



Dave Yost • Auditor of State

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Federal Awards Receipts and Disbursement Schedule – For the Fiscal Year Ended June 30, 2011	1
Notes to the Federal Awards Receipts and Disbursement Schedule – For the Fiscal Year Ended June 30, 2011	2
Independent Accountants’ Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	3
Independent Accountants’ Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control over Compliance Required by OMB Circular A-133	5
Schedule of Findings.....	7
Independent Accountants’ Report on Applying Agreed-Upon Procedures.....	9

This page intentionally left blank.

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY**

**FEDERAL AWARDS RECEIPTS AND DISBURSEMENTS SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. Department of Agriculture						
<i>Passed through Ohio Department of Education</i>						
Child Nutrition Cluster:						
<i>Non Cash Assistance (Food Distribution)</i>						
National School Lunch Program	10.555	N/A		\$237,572		\$237,572
<i>Cash Assistance:</i>						
National School Lunch Program	10.555	N/A	645,152		645,152	
Total National School Lunch Program			645,152	237,572	645,152	237,572
School Breakfast Program	10.553	N/A	\$190,204		\$190,204	
Total Child Nutrition Cluster			835,356	237,572	835,356	237,572
Total U.S. Department of Agriculture			835,356	237,572	835,356	237,572
U.S. Department of Education						
<i>Passed through Ohio Department of Education</i>						
Title I Grants to Local Educational Agencies Cluster:						
Title I Grants to Local Educational Agencies	84.010	C1-S1-10 C1-S1-11 C1-SD-10 C1-SD-11	124,114 566,162 11,552 235,334		69,715 533,367 2,476 228,214	
Total Title I Grants to Local Educational Agencies			937,162		833,772	
ARRA - Title I Grants to Local Educational Agencies	84.389	2010 2011	34,843 214,422		29,185 181,132	
Total Title I Grants to Local Educational Agencies, Recovery Act			249,265		210,317	
Total Title I Grants to Local Educational Agencies Cluster			1,186,427		1,044,089	
Special Education Grants to States Cluster:						
Special Education Grants to States	84.027	6B-SF-11	1,012,034		1,012,034	
ARRA - Special Education Grants to States	84.391	2010 2011	260,122 292,035		259,717 292,035	
Total Special Education Grants to States, Recovery Act			552,157		551,752	
Total Special Education Grants to States Cluster			1,564,191		1,563,786	
Safe and Drug-Free Schools and Communities State Grants	84.186	DR-S1-10	4,764		4,480	
Education Technology State Grants	84.318	TJ-S1-10 TJ-S1-11	5,381 2,016		3,995 2,016	
Total Education Technology State Grants			7,397		6,011	
English Language Acquisition Grants	84.365	T3-S1-10 T3-S1-11	9,078 6,276		8,028 6,303	
Total English Language Acquisition Grants			15,354		14,331	
Improving Teacher Quality State Grants	84.367	TR-S1-10 TR-S1-11	29,439 172,240		14,472 168,059	
Total Improving Teacher Quality State Grants			201,679		182,531	
ARRA - State Fiscal Stabilization Fund-Education State Grant	84.394	2011	873,564		772,900	
ARRA - State Fiscal Stabilization Fund-Race-to-Top	84.395	2011	8,409		9,909	
Education Jobs Fund	84.410	2011	450,531		446,075	
Total U.S. Department of Education			4,312,316		4,044,112	
Total Federal Financial Assistance			\$5,147,672	\$237,572	\$4,879,468	\$237,572

See accompanying notes to the Federal Awards Expenditures Schedule.

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND DISBURSEMENT SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2011**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.



Dave Yost • Auditor of State

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

Troy City School District
Miami County
500 N. Market Street
Troy, Ohio 45373

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Troy City School District, Miami County, (the School District) as of and for the year ended June 30, 2011, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 13, 2011. As described in Note 19 during the year ended June 30, 2011, the School District adopted the provisions of Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and timely corrected.

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

Compliance and Other Matters

As part of reasonably assuring whether the School District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the School District's management in a separate letter dated December 13, 2011.

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

December 13, 2011



Dave Yost • Auditor of State

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

Troy City School District
Miami County
500 N. Market Street
Troy, Ohio 45373

To the Board of Education:

Compliance

We have audited the compliance of Troy City School District, Miami County, (the School District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Troy City School District's major federal programs for the year ended June 30, 2011. The summary of auditor's results section of the accompanying schedule of findings identifies the School District's major federal programs. The School District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the 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 included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School District's compliance with those requirements.

In our opinion, the Troy City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The School District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the School District's internal control over compliance.

**Internal Control Over Compliance
(Continued)**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

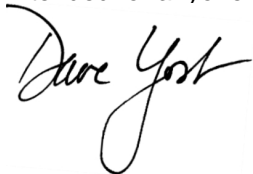
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did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

We noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 13, 2011.

Federal Awards Receipts and Disbursements Schedule

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Troy City School District, Darke County, (the School District) as of and for the year ended June 30, 2011, and have issued our report thereon dated December 13, 2011. Our audit was performed to form opinions on the financial statements that collectively comprise the School District's basic financial statements taken as a whole. The accompanying federal awards receipts and disbursements schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Dave Yost
Auditor of State

December 13, 2011

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	<p>Title I Grants to Local Educational Agencies Cluster: Title I Grants to Local Educational Agencies, CFDA #84.010 Title I Grants to Local Educational Agencies, Recovery Act, CFDA #84.389</p> <p>Special Education Cluster: Special Education_Grants to States, CFDA #84.027 Special Education_Grants to States, Recovery Act, CFDA #84.391</p> <p>State Fiscal Stabilization Fund – Education State Grant, Recovery Act CFDA #84.394</p> <p>Education Jobs Fund CFDA #84.410</p>
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



Dave Yost • Auditor of State

Independent Accountants' Report on Applying Agreed-Upon Procedure

Troy City School District
Miami County
500 N. Market Street
Troy, Ohio 45373

To the Board of Education:

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

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

1. We noted the Board amended its anti-harassment policy at its meeting on June 22, 2010 to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

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

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

December 13, 2011

This page intentionally left blank.

TROY

CITY SCHOOL DISTRICT

Troy, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 2011

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

TROY CITY SCHOOL DISTRICT

for the

FISCAL YEAR ENDED JUNE 30, 2011

prepared by

TREASURER'S OFFICE

Craig A. Jones

Treasurer and Chief Financial Officer



*"In Pursuit
of Excellence"*

500 N Market Street
Troy, Ohio 45373

TROY
Trojans

The logo consists of a red five-pointed star outline. The word "TROY" is written in a grey, blocky, sans-serif font with a thin black outline, positioned above the top point of the star. The word "Trojans" is written in a red, cursive script font, positioned across the middle of the star.

INTRODUCTORY SECTION

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

TABLE OF CONTENTS

INTRODUCTORY SECTION

Table of Contents	i-iv
Letter of Transmittal.....	v-xiv
GFOA Certificate of Achievement.....	xv
ASBO Certificate of Excellence.....	xvi
List of Principal Officials	xvii
Organizational Chart	xviii

FINANCIAL SECTION

Independent Accountant’s Report	1-2
Management Discussion and Analysis	3-10
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Assets	11
Statement of Activities.....	13
Fund Financial Statements	
Balance Sheet – Governmental Funds	14
Reconciliation of Total Governmental Fund Balance to Net Assets of Governmental Activities	15
Statement of Revenue, Expenditures and Changes in Fund Balances – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Fund Net Assets – Internal Service Fund	18
Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Fund	19
Statement of Cash Flows – Internal Service Fund.....	21
Statement of Fiduciary Net Assets – Fiduciary Funds	22
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds.....	23
Notes to the Basic Financial Statements.....	24-45

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

TABLE OF CONTENTS

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Non-GAAP Basis) – General Fund..... 47

Notes to the Required Supplementary Information48-50

Supplementary Information:

Combining Statements and Individual Fund Schedules:

Major Governmental Funds:

Fund Description..... 51

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions52-54

Combining Balance Sheet – Nonmajor Governmental Funds 55

Combining Balance Sheet – Nonmajor Special Revenue Funds56-59

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances – Nonmajor Governmental Funds 61

Combining Statement of Revenues, Expenditures and Changes in
Fund Balances – Nonmajor Special Revenue Funds62-65

Individual Fund Schedules of Revenues, Expenditures and Changes in
Fund Balance – Budget to Actual (Budget Basis):

Food Service Special Revenue Fund..... 66

Uniform School Supplies Special Revenue Fund 67

Hayner Special Revenue Fund 68

Public School Support Special Revenue Fund..... 69

District Managed Activities Special Revenue Fund..... 70

Management Information Systems Special Revenue Fund..... 71

CAYL Institute Grant Special Revenue Fund..... 72

Data Communications Special Revenue Fund 73

Miscellaneous State Grants Special Revenue Fund 74

Education Jobs Special Revenue Fund..... 75

Race to the Top Special Revenue Fund..... 76

IDEA B Grant Special Revenue Fund..... 77

Education Stabilization Grant Special Revenue Fund 78

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

TABLE OF CONTENTS

Title II-D Grant Special Revenue Fund	79
Title III Grant Special Revenue Fund	80
Title I Grant Special Revenue Fund	81
Drug Free Schools Grant Special Revenue Fund	82
Reducing Class Size Grant Special Revenue Fund	83
IDEA B Preschool Grant Special Revenue Fund	84
Permanent Improvement Capital Projects Fund.....	85
Debt Service Fund.....	86
 Internal Service Fund:	
Fund Description	87
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – Internal Service Fund	88
 Fiduciary Funds:	
Fund Descriptions	89
Statement of Changes in Assets and Liabilities – Agency Fund.....	90
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – Scholarship Trust Fund	91
 <u>STATISTICAL SECTION</u>	
Statistical Section Description.....	93
Net Assets by Component – Last Nine Fiscal Years.....	94-95
Expenses, Program Revenues and Net Expense – Last Nine Fiscal Years	96-97
General Revenues and Total Changes in Net Assets – Last Nine Fiscal Years	98-99
Fund Balance of Governmental Funds – Last Ten Fiscal Years	100-101
Revenues, Expenditures and Debt Service Ratio of Governmental Funds – Last Ten Years	102-103
Other Financing Sources (Uses) and Change in Fund Balances for Governmental Funds – Last Ten Years.....	104-105
Assessed and Estimated Actual Value of Taxable Property – Last Ten Calendar Years	106-107
Property Tax Rates – Direct and Overlapping Governments (per \$1,000 assessed valuation) – Last Ten Calendar Years	108-109
Principal Property Tax Payers – Current Fiscal Year and Nine Years Ago.....	111
Property Tax Levies and Collections – Last Ten Calendar Years.....	112-113
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	114-115
Legal Debt Margin Information – Last Ten Fiscal Years.....	116-117
Direct and Overlapping Governmental Activities Debt – As of June 30, 2011	118
Demographic Statistics – Last Ten Calendar Years	119
Principal Area Employers – Current Year and Nine Years Ago	121

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

TABLE OF CONTENTS

Operating Statistics – Last Ten Fiscal Years.....	122-123
Full-Time Equivalent District Employees by Type – Last Ten Fiscal Years.....	124-127
Teacher Education and Experience – June 30, 2011	129
Capital Asset Information – Last Ten Fiscal Years.....	130-131



TROY CITY SCHOOL DISTRICT
500 N. MARKET STREET
TROY, OHIO 45373

ADMINISTRATIVE OFFICES

937-332-6700

937-332-6771 Fax

December 31, 2011

To The Board of Education and Citizens of the
Troy City School District, Miami County, Ohio:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Troy City School District, Miami County, Ohio (District) for the fiscal year ended June 30, 2011. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report is prepared in conformance with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. We believe the enclosed data is fairly presented in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. We further believe all disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report has been prepared by the Chief Fiscal Officer's Office and includes an opinion from the Auditor of the State of Ohio.

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 provides an assessment of key financial highlights and performance taken as a whole. The MD&A can be found immediately following the Independent Accountants' Report.

This report includes all funds for which the District is financially accountable based on the criteria of financial accountability set forth in GASB Statement 14. The District is, however, affiliated with the Metropolitan Dayton Educational Cooperative Association and the Southwestern Ohio Educational Purchasing Council, which are jointly governed organizations. These organizations do not meet the criteria of GASB Statement 14 and, therefore, are not included in the district's financial statements. The District included no component unit reports in the financial statements.

This report will be made available via the World Wide Web at <http://www.troy.k12.oh.us/>.

THE DISTRICT AND ITS FACILITIES

Located in Troy, Ohio USA just 20 miles north of Dayton, the Troy City School District serves a population of approximately 27,335 people in the City of Troy and Concord Township and covers an area of approximately 37 square miles. In addition, it also serves pupils from Monroe, Newton, Staunton, Union and Washington townships.

The District now houses students in one high school, one junior school, six kindergarten to grade five elementary schools, and one grade six elementary school.

Name of Bldg. Address	Grades Housed	Date Building Acquired	Enrollment
Concord Elementary 3145 W. State Route 718	K-5	1919	614
Cookson Elementary 921 Mystic Lane	K-5	1964	382
Forest Elementary 413 E. Canal Street	K-5	1949	294
Heywood Elementary 260 S. Ridge Avenue	K-5	1930	347
Hook Elementary 729 Trade Square West	K-5	1966	327
Kyle Elementary 501 S. Plum Street	K-5	1950	229
Van Cleve Elementary 617 E. Main Street	6	1914	333
Troy Junior High 556 N. Adams Street	7-8	1973	729
Troy High 151 W. Staunton Road	9-12	1958	1,417
Administrative Office 500 N. Market Street	Offices	1974	NA
Troy Hayner Center 301 W. Main Street	Cultural Center	1976	NA
Troy Memorial Stadium 255 N. Market Street	Stadium	2010	NA

Transportation Center 556 N. Adams Street	Bus Garage	1974	NA
Warehouse 523 E. Water Street	Warehouse	1973	NA

In August 2009, the City of Troy transferred ownership of the Troy Memorial Stadium to the District, subject to the terms and conditions included in the deed transfer. The transfer allows the City use of the premises for special events, such as the Troy Strawberry Festival, the Fourth of July Celebration and other community functions. While the City has owned the Stadium since being built in the 1950's, the District has been the primary user of this asset and paid for all of its on-going operating costs through a lease. In the past capital improvements have been funded by both the City and the District. Transferring ownership will not result in additional costs to the taxpayers, the City or the District but will help clarify ownership responsibility.

ECONOMIC CONDITION AND OUTLOOK

The City of Troy was selected as the county seat for Miami County in 1807. Troy is a very friendly small city where farming and industry go hand-in-hand. Employment opportunities exist in the agriculture, manufacturing, high technology, and healthcare industries. Troy is ideally situated along I-75 ten minutes north of the "Freedom Veterans Crossroads" interchange of Interstates I-75 and I-70.

The economic outlook for the next few years is very uncertain. The past three years have been characterized by high unemployment, major corporate bankruptcies, falling home prices, and a credit crisis. At the end of calendar year 2008, the nation officially entered a recession which can simply be defined as two consecutive quarters of negative growth in Gross Domestic Product (GDP). The economic downturn has continued thru 2011. A combination of the recession and tax reform enacted in 2005 has caused state income taxes, sales taxes and investment revenues to suffer the sharpest decline in more than a half century. The national and state economy continued to show slow progress in emerging from the national recession over the summer of 2011. The Federal Open Market Committee (FOMC), at their August 2011 meeting, indicated that economic conditions warrant exceptionally low interest rates until mid-2013. The target for the fed funds rate is zero to 0.25 percent. The latest economic indicators continue to give mixed results making it difficult to project recovery timing.

Long-term Financial Planning

As required by Ohio law, the District approved a five-year financial forecast of operational revenues and expenditures along with assumptions in October 2011. Expenditures are projected to exceed revenues for each of the forecasted fiscal years. However, the general fund unreserved fund balance is expected to offset the excesses for the first three years of the forecast. Given the uncertainty of future state budgets, as well as local, state and national economic factors, years beyond fiscal year 2013 may deviate significantly from the forecast. Expenditure reductions are recurring annually. The timing and size of an additional revenue request is in the planning stages.

ORGANIZATION OF THE SCHOOL DISTRICT

The Board of Education is comprised of five members who are elected for overlapping four-year terms. The Board members on June 30, 2011 were as follows:

Board Member	Term Expires	Years as a Member	Profession
Joyce A. Reives President	12/31/2013	6	Vice President
Stephen G. Lucas Vice President	12/31/2013	10	Human Resource Manager
George E. Dearth	12/31/2011	12	Retired Teacher
Douglas D. Trostle	12/31/2011	12	Manufacturers Representative
*Thomas Yenney	12/31/2011	1	Process Engineer

*Thomas Yenney was appointed on July 23, 2010 to fill the seat vacated by the resignation, effective June 24, 2010, of Reverend James C. Wilson II due to him no longer being a resident of the school district.

At the November 8, 2011 general election, Douglas Trostle was re-elected for a fourth four-year term. David Heffner was elected to a four-year term. In addition, William Lutz won the two-year unexpired term of Rev. James C. Wilson as a write-in candidate. Each of these terms begin in January 2012.

Effective March 14, 2011, the Troy City Board of Education unanimously appointed Eric Herman Superintendent. He had served as Interim Superintendent since August 1, 2010. He replaced Tom Dunn who resigned after serving as Superintendent since 2005 to assume a similar position at Miami County ESC. Mr. Herman has worked in the education field for over 30 years with the last 13 years being with Troy. During his time in Troy, Eric has been a building principal at Hook Elementary, Troy Junior High, and Troy High School. Most recently, he served as Assistant Superintendent and prior to that as Director of Curriculum and Instruction and as Director of Technology. Mr. Herman received his administrative certification from Wright State University.

The Treasurer/CFO of the District is Craig A. Jones. He also has management responsibility for the District's buildings and grounds. Mr. Jones became treasurer of the District in July, 2010 after serving Lakota Local Schools in Butler County for over 9 years, both as Assistant Treasurer and Treasurer/CFO. He replaced Don Pence who retired from the district after eighteen years of dedicated service. Mr. Jones holds a Bachelor of Science degree in Business Administration, with a dual major in accounting and finance, from Ohio Northern University. He is a Certified Public Finance Officer as well as a Certified Government Financial Manager. Mr. Jones has been in school finance for over 25 years. Prior to joining Lakota, he served as Assistant Treasurer for Dayton City Schools and Treasurer/CFO for Jefferson Township Local Schools. He has produced a Comprehensive Annual Financial Report (CAFR) for the school districts which he has served since 1992.

Duties and responsibilities of the Board of Education are found in the laws governing public education in Ohio. The Board of Education directly employs the Superintendent and Treasurer/CFO and serves as the legislative body of the District. Board duties include:

- Informing the public concerning the progress and needs of the schools, and to solicit and weigh public opinion as it affects the schools.
- Considering and passing upon the recommendations of the Superintendent and Treasurer/CFO in all matters of policy, appointment or dismissal of employees, salary schedules or other personnel regulations, course of study, selection of textbooks, or other matters pertaining to the welfare of schools.
- Exercising its taxing power to provide funds for the operation of the District.
- Adopting an annual tax budget and appropriation measure.
- Approval of a five-year financial forecast as a tool in long-range planning.

