

**Mary Taylor, CPA**  
Auditor of State



**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

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**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR JUNE 30, 2008**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i>	Pass-Through Entity's Number	Federal CFDA Number	Receipts	Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed Through Ohio Department of Education:</i>				
<u>Child Nutrition Cluster:</u>				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program		10.555	318,046	319,570
Cash Assistance:				
School Breakfast Program	05PU-2005	10.553	\$ 1,781,941	\$ 1,781,941
National School Lunch Program	LLP4-2005	10.555	5,571,804	5,571,804
Child and Adult Care Food Program	CCMO-2005	10.558	37,237	37,237
<i>Cash Assistance Subtotal</i>			<u>7,390,982</u>	<u>7,390,982</u>
<i>Total for Program (Cluster)</i>			<u>7,709,028</u>	<u>7,710,552</u>
<i>Total U.S. Department of Agriculture</i>			<u><b>7,709,028</b></u>	<u><b>7,710,552</b></u>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Direct Programs:				
<u>Student Financial Assistance Cluster:</u>				
Federal Pell Grant Program				
LPN Pell Grant FY-07	1346401449A4	84.063	53,103	53,104
LPN Pell Grant FY-08	1346401449A4		319,172	319,172
<i>Total Federal Pell Grant Program</i>			<u>372,275</u>	<u>372,276</u>
Federal Family Education Loan Program:				
Adult Education		84.032	450,191	450,191
<i>Total Family Education Loan Program</i>			<u>450,191</u>	<u>450,191</u>
<i>Total Student Financial Assistance Cluster</i>			<u>822,466</u>	<u>822,467</u>
Twenty-First Century Community Learning Centers				
21st Century Sherman/Riverside FY07	T1S1-2005		(5,323)	24,604
21st Century Sherman/Riverside FY08	T1S1-2005		38,120	42,183
21st Century Newbury FY07	T1S1-2005		(13,825)	29,621
21st Century Newbury FY08	T1S1-2005		78,313	94,312
<i>Total Twenty-First Century Community Learning Centers</i>			<u>97,285</u>	<u>190,720</u>
Fund for the Improvement of Education				
Physical Education Program FY07		84.215		300
Construction Careers Academy			55,200	71,008
<i>Total Fund for the Improvement of Education</i>			<u>55,200</u>	<u>71,308</u>
<i>Total U.S. Department of Education - Direct Programs</i>			<u>974,951</u>	<u>1,084,495</u>

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR JUNE 30, 2008**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i>	Pass-Through Entity's Number	Federal CFDA Number	Receipts	Disbursements
<b><i>Passed Through Ohio Department of Education:</i></b>				
<b><u>Special Education Cluster:</u></b>				
Special Education Grants to States		84.027		
Child Progress Indicators				
Spec Education IDEA, Part B FY07	6BSF-2007		386,428	1,759,165
Spec Education IDEA, Part B FY08	6BSF-2008		8,365,297	9,073,862
English Language Arts Academy	6BEC-2006			1,413
Social Study Institute of Ohio	6BEC-2007		9,635	15,441
<i>Total Special Education Grants to States</i>			8,761,360	10,849,881
Special Education Preschool Grants		84.173		
Preschool Grant Transition Child Find	PGD0-2006		12,229	25,675
Preschool Grant FY 07	PGS1-2007		13,355	38,549
Preschool Grant FY 08	PGS1-2008		211,119	211,771
<i>Total Special Education Preschool Grants</i>			236,703	275,995
<i>Total Special Education Cluster</i>			8,998,063	11,125,876
Adult Education State Grant Program		84.002		
A.B.L.E. FY 07	AB-S1-07		46,617	93,749
A.B.L.E. FY 08	AB-S1-08		570,398	570,506
<i>Total Adult Education State Grant Program</i>			617,015	664,255
Title I Grants to Local Educational Agencies		84.010		
Targeted Assistance FY 07	C1-S1-2007			728,611
Targeted Assistance FY 08	C1-S1-2008		2,718,583	2,386,642
FY 07	C1-S1-2007			2,185,190
FY 08	C1-S1-2008		11,412,593	12,144,031
Delinquent FY 07	C1-SD-2007			15,449
Delinquent FY 08	C1-SD-2008		122,956	122,327
School Improvement FY 07	C1-SK-2007		48,823	164,661
School Improvement FY 08	C1-SK-2008		950,891	915,789
<i>Total Title I Grants to Local Educational Agencies</i>			15,253,846	18,662,700
Migrant Education State Grant Program		84.011		
Migrant FY 07	MG-S1-2007		1,856	10,058
<i>Total Migrant Education State Grant Program</i>			1,856	10,058
Vocational Education Basic Grants to States		84.048		
Secondary FY 07	20C1-2007		326,827	520,521
Secondary FY 08	20C1-2008		772,733	819,966
Adult FY 07	20C2-2007		5,955	30,108
Adult FY 08	20C2-2008		122,657	123,413
High School of Business				2,000
<i>Total Vocational Education Basic Grants to States</i>			1,228,172	1,496,008

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR JUNE 30, 2008**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i>	Pass-Through Entity's Number	Federal CFDA Number	Receipts	Disbursements
Program Title				
Safe and Drug - Free Schools and Communities State Grants		84.186		
FY 07	DRS1-2006		6,693	29,174
FY 08	DRS1-2008		191,089	181,870
<i>Total Safe and Drug Free Schools and Communities State Grants</i>			197,782	211,044
Education for Homeless Children and Youth		84.196		
FY 07	HCS1-2007			53,803
FY 08	HCS1-2008		107,148	137,494
<i>Total Education for Homeless Children and Youth</i>			107,148	191,297
State Grants for Innovative Programs		84.298		
FY 07	C2S1-2007		12,884	39,177
FY 08	C2S1-2007		45,401	45,728
<i>Total State Grants for Innovative Programs</i>			58,285	84,905
Comprehensive School Reform Demonstration		84.332		
Glendale & Deveaux FY07	RFCC-2007		34,027	118,981
<i>Total Comprehensive School Reform Demonstration</i>			34,027	118,981
Improving Teacher Quality State Grants		84.367		
Improving Teacher Quality FY07	TRS1-2007		293,910	726,187
Improving Teacher Quality FY08	TRS1-2008		2,847,954	2,729,038
<i>Total Improving Teacher Quality State Grants</i>			3,141,864	3,455,225
English Language Acquisition Grants		84.365		
Limited English Grant FY 07	T3S1-2007			16,361
Limited English Grant FY 08	T3S1-2008		2,513	2,397
<i>Total English Language Acquisition Grants</i>			2,513	18,758
Reading First State Grants		84.357		
Reading First -Ohio FY07	RSS1-2007		137,939	345,551
Reading First -Ohio FY08	RSS1-2008		383,916	374,255
<i>Total Reading First State Grants</i>			521,855	719,806

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR JUNE 30, 2008**

<b>FEDERAL GRANTOR</b>	Pass-Through	Federal		
<b><i>Pass Through Grantor</i></b>	Entity's	CFDA		
Program Title	Number	Number	Receipts	Disbursements
Teacher Incentive Fund		84.374		
Ohio Teacher Incentive Fund - FY 07	TBT1-2007		(587,602)	254,805
Ohio Teacher Incentive Fund - FY 08	TBT1-2008		120,544	199,851
<i>Total Ohio Teacher Incentive Fund</i>			<u>(467,058)</u>	<u>454,656</u>
Education Technology State Grants		84.318		
Technology, Title II-D FY07	TJS1-2007		13,468	78,920
Technology, Title II-D FY08	TJS1-2008		153,356	169,474
<i>Total Education Technology State Grants</i>			<u>166,824</u>	<u>248,394</u>
<i>Total U.S. Department of Education - Pass Thru Programs</i>			<u>29,862,192</u>	<u>37,461,963</u>
Total U.S. Department of Education			<u><b>30,837,143</b></u>	<u><b>38,546,458</b></u>
 <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<b><i>Passed through Lucas County Job and Family Services</i></b>				
<i>Temporary Assistance for Needy Families</i>		93.558		
Closing Achievement Gap			164,051	377,811
LCJFS PRC School Uniforms FY 07			290,038	540,041
<i>Total Temporary Assistance for Needy Families</i>			<u>454,089</u>	<u>917,852</u>
 <b><i>Passed through Ohio Department of Mental Retardation and Developmental Disabilities</i></b>				
Medicaid Reimbursement		93.778	145,526	145,526
Total U.S. Department of Health and Human Services			<u>599,615</u>	<u>1,063,378</u>
<b>Total Federal Awards Receipts and Expenditures</b>			<u><b>\$ 39,145,786</b></u>	<u><b>\$ 47,320,388</b></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS SCHEDULE.

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Receipts and Expenditures Schedule (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 SERVICE PROGRAMS**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture.

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

**NOTE C - MATCHING REQUIREMENTS**

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

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# Mary Taylor, CPA

Auditor of State

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

Toledo City School District  
Lucas County  
420 East Manhattan Blvd.  
Toledo, OH 43608-1267

To the Board of Education:

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

### Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

One Government Center / Room 1420 / Toledo, OH 43604-2246  
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[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

We consider finding 2008-001 described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe the significant deficiency described above is not a material weakness.

We also noted certain internal control matters that we reported to the District's management in a separate letter dated December 30, 2008.

#### **Compliance and Other Matters**

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

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated December 30, 2008.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

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



**Mary Taylor, CPA**  
Auditor of State

December 30, 2008



# Mary Taylor, CPA

Auditor of State

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

Toledo City School District  
Lucas County  
420 East Manhattan Blvd.  
Toledo, OH 43608-1267

To the Board of Education:

### Compliance

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

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2008. In a separate letter to the District's management dated December 30, 2008, we reported an other matter related to federal noncompliance not requiring inclusion in this report.

### **Internal Control Over Compliance**

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we noted matters involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 30, 2008.

### **Federal Awards Receipts and Expenditures Schedule**

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

Toledo City School District  
Lucas County  
Independent Accountants' Report on Compliance with Requirements  
Applicable to Major Federal Programs and Internal Control Over  
Compliance in Accordance with *OMB Circular A-133*  
Page 3

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

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

**Mary Taylor, CPA**  
Auditor of State

December 30, 2008

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FINDINGS  
JUNE 30, 2008**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA # 10.553, 10.555, 10.558, Child Nutrition Cluster CFDA # 84.367 Improving Teacher Quality CFDA # 84.048 Vocational Education
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$1,419,612 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

**FINDING NUMBER 2008-001**

**Significant Deficiencies**

**Change Control Procedures**

Effective program change practices include the use of a standard form to document authorization of requests for programming changes. Changes should be tested in a test library and documentation should be kept with the change request form. Programmers should not have access to the production environment and a verification process should be in place to ensure the changes made are the change moved into production.

The District has an informal process to request program changes which are usually requested by a department head. Testing is also done informally and documentation is not kept. There isn't a control to ensure that only the changes requested are the changes that are moved into production.

Without proper change control procedures, changes made to application software could cause revenues and expenditures to be misstated on the financial statements. Without these controls there is an increased risk these changes could go undetected.

A standard request form should be implemented. It should include at a minimum:

- User requesting the change.
- Supervisor approval.
- Description of the change requested.
- Description of the changes made.
- Programmer who made the change.
- Test documentation.
- User approval of the changes made.
- Document and verify the change made is the change that is moved into production.

In addition, the district should maintain strict control over interim production program libraries. Changes to programs should be performed and tested within a test environment. Once a modified program has been approved for implementation, a person independent of the programming staff should transfer the program into interim production.

**Client Response**

The District recognizes its shortcomings in program documentation and controlled changes to the District's authored operational software programs. The current administrative systems are aged and currently scheduled for replacement through a comprehensive strategic IT initiative that seeks to replace administrative programs (H/R, general ledger, student data and others) beginning mid-year 2009. In recognition of the deficiency and the coming software (programs) changes, the District is taking efforts to limit all program changes and appropriately document any approved changes. As the District may be unable to test such changes in a more controlled environment (off-line system), the District is taking additional steps in its testing procedures, such as back-ups and off-time testing.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

**None**





**Toledo  
Public  
Schools**

Comprehensive  
**Annual  
Financial  
Report**

**Fiscal Year Ended  
June 30, 2008**

**Toledo City  
School District,  
Ohio**





# Comprehensive Annual Financial Report

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Fiscal Year Ended June 30, 2008 • Toledo City School District, Ohio

## Prepared by:

Treasurer's Division  
Daniel M. Romano, III  
*Treasurer*

420 East Manhattan Boulevard  
Toledo, Ohio 43608-1267  
419.729.8367

## About the Cover:

It was a great start to the 2008-09 school year when Toledo Public Schools opened seven new schools. In the weeks that followed, students, parents and community members celebrated the opening of these new schools during lively dedication ceremonies. Some schools shared their excitement by inviting students to speak, while others asked their cheerleaders to “shout-out” the enthusiasm everyone was feeling. Toledo voters approved the bond issue for the Building For Success program in November 2002, unleashing the single largest building project in the history of the city. To date, 23 new schools have opened, with 10 more scheduled to welcome students for the next school year. The amenities of the new schools are numerous and include spacious classrooms with colorful furnishings, state-of-the-art safety and security systems and the latest in wireless technologies. On the cover: Students, parents, TPS officials and community members celebrate the openings of the following new schools: Bowsher High School, DeVeaux Middle School, Elmhurst Elementary, Glenwood Elementary, Sherman Elementary, Westfield Elementary and Whittier Elementary



Toledo Public Schools  
The Power Of Learning



# Toledo Board of Education

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Dr. Steven C. Steel  
*President*



Jack Ford  
*Vice-President*



Darlene K. Fisher



Lisa Sobecki



Bob Vasquez



John Foley  
*Superintendent*



Daniel M. Romano, III  
*Treasurer*



# Toledo Public Schools

The Power Of Learning



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LUCAS COUNTY, OHIO**

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## *INTRODUCTORY SECTION*

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***Letter of Transmittal  
For the Fiscal Year Ended June 30, 2008***

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**TOLEDO CITY SCHOOL DISTRICT**

**Thurgood Marshall Building • 420 East Manhattan Blvd.  
Toledo, Ohio 43608**

Treasurer's Office: phone (419) 729-8370

fax (419)-729-8474

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December 30, 2008

Board of Education Members and Citizens of the Toledo City School District:

As the Superintendent and Treasurer of the Toledo City School District (the District), we are pleased to submit to you this Comprehensive Annual Financial Report (CAFR) of the District. This CAFR, for the year ended June 30, 2008, which includes an opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles (GAAP) and is in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report will provide the taxpayers of the Toledo City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to National Municipal Information Repository (NMSIR), State Information Depository (SID), other financial rating services and other interested parties.

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

The District provides a full range of educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory, and vocational levels; a broad range of co-curricular and extracurricular activities; adult and community education offerings; and special education services. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a Special Revenue Fund. The Non-Public School Operations and Lucas County Education Service Center have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2008***

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The District serves an area approximately 72 square miles. It is located in Lucas County, Ohio and encompasses most of the City of Toledo. The District's facilities include thirty-seven elementary schools, seven middle schools, seven senior high schools, eight special schools, a food service center, an administration building, a transportation center, a purchasing and warehouse facility and a maintenance facility. At June 30, 2008 there were 28,249 students in the District.

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

### **ECONOMIC CONDITIONS AND OUTLOOK**

Over three-fourths of North America's car and truck final assembly plants are within 500 miles of Toledo and 35 percent (35%) of these facilities are within 250 miles. Thirty-six percent (36%) of U.S. and nineteen percent (19%) of Canadian transportation equipment manufacturing are within a 250-mile radius of Toledo. In addition, 33 percent (33%) of the U.S. population resides within 500 miles of Toledo. The Toledo Metropolitan Area offers 25 industrial parks, seven of which are located within the Toledo City School District. Statistics indicate that employment in the Toledo area-manufacturing industries represent only about one-fourth of the available jobs in the area. The majority of work is found in non-manufacturing areas such as service industries, retail trade, and government jobs.

Transportation plays an important role in the Toledo area economy. The Port of Toledo is Ohio's largest and most diversified port and one of the nation's largest shippers of coal and grain. The Port offers a foreign trade zone encompassing 300,000 square feet of covered storage area serviced by ship, rail, and truck. Toledo is one of the nation's largest rail hubs with four major lines serving the area. Intrastate and interstate truck services are provided by more than 100 common carriers, including almost all major truck lines, as well as approximately 30 local cartage companies. Toledo Express Airport offers both general and commercial aviation services

Lucas County is the home of the Toledo Mud Hens and operates a 10,000 seat Toledo Mud Hens Stadium, in the Warehouse District. The Mud Hens, a Triple A baseball team, is in the Detroit Tigers farm system.

Like many areas of the Country, the local economy continues to be sluggish; however, the future economic outlook for the area remains positive. City of Toledo officials have been and are continuing to monitor spending and have taken steps to control the size and structure of the City's workforce, trim support costs and eliminate expenditures for inefficient and unnecessary contractual services to keep aggregate appropriations in balance with projected revenues. While the economy is still sluggish there were economic gains in 2006/07. The owners of Westfield Shoppingtown Franklin Park Mall announced plans for construction of a new retail space along the Westfield corridor. A \$35 million redevelopment of Westgate Village Shopping center was completed during 2007. Daimler/Chrysler, in cooperation with Hyundai Mobis MPDT, LLC, KUKA Flexible Production System, and Haden Environmental Corp., completed construction of a \$900 million, three million square foot manufacturing complex adjacent to

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2008***

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the Stickney Avenue (Toledo North). Mercy Health Partners completed a \$90 million renovation and construction project at its St. Vincent Mercy Medical Center in central Toledo. The ProMedica Health System has announced a comprehensive plan to replace, renovate and expand facilities on its Toledo Hospital medical center campus in two phases over a five-to-ten year period which began in July, 2005.

The area has diverse recreational, cultural, and educational resources. The City of Toledo has over 100 parks ranging from small neighborhood playgrounds to large centralized parks with full recreational facilities including picnic areas, ball diamonds, tennis courts, and swimming pools. The Maumee River and Lake Erie offer many water sport activities such as boating, sailing, water skiing, and fishing. The Area Metropark System has over 6,000 acres in nine locations. Local professional sports include the Toledo Mudhens Baseball Team, the Toledo Storm Hockey Team, and the Annual LPGA Golf Tournament. There are over 20 public and private golf courses in the area. The Toledo Zoo ranks among the best in the country. Toledo also boasts the world-renowned Toledo Museum of Art, which houses over 700 paintings, 5,000 pieces of glass, and a nationally respected symphony. The Museum recently completed a new glass exhibit, storage, and research center. Continuing and Advanced Education is available at the University of Toledo, University of Toledo Community and Technical College, Medical College of Ohio, Bowling Green State University, Owens Community College, and Lourdes College.

### **SIGNIFICANT ACCOMPLISHMENTS FOR THE YEAR**

The District once again has achieved the ranking on the state of Ohio report card of Continuous Improvement. Returning to this level after falling back last year was a goal that we all focused on achieving. The District has made great efforts to align our practices and focus so all of our efforts are unified toward a common direction of student achievement. Some of the practices we have instituted include Curriculum Alignment, pacing guides and standard-based report cards in the elementary schools, School Improvement Coaches provide support for improving instruction with a math and literacy a major focus, forty one schools continue to engage in professional development around Professional Learning Communities, and Data-Driven Instruction – Making Data Work For You training is providing a focus on data and improvement.

Our Building for Success Program opened the school year with nine new schools open for students to learn in bright, fresh, modern facilities with enhanced technology and safety and security.

We also saw a measurable increase in our attendance rate – reaching our highest level since the tests were introduced in 2003-04. While our graduation rate declined slightly, down from 90.4 percent to 87.6 (latest figures available)\_ – we are proud to report that TPS still has one of the highest graduation rates in the State of Ohio.

In addition, 19 of our schools met Adequate Yearly Progress (AYP) - this is an increase of 11 schools from the previous year. AYP is a federally required measure that focuses on each school and the district as a whole regarding established goals in the areas of reading and math proficiency, test participation, attendance and graduation rate.

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2008***

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A few examples of other schools that made notable increases include:

- Lagrange Elementary increased by 19.5 percent in 4th grade reading proficiency
- Robinson Middle School increased by nearly 20 percent in 7th grade writing
- Sherman Elementary increased in proficiency in 8 of 11 academic indicators
- Chase Elementary moved up one designation, increased more than 20 percent in 3rd and 6th grade math and 35.3 percent in 6th grade reading
- Leverette Middle School moved from AE to AW and increased in all 7 academic indicators (more than 20 percent in 7th grade writing, meeting the indicator).
- Elmhurst Elementary and Walbridge Elementary made tremendous strides with their test scores, in part by utilizing a professional learning community model that stresses teamwork and group problem solving to reach sustainable solutions throughout the school building.

Contracts for our employees were successfully negotiated and our bargaining units finally had new contracts for the first time since 2004.

The skyrocketing cost of higher education is an issue that becomes very real for many of our students upon graduation. Congratulations to Woodward High School and Owens Community College on their partnership to award a two-year full-ride scholarship to Woodward students by matching the full tuition that is not provided by a Pell Grant. Fifty seven Woodward students have gone on to enroll at Owens community College.

The District continues to work toward improving academic achievement for all students. Partnerships with community organizations and improved parent involvement have continued to be improved and emphasized to provide supports for our students. A new award winning website continues to promote the district and provide information.

The District continues to emphasize their six Core Values to guide Toledo Public Schools toward improved teaching and learning. It is believed that, in order to achieve improvements, if every employee fully understands and internalized these values, they will become a reality in all daily activities. The Core Values are Collaboration, Rigorous Academic Curriculum, Excellence in Every Job, Focus on Customer Service, Community Involvement and Parental Support, and Employee Promotion of Student Success.

The School District and the Ohio School Facilities Commission (OSFC) have developed, with significant community input, and agreed on a Master Facilities Plan describing the classroom facilities needs of the entire student population of the District. In January 2003, the District and the OSFC entered into a Project Agreement for the construction and acquisition of the Classroom Facilities Project. The Master Facilities Plan calls for (i) the construction of 39 new elementary schools, 12 new middle schools, five new high schools and one combined elementary/middle/high school and (ii) the renovation of three elementary schools, a combined middle school/high school, two high schools and an aviation education center. The District and the OSFC currently estimate that this Project will cost \$797,817,229 and be constructed in six segments over a period of approximately 10 years. During Fiscal Year 2007-2008, the District opened Keyser, Navarre, Burroughs, Stewart, Rosa Parks Elementary Schools, McTigue, Byrnedale, Samuel Jones @ Gunckel Park, Leverette Middle Schools and Start High School.

