STAROhio	<u>\$8,553,706</u>	0.15
	<u><u>\$8,553,706</u></u>	
Portfolio Weighted Average Maturity		0.15

Interest Rate Risk - In accordance with the investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to three years.

Credit Risk – It is the District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. Investments in STAROhio were rated AAAM by Standards & Poor’s.

Concentration of Credit Risk – The District’s investment policy allows investments in U.S. Agencies or Instrumentalities. The District has invested 100% of the District’s investments in STAROhio.

Custodial Credit Risk – The risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District’s securities are either insured and registered in the name of the District or at least registered in the name of the District.

#### **4. PROPERTY TAXES**

Real property taxes collected in 2008 were levied in April on the assessed values as of January 1, 2007, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. A re-evaluation of real property is required to be completed no less than every six years, with a statistical update every third year.

Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 25 percent of true value (as defined). Each business was eligible to receive a \$10,000 exemption in assessed value which was reimbursed by the State.

The tangible personal property tax will phase out over a four-year period starting with tax year 2006 and ending with no tax due in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing and equipment first reportable on the 2006 and subsequent year returns is not subject to the personal property tax.

Real property taxes are payable annually or semi-annually. If paid annually, payment was due by January 20th. If paid semi-annually, the first payment (at least 1/2 amount billed) was due January 20th with the remainder due on June 20th.

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

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2008. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2008. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available to finance current year operations. The receivable is, therefore, offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2008, was \$4,673,940 for General Fund, \$1,007,754 for Debt Service and \$690,998 for Permanent Improvement, and is recognized as revenue, with a corresponding reserve to fund balance since the Board did not appropriate these receivables for fiscal year 2008 operations.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2008 taxes were collected are:

	<u>Amount</u>
Agricultural/Residential and Other Real Estate	\$1,372,136,528
Public Utility	12,380,074
Tangible Personal Property	<u>15,999,470</u>
Total	<u><u>\$1,400,516,072</u></u>

## 5. RECEIVABLES

Receivables at June 30, 2008, consisted of taxes and interfund. All receivables are considered collectible in full.

## 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,436,356	\$0	\$0	\$1,436,356
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	77,373,460	0	2,700	77,370,760
Equipment	<u>8,551,924</u>	<u>900,581</u>	<u>163,280</u>	<u>9,289,225</u>
Totals at Historical Cost	<u>87,361,740</u>	<u>900,581</u>	<u>165,980</u>	<u>88,096,341</u>
Less Accumulated Depreciation:				
Buildings and Improvements	31,453,853	1,530,649	2,700	32,981,802
Equipment	<u>4,556,411</u>	<u>938,610</u>	<u>143,323</u>	<u>5,351,698</u>
Total Accumulated Depreciation	<u>36,010,264</u>	<u>2,469,259</u>	<u>146,023</u>	<u>38,333,500</u>
Governmental Activities Capital Assets, Net	<u>\$51,351,476</u>	<u>(\$1,568,678)</u>	<u>\$19,957</u>	<u>\$49,762,841</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,665,937
Special	20,952
Support Services:	
Pupil	4,939
Instructional Staff	56,484
School Administration	38,075
Fiscal	9,306
Business	4,640
Operations and Maintenance	136,492
Pupil Transportation	117,881
Central	245,695
Operation of Non-Instructional Services	51,306
Extracurricular Activities	117,552
Total Depreciation Expense	<u>\$2,469,259</u>

## 7. NOTES PAYABLE

Activity related to the District's tax anticipation notes payable is presented below:

Purpose	Interest Rate	Issue Date	Maturity Date	Balance July 1	Additons	Deductions	Balance June 30
Tax Anticipation	4.00%	6/1/2007	6/1/2008	\$12,000,000	\$0	\$12,000,000	\$0
Tax Anticipation	4.00%	6/1/2008	6/1/2009	0	10,500,000	0	10,500,000
				<u>\$12,000,000</u>	<u>\$10,500,000</u>	<u>\$12,000,000</u>	<u>\$10,500,000</u>

The note is shown as a liability on the fund financial statements in the fund which received the proceeds. The proceeds were used for capital improvements.

## 8. LONG-TERM LIABILITIES

	Maturity Dates	Beginning Balance	Additions	Deductions	Ending Balance	Due In One Year
<b>Governmental Activities:</b>						
General Obligation Bonds:						
Bond Issue						
1999 5.00%	12/1/15	\$6,509,467	\$0	\$970,000	\$5,539,467	\$347,247
Refunding Bonds:						
Current Interest Bonds -						
School Improvement						
2005 4.65%	12/1/24	18,390,000	0	2,975,000	15,415,000	3,230,000
Capital Appreciation Bonds -						
School Improvement						
2005 4.33%	12/1/24	1,326,249	0	0	1,326,249	0
Accretion of Interest		380,523	214,277	0	594,800	0
Premium on Bonds		1,693,199	0	94,067	1,599,132	0
Total General Obligation Bonds		28,299,438	214,277	4,039,067	24,474,648	3,577,247
Compensated Absences		2,410,077	258,102	625,244	2,042,935	192,689
Long-Term Debt		<u>\$30,709,515</u>	<u>\$472,379</u>	<u>\$4,664,311</u>	<u>\$26,517,583</u>	<u>\$3,769,936</u>

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid (usually general and special revenue funds).



Principal and interest requirements to retire general obligation debt outstanding at year end are as follows:

Fiscal Year Ending June 30	General Obligation Bond			Capital Appreciation Bond		
	Principal	Interest	Total	Principal	Interest	Total
2009	\$3,577,247	\$1,344,776	\$4,922,023	\$0	\$0	\$0
2010	990,656	1,268,319	2,258,975	0	0	0
2011	1,057,922	1,277,253	2,335,175	0	0	0
2012	1,133,642	1,277,283	2,410,925	0	0	0
2013	1,005,000	1,383,879	2,388,879	465,871	679,129	1,145,000
2014-2018	6,830,000	6,134,446	12,964,446	860,378	1,679,622	2,540,000
2019-2023	3,840,000	1,362,125	5,202,125	0	0	0
2024-2025	2,520,000	192,000	2,712,000	0	0	0
Total	<u>\$20,954,467</u>	<u>\$14,240,081</u>	<u>\$35,194,548</u>	<u>\$1,326,249</u>	<u>\$2,358,751</u>	<u>\$3,685,000</u>

## 9. PENSION PLANS

### SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

#### Plan Description

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability, and survivor 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 can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Forms and Publications*.

#### Funding Policy

Plan members are required to contribute 10% of their annual covered salary and 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 the SERS' Retirement Board. The District's contributions to SERS for the years ended June 30, 2008, 2007, and 2006 were \$1,065,240, \$1,014,180, and \$846,816, respectively; 51% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

## **STATE TEACHERS RETIREMENT SYSTEM OF OHIO**

### Plan Description

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution, or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. Additional information or copies of STRS Ohio's *Comprehensive Annual Financial Report* can be requested by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio web site at [www.strsoh.org](http://www.strsoh.org).

### Plan Options

New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. The Combined Plan offers features of both the DC Plan and DB Plan. In the Combined Plan, member contributions are allocated to investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally biweekly basis. 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.

### DB Plan Benefits

Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit," the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31<sup>st</sup> year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

### DC Plan Benefits

Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. 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.

### Combined Plan Benefits

Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

Eligible faculty of Ohio's public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalizations, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

### Funding Policy

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2008, were 10% of covered payroll for members and 14% for employers. The District's contributions to STRS for the years ended June 30, 2008, 2007, and 2006 were \$2,688,648, \$2,526,516, and \$2,497,596, respectively; 82% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

## **10. POST EMPLOYMENT BENEFITS**

### **SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO**

#### Plan Description

In addition to a cost-sharing multiple-employer defined benefit pension plan, the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

#### Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2007 (the latest information available) was \$93.50; SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2007 (the latest information available), the actuarially required allocation was .68%. District contributions for the year ended June 30, 2008 were \$51,740, which equaled the required contributions for the year.

#### Health Care Plan

ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMO's, PPO's, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2007 (the latest information available), the health care allocation was 3.32%. The actuarially required contribution (ARC), as of the December 31, 2006 annual valuation, was 11.50% of covered payroll. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities of the plan over a period not to exceed thirty years. The District contributions for the years ended June 30, 2008, 2007, and 2006 were \$252,614, \$247,750, and \$207,470, respectively.

An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2007 (the latest information available), the minimum compensation level was established at \$35,800.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Forms and Publications*.

## **STATE TEACHERS RETIREMENT SYSTEM OF OHIO**

### Plan Description

STRS Ohio administers a pension plan that is comprised of: a defined benefit plan; a self-directed defined contribution plan and a combined plan which is a hybrid of the defined benefit and defined contribution plan.

Ohio law authorized STRS Ohio to offer a cost-sharing, multi-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the defined benefit or combined plans. Coverage under the current programs includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care cost in the form of monthly premiums.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting [www.strsoh.org](http://www.strsoh.org) or by requesting a copy by calling toll-free 1-888-227-7877.

#### Funding Policy

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contributions rate, 1% of covered payroll was allocated to post-employment health care for the year ended June 30, 2008, 2007 and 2006. The 14% employer contribution rate is the maximum rate established under Ohio law. The District contributions for the years ended June 30, 2008, 2007, and 2006 were \$192,046, \$180,465, and \$178,400, respectively.

## **12. CONTINGENT LIABILITIES**

### **GRANTS**

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.

However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District as of June 30, 2008.

### **LITIGATION**

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

### **13. JOINTLY GOVERNED ORGANIZATIONS**

*The Southwest Ohio Computer Association* - The Southwest Ohio Computer Association (SWOCA) is a jointly governed organization among a three county consortium of Ohio school districts. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to the administrative and instructional functions of the member districts. Each of the governments of these schools supports SWOCA based upon a per pupil charge dependent upon the software package utilized. SWOCA is governed by a Board of Directors consisting of the superintendents and treasurers of member school districts. The degree of control exercised by any participating school district is limited to its representation on the Board. The Board consists of one representative from each of the participating 32 school districts. The financial statements for SWOCA are available at the Butler County Career Center, 3603 Hamilton-Middletown Road, Hamilton, Ohio 45012.

*Hamilton Clermont Cooperative Association/Unified Purchasing Association* - The Hamilton Clermont Cooperative Association/Unified Purchasing Association (HCCA) is a jointly governed organization among a two county consortium of school districts. The Unified Purchasing Cooperative was organized under the Hamilton Clermont Cooperative Association to benefit member districts with a more economically sound purchasing mechanism for general school, office and cafeteria supplies. The United Purchasing Cooperative organization is governed by representatives from each of the governments that created the organization, but there is no ongoing financial interest or responsibility by the participating governments. Complete financial statements for HCCA can be obtained from their administrative office at 7615 Harrison Avenue, Cincinnati, Ohio 45231.

