



Mary Taylor, CPA
Auditor of State

**WYOMING CITY SCHOOL DISTRICT
HAMILTON COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Wyoming City School District
Hamilton County
420 Springfield Pike
Cincinnati, Ohio 45215

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wyoming City School District, Hamilton County, Ohio (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe 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 Wyoming City School District, Hamilton County, Ohio, as of June 30, 2009, and the respective changes in financial position 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 March 11, 2010, on our consideration of the 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis and the budgetary comparison for the general fund are not a required part of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The federal awards receipts and expenditures schedule is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. We subjected the federal awards receipts and expenditures schedule to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

March 11, 2010

**Wyoming City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
(Unaudited)**

The discussion and analysis of Wyoming City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

Financial Highlights

Key financial highlights for 2009 are as follows:

- Net assets of governmental activities increased \$1,864,026 which represents a 15% increase from 2008.
- General revenues accounted for \$24,111,468 in revenue or 91% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$2,428,805 or 9% of total revenues of \$26,540,273 .
- The District had \$24,676,247 in expenses related to governmental activities; \$2,428,805 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$24,111,468 were also used 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 *Statement 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 Fund and Debt Service Fund 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 2009?” The Government-wide Financial Statements answer this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the 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 as Governmental Activities. All of the District’s programs and services are reported here including instruction, support services, operation of noninstructional 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. 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.

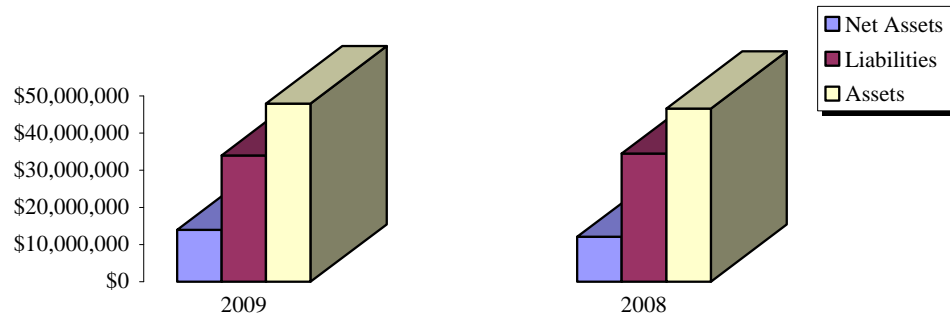
Fiduciary Funds Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District’s own programs.

The District as a Whole

As stated previously, the Statement of Net Assets looks at the District as a whole. Table 1 provides a summary of the District's net assets for 2009 compared to 2008:

Table 1
Net Assets

	Governmental Activities	
	2009	2008
Assets:		
Current and Other Assets	\$26,376,860	\$24,191,578
Capital Assets	21,573,250	22,385,451
Total Assets	47,950,110	46,577,029
Liabilities:		
Other Liabilities	9,196,580	9,191,127
Long-Term Liabilities	24,809,179	25,305,577
Total Liabilities	34,005,759	34,496,704
Net Assets:		
Invested in Capital Assets, Net of Related Debt	(1,012,428)	(1,176,125)
Restricted	3,472,579	2,927,425
Unrestricted	11,484,200	10,329,025
Total Net Assets	\$13,944,351	\$12,080,325



Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2009, the District's assets exceeded liabilities by \$13,944,351 .

At year-end, capital assets represented 45% 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, 2009, was \$(1,012,428). 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, \$3,472,579 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Current assets increased in 2009 compared to 2008 mainly due to an increase in equity in pooled cash and investments. Equity in pooled cash and investments increased largely due to an increase in the District's investments. Long-term liabilities decreased mainly due to the District continuing to pay down its debt obligations.

Table 2 shows the changes in net assets for fiscal years 2009 and 2008.

Table 2
Changes in Net Assets

	Governmental Activities	
	2009	2008
Revenues:		
Program Revenues		
Charges for Services	\$1,244,737	\$1,279,557
Operating Grants, Contributions	1,179,514	1,167,577
Capital Grants and Contributions	4,554	2,055
General Revenues:		
Income Taxes	6,615,880	6,788,145
Property Taxes	9,626,606	10,183,965
Grants and Entitlements	6,808,025	6,508,511
Other	1,060,957	822,077
Total Revenues	<u>26,540,273</u>	<u>26,751,887</u>
Program Expenses:		
Instruction	13,417,249	13,013,830
Support Services:		
Pupil and Instructional Staff	2,982,999	2,839,176
School Administrative, General		
Administration, Fiscal and Business	2,828,621	2,554,331
Operations and Maintenance	2,131,820	2,171,954
Pupil Transportation	496,028	519,320
Central	158,061	201,132
Operation of Non-Instructional Services	778,503	793,004
Extracurricular Activities	784,345	722,184
Interest and Fiscal Charges	1,098,621	1,122,571
Total Program Expenses	<u>24,676,247</u>	<u>23,937,502</u>
Change in Net Assets	1,864,026	2,814,385
Net Assets Beginning of Year	<u>12,080,325</u>	<u>9,265,940</u>
Net Assets End of Year	<u>\$13,944,351</u>	<u>\$12,080,325</u>

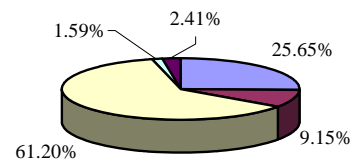
Governmental Activities

The District revenues are mainly from three sources. Property taxes levied for general, debt service, capital project purposes, grants and entitlements and income taxes comprised 87% 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 36% of revenue for governmental activities for the District in fiscal year 2009.