## ***TOLEDO CITY SCHOOL DISTRICT***

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***Letter of Transmittal  
For the Fiscal Year Ended June 30, 2008***

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### **MAJOR INITIATIVES FOR THE FUTURE**

Although not a new initiative, the District will be fully engaged in major school building and renovation projects. The massive size of the project will be most challenging for all District personnel, specifically the Business Office and the Treasurer's Office.

The Treasurer's Division has continued to show leadership and growth by striving for excellence in developing and implementing sound fiscal management, accounting and reporting standards.

Revenue Sharing Agreements between the City of Toledo, Toledo City School District and Washington Local Schools are being renegotiated. Since the inception of Revenue Sharing Agreements, "Contributions in Lieu of Taxes", totaled over \$12,144,632. Currently there are 44 companies actively participating in the tax abatement program. These Agreements promote the economic welfare of our community by creating new jobs, while retaining and preserving existing jobs and employment opportunities, as facilities are established, expanded, renovated or occupied within designated Enterprise Zones. It is hoped that the success of these Tax Exemption Revenue Sharing Agreements will set the stage for future cooperation between government entities.

With the collective bargaining agreement all District employees are required to have direct deposit for their payroll. This program not only provides our employees with better banking services and a broader number of banking options, but it is cost effective to the District and will allow us to operate more efficiently.

The Department of General Accounting has increased performance and efficiency by using laser applications for both check writing for all accounts payable invoice payments as well as issuing receipts. To further increase efficiencies, ACH payments are being made to all construction contractors and vendors. In addition, the Department has implemented online monthly reports wherein reports are generated directly from the District's data base. As a result, performance and efficiency has been increased and by reducing the need for hard copy printouts there has been a substantial savings on paper costs.

The Toledo City School District has debt ratings of Aa2 and AAA from Moody's and Fitch rating services, respectively. Financial information was provided to all external-rating agencies resulting in our maintaining the above-mentioned rating. Financial information was also furnished to the Ohio Municipal Advisory Council (OMAC), which has applied for and received the designation of being the State Information Depository (SID) for the State of Ohio. The establishment of SID provides the State with more uniform central distribution of financial information to debt holders and potential bidders of debt for the Toledo City School District.

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2008***

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The District provides annual Continuing Disclosure filings with the appropriate National Municipal Information Repository (NMSIR) and SID to keep bondholders of the Ohio School Facilities bond issue abreast of the current financial status of the District.

The Treasurer's Division implemented requirements of the Ohio Legislature as they relate to the mandatory preparation of a Five-Year Revenue and Expenditure Forecast, the multi-year Certification of Estimated Revenues, and the proper identification and appropriation of DPIA Funds. One provision of House Bill 412 requires the Board of Education to submit a Five-Year Financial Forecast to the Ohio Department of Education. The 2007 Five-Year Financial Forecast was presented to the Board of Education for adoption in October of 2007.

An additional provision of the Legislature requires the President of the Board of Education, the Superintendent and the Treasurer to certify that adequate revenue will be available to maintain all personnel, programs, and services essential to the operation of an adequate educational program for the length of each contract up to five years. This certification is attached to all contracts, leases, and other business transactions as required by law. Procedures are in place to ensure compliance.

During the past year, the Treasurer's Division has focused on improving the financial position of the District. The Division has actively studied all possible alternatives to property tax financing, searched for additional revenue sources, and implemented cost saving measures. The Treasurer's Division staff will continue to maintain a high level of service and support, and identify ways to improve communications with their customers. They will continue to improve internal controls, management practices, technology utilization and enhancements, operational efficiencies, and financial processes in order to assure the fiscal integrity of District assets and maintain excellent audit results. They will continue to focus on the Board's primary objective of improving educational opportunities for the children in our community.

Other goals and objectives that are in the process of being formulated include:

- Improve fiscal integrity and accountability of the District by establishing business community "forums"/meetings, developing a "popular annual financial report and budget report as a means to establish board friendly financial reports;
- Improve customer service for all customers – internal and external- for all Treasurer's division operations;
- Improved communications from, to and between Treasurer's office departments;
- Contribute to District improvement efforts in Leadership Development;
- Contribute to District improvements in effectiveness and efficiency in service delivery;
- Improve "intergovernmental relations" with related government entities, i.e. institute a local Government Finance Officers Association with local government finance officers;

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2008***

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- Implement a “Supplier Diversity Program”;
- Continue to explore alternative computer software and internet technology to enhance operational efficiencies and reduce costs. As a result of this initiative all aspects of the District’s Management Information System are being reviewed. It is the goal of the Treasurer’s division to implement recommendations developed by this study.

## **FINANCIAL INFORMATION**

**Internal Controls:** The Management of the District is responsible for establishing 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. 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; and (2) the valuation of cost and benefit requires estimates and judgments by management.

**Single Audit:** As a recipient of Federal and State Financial Assistance, the District also is responsible for requiring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation and audit by management and staff of the District.

As a part of the District's Single Audit, tests are made to determine the adequacy of the internal control structure, including that portion relating to Federal Financial Assistance programs, as well as to verify that the District has complied with applicable laws and regulations.

**Budgetary Controls:** The District maintains budgetary controls and ensures compliance with legal provisions through the adoption of the Annual Appropriation Measure approved by the Board of Education. The Annual Appropriation Measure embodies all funds of the District. Funds establish the level of budgetary control, and expenditures cannot legally exceed the appropriated amount. The level of budgetary control established by the Board of Education is at the fund level. The District also maintains an encumbrance system to assist in budgetary control. Unencumbered appropriations lapse at year-end. The District obtained an Official Amended Certificate of Estimated Revenues on June 24, 2008.

As illustrated by the statements and schedules included in the Financial Section of this report, the District continues to meet its responsibility for sound fiscal management.

**Debt Administration:** At June 30, 2008, the District had outstanding Long-Term Voted and Un-voted Debt issues of \$149,805,000. Moody’s and Fitch assigned their municipal bond ratings of Aaa and AAA, respectively, to the Long-Term Bonds with the understanding that the District obtain Municipal Bond Insurance Policy issued by Financial Security Assurance, Inc. The District has obtained the necessary Municipal Bond Insurance Policy. Under current state statutes, the District's General Obligation Bonded Debt Issuances are subject to a legal limitation based on nine percent of the total assessed value of real and personal property. At June 30, 2008, the District's General Obligation debt of \$149,805,000 was below the legal limit.

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2008***

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**Investment and Cash Management:** On September 23, 1996, the District submitted to the Auditor of the State of Ohio its Administrative Policy for Investment and Cash Management Activities. The District subsequently updated this policy on March 13, 2008. The policy statements were designed and developed to serve as administrative guidelines for District personnel who are involved in the investment process. All policy statements were developed to comply with Senate Bill 81 and complement existing laws contained in Section 135 of the Ohio Revised Code. Section 135 is designed to be restrictive in nature in order to assure protection of District funds. The District's Administrative Policy for Investment and Cash Management Activities is more restrictive than current laws, as the District seeks optimal protection of capital invested.

Laws, regulations and policy statements cannot substitute for a commitment to sound judgment, knowledge, prudence, experience, and a disciplined approach to investment portfolio management. The District's Administrative Policy is designed to provide guidance and continuity to District staff, instill cash management disciplines, and provide continued protection of District funds.

It is the policy of the District to give due regard for safety of principal, liquidity, diversity of portfolio assets, and associated investment risks and that available funds shall be invested in accordance with the laws of the state of Ohio, and the Administrative Policies of the District, at the highest rates obtainable at the time of investment.

Effective cash management and investment portfolio management is recognized as essential to sound fiscal management. An active Cash Management Program and prudent investment practices are pursued by the District to take advantage of investment interest as a viable and material source of revenue for all funds involved. The District's portfolio is always managed in a manner responsive to public trust.

District personnel authorized to conduct investment transactions shall avoid any transaction that might impair public confidence in the District's ability to govern effectively. At no time will the District purchase any of the following investment securities:

- (a) Leverage current investments as collateral to purchase other investments.
- (b) Invest in a reverse repurchase agreement (a.k.a. engage in Security Lending)
- (c) Invest in a fund (other than STAR Ohio) established by another public body for the purpose of investing public moneys of other subdivisions.
- (d) Invest in any derivative security. For this purpose, a derivative security is defined as "a financial instrument or contract or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself".
- (e) Invest in stripped principal or interest obligations of otherwise eligible obligations (e.g. United States Treasury Strips).
- (f) Invest in negotiable, brokered Certificates of Deposit such as "Yankee C.D.'s, "Eurodollar C.D.'s, and "Canadian Time Deposit Receipts (TDR'S)" or any other time deposit which is not collateralized in the manner and to the extent required under Section 135.18 or 135.181 of the Ohio Revised Code.

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2008***

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- (g) Invest in Small Business Loan Program products (SBA OR SBIC).
- (h) Invest in Asset Backed Commercial Paper Programs.
- (i) Invest in Commercial Paper of issuing corporations not based and incorporated in the United States of America.
- (j) Invest in Bankers Acceptances of issuing financial institutions not based and incorporated in the United States of America.
- (k) Contract to sell securities that have not yet been acquired by the District for the purpose of bond price speculation (a.k.a. Selling Short).
- (l) Invest in any other investment not permitted by law for Ohio school districts.

The District adheres to the “Prudent-Man-Rule” of portfolio management, which states that in acquiring, investing, reinvesting, exchanging, retaining, selling, and managing property for any fund heretofore or hereafter created, the Toledo City School District will exercise the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in regard to the permanent disposition of funds, considering the probable outcome, as well as the probable safety of capital.

To further safeguard District assets collateralized by pooled securities at our local financial institutions, each of the District’s depositories are monitored on a monthly basis utilizing Bauer Financial, Inc. financial ratings. Bauer Financial specializes in financial analysis and reports on the financial condition of the nation’s banks, thrifts and credit unions. A “Five Star” rating system is used to rank each financial institution, with Five Stars being the best rating and a One Star rating representing a troubled institution. All of the District’s banking institutions are presently rated “Four Stars”, with the exception of one banking institution rated “Three Stars”.

The District recently reviewed and amended its investment policy to incorporate the dynamics in the industry since the policies first inception in September 1996. The District applied for and received national recognition from the Association of Public Treasurers of the United States and Canada for the amended Investment Policies.

### **RISK MANAGEMENT**

The Labor-Management Insurance Committee comprised of the Chief Business Manager, Executive Assistant to the Superintendent for Human Resources, the Treasurer, and representatives of the three major employee groups monitors health benefit insurances.

The District is exposed to financial loss resulting from District-caused damage to property or bodily injuries or illness of employees, unemployment compensation benefits to previous employees, and employee health care, prescription drug, dental and life insurance benefits. The Administrative Services - Employee Benefit Self-Insurance Fund, an Internal Service Fund, is used to account for, and finance self-insurance activities. This fund includes prescription drug, health, and dental insurance benefits. Approximately 83% of the District's employees are eligible for health care benefits. The District records the remaining liability for incurred but unreported claims at year-end based upon an Actuarial Opinion provided by Timothy P. Berghoff, FSA, MAAA.

## ***TOLEDO CITY SCHOOL DISTRICT***

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***Letter of Transmittal  
For the Fiscal Year Ended June 30, 2008***

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### **OTHER INFORMATION**

**Independent Audit:** State statutes require an annual audit by independent accountants. The Ohio State Auditor's Office conducted the audit for the Fiscal Year ended June 30, 2008. The Auditor's Audit Opinion is on the Basic Financial Statements. The introductory section and statistical tables are not a required part of the opinion and no opinion is rendered on those sections.

**Awards:** The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Toledo City School District for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2007. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) that conforms to program standards. A CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement award is valid for a period of one year. The Toledo City School District has received a Certificate of Achievement for the past eighteen years (1989-2007). We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to the GFOA for consideration.

The Toledo City School District also received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2007. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. An expert ASBO Panel of Review consisting of Certified Public Accountants and practicing school business officials, grants the award, only after an intensive review of financial reports. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. A Certificate of Excellence is valid for a period of one year only. This is the eleventh year the District has received the Certificate of Excellence. We believe our current report continues to conform to the Certificate of Excellence requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

**TOLEDO CITY SCHOOL DISTRICT**

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***Letter of Transmittal  
For the Fiscal Year Ended June 30, 2008***

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**Acknowledgment:** Preparation of this report would not have been possible without the joint cooperation of all Divisions in the District. We would like to specifically acknowledge the following individuals within the Treasurer's Division and the Business Division: Jeff Richard Schroeder, Director of General Accounting, C.P.A., W. Paul Overman, Jr., Investment Analyst, and Ron Victor, Chief Business Manager. We are also grateful for the services of Donald J. Schonhardt & Associates, Inc. for their assistance in preparing this report. Special recognition is extended to Richard A. Ferner, Senior Accountant, for his efforts in preparing this report.

Finally, we would like to express our appreciation to the Board Members for their fiscal integrity and continued support.

Sincerely,



John Foley  
Superintendent and CEO



Daniel M. Romano, III  
Treasurer of the Board

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June, 30, 2008***

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#### ***Members of the Board of Education***

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The current members of the Board of Education of the Toledo City School District are:

	Began Service as a Board Member	Present Term Expires
Steven C. Steel, Ph.D., President	01/01/2006	12/31/2009
Jack Ford, Member, Vice President	07/05/2007	12/31/2011
Darlene K. Fisher, Member	01/01/2006	12/31/2009
Lisa Sobecki, Member	01/01/2008	12/31/2011
Bob Vasquez, Member (1)	03/07/2008	12/31/2009

(1) Appointed to fill the unexpired term of Robert Torres.

#### ***Superintendent***

The Superintendent serves as the Chief Executive Officer of the School District and is responsible for administering policies adopted by the Board of Education. The Superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. On May 11, 2007 Mr. Foley was appointed Superintendent with his term of contract expiring July 31, 2010.

#### ***Treasurer***

The Treasurer serves as the Chief Fiscal Officer of the District and Secretary to the Board of Education. The Treasurer receives, accounts for, and disburses all District funds as required by applicable laws in accordance with Board policies and regulations. Daniel M. Romano, III was appointed Treasurer effective June 27, 2007 with his contract expiring January 1, 2009.

***TOLEDO CITY SCHOOL DISTRICT***

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***Management Team  
For the Fiscal Year Ended June, 30, 2008***

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***Management Team Members***

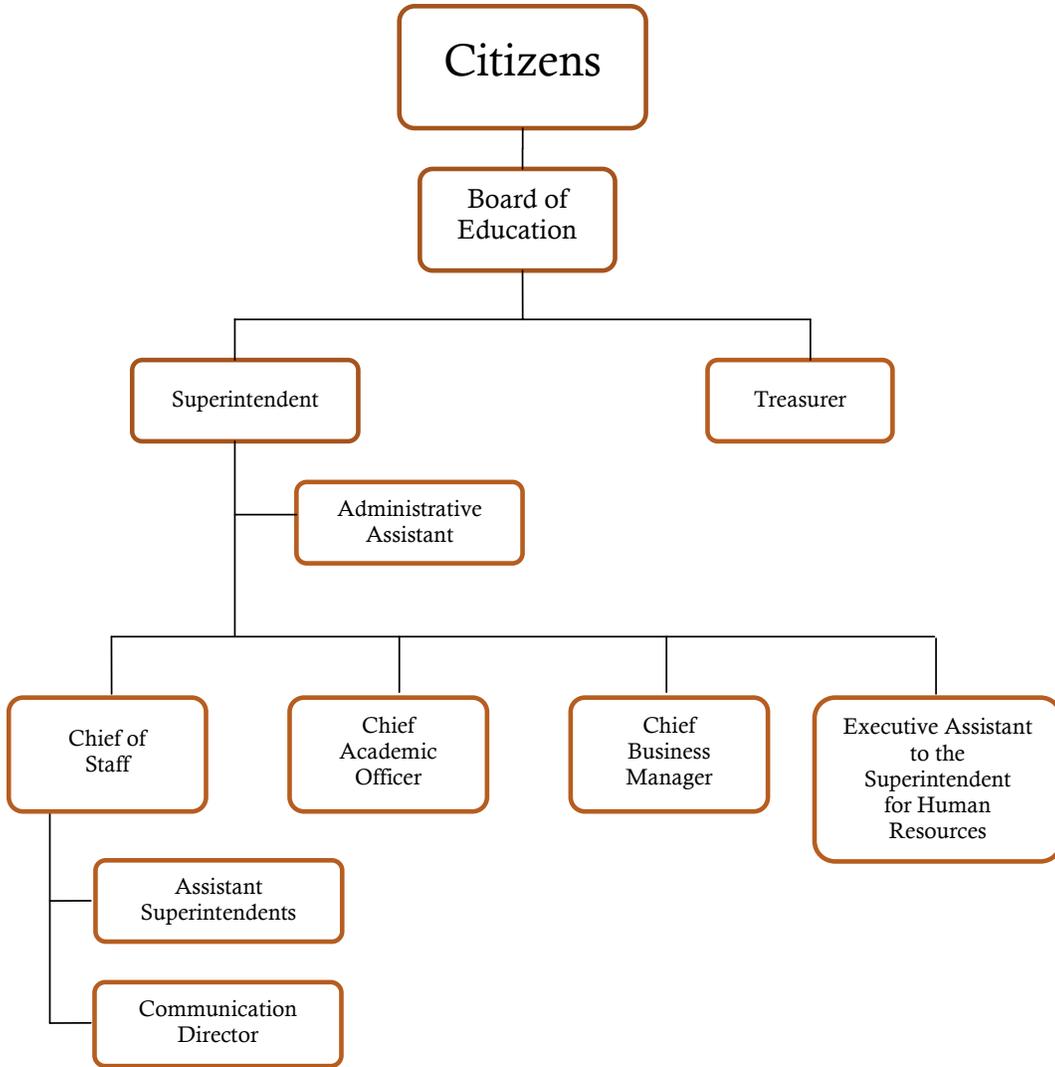
John Foley	Superintendent
Crystal Ellis	Chief of Staff
Daniel M. Romano III	Treasurer of the Board
Jan I. Kilbride	Chief Academic Officer
Carol Thomas	Executive Assistant to the Superintendent for Human Resources
Patricia Mazur	Communication Director
Ron Victor, Ph.D.	Chief Business Manager
James E. Gault	Assistant Superintendent, High Schools
Cecelia M. Adams, Ph.D.	Assistant Superintendent, Program Development and Advancement
Diane Irving	Assistant Superintendent, Elementary Schools
Richard Jackson	Assistant Superintendent, Elementary Schools

**TOLEDO CITY SCHOOL DISTRICT**

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**School District Organizational Chart  
For the Fiscal Year Ended June, 30, 2008**

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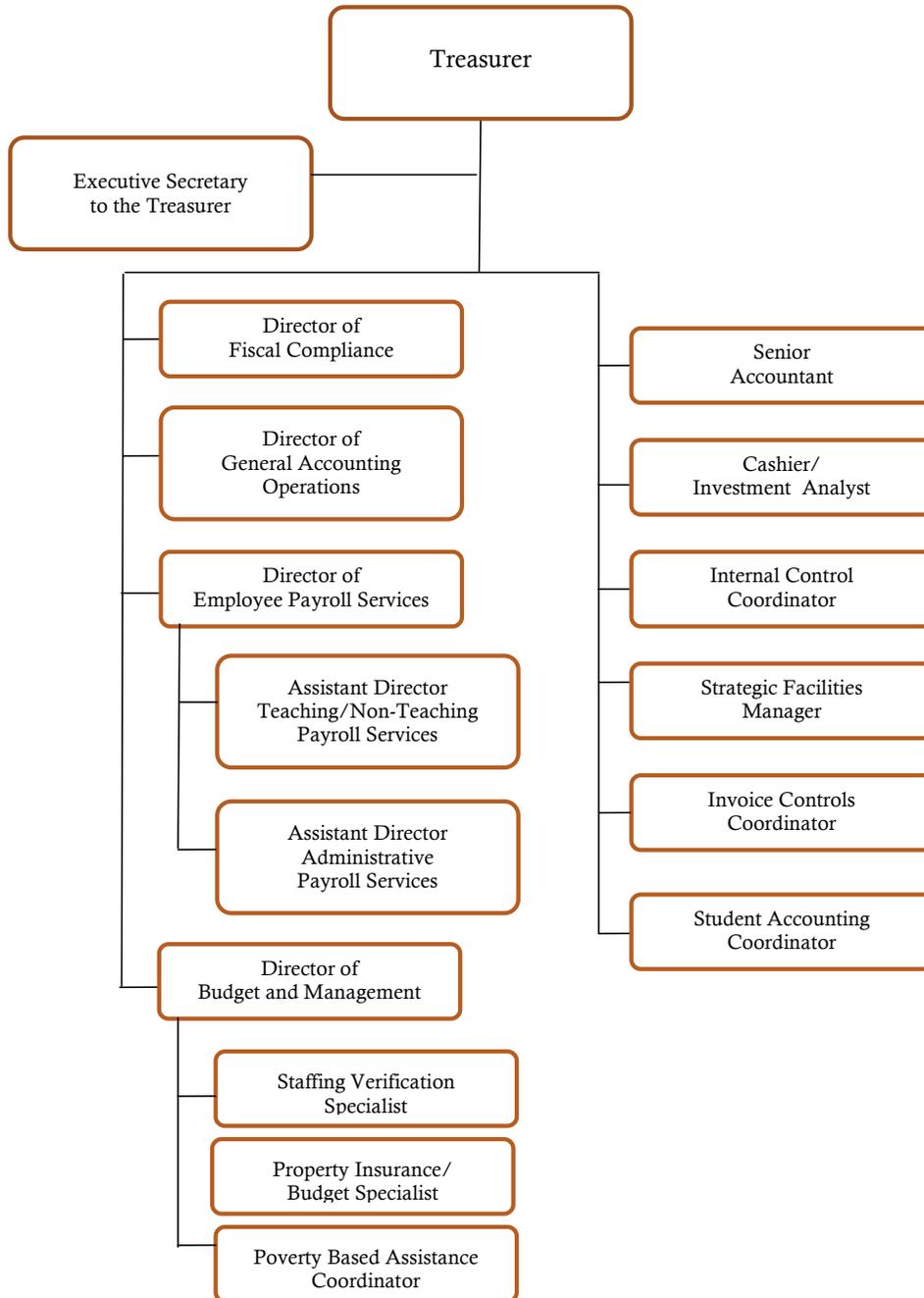


**TOLEDO CITY SCHOOL DISTRICT**

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**Treasurer's Division Organizational Chart  
For the Fiscal Year Ended June, 30, 2008**

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Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

Toledo City School District  
Ohio

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

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



*Charles S. Cox*

President

*Jeffrey R. Emery*

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**TOLEDO CITY SCHOOL DISTRICT**

**For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2007**

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

*Grome E. Brendel*

President

*John D. Messer*

Executive Director



## *FINANCIAL SECTION*

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Toledo City School District  
Lucas County  
420 East Manhattan Blvd.  
Toledo, OH 43608-1267

To the Board of Education:

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2008, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

One Government Center / Suite 1420 / Toledo, OH 43604-2246  
Telephone: (419) 245-2811 (800) 443-9276 Fax: (419) 245-2484  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules, and statistical schedules and tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical schedules and tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

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

**Mary Taylor, CPA**  
Auditor of State

December 30, 2008

## ***TOLEDO CITY SCHOOL DISTRICT***

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***Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008***

***Unaudited***

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

### ***FINANCIAL HIGHLIGHTS***

**Key financial highlights for 2008 are as follows:**

- ❑ General revenues accounted for \$296,666,942 in revenue or 72% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$117,231,065 or 28% of total revenues of \$413,898,007. The District continues to see student enrollment declining, resulting in a reduction of State of Ohio financial assistance. To eliminate projected deficits the District continues to aggressively monitor expenditures in correlation to revenues received.
- ❑ The District had \$434,628,708 in expenses related to governmental activities; only \$117,231,065 of these expenses were offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$105,444,447, unrestricted state and federal revenues totaling \$181,133,225, investment earnings totaling \$9,683,086 plus prior year carry over revenues) were adequate to provide for these programs.
- ❑ The assets of the District exceeded its liabilities at June 30, 2008 by \$605,101,987 (net assets). The District's total net assets decreased by \$20,730,701 in fiscal year 2008. The major portion of this decrease was the result of a reduction of general purpose property taxes as well as decreased revenue from the capital asset building project. An increase in investment earnings helped to minimize this decrease.
- ❑ Among major funds, the general fund had \$303,711,913 in revenue, \$293,197,471 in expenditures and (\$2,503,618) in net other financing uses, resulting in the general fund balance increasing by \$8,010,824 to \$13,721,761. This increase is attributable to monitoring expenditures in correlation to revenues received.

