

**TROTWOOD-MADISON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

SUPPLEMENTAL REPORTS

***FOR THE FISCAL YEAR ENDED
JUNE 30, 2008***

DIANA WHITT, TREASURER



Mary Taylor, CPA
Auditor of State

Board of Education
Trotwood-Madison City School District
444 South Broadway Street
Trotwood, Ohio 45426

We have reviewed the *Independent Auditor's Report* of the Trotwood-Madison City School District, Montgomery County, prepared by Julian & Grube, Inc., for the audit period July 1, 2007 through June 30, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

March 10, 2009

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**TROTWOOD-MADISON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

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

Board of Education
Trotwood-Madison City School District
444 South Broadway
Trotwood, Ohio 45426

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Trotwood-Madison City School District, Montgomery County, Ohio, as of and for the fiscal year ended June 30, 2008, and have issued our report thereon dated January 28, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Trotwood-Madison City School District's basic financial statements. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as whole.

Julian & Grube, Inc.
January 28, 2009

**TROTWOOD - MADISON CITY SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(A) PASS-THROUGH GRANT NUMBER	(B) CASH FEDERAL RECEIPTS	(B) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION				
(C) Food Donation	10.550	2008	\$ 62,879	\$ 62,879
Total Food Donation			<u>62,879</u>	<u>62,879</u>
Nutrition Cluster:				
(D) (E) School Breakfast Program	10.553	2007	71,836	71,836
(D) (E) School Breakfast Program	10.553	2008	257,301	257,301
Total School Breakfast Program			<u>329,137</u>	<u>329,137</u>
(D) (E) National School Lunch Program	10.555	2007	141,078	141,078
(D) (E) National School Lunch Program	10.555	2008	706,741	706,741
Total National School Lunch Program			<u>847,819</u>	<u>847,819</u>
(D) Summer Food Service Program for Children	10.559	2007	155,308	93,674
(D) Summer Food Service Program for Children	10.559	2008	21,000	-
Total Summer Food Service Program			<u>176,308</u>	<u>93,674</u>
Total Nutrition Cluster			<u>1,353,264</u>	<u>1,270,630</u>
Total U.S. Department of Agriculture			<u>1,416,143</u>	<u>1,333,509</u>
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION				
Title I Grants to Local Educational Agencies	84.010	2007	12,383	62,200
Title I Grants to Local Educational Agencies	84.010	2008	1,432,649	1,383,329
Total Title I Grants to Local Educational Agencies			<u>1,445,032</u>	<u>1,445,529</u>
Special Education Cluster:				
(F) Special Education Grants to States	84.027	2007	66,704	66,704
(F) Special Education Grants to States	84.027	2008	876,394	861,815
Total Special Education Grants to States			<u>943,098</u>	<u>928,519</u>
(F) (H) Special Education Preschool Grants	84.173	2007	(250)	-
(F) (H) Special Education Preschool Grants	84.173	2008	11,045	10,663
Total Special Education Preschool Grants			<u>10,795</u>	<u>10,663</u>
Total Special Education Cluster			<u>953,893</u>	<u>939,182</u>
Safe and Drug-Free Schools and Communities State Grants	84.186	2008	19,179	18,867
Total Safe and Drug-Free Schools and Communities State Grants			<u>19,179</u>	<u>18,867</u>
(H) State Grants for Innovative Programs	84.298	2007	(630)	-
(H) State Grants for Innovative Programs	84.298	2008	13,352	13,137
Total State Grants for Innovative Programs			<u>12,722</u>	<u>13,137</u>
(G) Education Technology State Grants	84.318	2007	(11,359)	-
Education Technology State Grants	84.318	2007	9,845	2,416
Education Technology State Grants	84.318	2008	34,234	31,633
Total Educational Technology State Grants			<u>32,720</u>	<u>34,049</u>
Reading First State Grants	84.357	2007	132,129	126,420
Reading First State Grants	84.357	2008	34,036	36,759
Total Reading First State Grants			<u>166,165</u>	<u>163,179</u>
Improving Teacher Quality State Grants	84.367	2007	10,537	2,382
Improving Teacher Quality State Grants	84.367	2008	286,935	310,151
Total Improving Teacher Quality State Grants			<u>297,472</u>	<u>312,533</u>
Total U.S. Department of Education			<u>2,927,183</u>	<u>2,926,476</u>
Total Federal Financial Assistance			<u>\$ 4,343,326</u>	<u>\$ 4,259,985</u>

- Continued

TROTWOOD - MADISON CITY SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

- (A) OAKS did not assign pass-through numbers for fiscal year 2008.
- (B) This schedule was prepared on the cash basis of accounting.
- (C) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are reported at the entitlement value
- (D) Included as part of "Nutrition Grant Cluster" in determining major programs.
- (E) Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first-in, first-out basis.
- (F) Included as part of "Special Education Grant Cluster" in determining major programs.
- (G) The amount of \$11,359 was repaid to the Ohio Department of Education based on the expiration of period of availability
- (H) The District generally must spend Federal assistance within 15 months of receipt (funds must be obligated by June 30th and spent by September 30th). However, with Ohio Department of Education ("ODE")'s approval, a District can transfer unspent Federal assistance to the succeeding year, thus allowing the District a total of 27 months to spend the assistance. Schools can document this by using special cost centers for each year's activity, and transferring the amounts ODE approves between the cost centers. During fiscal year 2008, the ODE authorized the following transfers

Program Title	CFDA #	Grant Year	Transfers Out	Transfers In
State Education Preschool Grants	84.027	2007	\$ 250	
State Education Preschool Grants	84.027	2008		\$ 250
State Grants for Innovative Programs	84.298	2007	630	
State Grants for Innovative Programs	84.298	2008		630
Totals			880	880



Julian & Grube, Inc.
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**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Education
Trotwood-Madison City School District
444 South Broadway
Trotwood, Ohio 45426

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Trotwood-Madison City School District, Montgomery County, Ohio, as of and for the fiscal year ended June 30, 2008, which collectively comprise Trotwood-Madison City School District's basic financial statements and have issued our report thereon dated January 28, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Board of Education
Trotwood-Madison City School District

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

Compliance and Other Matters

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

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc." with a stylized flourish at the end.

Julian & Grube, Inc.
January 28, 2009



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

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

Board of Education
Trotwood-Madison City School District
444 South Broadway
Trotwood, Ohio 45426

Compliance

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

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

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

Board of Education
Trotwood-Madison City School District

Internal Control Over Compliance

The management of Trotwood-Madison City School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Trotwood-Madison City School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Trotwood-Madison City School District's internal control over compliance.

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Trotwood-Madison City School District's internal control.

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.

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



Julian & Grube, Inc.
January 28, 2009

**TROTWOOD-MADISON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 2008**

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under §.510?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Title I Grants to Local Educational Agencies, CFDA #84.010 and Improving Teacher Quality State Grants, CFDA #84.367.
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

None

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2008



TROTWOOD-MADISON CITY SCHOOL DISTRICT
TROTWOOD, OHIO

Our Mission is 100% Student Success



**TROTWOOD-MADISON CITY SCHOOL DISTRICT
TROTWOOD, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**PREPARED BY:
OFFICE OF THE TREASURER
DIANA WHITT, TREASURER/CFO**

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INTRODUCTORY SECTION



TROTWOOD-MADISON
CITY SCHOOL DISTRICT

Our Mission Is 100% Student Success!

January 31, 2009

To The Citizens and Board of Education
of the Trotwood-Madison City School District:

The Comprehensive Annual Financial Report [CAFR] of the Trotwood-Madison City School District (the "District") for the fiscal year ended June 30, 2008, is hereby submitted. This report, prepared by the Treasurer's office, includes an opinion from Julian & Grube, Inc. and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report will provide the taxpayers of the Trotwood-Madison City School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be available upon request to taxpayers, financial rating services, banking institutions and other interested parties.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditor's report.

The District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; a broad range of cocurricular and extracurricular activities; adult and community education offerings; special education programs and facilities; and community recreational facilities.

The District receives pass through grants from the State and distributes these grants to a private school located within the District. This activity is included in the entity as the Auxiliary Services Special Revenue Fund, because of the District's administrative involvement in the program. The private school served is Precious Blood. While this organization shares operational and service similarity with the District, it is a legally separate and distinct entity. Because of their independent nature, this organization is not included in this report.

ECONOMIC CONDITION AND OUTLOOK

The City of Trotwood is located in southwest Ohio approximately 55 miles north of Cincinnati, 75 miles southwest of Columbus and 100 miles east of Indianapolis, Ind. Trotwood is strategically located less than two miles from I-70, less than 5 miles from I-75 and less than 15 minutes from the Dayton International Airport.

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

THE DISTRICT AND ITS FACILITIES

The District is located in the City of Trotwood, in Montgomery County, west of Dayton. Montgomery County has traditionally had a strong economy with unemployment rates below state and national averages. The area has experienced growth during the past year in retail, business and industrial parks, and recreational facilities.

The District is comprised of a senior high school campus, a middle school serving grades 7-8, and 4 elementary schools serving grades K-6. The District currently services approximately 3,000 students.

Constructed	School Address	June 2008 Enrollment
2007	Early Learning Center 4400 North Union Road	477
2007	Madison Park Elementary 301 South Broadway	403
2007	Westbrooke Elementary 6500 Westford Road	428
1975	Trotwood-Madison Middle School 4420 North Union Road	675 Under Construction
2005	Trotwood-Madison High School 4440 North Union Road	1,078

ORGANIZATION OF THE SCHOOL DISTRICT

The Board of Education is a 5 member body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all the general laws of the State of Ohio are followed in the expenditures of the District's tax dollars and approves the annual appropriation resolution and tax budget.

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

Board Member	Began Service	Term Expires	Profession
Vanessa Jeter-Freeman	January, 2004	December, 2007	Lead Manpower Analyst
Craig Ross, Sr.	June, 2003	December, 2007	Legal Assurance Administrator
Deborah L. Daniel	November, 1998	December, 2009	Bank Manager
Teena R. Davis	January, 1998	December, 2009	Child Care Facilitator
Denise E. Moore	January, 2006	December, 2009	Self Employed

The Superintendent is the chief executive officer of the District, responsible directly to the Board for all educational and support operations. Dr. Lowell Draffen was appointed Superintendent in 2003. Prior to becoming the Superintendent of Trotwood-Madison City Schools, Dr. Draffen served as Principal at Holton School in Holton, Indiana (1967-1969); Assistant Principal of Lebanon Middle School, Lebanon, Indiana (1969-1972); Assistant Superintendent at Trotwood-Madison City Schools, Trotwood, Ohio (1972-1976); Superintendent of Valley View Local Schools, Germantown, Ohio (1976-1980); Superintendent of Mad River Local Schools, Riverside, Ohio (1980-1998). Dr. Draffen received his B.S. Degree from Purdue University and his Masters and Doctorate from Indiana University.

The Treasurer is the chief financial officer of the District, responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets and investing idle funds as specified by Ohio Law. Mrs. Diana C. Whitt was appointed Assistant Treasurer in March 2002, and became Treasurer of the District in September, 2002. Mrs. Whitt received her B.A. Degree from Notre Dame College in South Euclid, Ohio and her Masters Degree from the University of Phoenix.

EMPLOYEE RELATIONS

The District currently has approximately 439 full-time equivalent employees.

The District teachers and classified employees are represented for collective bargaining purposes by the Trotwood-Madison Education Association (TMEA). The District has a two year collective bargaining agreement which expires June 30, 2009.

SERVICES PROVIDED

The District provides a wide variety of educational and support services, as mandated by the Ohio Revised Code or board directives.

Transportation is provided for over 2,200 students each day. The District fleet of 20 buses travels over 1,745 miles each day transporting to 15 different sites. The department transported both public and non-public students on 541 extra-curricular trips during the year.

The food service department served 342,025 plate lunches through the District's 8 kitchens. This is accomplished through the full operation of 4 kitchens and 4 satellite sites, as well as a central bakery. The District currently offers a breakfast program at four elementary sites and the middle school site.

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

Limited health services are provided by health assistants at each of the 8 school sites under the supervision of a registered nurse.

The District offers regular instructional programs daily to students in grades K-12. There are approximately 102 students in the specific trades through vocational education. Over 590 students receive special services, due to physical or mental handicapping conditions. In grades 4-8, approximately 70 students participated in the gifted program. The District presented 192 high school diplomas in 2007.

MAJOR CURRENT AND FUTURE INITIATIVES

The following is The Mission Statement of the Board that is the guiding force for all initiatives acted upon by the Board:

The mission of the Trotwood-Madison City School District is to graduate all students prepared to excel in a global society with a commitment to lifelong learning by guaranteeing a challenging curriculum facilitated by innovative and dedicated staff, community participation and state-of-the-art resources in a stimulating atmosphere.

Beliefs

- We believe that learning is a lifelong process.
- We believe that each individual is unique.
- We believe that all people are capable of achieving success.
- We believe that there is strength in diversity.
- We believe that involvement is essential for a community to be successful.

The District has made major changes in our educational delivery system over the past several years. The high school has now converted from a block schedule to a seven period day. The general curriculum track has been phased out. All high school students are expected to take either challenging career and technical training or college preparatory courses.

The high school is firmly committed to the key practices developed for high schools that work. Also implemented is a transition program for all ninth grade students. An alternative program is offered to students from 3:30 p.m. to 7:30 p.m. for students who are at risk or have a difficult time in a traditional high school program.

The focus of the District is on student achievement. The District has been working hard to reach out to all students, from high achievers to at-risk to get them more actively engaged in their own learning.

The District has been engaged in training teachers to become clinic teachers with a focus on academic standards which are developed by the State of Ohio

CHALLENGES FOR 2007-2008 AND BEYOND

- Continue to improve proficiency scores
- Increase the graduation rate
- Recruit and retain quality staff
- Provide time and finances for staff development
- Provide a safe learning environment
- Increase individualized help to students
- Align District goals, initiatives and state standards
- Continue to improve the utilization of technology to support learning

DISTRICT GOALS FOR 2007-2008

To improve student achievement through:

- Increase Mathematics performance by 10% as determined by state assessment results.
- Increase the number of students rated Proficient or higher in Reading by 5% as determined by state assessment results.
- Use a simple and predictable process for academic and behavioral supports to reduce discipline infractions district-wide as measured by the district discipline referral system and school wide.
- Implement an effective and efficient systems approach to improvement at all levels as measured by reaching the proficient level in all categories of the Systems Check III.

BUSINESS-SCHOOL PARTNERSHIP PROGRAM

Partners in Education is a program that brings together businesses and schools in order to address specific educational needs. The business-school partnerships are formal, voluntary relationships between one school and one business. Partnerships match available resources with identified needs to meet mutually agreed upon goals and objectives.

Partnerships provide opportunities for students to understand how the basic skills they learn in school are applied in the business world. However, it is not just the schools that benefit from partnerships. Businesses and their employees also gain from this special relationship, as many schools reciprocate with their own projects which help their corporate or industrial partners.

Partnerships also give those in the business community insight into the workings of the school and a better understanding of the needs of the educational system.

LONG-RANGE BUILDING AND MAINTENANCE PLANS

The District, as part of its strategic planning, in conjunction with the architectural firm of Fanning & Howey completed an Educational Facilities Master Plan in March 2003 and amended in February 2004. The improvements were funded through proceeds from the sale of bonds. The facility improvement plan included the construction of a new high school building, a new middle school and two elementary buildings and a K-1 building. The District maintains a three year building maintenance program. This program is generated through input provided by each building administrator in an annual preventive maintenance check list. This three year plan provides the District direction for implementing maintenance and renovation projects and contributes to the financial planning and projection of costs for these projects.

FINANCIAL INFORMATION

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

INTERNAL ACCOUNTING AND BUDGETARY CONTROL

In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

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

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

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

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

The accounting system used by the District provided interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each program manager is furnished monthly reports showing the status of the budget accounts for which he or she is responsible. Each program manager may request additional financial reports during the month when necessary.

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

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

FINANCIAL CONDITION

The District has prepared financial statements following GASB Statement 34, "Basic Financial Statements - and Management's Discussion and Analysis -- for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the School District's financial activities as follows:

Government-wide financial statements These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

Fund financial statements These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Fiduciary funds use the accrual basis of accounting.

Statement of budgetary comparisons These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

Management is responsible for preparing a Management's Discussion and analysis of the District. This discussion follows this letter of transmittal, providing and assessment of the District's finances for 2008 and the outlook for the future.

CASH MANAGEMENT

The Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by the United States Government, or the State of Ohio issued instruments or insured by the Federal Deposit Insurance Corporation [FDIC]. The total amount of earnings on investments in the General Fund was \$721,621 for the fiscal year ended June 30, 2008.

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

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

RISK MANAGEMENT

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

All employees are covered under the District's liability policy with Nationwide Insurance Company. The limits of liability are \$1,000,000 for each occurrence and \$5,000,000 in aggregate.

The Superintendent, Director of Operations, Board Members and Treasurer are covered with performance bonds from the Accordia Fidelity and Deposit Company in the amount of \$20,000 each. The District uses the State Workers' Compensation plan and pays a premium based on a rate per \$100 of salaries.

INDEPENDENT AUDIT

Provisions of State statute require that the District's financial statements be subjected to an annual examination by an independent auditor.

The unqualified opinion rendered on the District's basic financial statements, (combining statements and individual fund schedules), is included in the financial section of this Comprehensive Annual Financial Report.

