



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED June 30, 1999**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>(Passed Through Ohio Department of Education)</i>						
Nutrition Cluster:						
Food Distribution Program	N/A	10.550	\$0	\$67,008	\$0	\$64,851
School Breakfast Program	05-PU99	10.553	144,982	0	144,982	0
National School Lunch Program	04-PU99	10.555	564,358	0	564,358	0
Summer Food Service Program		10.559	32,010	0	64,493	0
Total U.S. Department of Agriculture - Nutrition Cluster			741,350	67,008	773,833	64,851
U.S. DEPARTMENT OF EDUCATION						
<i>(Passed Through Ohio Department of Education)</i>						
Special Education Cluster:						
Special Education Grants to States (IDEA Part B)	6B-SF98P	84.027	101,405	0	161,551	0
Special Education - Preschool Grant	PG-S198P	84.173	5,070	0	5,070	0
Total Special Education Cluster			106,475	0	166,621	0
Grants to Local Educational Agencies (ESEA Title I)	C1-S199	84.010	1,515,631	0	1,865,235	0
Drug-Free Schools Grant	DR-S199	84.186	15,211	0	52,676	0
Partnership In Character Education	PI-S199	84.215	11,667	0	8,487	0
Goals 2000	G2-S198P	84.276	57,300	0	6,967	0
Eisenhower Professional Development	MS-S199	84.281	25,065	0	32,306	0
Innovative Educational Program Strategies	C2-S199	84.298	24,474	0	19,518	0
Total Department of Education			1,755,823	0	2,151,810	0
U.S. DEPARTMENT OF JUSTICE						
<i>(Passed Through Montgomery County Juvenile Court)</i>						
Start Right Enhancement	N/A	16.548	27,404	0	13,689	0
Total Federal Assistance			\$2,524,577	\$67,008	\$2,939,332	\$64,851

The accompanying notes to this schedule are an integral part of this schedule.

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
JUNE 30, 1999**

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B -- FOOD DISTRIBUTION

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. At June 30, 1999, the District had no significant food commodities in inventory.

NOTE C -- COMMINGLING OF FEDERAL MONIES

The following federal grant program monies were commingled with state and/or local revenues. It was assumed federal monies were expended first.

<u>Program</u>	<u>CFDA Number</u>
National School Lunch Program	10.555
Start Right Enhancement	16.548



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688

REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Trotwood-Madison City School District
Montgomery County
444 South Broadway
Trotwood, Ohio 45426-3397

To the Board of Education:

We have audited the financial statements of Trotwood-Madison City School District (the District) as of and for the year ended June 30, 1999, and have issued our report thereon dated December 14, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 1999-10357-001 through 1999-10357-003. We also noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 14, 1999.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 14, 1999.

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

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

JIM PETRO
Auditor of State

December 14, 1999



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688

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

Trotwood-Madison City School District
Montgomery County
444 South Broadway
Trotwood, Ohio 45426-3397

To the Board of Education:

Compliance

We have audited the compliance of Trotwood-Madison City School District, Montgomery County, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 1999. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 1999.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 14, 1999.

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the District as of and for the year ended June 30, 1999, and have issued our report thereon dated December 14, 1999. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended for the information of the management, the Board of Education, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



JIM PETRO
Auditor of State

December 14, 1999

SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 1999

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under §.510?	No
(d)(1)(vii)	Major Programs (list):	Nutrition Cluster: Food Distribution Program, CFDA # 10.550, School Breakfast Program, CFDA # 10.553, National School Lunch Program, CFDA # 10.555, Summer Food Service Program, CFDA # 10.559
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

FINDING NUMBER 1999-10357-001

Noncompliance Citation

Ohio Rev. Code Section 5705.39, states the total appropriation from each fund should not exceed the total estimated revenue.

The District had the following funds at July 1, 1998 that had appropriations in excess of estimated resources:

SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 1999

FINDING NUMBER 1999-10357-001 (Continued)

<u>Fund</u>	<u>Appropriations</u>	<u>Estimated Resources</u>	<u>Variance</u>
General	\$20,990,672	\$20,584,504	(\$406,168)
Debt Service	915,190	42,081	(873,109)
Capital Projects	2,890,563	1,276,373	(1,614,190)
Enterprise	1,491,598	1,410,989	(80,609)

By having appropriations exceeding estimated resources, the District has budgeted a deficit in the above referenced funds. To help insure compliance with the above referenced Section of Code and to help ensure the District does not incur a deficit fund balance, the District should review their appropriation resolution and any amendments to ensure that total appropriations are within the amounts certified as available by the County Budget Commission.

FINDING NUMBER 1999-10357-002

Noncompliance Citation

Ohio Rev. Code Section 5705.41 (D) states no subdivision shall make any contract or order any expenditure of money unless the certificate of the fiscal officer is attached. The fiscal officer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury, or in the process of collection to the credit of an appropriate fund free from any previous encumbrances.

Section 5705.41 (D), Revised Code, provides an exception to this requirement:

If no certificate is issued at the time the contract or order is presented for payment, the fiscal officer may authorize payment provided there is appropriated sufficient sum for the purpose of such contract and is in the treasury or process of collection to the credit of an appropriate fund free from a previous encumbrance. If the amount involved is greater than \$1,000, the taxing authority may approve the payment, provided such action is taken within thirty days of the contract date.

For eleven of sixty transactions tested, the date of obligation preceded the date of the fiscal officer's certification. Therefore, the District was in violation of the above provisions, including the exception listed above which indicates the fiscal officer could not properly certify that funds were free from prior encumbrances as is required by the aforementioned Section.

SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 1999

FINDING NUMBER 1999-10357-003

Noncompliance Citation

Ohio Rev. Code Section 5705.41(B), states that no subdivision or taxing unit is to expend money unless it has been appropriated. Expenditures exceeded appropriations in the following funds:

<u>Fund</u>	<u>Function</u>	<u>Object</u>	<u>Appropriation</u>	<u>Expenditures</u>	<u>Variance</u>	<u>Month</u>
General	Support Services	Purchased Services	\$182,417	\$184,417	(\$2,413)	April
	Operation & Maintenance	Supplies & Materials	84,850	119,817	(34,967)	April
Employee Benefits Fund			96,288	126,126	(29,838)	April
General	Special Instruction	Purchased Services	579,747	649,002	(69,255)	June
	Operation & Maintenance	Capital Outlay - Replacement	44,250	51,812	(7,562)	June
District Managed Activities			118,849	119,300	(451)	June
Title VI-B			180,375	243,958	(63,583)	June
Lunchroom			1,338,266	1,381,035	(42,769)	June

As shown in the table above, the District was in violation of the above provision which indicates the fiscal officer did not properly ensure that monies were appropriated before they were expended as is required by the aforementioned Section. The District should monitor expenditures to ensure that all expenditures are within budgeted amounts at the legal level of control as required by Ohio Rev. Code Section 5705.41(B).

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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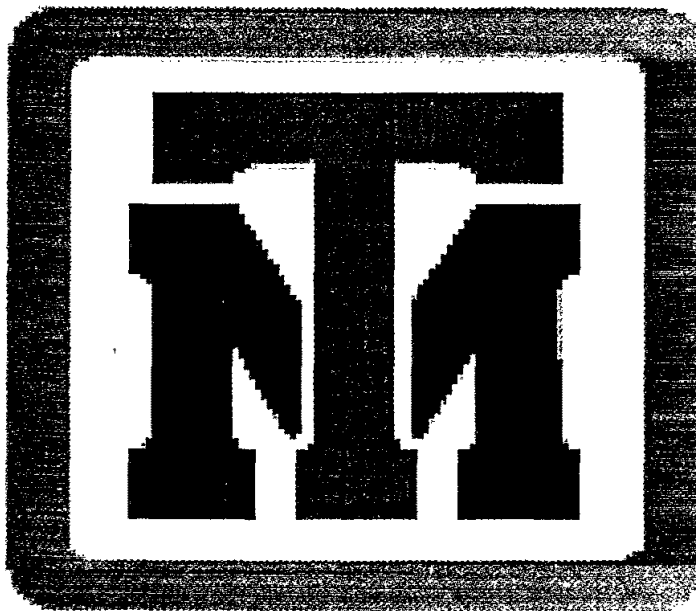
None

SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (B)
JUNE 30, 1999

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain.
1998-10357-001	Revised Code § 5705.412	No	Finding no longer valid.
1998-10357-002	Revised Code § 5705.39	No	Not Corrected. Repeated for current fiscal year.
1998-10357-003	Revised Code § 5705.41(B)	No	Not Corrected. Repeated for current fiscal year.
1998-10357-004	Fixed Asset Records	No	Partially corrected. Management letter comment for current year.
1998-10357-005	Budgetary Statements	Yes	Finding no longer valid.
1998-10357-006	Self Insurance Postings	Yes	Finding no longer valid.
1998-10357-007	Bank Reconciliations	Yes	Finding no longer valid.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

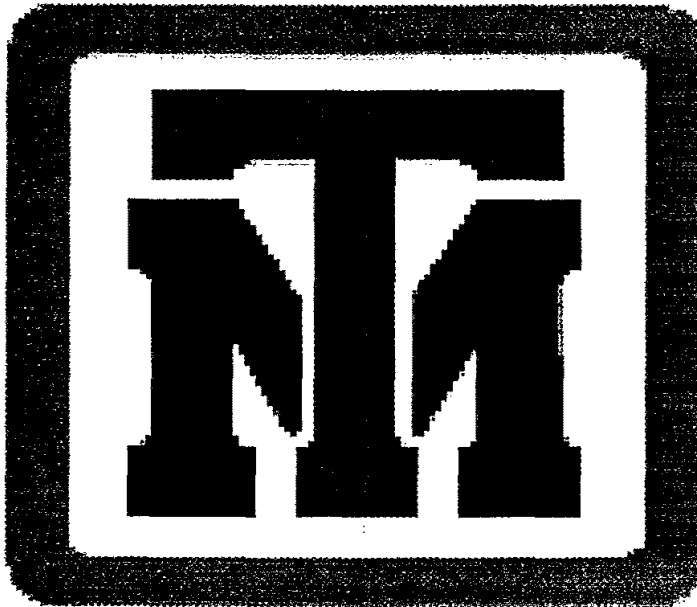
FOR FISCAL YEAR ENDED JUNE 30, 1999



**TROTWOOD-MADISON
CITY SCHOOL DISTRICT, OHIO**
Our Mission is 100% Student Success

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 1999



**TROTWOOD-MADISON
CITY SCHOOL DISTRICT, OHIO**
Our Mission is 100% Student Success

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

TROTWOOD, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 1999

Prepared by:
Office of the Treasurer

Kevin C. Moxley

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INTRODUCTORY SECTION



**TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Fiscal Year Ended June 30, 1999**

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TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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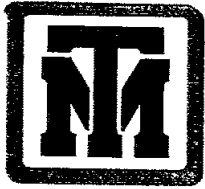
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TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
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TROTWOOD-MADISON CITY SCHOOL DISTRICT

Our Mission Is 100% Student Success!

Samuel C. Brewer, Ph.D.
Superintendent of Schools

Kevin Moxley
Treasurer

Rexann L. Beverly
Curriculum & Instruction

Gary L. Hardman
Pupil Personnel Services

Paul W. King
Human Resources

Daniel L. Shull, Ed.D.
Business & Facilities Services

Broadmoor Academy
701 E. Main Street
Trotwood, Ohio 45426
(937) 854-0361

**Madison Park
Elementary**
301 S. Broadway
Trotwood, Ohio 45426
(937) 854-0560

**Olivehill Accelerated
Learning School**
1250 Olive Road
Trotwood, Ohio 45426
(937) 854-0761

Shilohview Elementary
5600 Elgin Roof Road
Trotwood, Ohio 45426
(937) 854-0959

Townview Elementary
5280 Gardendale Avenue
Dayton, Ohio 45427-2103
(937) 854-2465

**Westbrooke Village
Elementary**
6500 Westford Road
Trotwood, Ohio 45426
(937) 854-3196

**Trotwood-Madison
Middle School**
3594 N. Snyder Road
Trotwood, Ohio 45426
(937) 854-0017

**Trotwood-Madison
Senior High**
221 E. Trotwood Blvd.
Trotwood, Ohio 45426
(937) 854-0878

December 26, 1999

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

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Trotwood-Madison City School District (District). This report is for the fiscal year ended June 30, 1999. The report contains financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for 1998-99 fiscal year.

Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the financial position, results of operation, and cash flows of the various funds and account groups of the District.

This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District.

This report has been divided into three sections:

The Introductory Section: includes a table of contents, this transmittal letter, a list of principal officials and the District's organizational chart.

The Financial Section: includes the unqualified opinion of our independent auditors, Ohio Auditor of State, the general purpose financial statements, and the combining and individual fund and account group financial statements and schedules.

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

This report includes all funds and account groups of the District. The District also acts as fiscal agent for State funds distributed to private schools located within the District boundaries.

Therefore, this fiduciary responsibility is included in the reporting entity as an agency fund. The private schools served is Precious Blood. Because of its independent nature, none of the organizations financial statements are included in this report.

DESCRIPTION OF THE DISTRICT

The District is located approximately 15 miles west of Dayton, Ohio. It serves an area of 29 square miles encompassing the City of Trotwood. The total District population has decreased from 30,586 in 1980 to 29,358 in 1990.

During the 1998-99 school year, the District had 3,998 students enrolled in 6 elementary schools serving grades K-6, 1 middle school serving grades 7-8 and 1 high school serving grades 9-12. This enrollment remained steady as compared to the previous year. The District also operates a variety of other facilities, including a central administration building, bus garage, maintenance building and several sports fields.

The District provides a full range of programs and services for its students. These include elementary and secondary course offerings at the general, vocational and college preparatory levels. A broad range of co-curricular and extra-curricular activities to complement the students' curricular programs are also offered.

ORGANIZATION OF THE DISTRICT

The Board of Education of the Trotwood-Madison City School District (Board) is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body and policy initiator of the operation of the District. The Board is also responsible for the adoption of the tax budget, the annual operating budget and approves all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

The current Board members, their terms and years on the Board as of June 30, 1999 are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mr. John Smith	Jan. 1996 - Dec. 1999	11
Mrs. Annie Haigler	Jan. 1996 - Dec. 1999	3
Mrs. Teena Davis	Jan. 1998 - Dec. 2001	1-1/2
Rev. Joe Whitt	Jan. 1998 - Dec. 2001	1-1/2
Mrs. Debbie Daniel	Jan. 1996 - Dec. 1999	2 mos *

*Mrs. Debbie Daniel was appointed in March of 1999 to serve the remaining term of former Board member Nancy Schaefer, who resigned.

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Dr. Samuel Brewer was initially appointed as Superintendent effective November 1, 1995 and his current contract will expire on July 31, 1999.

The Treasurer is the chief financial officer of the District and is directly responsible to the Board for all financial operations, investments, custody of all District funds and assets, and serves as Secretary to the Board. Mr. Kevin Moxley was initially appointed Treasurer effective March 2, 1998 and his current contract will expire December 31, 2000.

All other District employees are responsible to the Superintendent and are employed by the Board upon the recommendation of the Superintendent.

ECONOMIC CONDITION AND OUTLOOK

The District is located in Montgomery County, West of Dayton. Montgomery County has traditionally had a strong economy with unemployment rates consistently below state and national averages. The area has enjoyed growth during the past year in retail, business and industrial parks, and recreational facilities. There is convenient access to interstate highways I-70 and I-75. The inter city connector St. Rte. 35 was finished in 1999. This corridor is being seen as the gateway to retail growth in western Dayton and the Trotwood area.

In 1995 and 1996, the District passed levies. At 9 and 8.6 mills respectively, the levies generate \$4.2 million annually for general operating purposes. These levies are not permanent and are required to be renewed every five (5) years. The State of Ohio has no inflationary effect built into voted property tax levies. Due to no inflationary increases, the District is sometimes forced to periodically present tax levies to the voters. In the year 2000 the District will be asking the citizens of the Trotwood-Madison City School District to renew the 1995 levy.

MAJOR INITIATIVES

District Goals

The following is the vision the Board has set for the District:

- Develop and implement a marketing program to improve the public image of our schools.
- Develop and implement programs to ensure that all students pass the state proficiency tests.
- Create a positive, energizing learning environment for all students.
- Design and implement methods that will challenge and engage all students in interactive learning.
- Develop and implement programs to better utilize resources available in the community.
- Develop and implement a program to track all graduates regarding their occupational or educational development.
- Initiate creative instructional strategies using multimedia technology.
- Continue to promote a policy of fiscal responsibility which leads to district financial solvency.

The Board and administration will use these goals as benchmarks in planning for the future of the District.

Beliefs Statement

The final goal was the catalyst for the development of the Beliefs Statement below: Drawing on the past, understanding the present and planning for the future assisted the School Board and Management Team in the development of this statement.

WE BELIEVE that learning is a lifelong process.

WE BELIEVE that each individual is unique.

WE BELIEVE that all people are capable of achieving success.

WE BELIEVE that there is strength in diversity.

WE BELIEVE that all people have value.

WE BELIEVE that involvement is essential for a community to be successful.

DEPARTMENTAL FOCUS

Student achievement is the heart and core of our educational program. Everything else exists only to support an environment where student learning and teacher instruction can thrive. The Department of Instruction and Personnel supports student achievement by assuring that there are excellent teachers to work with the children and by making sure instruction is guided by up-to-date, research-based courses of study and quality materials. Their responsibilities include: 1) curriculum planning and implementation; 2) securing appropriate materials to support instruction; 3) monitoring student achievement through districtwide testing; 4) recruiting and hiring teachers and administrators; 5) planning inservice and staff development; 6) monitoring the teacher evaluation process, and; 7) assisting with benefits and compensation.

Curriculum Planning

The Trotwood-Madison City School District is under a five year curriculum review cycle. During the 1998-99 school year, the K-12 Social Studies curriculum was scheduled for revision. Following the Ohio Model for Instruction, a committee of teachers and administrators revised the curriculum to fully align it with the model and the proficiency outcomes. The new curriculum will be implemented beginning with the 2000-01 school year following a year of resource selection and adoption.

The mathematics program had been revised during the 1997-98 school year and was implemented during the 1998-99 school year. The K-6 adoption was Everyday Mathematics, a highly researched mathematics program from the University of Chicago. Teachers participated in extensive staff development, and the district provided a mathematics facilitator for every two buildings to support teachers in utilizing the program. The use of manipulative's and inquiry are the cornerstones of the program. The middle school adoption complemented the elementary adoption and provided a higher level of mathematics reasoning and problem solving. These adjustments will prepare our students for Algebra I, the entry-year mathematics course at the high school level. High school courses were revised and new textbooks and manipulative materials were purchased. Advanced Placement Calculus was added to the high course selection.

The Trotwood-Madison City School District has had an inquiry-based, hands-on science program for several years. Over the past two years, the curriculum has been fully aligned to the state model and to the proficiency outcomes. The elementary teachers mapped the science curriculum by quarter and wrote benchmark assessments to guide instruction and remediation. The middle school science curriculum was rewritten to better prepare students for the proficiency test and new textbooks and materials were purchased. A new chemistry adoption, ChemCom, was implemented at the high school, as well as, interactive technology in the science department.

The language arts program continues to be strong in the District, with reading and writing scores meeting the state benchmarks at the middle school and high school levels. Reading facilitators were hired for each elementary building to assist teachers in utilizing "best practices" in the classroom. Extensive staff developments in the reading and writing process was provided during the summer months.

All-day, every-day kindergarten was provided, for the first year, to every kindergarten student in the District. The kindergarten teachers collaboratively identified the competencies for kindergarten and developed the corresponding assessment instruments to assist in benchmarking and in remediation.