Revenue Sources	2009	Percent of Total
General Grants	\$6,808,025	26%
Program Revenues	2,428,805	9%
General Tax Revenues	16,242,486	61%
Investment Earnings	420,930	2%
Other Revenues	640,027	2%
	<u>\$26,540,273</u>	<u>100%</u>



Instruction comprises 54.4% of governmental program expenses. Support services expenses were 34.8% of governmental program expenses. All other expenses including interest expense were 10.8%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Property tax revenue decreased mainly due to a decrease in property tax receipts. Instructional expenses increased due to an increase in personnel costs and general inflationary costs.

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	
	2009	2008	2009	2008
Instruction	\$13,417,249	\$13,013,830	(\$12,247,155)	(\$11,864,018)
Support Services:				
Pupil and Instructional Staff	2,982,999	2,839,176	(2,719,135)	(2,603,272)
School Administrative, General				
Administration, Fiscal and Business	2,828,621	2,554,331	(2,828,621)	(2,554,331)
Operations and Maintenance	2,131,820	2,171,954	(2,073,959)	(2,112,833)
Pupil Transportation	496,028	519,320	(352,911)	(357,177)
Central	158,061	201,132	(137,017)	(176,149)
Operation of Non-Instructional Services	778,503	793,004	(141,017)	(130,103)
Extracurricular Activities	784,345	722,184	(649,006)	(567,859)
Interest and Fiscal Charges	1,098,621	1,122,571	(1,098,621)	(1,122,571)
Total Expenses	<u>\$24,676,247</u>	<u>\$23,937,502</u>	<u>(\$22,247,442)</u>	<u>(\$21,488,313)</u>

The District's Funds

The District has two major governmental funds: the General Fund and Debt Service Fund. Assets of the general fund comprised \$21,424,631 (82%) and the debt service fund comprised \$2,822,412 (11%) of the total \$26,257,590 governmental funds assets.

General Fund: Fund balance at June 30, 2009 was \$12,905,296 including \$9,496,424 of unreserved balance. The primary reasons for the increase in fund balance were increases in intergovernmental revenue.

Debt Service Fund: Fund balance at June 30, 2009 was \$1,901,887 including \$1,315,887 of unreserved balance. The fund balance remained relatively consistent in 2009 as compared to 2008.

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 year 2009, the District amended its general fund budget. 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 budget basis revenue was \$22,564,858, above original budget estimates of \$21,575,153. Of this \$989,705 difference, most was due to a difference in estimate for taxes and intergovernmental revenue.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2009, the District had \$21,573,250 invested in land, buildings and improvements, and equipment. Table 4 shows fiscal year 2009 balances compared to fiscal year 2008:

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

	Governmental Activities	
	2009	2008
Land	\$629,493	\$629,493
Buildings and Improvements	20,511,200	21,291,251
Equipment	432,557	464,707
Total Net Capital Assets	<u>\$21,573,250</u>	<u>\$22,385,451</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 further details on the District's capital assets.

Debt

At June 30, 2009, the District had \$23,053,082 in bonds and capital leases payable, \$1,028,100 due within one year. Table 5 summarizes outstanding debt at year end.

Table 5
Outstanding Debt, at Year End

	Governmental Activities	
	2009	2008
General Obligation Bonds:		
1998B School Improvement	\$3,725,000	\$3,725,000
2006 Refunding Bonds:		
Current Interest Bonds -		
School Improvement	13,705,000	14,410,000
Capital Appreciation Bonds - Principal	2,005,000	2,005,000
Capital Appreciation Bonds - Interest Only	467,404	333,612
Premium on 2006 Refunding Bonds	871,478	929,576
Capital Leases	2,279,200	2,492,000
Total Outstanding Debt at Year End	<u>\$23,053,082</u>	<u>\$23,895,188</u>

See note 7 and 9 in the notes to the basic financial statements for further details on the District's outstanding debt.

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.

This scenario requires management to plan carefully and prudently to provide the resources to meet student needs over the next several years. Financially, the future of the District is not without challenges. Management must diligently plan future expenditures.

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 Brian Rabe, Treasurer at Wyoming City School District, 420 Springfield Pike, Wyoming, Ohio 45215 or e-mail Brian at rabeb@wyomingcityschools.org.