*The Great Oaks Institute of Technology and Career Development* - The Great Oaks Institute of Technology and Career Development, a jointly governed organization, 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 participating school district's elected board. The Board possesses its own budgeting and taxing authority as a separate body politic and corporate, established by the Ohio Revised Code. Great Oaks was formed for the purpose of providing vocational education opportunities to the students of the member school districts, which includes the students of the School District. The District has no ongoing financial interest in nor responsibility for Great Oaks. To obtain financial information, write to Great Oaks at 3254 East Kemper Road, Cincinnati, Ohio 45241.

### **14. RISK MANAGEMENT**

The District constantly faces the risk of loss of assets by fire, storm, theft, accident or other catastrophes. Generally, the District shifts the burden of such losses by entering into a casualty insurance contract whereby an insurance company, in consideration of a premium payment, assumes the risk of all or a portion of these losses. The Indiana Insurance Company provides insurance coverage on the buildings and contents, boiler and machinery, burglary/robbery/theft (inside and outside), and mobile instruction units. Utica also insures our fleet of vehicles and radio and communication equipment.

All employees, volunteers and booster groups are covered under the District's liability policy with Indiana Insurance Company. The limits of liability are \$4,000,000 for each occurrence and with a \$5,000,000 aggregate.

The Travelers Insurance Company insures the performance bonds. The Superintendent, Board President and Assistant Treasurer are each insured in the amount of \$50,000. In addition, the Treasurer and Business Manager are each insured in the amount of \$100,000. The District uses the State Workers' Compensation plan.

The District maintains a comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Real property and contents are 90% co-insured. The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District contracted with Indiana Insurance for property insurance, fleet insurance, and for liability insurance coverage. Coverage provided by Indiana Insurance are as follows:

Building and Contents – replacement cost (\$1,000 deductible)	\$74,209,062
Automobile Liability	4,000,000
Uninsured Motorist	1,000,000
General Liability:	
Per Occurrence	4,000,000
Total Per Year	5,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from last year.

## 15. INSURANCE PURCHASING POOL

*Greater Cincinnati Insurance Consortium* - The Greater Cincinnati Insurance Consortium, an insurance purchasing pool, is a health trust formed to provide affordable and desirable dental, life, medical and other disability group insurance for members' employees, eligible dependents and designated beneficiaries of such employees. The board of Directors consists of one representative from each of the participating members and are elected by the vote of the majority of the member school districts. The District pays premiums to a third party administrator, Edward Paul Cerry, which in turn buys the insurance policies from various insurance companies. Upon termination, the District shall be responsible for prompt payment of all plan liabilities accruing as a result of such termination and maintain no right to any assets of the Consortium. The District may terminate participation in the Consortium for the benefit of its employees upon written notice to the Consortium delivered at least sixty days prior to the annual review date of the policy. Financial information can be obtained from the Greater Cincinnati Insurance Consortium at 20600 Chagrin Boulevard, Shaker Heights, Ohio 44122.



*Ohio School Boards Association Workers' Compensation Group Rating Plan* - The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), and insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

**16. ACCOUNTABILITY**

The following individual funds had a deficit in fund balance at year end:

<u>Fund</u>	<u>Deficit</u>
Special Revenue Funds:	
Career Education	\$568
Title VI - B Preschool	136,797
Title I	34,874
EHA Preschool	5,194
Improving Teacher Quality	26,885
Capital Projects Fund:	
Permanent Improvement	3,700,138

The deficit in fund balance was primarily due to accruals in GAAP. The general fund is liable for any deficit in these funds and will provide operating transfers when cash is required not when accruals occur.

**17. FUND BALANCE RESERVES FOR SET-ASIDES**

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 and construction of capital improvements. Amounts not spent by 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 purposes in future years.

For fiscal year ended June 30, 2008, the District was no longer required to set aside funds in the budget reserve set-aside, with the exception of refund monies received from the Bureau of Workers' Compensation, which must be spent for specified purposes.

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

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set Aside Reserve Balance as of June 30, 2007	(\$546,937)	\$0	\$336,785
Current Year Set Aside Requirements	703,520	703,520	0
Current Year Offsets	(962,533)	(902,435)	0
Qualified Disbursements	0	0	0
Set Aside Reserve Balance as of June 30, 2008	<u>(\$805,950)</u>	<u>\$0</u>	<u>\$336,785</u>
Restricted Cash as of June 30, 2008	<u>\$0</u>	<u>\$0</u>	<u>\$336,785</u>
Carried Forward as of June 30, 2008	<u>(\$805,950)</u>		

Qualifying disbursements and current year offsets for capital activity during the year exceeded the amount required for the set-aside. Qualifying disbursements and carryover from prior years for textbooks resulted in \$805,950 for carryover to offset textbook requirements in future years.

#### 18. INTERFUND BALANCES/TRANSFERS

Interfund transactions at June 30, 2008, consisted of the following interfund receivables, interfund payables, transfers in and transfers out:

	Interfund		Transfers	
	<u>Receivable</u>	<u>Payable</u>	<u>In</u>	<u>Out</u>
General Fund	\$27,464	\$0	\$0	\$1,265
Other Governmental Funds	<u>0</u>	<u>27,464</u>	<u>1,265</u>	<u>0</u>
Total All Funds	<u>\$27,464</u>	<u>\$27,464</u>	<u>\$1,265</u>	<u>\$1,265</u>

Interfund balances/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

#### 19. PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the District defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the District's financial statements. On June 30, 2008, \$21,528,428 of bonds outstanding are considered defeased.

## **20. CHANGE IN ACCOUNTING PRINCIPLE**

For the year ended June 30, 2008, the District has implemented GASB Statement No. 45, “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.”

Statement No. 45 addresses how state and local governments should account for and report their costs and obligations related to postemployment healthcare and other non-pension benefits. This also establishes disclosure requirements for information about the plans in which an employer participates, the funding policy followed, the actuarial valuation process and assumptions, and for certain employers, the extent to which the plan has been funded over time. Collectively, these benefits are commonly referred to as “other postemployment benefits (OPEB).”

There was no effect on fund balance/net assets as a result of the implementation of these new standards.

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# **REQUIRED SUPPLEMENTARY INFORMATION**

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Loveland City School District  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2008

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$20,298,099	\$20,395,581	\$20,442,898	\$47,317
Tuition and Fees	320,898	322,439	323,187	748
Investment Earnings	700,764	704,129	705,763	1,634
Intergovernmental	14,399,344	14,468,498	14,502,064	33,566
Other Revenues	125,078	125,678	125,970	292
Total Revenues	35,844,183	36,016,325	36,099,882	83,557
Expenditures:				
Current:				
Instruction:				
Regular	18,501,296	18,543,631	18,546,492	(2,861)
Special	4,381,330	4,391,356	4,392,033	(677)
Vocational	141,727	142,051	142,073	(22)
Other	692,887	694,473	694,580	(107)
Support Services:				
Pupil	1,901,319	1,905,670	1,905,964	(294)
Instructional Staff	943,918	946,078	946,224	(146)
General Administration	92,403	92,615	92,629	(14)
School Administration	2,876,513	2,883,095	2,883,540	(445)
Fiscal	1,055,671	1,058,087	1,058,250	(163)
Business	220,362	220,866	220,900	(34)
Operations and Maintenance	3,017,993	3,024,899	3,025,366	(467)
Pupil Transportation	2,903,652	2,910,296	2,910,745	(449)
Central	617,696	619,109	619,205	(96)
Operation of Non-Instructional Services	142,604	142,930	142,952	(22)
Extracurricular Activities	716,046	717,684	717,795	(111)
Capital Outlay	16,700	16,738	16,741	(3)
Total Expenditures	38,222,117	38,309,578	38,315,489	(5,911)
Excess of Revenues Over (Under) Expenditures	(2,377,934)	(2,293,253)	(2,215,607)	77,646
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	4,013	4,033	4,042	9
Advances In	83,168	83,567	83,761	194
Transfers (Out)	(1,262)	(1,265)	(1,265)	0
Total Other Financing Sources (Uses)	85,919	86,335	86,538	203
Net Change in Fund Balance	(2,292,015)	(2,206,918)	(2,129,069)	77,849
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	7,931,462	7,931,462	7,931,462	0
Fund Balance End of Year	\$5,639,447	\$5,724,544	\$5,802,393	\$77,849

See accompanying notes to the required supplementary information.

**LOVELAND CITY SCHOOL DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For The Year Ended June 30, 2008**

**1. BUDGETARY PROCESS**

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2008.

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance

	<u>General Fund</u>
GAAP Basis	(\$2,578,172)
Revenue Accruals	1,780
Expenditures Accruals	392,754
Advances In	83,761
Encumbrances	<u>(29,192)</u>
Budget Basis	<u><u>(\$2,129,069)</u></u>



**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

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## **FUND DESCRIPTIONS**

### **NONMAJOR FUNDS**

**SPECIAL REVENUE FUNDS:** Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

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

**LEARNING LINKS:** To account for monies, which are provided for the Learning Links Program.

**ATHLETIC:** To account for those student activity programs which have student participation in the activity but do not have student management in the programs. This fund includes athletic programs as well as the band, cheerleaders, flag corps and other similar types of activities.

**AUXILIARY SERVICES:** 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.

**CAREER EDUCATION:** To account for state funds, which are provided to introduce various career opportunities to students.

**MANAGEMENT INFORMATION:** To account for state funds which are provided to assist the District in implementing a staff, student and financial system as mandated by the Omnibus Education Reform Act.

**ENTRY YEAR PROGRAM:** To account for state funds, which are provided for implementing entry year programs.

**NETWORK CONNECTIVITY:** To account for data communications support.

**SCHOOL NET PROFESSIONAL DEVELOPMENT:** To account for limited number of professional development subsidy grants.

**POVERTY AIDE ASSISTANCE:** To account for the Poverty Aide Assistance Program.

**MISC. STATE GRANTS:** To account for state funds which are designated for specific purposes but which are not classified elsewhere.

TITLE VI-B PRESCHOOL: 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 at preschool.

CARL PERKINS: Provision of funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, postsecondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work study projects, including sex equity grants. Funds are administered by the Ohio Department of Education, Division of Vocational and Career Education.

TITLE I: To account for federal funds used to meet special educational needs of educationally deprived children.

TITLE VI: To account for federal funds used to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; and programs to enhance personal excellence of students and student achievement.

DRUG FREE SCHOOLS: To account for federal funds used for establishment, operation and improvement of programs of drug abuse prevention, early intervention, rehabilitation referral and education in schools.