The high school continued its exploration of block scheduling with a recommendation to implement block scheduling beginning in school year 2000-01. The 1999-00 school year will be spent in planning the preparation with consultants on differentiated instruction and interactive teaching.

Staff development remains a priority in the District with a two-hour early release every Wednesday. Building level staff development is focused on data analysis and planning so that every student is profiled and provided appropriate intervention. District foci include teaching strategies, the use of technology and content knowledge. All activities designed to improve proficiency performance are grounded in research on school reform and on results of instructional audits performed in the District.

A main focus for the department has been analysis and interpretation of district test data on the various tests that comprise the districtwide testing program. These include the Riverside Test, the Ohio Proficiency Test, CBE and the SAT and ACT by self-selected students. Using the data and interpretations the department has worked with teachers and principals to focus instruction and staff development in areas where there is the greatest need based on student achievement.

Recruitment goals include working to attract the most qualified staff while at the same time meeting our budget needs. The top priority in filling a position, is adding to our staff a well-trained, creative professional who is dedicated to the philosophy that all students can learn and who possesses the knowledge and skills to excite and impact the learning process.

When selecting a candidate, the District uses teams of teachers and administrators in the interview process. Performance criteria such as teaching demonstration of lessons and completing practical writing assignments may be incorporated in the process. The investment of critical time and energy is paramount to ensure that the best candidate has been selected to teach in the District.

Staff Development

The District is committed to providing opportunities for staff development. As was mentioned, the District uses a two-hour early release program (Wednesdays). Project TRIAD (the approach to learning as that of a pyramid with Curriculum, Instruction and Staff Development on each side of the pyramid and connected to each other), focuses on a District-Wide approach to curriculum. Teachers work together to identify and correct problem area's in curriculum and instruction. Through project TRIAD, proficiency test scores have improved in various area's and student performance has increased tremendously. Project TRIAD is also the forum through which technology is introduced, facilitated and enhanced.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund and account group is a distinct, self-balancing entity. Records for general governmental operations are maintained on a cash basis system of accounting as prescribed by the Ohio Auditor of State. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, as more fully described in the notes to the financial statements, provides for a modified accrual basis of accounting for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, Expendable Trust Fund, Non-Expendable Trust Fund, Internal Service and Agency Funds and for full accrual basis of accounting for all other funds. The District began a conversion to GAAP for financial reporting for the fiscal year ended June 30, 1996.

Internal Controls:

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

Budgetary Controls:

The District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Ohio Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function and object of expenditure within an individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year end are carried forward to succeeding years and are not reappropriated. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

General Fund

The following schedule presents a summary of revenues for the fiscal year ended June 30, 1999 and the amount and percentage of increases and decreases in relation to the 1998 fiscal year:

<u>Revenues by Source</u>	<u>1999 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$5,099,399	26.49%	\$(439,222)	(7.93)%
Intergovernmental	13,283,116	69.00%	1,064,297	8.71%
Investment Revenue	318,853	1.66%	5,997	1.92%
Tuition and Fee's	460,982	2.39%	331,146	255.05%
Other Revenue	87,916	0.46%	(171,056)	(-66.05)%
Total	<u>\$19,250,206</u>	<u>100.00%</u>	<u>\$791,162</u>	<u>4.29%</u>

- In fiscal year 1999 there was a changed in the way schools received funds via the state formula. This caused an increase in the Intergovernmental line item (\$1,064,297). There were changes in how Special Education Children are accounted for in the process, as well as, the increase in Basic Aide from \$3,663 per child (FY98) to \$3,851 per child (FY99).

The following schedule presents a summary of expenditures for the General Fund for the fiscal year ended June 30, 1999 and the amount and percentage of increases or decreases in relation to the 1998 fiscal year:

<u>Expenditures by Function</u>	<u>1999 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Instruction	\$13,245,733	57.72%	\$1,699,251	14.72%
Pupil	908,920	3.96%	62,177	7.34%
Instructional Staff	1,030,673	4.49%	348,235	51.03%
Board of Education	77,614	0.34%	(21,842)	(21.96)%
Administration	1,905,479	8.30%	115,633	6.46%
Fiscal	454,710	1.98%	56,488	14.19%
Business	205,826	0.90%	31,459	18.04%
Operations & Maintenance	2,661,465	11.60%	624,932	30.69%
Pupil Transportation	1,062,835	4.63%	(113,076)	(9.62)%
Central	392,603	1.71%	(243,856)	(38.31)%
Extracurricular	296,002	1.29%	18,861	6.81%
Business	150,408	0.57%	16,868	12.63%
Debt	707,277	3.08%	166,829	30.87%
Total	<u>\$22,949,137</u>	<u>100.00%</u>	<u>\$2,745,091</u>	13.59%

The District spends approximately 78% of its' budget on wages and benefits. In fiscal year 1999, the District was in the second (2nd) year of a 3 year contract in which the teachers and non-teaching staff have and are to receive a 3% salary increase each year of the contract.

Expenditures also increased due the affect a change in the funding formula. The change in how we receive funds for Special Education children resulted in a corresponding increase to service/facilitate the education of these children. This increase was roughly \$600,000.

Expenditures exceeded revenues by \$3,698,931 for the fiscal year ended June 30, 1999. The levies mentioned in the Economic Condition and Outlook section by law are recorded the Special Revenue Fund section. By law these funds although operational are contained in this fund type. These funds (\$4.2 million) are then transferred to the General Fund. Because of the type of levy that generates this revenue, the operational deficit will exist. The Board is considering the option to make these levies permanent and a part of General Fund operational revenue in the future.

Special Revenue Funds

Special Revenue Funds account for certain revenue sources restricted by law or other formal actions to be expended for a specific purpose. The sources are primarily grants and entitlements. All Special Revenue Funds on a combined basis operated with \$7,202,486 in revenues and other resources (net) and \$6,599,676 in expenditures and other uses (net) in 1999.

Capital Projects Funds

In 1995 and 1996 The Trotwood-Madison City School District passed Permanent Improvement levies. The 1995 levy was for the purpose of maintain buildings and making capital purchases. The 1996 levy was for the purpose of purchasing curriculum materials, textbooks and technology. Over a five (5) year period the District has maintained and repaired its facilities, as well as purchasing \$1.4 million worth of computer software and hardware for students and staff. Each levy has to be renewed after five (5) years.. The District operates a Local Area Network (LAN) and has its own website. The District Capital Projects Funds ended the 1999 fiscal year with a balance of \$337,212.

Fiduciary Funds

Trust and Agency Funds require a fiduciary relationship in their management by the District. The Trust Fund currently carried on the records of the District represents an Expendable Trust which may be used for any purpose. Non-Expendable Trust fund accounts for non-expendable donations received by the District in a trustee capacity. These funds include the Student Activities Fund and the Education Foundation. Non-Expendable fund liabilities totaled \$35,970.

Enterprise Funds

The District's Enterprise Funds are the Food Service Fund, Intercession Fund, and Uniform School Supply Fund. These funds are similar in nature to profit making activities found in the private sector and are managed accordingly. District Enterprise Funds operated in 1999 with \$557,235 in operating revenues and recorded a net income of \$93,480.

Internal Service Fund

The District's Internal Service Fund is used to account for the financing of services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis. The Internal Service Fund had net income of \$50,317.

Debt Administration

During fiscal year 1999 the District issued School Bus Anticipation Notes for the purchase of 9 school buses in the amount of \$500,000. In July of 1999, the District entered into the Ohio School Bus Leasing program. This program absorbed the School Bus Anticipation Note and allowed the District to re-finance the buses in a lease/purchase program, facilitated to allow payments for six (6) years.

Cash Management

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. The District utilizes the Star Ohio program investment pool operated by the Treasurer of State for ready cash and yield. Certificates of deposit, treasury notes, bankers acceptances, commercial paper and repurchase agreements are utilized for longer term investments. Interest earned for all funds during the fiscal year was \$318,853.

Risk Management

The District continues to protect its assets through a comprehensive insurance program. A schedule of insurance in force on June 30, 1999 is included in the Statistical Section of this report.

Independent Audit

The State of Ohio requires an annual audit by either the Ohio Auditor of State or by an independent public accounting firm. The Audit was performed by the Ohio Auditor of State for the fiscal year ended June 30, 1999. The auditor's unqualified opinion rendered on the District's general purpose financial statements, and their report on the combining and individual fund statements and schedules, is included in the financial section of this Comprehensive Annual Financial Report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to governments that publish a Comprehensive Annual Financial Report whose contents are easily readable, efficiently organized and conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The District is submitting this report to GFOA to determine its eligibility for a certificate, which is the highest form of recognition in the area of governmental financial reporting.

The District will also seek the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 1999. This award certifies that a Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an extensive review of the report by an expert panel of certified public accountants and practicing school business officials.

Acknowledgments

The preparation of this report was made possible by the services of the entire Treasurer's staff. Our sincere appreciation is extended to Dave Minich of Plattenburg and Associates, Inc., for his time in this endeavor, The Ohio Auditor of State personnel and the many administrators that contributed to the completion of the CAFR. Finally, the support and commitment to excellence by the Trotwood-Madison Board of Education was vital to the continuing efforts being made to improve our financial management and reporting.

Sincerely,



Kevin C. Moxley
Treasurer

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 1999

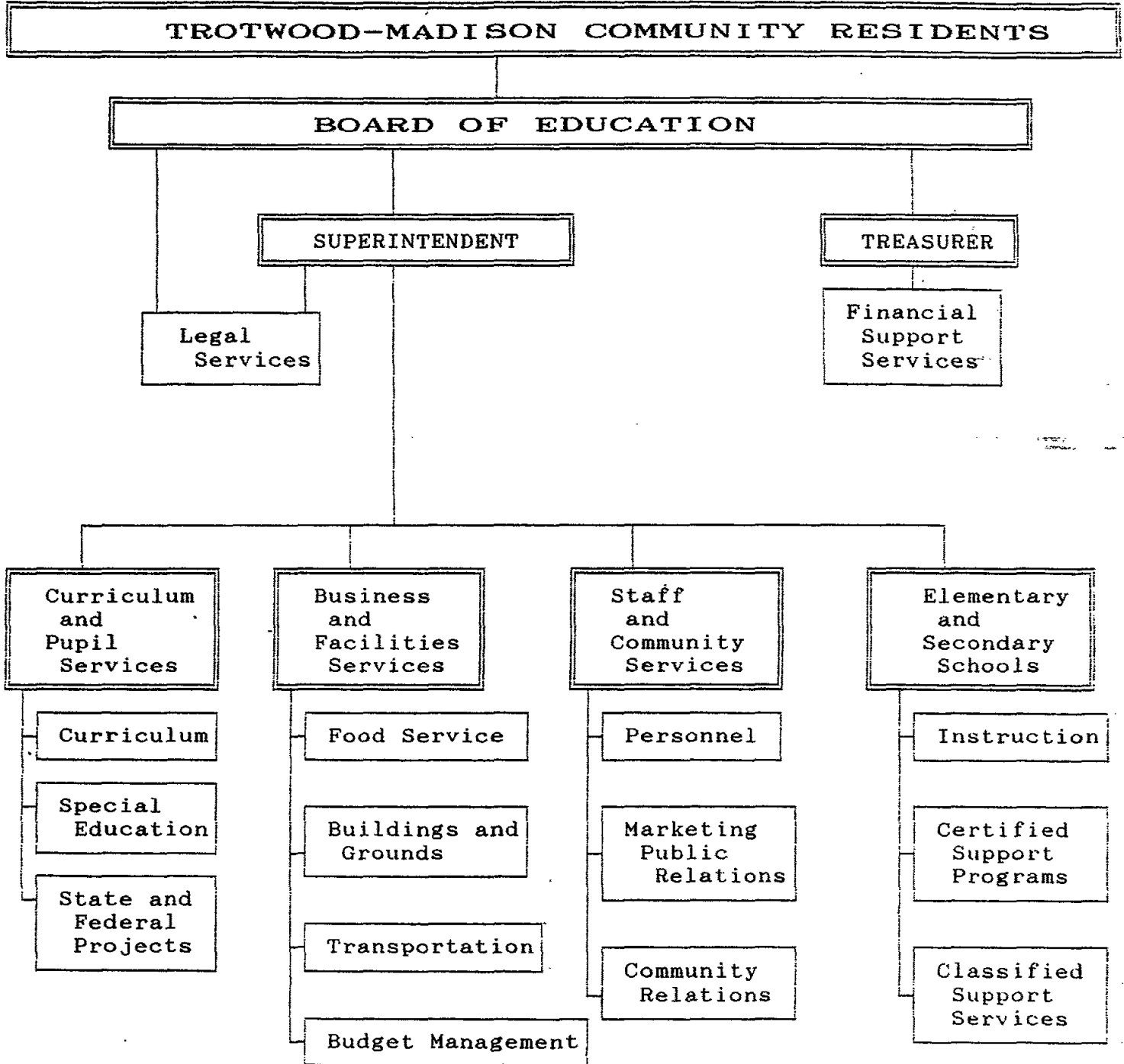
BOARD OF EDUCATION

President Mr. John Smith
Vice President.....Mr. Annie Haigler
Board MemberMrs. Teena Davis
Board MemberMrs. Debbie Daniel
Board MemberRev. Joseph Whitt

ADMINISTRATIVE OFFICIALS

SuperintendentDr. Samuel Brewer
Treasurer Mr. Kevin Moxley
Business Manager..... Dr. Daniel Shull
Director of Human Resources Mr. Paul King
Director of Pupil PersonnelMr. Gary Hardman
Public Information Officer Mrs. Keisha Mitchell
Director of Curriculum and Instruction Mrs. Rexann Beverly

TROTWOOD-MADISON CITY SCHOOLS ORGANIZATIONAL CHART



Adopted: September, 1990

FINANCIAL SECTION



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688

REPORT OF INDEPENDENT ACCOUNTANTS

Trotwood-Madison City School District
Montgomery County
444 South Broadway
Trotwood, Ohio 45426-3397

To the Board of Education:

We have audited the accompanying general purpose financial statements of the Trotwood-Madison City School District, Montgomery County, (the District) as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 1999, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the District, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents, *are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general purpose financial statements taken as a whole.*

As described in Note 17 to the financial statements, the District changed its method of estimating compensated absences from the termination method to the vesting method.

We did not audit the data included in the statistical section of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

December 14, 1999

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GENERAL PURPOSE FINANCIAL STATEMENTS

The general purpose financial statements of the District include the basic combined financial statements, presented by fund type and account group, and notes to the financial statements that are essential to the fair presentation of financial position, results of operations and cash flows.

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combined Balance Sheet
 All Fund Types and Account Groups
 June 30, 1999

GOVERNMENTAL FUND TYPES

	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS:				
Equity in pooled cash and investments	\$1,837,953	\$3,762,662	\$0	\$757,592
Restricted cash	81,076	0	0	0
Receivables:				
Taxes	6,712,153	4,785,480	0	687,396
Interfund receivable	0	87,000	92,259	5,000
Inventory held for resale	0	0	0	0
Fixed assets (net, where applicable, of accumulated depreciation)	0	0	0	0
Other debits:				
Amount available in debt service fund for retirement of general obligation bonds	0	0	0	0
Amount to be provided from general government resources	0	0	0	0
TOTAL ASSETS AND OTHER DEBITS	8,631,182	8,635,142	92,259	1,449,988
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
Liabilities				
Accounts payable	176,263	137,614	0	8,380
Claims payable	0	0	0	0
Accrued wages and benefits	2,312,940	272,678	0	0
Compensated absences payable	180,695	8,190	0	0
Interfund payable	177,829	1,650	0	4,780
Deferred revenue	6,583,735	4,672,623	0	674,040
Due to students	0	0	0	0
Capital leases payable	0	0	0	0
Interest payable	25,500	0	0	0
Notes payable	0	0	0	1,100,000
Total liabilities	9,456,962	5,092,755	0	1,787,200
Fund equity and other credits:				
Investment in general fixed assets	0	0	0	0
Retained earnings:				
Unreserved	0	0	0	0
Fund balances:				
Reserved:				
Reserved for property taxes	128,418	112,857	0	13,356
Reserved for encumbrances	768,947	360,825	0	255,928
Reserved for set-aside	81,076	0	0	0
Unreserved:				
Undesignated	(1,804,221)	3,068,705	92,259	(606,496)
Total fund equity and other credits	(825,780)	3,542,387	92,259	(337,212)
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	\$8,631,182	\$8,635,142	\$92,259	\$1,449,988

See accompanying notes

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS			Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations		
\$78,217	\$35,438	\$120,447	\$0	\$0		\$6,592,309
0	0	0	0	0		81,076
0	0	0	0	0		12,185,029
0	0	0	0	0		184,259
31,334	0	0	0	0		31,334
41,260	0	0	17,545,326	0		17,586,586
0	0	0	0	92,259		92,259
0	0	0	0	3,845,750		3,845,750
<u>150,811</u>	<u>35,438</u>	<u>120,447</u>	<u>17,545,326</u>	<u>3,938,009</u>		<u>40,598,602</u>
15,773	0	2,204	0	0		340,234
0	36,707	0	0	0		36,707
128,891	0	0	0	148,601		2,863,110
28,770	0	0	0	1,048,306		1,265,961
0	0	0	0	0		184,259
7,395	0	0	0	0		11,937,793
0	0	33,766	0	0		33,766
0	0	0	0	823,688		823,688
0	0	0	0	0		25,500
0	0	0	0	1,917,414		3,017,414
<u>180,829</u>	<u>36,707</u>	<u>35,970</u>	<u>0</u>	<u>3,938,009</u>		<u>20,528,432</u>
0	0	0	17,545,326	0		17,545,326
(30,018)	(1,269)	0	0	0		(31,287)
0	0	0	0	0		254,631
0	0	0	0	0		1,385,700
0	0	0	0	0		81,076
0	0	84,477	0	0		834,724
<u>(30,018)</u>	<u>(1,269)</u>	<u>84,477</u>	<u>17,545,326</u>	<u>0</u>		<u>20,070,170</u>
<u>\$150,811</u>	<u>\$35,438</u>	<u>\$120,447</u>	<u>\$17,545,326</u>	<u>\$3,938,009</u>		<u>\$40,598,602</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
 Combined Statement of Revenues, Expenditures
 And Changes in Fund Balances
 All Governmental Fund Types and Expendable Trust Fund
 For The Fiscal Year Ended June 30, 1999

	GOVERNMENTAL FUND TYPES				FIDUCIARY
	General	Special Revenue	Debt Service	Capital Projects	FUND TYPE Expendable Trust
Revenues:					
Taxes	\$5,099,339	\$3,793,490	\$0	\$515,525	\$0
Intergovernmental	13,283,116	3,257,199	0	333,600	0
Investment revenue	318,853	0	0	24,344	946
Tuition and fees	460,982	0	0	0	0
Extracurricular activities	0	142,497	0	0	0
Other revenues	87,916	9,300	0	26,321	7,570
Total revenues	19,250,206	7,202,486	0	899,790	8,516
Expenditures:					
Current:					
Instruction:					
Regular	9,481,224	358,947	0	1,743	0
Special	3,562,931	1,391,730	0	0	0
Vocational	180,911	0	0	0	0
Other	20,667	0	0	0	0
Support services:					
Pupil	908,920	93,657	0	0	0
Instructional Staff	1,030,673	730,990	0	131,860	0
Board of Education	77,614	0	0	0	0
Administration	1,905,479	2,948	0	0	0
Fiscal	454,710	56,272	0	7,568	0
Business	205,826	0	0	53	0
Operations and maintenance	2,651,465	0	0	128,481	0
Pupil Transportation	1,062,835	0	0	497,287	0
Central	392,603	97,354	0	376,052	0
Operation of non-instructional services	1,892	65,077	0	0	2,450
Extracurricular activities	294,110	163,284	0	0	0
Capital outlay	0	0	0	46,536	0
Debt Service:					
Principal retirement	515,460	268,744	37,029	0	0
Interest and fiscal charges	191,817	50,673	5,051	25,500	0
Total Expenditures	22,949,137	3,279,676	42,080	1,215,080	2,450
Excess of revenues over (under) expenditures	(3,698,931)	3,922,810	(42,080)	(315,290)	6,066
Other financing sources (uses):					
Proceeds of Sales of Fixed Assets	2,196	0	0	0	0
Operating transfers in	3,320,000	0	0	25,500	0
Operating transfers (out)	(25,500)	(3,320,000)	0	0	0
Total other financing sources (uses)	3,296,696	(3,320,000)	0	25,500	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(402,235)	602,810	(42,080)	(289,790)	6,066
Fund balance, July 1	(423,545)	2,939,577	134,339	(47,422)	14,443
Fund balance, June 30	(\$825,780)	\$3,542,387	\$92,259	(\$337,212)	\$20,509