Wyoming City School District
Statement of Net Assets
June 30, 2009

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$12,540,610
Receivables:	
Taxes	12,769,387
Accounts	4,551
Interest	84,388
Intergovernmental	790,720
Deferred Bond Issuance Costs	180,202
Inventory	7,002
Nondepreciable Capital Assets	629,493
Depreciable Capital Assets, Net	<u>20,943,757</u>
 Total Assets	 <u>47,950,110</u>
 Liabilities:	
Accounts Payable	118,224
Accrued Wages and Benefits	2,858,995
Accrued Interest Payable	80,133
Unearned Revenue	6,139,228
Long-Term Liabilities:	
Due Within One Year	1,542,818
Due In More Than One Year	<u>23,266,361</u>
 Total Liabilities	 <u>34,005,759</u>
 Net Assets:	
Invested in Capital Assets, Net of Related Debt	(1,012,428)
Restricted for:	
Special Revenue	156,886
Debt Service	1,879,440
Capital Projects	1,436,253
Unrestricted	<u>11,484,200</u>
 Total Net Assets	 <u><u>\$13,944,351</u></u>

See accompanying notes to the basic financial statements.

Wyoming City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2009

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction:					
Regular	\$11,087,325	\$357,952	\$190,559	\$0	(\$10,538,814)
Special	2,210,010	0	612,336	0	(1,597,674)
Vocational	111,788	0	9,247	0	(102,541)
Other	8,126	0	0	0	(8,126)
Support Services:					
Pupil	1,722,324	193,128	21,656	0	(1,507,540)
Instructional Staff	1,260,675	238	48,842	0	(1,211,595)
General Administration	243,814	0	0	0	(243,814)
School Administration	1,661,993	0	0	0	(1,661,993)
Fiscal	921,145	0	0	0	(921,145)
Business	1,669	0	0	0	(1,669)
Operations and Maintenance	2,131,820	57,139	722	0	(2,073,959)
Pupil Transportation	496,028	86,375	52,188	4,554	(352,911)
Central	158,061	0	21,044	0	(137,017)
Operation of Non-Instructional Services	778,503	414,566	222,920	0	(141,017)
Extracurricular Activities	784,345	135,339	0	0	(649,006)
Interest and Fiscal Charges	1,098,621	0	0	0	(1,098,621)
Total Governmental Activities	\$24,676,247	\$1,244,737	\$1,179,514	\$4,554	(22,247,442)

General Revenues:	
Income Taxes	6,615,880
Property Taxes Levied for:	
General Purposes	7,742,223
Debt Service Purposes	1,485,213
Capital Projects Purposes	399,170
Grants and Entitlements not Restricted to Specific Programs	6,808,025
Unrestricted Contributions	2,474
Investment Earnings	420,930
Other Revenues	637,553
Total General Revenues	24,111,468
Change in Net Assets	1,864,026
Net Assets Beginning of Year	12,080,325
Net Assets End of Year	\$13,944,351

See accompanying notes to the basic financial statements.

Wyoming City School District
Balance Sheet
Governmental Funds
June 30, 2009

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$9,827,366	\$1,205,266	\$1,507,978	\$12,540,610
Receivables:				
Taxes	10,852,537	1,506,525	410,325	12,769,387
Accounts	0	0	4,551	4,551
Interest	76,841	0	7,547	84,388
Intergovernmental	606,955	110,621	73,144	790,720
Interfund	60,932	0	0	60,932
Inventory	0	0	7,002	7,002
Total Assets	21,424,631	2,822,412	2,010,547	26,257,590
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	73,851	0	44,373	118,224
Accrued Wages and Benefits	2,813,527	0	45,468	2,858,995
Compensated Absences	298,869	0	0	298,869
Interfund Payable	0	0	60,932	60,932
Deferred Revenue	5,333,088	920,525	298,405	6,552,018
Total Liabilities	8,519,335	920,525	449,178	9,889,038
Fund Balances:				
Reserved for Encumbrances	182,872	0	70,556	253,428
Reserved for Inventory	0	0	7,002	7,002
Reserved for Property Tax Advances	3,226,000	586,000	157,000	3,969,000
Unreserved, Undesignated, Reported in:				
General Fund	9,496,424	0	0	9,496,424
Special Revenue Funds	0	0	100,986	100,986
Debt Service Funds	0	1,315,887	0	1,315,887
Capital Projects Funds	0	0	1,225,825	1,225,825
Total Fund Balances	12,905,296	1,901,887	1,561,369	16,368,552
Total Liabilities and Fund Balances	\$21,424,631	\$2,822,412	\$2,010,547	\$26,257,590

See accompanying notes to the basic financial statements.

Wyoming City School District
 Reconciliation of Total Governmental Fund Balance to
 Net Assets of Governmental Activities
 June 30, 2009

Total Governmental Fund Balance \$16,368,552

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. 21,573,250

Other long-term assets are not available to pay for current-
 period expenditures and therefore are deferred in the funds.

Delinquent Property Taxes	334,240	
Interest	37,189	
Intergovernmental	<u>41,361</u>	
		412,790

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. (80,133)

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	(1,457,228)
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Deferred bond issuance cost associated with long-term liabilities
 are not reported in the funds. 180,202

Long-term liabilities, are not due and payable in the current
 period and therefore are not reported in the funds. (23,053,082)

Net Assets of Governmental Activities \$13,944,351

See accompanying notes to the basic financial statements.