EHA PRESCHOOL: To account for revenues and expenditures made in conjunction with child abuse, child neglect prevention programs and other grants.

IMPROVING TEACHER QUALITY: To account for federal funds used in improving the teachers of the District.

CONTINUOUS IMPROVEMENT GRANT: To account for funds provided for the Continuous Improvement Program.

FOOD SERVICES: Fund used to record financial transactions related to food service operation.

**CAPITAL PROJECTS FUND**: The Capital Projects Funds is used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

SCHOOL NET: To account for state funds received to implement technology into K-4 classrooms.

Loveland City School District  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$1,146,327	\$18,358	\$1,164,685
Inventory	10,083	0	10,083
Total Assets	<u>1,156,410</u>	<u>18,358</u>	<u>1,174,768</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	4,082	0	4,082
Accrued Wages and Benefits	399,487	0	399,487
Interfund Payable	27,464	0	27,464
Total Liabilities	<u>431,033</u>	<u>0</u>	<u>431,033</u>
Fund Balances:			
Reserved for Encumbrances	15,343	0	15,343
Reserved for Inventory	10,083	0	10,083
Special Revenue Funds	699,951	0	699,951
Capital Projects Funds	0	18,358	18,358
Total Fund Balances	<u>725,377</u>	<u>18,358</u>	<u>743,735</u>
Total Liabilities and Fund Balances	<u>\$1,156,410</u>	<u>\$18,358</u>	<u>\$1,174,768</u>

Loveland City School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2008

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:			
Tuition and Fees	\$15,765	\$0	\$15,765
Investment Earnings	17,075	0	17,075
Intergovernmental	1,997,239	26,158	2,023,397
Extracurricular Activities	406,645	0	406,645
Charges for Services	1,206,599	0	1,206,599
Other Revenues	65,556	0	65,556
<b>Total Revenues</b>	<b>3,708,879</b>	<b>26,158</b>	<b>3,735,037</b>
Expenditures:			
Current:			
Instruction:			
Regular	27,482	7,800	35,282
Special	480,198	0	480,198
Support Services:			
Other	110,901	0	110,901
Pupil	315,394	0	315,394
Instructional Staff	298,092	0	298,092
Pupil Transportation	10,000	0	10,000
Central	28,796	0	28,796
Operation of Non-Instructional Services	1,989,289	0	1,989,289
Extracurricular Activities	391,312	0	391,312
<b>Total Expenditures</b>	<b>3,651,464</b>	<b>7,800</b>	<b>3,659,264</b>
Excess of Revenues Over (Under) Expenditures	57,415	18,358	75,773
Other Financing Sources (Uses):			
Transfers In	1,265	0	1,265
<b>Total Other Financing Sources (Uses)</b>	<b>1,265</b>	<b>0</b>	<b>1,265</b>
Net Change in Fund Balance	58,680	18,358	77,038
Fund Balance Beginning of Year	666,697	0	666,697
<b>Fund Balance End of Year</b>	<b>\$725,377</b>	<b>\$18,358</b>	<b>\$743,735</b>

Loveland City School District  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2008

	Public School	Learning Links	Athletic	Auxiliary Services	Career Education
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$174,517	\$25,004	\$305,541	\$88,827	\$0
Inventory	0	0	0	0	0
<b>Total Assets</b>	<b>174,517</b>	<b>25,004</b>	<b>305,541</b>	<b>88,827</b>	<b>0</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	0	0	0	3,720	0
Accrued Wages and Benefits	0	0	0	41,473	0
Interfund Payable	0	0	14,707	0	568
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>14,707</b>	<b>45,193</b>	<b>568</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	0	0	13,580	1,763	0
Reserved for Inventory	0	0	0	0	0
Special Revenue Funds	174,517	25,004	277,254	41,871	(568)
<b>Total Fund Balances</b>	<b>174,517</b>	<b>25,004</b>	<b>290,834</b>	<b>43,634</b>	<b>(568)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$174,517</b>	<b>\$25,004</b>	<b>\$305,541</b>	<b>\$88,827</b>	<b>\$0</b>

Management Information	Entry Year Program	Network Connectivity	School Net Professional Development	Poverty Aide Assistance	Misc. State Grants	Title VI-B Preschool
\$0	\$0	\$0	\$1,018	\$0	\$0	\$24,508
0	0	0	0	0	0	0
0	0	0	1,018	0	0	24,508
0	0	0	0	0	0	362
0	0	0	0	0	0	160,943
0	0	0	0	0	0	0
0	0	0	0	0	0	161,305
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	1,018	0	0	(136,797)
0	0	0	1,018	0	0	(136,797)
\$0	\$0	\$0	\$1,018	\$0	\$0	\$24,508

Continued

Loveland City School District  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2008

	Carl Perkins	Title I	Title VI	Drug Free Schools	EHA Preschool
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$0	\$0	\$0	\$0	\$0
Inventory	0	0	0	0	0
<b>Total Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	0	0	0	0	0
Accrued Wages and Benefits	0	34,874	0	0	5,194
Interfund Payable	0	0	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>34,874</b>	<b>0</b>	<b>0</b>	<b>5,194</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Inventory	0	0	0	0	0
Special Revenue Funds	0	(34,874)	0	0	(5,194)
<b>Total Fund Balances</b>	<b>0</b>	<b>(34,874)</b>	<b>0</b>	<b>0</b>	<b>(5,194)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



Improving Teacher Quality	Continuous Improvement Grant	Food Services	Total Nonmajor Special Revenue Funds
\$0	\$0	\$526,912	\$1,146,327
0	0	10,083	10,083
0	0	536,995	1,156,410
0	0	0	4,082
26,885	0	130,118	399,487
0	0	12,189	27,464
26,885	0	142,307	431,033
0	0	0	15,343
0	0	10,083	10,083
(26,885)	0	384,605	699,951
(26,885)	0	394,688	725,377
\$0	\$0	\$536,995	\$1,156,410

Loveland City School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008

	Public School	Learning Links	Athletic	Auxiliary Services	Career Education
Revenues:					
Tuition and Fees	\$15,765	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	3,160	0
Intergovernmental	0	0	0	510,015	0
Extracurricular Activities	208,025	0	198,620	0	0
Charges for Services	0	0	0	0	0
Other Revenues	41,179	24,164	0	0	0
<b>Total Revenues</b>	<b>264,969</b>	<b>24,164</b>	<b>198,620</b>	<b>513,175</b>	<b>0</b>
Expenditures:					
Current:					
Instruction:					
Regular	0	5,652	0	0	0
Special	0	0	0	0	0
Other	0	0	0	0	0
Support Services:					
Pupil	0	1,565	0	0	0
Instructional Staff	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	0	0	0	476,665	0
Extracurricular Activities	241,678	0	149,634	0	0
<b>Total Expenditures</b>	<b>241,678</b>	<b>7,217</b>	<b>149,634</b>	<b>476,665</b>	<b>0</b>
Excess of Revenues Over (Under) Expenditures	23,291	16,947	48,986	36,510	0
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balance	23,291	16,947	48,986	36,510	0
Fund Balance Beginning of Year	151,226	8,057	241,848	7,124	(568)
<b>Fund Balance End of Year</b>	<b>\$174,517</b>	<b>\$25,004</b>	<b>\$290,834</b>	<b>\$43,634</b>	<b>(\$568)</b>

Management Information	Entry Year Program	Network Connectivity	School Net Professional Development	Poverty Aide Assistance	Misc. State Grants	Title VI-B Preschool
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
16,426	6,400	18,000	2,970	0	17,097	935,164
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
16,426	6,400	18,000	2,970	0	17,097	935,164
0	6,400	0	0	0	5,197	0
0	0	0	0	6,360	0	321,125
0	0	0	0	0	0	0
0	0	0	0	0	0	285,199
0	0	0	1,952	0	12,080	268,730
0	0	0	0	0	0	10,000
10,224	0	18,000	0	0	0	0
0	0	0	0	0	0	48,060
0	0	0	0	0	0	0
10,224	6,400	18,000	1,952	6,360	17,277	933,114
6,202	0	0	1,018	(6,360)	(180)	2,050
0	0	0	0	0	0	0
0	0	0	0	0	0	0
6,202	0	0	1,018	(6,360)	(180)	2,050
(6,202)	0	0	0	6,360	180	(138,847)
\$0	\$0	\$0	\$1,018	\$0	\$0	(\$136,797)

Continued

Loveland City School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008

	Carl Perkins	Title I	Title VI	Drug Free Schools	EHA Preschool
Revenues:					
Tuition and Fees	\$0	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	0	0
Intergovernmental	9,014	148,886	11,710	9,976	18,136
Extracurricular Activities	0	0	0	0	0
Charges for Services	0	0	0	0	0
Other Revenues	0	0	0	0	0
<b>Total Revenues</b>	<b>9,014</b>	<b>148,886</b>	<b>11,710</b>	<b>9,976</b>	<b>18,136</b>
Expenditures:					
Current:					
Instruction:					
Regular	9,014	0	0	504	0
Special	0	149,485	2,736	0	492
Other	0	0	0	0	0
Support Services:					
Pupil	0	2,500	0	7,835	18,295
Instructional Staff	0	0	7,357	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	0	7,665	1,617	201	0
Extracurricular Activities	0	0	0	0	0
<b>Total Expenditures</b>	<b>9,014</b>	<b>159,650</b>	<b>11,710</b>	<b>8,540</b>	<b>18,787</b>
Excess of Revenues Over (Under) Expenditures	0	(10,764)	0	1,436	(651)
Other Financing Sources (Uses):					
Transfers In	0	1,265	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>1,265</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balance	0	(9,499)	0	1,436	(651)
Fund Balance Beginning of Year	0	(25,375)	0	(1,436)	(4,543)
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>(\$34,874)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$5,194)</b>