See accompanying notes

Totals
(Memorandum
Only)

\$9,408,354
16,873,915
344,143
460,982
142,497
131,107

27,360,998

9,841,914
4,954,661
180,911
20,667

1,002,577
1,893,523
77,614
1,908,427
518,550
205,879
2,789,946
1,560,122
866,009

69,419
457,394
46,536

821,233
273,041

27,488,423

(127,425)

2,196
3,345,500
(3,345,500)

2,196

(125,229)

2,617,392

\$2,492,163

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
 Combined Statement of Revenues, Expenditures
 And Changes in Fund Balances
 Budget and Actual (Non-GAAP Budgetary Basis)
 All Governmental Fund Types
 For the Fiscal Year Ended June 30, 1999

	General			Special Revenue		
	Budget	Actual	Variance: Favorable (Unfavorable)	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Taxes	\$5,233,892	\$5,233,892	\$0	\$3,911,862	\$3,911,862	\$0
Intergovernmental	13,283,116	13,283,116	0	3,327,679	3,257,199	(70,480)
Interest	319,841	319,841	0	0	0	0
Tuition & fees	460,982	460,982	0	0	0	0
Extracurricular activities	0	0	0	142,497	142,497	0
Other revenues	87,916	87,916	0	9,300	9,300	0
Total revenues	19,385,747	19,385,747	0	7,391,338	7,320,858	(70,480)
Expenditures:						
Current:						
Instruction:						
Regular	9,710,197	9,619,227	90,970	606,117	461,973	144,144
Special	3,907,758	3,734,906	172,852	1,754,129	1,679,497	74,632
Vocational	243,828	231,880	11,948	0	0	0
Other	25,334	20,854	4,480	0	0	0
Support services						
Pupil	906,353	889,876	16,477	109,535	95,575	13,960
Instructional staff	1,109,801	1,060,063	49,738	1,236,255	729,023	507,232
Board of Education	106,580	83,973	22,607	0	0	0
Administration	1,900,974	1,843,280	57,694	4,321	2,948	1,373
Fiscal	558,029	444,493	113,536	63,837	56,272	7,565
Business	220,023	195,726	24,297	6,085	0	6,085
Operation and maintenance	2,928,103	2,988,162	(60,059)	0	0	0
Pupil transportation	1,219,018	1,112,526	106,492	0	0	0
Central	546,810	423,748	123,062	427,991	414,874	13,117
Operation of Non-Instructional services	0	849	(849)	65,605	96,394	(30,789)
Extracurricular activities	318,340	298,515	19,825	216,904	184,081	32,823
Capital outlay	0	0	0	0	0	0
Debt Service:						
Principal retirement	520,385	515,459	4,926	0	0	0
Interest and fiscal charges	89,376	191,817	(102,441)	0	0	0
Total expenditures	24,310,909	23,655,354	655,555	4,490,779	3,720,637	770,142
Excess of revenues over (under) expenditures	(4,925,162)	(4,269,607)	655,555	2,900,559	3,600,221	699,662
Other financing sources (uses):						
Proceeds of notes	0	0	0	0	0	0
Proceeds from sale of fixed assets	2,196	2,196	0	0	0	0
Operating transfers in	3,575,327	3,575,327	0	0	0	0
Operating transfers out	0	(255,327)	(255,327)	(4,818,047)	(3,320,000)	1,498,047
Advances in	350,569	350,569	0	251,650	251,650	0
Advances (out)	0	(256,430)	(256,430)	(59,819)	(350,569)	(290,750)
Total other financing sources (uses)	3,928,092	3,416,335	(511,757)	(4,626,216)	(3,418,919)	1,207,297
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(997,070)	(853,272)	143,798	(1,725,657)	181,302	1,906,959
Fund balance, July 1	1,841,663	1,841,663	0	3,084,138	3,084,138	0
Fund balance, June 30	\$844,593	\$988,391	\$143,798	\$1,358,481	\$3,265,440	\$1,906,959

See accompanying notes

Debt Service			Capital Projects		
Budget	Actual	Variance: Favorable (Unfavorable)	Budget	Actual	Variance: Favorable (Unfavorable)
\$0	\$0	\$0	\$529,513	\$529,513	\$0
0	0	0	333,600	333,600	0
0	0	0	24,344	24,344	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	26,321	26,321	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>913,778</u>	<u>913,778</u>	<u>0</u>
0	0	0	31,023	17,626	13,397
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	131,860	131,860	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	7,358	7,568	(210)
0	0	0	0	53	(53)
0	0	0	123,701	248,066	(124,365)
0	0	0	55,200	497,287	(442,087)
0	0	0	465,424	528,443	(63,019)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	1,257,547	140,636	1,116,911
37,029	37,029	0	25,000	0	25,000
5,052	5,052	0	4,200	0	4,200
<u>42,081</u>	<u>42,081</u>	<u>0</u>	<u>2,101,313</u>	<u>1,571,539</u>	<u>529,774</u>
<u>(42,081)</u>	<u>(42,081)</u>	<u>0</u>	<u>(1,187,535)</u>	<u>(657,761)</u>	<u>529,774</u>
0	0	0	500,000	500,000	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	(102,000)	0	102,000
0	0	0	4,780	4,780	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>402,780</u>	<u>504,780</u>	<u>102,000</u>
(42,081)	(42,081)	0	(784,755)	(152,981)	631,774
<u>42,081</u>	<u>42,081</u>	<u>0</u>	<u>646,543</u>	<u>646,543</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$138,212)</u>	<u>\$493,562</u>	<u>\$631,774</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combined Statement of Revenues, Expenses

And Changes in Retained Earnings/Fund Balance

All Proprietary Fund Types and Non-Expendable Trust Fund

For The Fiscal Year Ended June 30, 1999

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	Totals (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
Operating revenues:				
Tuition and fees	\$88,271	\$0	\$0	\$88,271
Charges for services	468,964	141,414	0	610,378
Investment revenue	0	0	3,538	3,538
Other revenues	0	0	100	100
Total revenues	557,235	141,414	3,638	702,287
Operating expenses:				
Salaries and wages	547,914	0	0	547,914
Fringe benefits	174,495	0	0	174,495
Purchased services	30,454	15,356	0	45,810
Materials and supplies	738,647	0	0	738,647
Depreciation	17,329	0	0	17,329
Claims expense	0	76,103	0	76,103
Other operating expenses	0	0	2,751	2,751
Total operating expenses	1,508,839	91,459	2,751	1,603,049
Operating income (loss)	(951,604)	49,955	887	(900,762)
Non-operating revenues:				
Federal donated commodities	64,851	0	0	64,851
Operating grants	793,273	0	0	793,273
Investment revenue	0	362	0	362
Miscellaneous revenue	0	0	0	0
Total non-operating revenues	858,124	362	0	858,486
Net income	(93,480)	50,317	887	(42,276)
Retained earnings/Fund balance, July 1	63,462	(51,586)	63,081	74,957
Retained earnings/Fund balance, June 30	<u>(\$30,018)</u>	<u>(\$1,269)</u>	<u>\$63,968</u>	<u>\$32,681</u>

See accompanying notes

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combined Statement Of Cash Flows

All Proprietary Fund Types and Non-Expendable Trust Fund

For The Fiscal Year Ended June 30, 1999

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	Totals (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
Cash flows from operating activities:				
Cash received from tuition and fees	\$88,271	\$0	\$0	\$88,271
Cash received from charges of services	468,964	141,414	0	610,378
Cash received from other revenues	0	0	100	100
Cash payments to suppliers for goods and services	(31,101)	(15,356)	0	(46,457)
Cash payments to employees for services	(708,714)	0	0	(708,714)
Cash payments for other operating expenses	(676,085)	(131,860)	(2,751)	(810,696)
Net cash provided by (used for) operating activities	(858,665)	(5,802)	(2,651)	(867,118)
Cash flows from noncapital financing activities:				
Operating grants received	793,273	0	0	793,273
Net cash provided by noncapital financing activities	793,273	0	0	793,273
Cash flows from capital and related financing activities				
Acquisition of capital assets	(33,480)	0	0	(33,480)
Net cash used for capital and related financing activities	(33,480)	0	0	(33,480)
Cash flows from investing activities:				
Interest on investments	0	362	3,538	3,900
Net cash provided by investing activities	0	362	3,538	3,900
Net increase in cash and cash equivalents	(98,872)	(5,440)	887	(103,425)
Cash and cash equivalents, July 1	177,089	40,878	63,081	281,048
Cash and cash equivalents, June 30	78,217	35,438	63,968	177,623

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combined Statement Of Cash Flows

All Proprietary Fund Types and Non-Expendable Trust Fund

For The Fiscal Year Ended June 30, 1999

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	Totals (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	(951,604)	49,955	887	(900,762)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	17,329	0	0	17,329
Donated commodities used	64,851	0	0	64,851
Investment revenue	0	0	(3,538)	(3,538)
Changes in assets and liabilities:				
(Increase) decrease in inventory held for resale	(12,163)	0	0	(12,163)
Increase (decrease) in accounts payable	7,069	0	0	7,069
Increase (decrease) in claims payable	0	(55,757)	0	(55,757)
Increase (decrease) in accrued wages and benefits	24,717	0	0	24,717
Increase (decrease) in compensated absences	(11,022)	0	0	(11,022)
Increase (decrease) in deferred revenue	2,158	0	0	2,158
Total adjustments	92,939	(55,757)	(3,538)	33,644
Net cash provided by (used for) operating activities	<u>(\$858,665)</u>	<u>(\$5,802)</u>	<u>(\$2,651)</u>	<u>(\$867,118)</u>

Reconciliation of non-expendable trust fund to balance sheet:

Cash and cash equivalents - All Fiduciary Funds	\$120,447
Cash and cash equivalents - Expendable Trust and Agency Funds	<u>56,479</u>
Cash and cash equivalents - Non-expendable Trust Fund	<u>\$63,968</u>

See accompanying notes

TROTWOOD-MADISON CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 1999

1. DESCRIPTION OF THE DISTRICT

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

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

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

A. Reporting Entity

The reporting entity is comprised of the primary government. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Trotwood-Madison City School District, this includes instruction, student guidance, extracurricular activities, educational media and care and upkeep of grounds and buildings of the District. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e. the District) are financially accountable. The District would consider an organization to be a component unit if:

1. The District appointed a voting majority of the organization's governing body; and (a) was able to impose its will on that organization; or (b) there was a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the District; or
2. The organization was fiscally dependent upon the District; or
3. The nature of the relationship between the District and the organization was such that the exclusion from the financial reporting entity would render the financial statements misleading.

The District has no component units.

The District is associated with Metropolitan Dayton Education Computer Association, Southwestern Ohio Educational Purchasing Counsel, and Miami Valley Career Technology Center, which are defined as jointly governed organizations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Fund Accounting Basis of Presentation

The accounts of the District are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

Governmental Fund Types - Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (except for those accounted for in Proprietary and Fiduciary Fund types) are accounted for through Governmental Funds. The following are the District's Governmental Fund Types:

General Fund - Is the general operating fund of the District and it is used to account for all financial resources except those required by law to be accounted for in another fund.

Special Revenue Funds - Are used to account for the proceeds of specific revenue sources (other than Expendable Trust or major Capital Projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs; and for the payment of interest on general obligation notes payable, as required by Ohio Law.

Capital Projects Funds - Is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Fund Types - Proprietary Funds are used to account for the District's ongoing activities which are similar to those most often found in the private sector. The following are the District's Proprietary Fund Types:

Enterprise Funds - Are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or, (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds - Are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis.

Fiduciary Fund Types - Fiduciary Funds are used for the assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Expendable Trust and Agency Funds. Expendable Trust Funds are accounted for essentially the same as Governmental Funds. Nonexpendable Trust Funds are accounted for in essentially the same manner as proprietary funds. Agency Funds are custodial in nature (assets equal liabilities and thus do not involve measurement of results of operations).

Account Groups - To make a clear distinction between fixed assets related to specific funds and those of general government and between long-term liabilities related to specific funds and those of general nature, the following account groups are used:

General Fixed Assets Account Group - This group of accounts is established to account for all fixed assets of the District, other than those accounted for in Proprietary Funds and Nonexpendable Trust Funds.

General Long-Term Obligations Account Group - This group of accounts is established to account for all long-term obligations of the District, except those accounted for in Proprietary Funds and Nonexpendable Trust Funds.

B. Measurement Focus and Basis of Accounting

Measurement Focus: Governmental Fund types and Expendable Trust Funds are accounted for on a spending, or "current financial resources" measurement focus. Governmental Fund types and Expendable Trust Funds operating statements represent increases and decreases in net current assets. Their reported fund balances are considered a measure of available spendable resources.

Proprietary Fund types are accounted for on a cost of services, or "economic resources" measurement focus. Proprietary Fund type income statements represent increases and decreases in net total assets.

Basis of Accounting - The modified accrual basis of accounting is followed for Governmental, Expendable Trust and Agency Funds. Under this basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures for the current period, which for the District is 60 days after fiscal year end. Revenue considered susceptible to accrual includes, but is not limited to property taxes available for advance, interest, tuition and state and federal grants. Property taxes measurable but neither available to finance the current fiscal year expenditures, nor intended to finance the current year expenditures are deferred revenue. Expenditures are recognized in the period in which the related fund liability is incurred, except interest on long-term debt which is recorded when due.

Proprietary Funds and Non-Expendable Trust Funds are accounted for on the accrual basis of accounting. Revenue is recognized in the period earned and expenses are recognized in the period incurred.

C. Budgetary Data

Budgetary Basis of Accounting - The District's budgetary process accounts for certain transactions on a basis other than GAAP. The major difference between the budget basis and the GAAP basis are:

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- (2) Expenditures are recorded when encumbered, or paid in cash (budget), as opposed to when susceptible to accrual (GAAP).

The actual results of operations, compared to the final appropriation, for each fund type by expenditure function and revenue by source are presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual (non-GAAP Budgetary Basis). The reserve for encumbrances is carried forward as part of the budgetary authority for the next year and is included in the revised budget amounts shown in the budget to actual comparisons. 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 appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each function for the General Fund. The legal level of budgetary control for all Governmental Funds (except for the General Fund), Proprietary Funds and Trust Funds is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The specific timetable is as follows:

Prior to January 15 of the preceding fiscal year, the Treasurer submits 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 expressed 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 County Budget Commission for tax rate determination.

Prior to March 15, 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 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 a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final Amended Certificate.

By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function and object level of expenditures, which are legal levels of budgetary control for the General Fund. The legal level of budgetary control for all Governmental Funds (except for the General Fund), Proprietary Funds and Trust Funds is at the fund level. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year). Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.

Any revisions that alter the total of any fund appropriation at the legal levels of budgetary control must be approved by the Board of Education.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions.

Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriation amounts. All supplemental appropriations were legally enacted by the Board.

Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditure plus encumbrances may not legally exceed budgeted appropriations at the legal levels of budgetary control.

D. Encumbrances

Encumbrance accounting is utilized by District funds in the normal course of operations for purchase orders and contract related expenditures. An encumbrance is a reserve on the available spending authority due to commitment for a future expenditure and does not represent a liability. For Governmental Fund types, encumbrances outstanding at fiscal year-end are reported on the combined balance sheet as a reserve of the fund balance on a GAAP Basis and for all funds as the equivalent of expenditures/expenses on a non-GAAP budgetary basis in order to demonstrate legal compliance.

E. Cash and Investments

Cash received by the District is deposited in a cash and investment pool used by all funds. Monies for all funds are maintained in these accounts or are temporarily used to purchase short-term cash equivalent investments. State Statute authorizes the District to invest in obligations of the U.S. Treasury, commercial paper and repurchase agreements. Under existing Ohio statutes, all investment earnings accrue to the General Fund except those specifically related to Agency Funds, certain Trust Funds, and those funds individually authorized by Board resolution.

For purposes of the Statement of Cash Flows (GASB Statement No. 9) all highly liquid investments with a maturity of three months or less when acquired, are considered to be cash equivalents and are included under the heading "Equity in pooled cash and investments".

During fiscal year 1999 investments included Money Market Mutual Funds, overnight repurchase agreements, Star Ohio and various government obligations through the Dayton Foundation. These investments are stated at fair value as determined by quoted market prices, except for repurchase agreements. For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with original maturities of three months or less and investments of the cash management pool are considered to be cash equivalents.

The District has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 1999. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 1999.

Under existing Ohio statutes, all investment earnings are distributed to the General Fund except those specifically related to certain trust funds, and those funds individually authorized by Board resolution. Interest revenue credited to the general fund during fiscal year 1999 amounted to \$318,853.

F. Restricted Cash

Restricted cash in the general fund represents cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. During fiscal year 1999, the set aside for the budget stabilization reserve equaled \$81,076.

Restricted cash in Capital Project funds represents cash in escrow account which is restricted by an escrow agreement to payment of escrow agent fees and acquisition of equipment.

G. Estimates

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

H. Inventory (Materials and Supplies)

Inventories of the Enterprise Funds are valued at lower of cost (first-in, first-out method) or market and are determined by physical count. Inventories of Proprietary Funds consist of materials and supplies and are expensed when used.

I. Fixed Assets and Depreciation

1. General Fixed Assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the General Fixed Assets Account Group. Donated fixed assets are recorded at their fair market values as of the date donated. No depreciation is recognized for assets in the General Fixed Assets Account Group. The District does not possess any infrastructure.
2. Proprietary Funds - Equipment reflected in the Proprietary Funds are stated at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date donated. Depreciation has been provided, where appropriate, on a straight-line basis over the following estimated useful lives:

Building Improvements	20 - 40 years
Machinery & Equipment	5 - 20 years
Vehicles	5 - 10 years

J. Intergovernmental Revenues

In Governmental Funds, entitlements (to the extent they are intended to finance the current fiscal year) and non-reimbursable grants are recorded as receivables and revenue when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Grants for Proprietary Fund operations are recognized as revenue when measurable and earned.

K. Compensated Absences

GASB Statement No. 16 specifies that compensated absences should be accrued as they are earned by employees if both of the following conditions are met:

1. The employee's right to receive compensation is attributable to services already rendered.
2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District had identified as probable of receiving payment in the future. The amount is based on the accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy.

For Governmental Funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the respective Governmental Fund. Amounts that are not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Obligations Account Group. Compensated absences of Proprietary Funds are recorded as an expense and liability of the respective Proprietary Fund.

L. Interfund Transactions

During the course of normal operations, the District has numerous transactions between funds. The most significant include:

1. Routine transfers of resources from one fund to another fund through which resources to be expended are recorded as operating transfers.
2. Reimbursements from one fund to another fund are treated as expenditures/expenses in the reimbursing fund and as a reduction in expenditures/expenses in the reimbursed fund.
3. Short-term interfund loans are reflected as interfund loans payable/receivable, while long-term interfund loans (greater than one year in length) are recorded as advances to/from other funds.