Wyoming City School District
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$14,400,713	\$1,491,620	\$401,172	\$16,293,505
Tuition and Fees	434,214	0	180,127	614,341
Investment Earnings	355,743	0	27,998	383,741
Intergovernmental	7,030,462	219,441	704,169	7,954,072
Extracurricular Activities	0	0	159,017	159,017
Charges for Services	0	0	414,566	414,566
Other Revenues	550,978	0	145,863	696,841
Total Revenues	22,772,110	1,711,061	2,032,912	26,516,083
Expenditures:				
Current:				
Instruction:				
Regular	10,567,451	0	111,230	10,678,681
Special	1,943,581	0	230,620	2,174,201
Vocational	111,788	0	0	111,788
Other	8,126	0	0	8,126
Support Services:				
Pupil	1,396,829	0	292,186	1,689,015
Instructional Staff	1,063,898	0	61,507	1,125,405
General Administration	243,814	0	0	243,814
School Administration	1,488,144	0	0	1,488,144
Fiscal	876,657	19,596	7,098	903,351
Business	1,669	0	0	1,669
Operations and Maintenance	1,973,264	0	1,597	1,974,861
Pupil Transportation	378,125	0	54,305	432,430
Central	126,257	0	21,044	147,301
Operation of Non-Instructional Services	110,638	0	657,783	768,421
Extracurricular Activities	501,528	0	244,785	746,313
Capital Outlay	44,814	0	0	44,814
Debt Service:				
Principal Retirement	36,800	705,000	176,000	917,800
Interest and Fiscal Charges	88,742	875,675	49,286	1,013,703
Total Expenditures	20,962,125	1,600,271	1,907,441	24,469,837
Excess of Revenues Over (Under) Expenditures	1,809,985	110,790	125,471	2,046,246
Other Financing Sources (Uses):				
Transfers In	0	0	261,020	261,020
Transfers (Out)	(261,020)	0	0	(261,020)
Total Other Financing Sources (Uses)	(261,020)	0	261,020	0
Net Change in Fund Balance	1,548,965	110,790	386,491	2,046,246
Fund Balance Beginning of Year	11,356,331	1,791,097	1,174,878	14,322,306
Fund Balance End of Year	\$12,905,296	\$1,901,887	\$1,561,369	\$16,368,552

See accompanying notes to the basic financial statements.

Wyoming 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, 2009

Net Change in Fund Balance - Total Governmental Funds \$2,046,246

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.

Depreciation Expense	(812,201)	
		(812,201)

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

Delinquent Property Taxes	(51,020)	
Interest	37,189	
Intergovernmental	38,021	
		24,190

Repayment of bonds and capital lease principal is an expenditure in the
 governmental funds, but the repayment reduces long-term
 liabilities in the statement of net assets. 917,800

In the statement of activities interest expense is accrued when incurred,
 whereas in governmental funds an interest expenditure is reported
 when due. 2,790

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	(227,091)	
Amortization of Bond Issuance Cost	(12,014)	
Amortization of Bond Premium	58,098	
Bond Accretion	(133,792)	
		(314,799)

Change in Net Assets of Governmental Activities \$1,864,026

See accompanying notes to the basic financial statements.

Wyoming City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009

	Private Purpose Trust	Agency
	<u> </u>	<u> </u>
Assets:		
Equity in Pooled Cash and Investments	\$13,052	\$126,849
Receivables:		
Accounts	<u> 0</u>	<u> 2,769</u>
Total Assets	<u> 13,052</u>	<u> 129,618</u>
Liabilities:		
Accounts Payable	0	490
Other Liabilities	<u> 0</u>	<u> 129,128</u>
Total Liabilities	<u> 0</u>	<u> \$129,618</u>
Net Assets:		
Held in Trust	<u> 13,052</u>	
Total Net Assets	<u> \$13,052</u>	

See accompanying notes to the basic financial statements.

Wyoming City School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2009

	<u>Private Purpose Trust</u>
Additions:	
Donations	\$1,040
Investment Earnings	<u>345</u>
Total Additions	<u>1,385</u>
Deductions:	
Scholarships	<u>1,200</u>
Total Deductions	<u>1,200</u>
Change in Net Assets	185
Net Assets Beginning of Year	<u>12,867</u>
Net Assets End of Year	<u><u>\$13,052</u></u>

See accompanying notes to the basic financial statements.

Wyoming City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 1 – DESCRIPTION OF THE DISTRICT

The Wyoming City School District (“District”) was chartered by the Ohio State Legislature in 1832 when state laws were enacted to create local Boards of Education. Today, the District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code.

The District operates under a locally elected 5 member Board form of government and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. This Board controls the District's instructional and support facilities staffed by approximately 80 non-certificated personnel and approximately 158 certificated full time teaching and administrative personnel to provide services to students and other community members.

The District is the 12th largest in Hamilton County in terms of enrollment. It currently operates 3 primary schools, 1 middle school (grades 5-8), and 1 high school (grades 9-12).

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.

The District is associated with two organizations that are defined as jointly governed organizations. These organizations include Great Oaks Institute of Technology and Development and the Hamilton/Clermont Cooperative Association. These organizations are presented in Note 14.

NOTE 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 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.

Private purpose trust 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.

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.

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 a private purpose trust fund which accounts for scholarship programs for students. The District has a student activity (agency) fund which accounts for assets and liabilities generated by student managed activities.

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 also 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, grants and interest.