The Superintendent is the chief executive officer of the School District and is responsible for administering policies adopted by the Board of Education. The Superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the School District.

The Treasurer serves as the chief fiscal officer of the School District and, with the president, executes all conveyances made by the Board of Education.

EMPLOYEE RELATIONS

The District currently employs over 500 full-time and part-time employees.

The District's teachers are represented for collective bargaining purposes by the Troy City Education Association (TCEA), which is a labor organization affiliated with the Ohio Education Association. The District has a three-year collective bargaining agreement with TCEA which expires July 31, 2014.

The District's support staff is represented by the Troy City Support Staff Association (TCSSA), which is a labor organization affiliated with the Ohio Education Association. The District has a three year collective bargaining agreement which expires June 30, 2014.

In April 2011, the Board and both associations approved Memorandum of Understanding's which freeze steps and base salary increases at 0% for FY 2013 and FY 2014. In addition, both unions gave up a previously negotiated step and base salary increases of 1.95% in FY 2012. These measures are projected to save \$6.4 million over the term of the agreements.

The Board of Education employs all certified and classified employees only upon the nomination of the Superintendent.

SERVICES PROVIDED

The District offers regular instructional programs daily to students in grades K-12. About 170 students participated in the specific trades through the Upper Valley joint vocational program. Nearly 500 students receive special services, due to physical or mental handicapping conditions. The preliminary fiscal year 2012 October enrollment is 4,577.

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

The accounting department processes purchase orders, handles invoices and issues checks for goods and/or services for the District. Those goods and services include utilities, computers, software, instructional materials, maintenance and tuition.

The payroll department issues checks to employees entitled to remuneration for services rendered and for payroll-associated costs such as taxes, retirement and insurance.

In addition to accounting and payroll support services, the District also provides guidance, psychological, transportation, and limited health services free of charge to its students. 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.

MAJOR CURRENT AND FUTURE INITIATIVES

The 2010-2011 school year was a milestone for Troy schools. For the first time, Troy's annual report card has received an "EXCELLENT WITH DISTINCTION" rating from the Ohio Department of Education (ODE). The district earned 26 out of 26 indicators. Additionally, six out of nine district buildings were individually deemed "EXCELLENT" or above with two schools earning "EXCELLENT WITH DISTINCTION".

The District has developed and implemented an energy savings program. In our ongoing efforts to control costs and be good stewards of public tax dollars the district was able to reduce energy costs without cutting programs or laying off staff. A HB 264 energy conservation measure proposal was developed, submitted and approved by the Ohio School Facilities Commission (OSFC). The *goal* of the project was to make improvements to the educational environment that result in more comfortable classrooms which save energy, operational and maintenance costs.

Work on the project was completed during the summer of 2010. The scope of work included HVAC equipment, occupancy controls and lighting retrofit improvements. Bonds were issued to finance the improvements. The energy, operational and maintenance savings generated from the improvements will be used to repay the debt over a period not to exceed 15 years. Using funding from the American Recovery and Reinvestment Act (ARRA) of 2009 the district issued Qualified School Construction Bonds (QSCB) at 0% interest. Further savings were achieved by participation in the business rebate program offered by the Dayton Power and Light Company.

In order for Troy to successfully meet the needs of each child, we will incorporate scientifically-based research programs across all schools and departments. It is our immediate goal to maintain Ohio's Excellent with Distinction report card rating. In addition, it is our long-range goal to integrate Response To Intervention (RTI) at all grade levels.

Future initiatives for the 2012 school year include continuing implementation of the Race to the Top (RttT) transformation plan designed to accelerate student success throughout the state over the next three years. Ohio's RttT strategy demonstrates a commitment to bold and innovative education reforms. The areas involved in the plan are training in the new academic standards, staff development for new assessments, defining an instructional improvement system, use of data, value added/growth measures, and teacher evaluations. Troy will be emphasizing staff training in value added information to improve instruction as well as staff development in research based instructional techniques aimed at improving our Average Yearly Progress (AYP) scores.

By 2014, Ohio's Race to the Top Plan will...

1. Increase high school graduation rates by 0.5% annually
2. Reduce graduation rate gaps by 50% between underrepresented and majority students
3. Reduce the performance gaps by 50% on national and statewide assessments
4. Reduce the gap between Ohio and the best-performing states by 50% on NAEP reading and mathematics
5. Double the projected increase in college enrollment of students ages 19 and younger

At the May 3, 2011 primary election, voters approved the renewal of 5.80 mills which expires in 2015. This along with ongoing cost reduction efforts are designed to provide for the long term sustainability of our excellent educational programs.

RELEVANT FINANCIAL POLICIES

The 129th General Assembly adopted the FY 2012-2013 biennium budget in June 2011 as Amended Substitute House Bill 153. The new funding model known as Ohio Evidence Based Model (OEBM), created in the previous biennial budget, has been repealed. A transitional approach to fund school districts in FY 2012 uses a temporary Bridge formula which allocates foundation funding based on a FY 2011 per-pupil amount multiplied by the FY 2012 formula ADM. A charge-off valuation index is used to equalize the fund distribution and keep the total statewide funding within the appropriated limits. A permanent formula is being developed with implementation expected by FY 2013 or FY 2014.

As legislators dealt with a billion dollar shortfall they chose to accelerate the phase-out of tangible personal property (TPP) and electric deregulation property (KwH) tax reimbursements. Our revenues are being reduced over \$2 million during the biennium.

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

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

The basis of accounting and the various funds utilized by the District are fully described in the notes to the 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. Non-major 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. Proprietary and 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.

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 by David Yost, Ohio Auditor of State on the District's basic financial statements, combining statements and individual fund schedules, is included in the financial section of this Comprehensive Annual Financial Report. Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and has been in conformance with that system effective with its annual financial report since the 1992 fiscal year.

AWARDS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement to District's that meet its program standards and criteria. 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 and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms 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 an expert panel of certified public accountants and practicing school business officials.

The District believes that the current report which will be submitted to ASBO for review will conform to ASBO's principles and standards.

Auditor of State Award with Distinction

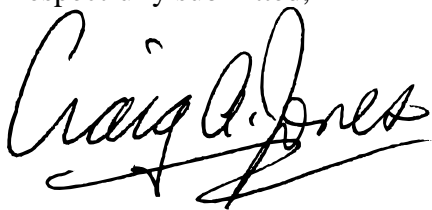
Ohio Auditor of State David Yost recognized District officials for their commitment to strong financial accountability and transparency with his presentation of the Auditor of State Award with Distinction for the FY 2010 audit. Fewer than five percent of all Ohio government agencies are eligible for this award. To receive it, entities must complete and submit a comprehensive annual financial report and receive an audit report with no findings or issues.

ACKNOWLEDGEMENT

The preparation of the 2011 Comprehensive Annual Financial Report of the Troy City School District was made possible by the combined efforts of the District's Treasurer's Office and Clark Schaefer Hackett & Company. The publication of this report is a major step in reinforcing the accountability and transparency of the District to the taxpayers of the community.

In closing, without the leadership and support of the Board of Education, preparation of this report would not have been possible.

Respectfully submitted,



Craig A. Jones
Treasurer/CFO



Eric J. Herman
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Troy City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

TROY CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2010

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

President

Executive Director

**Troy City School District
Miami County, Ohio
List of Principal Officials
June 30, 2011**

ELECTED OFFICIALS

President, Board of Education	Joyce A. Reives
Vice President, Board of Education	Stephen G. Lucas
Board of Education Member	George E. Dearth
Board of Education Member	Douglas D. Trostle
Board of Education Member	Thomas Yenney

ADMINISTRATIVE OFFICIALS

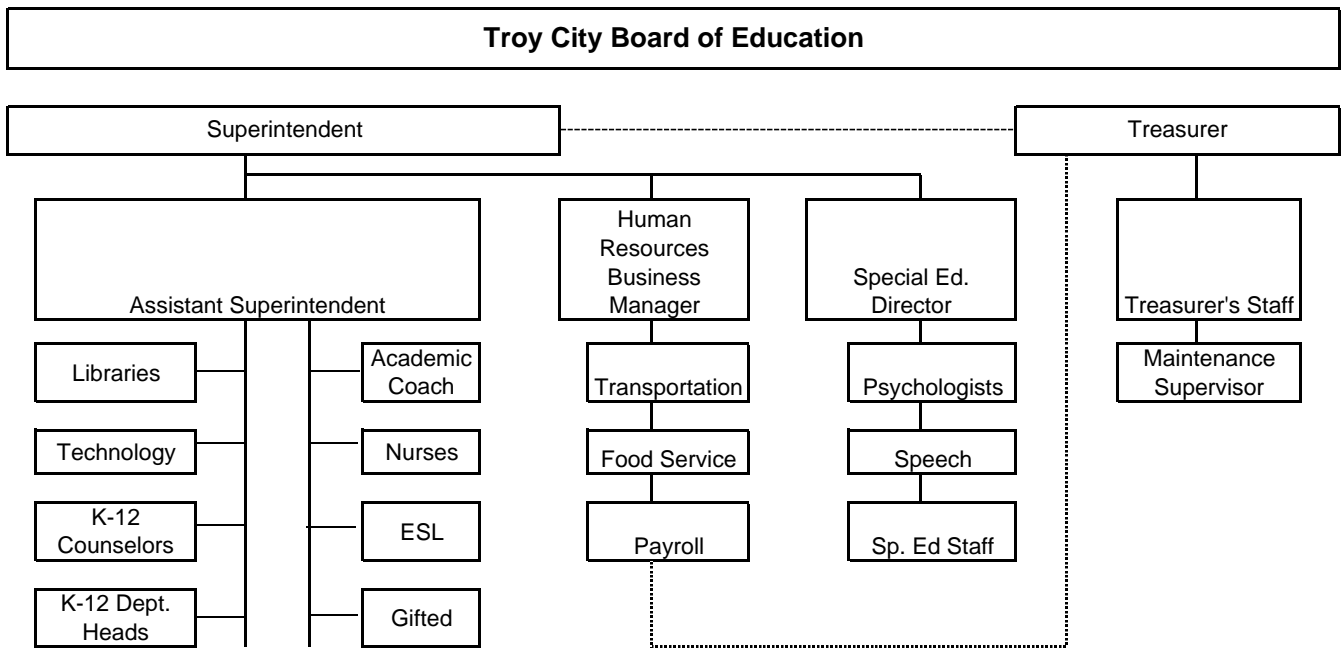
Superintendent	Eric Herman
Assistant Superintendent	Vacant
Treasurer	Craig A. Jones
Business Manger/Director of Human Resources	Marion Stout
Director of Special Education	Paul Gibboney
Director of Curriculum & Instruction	Vacant
Director of Athletics	Jeff Sakal
Director of Facilities and Maintenance	Tytus Jacobs
Director of Food Service	Peggy Barr
Director of Technology	Eric Sweetman
Director of Transporation	Brian Koopman

OFFICE OF THE TREASURER

Treasurer	Craig A. Jones
Assistant Treasurer	Susan Denlinger
Treasurer Assistant	Becky Pappas
Accounts Payable	Brenda Alvarez

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

ORGANIZATIONAL CHART
JUNE 30, 2011



FINANCIAL SECTION



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Troy City School District
Miami County
500 North Market Street
Troy, Ohio 45373

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Troy City School District, Miami County, Ohio (the School District), as of and for the year ended June 30, 2011, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Troy City School District, Miami County, Ohio, as of June 30, 2011, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 19 during the year ended June 30, 2011, the School District adopted the provisions of Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2011, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include Management's discussion and analysis, and the required budgetary comparison schedule as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the School District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

December 13, 2011

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

The discussion and analysis of the Troy City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2011 are as follows:

Overall:

- Total net assets increased by \$1,680,370, which represents a 9.09% increase from fiscal year 2010.
- Total assets of governmental activities increased by \$931,263, attributed primarily to an increase in cash and investments and taxes receivable.
- General revenues accounted for \$44.1 million or 83.13% of total revenue. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$8.9 million or 16.87% of total revenues of \$53.1 million.
- Of the School District's \$51.4 million in expenses, only \$8.9 million were offset by program specific charges for services, grants or contributions. General revenues (primarily grants and entitlements, income taxes and property taxes) were used to cover the net expense of \$42.4 million.
- The General Fund had \$42.0 million in revenues and \$40.9 million in expenditures representing 79.80% and 79.59% of the total governmental funds revenues and expenditures, respectively.
- The School District's only major fund is the General Fund. The General Fund's balance increased \$1.0 million from the prior year.

Using the Basic 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 Troy City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregated view of the School District's finances and a longer-term view of those statements. 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 School District's most significant funds with all other non-major funds presented in total in one column. In the case of Troy City School District, the General Fund is by far the most significant fund.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The School District does not have any business-type activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds, and therefore only the General Fund is presented separate from the other governmental funds.

Governmental Funds

The School 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, 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 School 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.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

The School District as a Whole

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

Table 1 provides a summary of the School District's net assets for 2011 and 2010:

TABLE 1
NET ASSETS, JUNE 30

	2011	2010
ASSETS:		
Current and Other Assets	\$ 34,873,670	33,289,870
Capital Assets	28,641,869	29,294,406
Total Assets	63,515,539	62,584,276
 LIABILITIES		
Current Liabilities	20,225,177	20,098,826
Noncurrent Liabilities	23,123,853	23,999,311
Total Liabilities	43,349,030	44,098,137
 NET ASSETS:		
Invested in Capital Assets, Net of Debt	9,181,361	9,138,324
Restricted	1,955,114	1,266,332
Unrestricted	9,030,034	8,081,483
Total Net Assets	\$ 20,166,509	18,486,139

The amount by which the School District's assets exceeded its liabilities is called net assets. As of June 30, 2011, the School District's net assets were \$20.2 million. Of that amount, approximately \$9.2 million was invested in capital assets, net of debt related to those assets. Another \$2.0 million was subject to external restrictions upon its use. The remaining \$9.0 million was unrestricted and available for future use as directed by the Board of Education and the School District's Administration.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

Table 2 shows the changes in net assets for fiscal year 2011, as compared to fiscal year 2010:

TABLE 2
CHANGE IN NET ASSETS, JUNE 30

	2011	2010
REVENUES:		
Program Revenues:		
Charges for Services	\$ 3,110,577	3,265,072
Operating Grants and Contributions	5,813,192	5,312,328
Capital Grants and Contributions	25,714	58,594
General Revenues:		
Property Taxes	17,607,005	15,782,212
Income Taxes	9,074,106	8,507,939
Grants and Entitlements	17,068,449	17,249,979
Investment Earnings	28,709	63,976
Other	329,241	257,640
Total Revenues	53,056,993	50,497,740
 PROGRAM EXPENSES:		
Instruction	33,035,603	32,041,665
Support Services:		
Pupils and Instructional Staff	3,231,155	3,167,642
Board of Education, Administration		
Fiscal and Business	4,975,080	5,384,725
Operation and Maintenance of Plant	3,600,867	3,510,717
Pupil Transportation	1,914,312	1,927,733
Central	57,220	56,713
Operation of Non-Instructional Services	2,503,815	2,918,633
Extracurricular Activities	487,113	169,945
Interest and Fiscal Charges	965,569	930,683
Depreciation Expense	605,889	605,889
Total Expenses	51,376,623	50,714,345
 Change in Net Assets	 \$ 1,680,370	 (216,605)

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. Property taxes made up 33.19% of revenues for governmental activities for the Troy City School District for fiscal year 2011. The School District is extremely dependent upon intergovernmental revenues provided by the State of Ohio and the federal government; approximately 43.17% of the School District's total revenue was received from intergovernmental sources during fiscal year 2011.

Despite not having sought new operating funds through a property tax levy in the past six years, the School District has been able regain stable financial footing after struggling through financial difficulties in the late 1990's. Careful management of expenses has allowed the School District to maintain a stable fund balance.

Instruction comprises 64.30% of the School District's expenses for fiscal year 2011. Support services expenses make up 26.82% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows 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
TOTAL AND COST OF PROGRAM SERVICES
FOR THE FISCAL YEAR ENDED JUNE 30,

	2011		2010	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 33,035,603	27,171,152	32,041,665	26,404,010
Support Services:				
Pupils and Instructional Staff	3,231,155	3,069,712	3,167,642	2,990,329
Board of Education, Administration, Fiscal and Business	4,975,080	4,813,070	5,384,725	5,261,956
Operation and Maintenance of Plant	3,600,867	3,549,806	3,510,717	3,437,965
Pupil Transportation	1,914,312	1,709,774	1,927,733	1,927,733
Central	57,220	57,220	56,713	56,713
Operation of Non-Instructional Services	2,503,815	474,754	2,918,633	603,903
Extracurricular Activities	487,113	10,194	169,945	(140,830)
Interest and Fiscal Charges	965,569	965,569	930,683	930,683
Depreciation Expense	605,889	605,889	605,889	605,889
Total Expenses	\$ 51,376,623	42,427,140	50,714,345	42,078,351

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

The School District's Funds

On the modified accrual basis of accounting, the School District's major governmental fund, the General Fund, had an ending fund balance totaling \$12.7 million, or 87.02% of the total fund balance for all governmental funds.

The School District's primary operating fund, the General Fund, ended the year with revenues exceeding expenditures by \$1.0 million. The unassigned ending fund balance of the General Fund (\$10.1 million) represents approximately 24.83% of the total expenditures reported in the General Fund.

General Fund Budgeting Highlights

The School 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, original and final budget basis revenue was \$40.4 million compared to actual revenue of \$41.0. Most significant difference was noted in tax revenue with a difference from the final budget of approximately \$651,000.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$41.2 million, \$257,888 higher than budget basis actual revenue, and \$371,810 below final budget estimates.

As the budget for the General Fund is amended throughout the fiscal year for unanticipated revenues and expenditures, the final amended budget amounts approximate the actual budgetary results realized by the School District.

Capital Assets

At the end of fiscal year 2011, the School District had \$28.6 million invested in land, buildings, furniture and equipment, and vehicles in governmental activities.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

Table 4 shows fiscal year 2011 balances compared to 2010:

	2011	2010
Land	\$ 530,131	530,131
Buildings	30,213,886	30,213,886
Improvements	13,348,328	12,754,178
Furniture and Equipment	4,263,222	4,420,651
Textbooks	1,025,939	1,052,936
Vehicles	2,860,173	2,680,199
Less: Accumulated Depreciation	(23,599,810)	(22,357,575)
	\$ 28,641,869	29,294,406

Overall, net capital assets decreased approximately \$652,537 from fiscal year 2010. The decrease in capital assets results from the amount of depreciation during the year and asset disposals being a larger amount than the amount of capital outlay.

During fiscal year 2011, primary capital additions included various improvements to buildings totaling \$600,000 and purchase of buses totaling approximately \$240,000. Current year depreciation expense totaled \$1.83 million.

Costs associated with repair and maintenance of the School District's facilities and other assets that do not extend the useful life of the capitalized item is included within the operation and maintenance of plant function.

For more detailed disclosures regarding the School District's capital assets readers should refer to Note 7 to the basic financial statements.