### ***OVERVIEW OF THE FINANCIAL STATEMENTS***

This Annual Report consists of three parts – management's discussion and analysis, the basic financial statements, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.

## ***TOLEDO CITY SCHOOL DISTRICT***

---

***Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008***

***Unaudited***

---

2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

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

The government-wide statements report information about the District as a whole using accounting similar to those used by private-sector companies. The statement of net assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net-assets (the difference between the District's assets and liabilities) are one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, and student enrollment growth and facility conditions.

The government-wide financial statements of the District falls into one category:

- *Governmental Activities* – All of the district's programs and services are reported here including instruction, support services, non-instructional and extracurricular activities.

### ***Fund Financial Statements***

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

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

**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008**

**Unaudited**

**Proprietary Funds** – The District uses internal service funds to report activities that provide supplies and services for the District's other programs and activities. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities.

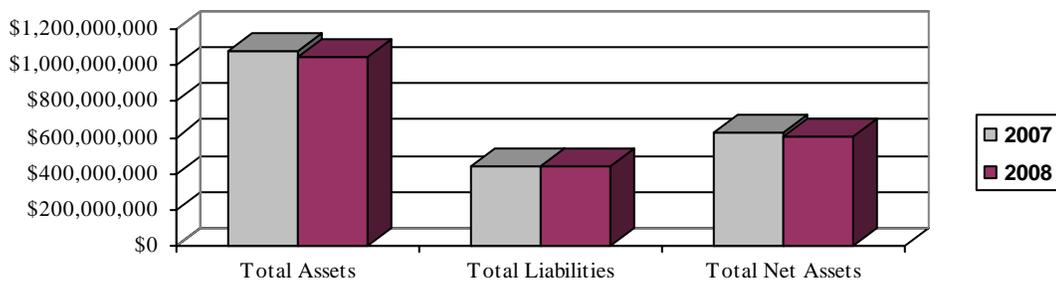
**Fiduciary Funds** – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

The following table provides a summary of the District's net assets for 2008 compared to 2007:

	Governmental Activities		Increase (Decrease)
	2008	2007	
Current and other assets	\$689,723,813	\$791,208,641	(\$101,484,828)
Capital assets, Net	352,947,973	280,849,472	72,098,501
Total assets	1,042,671,786	1,072,058,113	(29,386,327)
Long-term debt outstanding	194,324,769	197,254,902	(2,930,133)
Other liabilities	243,245,030	248,970,523	(5,725,493)
Total liabilities	437,569,799	446,225,425	(8,655,626)
Net assets			
Invested in capital assets, net of related debt	273,164,202	248,239,325	24,924,877
Restricted	351,796,575	392,768,156	(40,971,581)
Unrestricted	(19,858,790)	(15,174,793)	(4,683,997)
Total net assets	\$605,101,987	\$625,832,688	(\$20,730,701)

**Toledo City Schools Governmental Activities**



**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008**

**Unaudited**

**Changes in Net Assets** – The following table shows the net assets for the fiscal year 2008 compared to 2007:

	Governmental Activities		Increase (Decrease)
	2008	2007	
Revenues			
Program revenues:			
Charges for Services	\$21,843,702	\$22,726,652	(\$882,950)
Operating Grants	95,387,363	89,840,113	5,547,250
Capital Grants	0	241,467	(241,467)
General revenues:			
Property Taxes	105,444,447	117,505,572	(12,061,125)
Grants and Entitlements	181,133,225	183,776,457	(2,643,232)
Other	10,089,270	11,496,363	(1,407,093)
Total revenues	413,898,007	425,586,624	(11,688,617)
Program Expenses			
Instruction	263,193,272	189,552,656	73,640,616
Support Services	133,764,377	133,079,110	685,267
Non-Instructional Services	25,644,073	27,648,071	(2,003,998)
Extracurricular Activities	5,107,505	4,242,542	864,963
Interest and Fiscal Charges	6,919,481	6,991,726	(72,245)
Total expenses	434,628,708	361,514,105	73,114,603
Total Change in Net Assets	(20,730,701)	64,072,519	(84,803,220)
Beginning Net Assets	625,832,688	561,760,169	64,072,519
Ending Net Assets	\$605,101,987	\$625,832,688	(\$20,730,701)

**Governmental Activities**

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home value at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service.

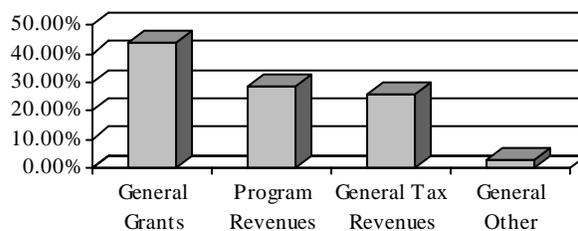
Property taxes made up approximately 25% of revenues for governmental activities for the Toledo City School District in fiscal year 2008. The District's reliance upon tax revenues is demonstrated by the following graph indicating 25.48% of total revenues from general tax revenues:

**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008**

**Unaudited**

Revenue Sources	2008	Percent of Total
General Grants	\$181,133,225	43.76%
Program Revenues	117,231,065	28.32%
General Tax Revenues	105,444,447	25.48%
General Other	10,089,270	2.44%
Total Revenue	<u>\$413,898,007</u>	<u>100.00%</u>



**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

The District's governmental funds reported a combined fund balance of \$105,264,679, which is a decrease from last year's total of \$130,066,353. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2008 and 2007.

	Fund Balance June 30, 2008	Fund Balance June 30, 2007	Increase (Decrease)
General	\$13,721,761	\$5,710,937	\$8,010,824
Debt Service	13,863,182	11,268,394	2,594,788
Classroom Facilities			
Capital Projects	55,956,088	90,753,357	(34,797,269)
Other Governmental	21,723,648	22,333,665	(610,017)
Total	<u>\$105,264,679</u>	<u>\$130,066,353</u>	<u>(\$24,801,674)</u>

The increase in General Fund balance was mostly the result of closely monitoring the District's expenditures in relation to General Fund revenues and timing difference on revenue and expenditure accruals. As a result General Fund revenues were adequate to cover expenses and transfers out during fiscal year 2008. The Debt Service Fund balance increase was the result of tax revenues increasing to cover future principal payments to retire debt obligations. In general, the decrease in fund balances for the Classroom Facilities Fund and Other Governmental Funds were directly related to increases in expenditures for the Ohio School Facilities building project.

**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008**

**Unaudited**

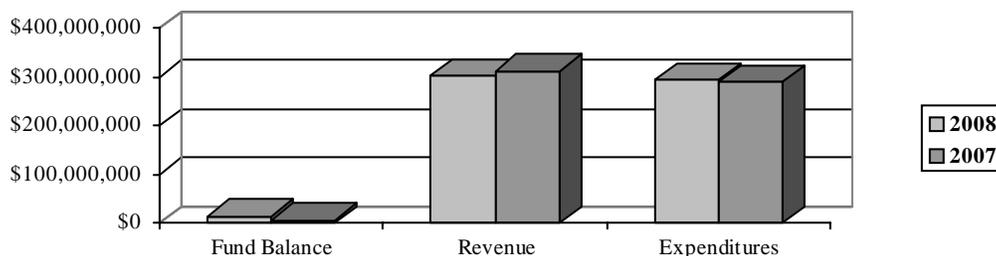
**General Fund** – The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2008 Revenues	2007 Revenues	Increase (Decrease)
Taxes	\$98,171,392	\$102,483,672	(\$4,312,280)
Tuition	2,962,608	2,625,371	337,237
Transportation Fees	764,427	783,273	(18,846)
Investment Earnings	2,888,791	2,667,997	220,794
Class Materials and Fees	153,670	212,800	(59,130)
Intergovernmental - State	189,244,419	193,119,240	(3,874,821)
Intergovernmental - Federal	155,645	0	155,645
All Other Revenue	9,370,961	10,151,046	(780,085)
<b>Total</b>	<b>\$303,711,913</b>	<b>\$312,043,399</b>	<b>(\$8,331,486)</b>

During fiscal year 2008 total General Fund revenues decreased by approximately 2.7%. This was mainly due to a large tax lien sale by the County Auditor as well as an increase in delinquent property taxes. Investment earnings increased by approximately 8.3% due to a continued stable interest rate environment as well as additional revenues available for investing. There was a decrease in Intergovernmental State due primarily to the timing of State payments.

	2008 Expenditures	2007 Expenditures	Increase (Decrease)
Instruction	\$181,997,279	\$177,136,484	\$4,860,795
Supporting Services	98,421,340	100,419,187	(1,997,847)
Non-Instructional Services	9,021,184	10,200,123	(1,178,939)
Extracurricular Activities	3,460,442	2,600,307	860,135
Capital Outlay	297,226	346,804	(49,578)
<b>Total</b>	<b>\$293,197,471</b>	<b>\$290,702,905</b>	<b>\$2,494,566</b>

General Fund



**TOLEDO CITY SCHOOL DISTRICT**

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**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008**

**Unaudited**

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Instructional expenditures increased during the fiscal year however there were compensating reduction to Support Services and Non-Instructional Services. These differences were primarily due to timing difference in accruing expenditures. Overall expenditures increased by .0085%.

The District's budget is prepared according to Ohio law and is based on accounting for transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The legal level of control established by the Board of Education is at the fund level.

During the course of fiscal year 2008, the District amended its General Fund budget as new sources of revenue were received. A final Supplementing/Amending Appropriation Measure was approved prior to the close of the fiscal year.

The following schedule provides a comparison of the original budget estimates compared to the final budget estimates for the General Fund:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Percent of Change</u>
General Fund			
Revenue	\$304,536,781	\$308,828,612	1.41%
Expenditures	325,073,960	310,335,412	(4.53%)

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**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008**

**Unaudited**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets* - At the end of fiscal 2008 the District had \$352,947,973 net of accumulated depreciation invested in land, land improvements, buildings, building additions, equipment, vehicles and construction in progress. The following table shows fiscal year 2008 and 2007 balances:

	Governmental Activities		Increase (Decrease)
	2008	2007	
Land	\$13,856,745	\$13,841,931	\$14,814
Construction in Progress	96,291,759	151,589,221	(55,297,462)
Land Improvements	8,836,154	8,836,154	0
Buildings	283,222,497	151,606,708	131,615,789
Building Improvements	38,006,513	41,822,905	(3,816,392)
Machinery and Equipment	9,957,028	9,424,270	532,758
Vehicles	10,216,142	9,928,187	287,955
Less: Accumulated Depreciation	(107,438,865)	(106,199,904)	(1,238,961)
Totals	<u>\$352,947,973</u>	<u>\$280,849,472</u>	<u>\$72,098,501</u>

For financial reporting purposes the District capitalizes all assets in excess of \$5,000. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 9).

The District and the Ohio School Facilities Commission have cooperatively entered into an agreement to build and/or renovate sixty-three buildings at an estimated cost of \$797,817,229, for which the District's local share is \$183,498,000. This project will be over a ten-year period. To date the District has expended approximately \$375,948,139 for construction and related costs. During fiscal year 2008 the District opened Keyser, Navarre, Burroughs, Stewart, Rosa Parks Elementary Schools, McTigue, Byrnedale, Samuel Jones @ Gunckel Park, Leverette Middle Schools and Start High School.

*Debt* - At June 30, 2008, the District had \$149,805,000 in General Obligation Bonds outstanding, \$3,415,000 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2008 and 2007:

	2008	2007
Governmental Activities:		
General Obligation Bonds	\$149,805,000	\$153,135,000
Premium on G.O. Bonds	3,320,566	\$3,460,365
Compensated Absences	41,199,203	40,659,537
Totals	<u>\$194,324,769</u>	<u>\$197,254,902</u>

Under current state statutes, the District's debt issue is subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2008, the District's outstanding debt was below the legal limit. Detailed information regarding debt is included in the notes to the basic financial statements (Note 12).

## **ECONOMIC FACTORS**

School Districts are required by Ohio law to prepare, and submit to the State Department of Education each year, a five-year financial forecast. The District submitted its last such annual forecast to the Department in October 2008.

The Administration and the collective bargaining units, representing District employees, agreed to new collective bargaining contracts in July 2008.

The District is self-insured for the medical, dental and prescription drug care benefits provided to its employees under current contracts with their collective bargaining units and with the individual employees who are not represented by those units. The Board and the Administration continue to explore all methods available to reduce the District's costs for these employee health care benefits.

Fiscal Year 2008 preliminary enrollment counts indicates that the District continues to experience enrollment declines. The District's strategy, to meet the needs of parents has been to offer special magnet school learning center alternatives and single gender student academies. The magnet schools are Grove Patterson Academy in the District's Start Learning Community and the Old West End academy in the Scott Learning Community. The District's single gender academies are Lincoln Elementary School and Ella P. Stewart Elementary School. All have proved popular with students and parents resulting in total enrollment growth. The District also created two of its own charter schools to serve students in the District with special circumstances and resulting needs.

In November 2008, the citizens continued to support the District by passing a renewal operating levy for ten years as well as approving the issuance of School Facilities Improvement Bonds in the aggregate amount of \$37,000,000.

The District is mindful of the economic downturn and is anticipating a reduction in taxes due to increased home foreclosures and delinquent taxes as well as the real potential of realizing a reduction in state funding. The District will take appropriate action as needed.

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

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information please contact Daniel M. Romano III, Treasurer, at Toledo City School District, 420 E. Manhattan Boulevard, Toledo, Ohio 43608.

**TOLEDO CITY SCHOOL DISTRICT**

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**Statement of Net Assets**  
**June 30, 2008**

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	<b>Governmental Activities</b>
<b>Assets:</b>	
Cash and Cash Equivalents	\$ 217,815,504
Cash with Fiscal Agent	3,596,486
Receivables:	
Taxes	131,794,403
Accounts	356,177
Intergovernmental	328,407,054
Interest	2,348,571
Inventory Held for Resale	579,428
Restricted Assets:	
Cash and Cash Equivalents	3,700,671
Unamortized Bond Issuance Costs	1,125,519
Capital Assets Not Being Depreciated	110,148,504
Capital Assets Being Depreciated, Net	242,799,469
<b>Total Assets</b>	<b>1,042,671,786</b>
<b>Liabilities:</b>	
Accounts Payable	79,096,945
Accrued Wages and Benefits	33,654,502
Intergovernmental Payable	8,929,333
Unearned Revenue	120,980,144
Accrued Interest Payable	584,106
Long Term Liabilities:	
Due Within One Year	3,675,659
Due in More Than One Year	190,649,110
<b>Total Liabilities</b>	<b>437,569,799</b>
<b>Net Assets:</b>	
Invested in Capital Assets, Net of Related Debt	273,164,202
Restricted For:	
Capital Projects	317,693,258
Debt Service	14,372,972
Permanent Fund:	
Expendable	350,204
Nonexpendable	503,291
Other Purposes	18,876,850
Unrestricted (Deficit)	(19,858,790)
<b>Total Net Assets</b>	<b>\$ 605,101,987</b>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

**Statement of Activities  
For the Fiscal Year Ended June 30, 2008**

	Expenses	Program Revenues		Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Governmental Activities
<b>Governmental Activities:</b>				
Instruction	\$ 263,193,272	\$ 5,290,951	\$ 60,014,332	\$ (197,887,989)
Support Services	133,764,377	13,775,626	30,832,025	(89,156,726)
Non-Instructional Services	25,644,073	0	3,690,924	(21,953,149)
Extracurricular Activities	5,107,505	2,777,125	850,082	(1,480,298)
Interest and Fiscal Charges	6,919,481	0	0	(6,919,481)
<b>Totals</b>	<b>\$ 434,628,708</b>	<b>\$ 21,843,702</b>	<b>\$ 95,387,363</b>	<b>(317,397,643)</b>
<b>General Revenues</b>				
Property Taxes Levied for:				
				89,303,614
				1,099,423
				11,056,591
				3,984,819
Grants and Entitlements not Restricted to Specific				
				181,133,225
				9,683,086
				406,184
				<u>296,666,942</u>
				(20,730,701)
				<u>625,832,688</u>
				<u>\$ 605,101,987</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

**Balance Sheet  
Governmental Funds  
June 30, 2008**

	General	Debt Service	Classroom Facilities
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 27,760,141	\$ 13,725,995	\$ 121,292,730
Cash with Fiscal Agent	0	0	0
Receivables:			
Taxes	111,891,988	13,267,692	0
Accounts	42,424	0	0
Intergovernmental	1,789,345	0	312,168,040
Interest	95,902	38,722	1,795,487
Interfund Loan Receivable	4,222,287	0	0
Inventory Held for Resale	386,024	0	0
Restricted Assets:			
Cash and Cash Equivalents	3,700,671	0	0
<b>Total Assets</b>	<b>\$ 149,888,782</b>	<b>\$ 27,032,409</b>	<b>\$ 435,256,257</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 5,066,723	\$ 0	\$ 66,949,055
Accrued Wages and Benefits	19,110,578	0	0
Intergovernmental Payable	6,783,882	0	183,074
Interfund Loans Payable	0	0	0
Deferred Revenue	105,205,838	13,169,227	312,168,040
<b>Total Liabilities</b>	<b>136,167,021</b>	<b>13,169,227</b>	<b>379,300,169</b>
<b>Fund Balances:</b>			
Reserved for Encumbrances	3,633,290	0	63,926,085
Reserved for Supplies Inventory	386,024	0	0
Reserved for Property Taxes	6,000,000	0	0
Reserved for Budget Stabilization	3,700,671	0	0
Reserved for Endowments	0	0	0
Unreserved, Undesignated in:			
General Fund	1,776	0	0
Special Revenue Funds (Deficit)	0	0	0
Debt Service Fund	0	13,863,182	0
Capital Projects Funds (Deficit)	0	0	(7,969,997)
Permanent Fund	0	0	0
<b>Total Fund Balances</b>	<b>13,721,761</b>	<b>13,863,182</b>	<b>55,956,088</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 149,888,782</b>	<b>\$ 27,032,409</b>	<b>\$ 435,256,257</b>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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Other Governmental Funds	Total Governmental Funds
\$ 39,414,168	\$ 202,193,034
3,596,486	3,596,486
6,634,723	131,794,403
220,662	263,086
14,444,795	328,402,180
303,968	2,234,079
0	4,222,287
193,404	579,428
0	3,700,671
\$ 64,808,206	\$ 676,985,654
\$ 6,566,764	\$ 78,582,542
6,084,224	25,194,802
1,649,750	8,616,706
4,222,287	4,222,287
24,561,533	455,104,638
43,084,558	571,720,975
4,873,436	72,432,811
193,404	579,428
0	6,000,000
0	3,700,671
503,291	503,291
0	1,776
(1,834,973)	(1,834,973)
0	13,863,182
17,638,286	9,668,289
350,204	350,204
21,723,648	105,264,679
\$ 64,808,206	\$ 676,985,654

**TOLEDO CITY SCHOOL DISTRICT**

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***Reconciliation Of Total Governmental Fund Balances  
To Net Assets Of Governmental Activities  
June 30, 2008***

---

<b>Total Governmental Fund Balances</b>	\$ 105,264,679
<b><i>Amounts reported for governmental activities in the statement of net assets are different because</i></b>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	352,947,973
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	335,250,013
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	6,548,197
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(194,908,875)</u>
<b><i>Net Assets of Governmental Activities</i></b>	<b><u><u>\$ 605,101,987</u></u></b>