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, 2009, but which were levied to finance fiscal year 2010 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 yet 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. The District utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the financial statements as “Equity in Pooled Cash and Investments”.

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.

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 amounted to \$355,743 and \$27,998 credited to other governmental funds.

INVENTORY

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

CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars (\$5,000). 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 years
Equipment	5 - 20 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 vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is due and payable. 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.

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 District’s \$3,472,579 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 column on 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, supplies inventory, and property tax advances. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute. 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.

NOTE 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 government'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, 2009, \$2,165,819 of the District's bank balance of \$4,410,819 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, 2009, the District had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
First American Treasury Obligation	\$48,806	0.00
US Treasury Bill	324,497	0.47
Federal Home Loan Bank	2,048,750	0.94
Federal Home Loan Bank - Discount Note	573,820	0.59
Freddie Mac - Discount Note	2,095,910	2.09
Fannie Mae	3,266,150	1.23
Total Fair Value	\$8,357,933	
Portfolio Weighted Average Maturity		1.29

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 a credit quality rating of the top 2 ratings issued by nationally recognized statistical rating organizations. The District's investments in First American Treasury Obligation, US Treasury Bill, Federal Home Loan Bank, Federal Home Loan Bank - Discount Note, Freddie Mac - Discount Note and Fannie Mae were rated AAA by Standard & Poor’s and Fitch Ratings and Aaa by Moody’s Investors Service.

Concentration of Credit Risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities. The District has invested less than 1% in First American Treasury Obligation, 4% in US Treasury Bill, 25% in Federal Home Loan Bank, 7% in Federal Home Loan Bank - Discount Note, 25% in Freddie Mac - Discount Note and 39% in Fannie Mae.

Custodial credit risk is 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.

NOTE 4 – PROPERTY TAXES

Real property taxes collected in 2009 were levied in April on the assessed values as of January 1, 2008, 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 ever 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).

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 business and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing machinery and equipment first reportable on the 2006 and subsequent year returns is not subsequent year returns is not subject to the personal property tax.

Real property taxes are payable annually or semi-annually. In 2009, 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, 2009. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2009. 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, 2009, was \$3,226,000 for the General Fund, \$586,000 for the Debt Service Fund and \$157,000 for Other Governmental Funds and is recognized as revenue, with a corresponding reserve to fund balance since the Board did not appropriate these receivables for fiscal year 2009 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 2009 taxes were collected are:

	<u>Amount</u>
Agricultural/Residential and Other Real Estate	\$299,868,790
Public Utility Personal	3,130,890
Tangible Personal Property	<u>217,313</u>
Total	<u><u>\$303,216,993</u></u>

Income Tax

The District levies a voted tax of 1.25% for general operations on the income of residents and of estates. The tax was effective on January 1, 1999, and is a continuous levy. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

NOTE 5 – RECEIVABLES

Receivables at June 30, 2009, consisted of taxes, accounts (rent and student fees), interest, intergovernmental grants and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2009, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$629,493	\$0	\$0	\$629,493
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	30,830,858	0	0	30,830,858
Equipment	2,353,644	0	0	2,353,644
Totals at Historical Cost	<u>33,813,995</u>	<u>0</u>	<u>0</u>	<u>33,813,995</u>
Less Accumulated Depreciation:				
Buildings and Improvements	9,539,607	780,051	0	10,319,658
Equipment	1,888,937	32,150	0	1,921,087
Total Accumulated Depreciation	<u>11,428,544</u>	<u>812,201</u>	<u>0</u>	<u>12,240,745</u>
Governmental Activities Capital Assets, Net	<u>\$22,385,451</u>	<u>(\$812,201)</u>	<u>\$0</u>	<u>\$21,573,250</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$399,951
Special	16,537
Support Services:	
Pupil	8,635
Instructional Staff	116,472
School Administration	23,792
Fiscal	7,801
Operations and Maintenance	122,664
Pupil Transportation	63,598
Central	10,662
Operation of Non-Instructional Services	9,149
Extracurricular Activities	32,940
Total Depreciation Expense	<u>\$812,201</u>

NOTE 7 – LONG-TERM LIABILITIES

	Interest Rate	Beginning Balance	Additions	Deductions	Ending Balance	Due In One Year
Governmental Activities:						
General Obligation Bonds:						
1998B School Improvement	4.97%	\$3,725,000	\$0	\$0	\$3,725,000	\$0
2006 Refunding Bonds:						
Current Interest Bonds -						
School Improvement	3.95%-5.75%	14,410,000	0	705,000	13,705,000	805,000
Capital Appreciation Bonds - Principal	3.95%-5.75%	2,005,000	0	0	2,005,000	0
Capital Appreciation Bonds - Interest Only		333,612	133,792	0	467,404	0
Premium on 2006 Refunding Bonds		929,576	0	58,098	871,478	0
Total General Obligation Bonds		21,403,188	133,792	763,098	20,773,882	805,000
Capital Leases		2,492,000	0	212,800	2,279,200	223,100
Total Long Term Debt		23,895,188	133,792	975,898	23,053,082	1,028,100
Compensated Absences		1,410,389	723,182	377,474	1,756,097	514,718
Total Governmental Activities		<u>\$25,305,577</u>	<u>\$856,974</u>	<u>\$1,353,372</u>	<u>\$24,809,179</u>	<u>\$1,542,818</u>

General obligation bonds will be paid from the Debt Service Fund. Capital leases will be paid from the General Fund and the Permanent Improvement Fund. Compensated absences will be paid from the fund from which the person is paid.