Improving Teacher Quality	Continuous Improvement Grant	Food Services	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$15,765
0	0	13,915	17,075
110,918	1,496	181,031	1,997,239
0	0	0	406,645
0	0	1,206,599	1,206,599
0	0	213	65,556
<u>110,918</u>	<u>1,496</u>	<u>1,401,758</u>	<u>3,708,879</u>
0	715	0	27,482
0	0	0	480,198
110,901	0	0	110,901
0	0	0	315,394
7,973	0	0	298,092
0	0	0	10,000
0	572	0	28,796
307	209	1,454,565	1,989,289
0	0	0	391,312
<u>119,181</u>	<u>1,496</u>	<u>1,454,565</u>	<u>3,651,464</u>
<u>(8,263)</u>	<u>0</u>	<u>(52,807)</u>	<u>57,415</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,265</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,265</u>
<u>(8,263)</u>	<u>0</u>	<u>(52,807)</u>	<u>58,680</u>
<u>(18,622)</u>	<u>0</u>	<u>447,495</u>	<u>666,697</u>
<u>(\$26,885)</u>	<u>\$0</u>	<u>\$394,688</u>	<u>\$725,377</u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Public School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$14,500	\$15,765	\$1,265
Extracurricular Activities	200,700	208,024	7,324
Other Revenues	43,719	41,454	(2,265)
Total Revenues	<u>258,919</u>	<u>265,243</u>	<u>6,324</u>
Expenditures:			
Current:			
Support Services:			
Extracurricular Activities	<u>241,677</u>	<u>241,677</u>	<u>0</u>
Total Expenditures	<u>241,677</u>	<u>241,677</u>	<u>0</u>
Net Change in Fund Balance	17,242	23,566	6,324
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>150,951</u>	<u>150,951</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$168,193</u></u>	<u><u>\$174,517</u></u>	<u><u>\$6,324</u></u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Learning Links Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$24,164	\$24,164	\$0
Total Revenues	24,164	24,164	0
Expenditures:			
Current:			
Instruction:			
Regular	5,651	5,651	0
Support Services:			
Pupil	1,565	1,565	0
Total Expenditures	7,216	7,216	0
Net Change in Fund Balance	16,948	16,948	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,057	8,057	0
Fund Balance End of Year	\$25,005	\$25,005	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Athletic Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$198,620	\$198,620	\$0
Total Revenues	198,620	198,620	0
Expenditures:			
Current:			
Extracurricular Activities	151,034	164,614	(13,580)
Total Expenditures	151,034	164,614	(13,580)
Net Change in Fund Balance	47,586	34,006	(13,580)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	257,955	257,955	0
Fund Balance End of Year	\$305,541	\$291,961	(\$13,580)



Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3,160	\$3,160	\$0
Intergovernmental	510,015	510,015	0
Total Revenues	513,175	513,175	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	586,290	510,802	75,488
Total Expenditures	586,290	510,802	75,488
Net Change in Fund Balance	(73,115)	2,373	75,488
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	80,971	80,971	0
Fund Balance End of Year	\$7,856	\$83,344	\$75,488

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Career Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Management Information Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$16,426	\$16,426	\$0
Total Revenues	16,426	16,426	0
Expenditures:			
Current:			
Support Services:			
Central	16,426	16,426	0
Total Expenditures	16,426	16,426	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Entry Year Program Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$6,400	\$6,400	\$0
Total Revenues	6,400	6,400	0
Expenditures:			
Current:			
Instruction:			
Regular	6,400	6,400	0
Total Expenditures	6,400	6,400	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Network Connectivity Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$18,000	\$18,000	\$0
Total Revenues	18,000	18,000	0
Expenditures:			
Current:			
Support Services:			
Central	18,000	18,000	0
Total Expenditures	18,000	18,000	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	School Net Professional Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,970	\$2,970	\$0
Total Revenues	2,970	2,970	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	1,952	1,952	0
Total Expenditures	1,952	1,952	0
Net Change in Fund Balance	1,018	1,018	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	<u>\$1,018</u>	<u>\$1,018</u>	<u>\$0</u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Poverty Aide Assistance Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Special	6,360	6,360	0
Total Expenditures	6,360	6,360	0
Net Change in Fund Balance	(6,360)	(6,360)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,360	6,360	0
Fund Balance End of Year	\$0	\$0	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Misc. State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$32,847	\$32,847	\$0
Total Revenues	32,847	32,847	0
Expenditures:			
Current:			
Instruction:			
Regular	5,337	5,337	0
Operation of Non-Instructional Services	12,080	12,080	0
Total Expenditures	17,417	17,417	0
Excess of Revenues Over (Under) Expenditures	15,430	15,430	0
Other Financing Sources (Uses):			
Advances (Out)	(15,750)	(15,750)	0
Total Other Financing Sources (Uses)	(15,750)	(15,750)	0
Net Change in Fund Balance	(320)	(320)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	320	320	0
Fund Balance End of Year	\$0	\$0	\$0



Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Title VI-B Preschool Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,018,902	\$1,018,902	\$0
Total Revenues	<u>1,018,902</u>	<u>1,018,902</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	317,046	317,046	0
Support Services:			
Pupil	276,884	276,884	0
Instructional Staff	278,226	278,226	0
Pupil Transportation	10,000	10,000	0
Operation of Non-Instructional Services	48,060	48,060	0
Total Expenditures	<u>930,216</u>	<u>930,216</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>88,686</u>	<u>88,686</u>	<u>0</u>
Other Financing Sources (Uses):			
Advances (Out)	(64,178)	(64,178)	0
Total Other Financing Sources (Uses)	<u>(64,178)</u>	<u>(64,178)</u>	<u>0</u>
Net Change in Fund Balance	24,508	24,508	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$24,508</u>	<u>\$24,508</u>	<u>\$0</u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Carl Perkins Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$9,014	\$9,014	\$0
Total Revenues	9,014	9,014	0
Expenditures:			
Current:			
Instruction:			
Regular	9,014	9,014	0
Total Expenditures	9,014	9,014	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$150,049	\$150,049	\$0
Total Revenues	150,049	150,049	0
Expenditures:			
Current:			
Instruction:			
Special	139,532	139,532	0
Support Services:			
Pupil	2,500	2,500	0
Operation of Non-Instructional Services	7,819	7,819	0
Total Expenditures	149,851	149,851	0
Excess of Revenues Over (Under) Expenditures	198	198	0
Other Financing Sources (Uses):			
Advances In	1,265	1,265	0
Advances (Out)	(1,463)	(1,463)	0
Total Other Financing Sources (Uses)	(198)	(198)	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Title VI Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$13,229	\$13,229	\$0
Total Revenues	<u>13,229</u>	<u>13,229</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	2,736	2,736	0
Support Services:			
Instructional Staff	7,357	7,357	0
Operation of Non-Instructional Services	1,617	1,617	0
Total Expenditures	<u>11,710</u>	<u>11,710</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>1,519</u>	<u>1,519</u>	<u>0</u>
Other Financing Sources (Uses):			
Advances (Out)	(1,519)	(1,519)	0
Total Other Financing Sources (Uses)	<u>(1,519)</u>	<u>(1,519)</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Drug Free Schools Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$10,828	\$10,828	\$0
Total Revenues	10,828	10,828	0
Expenditures:			
Current:			
Instruction:			
Regular	1,940	1,940	0
Support Services:			
Pupil	7,835	7,835	0
Operation of Non-Instructional Services	201	201	0
Total Expenditures	9,976	9,976	0
Excess of Revenues Over (Under) Expenditures	852	852	0
Other Financing Sources (Uses):			
Advances (Out)	(852)	(852)	0
Total Other Financing Sources (Uses)	(852)	(852)	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	EHA Preschool Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$18,136	\$18,136	\$0
Total Revenues	18,136	18,136	0
Expenditures:			
Current:			
Instruction:			
Special	492	492	0
Support Services:			
Pupil	17,644	17,644	0
Total Expenditures	18,136	18,136	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Improving Teacher Quality Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$110,918	\$110,918	\$0
Total Revenues	110,918	110,918	0
Expenditures:			
Current:			
Instruction:			
Other	102,638	102,638	0
Support Services:			
Instructional Staff	7,973	7,973	0
Operation of Non-Instructional Services	307	307	0
Total Expenditures	110,918	110,918	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Continuous Improvement Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,496	\$1,496	\$0
Total Revenues	1,496	1,496	0
Expenditures:			
Current:			
Instruction:			
Regular	715	715	0
Support Services:			
Central	572	572	0
Operation of Non-Instructional Services	209	209	0
Total Expenditures	1,496	1,496	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0



Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Food Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$13,915	\$13,915	\$0
Intergovernmental	206,230	206,230	0
Charges for Services	1,206,823	1,206,823	0
Other Revenues	213	213	0
<b>Total Revenues</b>	<b>1,427,181</b>	<b>1,427,181</b>	<b>0</b>
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,429,754	1,429,754	0
<b>Total Expenditures</b>	<b>1,429,754</b>	<b>1,429,754</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(2,573)</b>	<b>(2,573)</b>	<b>0</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	529,486	529,486	0
<b>Fund Balance End of Year</b>	<b>\$526,913</b>	<b>\$526,913</b>	<b>\$0</b>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$4,485,287	\$4,485,287	\$0
Intergovernmental	591,299	591,299	0
Total Revenues	<u>5,076,586</u>	<u>5,076,586</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
School Administration	5,960	5,960	0
Fiscal	58,204	58,204	0
Debt Service:			
Principal Retirement	3,945,000	3,945,000	0
Interest and Fiscal Charges	976,228	976,228	0
Total Expenditures	<u>4,985,392</u>	<u>4,985,392</u>	<u>0</u>
Net Change in Fund Balance	91,194	91,194	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>4,560,822</u>	<u>4,560,822</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$4,652,016</u></u>	<u><u>\$4,652,016</u></u>	<u><u>\$0</u></u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,960,811	\$2,960,811	\$0
Investment Earnings	204,091	204,091	0
Intergovernmental	464,355	464,355	0
Total Revenues	<u>3,629,257</u>	<u>3,629,257</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	801,899	774,394	27,505
Special	17,150	16,562	588
Support Services:			
Instructional Staff	124,283	120,020	4,263
School Administration	40,710	39,314	1,396
Fiscal	55,580	53,674	1,906
Business	4,755	4,592	163
Operations and Maintenance	687,235	663,663	23,572
Pupil Transportation	232,503	224,528	7,975
Central	246,294	237,846	8,448
Capital Outlay	597,991	577,480	20,511
Debt Service:			
Principal Retirement	1,553,278	1,500,000	53,278
Interest and Fiscal Charges	469,867	453,750	16,117
Total Expenditures	<u>4,831,545</u>	<u>4,665,823</u>	<u>165,722</u>
Net Change in Fund Balance	(1,202,288)	(1,036,566)	165,722
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>7,102,668</u>	<u>7,102,668</u>	<u>0</u>
Fund Balance End of Year	<u>\$5,900,380</u>	<u>\$6,066,102</u>	<u>\$165,722</u>

Loveland City School District  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2008

	SchoolNet Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$26,158	\$26,158	\$0
Total Revenues	26,158	26,158	0
Expenditures:			
Current:			
Instruction:			
Regular	7,800	7,800	0
Total Expenditures	7,800	7,800	0
Net Change in Fund Balance	18,358	18,358	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$18,358	\$18,358	\$0

## **FUND DESCRIPTIONS**

### **NONMAJOR FUNDS**

**FIDUCIARY FUNDS:** Fiduciary fund types are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental unites and/or other funds.

**AGENCY FUND – STUDENT ACTIVITY:** To account for assets and liabilities generated by student managed activities. The fund accounts for sales and other revenue generating activities by student activity programs, which have students involved in the management of the program.