Capital Lease/Debt Administration

At June 30, 2011, the School District had three separate debt issues. They had two separate capital leases which were paid off during the year. This lease consists of equipment that was capitalized as capital assets within the governmental activities. Principal payments for fiscal year 2011 totaled \$42,360.

The second debt issue of the School District that was outstanding was the School Improvement Bonds in the amount of \$18,795,743. These bonds were issued during 2005 and were used to finance the cost of improvements, renovations, additions, and site improvements to Concord Elementary School, Forest Elementary School, Van Cleve Elementary School, and Troy High School. Principal payments made for the fiscal year ending June 30, 2011 were \$595,000 and \$645,743 of outstanding principal is due within one year.

The third debt issue was issued on September 24, 2009 for an original amount of \$1,103,964 for the purpose of upgrading select HVAC and lighting in the District to reduce the cost of energy consumption. Principal payments made during the fiscal year were \$58,214 resulting in an outstanding balance of \$1,025,518 at year end.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

At June 30, 2011, the School District's overall legal debt margin was \$40.8 million and the unvoted debt margin was \$654,632.

For more detailed disclosures regarding the School District's long-term debt obligations readers should refer to Note 13 to the basic financial statements.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Treasurer's Office at Troy City School District, 500 North Market Street, Troy, Ohio 45373 or call (937) 332-6700.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Statement of Net Assets

June 30, 2011

	<u>Governmental Activities</u>
ASSETS:	
Pooled Cash and Investments	\$ 14,282,789
Receivables:	
Taxes	20,155,456
Accounts	27,402
Intergovernmental	236,543
Accrued Interest	2,713
Materials and Supplies Inventory	142,497
Prepaid Items	26,270
Capital Assets:	
Capital assets not subject to depreciation:	
Land	530,131
Capital assets, net of accumulated depreciation	<u>28,111,738</u>
 Total Assets	 <u>63,515,539</u>
LIABILITIES:	
Accounts Payable	490,689
Accrued Wages and Benefits	2,771,702
Compensated Absences	554,633
Intergovernmental Payable	1,180,956
Claims Payable	739,886
Accrued Interest Payable	134,891
Unearned Revenue	14,352,420
Noncurrent Liabilities:	
Due Within One Year	1,116,258
Due In More Than One Year	<u>22,007,595</u>
 Total Liabilities	 <u>43,349,030</u>
NET ASSETS:	
Invested in capital assets, net of related debt	9,181,361
Restricted for:	
Special Revenue	603,468
Capital Projects	769,807
Debt Service	581,839
Unrestricted	<u>9,030,034</u>
 Total Net Assets	 \$ <u>20,166,509</u>

See accompanying notes to the basic financial statements.



TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Statement of Activities
For the Fiscal Year Ended June 30, 2011

Functions/Programs:	Program Revenues				Net (Expense)/ Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction:					
Regular	\$ 24,515,926	1,452,482	2,713,153	-	(20,350,291)
Special	6,120,461	-	1,336,598	-	(4,783,863)
Vocational	16,822	-	-	-	(16,822)
Other	2,382,394	-	362,218	-	(2,020,176)
Support Services:					
Pupils	2,221,165	-	134,423	-	(2,086,742)
Instructional Staff	1,009,990	-	27,020	-	(982,970)
Board of Education	691,712	-	-	-	(691,712)
Administration	3,114,350	62,637	73,898	-	(2,977,815)
Fiscal	569,794	-	-	-	(569,794)
Business	599,224	-	5,000	20,475	(573,749)
Operation and Maintenance of Plant	3,600,867	-	45,822	5,239	(3,549,806)
Pupil Transportation	1,914,312	-	204,538	-	(1,709,774)
Central	57,220	-	-	-	(57,220)
Operation of Non-Instructional Services	2,503,815	1,118,539	910,522	-	(474,754)
Extracurricular Activities	487,113	476,919	-	-	(10,194)
Interest and Fiscal Charges	965,569	-	-	-	(965,569)
Unallocated Depreciation *	605,889	-	-	-	(605,889)
Total	\$ <u>51,376,623</u>	<u>3,110,577</u>	<u>5,813,192</u>	<u>25,714</u>	<u>(42,427,140)</u>
General Revenues:					
Property Taxes Levied for:					
General Purposes					15,162,978
Hayner Cultural Center					356,233
Debt Service					1,441,558
Capital Outlay					646,236
Income Taxes Levied for General Purposes					9,074,106
Grants, Entitlements and Contributions not Restricted to					
Specific Programs					17,068,449
Investment Earnings					28,709
Other Revenue					329,241
					<u>44,107,510</u>
					Change in Net Assets
					1,680,370
					Net Assets, Beginning of Year
					<u>18,486,139</u>
					Net Assets, End of Year
					\$ <u>20,166,509</u>

* - This amount excludes the depreciation that is included in the direct expense of the various functions.

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:			
Pooled Cash and Investments	\$ 11,958,273	1,961,328	13,919,601
Receivables:			
Taxes	17,629,665	2,525,791	20,155,456
Accounts	27,402	-	27,402
Intergovernmental	-	236,543	236,543
Accrued Interest	2,713	-	2,713
Due from Other Funds	5,415	-	5,415
Materials and Supplies Inventory	112,942	29,555	142,497
Prepaid Items	24,420	1,850	26,270
	<u>29,760,830</u>	<u>4,755,067</u>	<u>34,515,897</u>
Total Assets	\$ <u>29,760,830</u>	<u>4,755,067</u>	<u>34,515,897</u>
LIABILITIES:			
Accounts Payable	\$ 377,966	112,723	490,689
Accrued Wages and Benefits	2,456,738	314,964	2,771,702
Intergovernmental Payable	1,007,826	173,130	1,180,956
Compensated Absences Payable	499,366	55,267	554,633
Due to Other Funds	-	5,415	5,415
Deferred Revenue	12,762,569	2,205,038	14,967,607
	<u>17,104,465</u>	<u>2,866,537</u>	<u>19,971,002</u>
Total Liabilities	\$ <u>17,104,465</u>	<u>2,866,537</u>	<u>19,971,002</u>
FUND BALANCES:			
Nonspendable			
Inventory	112,942	29,555	142,497
Restricted for:			
Debt Service	-	676,169	676,169
Facilities Construction and Maintenance	-	751,297	751,297
Hayner Cultural Center	-	357,530	357,530
Extracurricular Activities	-	201,945	201,945
Nonpublic Schools	-	24,757	24,757
Special Education	-	26,930	26,930
Student and Staff Support	-	63,024	63,024
Assigned to:			
Student and Staff Support	1,889,681	-	1,889,681
Unpaid Obligations	335,071	-	335,071
Student Instruction	14,294	-	14,294
Other purposes	142,806	-	142,806
Unassigned	10,161,571	(242,677)	9,918,894
	<u>12,656,365</u>	<u>1,888,530</u>	<u>14,544,895</u>
Total Fund Balances	\$ <u>12,656,365</u>	<u>1,888,530</u>	<u>14,544,895</u>
Total Liabilities and Fund Balances	\$ <u>29,760,830</u>	<u>4,755,067</u>	<u>34,515,897</u>

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 Reconciliation of Total Governmental Fund Balances
 to Net Assets of Governmental Activities
 June 30, 2011

Total Governmental Fund Balances	\$	14,544,895
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.		28,641,869
Some revenues will not be available to pay for current period expenditures and therefore are deferred in the funds.		615,187
The Internal Service fund is used by management to charge the cost of providing medical insurance to the individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets.		(376,698)
Long-term liabilities, which are not due and payable in the current period and therefore are not reported in the funds		
Accrued Interest Payable		(134,891)
Compensated Absences		(3,302,592)
Bonds Payable		<u>(19,821,261)</u>
Net Assets of Governmental Activities	\$	<u>20,166,509</u>

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2011

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:			
Taxes	\$ 23,869,324	2,384,757	26,254,081
Intergovernmental	16,685,403	6,234,818	22,920,221
Investment Earnings	27,552	1,157	28,709
Tuition and Fees	989,427	-	989,427
Charges for Services	-	1,118,539	1,118,539
Extracurricular Activities	190,120	812,491	1,002,611
Miscellaneous	247,107	82,134	329,241
	<u>42,008,933</u>	<u>10,633,896</u>	<u>52,642,829</u>
Total Revenues			
EXPENDITURES:			
Current:			
Instruction:			
Regular	20,687,531	2,961,206	23,648,737
Special	4,810,228	1,281,216	6,091,444
Vocational	16,822	-	16,822
Other	2,036,069	344,016	2,380,085
Support Services:			
Pupils	2,192,102	-	2,192,102
Instructional Staff	906,245	176,586	1,082,831
Board of Education	691,712	-	691,712
Administration	2,811,154	264,354	3,075,508
Fiscal	524,523	38,779	563,302
Business	564,351	31,720	596,071
Operation and Maintenance of Plant	3,437,646	149,477	3,587,123
Pupil Transportation	1,513,156	195,808	1,708,964
Central	55,829	-	55,829
Operation of Non-Instructional Services	-	2,510,549	2,510,549
Extracurricular Activities	5,484	474,888	480,372
Capital Outlay	572,112	651,834	1,223,946
Debt Service:			
Principal	100,574	595,000	695,574
Interest	535	819,090	819,625
	<u>40,926,073</u>	<u>10,494,523</u>	<u>51,420,596</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	<u>1,082,860</u>	<u>139,373</u>	<u>1,222,233</u>
OTHER FINANCING SOURCES (USES):			
Proceeds from Sale of Assets	38,084	-	38,084
Transfers In	-	150,000	150,000
Transfers Out	(150,000)	-	(150,000)
	<u>(111,916)</u>	<u>150,000</u>	<u>38,084</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	970,944	289,373	1,260,317
Fund Balance, Beginning of Year, restated	<u>11,685,421</u>	<u>1,599,157</u>	<u>13,284,578</u>
Fund Balance, End of Year	<u>\$ 12,656,365</u>	<u>1,888,530</u>	<u>14,544,895</u>

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2011

Total Net Change in Fund Balances - Total Governmental Funds	\$	1,260,317
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay expense exceeded depreciation in the current period.</p>		
Capital Asset Additions		1,223,945
Current Year Depreciation		(1,827,436)
<p>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. This is the amount of the loss on the disposal of fixed assets.</p>		
Loss on the disposal of capital assets		(49,046)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		414,912
<p>Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.</p>		
		695,574
<p>Some expenses reported in the statement of activities, such as compensated absences and accrued interest, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Compensated Absences		260,062
Accrued Interest Payable		(65,766)
Interest Accrued on Capital Appreciation Bonds		(80,178)
<p>The Internal Service fund is used by management to charge the cost of providing medical insurance to the individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenue is eliminated. The net loss of the internal service fund is allocated among the governmental activities.</p>		
		<u>(152,014)</u>
Change in Net Assets of Governmental Activities	\$	<u>1,680,370</u>

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Statement of Fund Net Assets
Internal Service Fund
June 30, 2011

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
ASSETS:	
Pooled Cash and Investments	\$ <u>363,188</u>
LIABILITIES:	
Claims Payable	<u>739,886</u>
NET ASSETS:	
Unrestricted	\$ <u><u>(376,698)</u></u>

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Internal Service Fund
For the Fiscal Year Ended June 30, 2011

	Governmental Activities
	Internal Service Fund
OPERATING REVENUES:	
Charges for Services	\$ <u>5,293,665</u>
Total Operating Revenues	<u>5,293,665</u>
OPERATING EXPENSES:	
Claims	<u>5,445,679</u>
Total Operating Expenses	<u>5,445,679</u>
Operating Income	(152,014)
Net Assets, Beginning of Year	<u>(224,684)</u>
Net Assets, End of Year	\$ <u>(376,698)</u>

See accompanying notes to the basic financial statements.



TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2011

	Governmental Activities
	Internal Service Fund
Increase in Pooled Cash and Investments	
Cash Flows from Operating Activities:	
Cash Received from Quasi-External Transactions with Other Funds	\$ 5,304,982
Cash Payments for Claims	<u>(5,291,794)</u>
Net Cash Provided by Operating Activities	<u>13,188</u>
Pooled Cash and Investments, Beginning of Year	<u>350,000</u>
Pooled Cash and Investments, End of Year	\$ <u><u>363,188</u></u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating Income	\$ (152,014)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Changes in assets and liabilities:	
Decrease in Accounts Receivable	11,317
Increase in Claims Payable	<u>153,885</u>
Total Adjustments	<u>165,202</u>
Net Cash Provided by Operating Activities	\$ <u><u>13,188</u></u>

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	Scholarship Private- Purpose Trust Funds	Agency Fund
ASSETS:		
Pooled Cash and Investments	\$ <u>293,592</u>	<u>119,629</u>
Total Assets	<u>293,592</u>	<u>119,629</u>
LIABILITIES:		
Accounts Payable	-	2,092
Due to Students	<u>-</u>	<u>117,537</u>
Total Liabilities	<u>-</u>	<u>119,629</u>
NET ASSETS:		
Held in Trust for Scholarships	\$ <u><u>293,592</u></u>	<u><u>-</u></u>

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2011

		Scholarship Private- Purpose Trust Funds
ADDITIONS:		
Other Revenue	\$	44,949
Investment Earnings		1,619
Total Additions		46,568
DEDUCTIONS:		
Educational Outreach		78,453
Total Deductions		78,453
Change in Net Assets		(31,885)
Net Assets, Beginning of Year		325,477
Net Assets, End of Year	\$	293,592

See accompanying notes to the basic financial statements.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Troy City School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution of the State of Ohio. The School District operates under a locally elected, five-member Board of Education (Board) to provide educational and other services as required and permitted by the laws and regulations of the State of Ohio and United States of America. The School District is not a part of, or under the control of, the City of Troy, Ohio.

Reporting Entity: A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Troy City School District, this includes general operations, food service, student guidance, extracurricular activities, educational media, care and upkeep of grounds and buildings, preschool and student related activities of the School District. The following activities are included within the reporting entity:

Hayner Cultural Center: About fifty years ago, title to the real and personal property which presently comprises the bulk of Hayner Cultural Center passed from the estate of Mary Jane Hayner to the School District under Mrs. Hayner's will. This facility is now being operated as a fine arts center to provide fine arts exhibits, educational opportunities, and meeting facilities for the citizens of Troy and its surrounding communities. The School District has provided for a Governing Board whose responsibility in part is to preserve, maintain, and operate the Center. The School District has the authority to reject the recommendations of the Governing Board. Likewise, there is a financial benefit and financial burden relationship between the School District and the Center. Accordingly, the Hayner Cultural Center's financial statements are included within the special revenue funds.

Parochial Schools: Within the School District boundaries are four parochial schools, which are operated as private schools. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the School District, as directed by the parochial schools. The activity of these State monies is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has assumed responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the levying of taxes or the issuance of debt for the organization. The School District has no component units.

The School District is associated with two jointly governed organizations. These organizations are presented in Note 15 to the basic financial statements. These organizations are:

Jointly Governed Organizations:
Southwestern Ohio Educational Purchasing Council
Metropolitan Dayton Educational Cooperative Association

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Troy City School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its government-wide and proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund was eliminated to avoid the "doubling up" of revenues and expenses.

The statement of net assets presents the financial condition of the governmental activities of the School District at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School 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 grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the School 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 School District.

Fund Financial Statements

During the year, the School District segregated transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting

The School 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 School 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 School 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 General Fund is the only major fund of the School District:

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 is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

The other governmental funds of the School District account for grants and other resources and capital projects of the School District whose uses are restricted to a particular purpose.

Proprietary Fund

The proprietary fund focuses on the determination of the changes in net assets, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no enterprise funds.

Internal Service Fund – The internal service fund accounts for the financing of services provided by one department or agency to other department or agencies of the School District on a cost reimbursement basis. The School District has one internal service fund, which accounts for the self-insurance program which provides medical benefits to employees.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has various funds established to provide scholarships to its students that are classified as private-purpose trust funds. Funds used to account for the activity of the numerous student-managed activities within the School District are classified as agency funds.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the Statement of Net Assets.

Fund Financial Statements

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 a 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 School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds, with the exception of agency funds, are reported using the economic resources measurement focus. Agency funds have no measurement focus.

D. 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. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within ninety days of fiscal year end for all revenues except property tax. For property tax revenue, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. 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 fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School 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 fiscal year end: property taxes available as an advance, grants, investment earnings, tuition, and student fees.

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, 2011, but which were levied to finance fiscal year 2012 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.

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

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

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budget Data

All funds, other than agency funds and the Auxiliary Services special revenue fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of 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 the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The Board has established the legal level of control at the function level within the individual funds, with the exception of the grant funds, which are at the special cost center level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue, are identified by the School District. The amounts reported as the original budgeted amounts in the budgetary statement reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statement reflect the amounts in the final amended certificate issued during fiscal year 2011.

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

F. Pooled Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds, including proprietary and fiduciary funds, are maintained in this pool. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "pooled cash and investments" on the financial statements.

During fiscal year 2011, investments included federal government agency bonds, money market funds, STAROhio, negotiable certificates of deposit and non-negotiable certificates of deposit.

Except for nonparticipating investment contracts, investments are reported at fair value that is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

The School District has invested funds in the State Treasury Assets Reserve of Ohio (STAROhio) during fiscal year 2011. STAROhio is an investment pool managed by the State Treasurer's Office that 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 Rule 2a7 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, 2011.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2011 amounted to \$27,552, which includes the general fund allocation as well as the allocations of all funds not specified in the Board's resolution. Interest was also credited for the year ended June 30, 2011 to the Auxiliary Services Fund in the amount of \$1,157.

For purposes of the statement of cash flows and for presentation of the balance sheet, investments of the cash management pool are reported as pooled cash and investments.

G. Materials and Supplies Inventory

On government-wide financial statements, inventories are presented at the lower cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption, donated food, and purchased food. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds, which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2011, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed.

I. Estimates

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

J. Capital Assets and Depreciation

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

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements throughout the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of two thousand five hundred dollars. The School District does not possess any infrastructure. Improvements are capitalized; the cost 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 except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives.

Description	Estimated Lives
Buildings	40 years
Improvements	10 – 40 years
Furniture and Equipment	5 – 20 years
Textbooks	7 years
Vehicles	7 – 12 years

K. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures or 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 and uses in governmental funds. Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statement.

L. 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 School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees eligible to receive termination payments as of the balance sheet date and on leave balances accumulated by other employees expected to become eligible in the future to receive payments.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. 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, claims and judgments, compensated absences and special termination benefits 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 during the current year. Long-term notes, general obligation bonds, and capital leases are recognized as a liability on the governmental fund financial statements when due.

N. 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 School District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments. The School District did not have any net assets restricted by enabling legislation.