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

Fiscal Year Ending June 30	General Obligation Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$805,000	\$849,249	\$1,654,249	\$0	\$0	\$0
2011	835,000	820,551	1,655,551	0	0	0
2012	0	805,937	805,937	615,753	254,247	870,000
2013	0	805,938	805,938	681,485	333,515	1,015,000
2014	635,000	787,681	1,422,681	240,079	144,921	385,000
2015-2019	5,495,000	3,222,730	8,717,730	467,683	347,317	815,000
2020-2024	9,260,000	1,304,500	10,564,500	0	0	0
2025	400,000	8,600	408,600	0	0	0
Total	<u>\$17,430,000</u>	<u>\$8,605,186</u>	<u>\$26,035,186</u>	<u>\$2,005,000</u>	<u>\$1,080,000</u>	<u>\$3,085,000</u>

NOTE 8 – 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, 2009, \$16,425,000 of bonds outstanding are considered defeased.

NOTE 9 – CAPITAL LEASES

The District, in prior years, has entered into two capital leases for buildings and an athletic field improvement lease.

The leases meet the criteria of capital leases as defined by statement of Financial Accounting Standards No. 13 “Accounting for Leases”, which defines a capital lease generally as one that transfers benefits and risks of ownership to the lessee. Capital lease payments for the buildings will be made from the General Fund. Capital lease payments for athletic field improvements will be made from the Permanent Improvement fund.

In fiscal year 2006, the capital lease proceeds that were recorded in the Permanent Improvement Fund relates to athletic field improvements project for the District. The District is leasing the project from the Columbus Regional Airport Authority. Columbus Regional Airport Authority will retain title to the project during the lease term. Columbus Regional Airport Authority assigned U.S. Bank National Association as trustee. U.S. Bank National Association deposited \$1,717,000 in the District’s name for the improvement of the athletic field. The District made an interest payment to U.S. Bank National Association. The lease is renewable annually and expires in 2014. The intention of the District is to renew the lease annually. The District began making principal payments in fiscal year 2007. The trustee entered into an Interest Rate Exchange Agreement with respect to the loan, locking in the rate at 3.65% plus an annual administrative fee. The principal amount owed on the athletic field improvement lease at year end is \$1,046,000 and \$1,233,200 for the two building leases.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of fiscal year end.

<u>Fiscal Year Ending June 30,</u>	<u>Long-Term Debt</u>
2010	\$352,617
2011	352,235
2012	351,780
2013	351,568
2014	351,290
2015-2019	668,943
2020-2024	592,394
2025-2026	236,329
Total Minimum Lease Payments	3,257,156
Less: Amount Representing Interest	(972,424)
Less: Additional Program Cost Component	(5,532)
Present Value of Minimum Lease Payments	<u>\$2,279,200</u>

Capital assets acquired under capital leases in accordance with Statement of Financial Accounting Standards No. 13 are as follows:

Buildings and Improvements	\$3,217,000
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NOTE 10 - 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 under *Employers/Audit Resources*.

Funding Policy

Plan members are required to contribute 10% of their annual covered salary and District is required to contribute 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 Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care fund) of the System. For fiscal year ending June 30, 2009, the allocation to pension and death benefits is 9.09%. The remaining 4.91% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's contributions to SERS for the years ended June 30, 2009, 2008, and 2007 were \$445,440, \$394,044 and \$327,528 respectively; 54% has been contributed for fiscal year 2009 and 100% for fiscal years 2008 and 2007.

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.

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 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 on a 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 31st 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, 2009, were 10% of covered payroll for members and 14% for employers. The District's contributions to STRS for the years ended June 30, 2009, 2008, and 2007 were \$1,504,044, \$1,486,896 and \$1,429,644, respectively; 83% has been contributed for fiscal year 2009 and 100% for fiscal years 2008 and 2007.

NOTE 11 - 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 2009 was \$96.40; 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 2009, the actuarially required allocation was .75%. District contributions for the year ended June 30, 2009, 2008 and 2007 were \$23,863, \$19,139 and \$15,909, respectively, which equaled the required contributions each 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, Medicare Advantage 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 105(e). 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, 2009, the health care allocation was 4.16%. 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 2009, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District contributions assigned to health care for the years ended June 30, 2009, 2008, and 2007 were \$132,359, \$93,445, and \$77,671, respectively.

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 under *Employers/Audit Resources*.

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 that is a hybrid of the Defined Benefit and the Defined Contribution Plan.

Ohio law authorized STRS Ohio to offer a cost-sharing, multiple-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 program 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 costs in the form of a monthly premium.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent *Comprehensive Annual Financial Report* by visiting 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, 2009, 2008 and 2007. The 14% employer contribution rate is the maximum rate established under Ohio law. The District contributions for the years ended June 30, 2009, 2008, and 2007 were \$107,432, \$106,207, and \$102,117, respectively.