M. Long-Term Obligations

Long-term debt is recognized as a liability of a Governmental Fund when due, or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, including unpaid pension obligations, only that portion expected to be financed from expendable available resources is reported as a fund liability of a Governmental Fund. The remaining portion of such obligations is reported in the General Long-Term Obligation Account Group.

Long-term liabilities expected to be financed from Proprietary Fund operations are accounted for in those funds.

N. Fund Balance Reserves

The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available spendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, property taxes and budgetary set-asides required under Ohio law.

O. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principals. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

P. Proprietary Fund Accounting

In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting", the District applies all GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

3. EQUITY IN POOLED CASH AND INVESTMENTS

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments". State Statute requires the classification of monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the School District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits of interim monies. Interim monies are 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. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

State legislation permits interim monies to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time;
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

At year end the carrying amount of the District's deposits was (\$371,969). The bank balance of deposits was \$286,382 and of the bank balance, \$218,445 was covered by federal depository insurance. The remaining amounts were uninsured and uncollateralized as defined by GASB. Although the securities were held by the pledging financial institutions' trust department in the School District's name and all statutory requirements for the investment of the money had been followed, noncompliance with the federal requirements would potentially subject the money held in the School District's name to a successful claim by the FDIC.

The District's investments are categorized to give an indication of the level of risk assumed by the entity at year end.

CATEGORY 1 includes investments that are issued, registered, or held by the District or its agent in the District's name.

CATEGORY 2 includes uninsured and unregistered investments held by the counterparty's trust department or agent in the District's name.

CATEGORY 3 includes uninsured and unregistered investments held by the counterparty, or by its department or agent, but not in the District's name.

Based on the above criteria, the District's investments at year end are classified as follows:

	Category <u>2</u>	Category <u>3</u>	Carrying Value / <u>Fair Value</u>
Escrow	\$ 29,466	\$ 0	\$29,466
Repurchase Agreements	0	296,173	296,173
U.S. Obligations	0	470,331	470,331
Education Foundation	14,320	0	14,320
(1) STAR Ohio	0	0	5,088,548
(1) Money Market Mutual Fund	<u>0</u>	<u>0</u>	<u>1,146,092</u>
Total	<u>\$43,786</u>	<u>\$766,504</u>	<u>\$7,044,930</u>

(1) These are unclassified investments because they are not evidenced by securities that exist in physical or book entry form.

Reconciliation of GASB 9 and 3:

	<u>Depositories/ Cash & Cash Equivalents</u>	<u>Investments</u>
GASB 9 Equity in Pooled Cash and Investments	\$6,592,309	0
GASB 9 Restricted Cash	81,076	0
Escrow	(29,466)	29,466
Cash on Hand	(424)	0
Repurchase Agreements	(296,173)	296,173
U.S. Obligations	(470,331)	470,331
Education Foundation	(14,320)	14,320
STAR Ohio	(5,088,548)	5,088,548
Money Market Mutual Funds	<u>(1,146,092)</u>	<u>1,146,092</u>
GASB 3	<u>(\$371,969)</u>	<u>\$ 7,044,930</u>

4. PROPERTY TAXES

Property taxes include amounts levied against real, public utility and tangible personal (business) property. The assessed value, by property classification, upon which taxes collected in 1999 were based, are as follows:

	<u>1998 Second - Half Collections</u>	<u>1999 First - Half collections</u>
Agriculture/Residential and Other Real Estate	\$140,284,980	\$142,002,518
Public Utility Personal	16,721,950	16,267,380
Tangible Personal Property	27,167,304	25,556,964
Commercial/Industrial	<u>65,505,560</u>	<u>68,337,150</u>
Total	<u>\$249,679,794</u>	<u>\$252,163,742</u>
	<u>Percent</u>	<u>Percent</u>
Tax rate (Full) per \$1,000 of assessed valuation	53.74%	53.74%
 <u>Tax Rate (Adjusted for H.B.920 Tax Reduction Factors) per \$1,000 of assessed real property valuation</u>		
Residential/Agricultural	39.69%	39.71%
Commercial/Industrial	42.48%	42.62%

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

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

The County Auditor remits portions of the taxes collected with periodic settlements of Real and Public Utility property taxes in February and August and Tangible Personal Property Taxes in June and October to all taxing districts.

The School District receives property taxes from the County Auditor. 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, 1999 are available to finance fiscal year 2000 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 1999. 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 year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations.

5. FIXED ASSETS

A summary of the General Fixed Assets Account Group at the year end follows:

<u>Class</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Land	\$ 348,397	\$ 0	\$ 0	\$ 348,397
Buildings	10,873,697	0	0	10,873,697
Equipment	<u>5,457,431</u>	<u>865,801</u>	<u>0</u>	<u>6,323,232</u>
TOTAL	<u>\$16,679,525</u>	<u>\$ 865,801</u>	<u>\$ 0</u>	<u>\$17,545,326</u>

A summary of the Proprietary Fund fixed assets at year end follows:

Equipment	\$269,035
Less Accumulated Depreciation	(<u>227,775</u>)
Net Fixed Assets	<u>\$ 41,260</u>

6. CAPITALIZED LEASES

In prior years the District has entered into lease agreements for copiers. These leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified

and are reflected as debt service in the Combined Financial Statements for the governmental funds. These expenditures are reflected as function expenditures on a budgetary basis. General fixed assets acquired by lease have been capitalized in the general fixed asset account group in an amount equal to the present value of the future minimum lease payments at the time of acquisition which is \$823,688. These are classified as equipment in the general fixed asset account group. A corresponding liability was recorded in the general long-term debt account group.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 1999.

Fiscal Year Ending June 30,	General Long-Term Debt
2000	325,566
2001	323,441
2002	<u>239,563</u>
Total Minimum Lease Payments	\$888,570
Less: Amount Representing Interest	<u>(64,882)</u>
Present Value of Minimum Lease Payments	<u>\$823,688</u>

7. CHANGES IN THE GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

During the year ended June 30, 1999, the following changes occurred in debt reported in the General Long-Term Obligations Account Group:

	<u>Balance Beginning of Year</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance End of Year</u>
Accrued Wages & Benefits	\$ 183,155	\$ 0	(\$ 34,554)	\$ 148,601
Capital Leases	1,100,818	0	(277,130)	823,688
Compensated Absences	1,489,713	0	(441,407)	1,048,306
Notes Payable	<u>2,485,071</u>	<u>0</u>	<u>(567,657)</u>	<u>1,917,414</u>
TOTAL	<u>\$5,258,757</u>	<u>\$ 0</u>	<u>(\$1,320,748)</u>	<u>\$3,938,009</u>

The notes payable will be paid through the general, debt service and capital projects Funds.

The capital lease obligation will be repaid from the General and Capital Projects Funds. Compensated absences will be paid from the fund from which the person is paid if the funds are available, otherwise, from the General Fund.

The accrued wages and benefits represent the long-term portion of the pension obligations payable to the School Employees Retirement System.

Principal and interest requirements to retire the District's long-term general obligations outstanding at June 30, 1999 are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2000	597,812	101,964
2001	552,035	66,152
2002	514,942	33,824
2003	101,500	12,895
2004	46,500	7,527
2005-2007	<u>104,625</u>	<u>7,364</u>
Total	<u>\$1,917,414</u>	<u>\$229,726</u>

8. INTERFUND ACTIVITY

As of June 30, 1999, receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund Type / Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 0	\$177,829
Special Revenue Fund:		
Title I	87,000	0
Extracurricular Activities	0	1,650
Capital Projects:		
Permanent Improvement	5,000	0
Emergency Loan Repair	0	4,780
Debt Service:		
Bond Retirement	<u>92,259</u>	<u>0</u>
Total All Funds	<u>\$184,259</u>	<u>\$184,259</u>

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 State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 N. Fourth Street, Columbus, Ohio 43215.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. For fiscal year 1998, 9.45 percent was the portion used to fund pension obligations. The contribution requirements of plan member and employers are established and may be amended, up to statutory maximum amounts, by the SERS Retirement Board. The School District's contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$507,144, \$472,470, and \$465,444 respectively; 50 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$253,764 representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds.

B. State Teachers Retirement System

The School District participates in the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basis retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issue a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing the State Teachers Retirement System, 275 E. Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District is required to contribute 14 percent; 10.5 percent was the portion used to fund pension obligations. The School District's contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998 and 1997 were \$1,476,288, \$1,447,380, and \$1,508,472 respectively; 82.7 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$255,712 representing the unpaid contribution for fiscal year 1999, is

recorded as a liability within the respective funds.

10. **POSTEMPLOYMENT BENEFITS**

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

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by the STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. The Health Care Reserve Fund allocation for the year ended June 30, 1999, will be 8 percent of covered payroll. For the School District, this amount equaled \$843,593 during fiscal year 1999

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2,156 million at June 30, 1998. For the year ended June 30, 1998, net health care costs paid by STRS were \$219,224,000 and STRS had 91,999 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to maximum of 75 percent of the premium.

For the fiscal year, employer contributions to fund health care benefits were 4.98 percent of covered payroll, an increase from 4.21 percent for fiscal year 1998. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1998, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 125 percent of annual health care expenses. Expenses for health care at June 30, 1998, were \$111,900,575 and the target level was \$139.9 million. At June 30, 1998 SERS had net assets available for payment of health care benefits of \$160.3 million. SERS had approximately 50,000 participants currently receiving health care benefits. For the School District, the amount to fund health care benefits, including the surcharge, equaled \$234,013 during the 1999 fiscal year.

11. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The School District maintains three enterprise funds to account for the operations of food service, uniform supplies and rotary. The table below reflects the more significant financial data relating to the enterprise funds of the District as of and for the current year ended.

	<u>Food Service</u>	<u>Uniform Supplies</u>	<u>Intercession</u>	<u>Total</u>
Operating Revenues	\$ 468,964	\$88,271	\$ 0	\$ 557,235
Operating Expenses less Depreciation	1,379,479	112,031	0	1,491,510
Depreciation Expense	17,329	0	0	17,329
Operating Income (Loss)	(927,844)	(23,760)	0	(951,604)
Donated Commodities	64,851	0	0	64,851
Operating Grants	793,273	0	0	793,273
Net Income (Loss)	(69,720)	(23,760)	0	(93,480)
Net Working Capital	(132,215)	35,232	1,766	95,217
Total Assets	110,900	38,145	1,766	150,811
Total Liabilities	117,916	2,913	0	180,829
Total Equity	(67,016)	35,232	1,766	(30,018)

12. BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations and changes in fund balance/retained earnings 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 and disbursements. The main difference between the budget basis and GAAP basis are:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as note disclosures in the proprietary fund types (GAAP basis).
4. Proceeds from the principal payment on bond and tax anticipation notes are reported on the operating statement (budget basis) rather than on the balance sheet (GAAP basis).

Reconciliation of Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses From GAAP Basis to Budgetary Basis:

<u>Governmental Fund Types</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>
GAAP Basis	(\$402,235)	\$602,810	(\$42,080)	(\$289,790)
Net Adjustment for Revenue Accruals	741,437	370,022	0	493,268
Net Adjustment for Expenditure Accruals	(263,383)	(294,283)	(1)	(92,427)
Encumbrances	<u>(929,091)</u>	<u>(497,247)</u>	<u>0</u>	<u>(264,032)</u>
Budgetary Basis	<u>(\$853,272)</u>	<u>\$181,302</u>	<u>(\$42,081)</u>	<u>(\$152,981)</u>

13. COMPLIANCE AND ACCOUNTABILITY

Fund Deficits and Deficits in Retained Earnings:

Fund balances/Retained Earnings at June 30, 1999, included the following deficits, which were created by the application of generally accepted accounting principles:

	<u>Deficit Fund Balance/ Deficit in Retained Earnings</u>
General Fund	\$825,780
Special Revenue Funds:	
Title VI-B	65,547
Title I	722
Drug Free Schools	6,244
Capital Projects Fund	
Permanent Improvement	573,086
Emergency Loan Repair Program	4,780
Enterprise:	
Food Service	67,016
Internal Service:	
Employee Benefits Self Insurance	1,269

Noncompliance:

- Ohio Revised Code Section 5705.39, states the total appropriation from each fund should not exceed the total estimated revenue.

The District had the following funds at July 1, 1998 that had appropriations in excess of estimated revenue:

<u>Fund</u>	<u>Appropriations</u>	<u>Estimated Revenue</u>	<u>Variance</u>
General	\$20,990,672	\$20,584,504	(\$406,168)
Debt Service	915,190	42,081	(873,109)
Capital Projects	2,890,583	1,276,373	(1,614,190)
Enterprise	1,491,598	1,410,989	(80,609)

- 2 The District did not execute Section 5705.412 certificates for the negotiated agreement, temporary appropriation measure, and the first amended appropriation measure.
- 3 Ohio Revised Code Section 5705.41(D), states that no order or contracts involving the expenditure of money is to be made unless there is attached thereto a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

Ohio Revised Code 5705.41(D)(1) provides that if prior certification of funds by the fiscal officer was not obtained before the contract or order involving the expenditure of money was made, as described above, then the fiscal officer may instead certify that there was at the time of the making of such contract or order and at that the time of the execution of such certificate a sufficient sum appropriated for the purpose of such contract and in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances.

- 4 Ohio Revised Code Section 5705.41(B), states that no subdivision or taxing unit is to expend money unless it has been appropriated.

<u>Fund</u>	<u>Appropriation</u>	<u>Expenditures</u>	<u>Variance</u>	<u>Month</u>
Employee Benefits Fund	\$96,288	\$126,126	(29,838)	April
District Managed Activities	118,849	119,300	(451)	June
Title VI-B	180,375	243,958	(63,583)	June
Lunchroom	1,338,266	1,381,035	(42,769)	June

14. CONTINGENT LIABILITIES

Grants - The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. Management is unable to estimate possible claims resulting from such audits until the audits have been completed. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual

fund types included herein or on the overall financial position of the District.

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

15. JOINTLY GOVERNED ORGANIZATIONS

Metropolitan Dayton Education Computer Association - The School District is a member of the Metropolitan Dayton Educational Computer Association (MDECA), which is a computer consortium of area school districts sharing computer resources. MDECA is an association of public school districts in a geographical area determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative instructional functions among member districts. The Board of MDECA consists of one representative from each of the participating members. Each member pays an annual membership fee plus any other fees for services performed by the consortium.

Southwestern Ohio Educational Purchasing Counsel - The School District is a member of the Southwestern Ohio Educational Purchasing Counsel (SOEPC). The purpose of the counsel is to obtain prices for quality merchandise and services commonly used by schools within geographical boundaries as defined by the SOEPC and to serve as a resource to member districts on matters related to business operations. The SOEPC elects one of its members as Chairperson and another as Vice-Chairperson. An Executive Committee is comprised of eleven members which include the Chairperson and Vice-Chairperson and a representative from the Fiscal Agent. Each new member pays an initiation fee in addition to the annual membership fee and other appropriate assessments.

Miami Valley Career Technology Center - The Miami Valley Career Technology Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the seven participating school districts elected boards, which possesses its own budgeting and taxing authority.

16. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During the fiscal year 1999, the School District contracted with Nationwide Insurance Company for building and property insurance. This policy has a limit of insurance in the amount of \$53,503,700 for property. Property has a \$1,000 deductible. Vehicle insurance is covered by Nationwide Insurance for replacement cost with no deductible for comprehensive and a \$250 deductible for collision. General liability insurance is under Nationwide Insurance. The base policy has a \$2,000,000 per occurrence and a \$5,000,000 aggregate limit. The treasurer and business director are bonded.

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

The District has elected to provide employee dental benefits through a self insured program. During fiscal years 1997 and 1998, the District also provided medical benefits through the program. The District currently provides medical benefits through an insurance contract with Anthem Blue Cross Blue Shield. The District maintains an Employee Benefits Internal Service Fund to account for and finance its uninsured risks of loss in this program. The District utilizes a third party administrator, United Medical Resources, to review all claims which are then paid by the District. Employees are required to share in the costs of the plan along with the District.

The claims liability of \$36,707 reported in the fund at June 30, 1999, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonable estimated. Changes in the fund's claims liability amount in fiscal years 1997, 1998, and 1999 were as follows:

	Balance at <u>July 1</u>	Current Year <u>Claims</u>	Claim <u>Payments</u>	Balance at <u>June 30</u>
1996/1997	\$272,216	\$1,154,315	\$1,212,565	\$213,966
1997/1998	213,966	92,464	213,966	92,464
1998/1999	92,464	36,707	80,126	36,707

17. APPLICATION OF ACCOUNTING PRINCIPLE

During the year the District changed its method of calculating compensated absences payable. In previous years the District had been calculating compensated absences payable using the termination method. For fiscal year 1999, the District used the vesting method. The reason for changing methods is to provide a more accurate reflection of compensated absences payable liability likely to be incurred.

The effect of the change is as follows:

<u>Fund Type/ Account Group</u>	<u>Beginning Balance- Termination Method</u>	<u>Increase (Decrease)</u>	<u>Ending Balance- Vesting Method</u>
Enterprise	\$39,792	(\$11,022) (1)	\$28,770
General Long Term Debt	1,489,714	(441,407) (2)	1,048,306

(1) includes the cumulative effect of a change in application of accounting principle of (\$8,160)

(2) includes the cumulative effect of a change in application of accounting principle of (\$406,465)

18. STATE SCHOOL FUNDING DECISION

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program", which provides significant amount of monetary support to the District. During the fiscal year ended June 30, 1999, the District received \$12,111,950 of school foundation support for its general fund, and \$13,320,780 in total (all funds) support.

The Court also declared the Emergency School Loan Assistance Program unconstitutional. The Emergency Loan Program allowed the School District to borrow money from a commercial financial institution with repayments going directly to the lender from the State through withholding a portion of the School District's future school foundation payments. During fiscal year 1994, the District borrowed \$2,713,000 under this program, the final payment of this note will be made in fiscal year 2002.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State Legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. At this time, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas in Perry County has been stayed by the Ohio Supreme Court, and as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this ongoing litigation will have on its future state funding under this program and on its financial operations.

19. YEAR 2000 ISSUE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the government's operations as early as fiscal 1999.

The District has completed an inventory of computer systems and other equipment necessary to conducting District operations and has identified such systems as being financial reporting, payroll and employee benefits, and educational statistics reporting (through the State's Education Management and Information System (EMIS)).

The District uses the State of Ohio Uniform School Accounting System software for its financial reporting, and the State of Ohio Uniform Staff Payroll System software for its payroll and employee benefits. The State is responsible for remediating these systems.

The State of Ohio distributes a substantial sum of money to the District in the form of "Foundation" and federal and state grant payments. Further, the State processes a significant amount of financial and nonfinancial information about the District through EMIS. The State is responsible for remediating these systems.

County collects property taxes for distribution to the District. The County is responsible for remediating the tax collection system and is solely responsible for all associated costs.

There were no remaining contracted amounts committed to this project as of June 30, 1999. All compliance costs to date have been covered under current hardware and software support agreements with vendors. Additional costs for year 2000 compliance will be appropriated as required for fiscal year 1999.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District is or will be Year 2000 ready, that District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be year 2000 ready.

20. STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 1999, the reserve activity (cash-basis) was as follows:

	Textbooks and Instructional Materials <u>Reserve</u>	Budget Stabilization <u>Reserve</u>	Capitol Acquisition and Maintenance <u>Reserve</u>	<u>Total</u>
Balance, 7/1/99	\$ 0	\$81,076	\$ 0	\$81,076
Required Set-Aside	347,735	0	347,735	695,470
Offset Credits	0	0	0	0
Qualifying Expenditures	<u>(347,735)</u>	<u>0</u>	<u>(347,735)</u>	<u>(695,470)</u>
Balance, 6/30/99	<u>\$ 0</u>	<u>\$81,076</u>	<u>\$ 0</u>	<u>\$81,076</u>

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

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GENERAL FUND

The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of the State of Ohio.