The audit was also designed to meet the requirements of the federal Single Audit Act and the related U.S. Office of Management and Budget Circular A-133.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio.

The District adopted and has been in conformance with that system effective with its annual financial report since the 1979 calendar year.

AWARDS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada [GFOA] awarded a Certificate of Achievement to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2007. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

ASBO Certificate

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

The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2007. The District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2008, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

ACKNOWLEDGEMENTS

The preparation of the 2008 Comprehensive Annual Financial Report of the Trotwood-Madison City School District was made possible by the combined efforts of the District's Finance Department and Plattenburg and Associates, Incorporated. The publication of this Comprehensive Annual Financial Report for the District is a major step in reinforcing the accountability of the District to the taxpayers of the community.

Respectfully submitted,

A handwritten signature in cursive script that reads "Diana C. Whitt".

Diana C. Whitt
Treasurer/CFO

TROTWOOD-MADISON CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2008

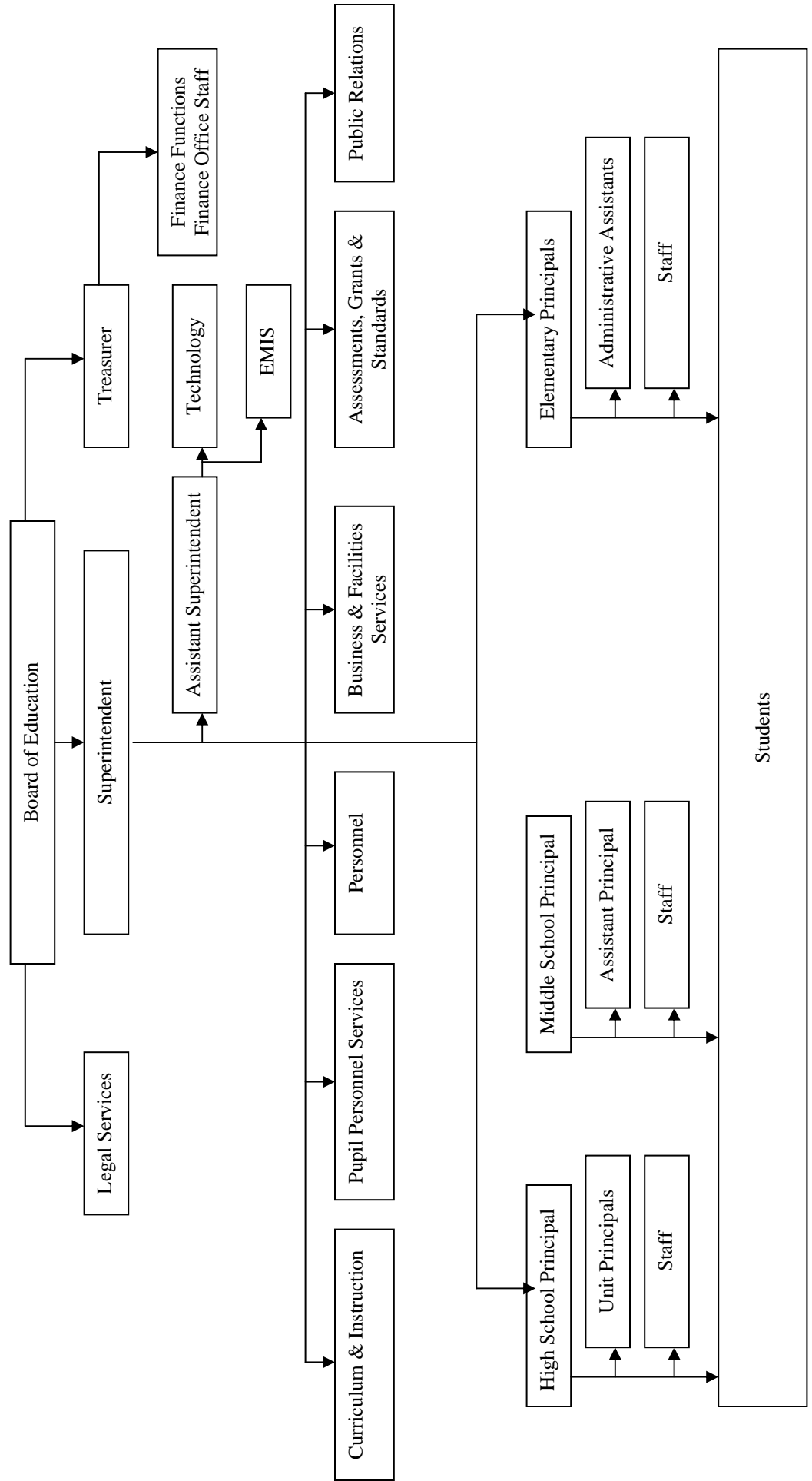
BOARD OF EDUCATION

President..... Mrs. Deborah Daniel
Vice President..... Mrs. Denise E. Moore
Board Member..... Mr. Craig Ross, Sr.
Board Member..... Mrs. Vanessa Jeter-Freeman
Board Member..... Mrs. Teena R. Davis

ADMINISTRATIVE OFFICIALS

Superintendent..... Dr. Lowell Draffen
Assistant Superintendent..... Dr. Rexann Wagner
Treasurer..... Mrs. Diana C. Whitt
Director of Operations..... Mr. John Smith
Director of Personnel..... Dr. Rexann Wagner
Director of Pupil Personnel..... Ms. Vivian Schooler
Director of Curriculum and Instruction..... Mr. Kevin Bell

TROTWOOD-MADISON CITY SCHOOL ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Trotwood-Madison
City School District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

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



A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

TROTWOOD-MADISON CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2007

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

Glenn E. Brendel

President

John D. Quasar

Executive Director

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FINANCIAL SECTION



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Board of Education
Trotwood-Madison City School District
444 South Broadway
Trotwood, Ohio 45426

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Trotwood-Madison City School District, Montgomery County, Ohio, as of and for the fiscal year ended June 30, 2008, which collectively comprise Trotwood-Madison City School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Trotwood-Madison City School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Trotwood-Madison City School District, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable thereof, for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2009, on our consideration of Trotwood-Madison City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Independent Auditor's Report
Trotwood-Madison City School District

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



Julian & Grube, Inc.
January 28, 2009

**Trotwood-Madison City School District
Management Discussion and Analysis
For the fiscal year ended June 30, 2008
(Unaudited)**

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

Financial Highlights

Key financial highlights for 2008 are as follows:

- Net assets of governmental activities increased \$4,906,221 which represents a 8.2% increase from 2007.
- General revenues accounted for \$34,501,634 in revenue or 73.9% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$12,203,940 or 26.1% of total revenues of \$46,705,574 .
- The District had \$41,799,353 in expenses related to governmental activities; \$12,203,940 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$34,501,634 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 the *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, Debt Service, Classroom Facilities and Building funds are the major funds of the District.

Government-wide Financial Statements

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2008?” The Government-wide Financial Statements 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 in the following manner:

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

Fund Financial Statements

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

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

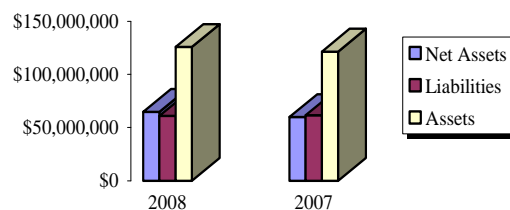
Fiduciary Funds Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District’s own programs.

The District as a Whole

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 2008 compared to 2007:

Table 1
Net Assets

	Governmental Activities	
	2008	2007 Restated
Assets:		
Current and Other Assets	\$38,195,776	\$43,515,802
Capital Assets	87,601,614	77,880,560
Total Assets	125,797,390	121,396,362
Liabilities:		
Other Liabilities	15,987,506	16,337,519
Long-Term Liabilities	45,021,779	45,176,959
Total Liabilities	61,009,285	61,514,478
Net Assets:		
Invested in Capital Assets, Net of Related Debt	44,655,421	34,310,648
Restricted	12,073,911	20,041,178
Unrestricted	8,058,773	5,530,058
Total Net Assets	\$64,788,105	\$59,881,884



Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2008, the District's assets exceeded liabilities by \$64,788,105 .

At year-end, capital assets represented 70% of total assets. Capital assets include land, construction in progress, buildings and improvements, and equipment. Capital assets, net of related debt to acquire the assets at June 30, 2008, was \$44,655,421. 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, \$12,073,911 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.

Capital Assets increased due to the continued progress of the ongoing school improvement projects. Other Liabilities decreased mainly due to a decrease in contracts payable in 2008 as compared to 2007.

Table 2 shows the changes in net assets for fiscal years 2008 and 2007.

Table 2
Changes in Net Assets

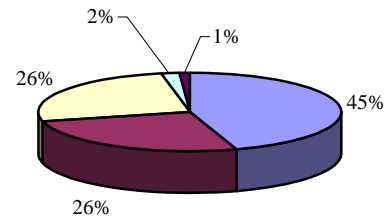
	Governmental Activities	
	2008	2007 Restated
Revenues:		
Program Revenues		
Charges for Services	\$966,983	\$1,117,128
Operating Grants, Contributions	9,282,284	8,844,269
Capital Grants and Contributions	1,954,673	23,812,365
General Revenues:		
Property Taxes	12,317,039	12,827,947
Grants and Entitlements	20,930,858	20,559,179
Other	1,253,737	1,919,871
Total Revenues	<u>46,705,574</u>	<u>69,080,759</u>
Program Expenses:		
Instruction	22,573,358	24,569,828
Support Services:		
Pupil and Instructional Staff	4,671,124	4,608,617
School Administrative, General		
Administration, Fiscal and Business	3,872,931	4,538,740
Operations and Maintenance	3,442,287	3,025,115
Pupil Transportation	1,636,690	1,589,563
Central	1,393,523	1,405,039
Operation of Non-Instructional Services	1,692,701	2,021,177
Extracurricular Activities	512,227	633,568
Interest and Fiscal Charges	2,004,512	3,062,170
Total Program Expenses	<u>41,799,353</u>	<u>45,453,817</u>
Change in Net Assets	4,906,221	23,626,942
Net Assets Beginning of Year	<u>59,881,884</u>	<u>36,254,942</u>
Net Assets End of Year	<u>\$64,788,105</u>	<u>\$59,881,884</u>

The District revenues are mainly from three sources. Property taxes levied for general, special revenue, debt service and capital projects purposes, grants and entitlements and capital grants and contributions comprised most 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 do not receive additional property tax revenue from increases in appraisal values and must regularly return to the voters to maintain a constant level of service. Property taxes made up 26% of revenue for governmental activities for the District in fiscal year 2008.

<u>Revenue Sources</u>	<u>2008</u>	<u>Percent of Total</u>
General Grants	\$20,930,858	45%
Program Revenues	12,203,940	26%
General Tax Revenues	12,317,039	26%
Investment Earnings	850,510	2%
Other Revenues	403,227	1%
	<u>\$46,705,574</u>	<u>100%</u>



Instruction comprises 54.0% of governmental program expenses. Support services expenses were 35.9% of governmental program expenses. All other expenses and interest expense was 10.1%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Capital Grants and Contributions program revenue decreased in 2008 as compared to 2007. This decrease resulted from the District receiving \$23,812,365 in capital grants and contributions from the State of Ohio as part of ongoing school improvement projects in 2007. Instructional expenses decreased mainly due to a decrease in the District's overall personnel costs.

Governmental Activities

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2008	2007 Restated	2008	2007 Restated
Instruction	\$22,573,358	\$24,569,828	(\$15,771,661)	\$1,440,127
Support Services:				
Pupil and Instructional Staff	4,671,124	4,608,617	(2,463,441)	(1,872,706)
School Administrative, General				
Administration, Fiscal and Business	3,872,931	4,538,740	(3,438,459)	(2,747,581)
Operations and Maintenance	3,442,287	3,025,115	(3,206,728)	(1,830,832)
Pupil Transportation	1,636,690	1,589,563	(1,414,396)	(1,440,202)
Central	1,393,523	1,405,039	(1,365,504)	(1,363,822)
Operation of Non-Instructional Services	1,692,701	2,021,177	543,381	(276,903)
Extracurricular Activities	512,227	633,568	(474,093)	(525,966)
Interest and Fiscal Charges	2,004,512	3,062,170	(2,004,512)	(3,062,170)
Total Expenses	<u>\$41,799,353</u>	<u>\$45,453,817</u>	<u>(\$29,595,413)</u>	<u>(\$11,680,055)</u>

The District's Funds

The District has four major governmental funds: the General Fund, Debt Service Fund and two Capital Projects Funds. Assets of these funds comprise \$32,381,841 (91%) of the total \$35,546,551 governmental funds assets.

General Fund: Fund balance at June 30, 2008 was \$6,898,970 including \$5,742,007 of unreserved balance. The primary reason for the increase in fund balance was due to an increase in intergovernmental revenue.

Debt Service Fund: Fund balance at June 30, 2008 was \$1,675,231. The primary reason for the increase in fund balance was due to a decrease in interest and fiscal charges expenditures.

Classroom Facilities Fund: Fund balance at June 30, 2008 was \$3,406,492. The primary reason for the decrease in fund balance was mainly due to capital outlay expenditures exceeding the grant monies received for school improvements during the fiscal year.

Building Fund: Fund balance at June 30, 2008 was \$4,840,867. The primary reason for the decrease in fund balance was due to the start and continuation of the bus garage construction project.

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.

For the General Fund, final budget basis revenue was \$32,901,955. The original budget estimate was \$30,513,880. The difference was \$2,388,075. Of this difference, most was due to conservative estimates for taxes and intergovernmental revenues.

The District's ending unobligated cash balance was \$5,163,342 above the final budgeted amount, due to a conservative budget estimates.

Capital Assets and Debt Administration

Capital Assets

At fiscal year end, the District had \$87,601,614 invested in land, construction in progress, buildings and improvements and equipment. Table 4 shows fiscal 2008 balances compared to fiscal 2007:

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

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2007</u>
Land	\$1,156,779	\$1,156,779
Construction in Progress	25,146,650	42,784,868
Buildings and Improvements	58,937,305	32,175,513
Equipment	<u>2,360,880</u>	<u>1,763,400</u>
Total Net Capital Assets	<u><u>\$87,601,614</u></u>	<u><u>\$77,880,560</u></u>

The increase in capital assets is mainly due to the construction in progress on the middle school.

See note 7 in the Notes to the Basic Financial Statements for further details on the District's capital assets.

Debt

At June 30, 2008, the District had \$43,673,321 in debt outstanding, \$665,000 due within one year. Table 5 summarizes debt outstanding.

Table 5
Outstanding Debt, at Year End

	Governmental Activities	
	2008	2007
1999 Energy Conservation Notes Payable	\$75,000	\$145,000
2002 Refunding Bonds:		
Current Interest Bonds	2,120,000	2,485,000
Capital Appreciation Bonds	355,000	355,000
Accretion of Interest	528,746	386,531
2007 Refunding Bonds:		
Current Interest Bonds	28,605,000	28,815,000
Capital Appreciation Bonds	1,010,000	1,010,000
Accretion of Interest	198,382	64,524
Premium on 2007 Refunding	861,914	899,388
Capital Leases:		
2004 OASBO Lease	0	9,796,000
2008 Classroom Facilities Project Lease - COP	9,830,000	0
2008 Classroom Facilities Project Lease - Premium	89,279	0
Total Long-Term Notes, Bonds and Capital Leases	<u>\$43,673,321</u>	<u>\$43,956,443</u>

See notes 8-10 in the Notes to the Basic Financial Statements for further details on the District's long-term obligations.

For the Future

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

This scenario requires management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

With no increase in state funding projected, the District must increase revenues by submitting an operating levy to the community in the near future. At this time, the Board has not set the date and amount for the levy. Increased funding will be needed to provide all students a quality education. Financially, the future of the District is not without challenges. Management must diligently plan future expenditures.

The District has committed itself to financial excellence for many years. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1999 and the GFOA Budget Award since 1999.

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

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Diana C. Whitt, Treasurer, Trotwood-Madison City Schools, 444 South Broadway, Trotwood, Ohio 45426. Telephone (937) 854-3050 x 222. Email dianawhitt@trotwood.k12.oh.us.

Trotwood-Madison City School District
Statement of Net Assets
June 30, 2008

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Investments	\$22,472,971
Restricted Cash and Investments	81,076
Cash and Cash Equivalents with Fiscal Agent	454,500
Receivables:	
Taxes	13,813,962
Intergovernmental	592,754
Deferred Bond/Certificate of Participation Issuance Costs	757,489
Inventory	23,024
Nondepreciable Capital Assets	26,303,429
Depreciable Capital Assets, Net	<u>61,298,185</u>
 Total Assets	 <u>125,797,390</u>
Liabilities:	
Accounts Payable	451,527
Accrued Wages and Benefits	3,215,632
Retainage Payable	454,500
Accrued Interest Payable	142,171
Contracts Payable	249,879
Unearned Revenue	11,271,525
Claims Payable	202,272
Long-Term Liabilities:	
Due Within One Year	996,004
Due In More Than One Year	<u>44,025,775</u>
 Total Liabilities	 <u>61,009,285</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	44,655,421
Restricted for:	
Special Revenue	1,068,185
Debt Service	2,288,228
Capital Projects	8,636,422
BWC Refunds	81,076
Unrestricted	<u>8,058,773</u>
 Total Net Assets	 <u><u>\$64,788,105</u></u>

See accompanying notes to the basic financial statements.