See accompanying notes to the basic financial statements



**TOLEDO CITY SCHOOL DISTRICT****Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2008**

	General	Debt Service	Classroom Facilities
<b>Revenues:</b>			
Taxes	\$ 98,171,392	\$ 11,056,591	\$ 0
Tuition	2,962,608	0	0
Transportation Fees	764,427	0	0
Food Services	0	0	0
Investment Earnings	2,888,791	28,478	5,469,442
Extracurricular Activities	0	0	0
Class Materials and Fees	153,670	0	0
Intermediate Sources	0	0	0
Intergovernmental - State	189,244,419	2,079,619	63,399,405
Intergovernmental - Federal	155,645	0	0
All Other Revenue	9,370,961	0	1,150,100
<b>Total Revenue</b>	<b>303,711,913</b>	<b>13,164,688</b>	<b>70,018,947</b>
<b>Expenditures:</b>			
Current:			
Instruction	181,997,279	0	0
Supporting Services	98,421,340	192,024	9,140,019
Non-Instructional Services	9,021,184	0	0
Extracurricular Activities	3,460,442	0	0
Capital Outlay	297,226	0	90,782,573
Debt Service:			
Principal Retirement	0	3,330,000	0
Interest and Fiscal Charges	0	7,047,876	0
<b>Total Expenditures</b>	<b>293,197,471</b>	<b>10,569,900</b>	<b>99,922,592</b>
Excess (Deficiency) of Revenues Over Expenditures	10,514,442	2,594,788	(29,903,645)
<b>Other Financing Sources (Uses):</b>			
Sale of Capital Assets	0	0	0
Transfers In	0	0	0
Transfers Out	(2,503,618)	0	(4,893,624)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,503,618)</b>	<b>0</b>	<b>(4,893,624)</b>
Net Change in Fund Balance	8,010,824	2,594,788	(34,797,269)
<b>Fund Balances at Beginning of Year</b>	<b>5,710,937</b>	<b>11,268,394</b>	<b>90,753,357</b>
<b>Fund Balances End of Year</b>	<b>\$ 13,721,761</b>	<b>\$ 13,863,182</b>	<b>\$ 55,956,088</b>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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Other Governmental Funds	Total Governmental Funds
\$ 5,084,242	\$ 114,312,225
1,168,059	4,130,667
0	764,427
1,791,657	1,791,657
1,392,906	9,779,617
1,236,132	1,236,132
177,464	331,134
60,000	60,000
40,976,715	295,700,158
38,778,925	38,934,570
<u>3,427,404</u>	<u>13,948,465</u>
<u>94,093,504</u>	<u>480,989,052</u>
44,971,345	226,968,624
33,678,924	141,432,307
15,849,509	24,870,693
1,411,552	4,871,994
6,096,559	97,176,358
0	3,330,000
<u>0</u>	<u>7,047,876</u>
<u>102,007,889</u>	<u>505,697,852</u>
(7,914,385)	(24,708,800)
46,765	46,765
7,277,303	7,277,303
<u>(19,700)</u>	<u>(7,416,942)</u>
<u>7,304,368</u>	<u>(92,874)</u>
(610,017)	(24,801,674)
<u>22,333,665</u>	<u>130,066,353</u>
<u>\$ 21,723,648</u>	<u>\$ 105,264,679</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Reconciliation Of The Statement Of Revenues, Expenditures  
And Changes In Fund Balances Of Governmental Funds  
To The Statement Of Activities  
For The Fiscal Year Ended June 30, 2008***

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**Net Change in Fund Balances - Total Governmental Funds** \$ (24,801,674)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period. 73,809,318

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received. (1,710,817)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (67,041,918)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 3,469,799

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 6,433

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (557,503)

The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. (3,904,339)

***Change in Net Assets of Governmental Activities*** \$ (20,730,701)

See accompanying notes to the basic financial statements



**TOLEDO CITY SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended June 30, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Revenue from Local Sources	\$ 273,266,323	\$ 116,583,961	\$ 114,527,011	\$ (2,056,950)
Revenue from State Sources	31,147,446	189,244,419	189,244,419	0
Revenue from Federal Sources	0	145,526	145,526	0
Total Revenues	<u>304,413,769</u>	<u>305,973,906</u>	<u>303,916,956</u>	<u>(2,056,950)</u>
<b>Expenditures:</b>				
Current:				
Instructional Services:				
Regular	66,859,164	88,292,589	88,292,589	0
Special	22,930,102	30,733,169	30,733,169	0
Vocational Education	7,584,251	9,231,739	9,231,739	0
Other	61,099,558	57,052,247	57,052,247	0
Support Services:				
Pupils	11,827,963	11,712,557	11,712,557	0
Instructional Staff	8,822,821	11,579,232	11,579,232	0
Board of Education	86,589	59,756	59,756	0
Administration	16,684,075	20,137,676	20,137,676	0
Fiscal Services	4,756,697	5,241,279	5,241,279	0
Business	2,298,514	2,532,825	2,532,825	0
Operation and Maintenance of Plant	30,186,880	33,033,802	33,033,802	0
Pupil Transportation	10,658,384	13,146,163	13,146,163	0
Central	5,229,409	6,029,749	6,029,749	0
Other Services:				
Food Service Operations	37,452	32,041	32,041	0
Community Services	521,200	576,328	576,328	0
Other Operation of Non-Instructional Services.	66,674,109	9,810,247	9,810,247	0
Academic and Subject Oriented Activities	393,023	415,659	415,659	0
Occupation Oriented Activities	106,560	64,927	64,927	0
Sport Oriented Activities	2,488,440	2,886,946	2,886,946	0
School and Public Service Co-Curricular. Activitie	185,216	215,736	215,736	0
Site Improvement Services	240,000	381,491	381,491	0
Architecture and Engineering	0	32,500	32,500	0
Total Expenditures	<u>319,670,407</u>	<u>303,198,658</u>	<u>303,198,658</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,256,638)	2,775,248	718,298	(2,056,950)

**TOLEDO CITY SCHOOL DISTRICT**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(3,353,553)	(2,540,129)	(2,540,129)	0
Advances In	0	2,048,126	2,048,126	0
Advances Out	(2,000,000)	(4,463,437)	(4,463,437)	0
Refund of Prior Year's Expenditures	123,012	806,580	806,580	0
Refund of Prior Year's Receipts	(50,000)	(133,188)	(133,188)	0
Total Other Financing Sources (Uses):	<u>(5,280,541)</u>	<u>(4,282,048)</u>	<u>(4,282,048)</u>	<u>0</u>
Net Change in Fund Balances	(20,537,179)	(1,506,800)	(3,563,750)	(2,056,950)
Fund Balance at Beginning of Year	21,098,199	21,098,199	21,098,199	0
Prior Year Encumbrances	<u>8,074,567</u>	<u>8,074,567</u>	<u>8,074,567</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 8,635,587</u>	<u>\$ 27,665,966</u>	<u>\$ 25,609,016</u>	<u>\$ (2,056,950)</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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***Statement of Net Assets  
Proprietary Funds  
June 30, 2008***

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	Governmental Activities - Internal Service Funds
<b>Assets:</b>	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 15,622,470
Receivables:	
Accounts	93,091
Intergovernmental	4,874
Interest	<u>114,492</u>
<b>Total Assets</b>	<u>15,834,927</u>
<b>Liabilities:</b>	
<i>Current Liabilities:</i>	
Accounts Payable	514,403
Accrued Wages and Benefits	8,459,700
Intergovernmental Payable	<u>312,627</u>
<b>Total Liabilities</b>	<u>9,286,730</u>
<b>Net Assets:</b>	
Unrestricted	<u>6,548,197</u>
<b>Total Net Assets</b>	<u>\$ 6,548,197</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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***Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2008***

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	Governmental Activities - Internal Service Funds
<b>Operating Revenues:</b>	
Interfund Charges	\$ 44,410,873
<b>Total Operating Revenues</b>	<u>44,410,873</u>
<b>Operating Expenses:</b>	
Personal Services	2,617,155
Purchased Services	46,644,125
Supplies and Materials	243,693
<b>Total Operating Expenses</b>	<u>49,504,973</u>
Operating Loss	(5,094,100)
<b>Nonoperating Revenues:</b>	
Operating Grants	31,578
Investment Earnings	1,018,544
<b>Total Nonoperating Revenues</b>	<u>1,050,122</u>
Loss Before Transfers	(4,043,978)
Transfers In	139,639
Change in Net Assets	(3,904,339)
Net Assets Beginning of Year	<u>10,452,536</u>
Net Assets End of Year	<u>\$ 6,548,197</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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**Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2008**

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	Governmental Activities - Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$44,656,871
Cash Payments to Employees for Services and Benefits	(52,324,062)
Net Cash Used by Operating Activities	<u>(7,667,191)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>	
Transfers In from Other Funds	139,639
Operating Grants	31,578
Net Cash Provided by Noncapital Financing Activities	<u>171,217</u>
<u>Cash Flows from Investing Activities:</u>	
Receipts of Interest	1,252,669
Net Cash Provided by Investing Activities	<u>1,252,669</u>
Net Decrease in Cash and Cash Equivalents	(6,243,305)
Cash and Cash Equivalents at Beginning of Year	21,865,775
Cash and Cash Equivalents at End of Year	<u><u>\$15,622,470</u></u>
<u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Used by Operating Activities:</u>	
Operating Loss	(\$5,094,100)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	3,688
Increase in Intergovernmental Receivables	(4,214)
Decrease in Accounts Payable	(1,341,631)
Increase in Accrued Wages and Benefits	382,600
Decrease in Intergovernmental Payables	(1,613,534)
Total Adjustments	<u>(2,573,091)</u>
Net Cash Used by Operating Activities	<u><u>(\$7,667,191)</u></u>

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During 2008 the fair value of investments increased by \$131,977 and \$5,617 in the Health Insurance and Workers' Compensation Funds, respectively.

See accompanying notes to the basic financial statements.

**TOLEDO CITY SCHOOL DISTRICT**

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**Statement of Net Assets  
Fiduciary Funds  
June 30, 2008**

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	Private Purpose Trust	
	Special Trust Fund	Agency
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 1,417,062	\$ 464,652
Receivables:		
Accounts	1,000	2,554
Interest	10,669	4,277
<b>Total Assets</b>	<u>1,428,731</u>	<u>471,483</u>
<b>Liabilities:</b>		
Accounts Payable	86,005	70,220
Intergovernmental Payable	5,100	600
Due to Students	0	400,663
<b>Total Liabilities</b>	<u>91,105</u>	<u>471,483</u>
<b>Net Assets:</b>		
Unrestricted	<u>1,337,626</u>	<u>0</u>
<b>Total Net Assets</b>	<u>\$ 1,337,626</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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**Statement of Changes in Net Assets  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2008**

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	Private Purpose Trust <u>Special Trust Fund</u>
<b>Additions:</b>	
Contributions:	
Sales	\$ 79,674
Dues and Fees	4,550
Private Donations	<u>34,849</u>
Total Contributions	<u>119,073</u>
Investment Earnings:	
Interest	62,391
Net Increase in the Fair Value of Investments	<u>(8,147)</u>
Total Investment Earnings	<u>54,244</u>
Total Additions	<u>173,317</u>
<b>Deductions:</b>	
Administrative Expenses	<u>255,224</u>
Total Deductions	<u>255,224</u>
Change in Net Assets	(81,907)
Net Assets at Beginning of Year	<u>1,419,533</u>
Net Assets End of Year	<u>\$ 1,337,626</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Toledo City School District, Ohio (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 District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the School District's instructional support facilities staffed by approximately 1,470 noncertified and approximately 2,509 certified teaching personnel and administrative employees providing education to 28,249 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing board and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on the District. There were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. Based on the application of the above criteria for a component unit, and the criteria for defining joint ventures set forth under section J50.102 of the 2004 Codification there are no component units or "Joint Ventures." Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings. The District is the sponsor of the Imani, Polly Fox, Phoenix Academies and the Toledo School for the Arts, all charter schools established under Chapter 3314 of the Ohio Revised Code. These community schools are not considered part of the District.

The accounting policies and financial reporting practices of the District conform to Generally Accepted Accounting Principles as applicable to governmental units. The following is a summary of its significant accounting policies.

**B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are grouped into the categories governmental, proprietary and fiduciary.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

***Governmental Funds*** - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

**General Fund** - This fund is the general operating fund of the District and is used to account for all financial resources except those accounted for in another 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 Ohio.

**Debt Service Fund** - This fund is used for the accumulation of resources for, and the payment of, long-term debt principal and interest.

**Classroom Facilities Fund** - The Classroom Facilities capital projects fund accounts for monies received and expended in connection with contracts entered into by the District and the Ohio Department of Education for the building and equipping of classroom facilities.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

***Proprietary Funds*** - The proprietary funds are accounted for on a "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

**Internal Service Funds** - The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis. The District uses internal service funds to account for employee health insurance and workers' compensation.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

***Fiduciary Funds*** – Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District’s own programs. The District’s trust fund is a private purpose trust that accounts for scholarship programs for students and unclaimed monies. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on an accrual basis of accounting. The District has two agency funds. One fund is used to account for federal grant monies used for tuition in Toledo Public Schools’ Adult Education programs and the other to account for student activity programs.

**C. Basis of Presentation – Financial Statements**

***Government-wide Financial Statements*** – The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no activities considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements** (Continued)

**Fund Financial Statements** – Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

Fiduciary funds are reported using the economic resources measurement focus. The agency funds are custodial in nature (assets equal liabilities) and do not have a measurement focus.

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Government-wide, proprietary and fiduciary fund financial statements measure and report all assets, liabilities, revenues, expenses, gains and losses using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds use no measurement focus.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting** (Continued)

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2008, and which are not intended to finance fiscal 2008 operations, have been recorded as unearned revenue on the Statement of Net Assets. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2008 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

***Revenues – Exchange and Non-exchange Transactions*** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process**

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.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only the general fund and major special revenue funds are required to be reported. The primary level of budgetary control is at the fund level.

Supplemental budgetary modifications may only be made by resolution of the Board of Education.

**1. Estimated Resources**

Prior to April 1, the Board 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 the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final Amended Official Certificate of Estimated Resources issued during fiscal year 2008.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process** (Continued)

**2. Appropriations**

A Temporary Appropriation Measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An Annual Appropriation Resolution must be passed by October 1 of each year for the period July 1 through June 30. The Appropriation Resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications. Pursuant to the provisions of Section 323.17, Ohio Revised Code, an exception to the October 1 filing deadline is permitted when the delivery of a tax duplicate, from the County Auditor, is delayed. For fiscal year 2008 the Board of Education passed the annual certification on June 26, 2007.

**3. Lapsing of Appropriations**

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

**4. Budgetary Basis of Accounting**

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures (budgetary basis) as opposed to reservations of fund balance (GAAP basis).

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**4. Budgetary Basis of Accounting (Continued)**

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund:

<u>Net Change in Fund Balance</u>	
	<u>General Fund</u>
GAAP Basis (as reported)	\$8,010,824
Increase (Decrease):	
Accrued Revenues at June 30, 2008, received during FY 2009	(13,222,132)
Accrued Revenues at June 30, 2007, received during FY 2008	12,645,145
Accrued Expenditures at June 30, 2008, paid during FY 2009	30,961,183
Accrued Expenditures at June 30, 2007, paid during FY 2008	(36,122,708)
Perspective Difference:	
Advance from Fiduciary Fund	6,830
Advance to Fiduciary Fund	(28,500)
2007 Adjustment to Fair Value	8,904
2008 Adjustment to Fair Value	9,715
Encumbrances Outstanding	(5,833,011)
Budget Basis	<u>(\$3,563,750)</u>

**F. Cash and Investments**

Cash received by the District is deposited in one of eight banks with individual fund balance integrity maintained throughout. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term cash equivalent investments, which are stated at cost. In accordance with 2450.106 of the 2004 GASB Codification on reporting cash flows of Proprietary Funds, cash equivalents are defined as investments of the cash management pool and short term, highly liquid investments that are readily convertible to cash and so near to maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with original maturities of less than three months are considered to meet this definition; otherwise they are shown as "investments" for these funds. At June 30, 2008, there were no investment balances as defined under section 2450.106 of the 2004 GASB Codification.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Cash and Investments** (Continued)

During fiscal year 2008, investment purchases were exclusively limited to Repurchase Agreements, Star Ohio, Commercial Paper, Banker's Acceptance, U.S. Treasury Obligations, U.S. Agency Issues, Interest Bearing Savings Accounts, Sweep Accounts, Negotiable Orders of Withdrawals and a Money Market Mutual Fund. Except for participating interest earning investments and money market investments that had a remaining maturity of one year or less at the time of purchase and non-participating interest earning investments, investments are reported at fair value. All remaining investments are reported at cost. Under existing Ohio statutes, all investment earnings accrue to the General Fund except those specifically related to certain funds and according to Board policy and resolution. The District's investments are affected by fair value change; therefore, they are participating. Interest revenue credited to the general fund during fiscal year 2008 amounted to \$2,888,791, which includes \$65,575 assigned from other funds.

The District has invested funds in the STAR Ohio during 2008. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940 and is rated AAAM by Standard and Poor's Rating Agency. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2008.

The District invests inactive funds of deposit accounts maintained at the school building level (School Building Support, Vocational Rotary, and Administratively Managed Student Activity Funds) and distributes interest earned on these funds to the individual accounts. The District also invests inactive funds in the Auxiliary Services Program Fund, the School Facilities Maintenance Fund, the Locally Funded Initiatives Fund, the Classroom Facilities Project Fund, the Permanent Improvement Fund, the Employee Benefit – Insurance Fund, the Worker's Compensation Fund and distributes interest earned directly to the funds. See Note 4, "Cash, Cash Equivalents and Investments."

From July 1, 2007 the investment portfolio exhibited a decrease in fair value of approximately \$29 million, while the average maturity increased by 39 days and the average yield decreased by 230 basis points (2.30%). The decrease in fair value was directly attributable to the increased expenditure patterns in the Ohio School Facilities Commission Building Project funds. Interest earnings since July 1, 2007, were down approximately 5% as the interest rate environment declined significantly and there were less dollars available for investment due to increased expenditures in the Project fund.

**G. Restricted Assets**

Restricted assets in the general fund represent 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 the fiscal year 2008, the balance in the Budget Stabilization reserve was \$3,700,671.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Inventory**

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower-of-cost-or-market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the proprietary funds when used.

**I. Capital Assets and Depreciation**

1. Property, Plant and Equipment - Governmental Activities

Capital assets generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements. The District follows the policy of not capitalizing assets with a cost of less than \$5,000.

Contributed capital assets are recorded at fair market value at the date received. The District does not possess any infrastructure. Estimated historical costs of capital assets were derived, when information supporting historical costs was not obtainable, by adjusting current replacement cost back to the estimated year of acquisition.

2. Depreciation

All capital assets, except for land, are depreciated. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	20
Buildings	45-100
Furniture, Fixtures and Equipment	5 - 20
Vehicles	5 - 10

**J. Long-Term Obligations**

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Debt Service Fund
Compensated Absences	General Fund Food Service Fund Adult Education Fund

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Compensated Absences and Salary Related Payments**

The District has implemented the provisions of Section C60 of the 2004 GASB Codification. Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate its employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive severance benefits and those the District has identified as probable of receiving payment in the future and other salary related payments. The amount is based on accumulated sick leave and employee's wage rates at year-end, taking into consideration any limits specified in the District's severance policy. For governmental funds, that portion of unpaid compensated absences that has matured and is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net assets, the current portion of "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

**L. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net Assets restricted for Other Purposes include restricted state and federal grants.

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

**M. Pensions**

The provision for pension cost is recorded when the related payroll is accrued and the obligation is incurred.

**N. Intergovernmental Revenues**

Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred with the exception of those grants where the grant period extends past June 30. For these grants, prepayment amounts that exceed related expenditures are reported as deferred revenue.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**O. Interfund Activity**

Exchange transactions between governmental funds are eliminated on the government-wide statements.

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

**P. Reservations of Fund Balance**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for endowments, supplies inventory, property taxes, budget stabilization and encumbered amounts, which have not been accrued at year end. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles, but not available for appropriation under State statute. The reserve for budget stabilization is required by State statute.

**Q. Estimates**

The preparation of the 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 could differ from those estimates.

**R. Operating Revenues and Expenses**

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

**S. Extraordinary and Special Items**

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

**TOLEDO CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation Of Certain Differences Between The Governmental Fund Balance Sheet And The Government-Wide Statement Of Net Assets**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets of governmental funds as reported in the government-wide statement of net assets. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Other long-term assets not available to pay for current-period expenditures:*

Delinquent Tax Revenue	\$7,554,081
Grants Receivable	326,570,413
Unamortized Bond Issuance Costs	<u>1,125,519</u>
	\$335,250,013

*Long-Term liabilities not reported in the funds:*

Accrued Interest Payable on G.O. Bond Payable	(\$584,106)
G.O. Bonds Payable	(153,125,566)
Compensated Absences Payable	<u>(41,199,203)</u>
	(\$194,908,875)

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**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)**

**B. Explanation Of Certain Differences Between The Governmental Fund Statement Of Revenues, Expenditures, And Changes In Fund Balances And The Government-Wide Statement Of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which capital outlay exceeded depreciation in the current period:*

Capital Outlay	\$82,759,071
Depreciation Expense	<u>(8,949,753)</u>
	\$73,809,318

*Governmental revenues not reported in the funds:*

Decrease in Delinquent Tax Revenue	(\$8,867,778)
Decrease in Grants Receivable	<u>(58,174,140)</u>
	(\$67,041,918)

*Net amount of long-term debt issuance and bond and lease principal payments:*

G.O. Bond Principal Payment	\$3,330,000
Amortize Premium on G.O. Bonds Issued	<u>139,799</u>
	\$3,469,799

*Expenses not requiring the use of current financial resources:*

Increase in Compensated Absences Payable	(\$539,665)
Amortization of Bond Issuance Costs	<u>(17,838)</u>
	(\$557,503)

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 3 - COMPLIANCE AND ACCOUNTABILITY**

***Fund Deficits*** - The fund deficits at June 30, 2008 of \$427,068 in the Adult Education Fund, \$290 in the Post Secondary Vocational Education Fund, \$13,122 in the Vocational Education Enhancement Fund, \$99,228 in the Alternative Schools Fund, \$3,274,947 in the Poverty Based Assistance Fund, \$88,205 in the Adult Basic Education Fund, \$1,310 in the Title I Migrant Education Fund, \$1,338,390 in the Special Education Handicapped Fund, \$310,526 in the Vocational Education Fund, \$6,728 in the Title VII Bilingual Education Program Fund, \$3,052,456 in the Title I Fund, \$46,315 in the Title V – Innovative Education Fund, \$23,739 in the Drug Free School Grants Fund, \$18,413 in the Preschool Grants for the Handicapped Fund, \$517,205 in the Improving Teacher Quality Fund, and \$587,739 in the Miscellaneous Federal Grants Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

#### **NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

##### ***Deposits with Financial Institutions***

At June 30, 2008, the carry amount of all District deposits was \$74,436,157. Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, at June 30, 2008 cash concentration accounts, savings accounts and certificates of deposit totaled \$82,775,332. Of this amount, \$82,075,332 was exposed to custodial risk as discussed below, while \$700,000 was covered by Federal Deposit Insurance Corporation.