**AGENCY FUND – SECTION 125 PLAN:** To account for monies voluntarily withheld from employees on a pre-tax basis to reimburse employees for medical and dental expenses covered by group insurance.

Loveland City School District  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2008

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$108,183	\$118,719	\$108,856	\$118,046
Total Assets	<u>108,183</u>	<u>118,719</u>	<u>108,856</u>	<u>118,046</u>
Liabilities:				
Other Liabilities	108,183	118,719	108,856	118,046
Total Liabilities	<u>\$108,183</u>	<u>\$118,719</u>	<u>\$108,856</u>	<u>\$118,046</u>

	Section 125 Plan			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$28,359	\$92,827	\$89,310	\$31,876
Total Assets	<u>28,359</u>	<u>92,827</u>	<u>89,310</u>	<u>31,876</u>
Liabilities:				
Other Liabilities	28,359	92,827	89,310	31,876
Total Liabilities	<u>\$28,359</u>	<u>\$92,827</u>	<u>\$89,310</u>	<u>\$31,876</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$136,542	\$211,546	\$198,166	\$149,922
Total Assets	<u>136,542</u>	<u>211,546</u>	<u>198,166</u>	<u>149,922</u>
Liabilities:				
Other Liabilities	136,542	211,546	198,166	149,922
Total Liabilities	<u>\$136,542</u>	<u>\$211,546</u>	<u>\$198,166</u>	<u>\$149,922</u>

# Comprehensive Annual Financial Report

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STATISTICAL



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**Loveland City School District  
Loveland, Ohio  
For the fiscal year ending  
June 30, 2008**

## ***STATISTICAL SECTION***

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

### **Contents**

**Financial Trends:** These schedules contain trend information to help the reader understand how the District's financial position has changed over time.

**Revenue Capacity:** These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax (and the income tax).

**Debt Capacity:** These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.

**Economic and Demographic Information:** These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

**Operating Information:** These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.



Loveland City School District, Ohio  
 Net Assets by Component  
 Last Six Fiscal Years (1)  
 (accrual basis of accounting)  
 Schedule 1

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Governmental Activities						
Invested in Capital Assets, Net of Related Debt	\$10,834,725	\$9,144,576	\$408,992	\$6,801,351	\$11,296,649	\$15,382,993
Restricted	4,763,056	5,104,223	6,370,017	6,679,212	11,644,200	6,307,212
Unrestricted	6,502,362	8,238,086	21,682,978	17,993,140	8,647,361	10,741,782
Total Net Assets	<u>\$22,100,143</u>	<u>\$22,486,885</u>	<u>\$28,461,987</u>	<u>\$31,473,703</u>	<u>\$31,588,210</u>	<u>\$32,431,987</u>

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

Loveland City School District, Ohio  
 Expenses, Program Revenues and Net (Expense)/Revenue  
 Last Six Fiscal Years (1)  
 (accrual basis of accounting)  
 Schedule 2

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental Activities:						
Instruction	\$18,645,800	\$19,815,982	\$21,240,499	\$23,699,226	\$24,580,266	\$27,510,030
Pupil	1,502,941	1,245,841	1,786,572	2,042,010	2,227,812	2,249,688
Instructional Staff	1,074,812	1,322,927	1,198,281	1,546,440	1,462,040	1,343,013
General Administration	167,305	113,613	131,085	94,713	120,123	92,629
School Administration	1,920,831	2,548,614	2,683,054	2,677,737	2,899,314	2,950,719
Fiscal	807,397	867,669	963,721	1,104,300	1,135,263	1,135,451
Business	159,869	179,241	181,412	202,662	228,251	220,400
Operation and Maintenance	3,187,598	3,023,853	3,141,681	3,514,549	3,779,703	3,323,515
Pupil Transportation	2,396,177	2,534,200	2,763,732	3,421,326	3,182,483	3,118,514
Central	755,115	1,192,090	976,129	1,166,225	1,041,051	1,025,119
Operation of Non-Instructional Services	617,664	1,623,593	1,586,249	1,871,250	2,025,177	2,088,793
Extracurricular Activities	963,397	896,560	1,030,666	779,120	1,026,859	1,216,617
Interest and Fiscal Charges	1,893,792	1,802,179	3,045,971	2,062,147	1,743,758	1,574,551
Total Government Expenses	<u>34,092,698</u>	<u>37,166,362</u>	<u>40,729,052</u>	<u>44,181,705</u>	<u>45,452,100</u>	<u>47,849,039</u>
Program Revenues						
Governmental Activities:						
Charges for Services						
Instruction	478,964	313,725	455,851	328,718	310,962	325,267
School Administration	0	17,682	17,902	18,556	0	17,812
Operation and Maintenance	0	360	0	13,821	0	10,753
Operation of Non-Instructional Services	0	748,562	891,833	1,002,667	0	1,206,599
Extracurricular Activities	374,121	398,735	394,651	379,922	444,365	422,410
Food Service	0	0	0	0	1,154,867	0
Operating Grants and Contributions	1,708,381	1,298,339	1,898,746	2,057,239	2,000,407	2,906,291
Capital Grants and Contributions	121,422	31,894	66,605	16,723	36,081	61,900
Total Government Revenues	<u>2,682,888</u>	<u>2,809,297</u>	<u>3,725,588</u>	<u>3,817,646</u>	<u>3,946,682</u>	<u>4,951,032</u>
Net (Expense)/Revenue	<u>(\$31,409,810)</u>	<u>(\$34,357,065)</u>	<u>(\$37,003,464)</u>	<u>(\$40,364,059)</u>	<u>(\$41,505,418)</u>	<u>(\$42,898,007)</u>

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

Loveland City School District, Ohio  
 General Revenues and Total Change in Net Assets  
 Last Six Fiscal Years (1)  
 (accrual basis of accounting)  
 Schedule 3

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Net (Expense)/Revenue	(\$31,409,810)	(\$34,357,065)	(\$37,003,464)	(\$40,364,059)	(\$41,505,418)	(\$42,898,007)
General Revenues and Other Changes in Net Assets						
Governmental Activities:						
Taxes						
Property Taxes Levied for General Purposes	19,474,618	17,601,551	21,882,960	19,406,760	18,146,040	20,606,788
Property Taxes Levied for Debt Service Purposes	4,187,788	3,748,223	4,470,981	4,564,989	4,096,981	4,439,187
Property Taxes Levied for Capital Projects Purposes	0	0	1,775,235	3,530,762	2,629,695	2,987,667
Grants and Entitlements Not Restricted to Specific Programs	12,717,708	13,189,791	14,157,737	15,131,748	14,990,567	14,627,046
Unrestricted Contributions	250	800	700	900	0	6,601
Investment Earnings	380,512	174,877	387,232	626,199	1,486,121	946,817
Refunds and Reimbursements	0	42,458	0	0	0	0
Other Revenues	220,422	7,995	118,572	114,417	270,521	127,678
Total Governmental Activities	36,981,298	34,765,695	42,793,417	43,375,775	41,619,925	43,741,784
Change in Net Assets	\$5,571,488	\$408,630	\$5,789,953	\$3,011,716	\$114,507	\$843,777

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

Loveland City School District, Ohio  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
Schedule 4

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>General Fund</b>										
Reserved	\$3,428,506	\$3,572,626	\$3,536,533	\$3,601,748	\$5,220,522	\$3,975,749	\$7,012,185	\$6,929,593	\$4,998,024	\$5,031,979
Unreserved	(1,750,711)	(2,086,539)	(370,647)	2,120,410	3,740,208	2,448,428	3,975,097	3,284,429	2,762,754	150,627
<b>Total General Fund</b>	<b>1,677,795</b>	<b>1,486,087</b>	<b>3,165,886</b>	<b>5,722,158</b>	<b>8,960,730</b>	<b>6,424,177</b>	<b>10,987,282</b>	<b>10,214,022</b>	<b>7,760,778</b>	<b>5,182,606</b>
<b>All Other Governmental Funds</b>										
Reserved	39,193,976	5,858,949	3,726,072	3,871,269	1,272,070	1,001,263	1,923,277	3,585,205	2,036,105	1,798,023
Unreserved, Reported in:										
Capital Project Funds	(5,694,277)	9,256,935	(50,446)	94,597	1,810	(242,635)	(2,872,184)	(6,168,006)	(5,311,979)	(4,446,623)
Debt Service Funds	0	0	0	0	3,166,400	3,522,973	4,196,268	4,243,330	4,560,822	4,652,016
Special Revenue Funds	365,620	434,749	276,408	289,261	148,711	410,855	519,532	810,491	608,949	699,951
<b>Total all Other Governmental Funds</b>	<b>\$33,865,319</b>	<b>\$15,550,633</b>	<b>\$3,952,034</b>	<b>\$4,255,127</b>	<b>\$4,588,991</b>	<b>\$4,692,456</b>	<b>\$3,766,893</b>	<b>\$2,471,020</b>	<b>\$1,893,897</b>	<b>\$2,703,367</b>

Source: District Records

Loveland City School District, Ohio  
 Governmental Funds Revenues  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 5

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues:										
Taxes	\$16,840,088	\$16,643,303	\$18,545,475	\$20,699,621	\$23,662,407	\$20,661,541	\$27,962,577	\$27,613,408	\$24,721,112	\$27,855,988
Tuition and Fees	167,470	191,408	213,793	378,214	461,584	313,019	466,461	341,004	310,962	338,952
Investment Earnings	1,263,204	1,402,912	631,474	170,120	380,511	174,877	387,232	626,199	1,435,080	1,004,700
Intergovernmental	9,796,991	10,240,032	11,866,867	13,447,996	14,191,269	14,891,887	16,123,090	17,202,509	17,005,115	17,581,115
Extracurricular Activities	208,221	259,791	282,595	332,900	374,121	312,232	381,591	365,652	0	406,645
Charges for Services	0	0	0	0	0	835,065	891,833	1,002,667	1,154,867	1,206,599
Other Revenues	257,388	146,506	199,001	76,343	238,051	70,001	139,621	181,919	728,167	184,063
Total Revenues	\$28,533,362	\$28,883,952	\$31,739,205	\$35,105,194	\$39,307,943	\$37,258,622	\$46,352,405	\$47,333,358	\$45,355,303	\$48,578,062

Source: District Records

Loveland City School District, Ohio  
 Governmental Funds Expenditures and Debt Service Ratio  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 6