Trotwood-Madison City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2008

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction:					
Regular	\$17,152,757	\$248,340	\$1,867,812	\$1,644,978	(\$13,391,627)
Special	3,971,119	136,689	1,730,684	96,764	(2,006,982)
Vocational	83	0	72,844	0	72,761
Other	1,449,399	33,589	969,997	0	(445,813)
Support Services:					
Pupil	2,149,688	0	906,381	0	(1,243,307)
Instructional Staff	2,521,436	0	1,301,302	0	(1,220,134)
General Administration	50,283	0	0	0	(50,283)
School Administration	2,626,744	106,902	189,593	96,763	(2,233,486)
Fiscal	942,290	0	41,214	0	(901,076)
Business	253,614	0	0	0	(253,614)
Operations and Maintenance	3,442,287	0	138,796	96,763	(3,206,728)
Pupil Transportation	1,636,690	0	202,889	19,405	(1,414,396)
Central	1,393,523	0	28,019	0	(1,365,504)
Operation of Non-Instructional Services	1,692,701	403,329	1,832,753	0	543,381
Extracurricular Activities	512,227	38,134	0	0	(474,093)
Interest and Fiscal Charges	2,004,512	0	0	0	(2,004,512)
Total Governmental Activities	\$41,799,353	\$966,983	\$9,282,284	\$1,954,673	(29,595,413)
General Revenues:					
Property Taxes Levied for:					
General Purposes					9,440,052
Special Revenue Purposes					122,421
Debt Service Purposes					2,140,012
Capital Projects Purposes					614,554
Grants and Entitlements not Restricted to Specific Programs					20,930,858
Payment in Lieu of Taxes					50,068
Investment Earnings					850,510
Other Revenues					353,159
Total General Revenues					34,501,634
Change in Net Assets					4,906,221
Net Assets Beginning of Year, Restated					59,881,884
Net Assets End of Year					\$64,788,105

See accompanying notes to the basic financial statements.

Trotwood-Madison City School District
Balance Sheet
Governmental Funds
June 30, 2008

	General	Debt Service	Classroom Facilities	Building
Assets:				
Equity in Pooled Cash and Investments	\$8,701,948	\$1,470,348	\$3,702,288	\$4,840,867
Restricted Cash and Investments	81,076	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	305,822	148,678
Receivables:				
Taxes	10,729,059	2,296,266	0	0
Intergovernmental	0	0	0	0
Interfund	105,489	0	0	0
Inventory	0	0	0	0
Total Assets	19,617,572	3,766,614	4,008,110	4,989,545
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	326,628	0	0	0
Accrued Wages and Benefits	2,393,513	0	0	0
Compensated Absences	105,439	0	0	0
Retainage Payable	0	0	305,822	148,678
Contracts Payable	0	0	249,879	0
Interfund Payable	0	0	45,917	0
Deferred Revenue	9,893,022	2,091,383	0	0
Total Liabilities	12,718,602	2,091,383	601,618	148,678
Fund Balances:				
Reserved for Encumbrances	239,850	0	993,021	298,330
Reserved for Inventory	0	0	0	0
Reserved for Property Tax Advances	836,037	204,883	0	0
Reserved for BWC Refunds	81,076	0	0	0
Unreserved, Undesignated, Reported in:				
General Fund	5,742,007	0	0	0
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	1,470,348	0	0
Capital Projects Funds	0	0	2,413,471	4,542,537
Total Fund Balances	6,898,970	1,675,231	3,406,492	4,840,867
Total Liabilities and Fund Balances	\$19,617,572	\$3,766,614	\$4,008,110	\$4,989,545

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$1,751,646	\$20,467,097
0	81,076
0	454,500
788,637	13,813,962
592,754	592,754
8,649	114,138
23,024	23,024
<u>3,164,710</u>	<u>35,546,551</u>

124,899	451,527
822,119	3,215,632
0	105,439
0	454,500
0	249,879
68,221	114,138
1,312,737	13,297,142
<u>2,327,976</u>	<u>17,888,257</u>

65,766	1,596,967
23,024	23,024
68,654	1,109,574
0	81,076
0	5,742,007
669,968	669,968
0	1,470,348
9,322	6,965,330
<u>836,734</u>	<u>17,658,294</u>
<u>\$3,164,710</u>	<u>\$35,546,551</u>

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

Total Governmental Fund Balance		\$17,658,294
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.		87,601,614
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	\$1,432,863	
Intergovernmental	<u>592,754</u>	
		2,025,617
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		1,803,602
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.		(142,171)
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		(1,243,019)
Deferred bond issuance cost associated with long-term liabilities are not reported in the funds.		757,489
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(43,673,321)</u>
Net Assets of Governmental Activities		<u><u>\$64,788,105</u></u>

See accompanying notes to the basic financial statements.

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

	General	Debt Service	Classroom Facilities	Building
Revenues:				
Taxes	\$9,416,291	\$2,138,008	\$0	\$0
Tuition and Fees	400,703	0	0	0
Investment Earnings	721,621	0	87,089	41,800
Intergovernmental	22,258,722	261,803	1,935,268	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Other Revenues	347,680	0	0	0
Total Revenues	33,145,017	2,399,811	2,022,357	41,800
Expenditures:				
Current:				
Instruction:				
Regular	14,254,291	0	0	0
Special	3,533,453	0	0	0
Other	6,000	0	0	0
Support Services:				
Pupil	1,228,814	0	0	0
Instructional Staff	968,412	0	0	0
General Administration	50,283	0	0	0
School Administration	2,242,732	0	0	0
Fiscal	854,439	37,867	0	495
Business	256,283	0	0	0
Operations and Maintenance	3,454,999	0	0	0
Pupil Transportation	1,715,078	0	0	0
Central	968,190	0	0	0
Operation of Non-Instructional Services	16,948	0	0	0
Extracurricular Activities	433,407	0	0	0
Capital Outlay	339,370	0	9,422,410	420,378
Debt Service:				
Principal Retirement	0	575,000	0	0
Interest and Fiscal Charges	0	1,325,858	0	0
Total Expenditures	30,322,699	1,938,725	9,422,410	420,873
Excess of Revenues Over (Under) Expenditures	2,822,318	461,086	(7,400,053)	(379,073)
Other Financing Sources (Uses):				
Issuance of Refunding Certificate of Participation	0	0	0	0
Refunding Certificate of Participation Issuance Cost	0	0	0	0
Payments to Refunding OASBO Capital Lease Escrow Agent	0	0	0	0
Premium on Refunding Certificate of Participation	0	0	0	0
Transfers In	0	0	0	0
Transfers (Out)	(1,177,513)	0	0	0
Total Other Financing Sources (Uses)	(1,177,513)	0	0	0
Net Change in Fund Balance	1,644,805	461,086	(7,400,053)	(379,073)
Fund Balance Beginning of Year	5,254,165	1,214,145	10,806,545	5,219,940
Fund Balance End of Year	\$6,898,970	\$1,675,231	\$3,406,492	\$4,840,867

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$735,407	\$12,289,706
0	400,703
0	850,510
8,090,792	32,546,585
166,285	166,285
382,401	382,401
23,072	370,752
<hr/>	<hr/>
9,397,957	47,006,942
<hr/>	<hr/>
2,147,516	16,401,807
447,195	3,980,648
1,360,552	1,366,552
1,051,564	2,280,378
1,546,008	2,514,420
0	50,283
330,656	2,573,388
46,915	939,716
0	256,283
51,621	3,506,620
79,188	1,794,266
385,288	1,353,478
1,964,876	1,981,824
74,652	508,059
0	10,182,158
240,000	815,000
403,510	1,729,368
<hr/>	<hr/>
10,129,541	52,234,248
<hr/>	<hr/>
(731,584)	(5,227,306)
<hr/>	<hr/>
10,000,000	10,000,000
(296,586)	(296,586)
(9,796,000)	(9,796,000)
92,586	92,586
227,513	227,513
0	(1,177,513)
<hr/>	<hr/>
227,513	(950,000)
<hr/>	<hr/>
(504,071)	(6,177,306)
<hr/>	<hr/>
1,340,805	23,835,600
<hr/>	<hr/>
\$836,734	\$17,658,294
<hr/>	<hr/>

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

Net Change in Fund Balance - Total Governmental Funds (\$6,177,306)

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

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	\$14,534,952	
Depreciation Expense	<u>(1,354,445)</u>	13,180,507

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (3,459,453)

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

Delinquent Property Taxes	\$27,333	
Intergovernmental	<u>(328,701)</u>	(301,368)

Repayment of bond, capital lease and certificate of participation principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 815,000

In the statement of activities interest expense is accrued when incurred, whereas in governmental funds an interest expenditure is reported when due. (9,747)

In the statement of activities, certain costs and proceeds associated with long-term debt obligations issued during the year are accrued and amortized over the life of the debt obligation. In governmental funds these costs and proceeds are recognized as financing sources and uses.

Certificate of Participation Issuance Costs	\$296,586	
Premium on Certificate of Participation Issued	<u>(92,586)</u>	204,000

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	(\$66,347)	
Amortization of Bond/Certificate of Participation Issuance Cost	(30,105)	
Amortization of Bond/Certificate of Participation Premium	40,781	
Bond Accretion	<u>(276,073)</u>	(331,744)

The internal service fund used by management to charge back costs to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 1,190,332

Issuance of the new certificate of participation that exceed the refunding of the OASBO capital lease escrow agent not reported in the funds. (204,000)

Change in Net Assets of Governmental Activities \$4,906,221

See accompanying notes to the basic financial statements.

Trotwood-Madison City School District
Statement of Net Assets
Proprietary Fund
June 30, 2008

	<u>Governmental Activities- Internal Service Fund</u>
Assets:	
Current Assets:	
Equity in Pooled Cash and Investments	<u>\$2,005,874</u>
Total Assets	<u>2,005,874</u>
Liabilities:	
Current Liabilities:	
Claims Payable	<u>202,272</u>
Total Liabilities	<u>202,272</u>
Net Assets:	
Unrestricted	<u>1,803,602</u>
Total Net Assets	<u><u>\$1,803,602</u></u>

See accompanying notes to the basic financial statements.

Trotwood-Madison City School District
Statement of Revenues, Expenses
and Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2008

	Governmental Activities- Internal Service Fund
Operating Revenues:	
Charges for Services	<u>\$3,270,216</u>
Total Operating Revenues	<u>3,270,216</u>
Operating Expenses:	
Contractual Services	<u>3,059,231</u>
Total Operating Expenses	<u>3,059,231</u>
Operating Income (Loss)	<u>210,985</u>
Non-Operating Revenues (Expenses):	
Investment Earnings	<u>29,347</u>
Total Non-Operating Revenues (Expenses)	<u>29,347</u>
Income (Loss) Before Contributions & Transfers	240,332
Transfers In	<u>950,000</u>
Change in Net Assets	1,190,332
Net Assets Beginning of Year	<u>613,270</u>
Net Assets End of Year	<u><u>\$1,803,602</u></u>

See accompanying notes to the basic financial statements.

Trotwood-Madison City School District
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2008

	Governmental Activities- Internal Service Fund
Cash Flows from Operating Activities:	
Cash Received from Customers	\$3,270,216
Cash Payments for Claims	<u>(3,146,293)</u>
Net Cash Provided (Used) by Operating Activities	<u>123,923</u>
Cash Flows from Noncapital Financing Activities:	
Payments from Other Funds	<u>950,000</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>950,000</u>
Cash Flows from Investing Activities:	
Earnings on Investments	<u>29,347</u>
Net Cash Provided (Used) by Cash Flows from Investing Activities	<u>29,347</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,103,270
Cash and Cash Equivalents Beginning of Year	<u>902,604</u>
Cash and Cash Equivalents End of Year	<u><u>2,005,874</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	210,985
Changes in Assets & Liabilities:	
Increase (Decrease) in Accrued Liabilities	<u>(87,062)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$123,923</u></u>

See accompanying notes to the basic financial statements.

Trotwood-Madison City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$67,071	\$15,597
Total Assets	<u>67,071</u>	<u>15,597</u>
Liabilities:		
Accounts Payable	750	0
Other Liabilities	<u>0</u>	<u>15,597</u>
Total Liabilities	<u>750</u>	<u>\$15,597</u>
Net Assets:		
Held in Trust	<u>66,321</u>	
Total Net Assets	<u>\$66,321</u>	

See accompanying notes to the basic financial statements.

Trotwood-Madison City School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2008

	Private Purpose Trust
Additions:	
Donations	\$80
Investment Earnings	4,828
Total Additions	<u>4,908</u>
Deductions:	
Scholarships	<u>5,750</u>
Total Deductions	<u>5,750</u>
Change in Net Assets	(842)
Net Assets Beginning of Year	<u>67,163</u>
Net Assets End of Year	<u><u>\$66,321</u></u>

See accompanying notes to the basic financial statements.

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Trotwood-Madison City School District
Notes to the Basic Financial Statements
For the fiscal year ended June 30, 2008

1. DESCRIPTION OF THE DISTRICT

The Trotwood-Madison City School District (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

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

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

REPORTING ENTITY

In accordance with Governmental Accounting Standards Board [GASB] Statement 14, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units", 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and proprietary funds provided they do not conflict with or contradict GASB pronouncements.

MEASUREMENT FOCUS

Government-wide Financial Statements

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.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

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, proprietary 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.

Classroom Facilities Fund – The classroom facilities fund is used to account for the receipts and expenditures related to construction projects.

Building Fund – The building fund is used to account for receipts and expenditures related to the acquisition and construction of capital facilities including real property.

Other governmental funds of the District are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by trust funds; and (c) for grants and other resources whose use is restricted to a particular purpose.

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise or internal service.

Internal Service Fund – This fund is used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis. The District has a self-insurance fund which is used to provide employee health and dental benefits.

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. Private purpose 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 custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only trust fund is a private purpose trust which accounts for scholarship programs for students. The District's Agency fund is a student managed activity fund which accounts for assets and liabilities generated by student managed activities.

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

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

Unearned Revenue

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

Expenses/Expenditures

On the accrual basis of accounting, expenditures are recognized at the time they are incurred. The entitlement 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. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. 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. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

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

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

Following Ohio statutes, the Board has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue during the current fiscal year amounted to \$721,621 credited to the general fund, \$87,089 credited to the classroom facilities fund, and \$41,800 credited to the building fund.

For purposes of the statement of cash flows, the internal service portion of pooled cash and investments is considered a cash equivalent because the District is able to withdraw resources from the internal service funds without prior notice or penalty.

INVENTORY

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

CAPITAL ASSETS

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

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20-40 years
Equipment	5-20 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 payment method. The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that have matured, for example, as a result of employee resignations and retirements.

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

<u>Vacation</u>	<u>Certificated</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How earned	not eligible	20-23 days	10-20 days for each service year depending on length of service
Maximum accumulation	not applicable	30 days unless special permission granted	30-60 days
Vested	not applicable	as earned	as earned
Termination entitlement	not applicable	30 days maximum	paid upon termination

<u>Sick Leave</u>	<u>Certificated</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How earned	1 ¼ days per month of employment (15 days per year)	1 ¼ days per month of employment (15 days per year)	1 ¼ days per month of employment (15 days per year)
Maximum accumulation	350 days	350 days	350 days
Vested	as earned	as earned	as earned
Termination entitlement	per contract	per contract	per contract

These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid primarily from the General Fund.

ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment the current year. Bonds are recognized as a liability on the fund financial statements when due.

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 \$12,073,911 in restricted net assets, none were restricted by enabling legislation.

OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the internal service fund. For the District, these revenues are charges for services for the primary activity of the fund. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

INTERFUND ACTIVITY

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

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

FUND EQUITY

Reserved fund balances indicate a portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, inventory, property tax advances and BWC refunds. The reserve for property tax advances 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.

RESTRICTED RESOURCES

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

ESTIMATES

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

EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2008.

RESTRICTED ASSETS

Restricted assets in the general fund represent cash and investments set-aside to establish a BWC refund reserve. These reserves are required by state statute. A schedule of statutory reserves is presented in a separate note.

CASH WITH FISCAL AGENT

Cash and Cash Equivalents with Fiscal Agent in the classroom facilities and building funds represent equity in pooled cash and investments set aside for retainage payable.

4. 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 statement of net assets and 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.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and amended by GASB Statement 40, "Deposit and Investment Risk Disclosures".

Cash with Fiscal Agents

The District's cash with fiscal agents consists of amounts held in escrow for contractors for which the District has held retainage. The total amount held by fiscal agents at June 30, 2008 was \$454,500.

Deposits

Based on the criteria described in GASB Statement No. 40, "Deposit and Investment Risk Disclosures", as of June 30, 2008, \$183,329 of the District's bank balance of \$428,796 was exposed to custodial risk as discussed below, while \$245,467 was covered by Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District.

Investments

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Repurchase Agreements	\$8,324,191	0.00
Federal Home Loan Bank	1,000,000	1.39
Money Market Funds	2,339,658	0.00
STAROhio	10,671,524	0.15
Total Fair Value	<u>\$22,335,373</u>	
Portfolio Weighted Average Maturity		0.13

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.

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 Federal Home Loan Bank and in the Money Market Funds were rated AAA by Standard & Poor’s and Fitch Ratings and Aaa by Moody’s Investors Service. The District’s investments in the federal agency securities that underlie the District’s repurchase agreement were rated Aaa by Moody’s Investor Services. Investments in STAROhio were rated AAAM by Standard & Poor’s.

Concentration of credit risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities. The District has invested 37% of the District’s investments in Repurchase Agreements, 4% in Federal Home Loan Bank, 10% in Money Market Funds, and 49% in STAROhio.