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

Any District holdings in sweep accounts, savings accounts or certificates of deposit are collateralized with pooled securities. Any repurchase agreement with a maturity greater than 30 days requires physical delivery of specific securities to a third party custodian. Repurchase agreement activity maturing 30 days and less is collateralized by pooled securities. At June 30, 2008, there were no Repurchase Agreements with a maturity of greater than 30 days.

## TOLEDO CITY SCHOOL DISTRICT

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008

#### NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

##### Investments

As of June 30, 2008, the District had the following investments and maturities.

Investment Type	June 30, 2008 Adjusted Cost	June 30, 2008 Fair Value	Investment Maturities (in Years)		
			less than 1	1-2	2-5
Star Ohio	\$1,176,354	\$1,176,354	\$1,176,354	\$0	\$0
Bank Repurchase Agreements	25,387,689	25,387,689	25,387,689	0	0
Commercial Paper	47,234,778	47,392,774	47,392,774	0	0
Non-Callable US Agency Securities	33,237,815	33,476,651	28,408,251	5,068,400	0
Callable US Agency Securities	45,149,041	45,124,750	0	35,184,550	9,940,200
Total Investments	<u>\$152,185,677</u>	<u>\$152,558,218</u>	<u>\$102,365,068</u>	<u>\$40,252,950</u>	<u>\$9,940,200</u>
			<u>67.10%</u>	<u>26.39%</u>	<u>6.51%</u>

Note: The maturity analysis above assumes that callable securities will not be called.

All Investment securities are assumed to mature on their final stated maturity date.

The Weighted Average Maturity (in Days) of the Entire Investment Portfolio from Purchase Date to Maturity Date is:	324
The Remaining Life (in Days) of the Entire Investment Portfolio From Year End to Maturity Date is:	233
The Average Duration of the Entire Investment Portfolio is:	0.63
The Weighted Average Yield of the Entire Portfolio is:	2.847%

A security with less than one (1) year to maturity (based on Remaining Life), is reported at cost, plus or minus, accretion or amortization adjustment. A security with a maturity of more than one (1) year (based on Remaining Life), is reported at adjusted cost, plus or minus, market value adjustment. Star Ohio, Bank Certificates of Deposit and Repurchase Agreements are reported at adjusted cost.

##### Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years and less. As of June 30, 2008, seventy-three percent (67%) of the investment portfolio matures within one year, twenty-six percent (26%) of the investment portfolio matures within two years and the remaining seven percent (7%) matures within five years.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

***Investment Policy***

The District's investment policy is more restrictive in nature than the requirements of the Ohio Revised Code; providing for safety of principal, liquidity, diversity of portfolio assets while minimizing associated investment risks. The policy is intended to compliment the law and provide guidance to District personnel while administering the daily cash management and investment practices of the District. The policy is reviewed at least annually to incorporate any changes in the Ohio Revised Code; consider recommendations made by the Auditor of State's Office and the Ohio Compliance Supplement; monitor changes in "best practices" published by the Government Finance Officers Association; and reflect any legislative changes on behalf of the Toledo Board of Education. The policy has been reviewed and has received a national certification from the Association of Public Treasurer's Investment Policy Certification Committee.

***Credit Risk***

The District's investments, except for repurchase agreements, savings accounts, sweep accounts and certificates of deposit as discussed above were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services respectively. The holdings in the State Treasury Asset Reserve Fund (STAR Ohio) have been assigned an AAAM money market rating by Standard & Poor's. As required by District policy all commercial paper holdings were rated A1-P1 by Standard & Poor's and Moody's Investor Service respectively at the time of purchase. Combined holdings of Commercial Paper and Banker Acceptances are limited to 25% of total investment portfolio holdings. The mutual fund used to transact third party safekeeping of U.S. Treasury, U.S. Agency, Commercial Paper, Banker's Acceptance securities and select Repurchase Agreement Collateral, has been assigned an AAA rating based on the securities held in the fund. All District holdings in U.S. Agency securities carry the explicit guarantee of the United States government and are rated Aaa by Moody's and AAA by Standard & Poor's rating agencies.

***Concentration of Credit Risk***

In order to avoid an undue concentration of credit risk, the District's investment policy places limits on the amount that may be invested in any one issuer at any one time. The limits are as follows:

- (a) No more than ten percent (10%) of average portfolio outstanding will be invested in Certificates of Deposit of any one Depository at any one time. District Funds invested in Certificates of Deposit of any one Depository may not exceed thirty percent (30%) of the Depository's assets. Only collateralized, non-negotiable Certificates of Deposit, from Depository's approved to hold interim funds, will be considered for purchase.
- (b) No more than ten percent (10%) of average portfolio outstanding will be invested in Term Repurchase Agreements of any one issuer at any one time. Deliverable collateral consisting of U.S. Government Securities with a market value equal to at least 102% of principal plus interest of the transaction and with a maturity of five years or less is required for all Term Repurchase Agreement transactions.

**TOLEDO CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- (c) Pooled collateral is acceptable on all district demand deposits. Delivery of collateral is **not** required on demand repurchase agreement activities (i.e. overnight cash management accounts with depositories). Surety bond collateral is acceptable for Certificate of Deposit investments if the insurer is rated in the highest class by a national recognized rating agency.
- (d) No more than ten percent (10%) of average portfolio outstanding will be invested in Commercial Paper in any one issuer at any one time.
- (e) No more than ten percent (10%) of average portfolio outstanding will be invested in Banker's Acceptances in any one issuer at any one time.

The following table includes the percentage of total of each investment type held by the District at June 30, 2008:

Concentration of Credit Risk by Investment Type

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$1,176,354	0.77%
Bank Repurchase Agreements	25,387,689	16.64%
Commercial Paper	47,392,774	31.07%
Non-Callable US Agency Securities	33,476,651	21.94%
Callable US Agency Securities	45,124,750	29.58%
Total Investments	<u>\$152,558,218</u>	<u>100.00%</u>

The following table includes the percentage of total of each issuer of investments held by the District at June 30, 2008:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$1,176,354	0.77%
National City Bank	1,696,000	1.11%
KeyBank	2,433,837	1.60%
Huntington National Bank	19,237,852	12.61%
First Merit Bank	2,020,000	1.32%
General Electric Capital Services	7,415,115	4.86%
Lehman Brothers Financial	9,991,689	6.55%
American General Financial	7,497,260	4.91%
AIG Financial	7,497,364	4.91%
Fountain Square Funding (5/3 Funds)	9,996,250	6.55%
Merrill Lynch Financial	4,995,096	3.27%
Federal Home Loan Bank System	15,034,400	9.85%
Federal National Mortgage Association	36,061,168	23.64%
Federal Home Loan Mortgage Corporation	27,505,833	18.05%
Total Investments	<u>\$152,558,218</u>	<u>100.00%</u>

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 5 - PROPERTY TAXES**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2008 were levied after April 1, 2007 on assessed values as of January 1, 2007, the lien date. Assessed values are established by the County Auditor at 35 percent (35%) of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The most recent revaluation was completed in November 2006. Real property taxes are payable annually or semi-annually. The first payment is due January 31, with the remainder payable by July 31.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at six and one quarter percent (6.25%) Amended Substitute House Bill Number 66 phases out by 2010 the reimbursements school districts receive for the \$10,000 exemption in tangible personal property tax. House Bill 66 also eliminates all three components of the tangible personal property tax by 2010. Districts will be held harmless for lost revenue based on 2004 valuations, through a combination of the school funding formula and direct payments by the state. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually, the first payment is due April 30; with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at varying ratios of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Toledo City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2008, upon which the 2007 levies were based, were as follows:

	2007 Second Half Collections	2008 First Half Collections
Real Estate	\$3,025,038,530	\$2,980,687,200
Tangible Personal and Public Utility Property	348,057,258	291,622,113
Total Assessed Value	<u>\$3,373,095,788</u>	<u>\$3,272,309,313</u>
Tax rate per \$1,000 of assessed valuation	\$67.10	\$67.90

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 6 - RECEIVABLES**

Receivables at June 30, 2008 consisted of taxes, interest receivable, accounts receivable and intergovernmental receivables.

**NOTE 7 - INTERFUND RECEIVABLES/PAYABLES**

Interfund loans receivable/payable and advances to/from other funds – short-term loans at June 30, 2008 from one individual fund to another are as follows:

	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$4,222,287	\$0
Other Governmental Funds	0	4,222,287
Totals	<u>\$4,222,287</u>	<u>\$4,222,287</u>

**NOTE 8 - TRANSFERS**

Following is a summary of transfers in and out for all funds at June 30, 2008:

Transfers Out:	Transfers In:		Total
	Other Governmental Funds	Internal Service Funds	
General Fund	\$2,363,979	\$139,639	\$2,503,618
ClassroomFacilities Fund	4,893,624	0	4,893,624
Other Governmental Funds	19,700	0	19,700
	<u>\$7,277,303</u>	<u>\$139,639</u>	<u>\$7,416,942</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**TOLEDO CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

**NOTE 9 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at June 30, 2008:

*Historical Cost:*

Class	June 30, 2007	Additions	Deletions	June 30, 2008
<i>Capital assets not being depreciated:</i>				
Land	\$13,841,931	\$14,814	\$0	\$13,856,745
Construction in Progress	151,589,221	44,916,146	(100,213,608)	96,291,759
<i>Capital assets being depreciated:</i>				
Land Improvements	8,836,154	0	0	8,836,154
Buildings	151,606,708	135,280,687	(3,664,898)	283,222,497
Building Improvements	41,822,905	1,379,912	(5,196,304)	38,006,513
Machinery and Equipment	9,424,270	665,660	(132,902)	9,957,028
Vehicles	9,928,187	715,460	(427,505)	10,216,142
Total Cost	<u>\$387,049,376</u>	<u>\$182,972,679</u>	<u>(\$109,635,217)</u>	<u>\$460,386,838</u>

*Accumulated Depreciation:*

Class	June 30, 2007	Additions	Deletions	June 30, 2008
Land Improvements	(\$7,725,481)	(\$174,025)	\$0	(\$7,899,506)
Buildings	(53,528,166)	(5,698,926)	3,261,093	(55,965,999)
Building Improvements	(30,821,080)	(1,325,935)	3,907,862	(28,239,153)
Machinery and Equipment	(6,138,907)	(1,296,561)	114,332	(7,321,136)
Vehicles	(7,986,270)	(454,306)	427,505	(8,013,071)
Total Depreciation	<u>(\$106,199,904)</u>	<u>(\$8,949,753) *</u>	<u>\$7,710,792</u>	<u>(\$107,438,865)</u>
<i>Net Value:</i>	<u>\$280,849,472</u>			<u>\$352,947,973</u>

\* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$6,271,829
Support Services	2,347,551
Non-Instructional Services	201,152
Extracurricular Activities	129,221
Total Depreciation Expense	<u>\$8,949,753</u>

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 10- DEFINED BENEFIT PENSION PLANS**

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

**A. School Employee Retirement System**

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (800) 878-5853. It is also posted on SERS' website, [www.ohsers.org](http://www.ohsers.org), under Forms and Publications.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2008, 9.16 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2008, 2007 and 2006 were \$4,157,853, \$4,547,667 and \$4,168,816 respectively; 40.97% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

**B. State Teachers Retirement System**

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 10- DEFINED BENEFIT PENSION PLANS (Continued)**

**B. State Teachers Retirement System (Continued)**

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

Funding Policy - For the fiscal year ended June 30, 2008, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2007, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2008, 2007, and 2006 were \$16,735,409, \$16,974,965, and \$17,634,310 respectively; 80.61% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008***

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**NOTE 11 - POSTEMPLOYMENT BENEFITS**

**A. School Employee Retirement System**

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

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2008, 4.18 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2008, this amount was \$35,800.

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

The District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$2,656,508, \$2,001,493, and \$2,096,657 respectively; which were equal to the required contributions for each year.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2008, this actuarially required allocation was 0.66 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2008, 2007, and 2006 were \$279,448, \$289,552, and \$343,691 respectively; which were equal to the required contributions for each year.

**B. State Teachers Retirement System**

Plan Description – The District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

**TOLEDO CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

**NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

**B. State Teachers Retirement System (Continued)**

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2008, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District’s contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$1,287,339, \$1,305,767, and \$1,356,485 respectively; which were equal to the required contributions for each year.

**NOTE 12 - LONG-TERM DEBT**

Long-term debt of the District at June 30, 2008 was as follows:

Description	Balance June 30, 2007	Issued	(Retired)	Balance June 30, 2008	Amount Due Within One Year
<b>Governmental Activities:</b>					
<u>General Obligation Bond:</u>					
School Facility Improvement					
G.O. Bond (2.00% - 5.00%)	\$53,455,000	\$0	(\$1,315,000)	\$52,140,000	\$1,350,000
Premium General Obligation Bond	1,337,103	0	(58,135)	1,278,968	58,135
School Facility Improvement					
G.O. Bond (2.00% - 5.00%)	99,680,000	0	(2,015,000)	97,665,000	2,065,000
Premium General Obligation Bond	2,123,262	0	(81,664)	2,041,598	81,664
Total General Obligation Bond	156,595,365	0	(3,469,799)	153,125,566	3,554,799
<u>Other Obligations:</u>					
Compensated Absences	40,659,537	7,480,246	(6,940,580)	41,199,203	120,860
Long-Term Debt and					
Other Long-Term Obligations	\$197,254,902	\$7,480,246	(\$10,410,379)	\$194,324,769	\$3,675,659

During fiscal years 2003 and 2004 the District issued General Obligation Bonds in the amounts of \$72,500,000 and \$103,600,000 respectively to finance School Facility Improvement building projects.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 12 - LONG-TERM DEBT (Continued)**

A summary of the District's future long-term debt funding requirements for the general obligation bonds payable, including principal and interest payments as of June 30, 2008, follows:

General Obligation Bonds Payable			
Years	Principal	Interest	Total
2009	\$3,415,000	\$6,964,899	\$10,379,899
2010	3,505,000	6,870,593	10,375,593
2011	3,615,000	6,762,849	10,377,849
2012	3,735,000	6,641,919	10,376,919
2013	3,870,000	6,500,439	10,370,439
2014-2018	22,125,000	29,586,529	51,711,529
2019-2023	28,295,000	23,241,868	51,536,868
2024-2028	36,365,000	15,225,418	51,590,418
2029-2033	44,880,000	5,446,065	50,326,065
Totals	<u>\$149,805,000</u>	<u>\$107,240,579</u>	<u>\$257,045,579</u>

**NOTE 13 - CONSTRUCTION COMMITMENTS**

The School District and the Ohio School Facilities Commission (OSFC) entered into a Master Facilities Plan that calls for (1) the construction of 39 new elementary schools, 12 new middle schools, 5 new high schools and 1 combined elementary/middle school and (2) the renovation of 3 elementary schools, a combined middle school/high school, 2 high schools and an aviation education center. The District and the OSFC currently estimate the total budget for the project is \$797,817,229. To date the District has expended approximately \$375,948,139 for construction commitments and related costs.

**NOTE 14 - ENDOWMENTS**

The Toledo City School District has various endowments/trusts whereby the original endowment/trust agreement restricts the principal for specified purposes. For the year ended June 30, 2008, the net appreciation on investments of donor-restricted endowments was \$12,504. Under the terms of the endowment/trust, and consistent with State statutes, the District is authorized to spend the net appreciation from the trust for any disbursements that are consistent with the original trust agreement. At June 30, 2008, accumulated available net appreciation of \$348,404 is reported in unrestricted net assets.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 15 - RISK MANAGEMENT**

The District is exposed to financial loss resulting from District-caused damage to property or bodily injuries or illness of employees, unemployment compensation benefits to previous employees, and employee health care, prescription drug, dental and life insurance benefits. The Administrative Services - Employee Benefit Self-Insurance Fund, an internal service fund, is used to account for, and finance self-insurance activities. This fund includes prescription drug, dental and health insurance benefits. The District also maintains an Administrative Services - Workers Compensation Fund, which was established under the State of Ohio's retrospective rating plan provisions. These costs are also accounted for in an Internal Service fund.

In accordance with section C50.141 of the 2004 GASB Codification, estimated liabilities are accrued in all Self-Insurance funds for the value of current outstanding claims and claims incurred but not reported (IBNR). Annual actuarial studies are performed for the Employee Benefit Self Insurance and Workers Compensation Funds to determine the recommended funding levels for related risk areas. The claims liability of \$8,459,700 (Accrued Wages and Benefits) reported in the Employee Benefit Self - Insurance Fund and \$310,069 (Intergovernmental Payable) in the Workers Compensation Self-Insurance Fund is based on the requirements of Government Accounting Standards Board Statement 10 as amended by Government Accounting Standards Board Statement 30. This statement requires that a liability for claims be reported if information indicates, prior to the issuance of the financial statements, that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the fund's claims liability amount in 2007 and 2008 were:

<u>Fiscal Year</u>	<u>Unpaid Claims Beginning of Fiscal Year</u>	<u>Incurred Claims</u>	<u>Claim Payments</u>	<u>Unpaid Claims Ending of Fiscal Year</u>
2007	\$9,515,015	49,868,018	(49,379,772)	\$10,003,261
2008	10,003,261	50,593,680	(51,827,172)	8,769,769

District property, employee life, and all other insurance coverage's are provided by commercial insurance policies. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in insurance coverage from the prior year.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 16 – 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, 2008, the reserve activity (cash-basis) was as follows:

	Materials and Supplies	Capital Maintenance	Budget Stabilization	Total
Set-aside Balance as of June 30, 2008	(\$10,026,195)	\$0	\$3,700,671	(\$6,325,524)
Current Year Set-Aside Requirement	4,651,840	4,651,840	0	9,303,680
Current Year Offset Credits	0	(5,592,595)	0	(5,592,595)
Qualifying Disbursements	(8,483,116)	(14,069,124)	0	(22,552,240)
Total	(\$13,857,470)	(\$15,009,879)	\$3,700,671	(\$25,166,679)
Set-aside Balance Carried Forward to FY 2009	\$0	\$0	\$3,700,671	\$3,700,671

The District had additional offsets and qualifying disbursements during the year in the Materials and Supplies set-aside that may be used to reduce the set-aside requirements of future years. Although the District had offsets and qualifying disbursements during the year that reduced the Capital Maintenance set-aside amount below zero, the extra amount may not be used to reduce the Capital Maintenance set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year for Capital Maintenance.

**NOTE 17 - CONTINGENCIES**

**A. Grants**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2008.

**B. Litigation**

The District is a party to several legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2008. The District's management is of the opinion that ultimate disposition of these claims will not have a material effect on the financial condition of the District.

**NOTE 18 – SUBSEQUENT EVENT**

In November, 2008 the District passed a renewal operating levy for ten years as well as approving the issuance of School Facilities Improvement Bonds, in the aggregate amount of \$37,000,000.

*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, INTERNAL  
SERVICE FUNDS AND FIDUCIARY FUNDS.*



***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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

**Food Service Fund**

A fund used to record financial transactions related to food service operations.

**Uniform School Supplies Fund**

A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District. Profit derived from such sales is to be used for school purposes or activities in connection with the school.

**Vocational Rotary Fund**

A fund provided to account for revenue and expenses made in connection with goods and services provided by a school district. Activities using this fund tend to be curricular in nature. As an example, this fund would be used to account for receipts and purchases made in connection with the sale of consumer services provided by vocational education classes such as cosmetology or auto mechanics. This fund is also used to account for "Life Enrichment Programs" offered by a school district.

**Adult Education Fund**

A fund provided to account for transactions made in connection with adult education classes.

**School Building Support Fund**

A fund provided to account for specific local revenue sources, other than taxes that are restricted to expenditures for specific purposes approved by board resolution. Such expenditures may include curricular and extracurricular related purchases.

**Other Grants Fund**

A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

**School Facilities Maintenance Fund**

A fund provided to account for the proceeds of a levy for the maintenance of facilities.

**Administratively Managed Student Activity Fund**

A fund provided to account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corp., and other similar types of activities.

(Continued)

***Special Revenue Funds***

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**Auxiliary Services Fund**

A fund used to account for monies that provide services and materials to pupils attending non-public schools within the school district.

**Post Secondary Vocational Education Fund**

A fund provided to account for receipts and expenditures incurred providing opportunities for adults to acquire adequate employment skills.

**Management Information System Fund**

A fund for hardware and software development, or other costs associated with the requirements of the management information system.

**Public School Preschool Fund**

A fund to assist school districts in paying the cost of preschool programs for three and four year olds.

**Entry Year Program Teachers Fund**

A fund to provide direct assistance to the District's beginning teachers through teacher mentoring.

**Data Communication Fund**

A fund used to account for monies received for the maintenance of the Ohio Educational Computer Network connections. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**SchoolNet Professional Development Fund**

A fund provided to account for a limited number of professional development subsidy grants.

**Ohio Reads Grant Fund**

A fund intended 1) to improve reading outcomes, especially on the fourth grade reading proficiency test and 2) for volunteer coordinators in public school buildings, for educational service centers for costs associated with volunteer coordination, for background checks for volunteers, to evaluate the Ohio Reads Program, and for operating expenses associated with administering the program. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Vocational Education Enhancement Fund**

A fund used to account for Vocational Education Enhancement that: 1) expand number of students enrolled in tech prep programs, 2) enable students to develop career plans, 3) replace or update equipment essential for instruction of students in job skills.