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

O. Fund Balance

The School District reports classifications of fund equity based on the purpose for which resources were received and the level of constraint placed on the resources. Nonspendable fund balance indicates resources that are not expected to be converted to cash because they are not in a spendable form. Resources that have purpose constraints placed upon them by laws, regulations, creditors, grantors, or other external parties are considered available only for the purpose for which they were received and are reported as a restricted fund balance. The School District may limit the use of unreserved resources and may they may be reported as committed or assigned fund balance depending on at what level of governance the constraints were placed. With an affirmative vote of its members, the Board of Education may create funds for which resources are committed to the established purpose of that fund. Through the School District's purchasing policy the Board has given the Treasurer the authority to constrain monies for intended purposes, which are reported as assigned fund balances. All other funds in spendable form not restricted, committed or assigned are reported as an unassigned fund balance.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. The District considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

P. Compounded Interest on Capital Appreciation Bonds

Capital appreciation bonds are accreted each year for the compounded interest accrued during the year. The compounded interest on the capital appreciation bonds are presented as an addition to the face amount of the bonds payable.

NOTE 3 – ACCOUNTABILITY

The following funds have fund equity deficits as of June 30, 2011:

	Deficit Fund Equity
Special Revenue Funds:	
Food Service Fund	\$ 198,183
Reducing Class Size	\$ 14,939

The deficits in the special revenue funds were created by the application of generally accepted accounting principles. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

NOTE 4 – DEPOSITS AND INVESTMENTS

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

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

Inactive Monies – Those monies not required for use within the current five-year period of designation of depositories. Inactive monies may be deposited or invested as certificate of deposit maturing no later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

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

Deposits

Custodial credit risk is the risk that in the event of bank failure, the School District’s deposits may not be returned to it. Protection of the School District’s deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. By Ohio law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds on deposit with that specific institution. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. The District has no deposit policy for custodial credit risk beyond the requirements of State statute.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

At year end, the carrying amount of the School District’s cash and deposits was \$4,435,407 and the bank balance was \$4,933,130. Of the bank balance, \$438,921 was covered by federal depository insurance and \$4,494,209 was uninsured. The uninsured bank balance was collateralized with securities held by the pledging institution’s trust department but not in the School District’s name.

Investments

Investments are reported at fair value. As of June 30, 2011, the School District had the following investments:

	Fair Value	Maturity (in years)		Percent of Total Portfolio	Credit Rating*
		less than 1	1-2		
FHLB	3,833,372	2,993,640	839,732	37.36%	AA+
FHLMC	2,085,540	1,293,702	791,838	20.33%	AA+
FNMA	1,735,004	1,735,004	-	16.91%	AA+
Federal Farm Credit	1,007,255	1,007,255	-	9.82%	AA+
US Treasury N/B	431,134	431,134	-	4.20%	N/A
Money Market	23,249	23,249	-	0.22%	AAAm
STAROhio	1,145,049	1,145,049	-	11.16%	AAAm
Total Investments	\$ 10,260,603	8,629,033	1,631,570		

* - as rated by Standard & Poor's rating services

The School District’s investment policy permits the purchase of any security specifically authorized by the Ohio Revised Code and includes the following:

Interest Rate Risk – An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Ohio Revised Code §135.14(B)(7)(a) limits commercial paper to those assigned the highest credit rating by two nationally recognized rating services.

Credit Risk – The District has no investment policy that would further limit its investment risk other than what has been approved by State statute.

Concentration of Credit Risk – The School District should normally seek to diversify its holdings of other investments by avoiding concentrations of specific issuers.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 5 – PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the School District fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2011 for real and public utility property taxes represents collections of calendar 2010 taxes. Real property tax revenue received in calendar year 2011 are levied after April 1, 2010, on the assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility property tax revenue received in calendar year 2011 represents collections of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a public lien December 31, 2009, are levied after April 1, 2010, and are collected in 2011 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property is assessed at varying percentages of value.

Tangible personal property tax revenue received during calendar year 2011 (other than public utility property) represents the collection of calendar year 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied or collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2011 were levied after October 1, 2010, on the value as of December 31, 2010. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 5 – PROPERTY TAXES (Continued)

The assessed values upon which fiscal year 2011 taxes were collected are:

	2011 First Half Collections		2010 Second Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 637,617,630	97.40%	646,365,210	97.54%
Public Utility	17,014,100	2.60%	16,286,840	2.46%
Total Assessed Value	\$ 654,631,730	100.00%	662,652,050	100.00%
Tax rate per \$1,000 of assessed valuation	\$53.90		\$52.28	

The School District receives property taxes from Miami County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2011. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. For the governmental fund financial statements, the receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations.

The amount available as an advance was recognized as revenue. On the Statement of Activities, the delinquent taxes that were levied in previous years are recognized as revenue.

The amount available as an advance at June 30, 2011, was \$2,193,884, \$54,337, \$228,010 and \$100,032 in the General, Hayner, Debt Service, and Capital Improvement funds, respectively.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 6 – RECEIVABLES

Receivables at June 30, 2011, consisted of current and delinquent property taxes, accounts (rent and student fees), intergovernmental grants, interest and interfund transactions. 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 fiscal year guarantee of federal funds. A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities:</u>	<u>Amount</u>
Education Jobs	\$ 120,844
Race to the Top	28,900
Title III	15,511
Title I	69,743
Reducing Class Size Grant	<u>1,545</u>
 Total Intergovernmental Receivables	 \$ <u>236,543</u>

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 was as follows:

	<u>Balance</u> <u>6/30/2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/2011</u>
<u>Capital Assets, not being depreciated:</u>				
Land	\$ 530,131	-	-	530,131
 <u>Capital Assets, being depreciated:</u>				
Buildings	30,213,886	-	-	30,213,886
Improvements	12,754,178	612,598	(18,448)	13,348,328
Furniture and Equipment	4,420,651	131,250	(288,679)	4,263,222
Textbooks	1,052,936	20,063	(47,060)	1,025,939
Vehicles	2,680,199	460,034	(280,060)	2,860,173
	<u>51,121,850</u>	<u>1,223,945</u>	<u>(634,247)</u>	<u>51,711,548</u>
 <u>Less: Accumulated Depreciation:</u>				
Buildings	(11,172,886)	(605,889)	-	(11,778,775)
Improvements	(5,742,683)	(663,814)	17,563	(6,388,934)
Furniture and Equipment	(3,636,449)	(210,862)	283,088	(3,564,223)
Textbooks	(432,010)	(136,414)	47,060	(521,364)
Vehicles	(1,373,547)	(210,457)	237,490	(1,346,514)
	<u>(22,357,575)</u>	<u>(1,827,436) *</u>	<u>585,201</u>	<u>(23,599,810)</u>
 Capital Assets, being depreciated, net	 <u>28,764,275</u>	 <u>(603,491)</u>	 <u>(49,046)</u>	 <u>28,111,738</u>
 Capital Assets, net	 <u>\$ 29,294,406</u>	 <u>(603,491)</u>	 <u>(49,046)</u>	 <u>28,641,869</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 7 – CAPITAL ASSETS (Continued)

* - Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 839,343
Support Services:	
Instructional Staff	8,853
Administration	105,689
Operation and Maintenance of Plant	42,125
Pupil Transportation	191,791
Operation of Non-Instructional Services	27,005
Extracurricular Activities	6,741
	<u>1,221,547</u>
Unallocated Depreciation	605,889
Total Depreciation Expense	<u>\$ 1,827,436</u>

Unallocated depreciation is depreciation of the individual school buildings throughout the District that essentially serve all functions/programs, and therefore is not included as a direct expense of any function or program but disclosed as a separate expense.

NOTE 8 – RISK MANAGEMENT

A. Property and Liability

The School District covers the remainder of its risk (property, liability, etc.) through commercial insurance. There were no significant changes in coverage's, retentions or limits during the fiscal year. Settled claims have not exceeded the commercial coverage's in any of the previous three years.

B. Health Insurance

The District provides health care coverage for its employees and is self-insured up to a stop loss limit of \$75,000 per employee for the cost of providing this coverage. This activity is accounted for in the General, Special Revenue, and Proprietary Funds. Paid claims are recorded as an expenditure/expense in the respective funds based on a per employee charge. For reporting purposes, this activity has been reclassified to the Employee Health Insurance Fund within the Internal Service Fund.

Expenses for claims are recorded as other expenditures/expenses when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. The basis for estimating the liability for unpaid claims is based on past experience and large outstanding balances. The liability at June 30, 2011, is not discounted. An actuary was used in determining its liability. A summary of changes in self-insured claims for the year ended June 30, 2011, follows:

Year	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2010	\$ 790,842	4,418,883	(4,623,724)	586,001
2011	\$ 586,001	5,445,679	(5,291,794)	739,886

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 9 – DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746, by calling (800) 878-5853 or by visiting the SERS website at ohsers.org.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2011, 11.81 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$876,954, \$854,982 and \$564,300, respectively; 53% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

B. State Teachers Retirement System

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 provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio web site at www.strsoh.org.

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

The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

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

For the fiscal year ended June 30, 2011, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010, and 2009, were \$2,562,651, \$2,512,230 and \$2,535,952, respectively; 84% has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2011, one member of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

NOTE 10 – POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for non certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by SERS based on authority granted by State statute. The financial reports of both plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746, by calling (800) 878-5853 or by visiting the SERS website at ohsers.org.

State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2011, 1.43 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

less than an actuarially determined amount; for 2011, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care for the fiscal years ended June 30, 2011, 2010 and 2009 were \$203,099, \$123,476 and \$350,952, respectively; 53 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2011, this actuarially required allocation was .76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010 and 2009 were \$56,434, \$50,844 and \$45,987, respectively; 53 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

B. State Teachers Retirement System

The District contributes to the cost-sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio web site at www.strsoh.org.

Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2011, STRS Ohio allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for Health care for the fiscal years ended June 30, 2011, 2010 and 2009 were \$197,127, \$193,248 and \$195,073, respectively; 84 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

NOTE 11 – OTHER EMPLOYEE BENEFITS

A. Compensated Absences

Administrators and classified staff who work twelve-month contracts are granted vacation leave. The leave amount is based on length of service and position. Accrued vacation leave may, in some cases, be carried over from one contract year to another, for up to three years. The School District accrues vacation leave benefits as earned.

District employees earn sick leave at fifteen days per year. Upon retirement or termination an employee is paid 25% of the accrued sick leave days, not to exceed a total of 50 days' severance pay. Sick leave benefits are accrued as a liability using the vesting method.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 12 – CAPITALIZED LEASES – LESSEE DISCLOSURE

The Troy City School District entered into a capital lease for equipment. This lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are made from the General Fund. Amortization applicable to assets acquired through capital lease arrangements is included with depreciation for financial statement presentation.

Capital assets acquired by lease have been capitalized in the statement of net assets for governmental activities in the amount of \$750,038, which is equal to the present value of the minimum lease payments at the time of acquisition. Principal payments in fiscal year 2011 totaled \$42,360. Capital lease obligations will fully paid at end of fiscal year 2011 with principal payments paid from the General Fund.

NOTE 13 – LONG-TERM OBLIGATIONS

Changes in long-term obligations of the School District during fiscal year 2011 were as follows:

	<u>Amount Outstanding 6/30/10</u>	<u>Increase</u>	<u>Decrease</u>	<u>Amount Outstanding 6/30/11</u>	<u>Amount Due Within One Year</u>
Long-Term Obligations:					
General Obligation Bonds:					
2005 School Improvement Bonds:					
Serial - 3.00% - 5.00%	\$ 8,765,000	-	(595,000)	8,170,000	-
Term - 4.50% - 5.00%	9,980,000	-	-	9,980,000	-
Capital Appreciation - 13.707%	565,565	80,178	-	645,743	645,743
Energy Conservation Bonds 0.0%	1,083,732	-	(58,214)	1,025,518	75,964
Capital Leases	42,360	-	(42,360)	-	-
Compensated Absences	<u>3,562,654</u>	<u>50,783</u>	<u>(310,845)</u>	<u>3,302,592</u>	<u>394,551</u>
Total Governmental Activities	<u>\$ 23,999,311</u>	<u>130,961</u>	<u>(1,006,419)</u>	<u>23,123,853</u>	<u>1,116,258</u>

Compensated absences will be paid from the fund from which the employees' salaries are paid. Capital lease obligations were paid from the General Fund.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 13 – LONG-TERM OBLIGATIONS (continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	721,708	1,213,687	1,935,395
2013	780,964	796,340	1,577,304
2014	820,964	769,103	1,590,067
2015	925,964	737,203	1,663,167
2016	965,964	702,403	1,668,367
2017-2021	4,679,822	2,925,494	7,605,316
2022-2026	4,000,875	2,075,270	6,076,145
2027-2031	4,715,000	1,068,763	5,783,763
2032-2033	2,210,000	100,575	2,310,575
	<u>\$ 19,821,261</u>	<u>10,388,838</u>	<u>30,210,099</u>

As of June 30, 2011, the overall legal debt margin was \$40,797,282 with an unvoted debt margin of \$654,632.

NOTE 14 - INTERFUND ACTIVITY

Interfund transfers for the year ended June 30, 2011, consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	150,000
Non-Major Governmental Funds	150,000	-
	<u>\$ 150,000</u>	<u>150,000</u>

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 money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

The School District had no transfers that either do not occur on a regular basis or were inconsistent with the purpose of the fund making the transfer.

As of June 30, 2011, principal components of interfund balances were as follows:

<u>Fund Due To</u>	<u>Fund Due From</u>	<u>Amount</u>
General Fund	Race to the Top	\$ 1,500
	Title III	1,377
	Title I	2,538
		<u>\$ 5,415</u>

The due to represents cash advances to grant funds for cash flow purposes by the General fund.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS

Southwestern Ohio Educational Purchasing Council – The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing council made up of nearly 100 school districts in 12 counties. The purpose of the council is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust. Any district withdrawing from the SOEPC forfeits its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the general fund. During fiscal year 2011, the School District contributed \$372,567 to SOEPC. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, at 303 Corporate Drive, Suite 208, Vandalia, Ohio 45377.

Metropolitan Dayton Educational Cooperative Association – The School District is a participant in the Metropolitan Dayton Educational Cooperative Association (MDECA), which is a data acquisition site used by the School District. MDECA is an association of public school districts in a geographic area determined by the Ohio Department of Education. MDECA 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. During fiscal year 2011, the District contributed \$125,900 to MDECA. The Board of MDECA consists of one representative from each of the participating members. Complete financial information can be obtained from MDECA located in Dayton, Ohio.

NOTE 16 - CONTINGENCIES

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits 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 adverse effect on the overall financial position of the School District at June 30, 2011.

B. Litigation

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

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

NOTE 17 - SET-ASIDE CALCULATIONS AND FUND RESERVES

The School 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.

	Textbooks	Capital Acquisition
Set-aside Cash Balance, As of June 30, 2010	\$ (3,970,211)	-
Current Year Set-aside Requirement	685,993	685,993
Qualifying Disbursements	(904,731)	(1,243,003)
Total	(4,188,949)	(557,010)
Balance Carried Forward to FY 2012	\$ (4,188,949)	-

The School District had qualifying disbursements during the year that reduced the set-aside below zero for capital acquisition, the extra amounts may not be used to reduce the set-aside requirements of future years.

NOTE 18 – INCOME TAX

On January 1, 2007 the School District levied a voted 1.5 percent income tax on the earned income of individuals residing in the School District for the purpose of current expenses. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. For fiscal year 2011, this income tax generated \$9,074,106 of revenue in the General Fund.

NOTE 19 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2011, the School District implemented GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” The implementation of this standard did not effect the calculation of the School District’s fund balance but it shifts the focus of fund balance reporting from availability of fund resources to the extent to which the School District is bound to honor constraints on the purpose for which amounts can be spent. This standard also clarified the definition of governmental fund types. Implementation of this standard had the following effect on the fund balance of major and nonmajor funds as previously reported.

	General	Nonmajor Governmental	Total Governmental Funds
Fund Balance at June 30, 2010	11,539,443	1,745,135	13,284,578
Change in Fund Structure	145,978	(145,978)	-
Adjusted Fund Balance at June 30, 2011	11,685,421	1,599,157	13,284,578



TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Revenues:</u>				
Taxes	\$ 22,281,177	22,281,177	22,932,801	651,624
Intergovernmental	16,763,728	16,763,728	16,685,403	(78,325)
Interest	150,000	150,000	154,298	4,298
Tuition and Fees	1,057,000	1,057,000	952,255	(104,745)
Miscellaneous	159,500	159,500	313,018	153,518
Total Revenues	40,411,405	40,411,405	41,037,775	626,370
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	21,116,525	20,597,013	20,474,490	122,523
Special	4,570,629	5,016,629	4,913,957	102,672
Vocational	19,000	19,000	16,822	2,178
Other	2,149,254	2,209,405	2,208,837	568
Support Services:				
Pupils	2,214,712	2,200,712	2,170,361	30,351
Instructional Staff	1,031,135	967,385	946,364	21,021
Board of Education	801,204	731,204	714,566	16,638
Administration	2,993,600	2,994,050	2,986,616	7,434
Fiscal	520,734	546,725	546,534	191
Business	599,242	605,392	589,287	16,105
Operation and Maintenance of Plant	3,641,521	3,609,521	3,571,495	38,026
Pupil Transportation	2,058,845	2,041,845	2,034,684	7,161
Central	62,378	62,378	56,047	6,331
Other	8,000	8,000	7,389	611
Debt Service				
Principal	58,214	58,214	58,214	-
Total Expenditures	41,844,993	41,667,473	41,295,663	371,810
Excess of Revenues Over (Under) Expenditures	(1,433,588)	(1,256,068)	(257,888)	998,180
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Fixed Assets	10,000	10,000	38,084	28,084
Advances In	365,422	365,422	365,422	-
Advances Out	(400,000)	(5,500)	(5,415)	85
Transfers Out	(100,000)	(244,495)	(150,000)	94,495
Total Other Financing Sources (Uses)	(124,578)	125,427	248,091	122,664
Net Change in Fund Balance	(1,558,166)	(1,130,641)	(9,797)	1,120,844
Fund Balance, Beginning of Year	9,853,041	9,853,041	9,853,041	-
Prior Year Encumbrances Appropriated	545,648	545,648	545,648	-
Fund Balance, End of Year	\$ 8,840,523	9,268,048	10,388,892	1,120,844

See accompanying notes to the required supplementary information.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2011

Basis of Budgeting

Basis of budgeting refers to when revenues and expenditures or expenses are recognized in the accounts. The Troy City School District's (the School District) budget for all legislated funds are prepared on a cash-encumbrance basis wherein transactions are recorded when cash is received or disbursed, or when a commitment has been recorded as an encumbrance against an applicable appropriation. Fund balances shown are unencumbered cash balances. This basis is utilized for all interim financial statements issued during the year.

The basis of budgeting differs from generally accepted accounting principles (GAAP) used for the School District's year-end financial statements contained in the basic financial statements. Under that basis of accounting, revenues are generally recognized when the obligation to the School District arises; the budget basis however, recognizes revenue only when cash has been received. In the basic financial statements, expenditures are generally recognized in the period in which they are incurred. Under that budget basis, expenditures are recognized when cash has been disbursed or when an encumbrance has been placed against an appropriation.

General Budget Policies

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

All governmental funds are subject to annual expenditure budgets except for the Auxiliary Service Fund (Special Revenue Fund), which are deemed to be appropriated. The School District follows the procedures outlined below in establishing the expenditures budget data reported in the required supplementary information.

Prior to January 20, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the Miami County Budget Commission for rate determination.