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.

5. PROPERTY TAXES

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

Tangible personal property tax revenue received during calendar year 2008 (other than public utility property) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2008 were levied after April 1, 2007, on the value as of December 31, 2007. For 2006, tangible personal property was assessed at 18.75% for property including inventory. This percentage was reduced to 12.5% for 2007 and 6.25% for 2008 and will be zero for 2009. Payments by multi-county taxpayers are due September 20th. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30th; if paid semi-annually, the first payment is due April 30th, with the remainder payable by September 20th. Tangible personal property taxes paid by April 30th are usually received by the District prior to June 30th.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. This bill replaces the revenue lost by the District due to the phasing out of the tax. In calendar years 2006-2010, the District will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

Real property taxes are payable annually or semi-annually. In 2008, if paid annually, payment was due by January 20th. If paid semi-annually, the first payment (at least 1/2 amount billed) was due January 20th with the remainder due on June 20th.

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

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2008. Delinquent property taxes collected within 60 days of the fiscal year end are included as a receivable and tax revenue on the fund financial statements. All delinquent property taxes outstanding at June 30, 2008 are recognized as a revenue and receivable on the government-wide financial statements. 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 offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2008, was \$836,037 for General Fund, \$204,883 for Debt Service and \$68,654 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 2008 operations.

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

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

	<u>Amount</u>
Agricultural/Residential and Other Real Estate	\$206,728,320
Public Utility	7,921,430
Tangible Personal Property	7,900,867
Commercial/Industrial	<u>76,114,280</u>
Total	<u><u>\$298,664,897</u></u>

6. RECEIVABLES

Receivables at June 30, 2008, consisted of taxes, 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.

7. CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,156,779	\$0	\$0	\$1,156,779
Construction in Progress	42,784,868	9,842,788	27,481,006	25,146,650
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	42,458,081	30,240,169	5,750,597	66,947,653
Equipment	5,869,110	1,933,001	1,846,199	5,955,912
Totals at Historical Cost	<u>92,268,838</u>	<u>42,015,958</u>	<u>35,077,802</u>	<u>99,206,994</u>
Less Accumulated Depreciation:				
Buildings and Improvements	10,282,568	800,879	3,073,099	8,010,348
Equipment	4,105,710	553,566	1,064,244	3,595,032
Total Accumulated Depreciation	<u>14,388,278</u>	<u>1,354,445</u>	<u>4,137,343</u>	<u>11,605,380</u>
Governmental Activities Capital Assets, Net	<u><u>\$77,880,560</u></u>	<u><u>\$40,661,513</u></u>	<u><u>\$30,940,459</u></u>	<u><u>\$87,601,614</u></u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,181,211
Special	16,018
Vocational	83
Support Services:	
Pupil	1,388
Instructional Staff	11,786
School Administration	99,405
Fiscal	591
Business	113
Operations and Maintenance	16,989
Pupil Transportation	326
Central	4,535
Operation of Non-Instructional Services	19,237
Extracurricular Activities	2,763
Total Depreciation Expense	<u><u>\$1,354,445</u></u>

8. CAPITALIZED LEASES

On August 15, 2007, the District issued \$10,000,000 in Certificates of Participation (COPS) with an average interest rate of 4.75%, which was used to advance refund \$9,796,000 of outstanding 2004 OASBO Lease with an average interest rate of 5.15%. The District purchased \$10,092,586 in U.S. Government Securities which were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2004 OASBO Lease. As a result, \$9,796,000 of the 2004 OASBO Lease are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Assets.

The District advance refunded the 2004 OASBO Lease to reduce its total debt service payments and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt).

The following is a schedule of the future long term minimum lease payments required under the capital lease and the present value of the net minimum lease payments at June 30, 2008:

Fiscal Year Ending June 30	Capital Leases
2009	\$634,701
2010	635,457
2011	636,007
2012	631,357
2013	631,514
2014-2018	3,160,341
2019-2023	3,155,585
2024-2028	3,136,441
2029-2033	3,138,125
2034-2035	1,249,338
Total	<u>17,008,866</u>
Less: amount representing interest	<u>(7,178,866)</u>
Present Value of Future Minimum Lease Payments	<u><u>\$9,830,000</u></u>

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

Buildings and Improvements	\$10,157,000
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9. LONG-TERM LIABILITIES

The change in the District's long-term obligations during the year consist of the following:

Governmental Activities:	Interest Rate	Restated Beginning Principal Outstanding	Issued	Retired	Ending Principal Outstanding	Due In One Year
Bonds and Notes:						
1999 Energy Conservation Note Payable	5.20%	\$145,000	\$0	\$70,000	\$75,000	75,000
2002 Refunding Bonds:						
Current Interest Bonds	4.97%	2,485,000	0	365,000	2,120,000	395,000
Capital Appreciation Bonds		355,000	0	0	355,000	0
Accretion of Interest		386,531	142,215	0	528,746	0
2007 Refunding Bonds:						
Current Interest Bonds	4.40%	28,815,000	0	210,000	28,605,000	0
Capital Appreciation Bonds		1,010,000	0	0	1,010,000	0
Accretion of Interest		64,524	133,858	0	198,382	0
Premium on 2007 Refunding		899,388	0	37,474	861,914	0
Total Notes and Bonds:		34,160,443	276,073	682,474	33,754,042	470,000
Capital Leases:						
2004 OASBO Lease	5.15%	9,796,000	0	9,796,000	0	0
2008 Classroom Facilities Project Lease - COP	4.75%	0	10,000,000	170,000	9,830,000	195,000
2008 Classroom Facilities Project Lease - Premium		0	92,586	3,307	89,279	0
Total Long-Term Debt		43,956,443	10,368,659	10,651,781	43,673,321	665,000
Compensated Absences		1,220,516	396,895	268,953	1,348,458	331,004
Total Governmental Activities Long-Term Liabilities		\$45,176,959	\$10,765,554	\$10,920,734	\$45,021,779	\$996,004

Bonds and notes payable will be paid from the debt service and permanent improvement funds. Compensated absences will mainly be paid from the general fund.

School Improvement Bonds - During fiscal year 2003, the District issued general obligation bonds to provide funds for various District building projects. These bonds are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations of the District are accounted for in the statement of net assets. Payments of principal and interest relating to this bond are recorded as an expenditure in the debt service fund.

2006 Advanced Refunding of 2006 School Improvement Bonds

On November 21, 2006, the District issued \$29,825,000 in General Obligation bonds with an average interest rate of 4.40%, which was used to partially advance refund \$32,310,000 of outstanding 2002 School Improvement Bonds with an average interest rate of 4.97%. The net proceeds of \$30,761,848 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the 2002 School Improvement Bonds. As a result, \$29,825,000 of the 2002 School Improvement Bonds are considered to be defeased and the related liability for those bonds has been removed from the Statement of Net Assets.

The District advance refunded a portion of the 2002 School Improvement Bonds to reduce its total debt service payments by \$2,011,546 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$856,302.

The District's \$936,862 premium on the issuance of these refunding bonds will be amortized over the remaining life of the debt which has a final maturity date of December 1, 2030. The debt will be retired from the debt service fund. The refunding bonds are not subject to optional redemption prior to maturity. Of the \$29,825,000 issued, \$28,815,000 represents serial bonds and \$1,010,000 is capital appreciation bonds. The serial bonds mature at varying amounts through December 1, 2030. The capital appreciation bonds will mature in fiscal years 2014, 2015, 2016, and 2017. The final maturity amount of the bonds is \$4,345,000.

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

Fiscal Year Ending June 30	Current Interest Bonds and Notes			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2009	\$470,000	\$1,314,425	\$1,784,425	\$0	\$0	\$0
2010	535,000	1,295,425	1,830,425	0	0	0
2011	575,000	1,276,534	1,851,534	0	0	0
2012	615,000	1,255,402	1,870,402	0	0	0
2013	0	1,244,332	1,244,332	120,000	610,000	730,000
2014-2018	1,200,000	6,196,160	7,396,160	1,245,000	3,100,000	4,345,000
2019-2023	7,765,000	5,221,114	12,986,114	0	0	0
2024-2028	11,295,000	3,221,221	14,516,221	0	0	0
2029-2031	8,345,000	545,512	8,890,512	0	0	0
Total	\$30,800,000	\$21,570,125	\$52,370,125	\$1,365,000	\$3,710,000	\$5,075,000

10. PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the District defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the District's financial statements. On June 30, 2008, \$29,825,000 of bonds outstanding are considered defeased.

11. 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 *Forms and Publications*.

Funding Policy

Plan members are required to contribute 10% of their annual covered salary and District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The District's contributions to SERS for the years ended June 30, 2008, 2007, and 2006 were \$803,688, \$795,462, and \$836,280, respectively; 47% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Plan Description

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

Plan Options

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

DB Plan Benefits

Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 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, 2007, were 10% of covered payroll for members and 14% for employers. The District's contributions to STRS for the years ended June 30, 2008, 2007, and 2006 were \$1,810,332, \$1,881,579, and \$2,042,340, respectively; 82% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

12. POST EMPLOYMENT BENEFITS

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

Plan Description

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

Medicare Part B Plan

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

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2007 (the latest information available), the actuarially required allocation was .68%. District contributions for the year ended June 30, 2008 were \$39,036, which equaled the required contributions for the year.

Health Care Plan

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

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

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2007, (the latest information available) the health care allocation was 3.32%. The actuarially required contribution (ARC), as of the December 31, 2006 annual valuation, was 11.50% of covered payroll. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities of the plan over a period not to exceed thirty years. The District contributions for the years ended June 30, 2008, 2007, and 2006 were \$190,589, \$188,638, and \$204,291, respectively.

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

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

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

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Plan Description

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

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

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

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

Funding Policy

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contributions rate, 1% of covered payroll was allocated to post-employment health care for the year ended June 30, 2008, 2007 and 2006. The 14% employer contribution rate is the maximum rate established under Ohio law. The District contributions for the years ended June 30, 2008, 2007, and 2006 were \$129,304, \$134,399, and \$145,881, respectively.

13. CONTINGENT LIABILITIES

GRANTS

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

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

LITIGATION

The District's attorney estimates that all other potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

14. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During the fiscal year, the District contracted with Selective Insurance Company of South Carolina for building and property insurance. This policy has a limit of insurance in the amount of \$73,387,330 for property. Property has a \$1,000 deductible. Vehicle insurance is covered by Selective Insurance Company of South Carolina for replacement cost with a \$500 deductible for comprehensive and a \$500 deductible for collision. General liability insurance is under Selective Insurance Company of South Carolina. The base policy has a \$2,000,000 per occurrence and a \$4,000,000 aggregate limit. The treasurer and business director are bonded. There were no significant reductions in insurance coverage from coverage in the prior year. Settlements have not exceeded insurance coverage during the past three fiscal years.

The District is a member of the Southwestern Ohio Educational Purchasing Counsel (SOEPC). The Counsel contracts with Accordia, Inc. to provide an insurance purchasing pool for workers compensation. The intent of the pool is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the pool. The workers compensation experience of the participating school district is calculated as one experience and a common premium rate is applied to all school districts in the pool. Each participant pays its workers compensation premium to the State based on the rate for the pool rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the pool. A participant will then either receive money from or be required to contribute to the pool. This equity pooling arrangement insures that each participant shares equally in the overall performance of the pool. Participation in the pool is limited to school districts that can meet the pool's selection criteria. Accordia, Inc. provides administrative, cost control and actuarial services to the SOEPC.

The District has elected to provide employee health and dental benefits through a self-insured program. The District maintains an Employee Benefits Internal Service Fund to account for and finance its uninsured risks of loss in these programs. The District utilizes a third party administrator, United Healthcare and Core Source, to review all claims, which are then paid by the District. Employees are required to share in the costs of the plan along with the District.

The claims liability of \$202,272 reported in the fund at June 30, 2008, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 10, as amended by GASB Statement No. 30, "Risk Financing Omnibus" which requires that a liability for claims be reported if information prior to issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

The total amount of the liability for claims has been reported as claims payable in the Government-wide Financial Statements since based on past history no claims are expected to exceed one year. In the Fund Financial Statements, the total amount of the liability for claims has been reported as a fund liability since based on past history all claims are expected to be paid with expendable available financial resources.

Changes in the fund's claims liability amount in fiscal years 2006, 2007, and 2008 were as follows:

	Balance at <u>July 1</u>	Current Year <u>Claims</u>	Claim <u>Payments</u>	Balance at <u>June 30</u>
2005/2006	\$134,705	\$3,262,438	\$3,220,170	\$176,973
2006/2007	176,973	3,554,499	3,442,138	289,334
2007/2008	289,334	3,059,231	3,146,293	202,272

15. JOINTLY GOVERNED ORGANIZATIONS

Metropolitan Dayton Educational Computer Association - The District is a member of the Metropolitan Dayton Educational Computer Association (MDECA), which is a computer consortium of area school districts sharing computer resources. MDECA is an association of public school districts in a geographical 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 instructional functions among member districts. The Board of MDECA consists of one representative from each of the participating members. Each member pays an annual membership fee plus any other fees for services performed by the consortium.

Southwestern Ohio Instructional Technology Association – The Southwestern Ohio Instructional Technology Association (SOITA) is a not-for-profit corporation formed under section 1702.01 of the Ohio Revised Code. The purpose of the corporation is to serve the educational needs of the area through television programming for the advancement of educational programs.

The Board of Trustees is comprised of twenty-one representatives of SOITA member schools or institutions. Nineteen representatives are elected from within the counties by the qualified members within the counties, i.e., Auglaize, Butler, Champaign, Clark, Clinton, Darke, Fayette, Greene, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby, and Warren. Montgomery, Greene, and Butler Counties shall elect two representatives per area. All others shall elect one representative per area. All superintendents except for those from educational service centers vote on the representatives after the nominating committee nominates individuals to run. One at-large non-public service representative shall be elected by the non-public school SOITA members as the State assigned SOITA service area. One at-large higher education representative shall be elected by higher education SOITA members from within the State assigned SOITA service area.

All member districts are obligated to pay all fees, charges, or other assessments as established by the SOITA. Upon dissolution, the net assets shall be distributed to the federal government, or to a state or local government for a public purpose. Payments to SOITA are made from the General Fund. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Steve Strouse, who serves as Director, at 150 East Sixth Street, Franklin, Ohio 45005.

Miami Valley Career Technology Center – The Miami Valley Career Technology Center (MVCTC) is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the fifteen participating school districts’ elected boards, which possesses its own budgeting and taxing authority. One member is appointed from the following city and/or exempted village school districts: Carlisle, Miamisburg, Milton-Union, Northmont, Vandalia, Versailles, Huber Heights, Eaton, Trotwood, Tipp City, and West Carrollton. Three members are appointed from the Montgomery County Educational Service Center, one is appointed from the Miami County Educational Service Center, one from the Darke County Educational Service Center, and one from the Preble County Educational Service Center. All member districts are obligated to pay all fees, charges or other assessments as established by MVCTC. To obtain financial information, write to the Miami Valley Career Technology Center, Debbie Gossett, who serves as Treasurer, at 6800 Hoke Road, Clayton, Ohio 45315.

16. CONSTRUCTION AND OTHER COMMITMENTS

At June 30, 2008, uncompleted construction contracts are as follows:

<u>Description</u>	<u>Remaining Commitment</u>
School Improvements	\$1,291,351

17. ACCOUNTABILITY

As of year end the following funds had deficit fund balances:

Title VIB/Preschool	\$64,409
Title I	132,565
Title V	3,350
Title VI-R	62,215
Public School Preschool	64,704

The deficit in fund balances were primarily due to accrual 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.

18. 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>	<u>BWC Refunds</u>
Set Aside Reserve Balance as of June 30, 2007	(\$1,694,126)	\$0	\$81,076
Current Year Set Aside Requirements	466,788	466,788	0
Qualified Disbursements	(364,945)	(143,863)	0
Current Year Offsets	0	(44,038,130)	0
Set Aside Reserve Balance as of June 30, 2008	<u>(\$1,592,283)</u>	<u>(\$43,715,205)</u>	<u>\$81,076</u>
Restricted Cash as of June 30, 2008	<u>\$0</u>	<u>\$0</u>	<u>\$81,076</u>
Carried Forward to FY 2009	<u>(\$1,592,283)</u>		

The District had qualifying disbursements for textbooks of \$364,945 that exceeded the required set-aside, resulting in a carry forward balance of \$1,592,283 that can be used against future year textbook set-asides. The District issued \$44,774,000 in bonds and loans in fiscal year 2002 to provide for the construction of a new school building. This amount is an allowable offset to future years for the capital improvement and maintenance set-aside. The District had qualifying disbursements and offset carry forwards from prior years for capital acquisitions that exceeded

the required set-aside. Offsets can be carried forward to use against future year capital acquisition set-asides.

19. INTERFUND TRANSACTIONS

Interfund transactions at June 30, 2008, consisted of the following individual fund receivables and payables, transfers in and out.

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$105,489	\$0	\$0	\$1,177,513
Classroom Facilities Fund	0	45,917	0	0
Internal Service Fund	0	0	950,000	0
Other Governmental Funds	8,649	68,221	227,513	0
Total All Funds	<u>\$114,138</u>	<u>\$114,138</u>	<u>\$1,177,513</u>	<u>\$1,177,513</u>

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

20. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2008, the District has implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" and GASB Statement No. 50 "Pension Disclosures."