(Continued)

***Special Revenue Funds***

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**Alternative Schools Fund**

A fund used to account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at the risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services facility.

**Poverty Based Assistance Fund**

A fund used to account for monies appropriated for poverty bases assistance as a part of the State Foundation System.

**Miscellaneous State Fund**

A fund used to account for money received from the state government which is not classified elsewhere.

**Adult Basic Education Fund**

Provision of funds for instructional programs for persons 16 years of age and older who are not enrolled in school and who have less than a twelfth grade education or its equivalent; development of basic educational skills; increase of opportunities for useful employment; improvement of attitudes toward self, family, and community.

**Title I – Migrant Education Fund**

Provision of funds for instructional programs for children of migratory agricultural workers; efforts to help youngsters who are deficient in oral English language facility and related language art skills; efforts to build foundations for expanded opportunities for useful adult employment.

**Special Education Handicapped Fund**

Provision of Grants to assist states in the identification of handicapped children, development of procedural safeguards, implementation of less restrictive alternative services patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**Vocational Education Fund**

Provision of funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects. Includes sex equity grants.

(Continued)

***Special Revenue Funds***

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**Title VII – Bilingual Education Program Fund**

Provision of funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational need of children of limited English proficiency..

**Title I Fund**

To provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children.

**Title V – Innovative Education Fund**

To consolidate various programs into a single authorization of grants to States for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

**Drug-Free Schools Grant Fund**

To provide financial assistance for programs of drug abuse education and prevention.

**Preschool Grants for the Handicapped Fund**

To provide financial assistance to address the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Improving Teacher Quality Fund**

A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, to reduce the number of students per teacher.

**Miscellaneous Federal Grants Fund**

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which is not classified elsewhere.

***Capital Projects Funds***

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The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

**Permanent Improvement Fund**

A fund used to account for financial resources to be used for the acquisition, construction, or improvement of capital facilities.

**Locally Funded Initiative Fund**

A fund used to account for receipts and expenditures related to special bond funds in the district. Expenditures recorded represent the costs of acquiring capital facilities including real property.

**Telecommunity Fund**

A fund provided to account for technology equity funding to low-wealth school districts

***Permanent Fund***

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The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the District's programs.

**Endowments Fund**

A fund used to account for money, securities, or lands which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact.

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 16,601,950	\$ 21,958,749	\$ 853,469	\$ 39,414,168
Cash with Fiscal Agent	0	3,596,486	0	3,596,486
Receivables:				
Taxes	1,326,292	5,308,431	0	6,634,723
Accounts	111,929	108,733	0	220,662
Intergovernmental	14,444,795	0	0	14,444,795
Interest	186,918	109,724	7,326	303,968
Inventory Held for Resale	193,404	0	0	193,404
<b>Total Assets</b>	<b>\$ 32,865,288</b>	<b>\$ 31,082,123</b>	<b>\$ 860,795</b>	<b>\$ 64,808,206</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 3,441,860	\$ 3,123,954	\$ 950	\$ 6,566,764
Accrued Wages and Benefits	6,084,224	0	0	6,084,224
Intergovernmental Payable	1,647,200	0	2,550	1,649,750
Interfund Loans Payable	4,222,287	0	0	4,222,287
Deferred Revenue	15,716,656	8,844,877	0	24,561,533
<b>Total Liabilities</b>	<b>31,112,227</b>	<b>11,968,831</b>	<b>3,500</b>	<b>43,084,558</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	3,394,630	1,475,006	3,800	4,873,436
Reserved for Supplies Inventory	193,404	0	0	193,404
Reserved for Endowments	0	0	503,291	503,291
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	(1,834,973)	0	0	(1,834,973)
Capital Projects Funds	0	17,638,286	0	17,638,286
Permanent Fund	0	0	350,204	350,204
<b>Total Fund Balances</b>	<b>1,753,061</b>	<b>19,113,292</b>	<b>857,295</b>	<b>21,723,648</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 32,865,288</b>	<b>\$ 31,082,123</b>	<b>\$ 860,795</b>	<b>\$ 64,808,206</b>

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2008**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 1,099,423	\$ 3,984,819	\$ 0	\$ 5,084,242
Tuition	1,168,059	0	0	1,168,059
Food Services	1,791,657	0	0	1,791,657
Investment Earnings	474,833	881,111	36,962	1,392,906
Extracurricular Activities	1,236,132	0	0	1,236,132
Class Materials and Fees	177,464	0	0	177,464
Intermediate Sources	60,000	0	0	60,000
Intergovernmental - State	40,014,529	962,186	0	40,976,715
Intergovernmental - Federal	38,778,925	0	0	38,778,925
All Other Revenue	2,017,318	1,409,086	1,000	3,427,404
<b>Total Revenue</b>	<b>86,818,340</b>	<b>7,237,202</b>	<b>37,962</b>	<b>94,093,504</b>
<b>Expenditures:</b>				
Current:				
Instruction	44,434,193	537,152	0	44,971,345
Supporting Services	31,569,488	2,080,316	29,120	33,678,924
Operation of Non-Instructional Services	15,823,573	25,936	0	15,849,509
Extracurricular Activities	1,410,681	871	0	1,411,552
Capital Outlay	22,466	6,074,093	0	6,096,559
<b>Total Expenditures</b>	<b>93,260,401</b>	<b>8,718,368</b>	<b>29,120</b>	<b>102,007,889</b>
Excess (Deficiency) of Revenues Over Expenditures	(6,442,061)	(1,481,166)	8,842	(7,914,385)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	46,765	0	46,765
Transfers In	2,251,179	5,026,124	0	7,277,303
Transfers Out	(19,700)	0	0	(19,700)
<b>Total Other Financing Sources (Uses)</b>	<b>2,231,479</b>	<b>5,072,889</b>	<b>0</b>	<b>7,304,368</b>
Net Change in Fund Balance	(4,210,582)	3,591,723	8,842	(610,017)
<b>Fund Balances at Beginning of Year</b>	<b>5,963,643</b>	<b>15,521,569</b>	<b>848,453</b>	<b>22,333,665</b>
<b>Fund Balances End of Year</b>	<b>\$ 1,753,061</b>	<b>\$ 19,113,292</b>	<b>\$ 857,295</b>	<b>\$ 21,723,648</b>

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2008**

	Food Service	Uniform School Supplies	Vocational Rotary	Adult Education
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 151,499	\$ 144,901	\$ 165,804	\$ 149,045
Receivables:				
Taxes	0	0	0	0
Accounts	9,886	7,741	2,570	62,223
Intergovernmental	891	0	0	23,979
Interest	0	0	1,397	0
Inventory Held for Resale	193,404	0	0	0
<b>Total Assets</b>	<u>\$ 355,680</u>	<u>\$ 152,642</u>	<u>\$ 169,771</u>	<u>\$ 235,247</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 108,032	\$ 26,135	\$ 7,194	\$ 3,669
Accrued Wages and Benefits	18,690	0	0	83,503
Intergovernmental Payable	79,877	0	1,036	41,333
Interfund Loans Payable	0	0	0	533,810
Deferred Revenue	0	0	0	0
<b>Total Liabilities</b>	<u>206,599</u>	<u>26,135</u>	<u>8,230</u>	<u>662,315</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	54,888	26,653	1,832	0
Reserved for Supplies Inventory	193,404	0	0	0
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	(99,211)	99,854	159,709	(427,068)
<b>Total Fund Balances (Deficit)</b>	<u>149,081</u>	<u>126,507</u>	<u>161,541</u>	<u>(427,068)</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 355,680</u>	<u>\$ 152,642</u>	<u>\$ 169,771</u>	<u>\$ 235,247</u>

**TOLEDO CITY SCHOOL DISTRICT**

School Building Support	Other Grants	School Facilities Maintenance	Administratively Managed Student Activity	Auxiliary Services Program	Post Secondary Vocational Education
\$ 762,726	\$ 688,933	\$ 9,124,249	\$ 387,422	\$ 1,233,293	\$ 509
0	0	1,326,292	0	0	0
24,818	0	0	4,691	0	0
0	0	0	0	0	2,200
6,547	0	175,667	3,307	0	0
0	0	0	0	0	0
<u>\$ 794,091</u>	<u>\$ 688,933</u>	<u>\$ 10,626,208</u>	<u>\$ 395,420</u>	<u>\$ 1,233,293</u>	<u>\$ 2,709</u>
\$ 55,826	\$ 67,188	\$ 458,972	\$ 35,623	\$ 440,443	\$ 506
0	8,611	0	0	225,692	0
20	33,537	0	0	51,864	0
1,000	46,428	0	0	5,123	2,093
0	0	1,314,284	0	0	400
<u>56,846</u>	<u>155,764</u>	<u>1,773,256</u>	<u>35,623</u>	<u>723,122</u>	<u>2,999</u>
47,458	44,921	461,242	21,496	269,176	350
0	0	0	0	0	0
<u>689,787</u>	<u>488,248</u>	<u>8,391,710</u>	<u>338,301</u>	<u>240,995</u>	<u>(640)</u>
<u>737,245</u>	<u>533,169</u>	<u>8,852,952</u>	<u>359,797</u>	<u>510,171</u>	<u>(290)</u>
<u>\$ 794,091</u>	<u>\$ 688,933</u>	<u>\$ 10,626,208</u>	<u>\$ 395,420</u>	<u>\$ 1,233,293</u>	<u>\$ 2,709</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2008**

	Management Information System	Public School Preschool	Entry Year Programs Teachers	SchoolNet Professional Development
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 42,356	\$ 64,551	\$ 15,854	\$ 1,727
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	630	0	0
Interest	0	0	0	0
Inventory Held for Resale	0	0	0	0
<b>Total Assets</b>	<b>\$ 42,356</b>	<b>\$ 65,181</b>	<b>\$ 15,854</b>	<b>\$ 1,727</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 2,230	\$ 14,312	\$ 0	\$ 0
Accrued Wages and Benefits	1,456	11,858	185	0
Intergovernmental Payable	6,052	124	117	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	630	0	0
<b>Total Liabilities</b>	<b>9,738</b>	<b>26,924</b>	<b>302</b>	<b>0</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	749	7,166	0	0
Reserved for Supplies Inventory	0	0	0	0
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	31,869	31,091	15,552	1,727
<b>Total Fund Balances (Deficit)</b>	<b>32,618</b>	<b>38,257</b>	<b>15,552</b>	<b>1,727</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 42,356</b>	<b>\$ 65,181</b>	<b>\$ 15,854</b>	<b>\$ 1,727</b>

**TOLEDO CITY SCHOOL DISTRICT**

Vocational Education Enhancement	Alternative Schools	Poverty Based Assistance	Miscellaneous State	Adult Basic Education	Title I Migrant Education
\$ 40,419	\$ 32,022	\$ 828,169	\$ 453,095	\$ 10,680	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
39,049	100,142	0	289,148	119,389	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 79,468</u>	<u>\$ 132,164</u>	<u>\$ 828,169</u>	<u>\$ 742,243</u>	<u>\$ 130,069</u>	<u>\$ 0</u>
\$ 21,094	\$ 16,854	\$ 704,318	\$ 120,845	\$ 2,428	\$ 0
3,492	39,502	2,809,328	15,757	69,825	1,298
373	11,951	589,470	202,974	15,850	12
28,582	62,943	0	89,147	10,782	0
39,049	100,142	0	273,395	119,389	0
<u>92,590</u>	<u>231,392</u>	<u>4,103,116</u>	<u>702,118</u>	<u>218,274</u>	<u>1,310</u>
6,460	28,978	788,436	91,016	7,527	0
0	0	0	0	0	0
(19,582)	(128,206)	(4,063,383)	(50,891)	(95,732)	(1,310)
(13,122)	(99,228)	(3,274,947)	40,125	(88,205)	(1,310)
<u>\$ 79,468</u>	<u>\$ 132,164</u>	<u>\$ 828,169</u>	<u>\$ 742,243</u>	<u>\$ 130,069</u>	<u>\$ 0</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT**

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**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2008**

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	Special Education Handicapped	Vocational Education	Title VII Bilingual Education Program	Title I
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 52,114	\$ 296,694	\$ 14,379	\$ 1,372,461
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	3,401,926	408,934	39,828	6,410,065
Interest	0	0	0	0
Inventory Held for Resale	0	0	0	0
<b>Total Assets</b>	<u>\$ 3,454,040</u>	<u>\$ 705,628</u>	<u>\$ 54,207</u>	<u>\$ 7,782,526</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 354	\$ 177,481	\$ 13,089	\$ 841,953
Accrued Wages and Benefits	447,682	58,669	0	1,713,354
Intergovernmental Payable	131,404	24,386	0	317,972
Interfund Loans Payable	811,064	346,684	8,018	1,551,638
Deferred Revenue	3,401,926	408,934	39,828	6,410,065
<b>Total Liabilities</b>	<u>4,792,430</u>	<u>1,016,154</u>	<u>60,935</u>	<u>10,834,982</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	51,567	167,441	12,885	920,204
Reserved for Supplies Inventory	0	0	0	0
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	(1,389,957)	(477,967)	(19,613)	(3,972,660)
<b>Total Fund Balances (Deficit)</b>	<u>(1,338,390)</u>	<u>(310,526)</u>	<u>(6,728)</u>	<u>(3,052,456)</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 3,454,040</u>	<u>\$ 705,628</u>	<u>\$ 54,207</u>	<u>\$ 7,782,526</u>

**TOLEDO CITY SCHOOL DISTRICT**

Title V - Innovative Education	Drug Free School Grants	Preschool Grants for the Handicapped	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 44,248	\$ 15,122	\$ 538	\$ 247,834	\$ 261,306	\$ 16,601,950
0	0	0	0	0	1,326,292
0	0	0	0	0	111,929
67,696	69,248	53,560	1,380,413	2,037,697	14,444,795
0	0	0	0	0	186,918
0	0	0	0	0	193,404
<u>\$ 111,944</u>	<u>\$ 84,370</u>	<u>\$ 54,098</u>	<u>\$ 1,628,247</u>	<u>\$ 2,299,003</u>	<u>\$ 32,865,288</u>
\$ 41,984	\$ 11,000	\$ 536	\$ 107,081	\$ 162,713	\$ 3,441,860
2,932	18,770	12,678	427,413	113,529	6,084,224
1,073	3,187	4,548	101,624	28,416	1,647,200
44,574	5,904	1,189	128,921	544,387	4,222,287
67,696	69,248	53,560	1,380,413	2,037,697	15,716,656
<u>158,259</u>	<u>108,109</u>	<u>72,511</u>	<u>2,145,452</u>	<u>2,886,742</u>	<u>31,112,227</u>
44,016	15,121	0	244,953	80,095	3,394,630
0	0	0	0	0	193,404
<u>(90,331)</u>	<u>(38,860)</u>	<u>(18,413)</u>	<u>(762,158)</u>	<u>(667,834)</u>	<u>(1,834,973)</u>
<u>(46,315)</u>	<u>(23,739)</u>	<u>(18,413)</u>	<u>(517,205)</u>	<u>(587,739)</u>	<u>1,753,061</u>
<u>\$ 111,944</u>	<u>\$ 84,370</u>	<u>\$ 54,098</u>	<u>\$ 1,628,247</u>	<u>\$ 2,299,003</u>	<u>\$ 32,865,288</u>

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008**

	Food Service	Uniform School Supplies	Vocational Rotary	Adult Education
<b>Revenues:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Tuition	0	0	0	1,150,584
Food Service	1,791,657	0	0	0
Investment Earnings	0	0	8,097	0
Extracurricular Activities	0	15	183,332	0
Classroom Materials and Fees	0	167,280	0	0
Intermediate Sources	0	0	0	0
State Sources	285,442	0	0	298,007
Federal Sources	7,710,552	0	0	0
Miscellaneous Revenue	164,729	0	7,291	0
<b>Total Revenue</b>	<b>9,952,380</b>	<b>167,295</b>	<b>198,720</b>	<b>1,448,591</b>
<b>Expenditures:</b>				
Current:				
Instruction	0	211,986	223,235	1,570,026
Support Services	141,053	0	0	47,322
Non-Instructional Services	11,094,937	0	0	12,726
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	<b>11,235,990</b>	<b>211,986</b>	<b>223,235</b>	<b>1,630,074</b>
Excess (Deficiency) of Revenues Over Expenditures	(1,283,610)	(44,691)	(24,515)	(181,483)
<b>Other Financing Sources (Uses):</b>				
Transfers In	1,843,935	82,898	0	0
Transfers Out	0	0	(4,599)	0
<b>Total Other Financing Sources (Uses)</b>	<b>1,843,935</b>	<b>82,898</b>	<b>(4,599)</b>	<b>0</b>
Net Change in Fund Balance	560,325	38,207	(29,114)	(181,483)
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>(411,244)</b>	<b>88,300</b>	<b>190,655</b>	<b>(245,585)</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>\$ 149,081</b>	<b>\$ 126,507</b>	<b>\$ 161,541</b>	<b>\$ (427,068)</b>

**TOLEDO CITY SCHOOL DISTRICT**

School Building Support	Other Grants	School Facilities Maintenance	Administratively Managed Student Activity	Auxiliary Services Program	Post Secondary Vocational Education
\$ 0	\$ 0	\$ 1,099,423	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
42,013	0	317,094	20,290	87,339	0
611,682	0	0	441,103	0	0
0	0	0	10,184	0	0
0	60,000	0	0	0	0
0	0	1,265,351	0	3,627,627	17,701
0	0	0	32	0	0
120,958	1,686,889	0	37,451	0	0
<u>774,653</u>	<u>1,746,889</u>	<u>2,681,868</u>	<u>509,060</u>	<u>3,714,966</u>	<u>17,701</u>
157,056	96,042	0	3,545	139,767	0
43,488	1,640,271	403,298	0	44,631	17,833
0	1,750	0	0	3,182,555	0
731,613	0	0	679,068	0	0
0	22,466	0	0	0	0
<u>932,157</u>	<u>1,760,529</u>	<u>403,298</u>	<u>682,613</u>	<u>3,366,953</u>	<u>17,833</u>
(157,504)	(13,640)	2,278,570	(173,553)	348,013	(132)
161,122	0	0	158,676	0	0
<u>(15,101)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
146,021	0	0	158,676	0	0
(11,483)	(13,640)	2,278,570	(14,877)	348,013	(132)
748,728	546,809	6,574,382	374,674	162,158	(158)
<u>\$ 737,245</u>	<u>\$ 533,169</u>	<u>\$ 8,852,952</u>	<u>\$ 359,797</u>	<u>\$ 510,171</u>	<u>\$ (290)</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT**

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

	Management Information System	Public School Preschool	Entry Year Programs Teachers	Data Communication
<b>Revenues:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Tuition	0	17,475	0	0
Food Service	0	0	0	0
Investment Earnings	0	0	0	0
Extracurricular Activities	0	0	0	0
Classroom Materials and Fees	0	0	0	0
Intermediate Sources	0	0	0	0
State Sources	101,511	266,353	20,000	189,000
Federal Sources	0	0	0	0
Miscellaneous Revenue	0	0	0	0
<b>Total Revenue</b>	<b>101,511</b>	<b>283,828</b>	<b>20,000</b>	<b>189,000</b>
<b>Expenditures:</b>				
Current:				
Instruction	0	23,352	5,247	0
Support Services	105,540	248,739	1,760	189,064
Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	<b>105,540</b>	<b>272,091</b>	<b>7,007</b>	<b>189,064</b>
Excess (Deficiency) of Revenues Over Expenditures	(4,029)	11,737	12,993	(64)
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balance	(4,029)	11,737	12,993	(64)
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>36,647</b>	<b>26,520</b>	<b>2,559</b>	<b>64</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>\$ 32,618</b>	<b>\$ 38,257</b>	<b>\$ 15,552</b>	<b>\$ 0</b>

**TOLEDO CITY SCHOOL DISTRICT**

SchoolNet Professional Development	Ohio Reads Grant	Vocational Education Enhancement	Alternative Schools	Poverty Based Assistance	Miscellaneous State	Adult Basic Education
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
9,450	119,556	52,026	348,922	32,231,695	1,181,888	0
0	0	0	0	0	0	617,015
0	0	0	0	0	0	0
<u>9,450</u>	<u>119,556</u>	<u>52,026</u>	<u>348,922</u>	<u>32,231,695</u>	<u>1,181,888</u>	<u>617,015</u>
0	5,778	12,407	214,701	22,304,431	1,088,902	584,890
7,399	0	64,488	173,538	10,669,009	315,202	80,887
0	0	0	0	377,671	32,678	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>7,399</u>	<u>5,778</u>	<u>76,895</u>	<u>388,239</u>	<u>33,351,111</u>	<u>1,436,782</u>	<u>665,777</u>
2,051	113,778	(24,869)	(39,317)	(1,119,416)	(254,894)	(48,762)
0	1,565	0	0	0	0	0
0	0	0	0	0	0	0
0	1,565	0	0	0	0	0
2,051	115,343	(24,869)	(39,317)	(1,119,416)	(254,894)	(48,762)
(324)	(115,343)	11,747	(59,911)	(2,155,531)	295,019	(39,443)
<u>\$ 1,727</u>	<u>\$ 0</u>	<u>\$ (13,122)</u>	<u>\$ (99,228)</u>	<u>\$ (3,274,947)</u>	<u>\$ 40,125</u>	<u>\$ (88,205)</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT**

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

	Title I Migrant Education	Special Education Handicapped	Vocational Education	Title VII Bilingual Education Program
<b>Revenues:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Tuition	0	0	0	0
Food Service	0	0	0	0
Investment Earnings	0	0	0	0
Extracurricular Activities	0	0	0	0
Classroom Materials and Fees	0	0	0	0
Intermediate Sources	0	0	0	0
State Sources	0	0	0	0
Federal Sources	1,856	8,751,732	1,228,172	2,513
Miscellaneous Revenue	0	0	0	0
<b>Total Revenue</b>	<b>1,856</b>	<b>8,751,732</b>	<b>1,228,172</b>	<b>2,513</b>
<b>Expenditures:</b>				
Current:				
Instruction	907	3,086,657	326,175	8,953
Support Services	199	6,523,873	736,565	510
Non-Instructional Services	0	178,867	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	<b>1,106</b>	<b>9,789,397</b>	<b>1,062,740</b>	<b>9,463</b>
Excess (Deficiency) of Revenues Over Expenditures	750	(1,037,665)	165,432	(6,950)
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balance	750	(1,037,665)	165,432	(6,950)
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>(2,060)</b>	<b>(300,725)</b>	<b>(475,958)</b>	<b>222</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>\$ (1,310)</b>	<b>\$ (1,338,390)</b>	<b>\$ (310,526)</b>	<b>\$ (6,728)</b>