By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2011.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO

Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2011

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education at the function level of expenditures within the individual funds, with the exception of the grant funds which are at the special cost center level. The level at which the Board of Education approves the annual appropriation resolution is the School District legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission.

Any revisions that alter the total of any fund appropriation, or alter total function appropriations within a fund, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant.

The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Encumbrances plus expenditures may not legally exceed appropriations at the legal level of control. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. The encumbered appropriations balance is carried forward to the subsequent fiscal year and need not be reappropriated.

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

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 fund liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2011

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 Balances	
	General Fund
GAAP Basis	\$ 970,944
Revenue Accruals	(719,641)
Expenditure Accruals	(1,119,235)
Encumbrances	603,566
Other Financing Sources (Uses)	360,007
Perspective Difference	(105,438)
Budget (Non-GAAP) Basis	\$ <u>(9,797)</u>

The perspective difference noted in the above reconciliation is a result of reporting the Uniform School Supplies and Public School special revenue funds as a function of the General Fund for GAAP purposes as those funds no longer meet the definition of special revenue funds in accordance with GASB Statement No. 54.

MAJOR GOVERNMENTAL FUNDS

The focus of the fund financial statements presented in the basic financial statements is on the School District's most significant funds (major funds). Therefore these fund financial statements present the major funds separate from the other governmental funds of the School District. As required by Generally Accepted Accounting Principles for state and local governments, budgetary comparison statements in the basic financial statements are limited to the General Fund and any major special revenue funds. The School District has no major special revenue 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 is available to the School District for any purpose provided it is expended or transferred according to the general laws of the State of Ohio.

Since the Statement of Revenues, Expenditures and Changes in Fund Balance presented in the basic financial statements for the General Fund presents budgetary compliance at the legal level of control established by the Board of Education, no additional schedules are necessary to demonstrate budgetary compliance.

COMBINING STATEMENTS – NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

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

Food Service Fund

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

Hayner

To account for financial transactions related to activities of the Hayner Cultural Center.

District Managed Student Activities

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

Auxiliary Services

To account for monies which provide services and materials to pupils attending non-public schools within the School District.

Management Information Systems

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

CAYL Institute Grant

To account for grant funds provided from the CAYL Institute.

Data Communications

To account for revenues received from the State to be used to install and provide support costs for data communication links to connect any school to the local A-site.

Miscellaneous State Grants

To account for revenues received from state agencies which are not classified elsewhere.

Education Jobs

To account for monies received under a federal grant to provide for compensation and benefits expenses necessary to retain existing employees, to recall or rehire former employees, or to hire new employees who provide educational and related services.

Race to the Top

To account for monies received under a federal grant to provide for either a new program or expansion of an existing program to support initiatives in the areas of standards and assessments, using data to improve instruction, great teachers and leaders, and tutoring around the lowest achieving school.

IDEA B Grant

To account for monies received under a federal grant to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full education opportunities to handicapped children at the elementary and secondary levels.

Education Stabilization Grant

To account for monies received from the American Reinvestment and Recovery Act to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services.

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Title II-D Grant

To account for federal monies received for professional development to enable teachers to create technology-enabled learning environments in which students will meet or exceed the state academic content standards and develop 21st century skills.

Title III Grant

To account for monies received under a federal grant to develop and carry out elementary and secondary school programs to meet the educational needs of children of limited English proficiency.

Title I Grant

To account for monies received under a federal grant to assist schools in meeting the special needs of educationally deprived children.

Drug Free Grant

To account for monies received under a federal program to support the implementation of programs for drug abuse education and prevention.

Reducing Class Size Grant

To account for grant providing funding to hire additional classroom teachers in grades one through three so that the number of students per teacher will be reduced.

IDEA B Preschool Grant

To account for monies received under a federal grant to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full education opportunities to handicapped children at the pre-school level.

NONMAJOR CAPITAL PROJECT FUNDS

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

Permanent Improvement

To account for the monies received through the School District's permanent improvement levy that are used for the acquisition, construction or improvement of capital facilities.

NONMAJOR DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general short-term and long-term debt principal and interest.

Bond Retirement Fund

To account for revenue derived from tax levy approved to pay for debt charges associated with the 2005 School Improvement Bonds.

FUNDS WITH LEGALLY ADOPTED BUDGETS

The funds presented have been combined with the General Fund for reporting purposes but have legally adopted budgets as a nonmajor special revenue fund.

Uniform School Supplies

To account for the purchase and sale of school supplies as approved by the Board for use in the school buildings. Profit derived from such sales is to be used for school purposes or activities in connection with the school.

Public School Support

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

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 838,729	\$ 674,440	448,159	\$ 1,961,328
Receivables:				
Taxes	209,435	711,756	1,604,600	2,525,791
Intergovernmental	236,543	-	-	236,543
Materials and Supplies Inventory	29,555	-	-	29,555
Prepaid Items	1,850	-	-	1,850
Total Assets	\$ 1,316,112	1,386,196	\$ 2,052,759	\$ 4,755,067
Liabilities:				
Accounts Payable	\$ 89,548	23,175	\$ -	\$ 112,723
Accrued Wages and Benefits	314,964	-	-	314,964
Intergovernmental Payable	173,130	-	-	173,130
Compensated Absences Payable	55,267	-	-	55,267
Due to Other Funds	5,415	-	-	5,415
Deferred Revenue	216,724	611,724	1,376,590	2,205,038
Total Liabilities	855,048	634,899	1,376,590	2,866,537
Fund Balances:				
Nonspendable				
Inventory	29,555	-	-	29,555
Restricted for:				
Debt Service	-	-	676,169	676,169
Facilities Construction and Maintenance	-	751,297	-	751,297
Hayner Cultural Center	357,530	-	-	357,530
Extracurricular Activities	201,945	-	-	201,945
Nonpublic Schools	24,757	-	-	24,757
Special Educatoin	26,930	-	-	26,930
Student and Staff Support	63,024	-	-	63,024
Unassigned	(242,677)	-	-	(242,677)
Total Fund Balance	461,064	751,297	676,169	1,888,530
Total Liabilities and Fund Balance	\$ 1,316,112	\$ 1,386,196	\$ 2,052,759	\$ 4,755,067

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2011

	FOOD SERVICE	HAYNER	DISTRICT MANAGED STUDENT ACTIVITIES	AUXILIARY SERVICES
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 24,328	\$ 335,437	\$ 211,082	\$ 81,486
Receivables:				
Taxes	-	209,435	-	-
Intergovernmental	-	-	-	-
Materials and Supplies Inventory	29,555	-	-	-
Prepaid Items	-	-	-	1,850
Total Assets	53,883	544,872	211,082	83,336
Liabilities:				
Accounts Payable	4,281	7,955	9,137	51,817
Accrued Wages and Benefits	97,109	646	-	2,579
Intergovernmental Payable	95,409	23,643	-	4,183
Compensated Absences Payable	55,267	-	-	-
Due to Other Funds	-	-	-	-
Deferred Revenue	-	155,098	-	-
Total Liabilities	252,066	187,342	9,137	58,579
Fund Balances:				
Nonspendable				
Inventory	29,555	-	-	-
Restricted for:				
Hayner Cultural Center	-	357,530	-	-
Extracurricular Activities	-	-	201,945	-
Nonpublic Schools	-	-	-	24,757
Special Educatoin	-	-	-	-
Student and Staff Support	-	-	-	-
Unassigned	(227,738)	-	-	-
Total Fund Balance	(198,183)	357,530	201,945	24,757
Total Liabilities and Fund Balances	\$ 53,883	\$ 544,872	\$ 211,082	\$ 83,336

MANAGEMENT INFORMATION SYSTEMS	CAYL INSTITUTE GRANT	DATA COMMUNICATIONS	MISCELLANEOUS STATE GRANTS	EDUCATION JOBS	RACE TO THE TOP
\$ -	\$ -	\$ -	\$ -	\$ 4,456	\$ -
-	-	-	-	-	-
-	-	-	-	120,844	28,900
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	125,300	28,900
-	-	-	-	-	-
-	-	-	-	69,122	-
-	-	-	-	14,532	-
-	-	-	-	-	-
-	-	-	-	-	1,500
-	-	-	-	-	27,400
-	-	-	-	83,654	28,900
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	41,646	-
-	-	-	-	-	-
-	-	-	-	41,646	-
\$ -	\$ -	\$ -	\$ -	\$ 125,300	\$ 28,900

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011
(Continued)

	IDEA B GRANT	EDUCATION STABILIZATION GRANT	TITLE II-D GRANT	TITLE III GRANT
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 100,664	\$ -	\$ 1,350
Receivables:				
Taxes	-	-	-	-
Intergovernmental	-	-	-	15,511
Materials and Supplies Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	-	100,664	-	16,861
Liabilities:				
Accounts Payable	-	-	-	1,225
Accrued Wages and Benefits	-	64,876	-	-
Intergovernmental Payable	-	14,410	-	-
Compensated Absences Payable	-	-	-	-
Due to Other Funds	-	-	-	1,377
Deferred Revenue	-	-	-	13,776
Total Liabilities	-	79,286	-	16,378
Fund Equity:				
Nonspendable				
Inventory	-	-	-	-
Restricted for:				
Hayner Cultural Center	-	-	-	-
Extracurricular Activities	-	-	-	-
Nonpublic Schools	-	-	-	-
Special Educatoin	-	-	-	483
Student and Staff Support	-	21,378	-	-
Unassigned	-	-	-	-
Total Fund Equity	-	21,378	-	483
Total Liabilities and Fund Equity	\$ -	\$ 100,664	\$ -	\$ 16,861

TITLE I GRANT	DRUG-FREE GRANT	REDUCING CLASS SIZE GRANT	IDEA B PRESCHOOL GRANT	TOTAL
\$ 75,745	\$ -	\$ 4,181	\$ -	\$ 838,729
-	-	-	-	209,435
69,743	-	1,545	-	236,543
-	-	-	-	29,555
-	-	-	-	1,850
<u>145,488</u>	<u>-</u>	<u>5,726</u>	<u>-</u>	<u>1,316,112</u>
15,133	-	-	-	89,548
63,472	-	17,160	-	314,964
17,448	-	3,505	-	173,130
-	-	-	-	55,267
2,538	-	-	-	5,415
20,450	-	-	-	216,724
<u>119,041</u>	<u>-</u>	<u>20,665</u>	<u>-</u>	<u>855,048</u>
-	-	-	-	29,555
-	-	-	-	357,530
-	-	-	-	201,945
-	-	-	-	24,757
26,447	-	-	-	26,930
-	-	-	-	63,024
-	-	(14,939)	-	(242,677)
<u>26,447</u>	<u>-</u>	<u>(14,939)</u>	<u>-</u>	<u>461,064</u>
<u>\$ 145,488</u>	<u>\$ -</u>	<u>\$ 5,726</u>	<u>\$ -</u>	<u>\$ 1,316,112</u>



TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 345,963	631,006	1,407,788	\$ 2,384,757
Intergovernmental	5,851,772	215,499	167,547	6,234,818
Investment Earnings	1,157	-	-	1,157
Charges for Services	1,118,539	-	-	1,118,539
Extracurricular Activities	812,491	-	-	812,491
Miscellaneous	56,964	25,170	-	82,134
Total Revenues	8,186,886	871,675	1,575,335	10,633,896
Expenditures:				
Instruction:				
Regular	2,961,205	-	-	2,961,205
Special	1,281,216	-	-	1,281,216
Other	344,016	-	-	344,016
Support Services:				
Instructional Staff	176,586	-	-	176,586
Administration	264,355	-	-	264,355
Fiscal	-	12,132	26,647	38,779
Business	31,720	-	-	31,720
Operation and Maintenance of Plant	149,477	-	-	149,477
Pupil Transportation	195,808	-	-	195,808
Operation of Non-Instructional Services	2,254,808	255,741	-	2,510,549
Extracurricular Activities	474,888	-	-	474,888
Capital Outlay	26,782	625,052	-	651,834
Debt Service:				
Principal	-	-	595,000	595,000
Interest	-	-	819,090	819,090
Total Expenditures	8,160,861	892,925	1,440,737	10,494,523
Excess (Deficiency) of Revenues Over(Under) Expenditures	26,025	(21,250)	134,598	139,373
Other Financing Sources:				
Transfers In	150,000	-	-	150,000
Total Other Financing Sources	150,000	-	-	150,000
Net Change in Fund Balance	176,025	(21,250)	134,598	289,373
Fund Balance at Beginning of Year, restated	285,039	772,547	541,571	1,599,157
Fund Balance at End of Year	\$ 461,064	\$ 751,297	\$ 676,169	\$ 1,888,530

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FOOD SERVICE	HAYNER	DISTRICT MANAGED STUDENT ACTIVITIES	AUXILIARY SERVICES
Revenues:				
Taxes	\$ -	\$ 345,963	\$ -	\$ -
Intergovernmental	854,728	120,993	-	485,776
Investment Earnings	-	-	-	1,157
Charges for Services	1,118,539	-	-	-
Extracurricular Activities	-	41,112	771,379	-
Miscellaneous	-	41,664	15,300	-
Total Revenues	1,973,267	549,732	786,679	486,933
Expenditures:				
Current:				
Instruction:				
Regular	-	-	303,626	477,239
Special	-	-	-	-
Other	-	-	-	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	52,719
Administration	-	247,257	15,196	-
Business	-	6,245	-	-
Operation and Maintenance of Plant	-	146,443	-	3,034
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Operation of Non-Instructional Services	2,149,642	35,767	990	-
Extracurricular Activities	-	60,835	414,053	-
Capital Outlay	-	-	26,782	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	2,149,642	496,547	760,647	532,992
Excess (Deficiency) of Revenues Over(Under) Expenditures	(176,375)	53,185	26,032	(46,059)
Other Financing Sources(Uses):				
Transfers In	150,000	-	-	-
Total Other Financing Sources (Uses)	150,000	-	-	-
Net Change in Fund Balance	(26,375)	53,185	26,032	(46,059)
Fund Balance at Beginning of Year, restated	(171,808)	304,345	175,913	70,816
Fund Balance at End of Year	\$ (198,183)	\$ 357,530	\$ 201,945	\$ 24,757

MANAGEMENT INFORMATION SYSTEMS	CAYL INSTITUTE GRANT	DATA COMMUNICATIONS	MISCELLANEOUS STATE GRANTS	EDUCATION JOBS	RACE TO THE TOP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,000	1,200	20,475	3,943	571,375	9,909
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,000	1,200	20,475	3,943	571,375	9,909
-	-	-	-	529,729	3,268
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,200	-	-	-	6,641
5,000	-	20,475	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,000	1,200	20,475	-	529,729	9,909
-	-	-	3,943	41,646	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,943	41,646	-
-	-	-	(3,943)	-	-
\$ -	\$ -	\$ -	\$ -	\$ 41,646	\$ -

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(Continued)

	IDEA B GRANT	EDUCATION STABILIZATION GRANT	TITLE II-D GRANT	TITLE III GRANT
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,564,191	873,564	6,012	12,409
Investment Earnings	-	-	-	-
Charges for Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	1,564,191	873,564	6,012	12,409
Expenditures:				
Current:				
Instruction:				
Regular	6,023	485,649	3,995	7,288
Special	1,242,185	-	-	-
Other	-	344,016	-	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	14,829	22,521	1,855	4,638
Administration	-	-	-	-
Business	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	195,808	-	-	-
Central	-	-	-	-
Operation of Non-Instructional Services	53,413	-	162	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	1,512,258	852,186	6,012	11,926
Excess (Deficiency) of Revenues Over(Under)				
Expenditures	51,933	21,378	-	483
Other Financing Sources:				
Transfers In	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balance	51,933	21,378	-	483
Fund Balance at Beginning of Year, restated	(51,933)	-	-	-
Fund Balance at End of Year	\$ -	\$ 21,378	\$ -	\$ 483