NOTE 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, 2009.

LITIGATION

The District's attorney estimates that there is one potential claim against the District that is not covered by insurance resulting from litigation. However the outcome is not known as of June 30, 2009.

NOTE 13 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2009, the District contracted with Indiana Insurance Company for property and fleet insurance, liability insurance, and inland marine coverage. Coverage's provided by Indiana Insurance Company are as follows:

Building and Contents - Replacement Cost	\$58,797,619
Inland Marine Coverage	1,480,750
Boiler and Machinery	No Limit
Crime Insurance	100,000
Automobile Liability	2,000,000
Uninsured Motorist	1,000,000
General Liability	
Per Occurrence	2,000,000
Total Per Year	2,000,000

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

For fiscal year 2009, the District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley Union Services, Inc. provides administrative, cost control and actuarial services to the GRP.

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS

The Great Oaks Joint Vocational School (the School), a jointly governed organization, is a distinct political subdivision of the State of Ohio which operates under the direction of a Board consisting of one representative from each participating school district's elected board. The Board possesses its own budgeting and taxing authority. The Vocational School provides academic preparation and job training which leads to employment and/or further education upon graduation from high school. The District has no ongoing financial interest in or responsibility for the Vocational School.

The District is a participant in the Hamilton/Clermont Cooperative Association (HCCA) which is a computer consortium A-site used by the District. HCCA is an association of public districts in a geographic area determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The Board of the School consists of one representative from each of the participating members. The degree of control exercised by any participating district is limited to its representation on the board.

NOTE 15 – CLAIMS SERVICING POOL

The District participates as a member of the Greater Cincinnati Insurance Consortium (GCIC), a shared risk pool, comprised on twelve Hamilton County school districts and the Hamilton County Educational Service Center. Decisions concerning the operation of the consortium are made by a Board of Directors consisting of one (1) representative selected from each participating district and the educational service center. Each member pays an administrative fee to the pool. The Consortium converted from a fully-insured consortium through an independent third party insurance company to a self-funded insurance consortium with stop loss insurance coverage effective July 1, 2007. Anthem Blue Cross Blue Shield provides claim review and processing.

NOTE 16 – ACCOUNTABILITY

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

<u>Other Governmental Funds:</u>	<u>Deficit</u>
Improving Teacher Quality	\$975
Food Service	54,278

The deficits in fund balances were 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.

NOTE 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.

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>
Set-aside Reserve Balance as of June 30, 2008	(\$3,286,335)	\$0
Current Year Set-aside Requirement	323,599	323,599
Qualified Disbursements	(939,748)	(163,805)
Current Year Offsets	0	(159,794)
Set-aside Reserve Balance as of June 30, 2009	<u>(\$3,902,484)</u>	<u>\$0</u>

Qualifying disbursements and carryover from prior years for textbooks totaled \$4,226,083, resulting in \$3,902,484 for carryover to offset textbook requirements in future years. Qualifying disbursements for capital exceeded the required amount, however nothing can be carried forward to future years.

NOTE 18 – INTERFUND TRANSACTIONS

Interfund transactions at June 30, 2009, 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	\$60,932	\$0	\$0	\$261,020
Other Governmental Funds	<u>0</u>	<u>60,932</u>	<u>261,020</u>	<u>0</u>
Total All Funds	<u>\$60,932</u>	<u>\$60,932</u>	<u>\$261,020</u>	<u>\$261,020</u>

Interfund balance/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 budget authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

REQUIRED SUPPLEMENTARY INFORMATION

Wyoming 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, 2009

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$14,263,127	\$14,906,525	\$14,944,642	\$38,117
Tuition and Fees	415,442	432,223	435,293	3,070
Investment Earnings	238,315	249,702	249,702	0
Intergovernmental	6,130,578	6,423,507	6,423,507	0
Other Revenues	527,691	552,901	552,905	4
Total Revenues	21,575,153	22,564,858	22,606,049	41,191
Expenditures:				
Current:				
Instruction:				
Regular	10,417,528	10,610,428	10,553,726	56,702
Special	1,831,347	1,932,562	1,855,290	77,272
Vocational	111,107	113,403	112,560	843
Other	8,021	8,126	8,126	0
Support Services:				
Pupil	1,386,168	1,487,646	1,404,291	83,355
Instructional Staff	1,104,524	1,165,073	1,118,964	46,109
General Administration	238,189	327,521	241,303	86,218
School Administration	1,559,564	1,588,958	1,579,954	9,004
Fiscal	865,271	879,355	876,583	2,772
Business	1,647	1,669	1,669	0
Operations and Maintenance	1,972,931	2,118,763	1,998,725	120,038
Pupil Transportation	373,564	421,322	378,448	42,874
Central	124,815	136,454	126,447	10,007
Operation of Non-Instructional Services	109,316	149,511	110,745	38,766
Extracurricular Activities	495,285	501,885	501,760	125
Capital Outlay	69,057	61,000	69,960	(8,960)
Debt Service:				
Principal Retirement	36,325	36,800	36,800	0
Interest and Fiscal Charges	87,597	88,742	88,742	0
Total Expenditures	20,792,256	21,629,218	21,064,093	565,125
Excess of Revenues Over (Under) Expenditures	782,897	935,640	1,541,956	606,316
Other Financing Sources (Uses):				
Advances In	45,770	47,957	47,957	0
Advances (Out)	(60,343)	(61,132)	(61,132)	0
Transfers (Out)	(257,651)	(261,020)	(261,020)	0
Total Other Financing Sources (Uses)	(272,224)	(274,195)	(274,195)	0
Net Change in Fund Balance	510,673	661,445	1,267,761	606,316
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,244,540	8,244,540	8,244,540	0
Fund Balance End of Year	\$8,755,213	\$8,905,985	\$9,512,301	\$606,316

See accompanying notes to the required supplementary information.