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

GASB Statement No. 50 requires employers contributing to defined benefit pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements.

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

21. PRIOR PERIOD ADJUSTMENT

A prior period adjustment was required to restate long-term liabilities due in more than one year at June 30, 2007 due to the issuance of refunded bonds on November 21, 2006. This restatement had the following effect on net assets at June 30, 2007:

	Governmental <u>Activities</u>
Net assets as of June 30, 2007	\$60,354,788
Restatement for refunded bonds issuance	<u>(472,904)</u>
Net assets, restated at July 1, 2007	<u>\$59,881,884</u>

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REQUIRED SUPPLEMENTARY INFORMATION

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

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$8,507,422	\$9,173,229	\$9,173,229	\$0
Tuition and Fees	371,619	400,703	400,703	0
Investment Earnings	669,245	721,621	721,621	0
Intergovernmental	20,643,149	22,258,722	22,258,722	0
Other Revenues	322,445	347,680	347,680	0
Total Revenues	<u>30,513,880</u>	<u>32,901,955</u>	<u>32,901,955</u>	<u>0</u>
Expenditures:				
Current:				
Instruction:				
Regular	16,574,641	16,565,730	14,217,450	2,348,280
Special	4,130,084	4,127,864	3,542,804	585,060
Other	6,995	6,991	6,000	991
Support Services:				
Pupil	1,310,974	1,310,269	1,124,559	185,710
Instructional Staff	1,123,661	1,123,057	963,881	159,176
General Administration	58,660	58,629	50,319	8,310
School Administration	2,607,397	2,605,995	2,236,636	369,359
Fiscal	992,019	991,485	850,958	140,527
Business	298,602	298,441	256,142	42,299
Operations and Maintenance	3,823,983	3,821,927	3,280,229	541,698
Pupil Transportation	1,988,169	1,987,100	1,705,460	281,640
Central	1,261,506	1,260,827	1,082,125	178,702
Operation of Non-Instructional Services	19,757	19,747	16,948	2,799
Extracurricular Activities	511,262	510,987	438,563	72,424
Capital Outlay	534,177	533,889	458,219	75,670
Total Expenditures	<u>35,241,887</u>	<u>35,222,938</u>	<u>30,230,293</u>	<u>4,992,645</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,728,007)</u>	<u>(2,320,983)</u>	<u>2,671,662</u>	<u>4,992,645</u>
Other Financing Sources (Uses):				
Advances In	537,925	580,024	580,024	0
Advances (Out)	0	0	(105,771)	(105,771)
Transfers In	460,577	496,623	496,623	0
Transfers (Out)	(1,951,653)	(1,950,603)	(1,674,136)	276,467
Total Other Financing Sources (Uses)	<u>(953,151)</u>	<u>(873,956)</u>	<u>(703,260)</u>	<u>170,696</u>
Net Change in Fund Balance	(5,681,158)	(3,194,939)	1,968,402	5,163,341
Fund Balance Beginning of Year, (includes prior year encumbrances appropriated)	<u>6,570,981</u>	<u>6,570,981</u>	<u>6,570,981</u>	<u>0</u>
Fund Balance End of Year	<u>\$889,823</u>	<u>\$3,376,042</u>	<u>\$8,539,383</u>	<u>\$5,163,341</u>

See accompanying notes to the required supplementary information.

Trotwood-Madison City School District
Notes to the Required Supplementary Information
For the year ended June 30, 2008

1. BUDGETARY PROCESS

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

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

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

While the District is reporting financial position, results of operations and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Combined Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Budgetary 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 (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	\$1,644,805
Net Adjustment for Revenue Accruals	(243,062)
Net Adjustment for Expenditure Accruals	336,047
Transfers In	496,623
Transfers Out	(496,623)
Advances In	580,024
Advances (Out)	(105,771)
Encumbrances	<u>(243,641)</u>
Budget Basis	<u><u>\$1,968,402</u></u>

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

FUND DESCRIPTIONS

NONMAJOR GOVERNMENTAL FUNDS

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

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

OTHER GRANTS: To account for local funds, which are provided to assist the District with various programs.

CLASSROOM FACILITIES MAINTENANCE: To account for state funds provided for classroom facilities maintenance.

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

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

MANAGEMENT INFORMATION: To account for state funds which are provided to assist the District in implementing a staff, student and financial system as mandated by the Omnibus Education Reform Act of 1989.

ENTRY YEAR PROGRAMS: To account for state funds provided for entry year programs.

DATA COMMUNICATIONS: To account for funds to be used for communications.

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

OHIO READS: To account for state funds, which are designated reading.

MISCELLANEOUS STATE GRANTS: To account for various monies received from state agencies which are not classified elsewhere.

TITLE VIB / PRESCHOOL: To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialist in providing educational services to the handicapped.

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

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

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

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

TITLE VI-R: To account for federal funds to provide programs to enhance student achievement.

MISCELLANEOUS FEDERAL GRANTS: To account for various monies received directly from the federal government, which are, not classified elsewhere.

FOOD SERVICE: To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

UNIFORM SCHOOL SUPPLY: To account for the purchase and sale of school supplies as adopted by the Board of Education for use in all schools of the District.

POVERTY BASED AID: To account for federal funds for the poverty based aid program.

PUBLIC SCHOOL PRESCHOOL: To account for state funds to assist school districts in paying the cost of pre-school programs.

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

PERMANENT IMPROVEMENT: To account for all transactions related to improvements to existing District facilities.

SCHOOLNET PLUS: To account for funds received for the purchase of computer technology.

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Trotwood-Madison City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$1,660,943	\$90,703	\$1,751,646
Receivables:			
Taxes	130,863	657,774	788,637
Intergovernmental	592,754	0	592,754
Interfund	30	8,619	8,649
Inventory	23,024	0	23,024
Total Assets	2,407,614	757,096	3,164,710
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	34,899	90,000	124,899
Accrued Wages and Benefits	822,119	0	822,119
Interfund Payable	68,221	0	68,221
Deferred Revenue	712,213	600,524	1,312,737
Total Liabilities	1,637,452	690,524	2,327,976
Fund Balances:			
Reserved for Encumbrances	65,766	0	65,766
Reserved for Inventory	23,024	0	23,024
Reserved for Property Tax Advances	11,404	57,250	68,654
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	669,968	0	669,968
Capital Projects Funds	0	9,322	9,322
Total Fund Balances	770,162	66,572	836,734
Total Liabilities and Fund Balances	\$2,407,614	\$757,096	\$3,164,710

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$122,160	\$613,247	\$735,407
Intergovernmental	8,017,556	73,236	8,090,792
Extracurricular Activities	166,285	0	166,285
Charges for Services	382,401	0	382,401
Other Revenues	23,072	0	23,072
Total Revenues	8,711,474	686,483	9,397,957
Expenditures:			
Current:			
Instruction:			
Regular	2,147,516	0	2,147,516
Special	447,195	0	447,195
Other	1,360,552	0	1,360,552
Support Services:			
Pupil	1,051,564	0	1,051,564
Instructional Staff	1,546,008	0	1,546,008
School Administration	330,656	0	330,656
Fiscal	36,005	10,910	46,915
Operations and Maintenance	51,621	0	51,621
Pupil Transportation	79,188	0	79,188
Central	25,549	359,739	385,288
Operation of Non-Instructional Services	1,964,876	0	1,964,876
Extracurricular Activities	74,652	0	74,652
Debt Service:			
Principal Retirement	0	240,000	240,000
Interest and Fiscal Charges	0	403,510	403,510
Total Expenditures	9,115,382	1,014,159	10,129,541
Excess of Revenues Over (Under) Expenditures	(403,908)	(327,676)	(731,584)
Other Financing Sources (Uses):			
Issuance of Refunding Certificate of Participation	0	10,000,000	10,000,000
Refunding Certificate of Participation Issuance Cost	0	(296,586)	(296,586)
Payments to Refunding OASBO Capital Lease Escrow Agent	0	(9,796,000)	(9,796,000)
Premium on Refunding Certificate of Participation	0	92,586	92,586
Transfers In	227,513	0	227,513
Total Other Financing Sources (Uses)	227,513	0	227,513
Net Change in Fund Balance	(176,395)	(327,676)	(504,071)
Fund Balance Beginning of Year	946,557	394,248	1,340,805
Fund Balance End of Year	\$770,162	\$66,572	\$836,734

Trotwood-Madison City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008

	Public School	Other Grants	Classroom Facilities Maintenance	Extracurricular Activity	Auxiliary Services
Assets:					
Equity in Pooled Cash and Investments	\$19,900	\$6,681	\$500,968	\$14,210	\$91,949
Receivables:					
Taxes	0	0	130,863	0	0
Intergovernmental	0	0	0	0	0
Interfund	0	0	0	0	0
Inventory	0	0	0	0	0
Total Assets	19,900	6,681	631,831	14,210	91,949
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	0	0	3,449	2,550	0
Accrued Wages and Benefits	0	0	0	0	11,090
Interfund Payable	0	421	0	0	0
Deferred Revenue	0	0	119,459	0	0
Total Liabilities	0	421	122,908	2,550	11,090
Fund Balances:					
Reserved for Encumbrances	0	0	8,032	845	5,112
Reserved for Inventory	0	0	0	0	0
Reserved for Property Tax Advances	0	0	11,404	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	19,900	6,260	489,487	10,815	75,747
Total Fund Balances	19,900	6,260	508,923	11,660	80,859
Total Liabilities and Fund Balances	\$19,900	\$6,681	\$631,831	\$14,210	\$91,949

Management Information	Entry Year Programs	Data Communications	School Net Professional Development	Ohio Reads	Miscellaneous State Grants	Title VIB / Preschool
\$4,572	\$0	\$0	\$2,209	\$26	\$6,106	\$14,580
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>4,572</u>	<u>0</u>	<u>0</u>	<u>2,209</u>	<u>26</u>	<u>6,106</u>	<u>14,580</u>
0	0	0	0	0	988	18
0	0	0	0	0	0	78,970
0	0	0	0	0	0	1
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>988</u>	<u>78,989</u>
983	0	0	450	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>3,589</u>	<u>0</u>	<u>0</u>	<u>1,759</u>	<u>26</u>	<u>5,118</u>	<u>(64,409)</u>
<u>4,572</u>	<u>0</u>	<u>0</u>	<u>2,209</u>	<u>26</u>	<u>5,118</u>	<u>(64,409)</u>
<u>\$4,572</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,209</u>	<u>\$26</u>	<u>\$6,106</u>	<u>\$14,580</u>

Continued

Trotwood-Madison City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008

	Title I	Title V	Drug-Free Schools	EHA Pre-School Grant	Title VI-R
Assets:					
Equity in Pooled Cash and Investments	\$53,214	\$217	\$312	\$383	\$6,615
Receivables:					
Taxes	0	0	0	0	0
Intergovernmental	500,100	2,816	2,429	1,421	64,535
Interfund	0	30	0	0	0
Inventory	0	0	0	0	0
Total Assets	553,314	3,063	2,741	1,804	71,150
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	1,840	0	0	0	2,606
Accrued Wages and Benefits	183,939	3,597	0	0	36,398
Interfund Payable	0	0	0	0	29,826
Deferred Revenue	500,100	2,816	2,429	1,421	64,535
Total Liabilities	685,879	6,413	2,429	1,421	133,365
Fund Balances:					
Reserved for Encumbrances	13,237	0	0	0	4,004
Reserved for Inventory	0	0	0	0	0
Reserved for Property Tax Advances	0	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	(145,802)	(3,350)	312	383	(66,219)
Total Fund Balances	(132,565)	(3,350)	312	383	(62,215)
Total Liabilities and Fund Balances	\$553,314	\$3,063	\$2,741	\$1,804	\$71,150

Miscellaneous Federal Grants	Food Service	Uniform School Supply	Poverty Based Aid	Public School Preschool	Total Nonmajor Special Revenue Funds
\$2,600	\$68,719	\$27,018	\$840,664	\$0	\$1,660,943
0	0	0	0	0	130,863
2,837	0	0	0	18,616	592,754
0	0	0	0	0	30
0	23,024	0	0	0	23,024
<u>5,437</u>	<u>91,743</u>	<u>27,018</u>	<u>840,664</u>	<u>18,616</u>	<u>2,407,614</u>
0	23,448	0	0	0	34,899
0	0	0	481,394	26,731	822,119
0	0	0	0	37,973	68,221
2,837	0	0	0	18,616	712,213
<u>2,837</u>	<u>23,448</u>	<u>0</u>	<u>481,394</u>	<u>83,320</u>	<u>1,637,452</u>
0	32,953	150	0	0	65,766
0	23,024	0	0	0	23,024
0	0	0	0	0	11,404
<u>2,600</u>	<u>12,318</u>	<u>26,868</u>	<u>359,270</u>	<u>(64,704)</u>	<u>669,968</u>
<u>2,600</u>	<u>68,295</u>	<u>27,018</u>	<u>359,270</u>	<u>(64,704)</u>	<u>770,162</u>
<u>\$5,437</u>	<u>\$91,743</u>	<u>\$27,018</u>	<u>\$840,664</u>	<u>\$18,616</u>	<u>\$2,407,614</u>

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

	Public School	Other Grants	Classroom Facilities Maintenance	Extracurricular Activity	Auxiliary Services
Revenues:					
Taxes	\$0	\$0	\$122,160	\$0	\$0
Intergovernmental	0	2,675	144,469	0	288,467
Extracurricular Activities	21,118	0	0	124,239	0
Charges for Services	0	0	0	0	0
Other Revenues	23,072	0	0	0	0
Total Revenues	44,190	2,675	266,629	124,239	288,467
Expenditures:					
Current:					
Instruction:					
Regular	0	0	0	0	0
Special	0	0	0	0	0
Other	759	0	0	0	0
Support Services:					
Pupil	0	22,136	0	0	0
Instructional Staff	0	0	0	0	0
School Administration	0	0	0	159,842	0
Fiscal	0	0	1,969	0	0
Operations and Maintenance	0	0	51,621	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0	204,096
Extracurricular Activities	49,143	0	0	25,509	0
Total Expenditures	49,902	22,136	53,590	185,351	204,096
Excess of Revenues Over (Under) Expenditures	(5,712)	(19,461)	213,039	(61,112)	84,371
Other Financing Sources (Uses):					
Transfers In	2,714	0	0	54,335	0
Total Other Financing Sources (Uses)	2,714	0	0	54,335	0
Net Change in Fund Balance	(2,998)	(19,461)	213,039	(6,777)	84,371
Fund Balance Beginning of Year	22,898	25,721	295,884	18,437	(3,512)
Fund Balance End of Year	\$19,900	\$6,260	\$508,923	\$11,660	\$80,859

Management Information	Entry Year Programs	Data Communications	School Net Professional Development	Ohio Reads	Miscellaneous State Grants	Title VIB / Preschool
\$0	\$0	\$0	\$0	\$0	\$0	\$0
10,538	7,200	15,000	2,970	0	94,171	943,098
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
10,538	7,200	15,000	2,970	0	94,171	943,098
0	0	0	0	0	45,572	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	28,115	767,910
0	7,200	0	150	0	7,623	0
0	0	0	0	0	0	108,539
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
9,476	0	15,000	761	0	0	0
0	0	0	0	0	0	54,019
0	0	0	0	0	0	0
9,476	7,200	15,000	911	0	81,310	930,468
1,062	0	0	2,059	0	12,861	12,630
0	12,721	0	0	0	0	0
0	12,721	0	0	0	0	0
1,062	12,721	0	2,059	0	12,861	12,630
3,510	(12,721)	0	150	26	(7,743)	(77,039)
\$4,572	\$0	\$0	\$2,209	\$26	\$5,118	(\$64,409)

Continued

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

	Title I	Title V	Drug-Free Schools	EHA Pre-School Grant	Title VI-R
Revenues:					
Taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental	1,445,032	12,722	19,179	10,796	297,473
Extracurricular Activities	0	0	0	0	0
Charges for Services	0	0	0	0	0
Other Revenues	0	0	0	0	0
Total Revenues	1,445,032	12,722	19,179	10,796	297,473
Expenditures:					
Current:					
Instruction:					
Regular	5,379	0	0	0	225,969
Special	323,638	16,734	0	0	0
Other	237,800	0	0	0	0
Support Services:					
Pupil	188,789	0	18,867	10,663	0
Instructional Staff	714,831	0	0	0	112,208
School Administration	47,364	0	0	0	13,359
Fiscal	0	0	0	0	0
Operations and Maintenance	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	37,284	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Total Expenditures	1,555,085	16,734	18,867	10,663	351,536
Excess of Revenues Over (Under) Expenditures	(110,053)	(4,012)	312	133	(54,063)
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balance	(110,053)	(4,012)	312	133	(54,063)
Fund Balance Beginning of Year	(22,512)	662	0	250	(8,152)
Fund Balance End of Year	(\$132,565)	(\$3,350)	\$312	\$383	(\$62,215)