TITLE I GRANT	DRUG-FREE GRANT	REDUCING CLASS SIZE GRANT	IDEA B PRESCHOOL GRANT	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ 345,963
1,105,565	3,816	173,785	39,031	5,851,772
-	-	-	-	1,157
-	-	-	-	1,118,539
-	-	-	-	812,491
-	-	-	-	56,964
<u>1,105,565</u>	<u>3,816</u>	<u>173,785</u>	<u>39,031</u>	<u>8,186,886</u>
957,555	-	186,833	-	2,961,205
-	-	-	39,031	1,281,216
-	-	-	-	344,016
-	-	-	-	-
73,383	-	-	-	176,586
-	702	-	-	264,355
-	-	-	-	31,720
-	-	-	-	149,477
-	-	-	-	195,808
-	-	-	-	-
14,690	-	144	-	2,254,808
-	-	-	-	474,888
-	-	-	-	26,782
-	-	-	-	-
-	-	-	-	-
<u>1,045,628</u>	<u>702</u>	<u>186,977</u>	<u>39,031</u>	<u>8,160,861</u>
59,937	3,114	(13,192)	-	26,025
-	-	-	-	150,000
-	-	-	-	150,000
59,937	3,114	(13,192)	-	176,025
<u>(33,490)</u>	<u>(3,114)</u>	<u>(1,747)</u>	-	<u>285,039</u>
<u>\$ 26,447</u>	<u>\$ -</u>	<u>\$ (14,939)</u>	<u>\$ -</u>	<u>\$ 461,064</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
FOOD SERVICE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Charges for Services	\$ 1,177,487	\$ 1,101,439	\$ (76,048)
Intergovernmental	<u>878,500</u>	<u>854,728</u>	<u>(23,772)</u>
Total Revenues	<u>2,055,987</u>	<u>1,956,167</u>	<u>(99,820)</u>
Expenditures			
Non-Instructional Services	<u>2,123,929</u>	<u>2,107,496</u>	<u>16,433</u>
Total Expenditures	<u>2,123,929</u>	<u>2,107,496</u>	<u>16,433</u>
Excess of Revenues Over (Under) Expenditures	<u>(67,942)</u>	<u>(151,329)</u>	<u>(83,387)</u>
Other Financing Sources:			
Transfers-In	<u>50,000</u>	<u>150,000</u>	<u>100,000</u>
Total Other Financing Sources	<u>50,000</u>	<u>150,000</u>	<u>100,000</u>
Net Change in Fund Balance	(17,942)	(1,329)	16,613
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>17,942</u>	<u>17,942</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 16,613</u>	<u>\$ 16,613</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
UNIFORM SCHOOL SUPPLIES SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Tuition and Fees	\$ 37,900	\$ 32,978	\$ (4,922)
Total Revenues	<u>37,900</u>	<u>32,978</u>	<u>(4,922)</u>
Expenditures:			
Instruction:			
Regular Instruction	<u>44,325</u>	<u>36,216</u>	<u>8,109</u>
Total Expenditures	<u>44,325</u>	<u>36,216</u>	<u>8,109</u>
Net Change in Fund Balance	(6,425)	(3,238)	3,187
Fund Balance at Beginning of Year	9,263	9,263	-
Prior Year Encumbrances Appropriated	<u>6,675</u>	<u>6,675</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 9,513</u>	<u>\$ 12,700</u>	<u>\$ 3,187</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
HAYNER SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Taxes	\$ 321,567	\$ 324,563	\$ 2,996
Intergovernmental	127,554	120,993	(6,561)
Extracurricular Activities	35,900	41,112	5,212
Miscellaneous	40,000	41,664	1,664
Total Revenues	<u>525,021</u>	<u>528,332</u>	<u>3,311</u>
Expenditures:			
Support Services:			
Administration	254,251	252,881	1,370
Business	6,800	6,407	393
Plant Operation and Maintenance	165,743	154,900	10,843
Non-Instructional Services	55,005	42,242	12,763
Extracurricular Activities	66,740	66,332	408
Total Expenditures	<u>548,539</u>	<u>522,762</u>	<u>25,777</u>
Net Change in Fund Balance	(23,518)	5,570	29,088
Fund Balance at Beginning of Year	291,212	291,212	-
Prior Year Encumbrances Appropriated	15,546	15,546	-
Fund Balance at End of Year	<u>\$ 283,240</u>	<u>\$ 312,328</u>	<u>\$ 29,088</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PUBLIC SCHOOL SUPPORT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Extracurricular Activities	200,900	189,480	(11,420)
Miscellaneous	<u>32,100</u>	<u>26,698</u>	<u>(5,402)</u>
Total Revenues	<u>233,000</u>	<u>216,178</u>	<u>(16,822)</u>
Expenditures:			
Instruction:			
Regular	262,074	220,777	41,297
Support Services:			
Administration	<u>5,200</u>	<u>4,449</u>	<u>751</u>
Total Expenditures	<u>267,274</u>	<u>225,226</u>	<u>42,048</u>
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	(34,274)	(9,048)	25,226
Other Financing Uses:			
Refund of Prior Year Receipts	<u>(152)</u>	<u>(152)</u>	<u>-</u>
Total Other Financing Uses	<u>(152)</u>	<u>(152)</u>	<u>-</u>
Net Change in Fund Balance	(34,426)	(9,200)	25,226
Fund Balance at Beginning of Year	115,739	115,739	-
Prior Year Encumbrances Appropriated	<u>27,041</u>	<u>27,041</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 108,354</u>	<u>\$ 133,580</u>	<u>\$ 25,226</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DISTRICT MANAGED ACTIVITIES SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Extracurricular Activities	\$ 681,438	\$ 771,379	\$ 89,941
Miscellaneous	<u>5,250</u>	<u>15,300</u>	<u>10,050</u>
Total Revenues	<u>686,688</u>	<u>786,679</u>	<u>99,991</u>
Expenditures:			
Instruction:			
Regular	305,000	303,626	1,374
Support Services:			
Administration	28,214	28,110	104
Non-Instructional Services	1,050	990	60
Extracurricular Activities	<u>464,709</u>	<u>456,795</u>	<u>7,914</u>
Total Expenditures	<u>798,973</u>	<u>789,521</u>	<u>9,452</u>
Net Change in Fund Balance	(112,285)	(2,842)	109,443
Fund Balance at Beginning of Year	172,680	172,680	-
Prior Year Encumbrances Appropriated	<u>17,988</u>	<u>17,988</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 78,383</u>	<u>\$ 187,826</u>	<u>\$ 109,443</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 MANAGEMENT INFORMATION SYSTEMS SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 5,000	\$ 5,000	\$ -
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Expenditures:			
Fiscal Year 2011 Grant	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 CAYL INSTITUTE GRANT SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 1,200	\$ 1,200	\$ -
Total Revenues	<u>1,200</u>	<u>1,200</u>	<u>-</u>
Expenditures:			
Fiscal Year 2011 Grant	<u>1,200</u>	<u>1,200</u>	<u>-</u>
Total Expenditures	<u>1,200</u>	<u>1,200</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 DATA COMMUNICATIONS SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 20,475	\$ 20,475	\$ -
Total Revenues	<u>20,475</u>	<u>20,475</u>	<u>-</u>
Expenditures:			
FY 2011 Grant	<u>20,475</u>	<u>20,475</u>	<u>-</u>
Total Expenditures	<u>20,475</u>	<u>20,475</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
MISCELLANEOUS STATE GRANTS SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 3,195	\$ 3,195	\$ -
Total Revenues	<u>3,195</u>	<u>3,195</u>	<u>-</u>
Expenditures:			
Psychology Intern Project	<u>3,195</u>	<u>3,195</u>	<u>-</u>
Total Expenditures	<u>3,195</u>	<u>3,195</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
EDUCATION JOBS SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Revenues:			
Intergovernmental	\$ 571,375	\$ 450,531	\$ (120,844)
Total Revenues	<u>571,375</u>	<u>450,531</u>	<u>(120,844)</u>
Expenditures:			
FY 2011 Grant	<u>450,531</u>	<u>446,360</u>	<u>4,171</u>
Total Expenditures	<u>450,531</u>	<u>446,360</u>	<u>4,171</u>
Net Change in Fund Balance	<u>120,844</u>	<u>4,171</u>	<u>(116,673)</u>
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 120,844</u>	<u>\$ 4,171</u>	<u>\$ (116,673)</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
RACE TO THE TOP SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 74,761	\$ 8,409	\$ (66,352)
Total Revenues	<u>74,761</u>	<u>8,409</u>	<u>(66,352)</u>
Expenditures:			
FY 2011 Grant	<u>9,909</u>	<u>9,909</u>	<u>-</u>
Total Expenditures	<u>9,909</u>	<u>9,909</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>64,852</u>	<u>(1,500)</u>	<u>(66,352)</u>
Other Financing Uses:			
Advances In	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Total Other Financing Uses	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Net Change in Fund Balance	<u>66,352</u>	<u>-</u>	<u>(66,352)</u>
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 66,352</u>	<u>\$ -</u>	<u>\$ (66,352)</u>

TROY CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
IDEA B GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 1,564,191	\$ 1,564,191	\$ -
Total Revenues	<u>1,564,191</u>	<u>1,564,191</u>	<u>-</u>
Expenditures:			
Fiscal Year 2011 Grant	963,261	963,261	-
St. Patricks - FY 2011 Grant	10,161	10,161	-
Troy Christian Elementary - FY 2011 Grant	6,097	6,097	-
Troy Christian High School - FY 2011 Grant	32,515	32,515	-
ARRA Fiscal Year 2010 Grant	259,717	259,717	-
ARRA Fiscal Year 2011 Grant	<u>292,035</u>	<u>292,035</u>	<u>-</u>
Total Expenditures	<u>1,563,786</u>	<u>1,563,786</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>405</u>	<u>405</u>	<u>-</u>
Other Financing Uses:			
Advances Out	<u>(233,372)</u>	<u>(233,372)</u>	<u>-</u>
Total Other Financing Uses	<u>(233,372)</u>	<u>(233,372)</u>	<u>-</u>
Net Change in Fund Balance	(232,967)	(232,967)	-
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>232,967</u>	<u>232,967</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
EDUCATION STABILIZATION GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 873,564	\$ 873,564	\$ -
Total Revenues	<u>873,564</u>	<u>873,564</u>	<u>-</u>
Expenditures:			
Fiscal Year 2011 Grant	<u>873,564</u>	<u>774,427</u>	<u>99,137</u>
Total Expenditures	<u>873,564</u>	<u>774,427</u>	<u>99,137</u>
Net Change in Fund Balance	-	99,137	99,137
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 99,137</u>	<u>\$ 99,137</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE II-D GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 7,397	\$ 7,397	\$ -
Total Revenues	<u>7,397</u>	<u>7,397</u>	<u>-</u>
Expenditures:			
Fiscal Year 2010 Grant	3,995	3,995	-
Fiscal Year 2011 Grant	1,855	1,855	-
St. Patricks Elementary - FY 2011	55	55	-
Troy Christian Elementary - FY 2011	42	42	-
Montesorri Elementary - FY 2011	13	13	-
Troy Christian High School - FY 2011	<u>51</u>	<u>51</u>	<u>-</u>
Total Expenditures	<u>6,011</u>	<u>6,011</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>1,386</u>	<u>1,386</u>	<u>-</u>
Other Financing Uses			
Advances Out	<u>(5,381)</u>	<u>(5,381)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(5,381)</u>	<u>(5,381)</u>	<u>-</u>
Net Change in Fund Balance	(3,995)	(3,995)	-
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>3,995</u>	<u>3,995</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE III GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 15,354	\$ 15,354	\$ -
Total Revenues	<u>15,354</u>	<u>15,354</u>	<u>-</u>
Expenditures:			
Fiscal Year 2010 Grant	8,028	8,028	-
Fiscal Year 2011 Grant	<u>7,653</u>	<u>7,653</u>	<u>-</u>
Total Expenditures	<u>15,681</u>	<u>15,681</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(327)</u>	<u>(327)</u>	<u>-</u>
Other Financing Sources (Uses):			
Advances Out	(9,278)	(9,278)	-
Advances In	<u>1,377</u>	<u>1,377</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(7,901)</u>	<u>(7,901)</u>	<u>-</u>
Net Change in Fund Balance	(8,228)	(8,228)	-
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>8,228</u>	<u>8,228</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE I GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 1,257,645	\$ 1,186,427	\$ (71,218)
Total Revenues	<u>1,257,645</u>	<u>1,186,427</u>	<u>(71,218)</u>
Expenditures:			
Elementary Fiscal Year 2010 Grant	69,715	69,715	-
Elementary Fiscal Year 2011 Grant	562,596	532,887	29,709
St. Patricks Fiscal Year 2010 Grant	-	-	-
St. Patricks Fiscal Year 2011 Grant	2,257	2,257	-
ARRA Fiscal Year 2010	24,230	24,230	-
ARRA Fiscal Year 2011	149,590	149,590	-
ARRA Delinquent Fiscal Year 2010	4,955	4,955	-
ARRA Delinquent Fiscal Year 2011	67,204	67,204	-
Delinquent Fiscal Year 2010	2,475	2,475	-
Delinquent Fiscal Year 2011	<u>235,334</u>	<u>228,511</u>	<u>6,823</u>
Total Expenditures	<u>1,118,356</u>	<u>1,081,824</u>	<u>36,532</u>
Excess of Revenues Over (Under) Expenditures	<u>139,289</u>	<u>104,603</u>	<u>(34,686)</u>
Other Financing Sources (Uses):			
Advances-In	2,538	2,538	-
Advances-Out	<u>(97,547)</u>	<u>(97,547)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(95,009)</u>	<u>(95,009)</u>	<u>-</u>
Net Change in Fund Balance	44,280	9,594	(34,686)
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>28,414</u>	<u>28,414</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 72,694</u>	<u>\$ 38,008</u>	<u>\$ (34,686)</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DRUG-FREE GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 4,764	\$ 4,764	\$ -
Total Revenues	<u>4,764</u>	<u>4,764</u>	<u>-</u>
Expenditures:			
Fiscal Year 2010 Grant	<u>4,479</u>	<u>4,479</u>	<u>-</u>
Total Expenditures	<u>4,479</u>	<u>4,479</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>285</u>	<u>285</u>	<u>-</u>
Other Financing Sources (Uses):			
Advances In			-
Advances Out	<u>(4,764)</u>	<u>(4,764)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(4,764)</u>	<u>(4,764)</u>	<u>-</u>
Net Change in Fund Balance	(4,479)	(4,479)	-
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>4,479</u>	<u>4,479</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
REDUCING CLASS SIZE GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 203,308	\$ 201,679	\$ (1,629)
Total Revenues	<u>203,308</u>	<u>201,679</u>	<u>(1,629)</u>
Expenditures:			
Fiscal Year 2009 Grant			-
Fiscal Year 2010 Grant	14,472	14,472	-
Fiscal Year 2011 Grant	172,011	168,291	3,720
Troy Christian Elementary Fiscal Year 2011	57	57	-
Montessori Fiscal Year 2011	18	18	-
Troy Christian High School Fiscal Year 2011	<u>69</u>	<u>69</u>	<u>-</u>
Total Expenditures	<u>186,627</u>	<u>182,907</u>	<u>3,720</u>
Excess of Revenues Over (Under) Expenditures	<u>16,681</u>	<u>18,772</u>	<u>2,091</u>
Other Financing Sources (Uses):			
Advances Out	<u>(14,967)</u>	<u>(14,967)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(14,967)</u>	<u>(14,967)</u>	<u>-</u>
Net Change in Fund Balance	1,714	3,805	2,091
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,714</u>	<u>\$ 3,805</u>	<u>\$ 2,091</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 IDEA B PRESCHOOL GRANT SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Intergovernmental	\$ 39,039	\$ 39,039	\$ -
Total Revenues	<u>39,039</u>	<u>39,039</u>	<u>-</u>
Expenditures:			
Fiscal Year 2011 Grant	<u>39,039</u>	<u>39,039</u>	<u>-</u>
Total Expenditures	<u>39,039</u>	<u>39,039</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PERMANENT IMPROVEMENT CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Taxes	\$ 586,200	\$ 591,343	\$ 5,143
Intergovernmental	228,552	215,499	(13,053)
Miscellaneous	15,000	25,170	10,170
Total Revenues	<u>829,752</u>	<u>832,012</u>	<u>2,260</u>
Expenditures:			
Support Services:			
Fiscal	12,724	12,132	592
Non-Instructional Services	1,500,667	1,380,305	120,362
Total Expenditures	<u>1,513,391</u>	<u>1,392,437</u>	<u>120,954</u>
Net Change in Fund Balance	(683,639)	(560,425)	123,214
Fund Balance at Beginning of Year	193,098	193,098	-
Prior Year Encumbrances Appropriated	580,667	580,667	-
Fund Balance at End of Year	<u>\$ 90,126</u>	<u>\$ 213,340</u>	<u>\$ 123,214</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Taxes	\$ 1,280,941	\$ 1,312,722	\$ 31,781
Intergovernmental	163,640	167,547	3,907
Total Revenues	<u>1,444,581</u>	<u>1,480,269</u>	<u>35,688</u>
Expenditures:			
Support Services:			
Fiscal	26,819	26,647	172
Debt Service:			
Principal Retirement	595,000	595,000	-
Interest and Fiscal Charges	819,090	819,090	-
Total Expenditures	<u>1,440,909</u>	<u>1,440,737</u>	<u>172</u>
Net Change in Fund Balance	3,672	39,532	35,860
Fund Balance at Beginning of Year	<u>408,627</u>	<u>408,627</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 412,299</u>	<u>\$ 448,159</u>	<u>\$ 35,860</u>

INTERNAL SERVICE FUND

The internal service funds are used to account for the financing of services provided by one department to other department of the School District on a cost-reimbursement basis.

Self-Insurance

To account for the payment of all School District employees' health insurance claims.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
INTERNAL SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Charges for Services	\$ 5,355,000	\$ 5,304,983	\$ (50,017)
Total Revenues	<u>5,355,000</u>	<u>5,304,983</u>	<u>(50,017)</u>
Expenditures:			
Claims	<u>5,304,983</u>	<u>5,304,983</u>	<u>-</u>
Total Expenditures	<u>5,304,983</u>	<u>5,304,983</u>	<u>-</u>
Net Change in Fund Balance	50,017	-	(50,017)
Fund Balance at Beginning of Year	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 400,017</u>	<u>\$ 350,000</u>	<u>\$ (50,017)</u>

FIDUCIARY FUNDS

PRIVATE PURPOSE TRUST FUND

Private purpose trust funds are used to account for assets held by the School District, which have been restricted so that the principal and income of the fund benefit individuals, private organizations, or other governments and are not available to support the operations of the School District

Scholarship Trust Fund

To account for restricted donations, where the donations themselves may be used to provide scholarships to selected students graduating from the School District.

AGENCY FUNDS

Agency funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Student Managed Activities

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

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>ENDING BALANCE</u>
<u>Student Managed Activities:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 74,274	\$ 119,452	\$ 74,097	\$ 119,629
Total Assets	<u>74,274</u>	<u>119,452</u>	<u>74,097</u>	<u>119,629</u>
Liabilities:				
Accounts Payable	725	2,092	725	2,092
Due to Students	<u>73,549</u>	<u>117,360</u>	<u>73,372</u>	<u>117,537</u>
Total Liabilities	<u>\$ 74,274</u>	<u>\$ 119,452</u>	<u>\$ 74,097</u>	<u>\$ 119,629</u>

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SCHOLARSHIP TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE
Revenues:			
Other Revenue	\$ 53,800	\$ 44,949	\$ (8,851)
Interest	<u>3,730</u>	<u>1,834</u>	<u>(1,896)</u>
Total Revenues	<u>57,530</u>	<u>46,783</u>	<u>(10,747)</u>
Expenses			
Educational Outreach	<u>152,906</u>	<u>134,953</u>	<u>17,953</u>
Total Expenses	<u>152,906</u>	<u>134,953</u>	<u>17,953</u>
Net Change in Fund Balance	(95,376)	(88,170)	7,206
Fund Balance at Beginning of Year	250,333	250,333	-
Prior Year Encumbrances Appropriated	<u>88,799</u>	<u>88,799</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 243,756</u>	<u>\$ 250,962</u>	<u>\$ 7,206</u>



STATISTICAL SECTION

STATISTICAL SECTION

This part of the School 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 School District's overall financial health.

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time. These schedules can be found on pages 94-105

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the School District's most significant local revenue source, property tax. These schedules can be found on pages 106-113

Debt Capacity

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt, as well as, the School District's ability to issue additional debt in the future. These schedules can be found on pages 114-118

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place. These schedules can be found on pages 119-121

Operating Information

These schedules contain information about the School District's operation and resources to help the reader understand how the School District's financial information relates to the services provided and activities performed. These schedules can be found on pages 122-131

Sources: Unless otherwise noted, the information in these schedules is derived from the School District's annual financial reports for the relevant year. The School District implemented GASB Statement No. 34 in fiscal year 2003; schedules presenting government-wide information begin with that fiscal year.