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Instruction	\$13,094,484	\$14,132,424	\$14,536,253	\$16,065,374	\$17,324,289	\$18,401,566	\$19,862,561	\$22,728,376	\$23,233,005	\$25,769,595
Pupil	1,036,092	1,037,188	1,308,205	1,351,322	1,494,411	1,237,559	1,813,374	2,123,539	2,219,424	2,230,527
Instructional Staff	423,143	601,782	842,038	889,198	1,087,749	1,331,324	1,165,906	1,440,184	1,396,414	1,348,465
General Administration	68,693	71,143	75,350	129,904	167,305	113,613	131,085	94,713	120,123	92,629
School Administration	1,642,150	1,358,632	1,547,594	1,683,073	2,024,861	2,469,072	2,762,858	2,654,272	2,825,309	2,878,564
Fiscal	606,456	645,289	738,434	776,322	802,846	868,328	983,679	1,132,186	1,139,935	1,129,435
Business	367,364	330,552	864,997	227,838	198,268	181,582	179,100	203,973	223,067	215,004
Operation and Maintenance	2,010,723	1,950,989	2,360,949	2,741,794	3,126,398	3,147,837	3,120,016	3,415,630	3,642,138	3,610,642
Pupil Transportation	1,868,038	2,006,894	2,087,218	2,364,990	2,922,541	2,628,621	2,636,610	3,481,937	3,124,293	3,084,371
Central	404,190	657,219	985,470	802,662	910,325	972,989	734,587	922,000	946,314	862,387
Operation of Non-Instructional Services	276,071	457,226	623,860	549,281	617,947	1,578,188	1,562,119	1,834,523	2,176,771	2,131,633
Extracurricular Activities	464,361	705,947	862,616	900,567	964,335	904,637	1,027,671	1,017,070	1,062,172	1,102,364
Capital Outlay	2,146,091	21,238,690	11,086,754	569,727	0	603,270	2,360,095	1,801,929	998,462	520,212
Debt Service:										
Principal Retirement	538,000	1,704,036	1,686,976	1,914,439	2,180,325	3,590,657	2,758,459	4,551,107	3,630,000	3,945,000
Interest and Fiscal Charges	1,331,875	2,151,335	2,056,511	2,053,263	1,914,276	1,882,554	1,319,462	2,001,052	1,648,243	1,429,978
Total Expenditures	\$26,277,731	\$49,049,346	\$41,663,225	\$33,019,754	\$35,735,876	\$39,911,797	\$42,417,582	\$49,402,491	\$48,385,670	\$50,350,806

Debt Service as a Percentage of Noncapital Expenditures

7.75%	13.86%	12.24%	12.23%	11.90%	14.10%	10.17%	14.01%	11.33%	10.87%
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Source: District Records

Loveland City School District, Ohio  
 Other Financing Sources and Uses and Net Change in Fund Balances  
 Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 7

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other Financing Sources (Uses)										
Payments to Refunded Bond Escrow Agent	(\$14,972,897)	\$0	\$0	\$0	\$0	\$0	(\$26,862,582)	\$0	\$0	\$0
Proceeds of Refunding Bonds	14,972,897	0	0	0	0	0	24,981,249	0	0	0
Refunding Bond Premium	0	0	0	0	0	0	1,881,333	0	0	0
Proceeds of Notes	0	0	0	304,000	0	0	0	0	0	0
Proceeds of Capital Leases	0	1,650,000	0	0	0	0	0	0	0	0
Sale of Capital Assets	9,000	0	5,220	469,925	0	0	0	0	0	4,042
Premium and Accrued Interest on Bonds Sold	153,815	0	0	0	0	0	0	0	0	0
Proceeds of bonds	32,000,000	0	0	0	0	0	0	0	0	0
Other Financing Sources	0	9,000	0	0	0	0	0	0	0	0
Transfers In	11,793,317	20,364,445	0	172,073	62,404	9,794	27,083	22,336	20,000	1,265
Transfers (Out)	(11,793,317)	(20,364,445)	0	(172,073)	(62,404)	(9,794)	(27,083)	(22,336)	(20,000)	(1,265)
Total Other Financing Sources (Uses)	32,162,815	1,659,000	5,220	773,925	0	0	0	0	0	4,042
Net Change in Fund Balances	\$34,418,446	(\$18,506,394)	(\$9,918,800)	\$2,859,365	\$3,572,067	(\$2,653,175)	\$3,934,823	(\$2,069,133)	(\$3,030,367)	(\$1,768,702)

Source: District Records

Loveland City School District, Ohio  
 Assessed Value and Actual Value of Taxable Property -- Hamilton County  
 Last Ten Calendar Years  
 Schedule 8

Calendar Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total	Total	Total
	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Estimated Acual Value	Direct Rate
1998	\$227,573,268	\$16,248,230	\$9,107,560	\$252,929,058	\$722,654,451	64.21
1999	271,162,629	16,460,700	9,002,550	296,625,879	847,502,511	63.79
2000	277,711,340	14,170,440	8,016,530	299,898,310	856,852,314	70.14
2001	284,132,521	16,290,910	5,438,400	305,861,831	873,890,946	70.14
2002	308,674,782	12,805,430	5,767,140	327,247,352	934,992,434	70.14
2003	312,505,423	12,662,240	6,028,140	331,195,803	946,273,723	69.89
2004	317,718,674	10,363,160	5,729,070	333,810,904	953,745,440	74.88
2005	366,268,445	7,880,750	5,798,490	379,947,685	1,085,564,814	74.88
2006	368,771,500	6,514,170	5,542,840	380,828,510	1,088,081,457	74.74
2007	370,583,250	3,257,085	4,978,260	378,818,595	1,082,338,843	74.24

Source: County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.



Loveland City School District, Ohio  
 Assessed Value and Actual Value of Taxable Property -- Clermont County  
 Last Ten Calendar Years  
 Schedule 8

Calendar Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total	Total	Total
	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Estimated Actual Value	Direct Rate
1998	\$446,392,914	\$8,107,060	\$9,029,200	\$463,529,174	\$1,324,369,069	59.12
1999	491,461,514	7,993,200	9,311,293	508,766,008	1,453,617,165	63.75
2000	561,672,000	7,824,796	8,918,733	578,415,529	1,652,615,798	63.33
2001	598,303,714	9,030,760	8,877,827	616,212,301	1,760,606,574	69.68
2002	634,811,771	10,069,440	6,453,440	651,334,651	1,860,956,147	69.68
2003	730,897,629	10,611,120	6,852,240	748,360,989	2,138,174,253	69.68
2004	765,695,057	9,078,016	6,914,880	781,687,953	2,233,394,152	69.43
2005	804,490,114	7,699,716	6,599,440	818,789,270	2,339,397,915	74.42
2006	922,466,171	9,007,720	6,603,093	938,076,984	2,680,219,954	74.42
2007	970,557,114	6,652,560	6,410,053	983,619,727	2,810,342,077	74.28

Source: County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

Loveland City School District, Ohio  
 Assessed Value and Actual Value of Taxable Property -- Warren County  
 Last Ten Calendar Years  
 Schedule 8

Calendar Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total	Total	Total
	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Estimated Acual Value	Direct Rate
1998	\$13,965,428	\$380,000	\$639,125	\$14,984,553	\$42,813,009	59.58
1999	15,011,228	384,960	641,977	16,038,165	45,823,329	64.21
2000	16,156,028	753,880	661,250	17,571,158	50,203,309	63.79
2001	18,907,942	1,535,120	597,363	21,040,425	60,115,500	70.14
2002	19,387,171	919,360	423,329	20,729,860	59,228,171	70.14
2003	20,418,714	924,280	379,363	21,722,357	62,063,877	70.14
2004	23,352,485	837,960	387,000	24,577,445	70,221,271	69.89
2005	25,004,400	766,760	400,784	26,171,944	74,776,983	74.88
2006	28,781,400	604,476	419,227	29,805,103	85,157,437	74.74
2007	32,807,914	1,466,160	427,181	34,701,255	99,146,443	74.74

Source: County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

Loveland City School District, Ohio  
 Direct and Overlapping Property Tax Rates -- Hamilton County  
 Last Ten Calendar Years  
 Schedule 9

Calendar Year	District Direct Rates	Overlapping Rates				
		Hamilton County	Special District	Symmes Township	City of Loveland	Great Oaks Joint Vocational School
1998	64.21	19.01	1.03	11.00	10.00	2.70
1999	63.79	19.54	1.03	11.90	10.00	2.70
2000	70.14	20.83	1.03	11.75	10.00	2.70
2001	70.14	18.89	1.03	11.75	10.00	2.70
2002	70.14	20.44	1.03	11.75	12.00	2.70
2003	69.89	21.87	1.03	13.45	12.00	2.70
2004	74.88	20.48	1.03	13.45	11.72	2.70
2005	74.88	20.03	1.03	12.80	11.00	2.70
2006	74.74	20.81	1.03	12.17	12.00	2.70
2007	74.24	20.18	1.03	12.80	10.35	2.70

Source: County Auditor

Loveland City School District, Ohio  
 Direct and Overlapping Property Tax Rates -- Clermont County  
 Last Ten Calendar Years  
 Schedule 9

Calendar Year	District Direct Rates	Overlapping Rates				
		Clermont County	City of Loveland	Goshen Township	Miami Township	Great Oaks Joint Vocational School
1998	59.12	9.25	9.55	17.60	22.11	2.70
1999	63.75	9.25	9.55	17.60	22.11	2.70
2000	63.33	9.25	9.55	17.60	22.11	2.70
2001	69.68	9.25	9.55	17.60	22.11	2.70
2002	69.68	9.35	11.55	17.60	22.11	2.70
2003	69.68	8.60	11.55	21.60	22.11	2.70
2004	69.43	9.35	11.55	21.60	22.11	2.70
2005	74.42	9.35	11.00	21.60	22.11	2.70
2006	74.42	9.35	11.55	21.60	26.01	2.70
2007	74.28	9.55	9.90	21.60	26.01	2.70

Source: County Auditor

Loveland City School District, Ohio  
 Direct and Overlapping Property Tax Rates -- Warren County  
 Last Ten Calendar Years  
 Schedule 9

Calendar Year	District Direct Rates	Overlapping Rates			
		Warren County	City of Loveland	Great Oaks Joint Vocational School	Warren Co Special District
1998	59.58	5.00	9.72	2.70	1.00
1999	64.21	4.75	9.72	2.70	1.00
2000	63.79	4.00	9.72	2.70	1.00
2001	70.14	4.00	9.72	2.70	1.00
2002	70.14	4.00	11.72	2.70	1.00
2003	70.14	4.96	11.72	2.70	1.00
2004	69.89	6.53	11.72	2.70	1.00
2005	74.88	6.46	11.72	2.70	1.00
2006	74.74	6.71	10.07	2.70	1.00
2007	74.74	6.71	10.07	2.70	1.00

Source: County Auditor

Loveland City School District, Ohio  
Principal Property Taxpayers -- Hamilton County  
Current Calendar Year and Two Years Ago (1)  
Schedule 10