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

General Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$5,233,892	\$5,233,892	\$0
Intergovernmental	13,283,116	13,283,116	0
Interest	319,841	319,841	0
Tuition and fees	460,982	460,982	0
Other revenues	87,916	87,916	0
Total revenues	19,385,747	19,385,747	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	6,948,867	6,877,688	71,179
Fringe benefits	1,775,543	1,854,407	(78,864)
Purchased services	238,269	210,750	27,519
Materials and supplies	645,642	601,049	44,593
Capital outlay - new	52,041	37,985	14,056
Capital outlay - replacement	42,621	31,953	10,668
Other expenditures	7,214	5,395	1,819
Total regular	9,710,197	9,619,227	90,970
Special:			
Salaries and wages	1,623,281	1,549,166	74,115
Fringe benefits	427,541	419,825	7,716
Purchased services	743,708	649,002	94,706
Materials and supplies	31,128	25,208	5,920
Capital outlay - new	11,840	8,814	3,026
Capital outlay - replacement	260	0	260
Other expenditures	1,070,000	1,082,891	(12,891)
Total special	3,907,758	3,734,906	172,852
Vocational:			
Salaries and wages	192,070	191,271	799
Fringe benefits	39,511	39,756	(245)
Purchased services	2,359	25	2,334
Materials and supplies	6,745	828	5,917
Capital outlay - new	629	0	629
Capital outlay - replacement	2,514	0	2,514
Total vocational	243,828	231,880	11,948
Other:			
Salaries and wages	20,967	17,292	3,675
Fringe benefits	4,367	3,562	805
Total other	25,334	20,854	4,480

Continued

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

General Fund (Continued)

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Support services:			
Pupil:			
Salaries and wages	664,982	661,577	3,405
Fringe benefits	164,258	158,735	5,523
Purchased services	39,866	35,277	4,589
Materials and supplies	20,112	18,908	1,204
Capital outlay - new	7,343	6,596	747
Capital outlay - replacement	9,392	8,383	1,009
Other expenditures	400	400	0
Total pupil	<u>906,353</u>	<u>889,876</u>	<u>16,477</u>
Instructional staff:			
Salaries and wages	592,003	585,220	6,783
Fringe benefits	177,238	173,122	4,116
Purchased services	115,531	104,568	10,963
Materials and supplies	200,265	176,971	23,294
Capital outlay - new	10,192	7,450	2,742
Capital outlay - replacement	13,472	11,678	1,794
Other expenditures	1,100	1,054	46
Total instructional staff	<u>1,109,801</u>	<u>1,060,063</u>	<u>49,738</u>
Board of Education:			
Salaries and wages	14,797	16,320	(1,523)
Fringe benefits	202	183	19
Purchased services	39,433	34,466	4,967
Materials and supplies	2,100	2,003	97
Other expenditures	50,048	31,001	19,047
Total board of education	<u>106,580</u>	<u>83,973</u>	<u>22,607</u>
Administration:			
Salaries and wages	1,288,955	1,287,806	1,149
Fringe benefits	338,722	332,452	6,270
Purchased services	223,498	183,867	39,631
Materials and supplies	32,154	25,093	7,061
Capital outlay - new	3,517	1,567	1,950
Capital outlay - replacement	10,544	9,274	1,270
Other expenditures	3,584	3,221	363
Total school administration	<u>1,900,974</u>	<u>1,843,280</u>	<u>57,694</u>
Fiscal:			
Salaries and wages	222,462	222,948	(486)
Fringe benefits	67,855	64,339	3,516
Purchased services	21,038	17,700	3,338
Materials and supplies	11,629	8,092	3,537
Capital outlay - new	6,508	5,757	751
Capital outlay - replacement	3,000	2,700	300
Other expenditures	225,537	122,957	102,580
Total fiscal	<u>558,029</u>	<u>444,493</u>	<u>113,536</u>

Continued

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 General Fund (Continued)
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Business:			
Salaries and wages	144,272	142,959	1,313
Fringe benefits	30,733	30,982	(249)
Purchased services	27,161	12,730	14,431
Materials and supplies	5,707	4,248	1,459
Capital outlay - new	200	75	125
Capital outlay - replacement	11,450	4,317	7,133
Other expenditures	500	415	85
Total business	220,023	195,726	24,297
Operations and maintenance:			
Salaries and wages	1,003,734	995,854	7,880
Fringe benefits	329,655	316,425	13,230
Purchased services	1,333,887	1,463,503	(129,616)
Materials and supplies	199,917	146,045	53,872
Capital outlay - new	15,000	13,606	1,394
Capital outlay - replacement	44,250	51,812	(7,562)
Other expenditures	1,660	917	743
Total operations and maintenance	2,928,103	2,988,162	(60,059)
Pupil transportation:			
Salaries and wages	669,448	648,310	21,138
Fringe benefits	217,265	205,044	12,221
Purchased services	116,356	68,421	47,935
Materials and supplies	139,004	124,332	14,672
Capital outlay - new	40,860	11,951	28,909
Capital outlay - replacement	25,000	45,030	(20,030)
Other expenditures	11,085	9,438	1,647
Total pupil transportation	1,219,018	1,112,526	106,492
Central:			
Salaries and wages	317,855	216,557	101,298
Fringe benefits	40,795	41,887	(1,092)
Purchased services	171,081	152,222	18,859
Materials and supplies	15,779	13,042	2,737
Capital outlay - replacement	1,100	0	1,100
Other operating expenses	200	40	160
Total central	546,810	423,748	123,062
Operation of Non-Instructional Services:			
Community services:			
Fringe benefits	0	849	(849)
Total community services	0	849	(849)
Total operation of non-instructional services	0	849	(849)

Continued

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

General Fund (Continued)

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Extracurricular activities:			
Academic and subject oriented activities:			
Salaries and wages	24,697	25,101	(404)
Fringe benefits	5,936	5,368	568
Total academic and subject oriented activities	<u>30,633</u>	<u>30,469</u>	<u>164</u>
Sports oriented activities:			
Salaries and wages	228,290	206,850	21,440
Fringe benefits	39,197	37,033	2,164
Purchased services	5,028	5,759	(731)
Total sports oriented activities	<u>272,515</u>	<u>249,642</u>	<u>22,873</u>
School and Public Service:			
Salaries and wages	13,443	16,154	(2,711)
Fringe benefits	1,749	2,250	(501)
Total School and Public Service	<u>15,192</u>	<u>18,404</u>	<u>(3,212)</u>
Total extracurricular activities	<u>318,340</u>	<u>298,515</u>	<u>19,825</u>
Debt Service			
Principal retirement	520,385	515,459	4,926
Interest and fiscal charges	89,376	191,817	(102,441)
Total debt service	<u>609,761</u>	<u>707,276</u>	<u>(97,515)</u>
Total expenditures	<u>24,310,909</u>	<u>23,655,354</u>	<u>655,555</u>
Excess of revenues over expenditures	<u>(4,925,162)</u>	<u>(4,269,607)</u>	<u>655,555</u>
Other financing sources (uses):			
Proceeds of sale of fixed assets	2,196	2,196	0
Operating transfers in	3,575,327	3,575,327	0
Advances in	350,569	350,569	0
Advances Out	0	(256,430)	(256,430)
Operating transfers (out)	0	(255,327)	(255,327)
Total other financing sources (uses)	<u>3,928,092</u>	<u>3,416,335</u>	<u>(511,757)</u>

Continued

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

General Fund (Continued)

For the Fiscal Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(997,070)	(853,272)	143,798
Fund balance, July 1 (includes prior year encumbrances appropriated)	1,841,663	1,841,663	0
Fund balance, June 30	<u>\$844,593</u>	<u>\$988,391</u>	<u>\$143,798</u>

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:

EMERGENCY LEVY: To account for revenue and expenditures of the emergency levy.

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

OTHER GRANTS: To account for funds provided by the state for miscellaneous district programs.

VENTURE CAPITAL GRANT: To account for state funds which are provided for the venture capital program.

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

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

READING RECOVERY: To account for state funds provided for the reading recovery program.

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

PROFESSIONAL DEVELOPMENT: To account for monies which are provided to professional development.

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

DISADVANTAGED PUPIL IMPACT AID: To account for the provision of state funds to economically deprived pupils. The funds are grants designed to help level out the economic differences between students.

TEXTBOOK SUBSIDY: To account for state funds which are provided for the textbook subsidy program.

READING IMPROVEMENT GRANT: To account for state funds provided for the reading improvement program.

EISENHOWER GRANT: To account for federal funds used in the training of teachers in new techniques and methodologies in the areas of mathematics and science.

TITLE VIB/PRE-SCHOOL: To account for federal funds received for the purpose of assisting in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternate service patterns, and provision of full educational opportunities to handicapped children at preschool.

TECHNOLOGY PREPARATION AWARENESS GRANT: To account for funds provided for the technology preparation awareness grant.

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

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

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

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

GOALS 2000: To provide support to meet needs of individuals in their first year of teaching and to prepare them for performance assessment.

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TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
June 30, 1999

	Emergency Levy	Public School Support	Other Grants	Venture Capital Grant
Assets				
Equity in pooled cash and investments	\$2,900,746	\$87,259	\$14,663	\$9,273
Receivables:				
Interfund	0	0	0	0
Taxes	4,785,480	0	0	0
Total Assets	<u>7,686,226</u>	<u>87,259</u>	<u>14,663</u>	<u>9,273</u>
Liabilities				
Accounts payable	0	4,375	1,026	974
Accrued wages and benefits	0	0	0	0
Compensated absences	0	0	0	0
Interfund payable	0	0	0	0
Intergovernmental payable	0	0	0	0
Deferred revenue	4,672,623	0	0	0
Total liabilities	<u>4,672,623</u>	<u>4,375</u>	<u>1,026</u>	<u>974</u>
Fund balances:				
Reserved:				
Reserved for property taxes	112,857	0	0	0
Reserved for encumbrances	0	7,465	3,390	5,204
Unreserved:				
Undesignated	2,900,746	75,419	10,247	3,095
Total fund equity (deficit)	<u>3,013,603</u>	<u>82,884</u>	<u>13,637</u>	<u>8,299</u>
Total Liabilities and fund equity	<u>\$7,686,226</u>	<u>\$87,259</u>	<u>\$14,663</u>	<u>\$9,273</u>

Extracurricular Activities	Auxiliary Service	Reading Recovery	Career Development	Professional Development Grant	Management Information
\$12,379	\$28,293	\$17,548	\$5,297	\$17,531	\$8,094
0	0	0	0	0	0
0	0	0	0	0	0
<u>12,379</u>	<u>28,293</u>	<u>17,548</u>	<u>5,297</u>	<u>17,531</u>	<u>8,094</u>
5,361	166	3,591	125	0	0
0	25,525	0	0	0	0
0	0	0	0	0	0
1,650	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>7,011</u>	<u>25,691</u>	<u>3,591</u>	<u>125</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
3,980	398	12,103	915	8,315	0
1,388	2,204	1,854	4,257	9,216	8,094
<u>5,368</u>	<u>2,602</u>	<u>13,957</u>	<u>5,172</u>	<u>17,531</u>	<u>8,094</u>
<u>\$12,379</u>	<u>\$28,293</u>	<u>\$17,548</u>	<u>\$5,297</u>	<u>\$17,531</u>	<u>\$8,094</u>

Continued

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
June 30, 1999

	Disadvantaged Pupil Impact Aid	Textbook Subsidy	Reading Improvement Grant	Eisenhower Grant
Assets				
Equity in pooled cash and investments	\$394,810	\$0	\$2,724	\$13,287
Receivables:				
Interfund	0	0	0	0
Taxes	0	0	0	0
Total Assets	<u>394,810</u>	<u>0</u>	<u>2,724</u>	<u>13,287</u>
Liabilities				
Accounts payable	1,958	0	243	0
Accrued wages and benefits	43,070	0	0	0
Compensated absences	0	0	0	0
Interfund payable	0	0	0	0
Intergovernmental payable	0	0	0	0
Deferred revenue	0	0	0	0
Total liabilities	<u>45,028</u>	<u>0</u>	<u>243</u>	<u>0</u>
Fund balances:				
Reserved:				
Reserved for property taxes	0	0	0	0
Reserved for encumbrances	203	0	254	7,881
Unreserved:				
Undesignated	349,579	0	2,227	5,406
Total fund equity (deficit)	<u>349,782</u>	<u>0</u>	<u>2,481</u>	<u>13,287</u>
Total Liabilities and fund equity	<u>\$394,810</u>	<u>\$0</u>	<u>\$2,724</u>	<u>\$13,287</u>

Title VI-B Pre-School	Technology Preparation Awareness Grant	Title I	Title VI	Drug Free Shools	EHA Pre-School
\$18,554	\$271	\$151,081	\$9,934	\$2,624	\$0
0	0	87,000	0	0	0
0	0	0	0	0	0
<u>18,554</u>	<u>271</u>	<u>238,081</u>	<u>9,934</u>	<u>2,624</u>	<u>0</u>
82,151	0	36,791	0	557	0
1,950	0	193,822	0	8,311	0
0	0	8,190	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>84,101</u>	<u>0</u>	<u>238,803</u>	<u>0</u>	<u>8,868</u>	<u>0</u>
0	0	0	0	0	0
0	0	304,669	1,000	2,845	0
(65,547)	271	(305,391)	8,934	(9,089)	0
<u>(65,547)</u>	<u>271</u>	<u>(722)</u>	<u>9,934</u>	<u>(6,244)</u>	<u>0</u>
<u>\$18,554</u>	<u>\$271</u>	<u>\$238,081</u>	<u>\$9,934</u>	<u>\$2,624</u>	<u>\$0</u>

Continued

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
June 30, 1999

	Goals 2000	Totals
Assets		
Equity in pooled cash and investments	\$68,294	\$3,762,662
Receivables:		
Interfund	0	87,000
Taxes	0	4,785,480
Total Assets	<u>68,294</u>	<u>8,635,142</u>
Liabilities		
Accounts payable	296	137,614
Accrued wages and benefits	0	272,678
Compensated absences	0	8,190
Interfund payable	0	1,650
Intergovernmental payable	0	0
Deferred revenue	0	4,672,623
Total liabilities	<u>296</u>	<u>5,092,755</u>
Fund balances:		
Reserved:		
Reserved for property taxes	0	112,857
Reserved for encumbrances	2,203	360,825
Unreserved:		
Undesignated	65,795	3,068,705
Total fund equity (deficit)	<u>67,998</u>	<u>3,542,387</u>
Total Liabilities and fund equity	<u>\$68,294</u>	<u>\$8,635,142</u>

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TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

And Changes in Fund Balances

ALL SPECIAL REVENUE FUNDS

For The Fiscal Year Ended June 30, 1999

	Emergency Levy	Public School Support	Other Grants	Venture Capital Grant
Revenues:				
Taxes	\$3,793,490	\$0	\$0	\$0
Intergovernmental	218,553	0	0	50,000
Investment Revenue	0	0	0	0
Tuition and fees	0	0	0	0
Extracurricular activities	0	64,409	0	0
Other revenues	0	0	6,800	0
Total revenues	4,012,043	64,409	6,800	50,000
Expenditures:				
Current:				
Instruction:				
Regular	0	0	1,348	0
Special	0	0	0	0
Vocational	0	0	0	0
Other	0	0	0	0
Support services:				
Pupil	0	0	967	0
Instructional Staff	0	0	2,628	49,037
Administration	0	0	0	0
Fiscal	56,272	0	0	0
Operations and maintenance	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	125	0
Operation of non-instructional services				
Extracurricular activities	0	51,554	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Total Expenditures	56,272	51,554	5,068	49,037
Excess of revenues over (under) expenditures	3,955,771	12,855	1,732	963
Other financing sources (uses):				
Operating transfers in	0	0	0	0
Operating transfers (out)	(3,320,000)	0	0	0
Total other financing sources (uses)	(3,320,000)	0	0	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	635,771	12,855	1,732	963
Fund balance, July 1	2,377,832	70,029	11,905	7,336
Fund balance, June 30	\$3,013,603	\$82,884	\$13,637	\$8,299

Extracurricular Activities	Auxiliary Service	Reading Recovery	Career Development	Professional Development Grant	Management Information
\$0	\$0	\$0	\$0	\$0	\$0
0	164,355	0	11,380	18,518	11,484
0	0	0	0	0	0
0	0	0	0	0	0
78,088	0	0	0	0	0
0	0	100	0	2,400	0
<u>78,088</u>	<u>164,355</u>	<u>100</u>	<u>11,380</u>	<u>20,918</u>	<u>11,484</u>
0	0	0	0	378	0
0	0	3,801	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	10,621	0	0
0	118,580	0	0	1,916	0
0	0	0	0	2,800	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	13,189
0	62,754	0	0	0	0
111,730	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>111,730</u>	<u>181,334</u>	<u>3,801</u>	<u>10,621</u>	<u>5,094</u>	<u>13,189</u>
<u>(33,642)</u>	<u>(16,979)</u>	<u>(3,701)</u>	<u>759</u>	<u>15,824</u>	<u>(1,705)</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(33,642)	(16,979)	(3,701)	759	15,824	(1,705)
39,010	19,581	17,658	4,413	1,707	9,799
<u>\$5,368</u>	<u>\$2,602</u>	<u>\$13,957</u>	<u>\$5,172</u>	<u>\$17,531</u>	<u>\$8,094</u>

Continued

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

And Changes in Fund Balances

ALL SPECIAL REVENUE FUNDS

For The Fiscal Year Ended June 30, 1999

	Disadvantaged Pupil Impact Aid	Textbook Subsidy	Reading Improvement Grant	Eisenhower Grant
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental	964,375	55,787	50,000	25,065
Investment Revenue	0	0	0	0
Tuition and fees	0	0	0	0
Extracurricular activities	0	0	0	0
Other revenues	0	0	0	0
Total revenues	964,375	55,787	50,000	25,065
Expenditures:				
Current:				
Instruction:				
Regular	208,967	52,013	83,228	0
Special	0	0	0	0
Vocational	0	0	0	0
Other	0	0	0	0
Support services:				
Pupil	0	0	0	0
Instructional Staff	56,244	0	0	28,397
Administration	0	0	0	0
Fiscal	0	0	0	0
Operations and maintenance	0	0	0	0
Pupil Transportation	0	0	0	0
Central	83,857	0	0	0
Operation of non-instructional services	0	0	0	0
Extracurricular activities	0	0	0	0
Debt service:				
Principal	268,744	0	0	0
Interest	50,673	0	0	0
Total Expenditures	668,485	52,013	83,228	28,397
Excess of revenues over (under) expenditures	295,890	3,774	(33,228)	(3,332)
Other financing sources (uses):				
Operating transfers in	0	0	0	0
Operating transfers (out)	0	0	0	0
Total other financing sources (uses)	0	0	0	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	295,890	3,774	(33,228)	(3,332)
Fund balance, July 1	53,892	(3,774)	35,709	16,619
Fund balance, June 30	\$349,782	\$0	\$2,481	\$13,287