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(accrual basis of accounting)

	2011	2010	2009	2008
Net Assets:				
Invested in capital assets, net of related debt	\$ 9,181,361	\$ 9,138,324	\$ 9,593,036	\$ 9,075,089
Restricted	1,955,114	1,266,332	1,186,550	1,356,653
Unrestricted	9,030,034	8,081,483	7,923,158	7,685,700
Total Net Assets	\$ 20,166,509	\$ 18,486,139	\$ 18,702,744	\$ 18,117,442

Notes:

- (1) The School District reports only governmental activities and has no component units
- (2) The School District began to report accrual information when it implemented GASB Statement No. 34 for fiscal year 2003.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 8,008,910	\$ 8,378,369	\$ 7,817,139	\$ 7,583,553	\$ 6,756,440
2,233,128	1,425,943	2,292,385	1,824,989	1,824,989
<u>4,879,935</u>	<u>7,607,507</u>	<u>5,427,604</u>	<u>10,635,715</u>	<u>9,880,166</u>
<u><u>\$ 15,121,973</u></u>	<u><u>\$ 17,411,819</u></u>	<u><u>\$ 15,537,128</u></u>	<u><u>\$ 20,044,257</u></u>	<u><u>\$ 18,461,595</u></u>

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

**EXPENSES, PROGRAM REVENUES, AND NET EXPENSE
LAST NINE FISCAL YEARS
(accrual basis of accounting)**

	2011	2010	2009	2008
Expenses:				
Instruction	\$ 33,035,603	\$ 32,041,665	\$ 31,581,336	\$ 30,154,806
Pupils	2,221,165	2,104,026	2,004,666	1,945,071
Instructional Staff	1,009,990	1,063,616	1,223,433	1,206,591
Board of Education	691,712	710,876	650,911	805,988
Administration	3,114,350	3,576,948	3,444,149	3,384,224
Fiscal	569,794	477,979	496,244	550,340
Busniess	599,224	618,922	652,820	663,781
Operation and mantainance of plant	3,600,867	3,510,717	3,580,514	3,769,450
Pupil transportation	1,914,312	1,927,733	1,858,940	1,765,263
Central	57,220	56,713	64,928	68,068
Non-instructional services	2,503,815	2,918,633	2,492,950	2,674,580
Extracurricular activities	487,113	169,945	181,541	304,918
Interest and fiscal charges	965,569	930,683	926,883	939,141
Unallocated depreciation	605,889	605,889	605,889	608,013
Total Expenses	51,376,623	50,714,345	49,765,204	48,840,234
Program Revenues:				
Charges for services, reported by:				
Regular instruction	1,452,482	1,786,711	1,625,572	1,357,772
Non-instructional services	1,118,539	1,154,505	1,194,811	1,204,531
Extracurricular activities	476,919	310,775	298,974	306,451
Other	62,637	13,081	14,544	18,104
Total Charges for Sevices	3,110,577	3,265,072	3,133,901	2,886,858
Operating grants and contributions	5,813,192	5,312,328	3,480,866	3,527,202
Capital grants and contributions	25,714	58,594	77,212	43,023
Total Program Revenues	8,949,483	8,635,994	6,691,979	6,457,083
Net Expense	\$ (42,427,140)	\$ (42,078,351)	\$ (43,073,225)	\$ (42,383,151)

Notes:

- (1) The School District reports only governmental activities and has no component units
- (2) The School District began to report accrual information when it implemented GASB Statement No. 34 for fiscal year 2003.

2007	2006	2005	2004	2003
\$ 28,622,609	\$ 24,567,188	\$ 27,972,628	\$ 25,936,285	\$ 21,958,842
2,062,159	1,645,927	1,768,682	1,376,608	1,332,882
1,021,159	1,165,053	1,130,097	1,116,146	1,141,331
662,262	662,978	576,107	564,703	579,251
3,226,641	3,012,019	2,838,202	1,863,269	2,192,303
461,986	458,375	439,545	402,715	368,726
571,164	539,584	582,737	529,706	528,866
3,441,529	3,023,317	3,001,990	2,807,707	2,745,665
1,925,231	1,620,978	1,811,872	1,439,755	1,419,215
62,906	52,369	37,178	-	-
1,893,622	1,659,493	1,782,513	1,494,217	1,628,787
278,330	286,073	252,158	271,913	245,791
950,836	964,588	555,492	15,476	2,868
353,639	116,930	116,930	131,093	483,905
<u>45,534,073</u>	<u>39,774,872</u>	<u>42,866,131</u>	<u>37,949,593</u>	<u>34,628,432</u>
1,346,820	1,238,859	781,620	773,993	767,551
1,204,717	1,113,939	1,063,415	1,060,371	1,051,738
271,361	335,426	568,473	442,011	364,525
21,134	684	23,279	20,955	17,157
<u>2,844,032</u>	<u>2,688,908</u>	<u>2,436,787</u>	<u>2,297,330</u>	<u>2,200,971</u>
3,266,646	3,171,275	3,235,974	2,627,813	2,309,146
28,725	32,924	38,197	32,924	28,000
<u>6,139,403</u>	<u>5,893,107</u>	<u>5,710,958</u>	<u>4,958,067</u>	<u>4,538,117</u>
<u>\$ (39,394,670)</u>	<u>\$ (33,881,765)</u>	<u>\$ (37,155,173)</u>	<u>\$ (32,991,526)</u>	<u>\$ (30,090,315)</u>

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

**GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS
LAST NINE FISCAL YEARS
(accrual basis of accounting)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Expense	\$ (42,427,140)	\$ (42,078,351)	\$ (43,073,225)	\$ (42,383,151)
General Revenues:				
Property taxes levied for:				
General purposes	15,162,978	13,670,069	15,316,471	16,728,472
Hayner Cultural Center	356,233	316,964	348,076	364,714
Debt Service	1,441,558	1,218,759	1,264,267	1,270,500
Capital projects	646,236	576,420	634,699	659,065
Income Taxes for General Purposes	9,074,106	8,507,939	8,558,120	9,952,902
Unrestricted grants and contributions	17,068,449	17,249,979	16,868,580	15,346,962
Investment earnings	28,709	63,976	416,284	763,542
Miscellaneous	<u>329,241</u>	<u>257,640</u>	<u>252,030</u>	<u>292,463</u>
Total General Revenues	<u>44,107,510</u>	<u>41,861,746</u>	<u>43,658,527</u>	<u>45,378,620</u>
Change in Net Assets	<u>\$ 1,680,370</u>	<u>\$ (216,605)</u>	<u>\$ 585,302</u>	<u>\$ 2,995,469</u>

Notes:

- (1) The School District reports only governmental activities and has no component units
- (2) The School District began to report accrual information when it implemented GASB Statement No. 34 for fiscal year 2003.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ (39,394,670)	\$ (33,881,765)	\$ (37,155,173)	\$ (32,991,526)	\$ (30,090,315)
18,684,058	20,764,173	20,872,661	21,428,648	20,624,958
344,776	374,738	377,740	242,027	513,424
1,160,043	1,262,010	691,860	-	-
624,010	678,643	623,100	664,128	43,775
1,844,067	-	-	-	-
13,181,139	11,352,645	9,033,887	11,074,798	11,419,727
997,713	1,153,744	890,587	244,985	407,424
269,018	170,503	158,209	348,442	82,288
<u>37,104,824</u>	<u>35,756,456</u>	<u>32,648,044</u>	<u>34,003,028</u>	<u>33,091,596</u>
<u>\$ (2,289,846)</u>	<u>\$ 1,874,691</u>	<u>\$ (4,507,129)</u>	<u>\$ 1,011,502</u>	<u>\$ 3,001,281</u>

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2011	2010	2009	2008	2007
General Fund:					
Nonspendable	\$ 112,942	\$ 112,449	\$ -	\$ -	\$ -
Assigned	2,381,852	304,677	-	-	-
Unassigned	10,161,571	11,122,317	-	-	-
Reserved	-	-	1,677,622	1,395,191	1,508,298
Unreserved	-	-	9,320,766	9,140,742	5,719,849
Total General Fund	\$ 12,656,365	\$ 11,539,443	\$ 10,998,388	\$ 10,535,933	\$ 7,228,147
All Other Governmental Funds:					
Nonspendable	\$ 29,555	\$ 49,027	\$ -	\$ -	\$ -
Restricted	2,101,652	596,092	-	-	-
Unassigned	(242,677)	(214,102)	-	-	-
Reserved (a)	-	-	1,873,003	705,164	851,989
Unreserved, reported in:					
Capital projects funds (b)	-	-	(803,784)	314,180	968,253
Debt service fund (b)	-	-	453,124	525,254	522,437
Special revenue funds	-	-	279,786	442,531	454,969
Total All Other Governmental Funds	\$ 1,888,530	\$ 431,017	\$ 1,802,129	\$ 1,987,129	\$ 2,797,648

Notes:

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2003, therefore the amounts for fiscal year 2002 includes general, special revenue and capital projects.
- (2) During fiscal year 2011 the District implemented GASB Statement No. 54, therefore, the fund structure for fiscal year 2010 was restated to reflect the implementation.
- (a) The increases in the reservation of fund balance, beginning in fiscal year 2005, is attributal to outstanding encumbrances related to the school facilities construction project as well as increase in reservation of fund balance for property taxes for associated levies.
- (b) Fund balance reported for the capital projects and debt service funds increased in 2005 due to the collection of property taxes and issuance of debt to provide financing for the school facilities construction project.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
2,443,060	3,194,808	1,998,425	2,365,468	2,111,058
<u>6,757,709</u>	<u>7,653,433</u>	<u>8,724,670</u>	<u>7,249,167</u>	<u>4,735,650</u>
<u>\$ 9,200,769</u>	<u>\$ 10,848,241</u>	<u>\$ 10,723,095</u>	<u>\$ 9,614,635</u>	<u>\$ 6,846,708</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
8,826,582	3,158,687	412,957	475,117	347,673
1,974,793	19,123,001	1,442,591	1,359,568	1,146,438
552,906	360,402	-	-	-
374,440	444,876	169,955	455,005	334,554
<u>\$ 11,728,721</u>	<u>\$ 23,086,966</u>	<u>\$ 2,025,503</u>	<u>\$ 2,289,690</u>	<u>\$ 1,828,665</u>

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

REVENUES, EXPENDITURES AND DEBT SERVICE RATIO
OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2011	2010	2009	2008
Revenues:				
Taxes	\$ 26,254,081	\$ 24,611,646	\$ 26,095,058	\$ 29,005,609
Intergovernmental	22,919,473	22,557,680	20,451,541	18,895,257
Interest	28,709	63,976	416,284	763,542
Tuition and fees	989,427	1,143,490	983,202	874,141
All other revenues	2,450,391	2,379,223	2,402,627	2,303,687
Total revenue	\$ 52,642,081	\$ 50,756,015	\$ 50,348,712	\$ 51,842,236
Expenditures:				
Current:				
Instruction	\$ 32,136,340	\$ 31,146,493	\$ 30,721,143	\$ 29,100,566
Support Services:				
Pupils	2,192,102	2,097,302	2,008,083	1,899,370
Instructional staff	1,082,831	1,084,779	1,173,391	1,211,067
Board of education	691,712	710,876	650,911	805,988
Administration	3,075,508	3,414,772	3,260,817	3,198,691
Fiscal and business	1,159,373	1,148,149	1,122,933	1,199,135
Plant operation & maintenance	3,587,123	3,479,693	3,554,627	3,730,331
Pupil transportation	1,708,964	1,742,197	1,661,505	1,588,132
Other	55,829	56,622	64,007	66,715
Non-instructional services	2,510,549	2,902,272	2,454,844	2,616,364
Extracurricular activities	480,372	163,822	175,304	298,903
Capital outlay	1,223,946	1,855,034	1,699,338	2,146,520
Debt service:				
Principal retirement	695,574	712,669	657,733	598,205
Interest and fiscal charges	819,625	844,103	866,721	886,473
Total expenditures	\$ 51,419,848	\$ 51,358,783	\$ 50,071,357	\$ 49,346,460
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	3.02%	3.14%	3.15%	3.15%

Notes:

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2003, therefore the amounts for fiscal year 2002, includes general, special revenue and capital projects

2007	2006	2005	2004	2003	2002
\$ 22,637,905	\$ 23,161,702	\$ 23,654,269	\$ 21,260,327	\$ 21,142,334	\$ 20,833,982
16,477,906	14,542,989	14,315,799	13,803,345	13,618,741	12,602,102
997,713	1,153,744	890,587	244,985	407,424	350,695
902,833	914,247	781,620	773,993	767,551	541,212
2,234,666	1,994,986	1,854,406	1,929,719	1,569,506	490,192
<u>\$ 43,251,023</u>	<u>\$ 41,767,668</u>	<u>\$ 41,496,681</u>	<u>\$ 38,012,369</u>	<u>\$ 37,505,556</u>	<u>\$ 34,818,183</u>
\$ 27,723,489	\$ 25,742,645	\$ 25,668,612	\$ 23,705,468	\$ 22,372,326	\$ 21,557,331
2,097,231	1,732,677	1,673,577	1,309,214	1,372,582	1,361,316
1,053,984	1,154,033	1,084,727	1,102,648	1,114,751	756,017
662,262	662,978	576,107	564,703	579,251	552,126
3,051,115	2,947,645	2,632,486	2,351,953	2,094,250	2,046,533
1,018,924	1,008,241	1,007,459	923,004	865,794	753,469
3,396,091	3,102,510	2,946,854	2,806,044	2,497,327	2,266,806
1,767,786	1,746,351	1,648,155	1,597,697	1,508,555	1,192,355
61,953	52,480	37,178	-	-	5,343
1,860,702	1,816,714	1,737,014	1,543,279	1,478,221	-
273,074	284,069	248,291	273,630	243,130	153,712
9,694,344	13,391,078	1,847,366	1,474,506	706,915	1,047,391
563,849	239,279	78,604	75,512	18,578	17,053
904,779	1,067,685	330,163	15,476	2,868	4,393
<u>\$ 54,129,583</u>	<u>\$ 54,948,385</u>	<u>\$ 41,516,593</u>	<u>\$ 37,743,134</u>	<u>\$ 34,854,548</u>	<u>\$ 31,713,845</u>
3.31%	3.14%	1.03%	0.25%	0.06%	0.07%

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

OTHER FINANCING SOURCES(USES) AND CHANGE IN FUND
BALANCES FOR GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2011	2010	2009	2008
Excess of Revenues Over(Under)				
Expenditures	\$ 1,222,233	\$ (602,768)	\$ 277,355	\$ 2,495,776
Other Financing Sources(Uses):				
Proceeds from sale of capital assets	38,084	865	100	1,491
Refund of prior year receipts	-	-	-	-
Inception of capital leases	-	-	-	-
Proceeds from sale of bonds	-	1,103,964	-	-
Proceeds from sale of notes	-	-	-	-
Premium on issuance of bonds	-	-	-	-
Discount on issuance of bonds	-	-	-	-
Bond issuance costs	-	(18,000)	-	-
Transfers-in	150,000	62,054	147,084	1,590,015
Transfers-out	(150,000)	(62,054)	(147,084)	(1,590,015)
Total Other Financing Sources (Uses)	38,084	1,086,829	100	1,491
Net Change in Fund Balance	\$ 1,260,317	\$ 484,061	\$ 277,455	\$ 2,497,267

Notes:

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2003, therefore the amounts for fiscal year 2002 includes general, special revenue and capital projects.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>\$ (10,878,560)</u>	<u>\$ (13,180,717)</u>	<u>\$ (19,912)</u>	<u>\$ 269,235</u>	<u>\$ 2,651,008</u>	<u>\$ 3,104,338</u>
-	-	-	-	10,262	-
(135)	-	-	-	-	-
-	175,000	-	575,038	-	-
-	-	21,204,991	-	-	-
-	-	-	-	-	-
-	-	1,530	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,314,317	71,184	2,524,462	38,518	353,378	300,000
<u>(1,339,317)</u>	<u>(71,184)</u>	<u>(2,524,462)</u>	<u>(38,518)</u>	<u>(378,378)</u>	<u>(300,000)</u>
<u>(25,135)</u>	<u>175,000</u>	<u>21,206,521</u>	<u>575,038</u>	<u>(14,738)</u>	<u>-</u>
<u><u>\$ (10,903,695)</u></u>	<u><u>\$ (13,005,717)</u></u>	<u><u>\$ 21,186,609</u></u>	<u><u>\$ 844,273</u></u>	<u><u>\$ 2,636,270</u></u>	<u><u>\$ 3,104,338</u></u>

**TROY CITY SCHOOLS
MIAMI COUNTY, OHIO**

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN CALENDAR YEARS

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2011	\$ 637,617,630	\$ 1,821,764,657	\$ 17,014,100	\$ 48,611,714
2010	646,365,210	1,846,757,743	16,286,840	46,533,829
2009	637,388,880	1,821,111,086	16,482,000	47,091,429
2008	629,286,810	1,797,962,314	16,176,640	46,218,971
2007	575,754,080	1,645,011,657	19,072,810	54,493,743
2006	571,083,680	1,631,667,657	19,311,500	55,175,714
2005	548,407,960	1,566,879,886	19,868,040	56,765,829
2004	509,442,940	1,455,551,257	19,827,540	56,650,114
2003	496,930,210	1,419,800,600	20,340,880	58,116,800
2002	488,997,990	1,397,137,114	20,013,240	57,180,686

Source: Montgomery County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the Auditor.

Notes:

For fiscal years 1999 to 2000, real property assessed value was 35% of the estimated actual value, public utility assessed value was 88% of estimated actual value and personal property assessed value was 25% of the estimated actual value. For fiscal years 2001 through 2008, the actual property value were estimated by the Montgomery County Auditor's Office due to changes percentage of property subject to taxation.

Tangible Personal Property		Total		Total Direct Tax Rate	Assessed Value Ratio
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$ -	\$ -	\$ 654,631,730	\$ 1,870,376,371	\$ 53.90	35.0%
1,350,890	3,859,686	664,002,940	1,897,151,258	52.28	35.0%
26,146,840	74,705,257	680,017,720	1,942,907,772	52.09	35.0%
52,732,850	150,665,286	698,196,300	1,994,846,571	52.09	35.0%
87,783,690	250,810,543	682,610,580	1,950,315,943	56.59	35.0%
127,061,770	363,033,629	717,456,950	2,049,877,000	56.59	35.0%
133,313,470	380,895,629	701,589,470	2,004,541,344	56.59	35.0%
141,054,040	403,011,543	670,324,520	1,915,212,914	54.60	35.0%
145,741,630	416,404,657	663,012,720	1,894,322,057	54.60	35.0%
138,002,460	394,292,743	647,013,690	1,848,610,543	54.60	35.0%

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 ASSESSED VALUATION)
LAST TEN CALENDAR YEARS

YEAR	School District Millage (b)					Total
	Operating	Debt Service	Permanent Improvement	Hayner		
2011	\$ 49.85	\$ 2.30	\$ 1.10	\$ 0.65	\$ 53.90	
2010	48.35	2.18	1.10	0.65	52.28	
2009	48.35	1.99	1.10	0.65	52.09	
2008	48.35	1.99	1.10	0.65	52.09	
2007	52.85	1.99	1.10	0.65	56.59	
2006	52.85	1.99	1.10	0.65	56.59	
2005	52.85	1.99	1.10	0.65	56.59	
2004	52.85	-	1.10	0.65	54.60	
2003	52.85	-	1.10	0.65	54.60	
2002	52.85	-	1.10	0.65	54.60	

Source: Miami County Auditor - Data is presented on a Calendar Year Basis because that is the manner in which the information is maintained by the Auditor.

Notes:

- (a) Overlapping millage presented is total millage for subdivision
- (b) Prior to 2005 the School District had no general obligation debt.