**TOLEDO CITY SCHOOL DISTRICT**

Title I	Title V - Innovative Education	Drug Free School Grants	Preschool Grants for the Handicapped	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,099,423
0	0	0	0	0	0	1,168,059
0	0	0	0	0	0	1,791,657
0	0	0	0	0	0	474,833
0	0	0	0	0	0	1,236,132
0	0	0	0	0	0	177,464
0	0	0	0	0	0	60,000
0	0	0	0	0	0	40,014,529
15,395,021	58,285	197,781	236,702	3,141,864	1,437,400	38,778,925
0	0	0	0	0	0	2,017,318
<u>15,395,021</u>	<u>58,285</u>	<u>197,781</u>	<u>236,702</u>	<u>3,141,864</u>	<u>1,437,400</u>	<u>86,818,340</u>
10,715,607	105,572	9,165	9,300	2,763,198	767,294	44,434,193
7,303,438	5,508	198,724	234,618	676,883	1,695,648	31,569,488
862,295	4,250	0	0	3,450	72,394	15,823,573
0	0	0	0	0	0	1,410,681
0	0	0	0	0	0	22,466
<u>18,881,340</u>	<u>115,330</u>	<u>207,889</u>	<u>243,918</u>	<u>3,443,531</u>	<u>2,535,336</u>	<u>93,260,401</u>
(3,486,319)	(57,045)	(10,108)	(7,216)	(301,667)	(1,097,936)	(6,442,061)
0	0	0	0	0	2,983	2,251,179
0	0	0	0	0	0	(19,700)
0	0	0	0	0	2,983	2,231,479
(3,486,319)	(57,045)	(10,108)	(7,216)	(301,667)	(1,094,953)	(4,210,582)
433,863	10,730	(13,631)	(11,197)	(215,538)	507,214	5,963,643
<u>\$ (3,052,456)</u>	<u>\$ (46,315)</u>	<u>\$ (23,739)</u>	<u>\$ (18,413)</u>	<u>\$ (517,205)</u>	<u>\$ (587,739)</u>	<u>\$ 1,753,061</u>

**TOLEDO CITY SCHOOL DISTRICT**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2008**

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	<u>Permanent Improvement</u>	<u>Locally Funded Initiative</u>	<u>Telecom- munity</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 9,932,898	\$ 11,966,597	\$ 59,254	\$ 21,958,749
Cash with Fiscal Agent	3,596,486	0	0	3,596,486
Receivables:				
Taxes	5,308,431	0	0	5,308,431
Accounts	108,733	0	0	108,733
Interest	71,775	37,949	0	109,724
<b>Total Assets</b>	<u>\$ 19,018,323</u>	<u>\$ 12,004,546</u>	<u>\$ 59,254</u>	<u>\$ 31,082,123</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 1,504,284	\$ 1,619,670	\$ 0	\$ 3,123,954
Deferred Revenue	8,844,877	0	0	8,844,877
<b>Total Liabilities</b>	<u>10,349,161</u>	<u>1,619,670</u>	<u>0</u>	<u>11,968,831</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	1,475,006	0	0	1,475,006
Unreserved, Undesignated in:				
Capital Projects Funds	7,194,156	10,384,876	59,254	17,638,286
<b>Total Fund Balances</b>	<u>8,669,162</u>	<u>10,384,876</u>	<u>59,254</u>	<u>19,113,292</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 19,018,323</u>	<u>\$ 12,004,546</u>	<u>\$ 59,254</u>	<u>\$ 31,082,123</u>

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008**

	Permanent Improvement	Locally Funded Initiative	Telecom- munity	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>				
Taxes	\$ 3,984,819	\$ 0	\$ 0	\$ 3,984,819
Investment Earnings	381,509	499,602	0	881,111
State Sources	962,186	0	0	962,186
Miscellaneous Revenue	0	1,409,086	0	1,409,086
<b>Total Revenue</b>	<b>5,328,514</b>	<b>1,908,688</b>	<b>0</b>	<b>7,237,202</b>
<b>Expenditures:</b>				
Current:				
Instruction	537,152	0	0	537,152
Supporting Services	1,326,455	573,011	180,850	2,080,316
Non-Instructional Services	25,936	0	0	25,936
Extracurricular Activities	871	0	0	871
Capital Outlay	1,469,735	4,604,358	0	6,074,093
<b>Total Expenditures</b>	<b>3,360,149</b>	<b>5,177,369</b>	<b>180,850</b>	<b>8,718,368</b>
Excess (Deficiency) of Revenues Over Expenditures	1,968,365	(3,268,681)	(180,850)	(1,481,166)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	46,765	0	0	46,765
Transfers In	132,500	4,893,624	0	5,026,124
<b>Total Other Financing Sources (Uses)</b>	<b>179,265</b>	<b>4,893,624</b>	<b>0</b>	<b>5,072,889</b>
Net Change in Fund Balance	2,147,630	1,624,943	(180,850)	3,591,723
<b>Fund Balances at Beginning of Year</b>	<b>6,521,532</b>	<b>8,759,933</b>	<b>240,104</b>	<b>15,521,569</b>
<b>Fund Balances End of Year</b>	<b>\$ 8,669,162</b>	<b>\$ 10,384,876</b>	<b>\$ 59,254</b>	<b>\$ 19,113,292</b>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 304,536,781</u>	<u>\$ 308,828,612</u>	<u>\$ 306,771,662</u>	<u>\$ (2,056,950)</u>
Total Expenditures and Other Financing Uses	<u>325,073,960</u>	<u>310,335,412</u>	<u>310,335,412</u>	<u>0</u>
Net Change in Fund Balances	(20,537,179)	(1,506,800)	(3,563,750)	(2,056,950)
Fund Balance at Beginning of Year	21,098,199	21,098,199	21,098,199	0
Prior Year Encumbrances	<u>8,074,567</u>	<u>8,074,567</u>	<u>8,074,567</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 8,635,587</u>	<u>\$ 27,665,966</u>	<u>\$ 25,609,016</u>	<u>\$ (2,056,950)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Debt Service Fund  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 13,623,471</u>	<u>\$ 13,623,471</u>	<u>\$ 14,045,359</u>	<u>\$ 421,888</u>
Total Expenditures and Other Financing Uses	<u>10,830,438</u>	<u>10,569,900</u>	<u>10,569,900</u>	<u>0</u>
Net Change in Fund Balances	2,793,033	3,053,571	3,475,459	421,888
Fund Balance at Beginning of Year	<u>10,139,761</u>	<u>10,139,761</u>	<u>10,139,761</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 12,932,794</u>	<u>\$ 13,193,332</u>	<u>\$ 13,615,220</u>	<u>\$ 421,888</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Projects Fund – Classroom Facilities Fund  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 296,433,451</u>	<u>\$ 244,502,959</u>	<u>\$ 156,710,066</u>	<u>\$ (87,792,893)</u>
Total Expenditures and Other Financing Uses	<u>442,867,250</u>	<u>256,249,860</u>	<u>256,249,860</u>	<u>0</u>
Net Change in Fund Balances	(146,433,799)	(11,746,901)	(99,539,794)	(87,792,893)
Fund Balance at Beginning of Year	80,647,503	80,647,503	80,647,503	0
Prior Year Encumbrances	<u>65,786,296</u>	<u>65,786,296</u>	<u>65,786,296</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 134,686,898</u>	<u>\$ 46,894,005</u>	<u>\$ (87,792,893)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<b>FOOD SERVICE FUND</b>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 11,275,377</u>	<u>\$ 11,793,297</u>	<u>\$ 11,472,967</u>	<u>\$ (320,330)</u>
Total Expenditures and Other Financing Uses	<u>11,521,546</u>	<u>11,719,141</u>	<u>11,719,141</u>	<u>0</u>
Net Change in Fund Balances	(246,169)	74,156	(246,174)	(320,330)
Fund Balance at Beginning of Year	501	501	501	0
Prior Year Encumbrances	<u>246,170</u>	<u>246,170</u>	<u>246,170</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 502</u></u>	<u><u>\$ 320,827</u></u>	<u><u>\$ 497</u></u>	<u><u>\$ (320,330)</u></u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,140,865</u>	<u>\$ 1,183,489</u>	<u>\$ 245,159</u>	<u>\$ (938,330)</u>
Total Expenditures and Other Financing Uses	<u>1,206,892</u>	<u>268,439</u>	<u>268,439</u>	<u>0</u>
Net Change in Fund Balances	(66,027)	915,050	(23,280)	(938,330)
Fund Balance at Beginning of Year	88,712	88,712	88,712	0
Prior Year Encumbrances	<u>43,613</u>	<u>43,613</u>	<u>43,613</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 66,298</u>	<u>\$ 1,047,375</u>	<u>\$ 109,045</u>	<u>\$ (938,330)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 617,932</u>	<u>\$ 617,932</u>	<u>\$ 202,257</u>	<u>\$ (415,675)</u>
Total Expenditures and Other Financing Uses	<u>814,298</u>	<u>244,087</u>	<u>244,087</u>	<u>0</u>
Net Change in Fund Balances	(196,366)	373,845	(41,830)	(415,675)
Fund Balance at Beginning of Year	176,217	176,217	176,217	0
Prior Year Encumbrances	<u>20,149</u>	<u>20,149</u>	<u>20,149</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 570,211</u>	<u>\$ 154,536</u>	<u>\$ (415,675)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,267,575</u>	<u>\$ 2,315,651</u>	<u>\$ 1,988,176</u>	<u>\$ (327,475)</u>
Total Expenditures and Other Financing Uses	<u>2,060,024</u>	<u>1,996,649</u>	<u>1,996,649</u>	<u>0</u>
Net Change in Fund Balances	207,551	319,002	(8,473)	(327,475)
Fund Balance at Beginning of Year	145,374	145,374	145,374	0
Prior Year Encumbrances	<u>8,476</u>	<u>8,476</u>	<u>8,476</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 361,401</u>	<u>\$ 472,852</u>	<u>\$ 145,377</u>	<u>\$ (327,475)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,504,168</u>	<u>\$ 3,631,867</u>	<u>\$ 1,037,889</u>	<u>\$ (2,593,978)</u>
Total Expenditures and Other Financing Uses	<u>4,124,988</u>	<u>1,139,944</u>	<u>1,139,944</u>	<u>0</u>
Net Change in Fund Balances	(620,820)	2,491,923	(102,055)	(2,593,978)
Fund Balance at Beginning of Year	724,555	724,555	724,555	0
Prior Year Encumbrances	<u>71,735</u>	<u>71,735</u>	<u>71,735</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 175,470</u>	<u>\$ 3,288,213</u>	<u>\$ 694,235</u>	<u>\$ (2,593,978)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	OTHER GRANTS FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 2,764,577</u>	<u>\$ 1,873,692</u>	<u>\$ 2,133,631</u>	<u>\$ 259,939</u>
Total Expenditures and Other Financing Uses	<u>3,399,079</u>	<u>2,336,429</u>	<u>2,336,429</u>	<u>0</u>
Net Change in Fund Balances	(634,502)	(462,737)	(202,798)	259,939
Fund Balance at Beginning of Year	695,906	695,906	695,906	0
Prior Year Encumbrances	<u>124,546</u>	<u>124,546</u>	<u>124,546</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 185,950</u>	<u>\$ 357,715</u>	<u>\$ 617,654</u>	<u>\$ 259,939</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,376,500</u>	<u>\$ 1,376,500</u>	<u>\$ 2,817,913</u>	<u>\$ 1,441,413</u>
Total Expenditures and Other Financing Uses	<u>7,352,963</u>	<u>497,845</u>	<u>497,845</u>	<u>0</u>
Net Change in Fund Balances	(5,976,463)	878,655	2,320,068	1,441,413
Fund Balance at Beginning of Year	6,377,730	6,377,730	6,377,730	0
Prior Year Encumbrances	<u>87,847</u>	<u>87,847</u>	<u>87,847</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 489,114</u>	<u>\$ 7,344,232</u>	<u>\$ 8,785,645</u>	<u>\$ 1,441,413</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,943,217</u>	<u>\$ 2,091,447</u>	<u>\$ 667,849</u>	<u>\$ (1,423,598)</u>
Total Expenditures and Other Financing Uses	<u>2,337,651</u>	<u>734,909</u>	<u>734,909</u>	<u>0</u>
Net Change in Fund Balances	(394,434)	1,356,538	(67,060)	(1,423,598)
Fund Balance at Beginning of Year	361,398	361,398	361,398	0
Prior Year Encumbrances	<u>49,835</u>	<u>49,835</u>	<u>49,835</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 16,799</u>	<u>\$ 1,767,771</u>	<u>\$ 344,173</u>	<u>\$ (1,423,598)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,853,668</u>	<u>\$ 3,743,342</u>	<u>\$ 3,720,320</u>	<u>\$ (23,022)</u>
Total Expenditures and Other Financing Uses	<u>5,782,591</u>	<u>4,654,390</u>	<u>4,654,390</u>	<u>0</u>
Net Change in Fund Balances	(1,928,923)	(911,048)	(934,070)	(23,022)
Fund Balance at Beginning of Year	452,813	452,813	452,813	0
Prior Year Encumbrances	<u>1,157,949</u>	<u>1,157,949</u>	<u>1,157,949</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (318,161)</u>	<u>\$ 699,714</u>	<u>\$ 676,692</u>	<u>\$ (23,022)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 18,157</u>	<u>\$ 18,157</u>	<u>\$ 17,994</u>	<u>\$ (163)</u>
Total Expenditures and Other Financing Uses	<u>21,248</u>	<u>21,243</u>	<u>21,242</u>	<u>1</u>
Net Change in Fund Balances	(3,091)	(3,086)	(3,248)	(162)
Fund Balance at Beginning of Year	1	1	1	0
Prior Year Encumbrances	<u>3,247</u>	<u>3,247</u>	<u>3,247</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 157</u>	<u>\$ 162</u>	<u>\$ 0</u>	<u>\$ (162)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 58,047</u>	<u>\$ 58,558</u>	<u>\$ 101,511</u>	<u>\$ 42,953</u>
Total Expenditures and Other Financing Uses	<u>103,048</u>	<u>107,141</u>	<u>107,141</u>	<u>0</u>
Net Change in Fund Balances	(45,001)	(48,583)	(5,630)	42,953
Fund Balance at Beginning of Year	42,951	42,951	42,951	0
Prior Year Encumbrances	<u>2,048</u>	<u>2,048</u>	<u>2,048</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (2)</u>	<u>\$ (3,584)</u>	<u>\$ 39,369</u>	<u>\$ 42,953</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 204,469</u>	<u>\$ 280,890</u>	<u>\$ 330,095</u>	<u>\$ 49,205</u>
Total Expenditures and Other Financing Uses	<u>257,713</u>	<u>333,210</u>	<u>333,210</u>	<u>0</u>
Net Change in Fund Balances	(53,244)	(52,320)	(3,115)	49,205
Fund Balance at Beginning of Year	49,211	49,211	49,211	0
Prior Year Encumbrances	<u>4,037</u>	<u>4,037</u>	<u>4,037</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4</u>	<u>\$ 928</u>	<u>\$ 50,133</u>	<u>\$ 49,205</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 17,076</u>	<u>\$ 20,000</u>	<u>\$ 2,924</u>
Total Expenditures and Other Financing Uses	<u>5,522</u>	<u>10,833</u>	<u>10,833</u>	<u>0</u>
Net Change in Fund Balances	(5,522)	6,243	9,167	2,924
Fund Balance at Beginning of Year	2,925	2,925	2,925	0
Prior Year Encumbrances	<u>3,762</u>	<u>3,762</u>	<u>3,762</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,165</u>	<u>\$ 12,930</u>	<u>\$ 15,854</u>	<u>\$ 2,924</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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**DATA COMMUNICATION FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 201,000</u>	<u>\$ 189,000</u>	<u>\$ 189,000</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>226,000</u>	<u>214,000</u>	<u>214,000</u>	<u>0</u>
Net Change in Fund Balances	(25,000)	(25,000)	(25,000)	0
Fund Balance at Beginning of Year	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 9,980</u>	<u>\$ 9,450</u>	<u>\$ 9,450</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>16,676</u>	<u>14,419</u>	<u>14,419</u>	<u>0</u>
Net Change in Fund Balances	(6,696)	(4,969)	(4,969)	0
Fund Balance at Beginning of Year	6,446	6,446	6,446	0
Prior Year Encumbrances	<u>250</u>	<u>250</u>	<u>250</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 1,727</u>	<u>\$ 1,727</u>	<u>\$ 0</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 97,403</u>	<u>\$ 183,190</u>	<u>\$ 93,060</u>	<u>\$ (90,130)</u>
Total Expenditures and Other Financing Uses	<u>193,192</u>	<u>278,973</u>	<u>278,973</u>	<u>0</u>
Net Change in Fund Balances	(95,789)	(95,783)	(185,913)	(90,130)
Fund Balance at Beginning of Year	54,148	54,148	54,148	0
Prior Year Encumbrances	<u>131,765</u>	<u>131,765</u>	<u>131,765</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 90,124</u></u>	<u><u>\$ 90,130</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (90,130)</u></u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 59,186</u>	<u>\$ 83,615</u>	<u>\$ 80,608</u>	<u>\$ (3,007)</u>
Total Expenditures and Other Financing Uses	<u>89,836</u>	<u>93,575</u>	<u>93,575</u>	<u>0</u>
Net Change in Fund Balances	(30,650)	(9,960)	(12,967)	(3,007)
Fund Balance at Beginning of Year	17,631	17,631	17,631	0
Prior Year Encumbrances	<u>13,022</u>	<u>13,022</u>	<u>13,022</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3</u>	<u>\$ 20,693</u>	<u>\$ 17,686</u>	<u>\$ (3,007)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 497,958</u>	<u>\$ 455,841</u>	<u>\$ 411,865</u>	<u>\$ (43,976)</u>
Total Expenditures and Other Financing Uses	<u>507,759</u>	<u>460,649</u>	<u>460,649</u>	<u>0</u>
Net Change in Fund Balances	(9,801)	(4,808)	(48,784)	(43,976)
Fund Balance at Beginning of Year	3	3	3	0
Prior Year Encumbrances	<u>48,785</u>	<u>48,785</u>	<u>48,785</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 38,987</u>	<u>\$ 43,980</u>	<u>\$ 4</u>	<u>\$ (43,976)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 29,251,790</u>	<u>\$ 32,795,463</u>	<u>\$ 32,816,457</u>	<u>\$ 20,994</u>
Total Expenditures and Other Financing Uses	<u>30,378,034</u>	<u>33,921,720</u>	<u>33,921,720</u>	<u>0</u>
Net Change in Fund Balances	(1,126,244)	(1,126,257)	(1,105,263)	20,994
Fund Balance at Beginning of Year	835,975	835,975	835,975	0
Prior Year Encumbrances	<u>290,282</u>	<u>290,282</u>	<u>290,282</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 13</u>	<u>\$ 0</u>	<u>\$ 20,994</u>	<u>\$ 20,994</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 91,808</u>	<u>\$ 1,437,318</u>	<u>\$ 1,346,016</u>	<u>\$ (91,302)</u>
Total Expenditures and Other Financing Uses	<u>669,226</u>	<u>2,117,222</u>	<u>2,117,222</u>	<u>0</u>
Net Change in Fund Balances	(577,418)	(679,904)	(771,206)	(91,302)
Fund Balance at Beginning of Year	438,479	438,479	438,479	0
Prior Year Encumbrances	<u>401,242</u>	<u>401,242</u>	<u>401,242</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 262,303</u>	<u>\$ 159,817</u>	<u>\$ 68,515</u>	<u>\$ (91,302)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 734,734</u>	<u>\$ 739,526</u>	<u>\$ 627,797</u>	<u>\$ (111,729)</u>
Total Expenditures and Other Financing Uses	<u>781,866</u>	<u>674,926</u>	<u>674,926</u>	<u>0</u>
Net Change in Fund Balances	(47,132)	64,600	(47,129)	(111,729)
Fund Balance at Beginning of Year	37,905	37,905	37,905	0
Prior Year Encumbrances	<u>9,232</u>	<u>9,232</u>	<u>9,232</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5</u>	<u>\$ 111,737</u>	<u>\$ 8</u>	<u>\$ (111,729)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 24,984</u>	<u>\$ 4,245</u>	<u>\$ 1,856</u>	<u>\$ (2,389)</u>
Total Expenditures and Other Financing Uses	<u>32,615</u>	<u>10,061</u>	<u>10,061</u>	<u>0</u>
Net Change in Fund Balances	(7,631)	(5,816)	(8,205)	(2,389)
Fund Balance at Beginning of Year	4	4	4	0
Prior Year Encumbrances	<u>8,201</u>	<u>8,201</u>	<u>8,201</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 574</u></u>	<u><u>\$ 2,389</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (2,389)</u></u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 10,970,402</u>	<u>\$ 12,682,003</u>	<u>\$ 9,655,768</u>	<u>\$ (3,026,235)</u>
Total Expenditures and Other Financing Uses	<u>13,302,773</u>	<u>11,028,498</u>	<u>11,028,498</u>	<u>0</u>
Net Change in Fund Balances	(2,332,371)	1,653,505	(1,372,730)	(3,026,235)
Fund Balance at Beginning of Year	403,961	403,961	403,961	0
Prior Year Encumbrances	<u>968,771</u>	<u>968,771</u>	<u>968,771</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (959,639)</u>	<u>\$ 3,026,237</u>	<u>\$ 2</u>	<u>\$ (3,026,235)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,630,613</u>	<u>\$ 1,818,936</u>	<u>\$ 1,574,856</u>	<u>\$ (244,080)</u>
Total Expenditures and Other Financing Uses	<u>1,848,460</u>	<u>2,036,774</u>	<u>2,036,774</u>	<u>0</u>
Net Change in Fund Balances	(217,847)	(217,838)	(461,918)	(244,080)
Fund Balance at Beginning of Year	13,923	13,923	13,923	0
Prior Year Encumbrances	<u>447,998</u>	<u>447,998</u>	<u>447,998</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 244,074</u>	<u>\$ 244,083</u>	<u>\$ 3</u>	<u>\$ (244,080)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 31,289</u>	<u>\$ 41,330</u>	<u>\$ 16,774</u>	<u>\$ (24,556)</u>
Total Expenditures and Other Financing Uses	<u>45,234</u>	<u>39,378</u>	<u>39,378</u>	<u>0</u>
Net Change in Fund Balances	(13,945)	1,952	(22,604)	(24,556)
Fund Balance at Beginning of Year	8,576	8,576	8,576	0
Prior Year Encumbrances	<u>14,031</u>	<u>14,031</u>	<u>14,031</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 8,662</u>	<u>\$ 24,559</u>	<u>\$ 3</u>	<u>\$ (24,556)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	TITLE I FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 19,715,990</u>	<u>\$ 21,671,525</u>	<u>\$ 17,301,719</u>	<u>\$ (4,369,806)</u>
Total Expenditures and Other Financing Uses	<u>23,062,166</u>	<u>20,425,717</u>	<u>20,425,717</u>	<u>0</u>
Net Change in Fund Balances	(3,346,176)	1,245,808	(3,123,998)	(4,369,806)
Fund Balance at Beginning of Year	2,203,777	2,203,777	2,203,777	0
Prior Year Encumbrances	<u>1,195,007</u>	<u>1,195,007</u>	<u>1,195,007</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 52,608</u>	<u>\$ 4,644,592</u>	<u>\$ 274,786</u>	<u>\$ (4,369,806)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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**TITLE V - INNOVATIVE EDUCATION FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 93,581</u>	<u>\$ 131,979</u>	<u>\$ 102,859</u>	<u>\$ (29,120)</u>
Total Expenditures and Other Financing Uses	<u>117,230</u>	<u>129,152</u>	<u>129,152</u>	<u>0</u>
Net Change in Fund Balances	(23,649)	2,827	(26,293)	(29,120)
Fund Balance at Beginning of Year	3	3	3	0
Prior Year Encumbrances	<u>26,293</u>	<u>26,293</u>	<u>26,293</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,647</u>	<u>\$ 29,123</u>	<u>\$ 3</u>	<u>\$ (29,120)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 266,306</u>	<u>\$ 283,241</u>	<u>\$ 203,685</u>	<u>\$ (79,556)</u>
Total Expenditures and Other Financing Uses	<u>288,787</u>	<u>226,167</u>	<u>226,167</u>	<u>0</u>
Net Change in Fund Balances	(22,481)	57,074	(22,482)	(79,556)
Fund Balance at Beginning of Year	18,000	18,000	18,000	0
Prior Year Encumbrances	<u>4,483</u>	<u>4,483</u>	<u>4,483</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2</u>	<u>\$ 79,557</u>	<u>\$ 1</u>	<u>\$ (79,556)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 280,803</u>	<u>\$ 289,590</u>	<u>\$ 237,891</u>	<u>\$ (51,699)</u>
Total Expenditures and Other Financing Uses	<u>319,444</u>	<u>276,530</u>	<u>276,530</u>	<u>0</u>
Net Change in Fund Balances	(38,641)	13,060	(38,639)	(51,699)
Fund Balance at Beginning of Year	22,594	22,594	22,594	0
Prior Year Encumbrances	<u>16,048</u>	<u>16,048</u>	<u>16,048</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 51,702</u>	<u>\$ 3</u>	<u>\$ (51,699)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 4,127,037</u>	<u>\$ 4,569,588</u>	<u>\$ 3,270,785</u>	<u>\$ (1,298,803)</u>
Total Expenditures and Other Financing Uses	<u>4,559,313</u>	<u>3,703,061</u>	<u>3,703,061</u>	<u>0</u>
Net Change in Fund Balances	(432,276)	866,527	(432,276)	(1,298,803)
Fund Balance at Beginning of Year	314,803	314,803	314,803	0
Prior Year Encumbrances	<u>117,473</u>	<u>117,473</u>	<u>117,473</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 1,298,803</u>	<u>\$ 0</u>	<u>\$ (1,298,803)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 4,489,430</u>	<u>\$ 3,496,252</u>	<u>\$ 1,991,950</u>	<u>\$ (1,504,302)</u>
Total Expenditures and Other Financing Uses	<u>5,755,281</u>	<u>3,769,605</u>	<u>3,769,605</u>	<u>0</u>
Net Change in Fund Balances	(1,265,851)	(273,353)	(1,777,655)	(1,504,302)
Fund Balance at Beginning of Year	989,991	989,991	989,991	0
Prior Year Encumbrances	<u>827,858</u>	<u>827,858</u>	<u>827,858</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 551,998</u>	<u>\$ 1,544,496</u>	<u>\$ 40,194</u>	<u>\$ (1,504,302)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 5,560,000</u>	<u>\$ 5,560,000</u>	<u>\$ 5,772,945</u>	<u>\$ 212,945</u>
Total Expenditures and Other Financing Uses	<u>6,033,734</u>	<u>5,031,742</u>	<u>5,031,742</u>	<u>0</u>
Net Change in Fund Balances	(473,734)	528,258	741,203	212,945
Fund Balance at Beginning of Year	6,143,362	6,143,362	6,143,362	0
Prior Year Encumbrances	<u>832,630</u>	<u>832,630</u>	<u>832,630</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 6,502,258</u>	<u>\$ 7,504,250</u>	<u>\$ 7,717,195</u>	<u>\$ 212,945</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,123,532</u>	<u>\$ 9,543,914</u>	<u>\$ 6,896,582</u>	<u>\$ (2,647,332)</u>
Total Expenditures and Other Financing Uses	<u>16,166,833</u>	<u>9,606,341</u>	<u>9,606,341</u>	<u>0</u>
Net Change in Fund Balances	(13,043,301)	(62,427)	(2,709,759)	(2,647,332)
Fund Balance at Beginning of Year	8,795,168	8,795,168	8,795,168	0
Prior Year Encumbrances	<u>4,248,135</u>	<u>4,248,135</u>	<u>4,248,135</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2</u>	<u>\$ 12,980,876</u>	<u>\$ 10,333,544</u>	<u>\$ (2,647,332)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 77,038</u>	<u>\$ 96,059</u>	<u>\$ 81,584</u>	<u>\$ (14,475)</u>
Total Expenditures and Other Financing Uses	<u>242,890</u>	<u>270,039</u>	<u>270,039</u>	<u>0</u>
Net Change in Fund Balances	(165,852)	(173,980)	(188,455)	(14,475)
Fund Balance at Beginning of Year	191,963	191,963	191,963	0
Prior Year Encumbrances	<u>55,746</u>	<u>55,746</u>	<u>55,746</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 81,857</u>	<u>\$ 73,729</u>	<u>\$ 59,254</u>	<u>\$ (14,475)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Fund  
For the Fiscal Year Ended June 30, 2008***