Miscellaneous Federal Grants	Food Service	Uniform School Supply	Poverty Based Aid	Public School Preschool	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$122,160
210,244	1,441,901	0	2,928,730	142,891	8,017,556
0	20,928	0	0	0	166,285
0	326,050	56,351	0	0	382,401
0	0	0	0	0	23,072
210,244	1,788,879	56,351	2,928,730	142,891	8,711,474
26,550	0	0	1,837,546	6,500	2,147,516
0	0	0	0	106,823	447,195
11,359	0	0	1,110,634	0	1,360,552
0	0	0	0	15,084	1,051,564
4,663	0	0	699,333	0	1,546,008
1,552	0	0	0	0	330,656
34,036	0	0	0	0	36,005
0	0	0	0	0	51,621
0	0	0	0	79,188	79,188
0	312	0	0	0	25,549
0	1,613,885	55,592	0	0	1,964,876
0	0	0	0	0	74,652
78,160	1,614,197	55,592	3,647,513	207,595	9,115,382
132,084	174,682	759	(718,783)	(64,704)	(403,908)
157,743	0	0	0	0	227,513
157,743	0	0	0	0	227,513
289,827	174,682	759	(718,783)	(64,704)	(176,395)
(287,227)	(106,387)	26,259	1,078,053	0	946,557
\$2,600	\$68,295	\$27,018	\$359,270	(\$64,704)	\$770,162

Trotwood-Madison City School District
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 June 30, 2008

	Permanent Improvement	SchoolNet Plus	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$90,703	\$0	\$90,703
Receivables:			
Taxes	657,774	0	657,774
Interfund	0	8,619	8,619
Total Assets	<u>748,477</u>	<u>8,619</u>	<u>757,096</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	90,000	0	90,000
Deferred Revenue	600,524	0	600,524
Total Liabilities	<u>690,524</u>	<u>0</u>	<u>690,524</u>
Fund Balances:			
Reserved for Property Tax Advances	57,250	0	57,250
Unreserved, Undesignated, Reported in: Capital Projects Funds	<u>703</u>	<u>8,619</u>	<u>9,322</u>
Total Fund Balances	<u>57,953</u>	<u>8,619</u>	<u>66,572</u>
Total Liabilities and Fund Balances	<u>\$748,477</u>	<u>\$8,619</u>	<u>\$757,096</u>

Trotwood-Madison City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2008

	Permanent Improvement	SchoolNet Plus	Total Nonmajor Capital Projects Funds
Revenues:			
Taxes	\$613,247	\$0	\$613,247
Intergovernmental	73,236	0	73,236
Total Revenues	686,483	0	686,483
Expenditures:			
Current:			
Support Services:			
Fiscal	10,910	0	10,910
Central	359,739	0	359,739
Debt Service:			
Principal Retirement	240,000	0	240,000
Interest and Fiscal Charges	403,510	0	403,510
Total Expenditures	1,014,159	0	1,014,159
Excess of Revenues Over (Under) Expenditures	(327,676)	0	(327,676)
Other Financing Sources (Uses):			
Issuance of Refunding Certificate of Participation	10,000,000	0	10,000,000
Refunding Certificate of Participation Issuance Cost	(296,586)	0	(296,586)
Payments to Refunding OASBO Capital Lease Escrow Agent	(9,796,000)	0	(9,796,000)
Premium on Refunding Certificate of Participation	92,586	0	92,586
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balance	(327,676)	0	(327,676)
Fund Balance Beginning of Year	385,629	8,619	394,248
Fund Balance End of Year	\$57,953	\$8,619	\$66,572

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

	Public School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$20,793	\$20,793	\$0
Other Revenues	23,071	23,071	0
Total Revenues	43,864	43,864	0
Expenditures:			
Current:			
Instruction:			
Other	898	759	139
Extracurricular Activities	58,154	49,142	9,012
Total Expenditures	59,052	49,901	9,151
Excess of Revenues Over (Under) Expenditures	(15,188)	(6,037)	9,151
Other Financing Sources (Uses):			
Transfers In	2,714	2,714	0
Total Other Financing Sources (Uses)	2,714	2,714	0
Net Change in Fund Balance	(12,474)	(3,323)	9,151
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	23,223	23,223	0
Fund Balance End of Year	\$10,749	\$19,900	\$9,151

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

	Final Budget	Other Grants Fund Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,675	\$2,675	\$0
Total Revenues	2,675	2,675	0
Expenditures:			
Current:			
Support Services:			
Pupil	26,143	22,136	4,007
Total Expenditures	26,143	22,136	4,007
Net Change in Fund Balance	(23,468)	(19,461)	4,007
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	26,142	26,142	0
Fund Balance End of Year	\$2,674	\$6,681	\$4,007

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

	Classroom Facilities Maintenance Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$118,844	\$118,844	\$0
Intergovernmental	144,469	144,469	0
Total Revenues	<u>263,313</u>	<u>263,313</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	3,445	1,969	1,476
Operations and Maintenance	102,879	58,804	44,075
Total Expenditures	<u>106,324</u>	<u>60,773</u>	<u>45,551</u>
Net Change in Fund Balance	156,989	202,540	45,551
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>287,796</u>	<u>287,796</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$444,785</u></u>	<u><u>\$490,336</u></u>	<u><u>\$45,551</u></u>

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

	Extracurricular Activity Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$124,726	\$124,239	(\$487)
Total Revenues	124,726	124,239	(487)
Expenditures:			
Current:			
Support Services:			
School Administration	170,112	157,292	12,820
Extracurricular Activities	27,588	25,509	2,079
Total Expenditures	197,700	182,801	14,899
Excess of Revenues Over (Under) Expenditures	(72,974)	(58,562)	14,412
Other Financing Sources (Uses):			
Transfers In	54,548	54,335	(213)
Total Other Financing Sources (Uses)	54,548	54,335	(213)
Net Change in Fund Balance	(18,426)	(4,227)	14,199
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	18,437	18,437	0
Fund Balance End of Year	\$11	\$14,210	\$14,199

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

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$288,467	\$288,467	\$0
Total Revenues	<u>288,467</u>	<u>288,467</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	215,250	206,882	8,368
Total Expenditures	<u>215,250</u>	<u>206,882</u>	<u>8,368</u>
Net Change in Fund Balance	73,217	81,585	8,368
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>5,252</u>	<u>5,252</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$78,469</u></u>	<u><u>\$86,837</u></u>	<u><u>\$8,368</u></u>

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

	Management Information Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$10,538	\$10,538	\$0
Total Revenues	10,538	10,538	0
Expenditures:			
Current:			
Support Services:			
Central	10,707	10,707	0
Total Expenditures	10,707	10,707	0
Net Change in Fund Balance	(169)	(169)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,757	3,757	0
Fund Balance End of Year	\$3,588	\$3,588	\$0

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

	Entry Year Programs Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$7,200	\$7,200	\$0
Total Revenues	7,200	7,200	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	7,200	7,200	0
Total Expenditures	7,200	7,200	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Other Financing Sources (Uses):			
Advances (Out)	0	(12,721)	(12,721)
Transfers In	12,721	12,721	0
Total Other Financing Sources (Uses)	12,721	0	(12,721)
Net Change in Fund Balance	12,721	0	(12,721)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$12,721	\$0	(\$12,721)

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

	Data Communications Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$15,000	\$15,000	\$0
Total Revenues	15,000	15,000	0
Expenditures:			
Current:			
Support Services:			
Central	15,000	15,000	0
Total Expenditures	15,000	15,000	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

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

	School Net Professional Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,970	\$2,970	\$0
Total Revenues	2,970	2,970	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	2,086	150	1,936
Central	16,838	1,211	15,627
Total Expenditures	18,924	1,361	17,563
Excess of Revenues Over (Under) Expenditures	(15,954)	1,609	17,563
Other Financing Sources (Uses):			
Advances (Out)	0	(15,654)	(15,654)
Total Other Financing Sources (Uses)	0	(15,654)	(15,654)
Net Change in Fund Balance	(15,954)	(14,045)	1,909
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,804	15,804	0
Fund Balance End of Year	(\$150)	\$1,759	\$1,909

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

	Ohio Reads Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Central	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	26	26	0
Fund Balance End of Year	\$26	\$26	\$0

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

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$94,171	\$94,171	\$0
Total Revenues	<u>94,171</u>	<u>94,171</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	59,018	56,771	2,247
Support Services:			
Pupil	29,228	28,115	1,113
Instructional Staff	7,925	7,623	302
Total Expenditures	<u>96,171</u>	<u>92,509</u>	<u>3,662</u>
Net Change in Fund Balance	(2,000)	1,662	3,662
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>3,456</u>	<u>3,456</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,456</u></u>	<u><u>\$5,118</u></u>	<u><u>\$3,662</u></u>

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

	Title VIB / Preschool Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,076,506	\$943,098	(\$133,408)
Total Revenues	<u>1,076,506</u>	<u>943,098</u>	<u>(133,408)</u>
Expenditures:			
Current:			
Support Services:			
Pupil	833,440	766,399	67,041
School Administration	118,014	108,521	9,493
Operation of Non-Instructional Services	<u>58,289</u>	<u>53,600</u>	<u>4,689</u>
Total Expenditures	<u>1,009,743</u>	<u>928,520</u>	<u>81,223</u>
Net Change in Fund Balance	66,763	14,578	(52,185)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2</u>	<u>2</u>	<u>0</u>
Fund Balance End of Year	<u>\$66,765</u>	<u>\$14,580</u>	<u>(\$52,185)</u>

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

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,945,635	\$1,445,032	(\$500,603)
Total Revenues	1,945,635	1,445,032	(500,603)
Expenditures:			
Current:			
Instruction:			
Regular	7,362	5,379	1,983
Special	467,903	341,849	126,054
Other	325,496	237,807	87,689
Support Services:			
Pupil	207,299	151,452	55,847
Instructional Staff	877,042	640,765	236,277
School Administration	64,861	47,387	17,474
Operation of Non-Instructional Services	49,230	35,967	13,263
Total Expenditures	1,999,193	1,460,606	538,587
Excess of Revenues Over (Under) Expenditures	(53,558)	(15,574)	37,984
Other Financing Sources (Uses):			
Transfers In	5,072	3,767	(1,305)
Transfers (Out)	(5,156)	(3,767)	1,389
Total Other Financing Sources (Uses)	(84)	0	84
Net Change in Fund Balance	(53,642)	(15,574)	38,068
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	53,711	53,711	0
Fund Balance End of Year	\$69	\$38,137	\$38,068

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

	Title V Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$17,911	\$12,722	(\$5,189)
Total Revenues	17,911	12,722	(5,189)
Expenditures:			
Current:			
Instruction:			
Special	16,630	13,137	3,493
Total Expenditures	16,630	13,137	3,493
Excess of Revenues Over (Under) Expenditures	1,281	(415)	(1,696)
Other Financing Sources (Uses):			
Transfers In	887	630	(257)
Transfers (Out)	(798)	(630)	168
Total Other Financing Sources (Uses)	89	0	(89)
Net Change in Fund Balance	1,370	(415)	(1,785)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	632	632	0
Fund Balance End of Year	\$2,002	\$217	(\$1,785)

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

	Drug-Free Schools Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$21,608	\$19,179	(\$2,429)
Total Revenues	21,608	19,179	(2,429)
Expenditures:			
Current:			
Support Services:			
Pupil	21,608	18,867	2,741
Total Expenditures	21,608	18,867	2,741
Net Change in Fund Balance	0	312	312
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$312	\$312

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

	EHA Pre-School Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$12,184	\$10,796	(\$1,388)
Total Revenues	12,184	10,796	(1,388)
Expenditures:			
Current:			
Support Services:			
Pupil	12,425	10,663	1,762
Total Expenditures	12,425	10,663	1,762
Excess of Revenues Over (Under) Expenditures	(241)	133	374
Other Financing Sources (Uses):			
Transfers In	282	250	(32)
Transfers (Out)	(291)	(250)	41
Total Other Financing Sources (Uses)	(9)	0	9
Net Change in Fund Balance	(250)	133	383
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	250	250	0
Fund Balance End of Year	\$0	\$383	\$383

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

	Title VI-R Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$347,980	\$297,471	(\$50,509)
Total Revenues	<u>347,980</u>	<u>297,471</u>	<u>(50,509)</u>
Expenditures:			
Current:			
Instruction:			
Regular	256,168	189,571	66,597
Support Services:			
Instructional Staff	157,027	116,204	40,823
School Administration	18,064	13,368	4,696
Total Expenditures	<u>431,259</u>	<u>319,143</u>	<u>112,116</u>
Excess of Revenues Over (Under) Expenditures	<u>(83,279)</u>	<u>(21,672)</u>	<u>61,607</u>
Other Financing Sources (Uses):			
Advances In	79,311	67,799	(11,512)
Advances (Out)	0	(52,781)	(52,781)
Transfers In	17,323	14,809	(2,514)
Transfers (Out)	(20,011)	(14,809)	5,202
Total Other Financing Sources (Uses)	<u>76,623</u>	<u>15,018</u>	<u>(61,605)</u>
Net Change in Fund Balance	(6,656)	(6,654)	2
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>6,657</u>	<u>6,657</u>	<u>0</u>
Fund Balance End of Year	<u>\$1</u>	<u>\$3</u>	<u>\$2</u>

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

	Miscellaneous Federal Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$211,865	\$210,243	(\$1,622)
Total Revenues	211,865	210,243	(1,622)
Expenditures:			
Current:			
Instruction:			
Regular	73,192	73,192	0
Support Services:			
Instructional Staff	99,807	99,807	0
School Administration	1,552	1,552	0
Fiscal	34,036	34,036	0
Total Expenditures	208,587	208,587	0
Excess of Revenues Over (Under) Expenditures	3,278	1,656	(1,622)
Other Financing Sources (Uses):			
Advances (Out)	0	(237,702)	(237,702)
Transfers In	158,960	157,743	(1,217)
Total Other Financing Sources (Uses)	158,960	(79,959)	(238,919)
Net Change in Fund Balance	162,238	(78,303)	(240,541)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	80,903	80,903	0
Fund Balance End of Year	\$243,141	\$2,600	(\$240,541)

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

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,392,662	\$1,392,662	\$0
Extracurricular Activities	20,928	20,928	0
Charges for Services	326,050	326,050	0
Total Revenues	1,739,640	1,739,640	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,874,486	1,638,829	235,657
Total Expenditures	1,874,486	1,638,829	235,657
Excess of Revenues Over (Under) Expenditures	(134,846)	100,811	235,657
Other Financing Sources (Uses):			
Advances (Out)	0	(261,166)	(261,166)
Transfers In	119,833	119,833	0
Transfers (Out)	(137,064)	(119,833)	17,231
Total Other Financing Sources (Uses)	(17,231)	(261,166)	(243,935)
Net Change in Fund Balance	(152,077)	(160,355)	(8,278)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	182,497	182,497	0
Fund Balance End of Year	\$30,420	\$22,142	(\$8,278)

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

	Uniform School Supply Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$56,351	\$56,351	\$0
Total Revenues	56,351	56,351	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	60,000	55,742	4,258
Total Expenditures	60,000	55,742	4,258
Net Change in Fund Balance	(3,649)	609	4,258
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	26,259	26,259	0
Fund Balance End of Year	\$22,610	\$26,868	\$4,258

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

	Poverty Based Aid Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,928,729	\$2,928,729	\$0
Total Revenues	<u>2,928,729</u>	<u>2,928,729</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	1,703,155	1,703,155	0
Other	939,214	939,214	0
Support Services:			
Instructional Staff	683,209	683,209	0
Total Expenditures	<u>3,325,578</u>	<u>3,325,578</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(396,849)</u>	<u>(396,849)</u>	<u>0</u>
Other Financing Sources (Uses):			
Transfers In	1,104,250	1,104,250	0
Transfers (Out)	<u>(1,104,250)</u>	<u>(1,104,250)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(396,849)	(396,849)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,237,513</u>	<u>1,237,513</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$840,664</u></u>	<u><u>\$840,664</u></u>	<u><u>\$0</u></u>

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

	Public School Preschool Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$157,599	\$142,891	(\$14,708)
Total Revenues	157,599	142,891	(14,708)
Expenditures:			
Current:			
Instruction:			
Regular	7,169	6,500	669
Special	88,336	80,092	8,244
Support Services:			
Pupil	16,637	15,084	1,553
Pupil Transportation	87,338	79,188	8,150
Total Expenditures	199,480	180,864	18,616
Excess of Revenues Over (Under) Expenditures	(41,881)	(37,973)	3,908
Other Financing Sources (Uses):			
Transfers In	41,881	37,973	(3,908)
Total Other Financing Sources (Uses)	41,881	37,973	(3,908)
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,078,502	\$2,078,502	\$0
Intergovernmental	261,803	261,803	0
Total Revenues	<u>2,340,305</u>	<u>2,340,305</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	42,970	37,867	5,103
Debt Service:			
Principal Retirement	652,491	575,000	77,491
Interest and Fiscal Charges	1,504,539	1,325,858	178,681
Total Expenditures	<u>2,200,000</u>	<u>1,938,725</u>	<u>261,275</u>
Net Change in Fund Balance	140,305	401,580	261,275
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,068,768</u>	<u>1,068,768</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,209,073</u>	<u>\$1,470,348</u>	<u>\$261,275</u>

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

	Classroom Facilities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$344,675	\$87,089	(\$257,586)
Intergovernmental	7,659,271	1,935,268	(5,724,003)
Total Revenues	8,003,946	2,022,357	(5,981,589)
Expenditures:			
Current:			
Capital Outlay	20,237,972	11,895,255	8,342,717
Total Expenditures	20,237,972	11,895,255	8,342,717
Excess of Revenues Over (Under) Expenditures	(12,234,026)	(9,872,898)	2,361,128
Other Financing Sources (Uses):			
Transfers In	3,957,731	1,000,000	(2,957,731)
Transfers (Out)	(1,701,348)	(1,000,000)	701,348
Total Other Financing Sources (Uses)	2,256,383	0	(2,256,383)
Net Change in Fund Balance	(9,977,643)	(9,872,898)	104,745
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	12,582,165	12,582,165	0
Fund Balance End of Year	\$2,604,522	\$2,709,267	\$104,745