2007		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Robert McCabe Real Estate Group	\$3,608,120	0.95%
Loveland Properties Ltd	2,734,150	0.72%
Deer Ridge Partners Ltd	1,944,430	0.51%
Loveland-Pierce Ltd	1,429,550	0.38%
Plantation Pointe LLC	1,155,010	0.30%
Shoppers Haven Ltd	1,120,010	0.29%
Kossman-Loveland-Madeira Ltd	1,099,780	0.29%
Matrix Westover Village LLC	962,500	0.25%
Decker, Judith C	758,800	0.20%
Two DCS Investments Ltd	665,000	0.17%
	<u>\$15,477,350</u>	<u>4.06%</u>

2005		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Bway Corporation	\$1,580,860	0.42%
SST Bearing Corporation	846,070	0.22%
Roberds Converting Co Inc	618,680	0.16%
DSG CANUSA	591,200	0.16%
Buffers & Biochemical Corporation	585,050	0.15%
MCCC Sportswear Inc	563,030	0.15%
Kroger Limited PTSP 1	521,510	0.14%
Webster Packaging Corp	429,200	0.11%
SST Conveyor Systems Inc	395,380	0.10%
McCabe Do It Center	311,670	0.08%
	<u>\$6,442,650</u>	<u>1.69%</u>

Source: County Auditor

(1) - Current year and two years ago information only available

Loveland City School District, Ohio  
 Principal Property Tax Payers -- Clermont County  
 Current Calendar Year and Two Years Ago (1)  
 Schedule 10

2007		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Clermont Golf Ltd.	\$2,412,780	0.25%
Double Eagles Properties LLC	2,184,370	0.22%
White Pillars Development Co.	999,180	0.10%
Zicka Walker Homes @ Eagles	959,590	0.10%
O'Bannon Creek Golf Course	912,600	0.09%
Drees Permier Homes, Inc	825,880	0.08%
Arrowhead Apartments IV	812,000	0.08%
Arrowhead Apartments Phase III	812,000	0.08%
Paxton Holdings LLC	791,700	0.08%
Arrowhead Apartments 2	710,510	0.07%
	<u>\$11,420,610</u>	<u>1.15%</u>

2005		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Clermont Golf Ltd.	\$2,412,780	0.26%
Double Eagle Properties LLC	996,800	0.11%
O'Bannon Creek Golf Club	909,410	0.10%
Arrowhead Apartments IV	812,000	0.09%
Arrowhead Apartments Phase III	812,000	0.09%
Arrowhead Apartments 2	710,510	0.08%
Arrowhead Apartments Ltd.	710,510	0.08%
Zicka Walker Homes @ Eagles	475,980	0.05%
Dales Way Investment LLC	425,370	0.05%
Johnson, Edgar J.	360,250	0.04%
	<u>\$8,625,610</u>	<u>0.95%</u>

Source: County Auditor

(1) - Current year and two years ago information only available

Loveland City School District, Ohio  
Principal Property Tax Payers -- Warren County  
Current Calendar Year and Eight Years Ago(1)  
Schedule 10

2007		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Loveland Investment Group	\$488,670	1.64%
Duke Energy Ohio Inc	290,540	0.97%
Ray Murphy Inc	183,124	0.61%
Lanes End LLC	121,306	0.41%
C F T Communications	87,590	0.29%
Mike Ward Landscaping	48,930	0.16%
D P & L	37,070	0.12%
Columbus Southern Power	34,230	0.11%
Cincinnati Bell	23,280	0.08%
Rand Loveland	21,990	0.07%
	<u>\$1,336,730</u>	<u>4.46%</u>

1999		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
M J Schottenstein	\$402,760	2.29%
Cincinnati Gas & Electric	335,070	1.91%
S & G Investments	314,620	1.79%
Midwestern Plumbing Service	108,220	0.62%
Cincinnati Bell	95,190	0.54%
CSX Transportation	75,210	0.43%
Mike Ward Landscaping	38,260	0.22%
Dayton Power & Light	34,100	0.19%
Columbus Southern Power Co	25,370	0.14%
Surroundings Inc	15,470	0.09%
	<u>\$1,444,270</u>	<u>8.22%</u>

Source: County Auditor

(1) - Current year and eight years ago information only available



Loveland City School District, Ohio  
 Property Tax Levies and Collections -- Hamilton County  
 Last Ten Calendar Years  
 Schedule 11

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	\$6,728,922	\$6,563,918	97.55%	\$137,433	\$6,701,351	99.59%
1999	8,474,593	8,118,095	95.79%	184,047	8,302,142	97.97%
2000	8,733,579	8,180,005	93.66%	233,122	8,413,127	96.33%
2001	12,145,374	12,664,271	104.27%	238,599	12,902,870	106.24%
2002	14,349,867	13,159,950	91.71%	641,393	13,801,343	96.18%
2003	14,270,095	13,234,281	92.74%	377,911	13,612,192	95.39%
2004	14,469,470	13,332,515	92.14%	488,372	13,820,887	95.52%
2005	16,565,745	15,156,463	91.49%	577,364	15,733,827	94.98%
2006	17,318,948	15,740,196	90.88%	660,748	16,400,944	94.70%
2007	17,435,855	15,563,517	89.26%	829,124	16,392,641	94.02%

Source: County Auditor

Loveland City School District, Ohio  
 Property Tax Levies and Collections -- Clermont County  
 Last Ten Calendar Years  
 Schedule 11

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	\$6,335,504	\$6,037,324	95.29%	\$112,560	\$6,149,884	97.07%
1999	6,554,593	6,295,205	96.04%	104,892	6,400,096	97.64%
2000	8,245,668	7,775,618	94.30%	140,526	7,916,144	96.00%
2001	9,438,968	8,987,954	95.22%	199,861	9,187,815	97.34%
2002	9,880,381	8,293,430	83.94%	234,557	8,527,987	86.31%
2003	10,701,394	10,216,289	95.47%	231,942	10,448,231	97.63%
2004	11,130,943	10,585,319	95.10%	265,927	10,851,246	97.49%
2005	13,188,411	12,669,306	96.06%	212,857	12,882,163	97.68%
2006	13,922,577	13,416,682	96.37%	218,988	13,635,671	97.94%
2007	14,538,313	14,014,403	96.40%	230,027	14,244,430	97.98%

Source: County Auditor

Loveland City School District, Ohio  
 Property Tax Levies and Collections -- Warren County  
 Last Ten Calendar Years  
 Schedule 11

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	\$203,301	\$203,066	99.88%	\$1,632	\$204,698	100.69%
1999	203,302	201,468	99.10%	1,609	203,077	99.89%
2000	246,135	238,275	96.81%	2,232	240,507	97.71%
2001	269,518	253,862	94.19%	7,727	261,589	97.06%
2002	328,001	319,800	97.50%	2,914	322,714	98.39%
2003	346,626	342,247	98.74%	6,696	348,943	100.67%
2004	318,435	314,333	98.71%	6,482	320,815	100.75%
2005	366,977	362,507	98.78%	5,497	368,004	100.28%
2006	456,663	444,704	97.38%	4,097	448,801	98.28%
2007	501,976	494,402	98.49%	16,881	511,283	101.85%

Source: County Auditor

Loveland City School District, Ohio  
 Outstanding Debt by Type  
 Last Ten Fiscal Years  
 Schedule 12

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Tax Anticipation Notes	Capital Leases			
1999	\$45,140,734	\$0	\$0	\$45,140,734	0.13%	\$38
2000	43,520,734	0	1,565,964	45,086,698	0.12%	38
2001	41,965,734	0	1,433,988	43,399,722	0.11%	37
2002	40,190,734	0	1,294,548	41,485,282	0.10%	35
2003	39,608,734	0	1,147,223	40,755,957	0.10%	34
2004	36,173,734	0	991,566	37,165,300	0.09%	31
2005	35,461,067	15,000,000	827,107	51,288,174	0.12%	43
2006	31,833,168	13,500,000	0	45,333,168	0.10%	37
2007	28,299,438	12,000,000	0	40,299,438	0.08%	32
2008	24,474,648	10,500,000	0	34,974,648	N/A	N/A

Source: District Records

N/A - Information not available

(1) - On the calendar year basis

Loveland City School District, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2008  
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Clermont County	\$11,760,528	8.08%	\$950,251
Hamilton County	109,325,000	1.82%	1,989,715
Warren County	248,465	0.19%	472
City of Loveland	7,280,000	86.62%	6,305,936
Goshen Township	2,575,000	9.51%	244,883
Hamilton Township	4,422,975	0.98%	43,345
Miami Township	5,380,000	27.24%	1,465,512
Symmes Township	6,175,000	28.91%	1,785,193
Great Oaks Career Center Joint Vocational School District	7,965,000	3.73%	297,095
Subtotal, Overlapping Debt	155,131,968		13,082,400
District Direct Debt	23,254,810	100.03%	23,261,786
Total Direct and Overlapping Debt	\$178,386,778		\$36,344,187

Source: Ohio Municipal Advisory Council

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value (1)	\$741,424,999
Debt limit (9% of assessed value)	66,728,250
Debt applicable to limit	23,254,810
Legal debt margin	<u>\$43,473,440</u>

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$36,863,729	\$40,102,229	\$45,731,696	\$47,523,255	\$48,660,192	\$54,275,434	\$55,395,841	\$65,173,841	\$66,728,250	\$66,728,250
Total Net Debt Applicable to Limit	13,565,000	46,550,734	43,520,734	41,965,734	41,551,734	38,170,734	35,895,734	30,799,810	27,169,810	23,254,810
Legal Debt Margin	<u>\$23,298,729</u>	<u>(\$6,448,505)</u>	<u>\$2,210,962</u>	<u>\$5,557,521</u>	<u>\$7,108,458</u>	<u>\$16,104,700</u>	<u>\$19,500,107</u>	<u>\$34,374,031</u>	<u>\$39,558,440</u>	<u>\$43,473,440</u>

Total Net Debt Applicable to the Limit  
 as a Percentage of Debt Limit

	36.80%	116.08%	95.17%	88.31%	85.39%	70.33%	64.80%	47.26%	40.72%	34.85%
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Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2007 is calendar year 2006)

Loveland City School District, Ohio  
 Demographic and Economic Statistics -- Hamilton County  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1998	855,976	\$27,144,490	\$31,712	3.6%
1999	849,917	27,420,292	32,262	3.6%
2000	845,303	28,329,667	33,567	3.7%
2001	838,887	29,136,541	34,742	4.0%
2002	830,349	30,010,701	36,156	5.5%
2003	822,610	30,636,366	37,256	5.6%
2004	814,611	32,111,846	39,467	5.7%
2005	806,652	33,087,346	39,937	5.7%
2006	822,596	35,146,091	41,477	5.0%
2007	842,369	N/A	N/A	5.0%