Wyoming City School District
Notes to the Required Supplementary Information
For The Year Ended June 30, 2009

NOTE 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 2009.

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 Combined Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual 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</u>
GAAP Basis	\$1,548,965
Revenue Accruals	(166,061)
Expenditure Accruals	142,131
Advances In	47,957
Advances (Out)	(61,132)
Encumbrances	<u>(244,099)</u>
Budget Basis	<u><u>\$1,267,761</u></u>

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**WYOMING CITY SCHOOL DISTRICT
HAMILTON COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009**

FEDERAL GRANTOR Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster						
Food Commodity Distribution Program	n/a	10.555	\$ -	\$ 28,103	\$ -	\$ 28,103
National School Lunch Program	LLP4	10.555	49,050		49,050	
Total Child Nutrition Cluster			49,050	28,103	49,050	28,103
Total U.S. Department of Agriculture			49,050	28,103	49,050	28,103
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster						
Title VI-B: Special Education Grants to States	6BSF	84.027	332,636		325,799	
Special Education - Preschool Grant	PGS1	84.173	5,590		5,590	
Total Special Education Cluster			338,226	-	331,389	-
Safe and Drug Free Schools	DRS1	84.186	4,303		5,004	
Title V: Innovative Education Program Strategies	C2S1	84.298	3,982		3,712	
Title II-D - Technology Literacy Challenge Fund Grants	TJS1	84.318	491		454	
Improving Teacher Quality	TRS1	84.367	54,676		54,676	
<i>Passed Through Cincinnati Public Schools:</i>						
Title I: Grants to Local Educational Agencies	C1S1	84.010	34,338		26,468	
<i>Passed Through Hamilton County Educational Service Center:</i>						
Title III - Limited English Proficiency	T3S2	84.365	2,362		1,443	
<i>Passed Through Great Oaks Institute of Technology:</i>						
Vocational Education - Carl D. Perkins Act of 1984	20C2	84.048	2,031		5,018	
Total U.S. Department of Education			440,409	-	428,164	-
<u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICES</u>						
<i>Passed Through Ohio Department of Education:</i>						
Learn & Serve America	SVS1	94.004	30,000		23,947	
Total U.S. Corporation for National and Community Services			30,000	-	23,947	-
Total			\$ 519,459	\$ 28,103	\$ 501,161	\$ 28,103

The accompanying notes are an integral part of this schedule.

**WYOMING CITY SCHOOL DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2009**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the Wyoming City School District's (the District's) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

NOTE C - FOOD DONATION PROGRAM

Program regulations do not require the District to maintain separate inventory records for purchased food versus food commodities it receives from the U.S. Department of Agriculture. The government reports commodities consumed on the Schedule at the fair value.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Wyoming City School District
Hamilton County
420 Springfield Pike
Wyoming, Ohio 45215

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wyoming City School District, Hamilton County, Ohio (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 11, 2010. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the 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 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 District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

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 internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the District's management in a separate letter dated March 11, 2010.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated March 11, 2010.

We intend this report solely for the information and use of the audit committee, management, the Board of Education, federal awarding agencies, and pass through entities. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

March 11, 2010



Mary Taylor, CPA

Auditor of State

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

Wyoming City School District
Hamilton County
420 Springfield Pike
Wyoming, Ohio 45215

To the Board of Education:

Compliance

We have audited the compliance of Wyoming City School District, Hamilton County, Ohio (the District), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended June 30, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, Wyoming City School District complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended June 30, 2009.

Internal Control Over Compliance

The District's management 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 District's internal control over compliance with requirements that could directly and materially affect 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 District's internal control over compliance.

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of 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.

We intend this report solely for the information and use of the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

March 11, 2010

**WYOMING CITY SCHOOL DISTRICT
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster – CFDA #84.027 – Grants to States (IDEA Part B); #84.173 – Preschool Grant (IDEA Preschool)
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

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WYOMING CITY SCHOOL DISTRICT
HAMILTON COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315(b)
JUNE 30, 2009

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2008-001	ORC Section 5705.41(D)(1), failure to encumber funds	No	Partially corrected, reissued as Management Letter.

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Wyoming City School District
Hamilton County
420 Springfield Pike
Cincinnati, Ohio 45215

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Wyoming City School District (the District) has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on December 18, 2007.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;

- (6) A procedure for documenting any prohibited incident that is reported;
- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

March 11, 2010



Mary Taylor, CPA
Auditor of State

WYOMING 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
MARCH 30, 2010