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

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$41,800	\$41,800	\$0
Total Revenues	41,800	41,800	0
Expenditures:			
Current:			
Support Services:			
Fiscal	1,002	495	507
Capital Outlay	1,454,878	718,707	736,171
Total Expenditures	1,455,880	719,202	736,678
Excess of Revenues Over (Under) Expenditures	(1,414,080)	(677,402)	736,678
Other Financing Sources (Uses):			
Transfers In	162,548	162,548	0
Transfers (Out)	(329,046)	(162,548)	166,498
Total Other Financing Sources (Uses)	(166,498)	0	166,498
Net Change in Fund Balance	(1,580,578)	(677,402)	903,176
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,219,940	5,219,940	0
Fund Balance End of Year	\$3,639,362	\$4,542,538	\$903,176

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

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$596,598	\$596,598	\$0
Intergovernmental	73,236	73,236	0
Total Revenues	<u>669,834</u>	<u>669,834</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	11,266	10,911	355
Central	278,520	269,738	8,782
Debt Service:			
Principal Retirement	247,813	240,000	7,813
Interest and Fiscal Charges	416,647	403,510	13,137
Total Expenditures	<u>954,246</u>	<u>924,159</u>	<u>30,087</u>
Net Change in Fund Balance	(284,412)	(254,325)	30,087
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>345,028</u>	<u>345,028</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$60,616</u></u>	<u><u>\$90,703</u></u>	<u><u>\$30,087</u></u>

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

	SchoolNet Plus Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

FUND DESCRIPTIONS

NONMAJOR FUND

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

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

Trotwood-Madison City School District
Statement of Changes In Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2008

	Student Managed Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$15,420	\$21,766	\$21,589	\$15,597
Total Assets	<u>15,420</u>	<u>21,766</u>	<u>21,589</u>	<u>15,597</u>
Liabilities:				
Other Liabilities	15,420	21,766	21,589	15,597
Total Liabilities	<u>\$15,420</u>	<u>\$21,766</u>	<u>\$21,589</u>	<u>\$15,597</u>

STATISTICAL SECTION

STATISTICAL SECTION

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

CONTENTS

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

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

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

ECONOMIC AND DEMOGRAPHIC INFORMATION: These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

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

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

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Governmental Activities						
Invested in Capital Assets, Net of Related Debt	\$6,737,050	\$4,698,472	\$0	\$9,169,596	\$35,274,560	\$44,655,421
Restricted	3,213,449	5,254,994	5,673,721	20,923,955	19,550,170	12,073,911
Unrestricted	1,090,984	5,197,491	4,860,773	6,161,391	5,530,058	8,058,773
Total Government Net Assets	<u>\$11,041,483</u>	<u>\$15,150,957</u>	<u>\$10,534,494</u>	<u>\$36,254,942</u>	<u>\$60,354,788</u>	<u>\$64,788,105</u>

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

Source: District Records

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental Activities:						
Instruction	\$19,239,136	\$21,250,122	\$21,254,126	\$23,303,921	\$24,569,828	\$22,573,358
Pupil	1,407,173	1,474,997	1,792,572	2,054,086	2,040,797	2,149,688
Instructional Staff	1,899,162	1,873,503	2,566,856	3,166,312	2,567,820	2,521,436
General Administration	118,082	47,559	39,136	47,089	54,453	50,283
School Administration	2,471,413	2,567,107	2,702,760	2,835,488	2,750,758	2,626,744
Business and Fiscal	876,610	1,108,488	939,295	1,282,457	1,733,529	1,195,904
Operation and Maintenance	2,229,176	2,488,552	2,566,632	3,002,859	3,025,115	3,442,287
Pupil Transportation	1,300,394	1,599,259	1,772,666	1,718,554	1,589,563	1,636,690
Central	762,348	888,264	1,760,909	1,955,050	1,405,039	1,393,523
Operation of Non-Instructional Services	153,418	1,899,807	1,901,656	1,846,835	2,021,177	1,692,701
Extracurricular Activities	495,499	664,663	649,110	640,491	633,568	512,227
Interest and Fiscal Charges	1,085,459	1,828,252	2,027,662	2,122,582	2,589,266	2,004,512
Total Government Expenses	32,037,870	37,690,573	39,973,380	43,975,724	44,980,913	41,799,353
Program Revenues						
Governmental Activities:						
Charges for Services						
Instruction	322,933	439,380	497,567	388,807	335,259	418,618
Pupil	2,463	649	0	0	2,854	0
Instructional Staff	350	93	0	0	8,602	0
School Administration	3,356	15,389	99,644	185,082	265,487	106,902
Operation and Maintenance	11,024	1,601	1,248	23,058	0	0
Pupil Transportation	72,454	0	0	0	0	0
Operation of Non-Instructional Services	0	497,182	0	458,829	397,324	403,329
Extracurricular Activities	112,438	138,622	76,025	76,104	107,602	38,134
Operating Grants and Contributions	5,574,064	7,237,406	5,120,360	9,308,685	8,844,269	9,282,284
Capital Grants and Contributions	0	26,165	1,750,966	22,314,973	23,812,365	1,954,673
Total Government Revenues	6,099,082	8,356,487	7,545,810	32,755,538	33,773,762	12,203,940
Net (Expense)/Revenue	(\$25,938,788)	(\$29,334,086)	(\$32,427,570)	(\$11,220,186)	(\$11,207,151)	(\$29,595,413)

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

Source: District Records

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Net (Expense)/Revenue	(\$25,938,788)	(\$29,334,086)	(\$32,427,570)	(\$11,220,186)	(\$11,207,151)	(\$29,595,413)
General Revenues and Other Changes in Net Assets						
Governmental Activities:						
Property Taxes						
Property Taxes Levied for General Purposes	10,733,352	10,404,898	9,352,390	9,472,597	9,816,223	9,440,052
Property Taxes Levied for Special Revenue Purposes	0	0	0	232,700	126,558	122,421
Property Taxes Levied for Debt Service Purposes	1,546,904	2,321,932	2,089,660	2,156,926	2,241,294	2,140,012
Property Taxes Levied for Capital Projects Purposes	757,194	723,340	652,540	639,349	643,872	614,554
Grants and Entitlements Not Restricted to Specific Programs	16,418,135	18,862,095	19,932,305	19,005,150	20,559,179	20,930,858
Payment in Lieu of Taxes	0	0	0	0	21,000	50,068
Investment Earnings	866,183	655,825	2,067,063	443,894	1,434,501	850,510
Unrestricted Contributions	0	0	0	985	20,707	0
Refunds and Reimbursements	0	0	0	0	25,619	0
Other Revenues	566,453	727,282	1,037,593	115,406	418,044	353,159
Total Governmental Activities	30,888,221	33,695,372	35,131,551	32,067,007	35,306,997	34,501,634
Change in Net Assets	\$4,949,433	\$4,361,286	\$2,703,981	\$20,846,821	\$24,099,846	\$4,906,221

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

Source: District Records

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$978,441	\$1,717,652	\$1,735,096	\$1,354,748	\$1,010,303	\$713,517	\$1,196,084	\$1,107,565	\$825,822	\$1,156,963
Unreserved	(1,804,221)	(4,430,839)	1,224,877	1,332,783	2,526,726	4,479,415	5,455,335	4,411,577	4,428,343	5,742,007
Total General Fund	(825,780)	(2,713,187)	2,959,973	2,687,531	3,537,029	5,192,932	6,651,419	5,519,142	5,254,165	6,898,970
All Other Governmental Funds										
Reserved	0	707,171	246,739	0	400,193	334,670	2,190,254	10,257,922	8,373,535	1,653,678
Unreserved, Reported in:										
Capital Project Funds	(606,496)	445,575	661,730	19,252	33,294,871	31,805,045	12,265,489	14,305,618	8,366,343	6,965,330
Debt Service Funds	92,259	92,259	0	0	401,810	568,931	681,420	849,564	1,068,768	1,470,348
Special Revenue Funds	3,068,705	3,218,498	506,988	(45,440)	(1,332,398)	(476,493)	(552,326)	499,822	772,789	669,968
Total all Other Governmental Funds	\$2,554,468	\$4,463,503	\$1,415,457	(\$26,188)	\$32,764,476	\$32,232,153	\$14,584,837	\$25,912,926	\$18,581,435	\$10,759,324

Source: District Records

N/A - Information not available

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues:										
Taxes	\$9,408,354	\$9,757,585	\$9,696,692	\$9,525,767	\$10,983,365	\$12,272,287	\$13,112,188	\$13,002,537	\$13,135,821	\$12,289,706
Tuition and Fees	460,982	646,067	656,545	642,918	349,333	438,388	545,451	269,525	317,954	400,703
Investment Earnings	344,143	413,277	410,011	174,936	866,182	655,825	641,432	924,112	1,434,501	850,510
Intergovernmental	16,873,915	17,541,312	18,732,650	20,088,331	20,741,782	26,301,097	28,972,539	50,726,377	52,963,037	32,546,585
Extracurricular Activities	142,497	151,626	144,258	130,290	122,263	128,222	133,818	212,400	390,997	166,285
Charges for Services	0	0	0	0	0	524,705	0	458,829	397,324	382,401
Other Revenues	131,107	358,212	491,351	219,017	577,477	704,654	891,503	231,264	476,371	370,752
Total Revenues	\$27,360,998	\$28,868,079	\$30,131,507	\$30,781,259	\$33,640,402	\$41,025,178	\$44,296,931	\$65,825,044	\$69,116,005	\$47,006,942

Source: District Records

N/A - Information not available

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Regular Instruction	\$9,841,914	\$10,947,752	\$11,067,246	\$11,408,565	\$11,143,502	\$11,669,388	\$12,498,772	\$16,916,648	\$16,975,408	\$16,401,807
Special Instruction	4,954,661	4,774,198	5,069,101	5,904,393	6,845,033	8,676,652	8,535,025	4,500,000	4,935,557	3,980,648
Vocational Instruction	180,911	261,864	183,376	114,182	73,277	68,498	8,128	0	0	0
Other Instruction	20,667	18,035	8,075	126,266	46,784	97,987	62,674	520,563	705,963	1,366,552
Pupil	1,002,577	1,572,363	1,162,475	1,396,115	1,513,542	1,434,751	1,762,939	2,066,939	1,987,776	2,280,378
Instructional Staff	1,893,523	1,584,653	1,947,678	2,189,437	2,053,022	1,821,391	2,570,799	3,096,595	2,662,647	2,514,420
General Administration	77,614	63,990	91,779	60,718	115,555	45,032	36,609	45,787	54,335	50,283
School Administration	1,908,427	1,993,284	1,880,467	2,722,191	2,533,275	2,471,079	2,688,950	2,682,576	2,633,351	2,573,388
Fiscal	518,550	797,468	387,455	521,839	684,529	864,654	703,508	1,044,601	1,479,668	939,716
Business	205,879	394,212	7,018	240,260	223,745	224,818	231,696	241,799	261,524	256,283
Operations and Maintenance	2,789,946	3,712,541	1,337,284	2,308,202	2,250,885	2,394,250	2,595,880	2,929,502	3,022,276	3,506,620
Pupil Transportation	1,560,122	1,413,453	1,213,203	1,505,163	1,320,799	1,532,190	1,700,623	1,718,858	1,579,059	1,794,266
Central	866,009	1,283,737	1,154,007	876,302	1,042,194	1,198,833	1,582,291	1,778,091	1,244,990	1,353,478
Operation of Non-Instructional Services	66,969	18,953	58,150	28,742	154,267	1,797,240	1,894,853	1,812,050	1,988,417	1,981,824
Extracurricular Activities	457,394	433,215	437,767	416,011	713,357	618,822	607,482	627,603	609,521	508,059
Capital Outlay	46,536	281,721	1,257,758	503,666	2,570,080	12,225,982	19,818,735	12,718,076	32,549,109	10,182,158
Debt Service:										
Principal Retirement	821,233	976,337	1,009,382	1,008,459	371,500	950,950	989,500	949,500	500,875	815,000
Interest and Fiscal Charges	273,041	168,267	132,010	179,259	941,827	1,832,630	1,953,797	2,032,252	2,481,773	1,729,368
Total Expenditures	\$27,485,973	\$30,696,043	\$28,404,231	\$31,509,770	\$34,597,173	\$49,925,147	\$60,242,261	\$55,681,440	\$75,672,249	\$52,234,248
Debt Service as a Percentage of Noncapital Expenditures	4.44%	4.29%	4.42%	4.14%	4.14%	7.49%	7.28%	6.95%	6.92%	6.75%

Source: District Records

N/A - Information not available

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$35,000,000	\$0	\$0	\$0	\$0	\$0
Issuance of Long Term Debt	0	1,100,000	900,805	0	0	0	0	0	0	0
Proceeds of Notes	0	0	0	371,450	0	0	0	0	0	0
Issuance of Capital Leases	0	0	0	0	0	0	0	0	0	0
Issuance of Refunding Capital Leases	0	0	0	0	0	0	0	0	0	10,000,000
Refunding Bond Issuance Cost	0	0	0	0	0	0	0	0	0	(296,586)
Payments to Refunding Bond Escrow Agent	0	0	0	0	0	0	0	0	0	(9,796,000)
Premium on Refunding Bonds	0	0	0	0	0	0	0	0	0	92,586
Sale of Capital Assets	2,196	9,153	656	883	0	594	549	52,207	0	0
Transfers In	3,345,500	4,113,824	0	315,650	35,185,398	215,000	320,277	205,809	561,051	227,513
Transfers Out	(3,345,500)	(4,113,824)	0	(635,650)	(35,734,286)	(215,000)	(320,277)	(205,809)	(1,601,275)	(1,177,513)
Total Other Financing Sources (Uses)	2,196	1,109,155	901,461	52,333	34,451,112	594	549	52,207	(1,040,224)	(950,000)
Net Change in Fund Balances	(\$122,779)	(\$718,811)	\$2,628,737	(\$676,178)	\$33,494,341	(\$8,899,375)	(\$15,944,781)	\$10,195,811	(\$7,596,468)	(\$6,177,306)

Source: District Records

N/A - Information not available

Trotwood-Madison City School District
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection (Calendar) Years (1)
 Schedule 8

Collection Year	Real Property Assessed Value (1)	Tangible Personal Property Assessed Value (1)	Public Utilities Personal Assessed Value (1)	Total Assessed Value (1)	Total Estimated Actual Value	Total Direct Rate
1998	\$205,800,690	\$28,652,050	\$16,721,950	\$251,174,690	\$721,612,387	N/A
1999	208,856,650	27,039,712	16,267,380	252,163,742	723,377,793	N/A
2000	220,632,420	26,275,809	14,815,900	261,724,129	752,367,829	52.64
2001	220,430,720	24,947,808	13,390,910	258,769,438	744,810,232	52.91
2002	220,961,430	22,837,365	10,706,700	254,505,495	750,138,604	61.05
2003	252,118,370	20,069,465	10,870,750	283,058,585	828,534,150	60.85
2004	251,199,900	20,422,178	10,644,960	282,267,038	826,740,905	60.70
2005	251,503,910	19,182,894	10,647,830	281,334,634	822,659,739	60.06
2006	284,288,750	13,013,167	10,205,470	307,507,387	883,620,249	60.06
2007	282,842,600	7,900,867	7,921,430	298,664,897	891,672,323	60.06

Source: Montgomery County Auditor

(1) - Assessed values shown in this schedule will not agree to amounts in the notes to the financial statements, since the schedules are shown on a calendar year basis, which is consistent with the method county auditors maintain this information

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

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

N/A - Information not available

Trotwood-Madison City School District
 Direct and Overlapping Property Tax Rates,
 Last Ten Calendar Years
 Schedule 9

Calendar Year	District Direct Rates					Overlapping Rates				
	General Purpose	Debt	Capital Purpose	Classroom Facilities	Total	Montgomery County	City of Trotwood	City of Dayton	Library	MVCTC
1998	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1999	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2000	49.49	0.00	3.15	0.00	52.64	17.24	11.64	10.00	0.26	2.58
2001	49.76	0.00	3.15	0.00	52.91	17.24	17.39	10.00	0.26	2.58
2002	49.29	8.61	3.15	0.00	61.05	17.24	17.39	10.00	0.26	2.58
2003	49.09	8.61	3.15	0.00	60.85	18.24	17.39	10.00	0.26	2.58
2004	48.94	8.61	3.15	0.00	60.70	18.24	17.39	10.00	1.25	2.58
2005	48.94	8.11	2.51	0.50	60.06	18.24	17.39	10.00	1.25	2.58
2006	48.94	8.11	2.51	0.50	60.06	18.24	17.39	10.00	1.25	2.58
2007	48.94	8.11	2.51	0.50	60.06	20.24	17.39	10.00	1.25	2.58

Source: Montgomery County Auditor

N/A - Information not available

Trotwood-Madison City School District
Principal Property Tax Payers,
Current Year and Two Years Ago (1)
Schedule 10