Title VI-B Pre-School	Technology Preparation Awareness Grant	Title I	Title VI	Drug Free Shools	EHA Pre-School
\$0	\$0	\$0	\$0	\$0	\$0
101,405	0	1,445,151	24,474	15,211	5,070
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>101,405</u>	<u>0</u>	<u>1,445,151</u>	<u>24,474</u>	<u>15,211</u>	<u>5,070</u>
0	0	0	0	5,334	0
179,043	0	1,203,816	0	0	5,070
0	0	0	0	0	0
0	0	0	0	0	0
15,656	0	0	0	50,396	0
0	0	452,740	17,000	0	0
0	0	0	148	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	188	(5)	0	0
0	0	0	2,323	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>194,699</u>	<u>0</u>	<u>1,656,744</u>	<u>19,466</u>	<u>55,730</u>	<u>5,070</u>
<u>(93,294)</u>	<u>0</u>	<u>(211,593)</u>	<u>5,008</u>	<u>(40,519)</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(93,294)	0	(211,593)	5,008	(40,519)	0
27,747	271	210,871	4,926	34,275	0
<u>(\$65,547)</u>	<u>\$271</u>	<u>(\$722)</u>	<u>\$9,934</u>	<u>(\$6,244)</u>	<u>\$0</u>

Continued

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

And Changes in Fund Balances

ALL SPECIAL REVENUE FUNDS

For The Fiscal Year Ended June 30, 1999

	Goals 2000	Totals
Revenues:		
Taxes	\$0	3,793,490
Intergovernmental	96,371	3,257,199
Investment Revenue	0	0
Tuition and fees	0	0
Extracurricular activities	0	142,497
Other revenues	0	9,300
		0
Total revenues	96,371	7,202,486
Expenditures:		
Current:		
Instruction:		
Regular	7,679	358,947
Special	0	1,391,730
Vocational	0	0
Other	0	0
Support services:		
Pupil	16,017	93,657
Instructional Staff	4,448	730,990
Administration	0	2,948
Fiscal	0	56,272
Operations and maintenance	0	0
Pupil Transportation	0	0
Central	0	97,354
Operation of non-instructional services	0	65,077
Extracurricular activities	0	163,284
Debt service:		
Principal	0	268,744
Interest	0	50,673
Total Expenditures	28,144	3,279,676
Excess of revenues over (under) expenditures	68,227	3,922,810
Other financing sources (uses):		
Operating transfers in	0	0
Operating transfers (out)	0	(3,320,000)
Total other financing sources (uses)	0	(3,320,000)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	68,227	602,810
Fund balance, July 1	(229)	2,939,577
Fund balance, June 30	\$67,998	3,542,387

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Emergency Levy Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$3,911,862	\$3,911,862	\$0
Intergovernmental	218,553	218,553	0
Total revenues	4,130,415	4,130,415	0
Expenditures:			
Current:			
Support Services;			
Fiscal:			
Other expenditures	60,000	56,272	3,728
Total fiscal	60,000	56,272	3,728
Total expenditures	60,000	56,272	3,728
Excess of revenues over (under) expenditures	4,070,415	4,074,143	3,728
Other financing sources and (uses):			
Operating transfer (out)	(4,818,047)	(3,320,000)	1,498,047
Total other financing sources and (uses)	(4,818,047)	(3,320,000)	1,498,047
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(747,632)	754,143	1,501,775
Fund balance, July 1	2,146,603	2,146,603	0
Fund balance, June 30	\$1,398,971	\$2,900,746	\$1,501,775

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Public School Support Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Extracurricular revenue	\$64,409	\$64,409	\$0
Total revenues	<u>64,409</u>	<u>64,409</u>	<u>0</u>
Expenditures:			
Extracurricular:			
Other expenditures	76,546	64,779	11,767
Total extracurricular	<u>76,546</u>	<u>64,779</u>	<u>11,767</u>
Total expenditures	<u>76,546</u>	<u>64,779</u>	<u>11,767</u>
Excess of revenues over (under) expenditures	<u>(12,137)</u>	<u>(370)</u>	<u>11,767</u>
Other financing sources (uses):			
Advances (out)	(384)	(384)	0
Total other financing sources (uses)	<u>(384)</u>	<u>(384)</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(12,521)</u>	<u>(754)</u>	<u>11,767</u>
Fund balance, July 1	76,468	76,468	0
Fund balance, June 30	<u>\$ 63,947</u>	<u>\$ 75,714</u>	<u>\$ 11,767</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Other Grants Special Revenue Fund
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Other revenues	\$6,800	\$6,800	\$0
Total revenues	6,800	6,800	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	217	217	0
Materials and supplies	1,131	1,131	0
Total regular	1,348	1,348	0
Support Services:			
Pupils:			
Purchased services	2,102	1,427	675
Total pupils	2,102	1,427	675
Instructional Staff:			
Purchased services	6,507	5,813	694
Materials and supplies	180	180	0
Total instructional staff	6,687	5,993	694
Central:			
Materials and supplies	387	125	262
Total Central	387	125	262
Total expenditures	10,524	8,893	1,631
Excess of revenues over (under) expenditures	(3,724)	(2,093)	1,631
Fund balance, July 1 (includes prior year encumbrances appropriated)	12,133	12,133	0
Fund balance, June 30	\$8,409	\$10,040	\$1,631

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Venture Capital Grant Special Revenue Fund
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$50,000	\$50,000	\$0
Total revenues	50,000	50,000	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff:			
Salaries and wages	9,508	9,508	0
Fringe benefits	1,338	1,338	0
Purchased Services	17,715	17,624	91
Materials and supplies	19,792	19,687	105
Capital outlay - new	4,864	4,864	0
Capital outlay - replacement	1,893	1,893	0
Other expenditures	672	194	478
Total instructional staff	55,782	55,108	674
Total expenditures	55,782	55,108	674
Excess of revenues over (under) expenditures	(5,782)	(5,108)	674
Other financing sources and (uses):			
Advances (out)	0	(3,000)	(3,000)
Total other financing sources and (uses)	0	(3,000)	(3,000)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(5,782)	(8,108)	(2,326)
Fund balance, July 1 (includes prior year encumbrances appropriated)	10,356	10,356	0
Fund balance, June 30	\$4,574	\$2,248	(\$2,326)

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Extracurricular Activities Special Revenue Fund
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Extracurricular	\$78,088	\$78,088	\$0
Total revenues	<u>78,088</u>	<u>78,088</u>	<u>0</u>
Expenditures:			
Extracurricular:			
Academic and subject oriented activities:			
Other expenditures	1,132	3,125	(1,993)
Total academic and subject oriented activities	<u>1,132</u>	<u>3,125</u>	<u>(1,993)</u>
Occupation oriented activities:			
Other expenditures	56	927	(871)
Total occupation oriented activities	<u>56</u>	<u>927</u>	<u>(871)</u>
Sport oriented activities:			
Salaries and wages	2,918	2,828	90
Fringe benefits	216	216	0
Purchased services	42,041	35,773	6,268
Materials and supplies	46,047	38,450	7,597
Capital outlay - new	8,905	8,905	0
Capital outlay - replacement	1,471	1,471	0
Other expenditures	14,792	10,993	3,799
Total sport oriented activities	<u>116,390</u>	<u>98,636</u>	<u>17,754</u>
Co-Curricular activities:			
Purchased services	0	336	(336)
Other expenditures	22,780	16,278	6,502
Total co-curricular activities	<u>22,780</u>	<u>16,614</u>	<u>6,166</u>
Total expenditures	<u>140,358</u>	<u>119,302</u>	<u>21,056</u>
Excess of revenues over (under) expenditures	<u>(62,270)</u>	<u>(41,214)</u>	<u>21,056</u>
Other financing sources (uses):			
Advances in	1,650	1,650	0
Advances (out)	(85)	(85)	0
Total other financing sources (uses)	<u>1,565</u>	<u>1,565</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(60,705)</u>	<u>(39,649)</u>	<u>21,056</u>
Fund balance, July 1	<u>42,684</u>	<u>42,684</u>	<u>0</u>
Fund balance, June 30	<u>(\$18,021)</u>	<u>\$3,035</u>	<u>\$21,056</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Auxiliary Services Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$164,355	\$164,355	\$0
Total revenues	<u>164,355</u>	<u>164,355</u>	<u>0</u>
Expenditures:			
Support services:			
Instructional Staff:			
Salaries and wages	104,991	83,696	21,295
Fringe benefits	17,195	8,348	8,847
Purchased services	1,565	1,010	555
Materials and supplies	40,605	0	40,605
Total instructional staff	<u>164,356</u>	<u>93,054</u>	<u>71,302</u>
Operation non-instructional services:			
Salaries and wages	2,075	23,369	(21,294)
Fringe benefits	4,479	13,327	(8,848)
Purchased services	7,792	8,347	(555)
Materials and supplies	47,416	49,028	(1,612)
Total operation non-instructional services	<u>61,762</u>	<u>94,071</u>	<u>(32,309)</u>
Total expenditures	<u>226,118</u>	<u>187,125</u>	<u>38,993</u>
Excess of revenues over (under) expenditures	(61,763)	(22,770)	38,993
Fund balance, July 1	50,498	50,498	0
Fund balance, June 30	<u>(\$11,265)</u>	<u>\$27,728</u>	<u>\$38,993</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Reading Recovery Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Other revenues	\$100	\$100	\$0
Total revenues	<u>100</u>	<u>100</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special:			
Fringe benefits	16	0	16
Purchased services	1,710	963	747
Materials and supplies	28,527	20,438	8,089
Total special	<u>30,253</u>	<u>21,401</u>	<u>8,852</u>
Total expenditures	<u>30,253</u>	<u>21,401</u>	<u>8,852</u>
Excess of revenues over (under) expenditures	(30,153)	(21,301)	(8,852)
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>23,155</u>	<u>23,155</u>	<u>0</u>
Fund balance (deficit), June 30	<u>(\$6,998)</u>	<u>\$1,854</u>	<u>(\$8,852)</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Career Development Grant Special Revenue Fund
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$11,380	\$11,380	\$0
Total revenues	<u>11,380</u>	<u>11,380</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Salaries and wages	7,250	5,072	2,178
Fringe benefits	631	631	0
Purchased services	4,090	2,885	1,205
Materials and supplies	6,633	4,065	2,568
Total regular	<u>18,604</u>	<u>12,653</u>	<u>5,951</u>
Total expenditures	<u>18,604</u>	<u>12,653</u>	<u>5,951</u>
Excess of revenues (under) expenditures	(7,224)	(1,273)	5,951
Fund balance, July 1 (includes prior year encumbrances appropriated)	5,531	5,531	0
Fund balance, June 30	<u>(\$1,693)</u>	<u>\$4,258</u>	<u>\$5,951</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Professional Development Grant Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$18,518	\$18,518	\$0
Other revenues	2,400	2,400	0
Total revenues	20,918	20,918	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	2,400	378	2,022
Total regular	2,400	378	2,022
Support Services:			
Instructional Staff:			
Salaries and wages	22,597	1,564	21,033
Fringe benefits	228	228	0
Purchased Services	8,918	8,423	495
Materials and supplies	2,800	415	2,385
Total instructional staff	34,543	10,630	23,913
Administration:			
Salaries and wages	2,800	2,800	0
Total administration	2,800	2,800	0
Total expenditures	39,743	13,808	25,935
Excess of revenues over (under) expenditures	(18,825)	7,110	25,935
Fund balance, July 1 (includes prior year encumbrances appropriated)	2,107	2,107	0
Fund balance, June 30	(\$16,718)	\$9,217	\$25,935

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Management Information Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$11,484	\$11,484	\$0
Total revenues	11,484	11,484	0
Expenditures:			
Current:			
Support services:			
Central			
Purchased services	78	0	78
Capital outlay - replacement	21,406	13,189	8,217
Total central	21,484	13,189	8,295
Total expenditures	21,484	13,189	8,295
Excess of revenues over (under) expenditures	(10,000)	(1,705)	8,295
Fund balance, July 1 (includes prior year encumbrances appropriated)	9,800	9,800	0
Fund balance, June 30	(\$200)	\$8,095	\$8,295

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Disadvantaged Pupil Impact Aid Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$964,375	\$964,375	\$0
Total revenues	964,375	964,375	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	140,897	130,015	10,882
Fringe benefits	36,651	35,128	1,523
Materials and supplies	89,435	89,435	0
Total regular	266,983	254,578	12,405
Support Services:			
Instructional Staff:			
Salaries and wages	30,068	31,827	(1,759)
Fringe benefits	5,378	4,983	395
Purchased services	3,471	1,048	2,423
Materials and supplies	38,065	19,688	18,377
Capital outlay - new	1,583	1,154	429
Capital outlay - replacement	1,000	0	1,000
Other expenditures	455,187	0	455,187
Total instructional staff	534,752	58,700	476,052
Central:			
Purchased services	396,277	393,776	2,501
Capital outlay - new	7,540	7,540	0
Total central	403,817	401,316	2,501
Total expenditures	1,205,552	714,594	490,958
Excess of revenues over (under) expenditures	(241,177)	249,781	490,958
Fund balance, July 1 (includes prior year encumbrances appropriated)	144,824	144,824	0
Fund balance, June 30	(\$96,353)	\$394,605	\$490,958

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Textbook Subsidy Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	<u>\$55,787</u>	<u>\$55,787</u>	<u>\$0</u>
Total revenues	<u>55,787</u>	<u>55,787</u>	<u>0</u>
Expenditures:			
Instruction:			
Regular:			
Materials and supplies	<u>156,611</u>	<u>102,556</u>	<u>54,055</u>
Total regular	<u>156,611</u>	<u>102,556</u>	<u>54,055</u>
Total expenditures	<u>156,611</u>	<u>102,556</u>	<u>54,055</u>
Excess of revenues over (under) expenditures	(100,824)	(46,769)	54,055
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>46,769</u>	<u>46,769</u>	<u>0</u>
Fund balance, June 30	<u><u>(\$54,055)</u></u>	<u><u>\$0</u></u>	<u><u>\$54,055</u></u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Reading Improvement Grant Special Revenue Fund
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$50,000	\$50,000	\$0
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	1,826	10,636	(8,810)
Fringe benefits	1,000	127	873
Purchased services	10,148	12,089	(1,941)
Materials and supplies	89,693	62,957	26,736
Total regular	<u>102,667</u>	<u>85,809</u>	<u>16,858</u>
Support services:			
Pupils:			
Salaries and wages	8,810	0	8,810
Materials and supplies	1,135	0	1,135
Total pupils	<u>9,945</u>	<u>0</u>	<u>9,945</u>
Central:			
Purchased Services	1,941	0	1,941
Capital outlay - new	322	0	322
Total central	<u>2,263</u>	<u>0</u>	<u>2,263</u>
Total expenditures	<u>114,875</u>	<u>85,809</u>	<u>29,066</u>
Excess of revenues over (under) expenditures	(64,875)	(35,809)	29,066
Fund balance, July 1 (includes prior year encumbrances appropriated)	38,036	38,036	0
Fund balance (deficit), June 30	<u>(\$26,839)</u>	<u>\$2,227</u>	<u>\$29,066</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Eisenhower Grant Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$25,065	\$25,065	\$0
Total revenues	25,065	25,065	0
Expenditures:			
Current:			
Support services:			
Instructional staff:			
Salaries and wages	4,886	4,886	0
Fringe benefits	200	0	200
Purchased services	35,633	28,888	6,745
Materials and supplies	10,199	6,413	3,786
Total Instructional staff	50,918	40,187	10,731
Total expenditures	50,918	40,187	10,731
Excess of revenues over (under) expenditures	(25,853)	(15,122)	10,731
Fund balance, July 1 (includes prior year encumbrances appropriated)	20,528	20,528	0
Fund balance (deficit), June 30	<u>(\$5,325)</u>	<u>\$5,406</u>	<u>\$10,731</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Title VI B/ Preschool

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$101,405	\$101,405	\$0
Total revenues	101,405	101,405	0
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and wages	0	1,869	(1,869)
Purchased services	181,873	213,018	(31,145)
Materials and supplies	15,489	13,544	1,945
Total special instruction	197,362	228,431	(31,069)
Support services:			
Pupil:			
Salaries and wages	12,703	10,834	1,869
Fringe benefits	2,006	2,006	0
Purchased services	11,617	2,687	8,930
Total pupil	26,326	15,527	10,799
Business:			
Purchased services	6,085	0	6,085
Total business	6,085	0	6,085
Total expenditures	229,773	243,958	(14,185)
Excess of revenues over (under) expenditures	(128,368)	(142,553)	(14,185)
Fund balance, July 1 (includes prior year encumbrances appropriated)	78,970	78,970	0
Fund balance, June 30	(\$49,398)	(\$63,583)	(\$14,185)

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Technology Preparation Awareness Grant Special Revenue

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	0	0	0
Total regular	0	0	0
Total expenditures	0	0	0
Excess of revenues over (under) expenditures	0	0	0
Fund balance, July 1 (includes prior year encumbrances appropriated)	271	271	0
Fund balance (deficit), June 30	\$271	\$271	\$0

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Title I Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$1,515,631	\$1,445,151	(\$70,480)
Total revenues	<u>1,515,631</u>	<u>1,445,151</u>	<u>(70,480)</u>
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and wages	775,701	735,359	40,342
Fringe benefits	261,078	209,724	51,354
Purchased services	61,567	62,666	(1,099)
Materials and supplies	404,099	406,813	(2,714)
Capital outlay - new	6,033	10,033	(4,000)
Total special	<u>1,508,478</u>	<u>1,424,595</u>	<u>83,883</u>
Support services:			
Instructional staff:			
Salaries and wages	252,226	295,785	(43,559)
Fringe benefits	52,769	104,124	(51,355)
Purchased services	20,396	9,483	10,913
Materials and supplies	12,648	17,771	(5,123)
Capital outlay - new	4,000	0	4,000
Capital outlay - replacement	15,693	15,693	0
Total instructional staff	<u>357,732</u>	<u>442,856</u>	<u>(85,124)</u>
Central			
Purchased services	40	244	(204)
Total central	<u>40</u>	<u>244</u>	<u>(204)</u>
Total expenditures	<u>1,866,250</u>	<u>1,867,695</u>	<u>(1,445)</u>
Excess of revenues over (under) expenditures	<u>(350,619)</u>	<u>(422,544)</u>	<u>(71,925)</u>
Other financing sources (uses):			
Advances in	250,000	250,000	0
Advances (out)	(51,250)	(339,000)	(287,750)
Total other financing sources (uses)	<u>198,750</u>	<u>(89,000)</u>	<u>(287,750)</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>(151,869)</u>	<u>(511,544)</u>	<u>(359,675)</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>321,172</u>	<u>321,172</u>	<u>0</u>
Fund balance, June 30	<u>\$169,303</u>	<u>(\$190,372)</u>	<u>(\$359,675)</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Title VI Special Revenue Fund
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$24,474	\$24,474	\$0
Total revenues	<u>24,474</u>	<u>24,474</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Instructional Staff:			
Salaries and wages	11,520	4,060	7,460
Fringe benefits	1,631	577	1,054
Purchased services	7,288	7,140	148
Materials and supplies	6,270	6,270	0
Total instructional staff	<u>26,709</u>	<u>18,047</u>	<u>8,662</u>
Administration:			
Purchased services	0	148	(148)
Total administration	<u>0</u>	<u>148</u>	<u>(148)</u>
Operation of Non-Instructional Services:			
Materials and supplies	3,843	2,323	1,520
Total operation of non-instructional services	<u>3,843</u>	<u>2,323</u>	<u>1,520</u>
Total expenditures	<u>30,552</u>	<u>20,518</u>	<u>10,034</u>
Excess of revenues over (under) expenditures	<u>(6,078)</u>	<u>3,956</u>	<u>10,034</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>4,977</u>	<u>4,977</u>	<u>0</u>
Fund balance, June 30	<u><u>(\$1,101)</u></u>	<u><u>\$8,933</u></u>	<u><u>\$10,034</u></u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Drug Free Schools Special Revenue Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$15,211	\$15,211	\$0
Total revenues	15,211	15,211	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Fringe benefits	4,204	0	4,204
Purchased services	3,478	2,820	658
Materials and supplies	7,089	6,325	764
Total regular	14,771	9,145	5,626
Support Services:			
Pupil:			
Salaries and wages	31,701	31,700	1
Fringe benefits	9,509	13,713	(4,204)
Purchased services	2,575	1,437	1,138
Materials and supplies	0	83	(83)
Total Pupil	43,785	46,933	(3,148)
Administration:			
Purchased services	1,521	0	1,521
Total administration	1,521	0	1,521
Total expenditures	60,077	56,078	3,999
Excess of revenues over (under) expenditures	(44,866)	(40,867)	3,999
Fund balance, July 1 (includes prior year encumbrances appropriated)	40,089	40,089	0
Fund balance, June 30	(\$4,777)	(\$778)	\$3,999