Sources: (1) - Population estimates provided by U.S. Census Bureau for all of Hamilton County

(2) - Personal Income information provided by Bureau of Economic Analysis:  
 Regional Economic Accounts for Hamilton County

(3) - Per Capita Personal Income information provided by Bureau of Economic  
 Analysis: Regional Economic Accounts for Hamilton County

(4) - Ohio Department of Job and Family Services - Office of Workforce Development -  
 Bureau of Labor Market Information -- Annual Average

N/A - Information not available

Loveland City School District, Ohio  
 Demographic and Economic Statistics -- Clermont County  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1998	173,634	\$4,328,158	\$24,927	3.6%
1999	176,389	4,829,257	27,378	3.7%
2000	178,659	5,177,032	29,063	3.6%
2001	180,937	5,319,190	29,491	4.0%
2002	183,314	5,490,118	30,048	5.4%
2003	185,704	5,635,054	30,437	5.5%
2004	188,614	5,950,404	31,641	5.4%
2005	188,955	6,126,644	32,190	5.4%
2006	192,706	6,546,330	34,201	5.1%
2007	193,490	N/A	N/A	5.0%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau for all of Clermont County
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Clermont County
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Clermont County
  - (4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

N/A - Information not available



Loveland City School District, Ohio  
 Demographic and Economic Statistics -- Warren County  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1998	145,427	\$4,113,058	\$28,283	3.0%
1999	152,448	4,501,708	29,529	2.9%
2000	161,322	4,946,103	30,660	3.3%
2001	167,507	5,286,564	31,512	3.6%
2002	175,041	5,521,565	31,522	4.5%
2003	182,330	5,786,295	31,699	4.7%
2004	189,276	6,213,055	32,745	4.5%
2005	196,793	6,597,227	33,524	4.4%
2006	201,871	7,211,608	36,134	4.9%
2007	204,390	N/A	N/A	4.6%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau for all of Warren County
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Warren County
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Warren County
  - (4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

N/A - Information not available

Loveland City School District, Ohio  
 Major Employers --- Hamilton County  
 Current Fiscal Year (1)  
 Schedule 16

<u>Major Employers (2)</u>	<u>Type</u>
American Financial Group Inc	Ins
Chiquita Brands International Inc	Trade
Convergys Corp	Serv
Duke Energy Corp	Utility
Fifth Third Bancorp	Fin
Ford Motor Co	Mfg
General Electric Co	Mfg
Health Alliance of Greater Cincinnati	Serv
Johnson & Johnson/Ethicon	Mfg
Kroger Co	Trade
Macy's Inc	Trade
Mercy Health Partners	Serv
Procter & Gamble Co	Mfg
TriHealth Inc	Serv
University of Cincinnati	Govt

Source: Ohio Department of Development

(1) - Only current fiscal year information available

(2) - In alphabetical order only

Loveland City School District, Ohio  
 Major Employers --- Clermont County  
 Current Fiscal Year (1)  
 Schedule 16

<u>Major Employers (2)</u>	<u>Type</u>
Clermont County Government	Govt
Duke Energy Corp	Utility
Fifth Third Bank	Fin
International Paper Co	R&D
Meijer Inc	Trade
Mercy Health Partners	Serv
Midland Co/American Modern Ins	Ins
Milacron Inc	Mfg
Milford Exempted Village Bd of Ed	Govt
Siemens AG/UGS Corp	Serv
Total Quality Logistics	Serv
West Clermont Local Bd of Ed	Govt

Source: Ohio Department of Development

(1) - Only current fiscal year information available

(2) - In alphabetical order only

Loveland City School District, Ohio  
Major Employers --- Warren County  
Current Fiscal Year (1)  
Schedule 16

<u>Major Employers (2)</u>	<u>Type</u>
Aisin Seiki/ADVICS Co Ltd	Mfg
Blackhawk Automotive Plastics Inc	Mfg
Cedar Fair/Kings Island	Serv
Cintas Corp	Mfg
HJ Heinz/Portion Pac Inc	Mfg
Luxottica Group SpA	Mfg
Macy's Inc	Trade
Mason Local Bd of Ed	Govt
Procter & Gamble Co	R&D
State of Ohio	Govt
Sumco Phoenix	Mfg
WellPoint Inc/Anthem	Ins

Source: Ohio Department of Development

(1) - Only current fiscal year information available

(2) - In alphabetical order only

Loveland City School District, Ohio  
 Full-Time - Equivalent District Employees by Type  
 Last Six Fiscal Years (1)  
 Schedule 17

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
<b>Supervisory</b>						
Instructional Administrators (Athletic Director)	1	1	1	1	2	1
Non-Instructional Administrators	2	2	4	4	4	5
Assistant Principal	1	3	3	3	3	4
Principals	6	6	6	6	6	5
Supervisors/Directors	2	3	3	4	4	3
Treasurer	0	0	0	0	1	1
Coordinator	3	3	4	4	6	2
<b>Total Supervisory</b>	<b>15</b>	<b>18</b>	<b>21</b>	<b>22</b>	<b>26</b>	<b>21</b>
<b>Instruction</b>						
Elementary Classroom Teachers	124	125	127	128	121	134
Secondary Classroom Teachers	52	52	50	50	53	59
Educational Service Teachers (Art, Music, PE)	29	33	33	37	29	34
Intervention Specialists	28	27	29	33	28	32
Regular Ed Tutors/Reading Intervention Teachers	7	9	9	10	7	11
Classroom Aides	45	53	55	56	53	57
<b>Total Instruction</b>	<b>285</b>	<b>299</b>	<b>303</b>	<b>314</b>	<b>291</b>	<b>327</b>
<b>Student Services</b>						
Guidance Counselors	7	10	8	10	9	9
Psychologists	2	1	3	3	3	3
Librarians	3	3	3	3	3	2
Other Professional/Non-Instructional (Building Coordinators)	4	3	3	3	3	2
Technicians	6	6	6	7	7	7
Media Aides	4	4	4	4	3	4
Health Aides	5	6	6	6	5	5
Nurses	3	4	4	4	3	4
<b>Total Student Services</b>	<b>34</b>	<b>37</b>	<b>37</b>	<b>40</b>	<b>36</b>	<b>36</b>
<b>Support Administration</b>						
Clerical	26	27	27	28	27	29
Custodians	34	39	37	40	33	28
Bus Drivers	47	59	70	87	72	66
Mechanics/Maintenance Workers	4	4	5	5	5	6
<b>Total Support Administration</b>	<b>111</b>	<b>129</b>	<b>139</b>	<b>160</b>	<b>137</b>	<b>129</b>
<b>Grand Total</b>	<b>445</b>	<b>483</b>	<b>500</b>	<b>536</b>	<b>490</b>	<b>513</b>

Source: State Department of Education

(1) - Only information for last six fiscal years available

Loveland City School District, Ohio  
 Operating Statistics  
 Last Ten Fiscal Years  
 Schedule 18

Fiscal Year	Enrollment	Operating Expenditure (1)	Cost Per Pupil (2)	Percentage Change	Expenses (3)	Cost Per Pupil (4)	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
1999	4,160	\$22,261,765	\$5,351	N/A	N/A	N/A	N/A	179	23	4.00%
2000	4,885	23,955,285	4,904	(8.36%)	N/A	N/A	N/A	197	25	5.80%
2001	4,885	26,832,984	5,493	12.01%	N/A	N/A	N/A	211	23	N/A
2002	4,885	28,482,325	5,831	6.15%	N/A	N/A	N/A	226	22	N/A
2003	4,885	31,641,275	6,477	11.09%	\$34,092,698	\$6,979	N/A	227	22	7.10%
2004	4,805	33,835,316	7,042	8.71%	37,166,362	7,735	10.83%	225	21	7.60%
2005	4,785	35,979,566	7,519	6.78%	40,729,052	8,512	10.04%	240	20	8.20%
2006	4,785	41,048,403	8,579	14.09%	44,181,705	9,233	8.48%	236	20	7.40%
2007	4,940	42,108,965	8,524	(0.64%)	45,452,100	9,201	(0.35%)	276	18	8.90%
2008	4,743	44,455,616	9,373	9.96%	47,849,039	10,088	9.65%	272	17	9.70%

Source: District Records

(1) - Operating Expenditure is Total Expenditures minus Capital Outlay and Debt Service from Schedule 6

(2) - Operating Expenditure by Enrollment

(3) - Expenses is Total Expenses from Schedule 2

(4) - Expenses by Enrollment

N/A - Information not available

Loveland City School District, Ohio  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Elementary										
LECC (PreK, K, 5 rooms of gr.1)										
Square feet	47,450	47,450	47,450	47,450	47,450	47,450	47,450	47,450	47,450	47,450
Capacity	650	650	650	650	650	650	570	550	550	650
Enrollment	420	419	434	480	474	448	518	579	599	600
LPS (1/2 grade 1 & 2)										
Square feet	50,805	75,750	75,750	75,750	75,750	75,750	75,750	75,750	75,750	75,750
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	625	668	627	597	669	702	643	614	614	591
Wing (1/2 grade 2, 1/2 grade 3)										
Square feet	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700
Capacity	260	260	260	260	260	260	260	260	260	260
Enrollment	235	282	277	269	297	319	287	247	(2)	(2)
LES (1/2 grade 3, grade 4)										
Square feet	59,455	59,455	59,455	59,455	59,455	59,455	59,455	59,455	59,455	59,455
Capacity	425	425	425	425	425	425	425	425	425	425
Enrollment	610	614	650	672	628	617	644	714	712	751
LIS (grade 5, grade 6)										
Square feet	(1)	124,710	124,710	124,710	124,710	124,710	124,710	124,710	124,710	124,710
Capacity	(1)	725	725	725	725	725	725	725	725	725
Enrollment	(1)	588	640	641	667	694	675	674	672	718
Junior High School										
LMS (grade 7 & 8)										
Square feet	93,215	104,560	104,560	104,560	104,560	104,560	104,560	104,560	104,560	104,560
Capacity	600	750	750	750	750	750	750	750	750	750
Enrollment	587	593	563	581	658	661	690	734	726	707
High School										
LHS (grade 9-12)										
Square feet	151,707	205,670	205,670	205,670	205,670	205,670	205,670	205,670	205,670	205,670
Capacity	1,100	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Enrollment	968	985	1,130	1,159	1,159	1,128	1,204	1,336	1,370	1,376

Source: District Records

(1) - LIS was completed and opened in fiscal year 2000

(2) - Student overages will be housed in Wing







**Mary Taylor, CPA**  
Auditor of State

**LOVELAND CITY SCHOOL DISTRICT**  
**HAMILTON 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**  
**JANUARY 29, 2009**