Taxpayer	2007 (2)	
	Tangible Personal & Real Property	Percentage of Total Assessed Value
Dayton Power and Light Company	\$18,232,590	6.10%
Cross Pointe Associates, Inc.	8,052,120	2.70%
Miller Farm Apartments	6,926,300	2.32%
Washington Place Limited	6,506,070	2.18%
Steeplechase Advisors	5,220,870	1.75%
BCC Washington Township	4,801,750	1.61%
CVS Partnerships	4,590,100	1.54%
Chesapeake Landing	3,678,430	1.23%
United Dominion Realty	3,623,490	1.21%
The Franciscan at St. Leo	3,591,270	1.20%
Total Principal Taxpayers	65,222,990	21.84%
All Other Taxpayers	233,441,907	78.16%
Total All Taxpayers	\$298,664,897	100.00%

Taxpayer	2005 (2)	
	Tangible Personal & Real Property	Percentage of Total Assessed Value
Dayton Power and Light Company	\$16,438,750	5.35%
Ohio Bell Telephone Co.	8,567,360	2.79%
Cross Pointe Associates, Inc.	8,052,120	2.62%
Miller Farm Apartments	7,790,470	2.53%
Voss Chevrolet, Inc.	6,636,970	2.16%
Washington Place Limited	6,506,070	2.12%
Streetplacechase Advisors	5,220,870	1.69%
CVS Partnerships	4,593,100	1.49%
Bob Ross Buick, Inc.	4,406,480	1.43%
Chesapeake Landing	3,953,350	1.29%
Total Principal Taxpayers	72,165,540	23.47%
All Other Taxpayers	235,341,847	76.53%
Total All Taxpayers	\$307,507,387	100.00%

Source: Montgomery County Auditor

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

(2) - Denotes calendar year

Trotwood-Madison City School District
Property Tax Levies and Collections
Last Ten Calendar Years
Schedule 11

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected within the Calendar Year of the Levy		Delq. Collections in Subsequent Years	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
1998	N/A	N/A	N/A	N/A	N/A	N/A
1999	N/A	N/A	N/A	N/A	N/A	N/A
2000	\$10,971,209	\$10,107,630	92.13%	\$443,833	\$10,551,463	96.17%
2001	10,939,132	9,775,364	89.36%	452,314	10,227,677	93.50%
2002	14,314,900	12,995,093	90.78%	922,714	13,917,807	97.23%
2003	14,024,868	12,898,028	91.97%	1,056,220	13,954,248	99.50%
2004	14,046,517	12,879,481	91.69%	1,129,154	14,008,635	99.73%
2005	14,324,332	13,072,198	91.26%	1,618,147	14,690,345	102.56%
2006	14,364,018	12,707,523	88.47%	1,165,007	13,872,530	96.58%
2007	14,434,277	12,707,523	88.04%	1,165,007	13,872,530	96.11%

Source: Montgomery County Auditor

(1) - Taxes levied and collected are presented on a cash basis

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

N/A - Information not available

Trotwood-Madison City School District
 Outstanding Debt by Type,
 Last Ten Fiscal Years
 Schedule 12

Fiscal Year	Governmental Activities			Total Primary Government	Ratio of General Bonded Debt to Estimated Actual Value (1)	Percentage of Personal Income (2)	Per Capita
	General Obligation Bonds and Notes	Capital Leases	Tax Anticipation Notes				
1999	\$1,917,414	\$823,688	\$0	\$2,741,102	0.38%	0.02%	\$103
2000	2,329,602	535,165	0	2,864,767	0.40%	0.02%	104
2001	2,514,816	227,475	0	2,742,291	0.36%	0.02%	95
2002	969,875	0	770,000	1,739,875	0.23%	0.01%	58
2003	35,728,375	111,450	590,000	36,429,825	4.86%	0.22%	1,198
2004	35,017,827	10,129,000	400,000	45,546,827	5.50%	0.27%	1,480
2005	34,191,565	10,046,000	205,000	44,442,565	5.38%	0.25%	1,399
2006	33,439,429	9,943,000	0	43,382,429	5.27%	0.25%	1,350
2007	33,196,531	9,796,000	0	42,992,531	4.87%	0.24%	1,277
2008	33,754,042	9,919,279	0	43,673,321	4.90%	N/A	N/A

Source: District Records

N/A - Information not available

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

(2) - On the calendar year basis

Trotwood-Madison City School District
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2008
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Montgomery County	\$13,667,888	2.88%	\$393,635
City of Clayton	2,749,999	2.76%	75,900
City of Dayton	27,470,000	0.46%	126,362
City of Trotwood	11,337,000	82.19%	9,317,880
Miami Valley Regional Transit Authority Misc	5,610,000	2.88%	161,568
Subtotal, Overlapping Debt	60,834,887		10,075,345
District Direct Debt	32,164,987	99.96%	32,152,121
Total Direct and Overlapping Debt	\$92,999,874		\$42,227,466

Source: Ohio Municipal Advisory Council

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government.

Trotwood-Madison City School District
 Legal Debt Margin Information,
 Last Ten Fiscal Years
 Schedule 14

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value (1)	\$298,664,897
Debt limit (9% of assessed value)	26,879,841
Debt applicable to limit	32,164,987
Legal debt margin	<u>(\$5,285,146)</u>

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$22,605,722	\$22,694,737	\$23,555,172	\$23,289,249	\$22,905,495	\$25,475,273	\$25,404,033	\$25,320,117	\$27,675,665	\$26,879,841
Total Net Debt Applicable to Limit	325,500	2,329,602	987,500	35,641,000	35,000,000	34,813,000	34,006,500	33,160,000	32,809,987	32,164,987
Legal Debt Margin	<u>\$22,280,222</u>	<u>\$20,365,135</u>	<u>\$22,567,672</u>	<u>(\$12,351,751)</u>	<u>(\$12,094,505)</u>	<u>(\$9,337,727)</u>	<u>(\$8,602,467)</u>	<u>(\$7,839,883)</u>	<u>(\$5,134,322)</u>	<u>(\$5,285,146)</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.44%	10.26%	4.19%	153.04%	152.80%	136.65%	133.86%	130.96%	118.55%	119.66%

Source: District Records

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

N/A - Information not available

Trotwood-Madison City School District
 Demographic and Economic Statistics
 Last Ten Calendar Years
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1998	29,358	\$15,047,037	\$26,551	4.1%
1999	29,358	15,446,351	27,487	3.9%
2000	27,420	16,167,661	28,949	4.0%
2001	27,420	16,563,468	29,827	4.0%
2002	27,420	16,810,295	30,404	4.3%
2003	27,070	16,984,405	30,784	4.3%
2004	27,070	17,461,179	31,773	4.3%
2005	27,070	17,531,793	32,133	6.1%
2006	27,070	18,219,910	33,658	6.0%
2007	27,070	N/A	N/A	6.2%

Sources: (1) - Population estimates provided by U.S. Census Bureau

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

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

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

N/A - Information not available

Trotwood-Madison City School District
Major Employers (1)
Current Fiscal Year (2)
Schedule 16

<u>Major Employers (3)</u>	<u>Type (4)</u>
Behr Dayton Thermal Products LLC	Mfg
Dayton City Bd of Ed	Govt
DPL Inc/Dayton Power & Light Co	Utility
General Motors Corp	Mfg
Kettering Medical Center	Serv
NCR Corp	Mfg
Premier Health Partners Inc	Serv
Reed Elsevier/LexisNexis	Serv
Reynolds & Reynolds Co Inc	Mfg
University of Dayton	Serv
US Federal Government	Govt

Source: Ohio Department of Development

- (1) - For all of Montgomery County
- (2) - Only current fiscal year information available
- (3) - In alphabetical order only
- (4) - Number of employees and percentage of population employed not available.

Trotwood-Madison City School District
 Full-Time Equivalent District Employees by Type
 Last Ten Fiscal Years
 Schedule 17

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Official/Administrative										
Admin. Assistant	0.00	0.00	0.00	1.00	0.00	1.00	1.00	2.00	3.00	3.00
Assist. Deputy/Assoc. Superintendent	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assist. Principal	4.00	4.00	4.00	3.00	5.00	5.00	3.00	3.00	3.00	4.00
Principals	8.00	8.00	7.00	9.00	12.00	7.00	8.00	7.00	6.00	5.00
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Supervising/Managing/Directing	7.00	6.00	6.00	8.00	9.00	5.00	4.00	3.35	4.00	4.00
Treasurer	2.00	2.00	1.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Coordinator	3.00	6.00	7.00	7.00	6.00	7.00	5.00	6.85	7.00	6.00
Director	0.00	0.00	0.00	0.00	0.00	4.00	3.00	3.00	2.00	3.00
Other Official/Administrative	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Official/Administrative	25.00	27.00	26.00	33.00	37.00	33.00	28.00	29.20	29.00	29.00
Professional - Educational										
Curriculum Specialist	13.00	6.00	6.00	4.00	4.00	6.00	9.00	8.00	5.00	2.00
Counseling	5.00	5.00	5.00	7.00	5.00	3.00	5.00	5.00	5.00	6.00
Librarian/Media	2.00	1.00	2.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Remedial Specialist	0.00	0.00	0.00	0.00	0.00	5.48	3.48	0.34	0.34	0.46
Regular Teaching	187.48	197.47	213.58	204.48	198.47	157.00	148.00	126.18	137.00	132.00
Special Education Teaching	29.00	27.00	25.00	33.00	28.00	7.00	6.00	12.63	10.28	9.60
Vocational Education Teaching	2.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tutor/Small Group Instructor	5.76	7.96	10.96	11.96	10.20	5.00	5.00	2.36	2.00	0.63
Educ. Service Personnel Teacher	12.60	11.50	9.00	10.00	14.00	8.00	16.00	15.10	16.20	12.06
Suppl. Service Teacher (Spec. Ed.)	0.00	0.00	0.00	0.00	0.00	26.00	25.00	25.85	27.77	26.00
Permanent Substitute	0.00	0.00	0.00	0.00	0.00	2.00	2.00	1.00	0.00	0.00
Other Professional	0.00	0.00	0.00	0.00	0.00	5.00	21.00	24.00	18.00	17.00
Total Professional - Education	256.84	257.93	273.54	273.44	262.67	226.48	242.48	222.46	223.59	207.75
Professional - Other										
Accounting	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Audiologist	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.27	0.06	0.00
Auditing	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
Personnel	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Psychologist	3.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	7.00	8.00
Publicity Relations	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Social Work	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	3.00
Physical Therapist	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.35	0.00	0.00
Speech and Language Therapist	3.42	4.42	4.42	3.42	3.42	6.00	4.00	4.33	4.00	4.00
Occupational Therapist	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.13	0.00	0.00
Mobility Therapist	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.00	0.00
Educational Interpreter	0.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00	1.00	1.00
Physical Therapy Assistant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.12	0.00	0.00
Adapted Physical Education Therapist	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.18	0.00	0.00
Total Professional - Other	7.42	10.42	11.42	10.42	12.42	13.00	11.00	12.43	13.06	16.00
Technical										
Computer Operating	0.00	0.00	0.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00
Practical Nursing	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	4.00
Library Aide	3.00	3.00	5.00	6.00	5.00	5.00	5.00	5.00	4.00	4.00
Instructional Paraprofessional	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.00	33.00
Other Technical	0.00	0.00	0.00	0.00	0.00	0.00	11.00	11.00	0.00	0.00
Total Technical	3.00	3.00	5.00	8.00	7.00	5.00	17.00	17.00	32.00	41.00

Source: State Department of Education

Trotwood-Madison City School District
 Full-Time Equivalent District Employees by Type
 Last Ten Fiscal Years
 Schedule 17 (Continued)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Office/Clerical										
Bookkeeping	3.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	2.00
Clerical	26.00	27.00	32.00	33.00	30.00	31.00	30.00	29.00	27.00	21.00
Messenger	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Teaching Aide	38.75	38.00	51.00	56.00	52.00	37.00	34.00	37.52	4.00	6.00
Telephone Operator	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Office/Clerical	0.00	1.00	1.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00
Total Office/Clerical	<u>68.75</u>	<u>69.00</u>	<u>88.00</u>	<u>92.00</u>	<u>85.00</u>	<u>69.00</u>	<u>65.00</u>	<u>67.52</u>	<u>32.00</u>	<u>30.00</u>
Crafts and Trades										
General Maintenance	1.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Mechanic	2.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Total Crafts and Trades	<u>3.00</u>	<u>5.00</u>	<u>4.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>6.00</u>
Operative										
Vehicle Operator (other than buses)	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Vehicle Operator (buses)	23.97	33.42	36.67	30.42	24.42	29.75	28.75	25.75	19.75	23.75
Total Operative	<u>24.97</u>	<u>33.42</u>	<u>36.67</u>	<u>30.42</u>	<u>24.42</u>	<u>29.75</u>	<u>28.75</u>	<u>25.75</u>	<u>19.75</u>	<u>23.75</u>
Extracurricular/Intracurricular Activities										
Advisor	0.00	0.00	0.00	2.00	2.00	1.00	0.00	0.00	0.00	0.00
Coaching	0.00	0.00	0.00	22.00	22.00	12.00	0.00	0.00	0.00	0.00
Athletic Trainer	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extra/Intra - Curricular Activities	0.00	0.00	0.00	7.50	4.50	3.50	0.00	0.00	0.00	0.00
Total Extracurricular/Intracurricular Activities	<u>0.00</u>	<u>0.00</u>	<u>1.00</u>	<u>31.50</u>	<u>28.50</u>	<u>16.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Service Work/Laborer										
Attendance Officer	2.00	2.00	2.00	2.00	1.00	3.00	2.00	2.00	2.00	2.00
Custodian	26.00	27.00	29.00	27.00	27.00	25.00	26.00	25.00	26.00	23.00
Food Service	21.50	23.80	22.00	28.80	29.80	24.80	24.80	22.80	20.80	20.05
Monitoring	1.00	7.00	4.00	6.00	4.00	3.00	7.00	5.00	6.00	7.00
Groundskeeping	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Total Service Work/Laborer	<u>51.50</u>	<u>60.80</u>	<u>58.00</u>	<u>64.80</u>	<u>62.80</u>	<u>56.80</u>	<u>60.80</u>	<u>56.80</u>	<u>56.80</u>	<u>54.05</u>
Total Employees	<u>440.48</u>	<u>466.57</u>	<u>503.63</u>	<u>548.58</u>	<u>524.81</u>	<u>454.53</u>	<u>458.03</u>	<u>436.16</u>	<u>411.20</u>	<u>407.55</u>

Source: State Department of Education

Trotwood-Madison City School District
 Operating Statistics
 Last Ten Fiscal Years
 Schedule 18

Fiscal Year	Enrollment	Operating Expenditure	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
1999	4,067	\$26,345,163	\$6,772	10.56%	N/A	N/A	N/A	N/A	18.6	23.00%
2000	3,786	29,269,718	8,130	20.05%	N/A	N/A	N/A	N/A	16.6	53.50%
2001	3,846	26,005,081	7,958	(2.12%)	N/A	N/A	N/A	249	15.4	38.30%
2002	3,854	29,818,386	7,781	(2.22%)	N/A	N/A	N/A	247	15.6	40.10%
2003	3,676	30,713,766	8,465	8.79%	\$32,037,870	\$8,715	N/A	239	15.4	28.30%
2004	3,466	34,915,585	9,221	8.93%	37,690,573	10,874	24.77%	198	17.5	59.40%
2005	3,268	37,480,229	10,136	9.92%	39,973,380	12,232	12.48%	195	16.8	65.70%
2006	3,307	39,981,612	10,077	(0.58%)	43,975,724	13,298	8.72%	180	18.4	60.50%
2007	3,021	40,140,492	11,411	13.24%	44,980,913	14,889	11.97%	180	16.8	81.51%
2008	3,061	40,322,722	13,173	15.44%	41,799,353	13,655	-8.29%	N/A	N/A	N/A

Source: District Records

N/A - Information not available

Trotwood-Madison City School District
 School Building Information
 Last Ten Fiscal Years
 Schedule 19

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Broadmoor Elementary										
Square Feet	35,282	35,282	35,282	35,282	35,282	35,282	35,282	35,282	35,282	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	341	335	327	320	300	344	304	422	389	N/A
Madison Park Elementary										
Square Feet	40,116	40,116	40,116	40,116	40,116	40,116	40,116	N/A	N/A	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	493	439	379	426	387	399	383	N/A	N/A	403
Olivehill Elementary										
Square Feet	32,975	32,975	32,975	32,975	32,975	N/A	N/A	N/A	N/A	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	261	289	269	255	228	N/A	N/A	N/A	N/A	N/A
Shilohview Elementary										
Square Feet	41,530	41,530	41,530	41,530	41,530	41,530	41,530	41,530	41,530	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	451	426	440	422	388	365	343	353	318	N/A
Townview Elementary										
Square Feet	47,514	47,514	47,514	47,514	47,514	47,514	47,514	47,514	47,514	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	429	363	352	317	286	295	296	352	320	N/A
Westbrooke Village Elementary										
Square Feet	34,740	34,740	34,740	34,740	34,740	34,740	34,740	34,740	34,740	34,740
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	405	417	409	381	317	308	280	397	343	428
Early Learning Center										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	477
Trotwood-Madison Middle School										
Square Feet	84,065	84,065	84,065	84,065	84,065	84,065	84,065	84,065	84,065	84,065
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	560	576	628	676	635	590	546	620	538	675
Trotwood-Madison High School										
Square Feet	200,086	200,086	200,086	200,086	200,086	200,086	200,086	235,823	235,823	235,823
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,122	940	1,042	1,026	1,099	1,135	1,087	1,163	1,103	1,078

Source: District Records

N/A - Information not available

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Mary Taylor, CPA
Auditor of State

TROTWOOD-MADISON CITY SCHOOL DISTRICT
MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
MARCH 24, 2009