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 EHA Pre-School Special Revenue Fund
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$5,070	\$5,070	\$0
Total revenues	5,070	5,070	0
Expenditures:			
Current:			
Instruction:			
Special:			
Purchased services	5,070	5,070	0
Total special	5,070	5,070	0
Total expenditures	5,070	5,070	0
Excess of revenues over (under) expenditures	0	0	0
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance (deficit), June 30	\$0	\$0	\$0

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Goals 2000 Special Revenue Fund
 For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$96,371	\$96,371	\$0
Total revenues	96,371	96,371	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	57,300	4,100	53,200
Materials and supplies	1,037	1,070	(33)
Capital outlay - new	3,000	2,989	11
Total regular	61,337	8,159	53,178
Special:			
Salaries	10,650	0	10,650
Fringe benefits	2,304	0	2,304
Materials and supplies	12	0	12
Total special	12,966	0	12,966
Support services:			
Pupil:			
Salaries and wages	0	10,650	(10,650)
Fringe benefits	34	2,338	(2,304)
Purchased services	8,524	5,853	2,671
Materials and supplies	215	194	21
Total pupil	8,773	19,035	(10,262)
Instructional staff:			
Purchased services	4,776	4,448	328
Total instructional staff	4,776	4,448	328
Fiscal:			
Other expenditures	3,837	0	3,837
Total fiscal	3,837	0	3,837
Total expenditures	91,689	31,642	60,047
Excess of revenues over (under) expenditures	4,682	64,729	60,047
Other financing sources:			
Advances (out)	(8,100)	(8,100)	0
Total other financing sources (uses)	(8,100)	(8,100)	0
Excess of revenues and other financing sources over (under) expenditures	(3,418)	56,629	60,047
Fund balance, July 1 (includes prior year encumbrances appropriated)	9,167	9,167	0
Fund balance, June 30	\$5,749	\$65,796	\$60,047

DEBT SERVICE FUND

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

Since there is only one Debt Service Fund and the level of budgetary control is not greater than that presented in the General Purpose Financial Statements, no additional financial statements are presented here.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects, including equipment purchases other than those financed by Proprietary or Nonexpendable Trust Fund. The following are descriptions of each Capital Projects Fund:

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

SCHOOL NET: To account for revenues and expenditures related to the development and implementation of the School Net network within the district.

TECHNOLOGY EQUITY: To account for state funds designed to help the District obtain computers and related educational technology.

SCHOOL NET SUBSIDY: To account for programs designed to help school districts obtain computers, related technology equipment and/or the necessary infrastructure for educational technology.

EMERGENCY REPAIR LOAN PROGRAM: To account for transactions related to repairing heating systems, floors, roofs, air ducts and other ventilation devices, and any other repairs to a school building that meet the requirements of the life safety code. These repairs are authorized by Chapter 3318.35, Ohio Revised Code.

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL CAPITAL PROJECTS FUNDS
June 30, 1999

	<u>Permanent Improvement</u>	<u>School Net Plus</u>	<u>Technology Equity</u>	<u>School Net Subsidy</u>
Assets:				
Equity in pooled cash and investments	\$516,938	\$217,768	\$13,344	\$9,542
Receivables:				
Taxes	687,396	0	0	0
Interfund	5,000	0	0	0
Total Assets	<u>1,209,334</u>	<u>217,768</u>	<u>13,344</u>	<u>9,542</u>
Liabilities:				
Accounts payable	8,380	0	0	0
Interfund payable	0	0	0	0
Deferred revenue	674,040	0	0	0
Note payable	1,100,000	0	0	0
Total liabilities	<u>1,782,420</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances:				
Reserved:				
Reserve for property taxes	13,356	0	0	0
Reserved for encumbrances	135,443	900	0	0
Undesignated	(721,885)	216,868	13,344	9,542
Total fund equity (deficit)	<u>(573,086)</u>	<u>217,768</u>	<u>13,344</u>	<u>9,542</u>
Total Liabilities and fund equity	<u>\$1,209,334</u>	<u>\$217,768</u>	<u>\$13,344</u>	<u>\$9,542</u>

See Accompanying Notes.

Emergency Repair Loan Program	Totals
\$0	\$757,592
0	687,396
0	5,000
<u>0</u>	<u>1,449,988</u>
0	8,380
4,780	4,780
0	674,040
0	1,100,000
<u>4,780</u>	<u>1,787,200</u>
0	13,356
119,585	255,928
(124,365)	(606,496)
<u>(4,780)</u>	<u>(337,212)</u>
<u>\$0</u>	<u>\$1,449,988</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

And Changes in Fund Balances

All Capital Projects Funds

For The Fiscal Year Ended June 30, 1999

	Permanent Improvement	School Net Plus	Technology Equity	School Net Subsidy
Revenues:				
Taxes	\$515,525	\$0	\$0	\$0
Intergovernmental	27,783	151,947	20,627	9,542
Investment Revenue	24,344	0	0	0
Other Revenues	26,321	0	0	0
Total revenues	<u>593,973</u>	<u>151,947</u>	<u>20,627</u>	<u>9,542</u>
Expenditures:				
Current:				
Instruction:				
Regular	1,743	0	0	0
Support services:				
Instructional staff	131,860			
Operations and maintenance	0	0	0	0
Fiscal	7,568			
Business	53			
Pupil Transportation	497,287	0	0	0
Central	293,820	66,349	15,883	
Operation of non-instructional				
Capital outlay	46,536	0	0	0
Interest and fiscal charges	25,500	0	0	0
Total Expenditures	<u>1,004,367</u>	<u>66,349</u>	<u>15,883</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(410,394)</u>	<u>85,598</u>	<u>4,744</u>	<u>9,542</u>
Other financing sources (uses):				
Operating transfers in	25,500	0	0	0
Total other financing sources (uses)	<u>25,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(384,894)</u>	<u>85,598</u>	<u>4,744</u>	<u>9,542</u>
Fund balance, July 1	(188,192)	132,170	8,600	0
Fund balance, June 30	<u>(\$573,086)</u>	<u>\$217,768</u>	<u>\$13,344</u>	<u>\$9,542</u>

Emergency Repair Loan Program	Totals
\$0	\$515,525
123,701	333,600
0	24,344
0	26,321
<u>123,701</u>	<u>899,790</u>
0	1,743
128,481	131,860
	128,481
	7,568
	53
0	497,287
	376,052
0	46,536
0	25,500
<u>128,481</u>	<u>1,215,080</u>
<u>(4,780)</u>	<u>(315,290)</u>
0	25,500
<u>0</u>	<u>25,500</u>
(4,780)	(289,790)
0	(47,422)
<u>(\$4,780)</u>	<u>(\$337,212)</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Permanent Improvement Capital Projects Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$529,513	\$529,513	\$0
Intergovernmental	27,783	27,783	0
Interest earnings	24,344	24,344	0
Other revenues	26,321	26,321	0
Total revenues	607,961	607,961	0
Expenditures:			
Instructional:			
Regular:			
Materials and supplies	1,796	1,743	53
Total regular	1,796	1,743	53
Support Services:			
Instructional Staff:			
Purchased services	16,200	16,200	0
Capital outlay - new	115,660	115,660	0
Total instructional staff	131,860	131,860	0
Fiscal:			
Other expenditures	7,358	7,568	(210)
Total fiscal	7,358	7,568	(210)
Business:			
Materials and supplies	0	53	(53)
Total business	0	53	(53)
Pupil transportation:			
Purchased services	55,200	0	55,200
Capital outlay - replacement	0	497,287	(497,287)
Total pupil transportation	55,200	497,287	(442,087)
Central			
Purchased services	85,657	210,317	(124,660)
Capital outlay - new	176,131	250,877	(74,746)
Total central	261,788	461,194	(199,406)
Capital Outlay:			
Other Facility Acquisition and Construction:			
Purchased services	156,289	42,540	113,749
Capital outlay - new	519,426	13,551	505,875
Capital outlay - replacement	581,832	84,545	497,287
Other	0	0	0
Total capital outlay	1,257,547	140,636	1,116,911
Debt Service:			
Principal retirement	25,000	0	25,000
Interest and fiscal charges	4,200	0	4,200
Total debt service	29,200	0	29,200
Total expenditures	1,744,749	1,240,341	504,408

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Permanent Improvement Capital Projects Fund

For the Fiscal Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Excess of revenues over (under) expenditures	<u>(1,136,788)</u>	<u>(632,380)</u>	<u>504,408</u>
Other financing sources (uses):			
Proceeds from sale of notes	500,000	500,000	0
Operating transfer out	<u>(102,000)</u>	<u>0</u>	<u>102,000</u>
Total other financing sources (uses)	<u>398,000</u>	<u>500,000</u>	<u>102,000</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(738,788)</u>	<u>(132,380)</u>	<u>606,408</u>
Fund balance, July 1	<u>505,773</u>	<u>505,773</u>	<u>0</u>
Fund balance, June 30	<u><u>(\$233,015)</u></u>	<u><u>\$373,393</u></u>	<u><u>\$606,408</u></u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
School Net - Capital Projects Fund
For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$151,947	\$151,947	\$0
Total revenues	151,947	151,947	0
Expenditures:			
Support Services:			
Central:			
Purchased services	74,549	56,849	17,700
Materials and supplies	9,001	0	9,001
Capital outlay - new	120,086	10,400	109,686
Total central	203,636	67,249	136,387
Total expenditures	203,636	67,249	136,387
Excess of revenues over (under) expenditures	(51,689)	84,698	136,387
Fund balance, July 1 (includes prior year encumbrances appropriated)	132,170	132,170	0
Fund balance, June 30	\$80,481	\$216,868	\$136,387

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Technology Equity Capital Projects Fund
For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$20,627	\$20,627	0
Total revenues	<u>20,627</u>	<u>20,627</u>	<u>0</u>
Expenditures:			
Current:			
Support Services			
Central:			
Purchased services	2,627	0	2,627
Capital outlay - new	26,600	15,883	10,717
Total regular	<u>29,227</u>	<u>15,883</u>	<u>13,344</u>
Total expenditures	<u>29,227</u>	<u>15,883</u>	<u>0</u>
Excess of revenues over (under) expenditures	(8,600)	4,744	13,344
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>8,600</u>	<u>8,600</u>	<u>0</u>
Fund balance, June 30	<u>\$0</u>	<u>\$13,344</u>	<u>\$13,344</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

School Net Subsidy Capital Projects Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$9,542	\$9,542	0
Total revenues	9,542	9,542	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and supplies	0	0	0
Total regular	0	0	0
Total expenditures	0	0	0
Excess of revenues over (under) expenditures	9,542	9,542	0
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance, June 30	\$9,542	\$9,542	\$0

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Emergency Repair Loan Program Capital Projects Fund

For the Fiscal Year Ended June 30, 1999

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$123,701	\$123,701	\$0
Total revenues	<u>123,701</u>	<u>123,701</u>	<u>0</u>
Expenditures:			
Support Services:			
Operations and Maintenance:			
Purchased services	123,701	248,066	(124,365)
Total operations and maintenance	<u>123,701</u>	<u>248,066</u>	<u>(124,365)</u>
Total expenditures	<u>123,701</u>	<u>248,066</u>	<u>(124,365)</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>(124,365)</u>	<u>(124,365)</u>
Other financing sources (uses):			
Advances in	4,780	4,780	0
Total other financing sources (uses)	<u>4,780</u>	<u>4,780</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	4,780	(119,585)	(124,365)
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, June 30	<u>\$4,780</u>	<u>(\$119,585)</u>	<u>(\$124,365)</u>

ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public be financed or recovered primarily through user charges. The following are descriptions of each of the District's Enterprise Funds:

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

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

INTERCESSION: To account for monies received and expended in connection with the intercession program which is intended to be self-sustaining.

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
June 30, 1999

	Food Service	Uniform School Supply	Intercession	Total
Assets				
Current Assets:				
Equity in pooled cash and investments	\$38,306	\$38,145	\$1,766	\$78,217
Inventory held for resale	31,334	0	0	31,334
Total Current Assets	69,640	38,145	1,766	109,551
Non-current assets:				
Fixed assets (net of accumulated depreciation)	41,260	0	0	41,260
Total Assets	110,900	38,145	1,766	150,811
Liabilities				
Current liabilities:				
Accounts payable	12,860	2,913	0	15,773
Accrued wages	128,891	0	0	128,891
Compensated absences payable	28,770	0	0	28,770
Deferred revenue	7,395	0	0	7,395
Total current liabilities	177,916	2,913	0	180,829
Total Liabilities	177,916	2,913	0	180,829
Retained Earnings:				
Unreserved	(67,016)	35,232	1,766	(30,018)
Total retained earnings	(67,016)	35,232	1,766	(30,018)
Total Liabilities and fund equity	\$110,900	\$38,145	\$1,766	\$150,811

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenses

And Changes in Retained Earnings

ALL ENTERPRISE FUNDS

For The Fiscal Year Ended June 30, 1999

	Food Service	Uniform School Supply	Intercession	Total
Operating revenues:				
Tuition and fees	\$0	\$88,271	\$0	\$88,271
Charges for services	468,964	0	0	468,964
Total revenues	468,964	88,271	0	557,235
Operating expenses:				
Salaries and wages	547,914	0	0	547,914
Fringe benefits	174,495	0	0	174,495
Purchased services	30,454	0	0	30,454
Materials and supplies	626,616	112,031	0	738,647
Depreciation	17,329	0	0	17,329
Total operating expenses	1,396,808	112,031	0	1,508,839
Operating income (loss)	(927,844)	(23,760)	0	(951,604)
Non-operating revenues:				
Federal donated commodities	64,851	0	0	64,851
Operating grants	793,273	0	0	793,273
Total non-operating revenues	858,124	0	0	858,124
Income (loss) before operating transfers	(69,720)	(23,760)	0	(93,480)
Operating transfers in	0	0	0	0
Net income	(69,720)	(23,760)	0	(93,480)
Retained earnings, July 1	2,704	58,992	1,766	63,462
Retained earnings, June 30	(\$67,016)	\$35,232	\$1,766	(\$30,018)

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
For The Fiscal Year Ended June 30, 1999

	Food Service	Uniform School Supply	Intercession	Totals
Cash flows from operating activities:				
Cash received from tuition and fees	\$0	\$88,271	\$0	\$88,271
Cash received from charges of services	468,964	0	0	468,964
Cash payments to suppliers for goods and services	(30,572)	0	(529)	(31,101)
Cash payments to employees for services	(708,714)	0	0	(708,714)
Cash payments for other operating expenses	(566,847)	(109,238)	0	(676,085)
Net cash provided by (used for) operating activities	(837,169)	(20,967)	(529)	(858,665)
Cash flows from noncapital financing activities:				
Operating grants received	793,273	0	0	793,273
Net cash provided by noncapital financing activities	793,273	0	0	793,273
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(33,480)	0	0	(33,480)
Net cash used for capital and related financing activities	(33,480)	0	0	(33,480)
Net increase in cash and cash equivalents	(77,376)	(20,967)	(529)	(98,872)
Cash and cash equivalents, July 1	115,682	59,112	2,295	177,089
Cash and cash equivalents, June 30	38,306	38,145	1,766	78,217
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	(927,844)	(23,760)	0	(951,604)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	17,329	0	0	17,329
Donated commodities used	64,851	0	0	64,851
Changes in assets and liabilities:				
(Increase) decrease in inventory held for resale	(12,163)	0	0	(12,163)
Increase (decrease) in accounts payable	4,805	2,793	(529)	7,069
Increase (decrease) in accrued wages and benefits	24,717	0	0	24,717
Increase (decrease) in compensated absences	(11,022)	0	0	(11,022)
Increase (decrease) in deferred revenue	2,158	0	0	2,158
Total adjustments	90,675	2,793	(529)	92,939
Net cash provided by (used for) operating activities	(\$837,169)	(\$20,967)	(\$529)	(\$858,665)

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to another department or agency of the District on a cost reimbursement basis.

Since there is only one Internal Service Fund and the level of budgetary control is not greater than that presented in the General Purpose Financial Statements, no further financial statements are presented here.

FIDUCIARY FUNDS

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

EXPENDABLE TRUST FUND

EXPENDABLE TRUST: To account for donations received by the District in a trustee capacity. (Since there is only one Expendable Trust Fund, the only financial statement presented here is the combining balance sheet).

NONEXPENDABLE TRUST FUND

NONEXPENDABLE TRUST: To account for nonexpendable donations received by the District in a trustee capacity. (Since there is only one Nonexpendable Trust Fund, the only financial statement presented here is the combining balance sheet).

AGENCY FUND

EDUCATIONAL FOUNDATION: To account for the resources that belong to the Educational Foundation.

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

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL FIDUCIARY FUND TYPES
 June 30, 1999

	Expendable Trust	Nonexpendable Trust	Educational Foundation	Student Activities	Totals
Assets					
Equity in pooled cash and investments	\$20,509	\$63,968	\$25,902	\$10,068	\$120,447
Total Assets	<u>20,509</u>	<u>63,968</u>	<u>25,902</u>	<u>10,068</u>	<u>120,447</u>
Liabilities					
Accounts Payable	0	0	0	2,204	2,204
Due to students	0	0	25,902	7,864	33,766
Total liabilities	<u>0</u>	<u>0</u>	<u>25,902</u>	<u>10,068</u>	<u>35,970</u>
Fund balances:					
Unreserved:					
Undesignated	20,509	63,968	0	0	84,477
Total fund equity (deficit)	<u>20,509</u>	<u>63,968</u>	<u>0</u>	<u>0</u>	<u>84,477</u>
Total Liabilities and fund equity	<u>\$20,509</u>	<u>\$63,968</u>	<u>\$25,902</u>	<u>\$10,068</u>	<u>\$120,447</u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO

Statement of Changes In Assets and Liabilities

Agency Fund

For The Fiscal Year Ended June 30, 1999

	Student Activities Fund			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Equity in pooled cash and cash equivalents	\$15,162	\$16,635	\$21,729	\$10,068
Total Assets	<u>15,162</u>	<u>16,635</u>	<u>21,729</u>	<u>10,068</u>
Liabilities				
Accounts Payable	3,915	2,204	3,915	2,204
Due to students	11,247	14,431	17,814	7,864
Total liabilities	<u>\$15,162</u>	<u>\$16,635</u>	<u>\$21,729</u>	<u>\$10,068</u>

	Educational Foundation			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Equity in pooled cash and cash equivalents	\$24,423	\$11,254	\$9,775	\$25,902
Total Assets	<u>24,423</u>	<u>11,254</u>	<u>9,775</u>	<u>25,902</u>
Liabilities				
Accounts Payable	2,734	0	2,734	0
Due to students	21,689	11,254	7,041	25,902
Total liabilities	<u>\$24,423</u>	<u>\$11,254</u>	<u>\$9,775</u>	<u>\$25,902</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is used to account for all land and land improvements, building and building improvements, furniture and equipment not used in the operations of the Proprietary Funds. The majority of the District's assets are reflected in the General Fixed Assets Account Group.