Overlapping Millage (a)					
	Miami		City of		Upper Valley
	County		Troy		JVS
\$	8.81	\$	3.19	\$	5.32
	8.81		3.24		5.36
	8.81		3.24		5.18
	8.80		3.24		5.35
	8.81		3.24		5.45
	9.12		3.24		5.45
	9.11		3.24		5.45
	9.13		3.22		5.46
	9.13		3.22		4.90
	8.43		3.26		4.90



TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 PRINCIPAL PROPERTY TAX PAYERS
 CURRENT FISCAL YEAR AND NINE YEARS AGO

Fiscal Year 2011			
<u>Name of Taxpayer</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>
Dayton Power and Light Co	\$ 12,901,190	1	1.97%
American Honda Motor	6,408,920	2	0.98%
Hobart Corporation	5,926,120	3	0.91%
Health Care	3,185,780	4	0.49%
Vectren Energy	3,046,060	5	0.47%
Towne Park	3,027,510	6	0.46%
Monroe LLC	2,699,820	7	0.41%
Ramco Properties	2,491,690	8	0.38%
United Distribution Services	2,409,790	9	0.37%
F&P America Manufacturing	<u>2,381,790</u>	10	0.36%
Subtotal	44,478,670		6.79%
All Other Taxpayers	<u>610,153,060</u>		<u>93.21%</u>
Total Assessed Valuation	<u>\$ 654,631,730</u>		<u>100.00%</u>

Fiscal Year 2002			
<u>Name of Taxpayer</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>
Dayton Power and Light Co	\$ 10,860,730	1	2.46%
American Honda Motor	8,750,000	2	1.98%
Verizon	5,288,080	3	1.20%
American Matsushita	3,540,160	4	0.80%
Hobart Brothers	2,537,910	5	0.57%
Hobart Corporatoinis	2,096,150	6	0.47%
Harson Investments	1,834,090	7	0.41%
FA Archer	1,764,350	8	0.40%
Upper Valley Medical	1,698,770	9	0.38%
Trojan Plaza	<u>1,628,820</u>	10	0.37%
Subtotal	39,999,060		9.04%
All Other Taxpayers	<u>402,351,320</u>		<u>90.96%</u>
Total Assessed Valuation	<u>\$ 442,350,380</u>		<u>100.00%</u>

Source: Miami County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the Auditor.

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS**

<u>Year (1)</u>	<u>Current Levy</u>	<u>Current Collections</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections</u>
2011	\$ 17,504,789	\$ 17,068,191	97.5%	\$ 446,820
2010	17,356,453	16,823,079	96.9%	418,857
2009	17,073,978	16,685,891	97.7%	648,247
2008	18,291,161	17,724,427	96.9%	3,612,687
2007	21,888,439	21,074,819	96.3%	1,129,585
2006	23,289,523	22,683,391	97.4%	1,406,819
2005	25,009,680	23,145,036	92.5%	975,143
2004	22,943,928	22,274,686	97.1%	733,800
2003	22,951,007	22,274,641	97.1%	804,616
2002	23,024,631	22,105,054	96.0%	912,311

Source: Miami County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the Auditor.

Notes:

- (1) Represents collection year. 2011 information represents tax levies and collections through November 1, 2011.
- (2) Penalties and interest are included since by Ohio law they become part of the tax obligation as assessment occurs.

<u>Total Tax Collections</u>	<u>Total Collection As a Percent of Current Levy</u>	<u>Accumulated Outstanding Delinquent Taxes (2)</u>	<u>Delinquent Taxes to Current Tax Levy</u>
\$ 17,515,011	100.1%	\$ 954,924	5.5%
17,241,936	99.3%	1,889,839	10.9%
17,334,138	101.5%	1,328,020	7.8%
21,337,114	116.7%	2,662,380	14.6%
22,204,404	101.4%	2,792,480	12.8%
24,090,210	103.4%	1,640,878	7.0%
24,120,179	96.4%	2,374,596	9.5%
23,008,486	100.3%	2,157,607	9.4%
23,079,257	100.6%	2,141,756	9.3%
23,017,365	100.0%	2,170,262	9.4%

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Year	General Bonded Debt			Percentage of Total Estimated Actual Value (a)	Per Capita (b)
	General Obligation Bonds	Amount Available for Debt Service	Net Bond Indebtedness		
2011	\$ 19,821,261	\$ 676,169	\$ 19,145,092	1.02%	\$ n/a
2010	20,394,297	408,627	19,985,670	1.05%	798
2009	19,805,337	453,124	19,352,213	1.00%	879
2008	20,278,837	525,254	19,753,583	0.99%	897
2007	20,704,970	522,437	20,182,533	1.03%	917
2006	21,107,787	552,906	20,554,881	1.00%	931
2005	21,204,991	360,402	20,844,589	1.04%	944
2004	-	-	-	n/a	n/a
2003	-	-	-	n/a	n/a
2002	-	-	-	n/a	n/a

Notes:

- (1) The School District reports only governmental activities and has no component units.
- (2) Details of the School District's outstanding debt can be found in Note 13 to in the notes to the basic financial statements.
- (a) See assessed and estimated actual value of taxable property for total assessed property value.
- (b) See demographics schedule for personal income and population data, which are reported on a calendar year basis.

<u>Capital Leases</u>	<u>Total Outstanding Debt Obligations</u>	<u>Percentage of Personal Income (b)</u>	<u>Per Capita (b)</u>
\$ -	\$ 19,145,092	n/a	\$ n/a
42,360	20,028,030	n/a	799
169,798	19,522,011	0.55%	887
292,531	20,046,114	0.57%	910
410,734	20,593,267	0.62%	936
524,583	21,079,464	0.65%	955
443,862	21,288,451	0.68%	964
522,466	522,466	0.02%	24
22,941	22,941	0.00%	1
41,519	41,519	0.00%	2

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total Assessed Property Value	\$654,631,730	\$ 664,002,940	\$ 680,017,720	\$ 698,196,300
<u>Overall Direct Debt Limitation:</u>				
Bond Debt Limit (a)	58,916,856	59,760,265	61,201,595	62,837,667
Net Bond Indebtedness	<u>(19,145,092)</u>	<u>(19,985,670)</u>	<u>(19,352,213)</u>	<u>(19,753,583)</u>
Overall Debt Margin	<u><u>39,771,764</u></u>	<u><u>39,774,595</u></u>	<u><u>41,849,382</u></u>	<u><u>43,084,084</u></u>
<i>Total net bonded debt applicable to the limit as a percentage of overall direct debt limitation</i>	32.50%	33.44%	31.62%	31.44%
<u>Unvoted Direct Debt Limitation:</u>				
Unvoted Debt Limit (a)	654,632	664,003	680,018	698,196
Unvoted Debt Outstanding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted Debt Margin	<u><u>654,632</u></u>	<u><u>664,003</u></u>	<u><u>680,018</u></u>	<u><u>698,196</u></u>
<i>Total unvoted debt applicable to the limit as a percentage of unvoted direct debt limitation</i>	0.00%	0.00%	0.00%	0.00%

Source: Miami County Auditor and School District's financial records

Notes:

- (1) Prior to fiscal year 2005, the School District had no general bonded debt
(a) Ohio Bond Law sets a limit of 9% for voted debt, 9/10 of 1% for energy conservation and 1/10 of 1% for unvoted debt.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 682,610,580	\$ 717,456,950	\$ 701,589,470	\$ 670,324,520	\$ 663,012,720	\$ 647,013,690
61,434,952	64,571,126	63,143,052	60,329,207	59,671,145	58,231,232
<u>(20,182,533)</u>	<u>(20,554,881)</u>	<u>(20,844,589)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>41,252,419</u>	<u>44,016,245</u>	<u>42,298,463</u>	<u>60,329,207</u>	<u>59,671,145</u>	<u>58,231,232</u>
32.85%	31.83%	33.01%	0.00%	0.00%	0.00%
682,611	717,457	701,589	670,325	663,013	647,014
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>682,611</u>	<u>717,457</u>	<u>701,589</u>	<u>670,325</u>	<u>663,013</u>	<u>647,014</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2011

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Amount Applicable to School District</u>
Miami County	\$ 6,239,000	30.34%	\$ 1,892,913
City of Troy	1,219,500	0.04%	488
Upper Valley Career Center	6,485,000	29.43%	<u>1,908,536</u>
Subtotal, Overlapping Debt			3,801,936
School District Direct Debt			<u>19,821,261</u>
Total Direct and Overlapping Debt			<u><u>\$ 23,623,197</u></u>

Source: Ohio Municipal Advisory Council

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account.
- (a) Percentages were determined by dividing the assessed valuation of the subdivision located within the boundaries of the District by the total assessed value of the subdivision.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 DEMOGRAPHIC STATISTICS
 LAST TEN CALENDAR YEARS

Year	City of Troy Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2010	25,058	\$ (a)	\$ (a)	8.1%
2009	22,013	3,535,946	34,921	12.2%
2008	22,017	3,539,795	35,003	7.0%
2007	22,011	3,347,023	33,189	5.4%
2006	22,071	3,240,388	32,097	5.7%
2005	22,077	3,107,811	30,645	5.5%
2004	22,016	3,064,960	30,411	5.5%
2003	22,029	2,954,972	29,514	5.7%
2002	22,038	2,821,089	28,324	5.4%
2001	22,076	2,755,586	27,762	5.2%

- Source::
- (1) U.S. Census Bureau reported on calendar year end
 - (2) Provided by Bureau of Economic Analysis: Regional Economic Accounts
 - (3) Ohio Bureau of Employment Services, reported on calendar year end
 - (a) Information not available



**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

PRINCIPAL AREA EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Fiscal Year 2011			
Employer	Employees (a)	Rank	Percentage of Total Employees
Upper Valley Medical Center	1,579	1	23.60%
Miami County	860	2	12.85%
Meijer Distribution	758	3	11.33%
Goodrich Corporation	667	4	9.97%
Troy City School District	641	5	9.58%
Hobart Corporation	580	6	8.67%
F&P America Manufacturing	546	7	8.16%
Evenflo Juvenile Furniture Company	500	8	7.47%
Clopay Building Products	287	9	4.29%
	274	10	4.09%
Total	6,692		

Fiscal Year 2002			
Employer	Employees (a)	Rank	Percentage of Total Employees
Upper Valley Medical Center	1,792	1	21.01%
Matsushita Electric Corp of America	1,419	2	16.64%
Pre Mark International	1,181	3	13.85%
Miami County	963	4	11.29%
Goodrich Corporation	844	5	9.90%
Hobart Corporation	590	6	6.92%
Troy City School District	570	7	6.68%
Evenflo Juvenile Furniture Company	504	8	5.91%
A.O. Smith Electric Products Company	431	9	5.05%
Spinnakers Coatings, Inc	234	10	2.74%
	8,528		

Source: Miami County Auditor

Notes:

- (1) Information is presented on a calendar year basis as no information was available at the end of the School District's fiscal year.
- (2) Data is presented for the Miami County Area which does not have the same boundaries as Troy City School District, however, this was the only data available.
- (a) Amount reported is employee headcount which differs from the "Full Time Equivalent" numbers reported elsewhere in this section.

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS

Year	Average Daily Membership	Operating Expenditures (a)	Cost per Pupil	Percentage Change (b)
2011	4672	\$ 48,681,451	\$ 10,420	2.57%
2010	4720	47,946,977	10,158	1.98%
2009	4703	46,847,565	9,961	0.97%
2008	4,634	45,715,262	9,865	6.93%
2007	4,657	42,966,611	9,226	6.06%
2006	4,627	40,250,343	8,699	0.79%
2005	4,549	39,260,460	8,631	8.38%
2004	4,543	36,177,640	7,963	6.22%
2003	4,552	34,126,187	7,497	12.42%
2002	4,595	30,643,934	6,669	7.04%

Notes:

- (1) The School District implemented GASB Statement No. 34 in fiscal year 2003, therefore the amounts for fiscal year 2002 includes general, special revenue and capital projects.
- (a) Operating expenditures are total governmental fund expenditures less capital outlay and debt service

<u>Expenses</u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Number of Teaching Staff</u>	<u>Pupil-Teacher Ratio</u>	<u>Percentage of Free or Reduced Price Meals</u>
\$ 51,420,546	\$ 11,006	2.43%	285	16.39	35.91%
50,714,345	10,745	1.54%	285	16.56	38.94%
49,765,204	10,582	0.40%	286	16.44	35.80%
48,840,234	10,540	7.79%	279	16.61	33.11%
45,534,073	9,778	13.74%	277	16.81	28.94%
39,774,872	8,596	-8.78%	275	16.83	27.86%
42,866,131	9,423	12.81%	269	16.91	24.09%
37,949,593	8,353	9.81%	272	16.70	22.86%
34,628,432	7,607	N/A	265	17.18	21.84%
N/A	N/A	N/A	262	17.54	20.94%

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Official/Administrative					
Asst. Principal	4	4	4	5	4
Principals	8	8	8	8	8
Superintendent	1	1	1	1	1
Supervisor/Manager	3	3	1	3	3
Treasurer	1	1	1	1	1
Coordinator	2	2	2	2	2
Education Administrative Specialist	1	1	1	1	1
Director	1	1	1	1	1
ESC Supervisor	0	0	2	0	0
Other Official/Administrative	3	3	3	3	3
Totals	<u>24</u>	<u>24</u>	<u>24</u>	<u>25</u>	<u>24</u>
Professional - Educational/Other					
Curriculum Specialist	1	1	1	1	1
Counseling	10	10	10	10	10
Librarian/Media	1	1	1	2	2
Remedial Specialist	10	10	9	10	11
Tutor/Small Group Instructor	0	0	1	0	1
Supplemental Service Teacher (Special Education)	9	9	9	10	6
General Education	195	195	195	191	184
Gifted and Talented	2	2	2	0	0
Educational Service Personnel Teacher	0	0	0	18	19
Special Education	27	27	27	28	33
Art Education K-8	6	6	6	0	0
Music Education K-8	6	6	7	0	0
Physical Education K-8	7	7	7	0	0
Other Professional	2	2	3	2	2
Psychologist	4	4	4	4	4
Registered Nursing	2	2	2	2	2
Speech and Language Therapist	1	1	1	1	2
Mobility Therapist	0	0	0	0	0
Educational Interpreter	1	1	1	1	1
Intern Psychologist	1	1	0	0	0
Totals	<u>285</u>	<u>285</u>	<u>286</u>	<u>280</u>	<u>278</u>
Other Office/Clerical	3	3	4	4	5

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
3	3	3	3	3
8	8	8	8	8
1	1	1	1	1
3	3	3	3	3
1	1	1	1	1
2	2	2	2	2
1	1	1	0	0
1	1	1	0	0
0	0	0	0	0
3	3	3	3	3
<u>23</u>	<u>23</u>	<u>23</u>	<u>21</u>	<u>21</u>

1	1	1	0	0
9	9	9	8	9
2	2	2	2	2
10	9	10	5	5
1	1	1	1	0
0	0	0	0	0
188	191	194	200	201
0	0	0	0	0
19	19	15	14	12
33	26	25	29	27
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
2	4	10	0	0
4	4	2	3	3
2	2	2	2	2
3	2	2	2	2
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>274</u>	<u>270</u>	<u>273</u>	<u>266</u>	<u>263</u>

5	3	7	6	7
---	---	---	---	---

**TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO**

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Crafts and Trades/Operative					
General Maintenance	4	4	4	4	4
Mechanic	2	2	2	2	2
Vehicle Operator (other than buses)	2	2	3	0	0
Vehicle Operator (buses)	30	30	31	29	30
Totals	<u>38</u>	<u>38</u>	<u>40</u>	<u>35</u>	<u>36</u>
Extracurricular/Intracurricular Activities					
Extra/Intra - Curricular Activities	0	0	0	0	0
Service Work/Laborer					
Custodian	21	21	22	22	23
Food Service	36	36	36	39	41
Totals	<u>57</u>	<u>57</u>	<u>58</u>	<u>61</u>	<u>64</u>
Totals	<u><u>407</u></u>	<u><u>407</u></u>	<u><u>412</u></u>	<u><u>405</u></u>	<u><u>407</u></u>

Source: Troy City School District records

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
4	4	4	4	4
2	2	2	2	2
0	0	0	0	0
<u>28</u>	<u>29</u>	<u>29</u>	<u>29</u>	<u>30</u>
<u>34</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>36</u>
0	0	202	0	24
19	21	20	21	20
<u>37</u>	<u>38</u>	<u>37</u>	<u>36</u>	<u>38</u>
<u>56</u>	<u>59</u>	<u>57</u>	<u>57</u>	<u>58</u>
<u>392</u>	<u>390</u>	<u>597</u>	<u>385</u>	<u>409</u>



TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 TEACHER EDUCATION AND EXPERIENCE
 JUNE 30, 2011

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	16	5.69%
Bachelor's + 18 Semester Hours of Graduate Credit	41	14.59%
Master's Degree	172	61.21%
Master's Degree + 30 Semester Hours of Graduate Credit	<u>52</u>	18.51%
Total	<u><u>281</u></u>	100.00%

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 4	50	17.79%
5 - 9	63	22.42%
10 - 14	41	14.59%
15 - 19	31	11.03%
20 - 29	64	22.78%
30 and over	<u>32</u>	11.39%
Total	<u><u>281</u></u>	100.00%

Source: Troy City School District Records

TROY CITY SCHOOL DISTRICT
MIAMI COUNTY, OHIO
 CAPITAL ASSET INFORMATION
 LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Concord Elementary (1919)				
Square Feet	67,598	67,598	67,598	67,598
Enrollment	613	603	645	619
Cookson Elementary (1964)				
Square Feet	41,877	41,877	41,877	41,877
Enrollment	383	412	406	372
Forest Elementary (1949)				
Square Feet	41,481	41,481	41,481	41,481
Enrollment	296	287	259	265
Heywood Elementary (1930)				
Square Feet	37,231	37,231	37,231	37,231
Enrollment	348	364	345	331
Hook Elementary (1966)				
Square Feet	31,257	31,257	31,257	31,257
Enrollment	324	332	323	320
Kyle Elementary (1950)				
Square Feet	33,620	33,620	33,620	33,620
Enrollment	230	233	224	214
Van Cleve Elementary (1914)				
Square Feet	82,253	82,253	82,253	82,253
Enrollment	333	326	348	314
Troy Junior High (1973)				
Square Feet	104,689	104,689	104,689	104,689
Enrollment	729	692	661	721
Troy High (1958)				
Square Feet	221,011	221,011	221,011	221,011
Enrollment	1,416	1,471	1,492	1,478
Total Enrollment	4,672	4,720	4,703	4,634

Source: Troy City School District records

Notes:

- (1) From fiscal year 2001-2006, all elementary buildings served grades kindergarten through 6 except Forest which served special needs and gifted students. Beginning in fiscal year 2007, Van Cleve served grade 6 with all other elementaries serving grades kindergarten through 5.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
67,598 577	57,753 595	57,753 559	57,753 572	57,753 537	57,753 533
41,877 378	41,877 415	41,877 416	41,877 427	41,877 433	41,877 456
41,481 293	40,458 41	40,458 67	40,458 87	40,458 132	40,458 103
37,231 306	37,231 368	37,231 319	37,231 320	37,231 328	37,231 314
31,257 307	31,257 336	31,257 342	31,257 337	31,257 325	31,257 342
33,620 216	33,620 282	33,620 261	33,620 261	33,620 260	33,620 258
82,253 318	82,253 348	82,253 377	82,253 381	82,253 371	82,253 383
104,689 740	104,689 732	104,689 745	104,689 694	104,689 740	104,689 773
221,011 1522	176,012 1510	176,012 1463	176,012 1464	176,012 1426	176,012 1433
4,657	4,627	4,549	4,543	4,552	4,595





Dave Yost • Auditor of State

TROY CITY SCHOOL DISTRICT

MIAMI 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
DECEMBER 29, 2011**