TROTWOOD-MADISON CITY SCHOOL DISTRICT, OHIO
Schedule of General Fixed Assets by Source
June 30, 1999

General fixed assets:	
Land and land improvements	\$348,397
Buildings and building improvements	10,873,697
Furniture and equipment	<u>6,323,232</u>
Total General Fixed Assets	<u><u>\$17,545,326</u></u>
Investment in general fixed assets by source:	
General Fund	\$3,158,160
Special Revenue Funds	1,228,172
Capital Projects Funds	<u>13,158,994</u>
Total General Fixed Assets	<u><u>\$17,545,326</u></u>

TROTWOOD-MADISON CITY SCHOOL DISTRICT
 Schedule of General Fixed Assets
 By Function and Type
 June 30, 1999

Function	Land and land Improvements	Buildings and building Improvements	Furniture and Equipment	Total
Instruction:				
Regular	\$348,397	\$10,873,697	\$1,792,150	\$13,014,244
Special	0	0	39,174	39,174
Other	0	0	725	725
Total instruction	348,397	10,873,697	1,832,049	13,054,143
Support services:				
Pupil	0	0	82,181	82,181
Instructional staff	0	0	1,040,675	1,040,675
Administration	0	0	7,697	7,697
Fiscal	0	0	11,600	11,600
Business	0	0	1,288	1,288
Operations and maintenance	0	0	97,408	97,408
Pupil transportation	0	0	2,028,974	2,028,974
Central	0	0	825,839	825,839
Total support services	0	0	4,095,662	4,095,662
Extracurricular activities	0	0	37,321	37,321
Capital Outlay	0	0	358,200	358,200
Total General Fixed Assets	\$348,397	\$10,873,697	\$6,323,232	\$17,545,326

TROTWOOD-MADISON CITY SCHOOL DISTRICT
 Schedule of Changes in General Fixed
 Assets by Function
 For the Fiscal Year Ended June 30, 1999

Function	Balance at July 1, 1998	Additions	Deductions	Balance at June 30, 1999
Instruction:				
Regular	\$12,966,166	\$48,078	\$0	\$13,014,244
Special	30,159	9,015	0	39,174
Other	725	0	0	725
Total Instruction	<u>12,997,050</u>	<u>57,093</u>	<u>0</u>	<u>13,054,143</u>
Support services:				
Pupil	70,652	11,529	0	82,181
Instructional staff	1,036,171	4,504	0	1,040,675
Administration	5,166	2,531	0	7,697
Fiscal	5,700	5,900	0	11,600
Business	0	1,288	0	1,288
Operations and maintenance	48,528	48,880	0	97,408
Pupil transportation	1,572,453	456,521	0	2,028,974
Central	560,986	264,853	0	825,839
Total Support services	<u>3,299,656</u>	<u>796,006</u>	<u>0</u>	<u>4,095,662</u>
Extracurricular activities	33,072	4,249	0	37,321
Capital Outlay	349,747	8,453	0	358,200
Total General Fixed Assets	<u>\$16,679,525</u>	<u>\$865,801</u>	<u>\$0</u>	<u>\$17,545,326</u>

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STATISTICAL SECTION

Statistical Section

TROTWOOD-MADISON CITY SCHOOL DISTRICT

General Fund Revenues By Source

Last Ten Fiscal Years (1)

1990 - 1999

TABLE 1

Fiscal Year (2)	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Taxes	\$5,571,532	\$5,902,917	\$6,643,552	\$6,544,434	\$6,810,038	\$7,000,775	\$7,676,845	\$5,963,756	\$5,538,561	\$5,099,339
Intergovernmental	9,743,052	10,000,917	9,455,004	9,509,350	9,582,968	9,924,262	11,354,629	11,683,258	12,218,819	13,283,116
Investment Revenue	289,734	177,418	200,014	106,354	72,813	95,641	167,644	192,250	312,856	318,853
Tuition and Fees	59,247	72,832	101,166	132,849	71,612	85,807	58,935	64,699	129,836	460,982
Other Revenues	6,538	6,939	11,006	22,424	12,251	69,053	0	22,978	258,972	87,916
Total Revenues	\$15,670,103	\$16,161,023	\$16,410,742	\$16,315,411	\$16,549,682	\$17,175,538	\$19,258,053	\$17,926,941	\$18,459,044	\$19,250,206

Source: Trotwood-Madison City School District records.

(1) Fiscal Year 1996 is the first year reported on a GAAP basis.
All prior fiscal years are reported on a cash basis.

TROTWOOD-MADISON CITY SCHOOL DISTRICT
 General Fund Expenditures by Function
 Last Ten Fiscal Years (1)
 1990 - 1999

TABLE 2

Fiscal Year (1)	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Regular Instruction	\$7,276,882	\$7,868,460	\$7,797,616	\$7,650,301	\$7,930,357	\$7,930,798	\$8,453,340	\$5,704,222	\$8,726,414	\$9,481,224
Special Instruction	1,459,989	1,574,949	1,826,906	1,923,432	2,080,777	2,000,570	2,147,031	2,466,625	2,472,859	3,562,931
Vocational Instruction	526,493	718,325	767,925	746,723	576,600	552,823	498,631	385,705	323,446	180,911
Other Instruction	1,701	1,686	21,737	20,958	17,659	19,126	23,549	24,373	23,763	20,667
Pupil	787,382	851,572	826,053	863,724	886,473	916,552	670,820	859,243	846,743	908,920
Instructional Staff	540,055	453,870	701,939	419,688	407,379	439,578	377,662	440,936	682,438	1,030,673
Board of Education	0	0	0	57,570	67,470	46,776	83,555	65,680	99,456	77,614
Administration	1,362,785	1,453,304	1,416,421	1,430,785	1,534,190	1,506,289	1,647,723	1,630,385	1,789,846	1,905,479
Fiscal	519,595	578,242	566,237	418,446	717,826	465,946	528,580	428,038	398,222	454,710
Business	141,830	137,792	140,494	150,503	150,924	75,642	157,570	165,432	174,367	205,826
Operations and Maintenance	2,754,961	2,294,065	2,001,448	1,927,870	1,909,195	1,881,897	1,940,084	1,909,346	2,036,533	2,661,465
Pupil Transportation	960,664	938,153	785,595	798,984	961,416	1,007,548	1,002,091	1,019,479	1,175,911	1,062,835
Central	159,022	202,374	309,528	314,574	325,396	312,908	575,625	493,667	636,459	392,603
Operation of Non-Instructional Services	0	0	0	0	0	0	367	1,132	264	1,892
Extracurricular Activities	37,044	154,568	218,042	240,497	235,018	257,269	235,727	228,771	276,877	294,110
Capital Outlay	0	0	0	0	0	0	24,360	0	0	0
Debt Service:										
Principal (2)	0	0	0	0	801,753	1,229,110	311,955	336,559	437,639	515,460
Interest (2)	0	0	0	0	0	0	230,310	143,309	102,809	191,817
Total Expenditures	\$16,528,403	\$17,227,360	\$17,379,941	\$16,964,255	\$18,602,433	\$18,642,832	\$18,908,980	\$16,302,902	\$20,204,046	\$22,949,137

Source: Trotwood-Madison City School District records.

(1) Fiscal Year 1996 is the first year reported on a GAAP basis. All prior fiscal years are reported on a cash basis.

(2) Information was not available to break out principal and interest from 1990 - 1995.

TROTWOOD-MADISON CITY SCHOOL DISTRICT
 Property Tax Levies and Collections - Real, Public Utility and Tangible Property
 Last Five Collection (Calendar) Years (1)
 1995 - 1999

Collection Year	Tax Levied (2)	Current Tax Collections (3)	Percent Collected	Delinquent Collection	Total Tax Collections	Percent Of Total Collections To Levy	Outstanding Delinquent Taxes (4)	Percent of Outstanding Delinquent Taxes To Tax Levied
1995	\$7,966,549	\$7,873,683	98.83%	\$351,614	\$8,225,297	103.25%	\$1,705,757	21.41%
1996	\$10,311,102	\$10,020,717	97.18%	\$328,854	\$10,349,571	100.37%	\$1,081,476	10.49%
1997	\$10,664,345	\$10,325,481	96.82%	\$620,449	\$10,945,930	102.64%	\$1,221,403	11.45%
1998	\$10,790,396	\$10,191,363	94.45%	\$615,175	\$10,806,538	100.15%	\$1,316,843	12.20%
1999	\$10,820,181	\$10,104,071	93.38%	\$496,692	\$10,600,763	97.97%	\$1,365,967	12.62%

Source: Montgomery County Auditor.

- (1) Information for tax collection years 1990 through 1994 are not available from the Montgomery County Auditor.
- (2) Taxes levied and collected are presented on a cash basis.
- (3) State reimbursements of rollback and homestead exemptions are included.
- (4) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

TROTWOOD-MADISON CITY SCHOOL DISTRICT
 Assessed and Estimated Actual Value of Taxable Property
 Last Five Collection (Calendar) Years (1)
 1995 - 1999

TABLE 4

Collection Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total		Ratio (2)
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1995	\$174,901,090	\$499,717,400	\$22,891,756	\$91,567,024	\$19,897,650	\$22,610,966	\$217,690,496	\$613,895,390	35.46%
1996	180,379,660	515,370,457	24,736,239	98,944,956	17,538,130	19,929,693	222,654,029	634,245,106	35.11%
1997	204,600,340	584,572,400	26,392,499	105,569,996	17,268,210	19,622,966	248,261,049	709,765,362	34.98%
1998	205,800,690	588,001,971	28,652,050	114,608,200	16,721,950	19,002,216	251,174,690	721,612,387	34.81%
1999	208,856,650	596,733,286	27,039,712	108,158,848	16,267,380	18,485,659	252,163,742	723,377,793	34.86%

Source: Montgomery County Auditor.

(1) Montgomery County Auditor property tax records are maintained on a calendar year basis. Property tax records prior to 1995 are not available.

(2) Ratio represents assessed value/total estimated value.

TROTWOOD-MADISON CITY SCHOOL DISTRICT
 Property Tax Rates (Per \$1,000 of Assessed Valuation)
 Direct and Overlapping Governments
 Last Five Collection (Calendar) Years (1)
 1995 - 1999

TABLE 5

	1999	1998	1997	1996	1995
Trotwood-Madison City School District	\$54	\$54	\$54	\$56	\$46
Montgomery County	17	17	17	17	17
City of Trotwood	15	15	15	15	12
Joint Vocational School	3	3	3	3	3
Library	0	0	1	1	1

Source: Montgomery County Auditor.

(1) Property tax rates prior to 1995 are not available.

TROTWOOD-MADISON CITY SCHOOL DISTRICT
 Ratio of Net General Bonded Debt to Assessed Value
 And Net Bonded Debt Per Capita
 Last Ten Years
 1990 - 1999

TABLE 6

Year	Population (1)	Total Assessed Value (2)	Gross Bonded Debt	Less Debt Service Fund (3)	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value (%)	Estimated Net Bonded Debt Per Capita
1990	29,358	n/a	1,475,000	459,940	\$1,015,060	n/a	\$35
1991	29,358	n/a	1,275,000	276,692	\$998,308	n/a	34
1992	29,358	n/a	1,050,000	231,970	\$818,030	n/a	28
1993	29,358	n/a	850,000	65,805	\$784,195	n/a	27
1994	29,358	n/a	625,000	32,466	\$592,534	n/a	20
1995	29,358	217,690,496	625,000	16,659	\$608,341	0.28%	21
1996	29,358	222,654,029	200,000	(8,452)	\$200,000	0.09%	7
1997	29,358	248,261,049	0	153,251	\$0	0.00%	0
1998	29,358	251,174,690	0	134,339	\$0	0.00%	0
1999	29,358	252,163,742	0	92,259	\$0	0.00%	0

Sources:

(1) City of Trotwood

(2) Montgomery County Auditor, calendar year basis. Information for fiscal years 1990 through 1994 was not available.

(3) Fiscal Year 1996 is the first year reported on a GAAP basis. All prior years are reported on a cash basis.

TROTWOOD-MADISON CITY SCHOOL DISTRICT

Computation of Legal Debt Margin

June 30, 1999

Table 7

Assessed Valuation of District		<u>\$252,163,742</u>
<u>Overall Direct Debt Limitation</u>		
Direct debt limitation		
9% of assessed valuation		\$22,694,737
Amount available in Debt Service Fund		\$92,259
Gross indebtedness	\$2,365,901	
Less: Debt exempt from limitation	<u>0</u>	
Debt subject to 9% limitation		<u>\$2,365,901</u>
Legal debt margin within 9% limitation		<u>\$20,421,095</u>
<u>Unvoted Direct Debt Limitation</u>		
Unvoted debt limitation		
0.1% of assessed valuation		\$252,164
Amount available in Debt Service Fund related to unvoted debt		0
Gross indebtedness authorized by the Board		0
Less: Debt exempt from limitation		<u>0</u>
Debt subject to 0.1% limitation		<u>0</u>
Legal debt margin within 0.1% limitation		<u>\$252,164</u>
<u>Energy Conservation Bond Limitation</u>		
Ohio Revised Code Section 133.042		
Debt limitation		
0.9% of assessed valuation		\$2,269,474
Energy conservation notes authorized by the Board		<u>0</u>
Legal debt margin within 0.9% limitation		<u>\$2,269,474</u>

Source: Trotwood-Madison City School District records.

TROTWOOD-MADISON CITY SCHOOL DISTRICT

Computation of Direct and Overlapping Debt

June 30, 1999

TABLE 8

Governmental Unit	Gross General Obligation	Percent Applicable to District (1)	Amount Applicable to District
Direct:			
Trotwood-Madison City School District	\$325,500	100.00%	\$325,500
Overlapping:			
Montgomery County	\$26,303,500	3.00%	\$789,105
City of Dayton	60,892,260	0.13%	79,160
City of Trotwood	1,525,000	100.00%	1,525,000
Miami Valley Regional T/A	19,695,000	2.92%	575,094
Total overlapping:	\$108,415,760		\$2,968,359
Total direct and overlapping debt:	\$108,741,260		\$3,293,859

TROTWOOD-MADISON CITY SCHOOL DISTRICT

TABLE 9

Ratio of Annual Debt Service Expenditures
For General Bonded Debt to Total General Fund Expenditures
Last Ten Fiscal Years
1990 - 1999

Fiscal Year (1)	Principal (2)	Interest (2)	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (%)
1990	\$831,694	\$0	831,694	\$16,528,403	5.03%
1991	793,985	0	793,985	17,227,360	4.61%
1992	3,251,364	0	3,251,364	17,379,941	18.71%
1993	3,281,209	0	3,281,209	19,964,255	16.44%
1994	2,494,854	0	2,494,854	18,602,433	13.41%
1995	414,336	0	414,336	18,642,832	2.22%
1996	357,207	71,778	428,985	18,908,980	2.27%
1997	947,360	245,796	1,193,156	16,302,902	7.32%
1998	87,284	42,915	130,199	20,204,046	0.64%
1999	37,029	5,051	42,080	22,949,137	0.18%

Source: Trotwood-Madison City School District records.

(1) Fiscal Year 1996 is the first year reported on a GAAP basis.
All prior fiscal years are reported on a cash basis.

(2) Information was not available to break out principal and interest from 1990 - 1995.

TROTWOOD-MADISON CITY SCHOOL DISTRICT

TABLE 10

Demographic Statistics

Last Ten Years

1990 - 1999

Year	Population (1)	School Enrollment (2)	Unemployment Rate Montgomery County(3)
1990	29,358	4,266	5.1%
1991	29,358	4,292	5.7%
1992	29,358	3,950	6.4%
1993	29,358	4,092	5.4%
1994	29,358	4,118	4.8%
1995	29,358	4,030	4.0%
1996	29,358	4,129	4.4%
1997	29,358	4,312	4.0%
1998	29,358	4,200	4.1%
1999	29,358	4,217	3.9%

Sources: (1) Census data provided by the City of Trotwood

(2) Trotwood - Madison City School District records

(3) State of Ohio Bureau of Employment Services.

Data was not available for the district only.

Annual averages. 1999 rate is for September, 1999.

TROTWOOD-MADISON CITY SCHOOL DISTRICT

Construction, Bank Deposits and Property Values

Last Ten Calendar Years

1990 - 1999

TABLE 11

Calendar Year	Construction (1)	Bank Deposits (2) (in Thousands)	Property Values (3)
1990	\$3,087,851	\$5,701,107	n/a
1991	899,746	6,728,755	n/a
1992	1,138,757	4,068,798	n/a
1993	2,234,292	3,834,335	n/a
1994	29,847,175	4,034,766	n/a
1995	2,326,428	3,995,114	174,901,090
1996	12,480,803	3,899,114	180,379,660
1997	4,307,023	3,530,314	204,600,340
1998	8,928,749	1,843,802	205,800,690
1999	n/a	3,113,400	208,856,650

Sources:

(1) City of Trotwood, Department of Planning and Development
Information was not available for 1999.

(2) Total deposits of all banks headquartered in Montgomery County, Ohio.
(includes national and state chartered banks.) Data was not available for
the District only. Federal Reserve Bank, Cleveland.

(3) Montgomery County Auditor, calendar year basis - real property assessed values.

TROTWOOD-MADISON CITY SCHOOL DISTRICT
Real and Tangible Personal Property
Top Ten Principal Taxpayers
June 30, 1999 (1)

TABLE 12

Name of Taxpayer	Real Property	% of Total Assessed Valuation
Dayton Power & Light Company	\$9,843,140	0.76%
GTE	\$5,721,440	0.44%
Connecticut General Life	\$4,693,500	0.36%
Natean Benderson	\$4,285,970	0.33%
Castlebrook Capital	\$3,745,000	0.29%
KIMCO Realty Corporation	\$3,200,290	0.25%
Troy CMBS Property	\$2,744,260	0.21%
Lowes Home Center	\$2,483,900	0.19%
Armstrong Mortgage Company	\$2,131,890	0.17%
Boffman Ridge Limited	\$1,823,000	0.14%
	<u>\$40,672,390</u>	<u>3.15%</u>

Source: Montgomery County Auditor.

(1) Based on information available as of June 30, 1999.

TROTWOOD-MADISON CITY SCHOOL DISTRICT

Miscellaneous Statistical Data

June 30, 1999

Enrollment by Grade

	K	1	2	3	4	5	6	7	8	9	10	11	12	U	CTC	Total
1998-99	376	336	332	337	339	349	300	299	262	286	292	279	273	23	0	4083
The following are projections:																
1999-00	281	360	295	310	328	324	317	322	270	266	276	228	197	0	101	3875
2000-01	311	285	365	300	315	329	327	320	324	272	251	261	216	0	103	3979
2001-02	321	315	290	370	305	320	330	330	323	322	265	241	250	0	105	4087
2002-03	331	326	320	295	375	310	324	331	333	326	312	258	230	0	101	4172
2003-04	339	336	331	325	300	377	315	328	332	336	320	300	242	0	103	4284
2004-05	347	344	341	336	330	305	380	319	331	329	330	315	290	0	106	4403
2005-06	356	352	349	346	341	335	310	382	323	332	326	320	305	0	107	4484
2006-07	365	361	357	354	351	346	340	315	384	327	324	318	313	0	108	4563
2007-08	374	370	366	362	359	356	351	345	320	385	329	314	311	0	109	4651
2008-09	383	379	375	371	367	364	361	356	350	325	370	319	307	0	108	4735
2009-10	392	388	384	380	376	372	369	366	361	340	315	360	312	0	109	4824

(11th & 12th grade figures include Great Oaks Joint Vocational Students)

Source: Trotwood-Madison City School District records.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

TROTWOOD-MADISON CITY SCHOOL DISTRICT

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 25, 2000**