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	ENDOWMENTS FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 43,584</u>	<u>\$ 43,584</u>
Total Expenditures and Other Financing Uses	<u>87,165</u>	<u>34,879</u>	<u>34,879</u>	<u>0</u>
Net Change in Fund Balances	(87,165)	(34,879)	8,705	43,584
Fund Balance at Beginning of Year	833,998	833,998	833,998	0
Prior Year Encumbrances	<u>6,966</u>	<u>6,966</u>	<u>6,966</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 753,799</u>	<u>\$ 806,085</u>	<u>\$ 849,669</u>	<u>\$ 43,584</u>



***Internal Service Funds***

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Internal Service Funds are used to account for financing goods or services provided by one activity to other activities of the District on a cost-reimbursement basis.

**Rotary Fund**

To account for operations that provide goods and services provided by the District.

**Intra-District Services Fund**

To account for operations that provide goods and/or services to other areas within the District.

**Health Insurance Fund**

To account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision or any other similar employee benefit.

**Computer Network-Class A Fund**

To account for the operations of Class 'A' sites of the computer network of the Department of Education

**Workers' Compensation Fund**

To account for receipts and expenditures with regard to Workers' Compensation Self Insurance.

**TOLEDO CITY SCHOOL DISTRICT**

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**Combining Statement of Net Assets  
Internal Service Funds  
June 30, 2008**

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	<u>Rotary</u>	<u>Intra-District Services</u>	<u>Health Insurance</u>	<u>Computer Network-Class A</u>
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 3,301	\$ 70,052	\$ 14,628,484	\$ 31,578
Receivables:				
Accounts	0	25,369	67,722	0
Intergovernmental	0	4,874	0	0
Interest	0	0	111,451	0
<b>Total Assets</b>	<u>3,301</u>	<u>100,295</u>	<u>14,807,657</u>	<u>31,578</u>
<b>Liabilities:</b>				
Accounts Payable	0	50,594	409,434	0
Accrued Wages and Benefits	0	0	8,459,700	0
Intergovernmental Payable	0	2,558	0	0
<b>Total Liabilities</b>	<u>0</u>	<u>53,152</u>	<u>8,869,134</u>	<u>0</u>
<b>Net Assets:</b>				
Unrestricted	3,301	47,143	5,938,523	31,578
<b>Total Net Assets</b>	<u>\$ 3,301</u>	<u>\$ 47,143</u>	<u>\$ 5,938,523</u>	<u>\$ 31,578</u>

**TOLEDO CITY SCHOOL DISTRICT**

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<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$ 889,055	\$ 15,622,470
0	93,091
0	4,874
<u>3,041</u>	<u>114,492</u>
<u>892,096</u>	<u>15,834,927</u>
54,375	514,403
0	8,459,700
<u>310,069</u>	<u>312,627</u>
<u>364,444</u>	<u>9,286,730</u>
<u>527,652</u>	<u>6,548,197</u>
<u>\$ 527,652</u>	<u>\$ 6,548,197</u>

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2008**

	Rotary	Intra-District Services	Health Insurance	Computer Network-Class A
<b>Operating Revenues:</b>				
Interfund Charges	\$ 1,880	\$ 325,845	\$ 42,111,257	\$ 0
<b>Total Operating Revenues</b>	<b>1,880</b>	<b>325,845</b>	<b>42,111,257</b>	<b>0</b>
<b>Operating Expenses:</b>				
Personal Services	0	0	0	21,437
Purchased Services	0	204,853	46,382,257	10,800
Supplies and Materials	0	243,693	0	0
<b>Total Operating Expenses</b>	<b>0</b>	<b>448,546</b>	<b>46,382,257</b>	<b>32,237</b>
Operating Income (Loss)	1,880	(122,701)	(4,271,000)	(32,237)
<b>Nonoperating Revenue (Expenses):</b>				
Operating Grants	0	0	0	31,578
Investment Earnings	0	0	889,804	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>0</b>	<b>0</b>	<b>889,804</b>	<b>31,578</b>
Income Before Transfers	1,880	(122,701)	(3,381,196)	(659)
Transfers In	0	139,639	0	0
Change in Net Assets	1,880	16,938	(3,381,196)	(659)
Net Assets Beginning of Year	1,421	30,205	9,319,719	32,237
Net Assets End of Year	<b>\$ 3,301</b>	<b>\$ 47,143</b>	<b>\$ 5,938,523</b>	<b>\$ 31,578</b>

**TOLEDO CITY SCHOOL DISTRICT**

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<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$ 1,971,891	\$ 44,410,873
<u>1,971,891</u>	<u>44,410,873</u>
2,595,718	2,617,155
46,215	46,644,125
<u>0</u>	<u>243,693</u>
<u>2,641,933</u>	<u>49,504,973</u>
(670,042)	(5,094,100)
0	31,578
<u>128,740</u>	<u>1,018,544</u>
<u>128,740</u>	<u>1,050,122</u>
(541,302)	(4,043,978)
0	139,639
(541,302)	(3,904,339)
<u>1,068,954</u>	<u>10,452,536</u>
<u>\$ 527,652</u>	<u>\$ 6,548,197</u>

**TOLEDO CITY SCHOOL DISTRICT**

***Combining Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2008***

	Rotary	Intra- District Services	Health Insurance
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Interfund Charges	\$1,880	\$325,206	\$42,357,894
Cash Payments to Employees for Services and Benefits	0	(464,653)	(47,578,692)
Net Cash Provided (Used) by Operating Activities	<u>1,880</u>	<u>(139,447)</u>	<u>(5,220,798)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	139,639	0
Operating Grants	0	0	0
Net Cash Provided by Noncapital Financing Activities	<u>0</u>	<u>139,639</u>	<u>0</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	0	0	1,080,829
Net Cash Provided by Investing Activities	<u>0</u>	<u>0</u>	<u>1,080,829</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,880	192	(4,139,969)
Cash and Cash Equivalents at Beginning of Year	1,421	69,860	18,768,453
Cash and Cash Equivalents at End of Year	<u>\$3,301</u>	<u>\$70,052</u>	<u>\$14,628,484</u>
<u>Reconciliation of Operating Loss to Net Cash</u>			
<u>Used by Operating Activities:</u>			
Operating Income (Loss)	\$1,880	(\$122,701)	(\$4,271,000)
Adjustments to Reconcile Operating Income (Loss) to			
Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	0	3,575	113
Increase in Intergovernmental Receivables	0	(4,214)	0
Increase (Decrease) in Accounts Payable	0	(18,665)	(1,332,511)
Decrease in Accrued Wages and Benefits	0	0	382,600
Increase (Decrease) in Intergovernmental Payables	0	2,558	0
Total Adjustments	<u>0</u>	<u>(16,746)</u>	<u>(949,798)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$1,880</u>	<u>(\$139,447)</u>	<u>(\$5,220,798)</u>

During 2008 the fair value of investments increased by \$131,977 and \$5,617 in the Health Insurance and Workers' Compensation Funds, respectively.

**TOLEDO CITY SCHOOL DISTRICT**

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Computer Network- Class A	Workers' Compensation	Total
\$0	\$1,971,891	\$44,656,871
(32,237)	(4,248,480)	(52,324,062)
<u>(32,237)</u>	<u>(2,276,589)</u>	<u>(7,667,191)</u>
0	0	139,639
31,578	0	31,578
<u>31,578</u>	<u>0</u>	<u>171,217</u>
0	171,840	1,252,669
<u>0</u>	<u>171,840</u>	<u>1,252,669</u>
(659)	(2,104,749)	(6,243,305)
32,237	2,993,804	21,865,775
<u>\$31,578</u>	<u>\$889,055</u>	<u>\$15,622,470</u>
(32,237)	(\$670,042)	(\$5,094,100)
0	0	3,688
0	0	(4,214)
0	9,545	(1,341,631)
0	0	382,600
0	(1,616,092)	(1,613,534)
<u>0</u>	<u>(1,606,547)</u>	<u>(2,573,091)</u>
<u>(\$32,237)</u>	<u>(\$2,276,589)</u>	<u>(\$7,667,191)</u>

***Fiduciary Fund***

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

***Agency Fund***

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**Student Managed Activity Fund**

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A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. The fund typically includes those student activities that consist of a student body, student president, student treasurer, and faculty advisor.

**TOLEDO CITY SCHOOL DISTRICT**

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***Combining Statement Of Changes In Assets And Liabilities***

***Agency Fund***

***For the Fiscal Year Ended June 30, 2008***

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	Balance June 30, 2007	Additions	Deductions	Balance June 30, 2008
<b><i>Student Managed Activity Fund</i></b>				
Assets:				
Cash and Cash Equivalents	\$516,791	\$464,652	(\$516,791)	\$464,652
Accounts Receivable	2,662	2,554	(2,662)	2,554
Interest Receivable	7,912	4,277	(7,912)	4,277
Total Assets	<u>\$527,365</u>	<u>\$471,483</u>	<u>(\$527,365)</u>	<u>\$471,483</u>
Liabilities:				
Accounts Payable	\$93,005	\$70,220	(\$93,005)	\$70,220
Intergovernmental Payable	565	600	(565)	600
Due to Students	433,795	400,663	(433,795)	400,663
Total Liabilities	<u>\$527,365</u>	<u>\$471,483</u>	<u>(\$527,365)</u>	<u>\$471,483</u>

*CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENTAL FUNDS*

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**TOLEDO CITY SCHOOL DISTRICT**

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***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Source  
June 30, 2008***

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<u>Capital Assets</u>	
Land	\$13,856,745
Construction in Progress	96,291,759
Land Improvements	8,836,154
Buildings	283,222,497
Building Improvements	38,006,513
Machinery and Equipment	9,957,028
Vehicles	10,216,142
Total Capital Assets	<u>\$460,386,838</u>

Investment in Capital Assets from:

General Fund	\$7,297,057
Special Revenue Funds	23,177,043
Capital Project Funds	429,859,883
Trust Funds	52,855
Total Capital Assets	<u>\$460,386,838</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Function and Activity  
June 30, 2008***

---

	<u>Instruction</u>	<u>Administration</u>	<u>Operation and Maintenance of Plant Services</u>	<u>Trasnportation Services</u>
Land	\$13,344,888	\$111,367	\$264,652	\$60,122
Construction in Progress	96,291,759	0	0	0
Land Improvements	7,876,874	96,000	147,300	524,300
Buildings	272,021,942	8,943,955	1,375,380	34,362
Building Improvements	31,306,681	0	127,245	172,715
Machinery and Equipment	2,026,764	4,043,960	2,391,276	42,700
Vehicles	372,412	0	1,789,849	8,053,881
Total Cost	<u>\$423,241,320</u>	<u>\$13,195,282</u>	<u>\$6,095,702</u>	<u>\$8,888,080</u>

**TOLEDO CITY SCHOOL DISTRICT**

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<u>Non- Instructional</u>	<u>Extracurricular Activities</u>	<u>Total Capital Assets</u>
\$75,716	\$0	\$13,856,745
0	0	96,291,759
51,459	140,221	8,836,154
846,858	0	283,222,497
3,199,962	3,199,910	38,006,513
1,168,102	284,226	9,957,028
0	0	10,216,142
<u>\$5,342,097</u>	<u>\$3,624,357</u>	<u>\$460,386,838</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Capital Assets Used in the Operation of Governmental Funds  
Schedule of Changes by Function and Activity  
For the Fiscal Year Ended June 30, 2008***

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	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
Instruction	\$355,319,205	\$177,005,235	(\$109,083,120)	\$423,241,320
Administration	8,058,713	5,142,554	(5,985)	13,195,282
Operation and Maintenance of Plant Services	5,874,432	221,270	0	6,095,702
Transportation Services	8,746,819	568,766	(427,505)	8,888,080
Non-Instructional Services	5,425,850	34,854	(118,607)	5,342,097
Extracurricular Activities	<u>3,624,357</u>	<u>0</u>	<u>0</u>	<u>3,624,357</u>
Total	<u>\$387,049,376</u>	<u>\$182,972,679</u>	<u>(\$109,635,217)</u>	<u>\$460,386,838</u>

*STATISTICAL SECTION*

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## ***STATISTICAL TABLES***

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

### ***Contents***

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<b>Financial Trends</b>	S 2 – S 11
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
<b>Revenue Capacity</b>	S 12 – S 21
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	S 22 – S 29
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<b>Economic and Demographic Information</b>	S 30 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	S 34 – S 47
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

**Sources Note:**

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

***Toledo Public School District***

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*Net Assets by Component  
Last Seven Years  
(accrual basis of accounting)*

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	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>Governmental Activities</b>			
Invested in Capital Assets, Net of Related Debt	\$45,465,322	\$47,320,939	\$46,451,090
Restricted for:			
Capital Projects	4,952,379	8,027,026	602,514,840
Debt Service	95,283	6,902,023	7,914,287
Permanent Funds:			
Expendable	341,106	345,762	328,848
Nonexpendable	502,291	502,291	502,291
Other Purposes	10,919,141	0	12,150,959
Unrestricted (Deficit)	<u>(29,442,269)</u>	<u>(39,092,774)</u>	<u>(37,951,094)</u>
Total Governmental Activities Net Assets	<u><u>\$32,833,253</u></u>	<u><u>\$24,005,267</u></u>	<u><u>\$631,911,221</u></u>
<b>Primary Government</b>			
Invested in Capital Assets, Net of Related Debt	\$45,465,322	\$47,320,939	\$46,451,090
Restricted	16,810,200	15,777,102	623,411,225
Unrestricted (Deficit)	<u>(29,442,269)</u>	<u>(39,092,774)</u>	<u>(37,951,094)</u>
Total Primary Government Net Assets	<u><u>\$32,833,253</u></u>	<u><u>\$24,005,267</u></u>	<u><u>\$631,911,221</u></u>

Source: District Treasurer's Office

Note: District did not implement GASB 34 prior to 2002.

*Toledo Public School District*

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2005	2006	2007	2008
\$44,598,478	\$48,695,909	\$248,239,325	\$273,164,202
583,303,915	513,286,796	361,944,025	317,693,258
5,845,920	8,823,771	12,115,936	14,372,972
313,819	328,736	341,333	350,204
502,291	502,291	502,291	503,291
10,644,859	17,127,362	17,864,571	18,876,850
(35,477,065)	(27,004,696)	(15,174,793)	(19,858,790)
<u>\$609,732,217</u>	<u>\$561,760,169</u>	<u>\$625,832,688</u>	<u>\$605,101,987</u>

\$44,598,478	\$48,695,909	\$248,239,325	\$273,164,202
600,610,804	540,068,956	392,768,156	351,796,575
(35,477,065)	(27,004,696)	(15,174,793)	(19,858,790)
<u>\$609,732,217</u>	<u>\$561,760,169</u>	<u>\$625,832,688</u>	<u>\$605,101,987</u>

## *Toledo Public School District*

*Changes in Net Assets  
Last Seven Years  
(accrual basis of accounting)*

	2002	2003	2004
<b>Expenses</b>			
Governmental Activities			
Instruction	\$202,392,284	\$222,417,618	\$248,417,336
Support Services	135,952,928	141,129,502	134,366,560
Non-Instructional Services	38,211,128	25,122,326	25,815,679
Extracurricular Activities	5,164,782	5,360,012	5,362,388
Interest and Fiscal Charges	56,349	45,506	5,148,505
<i>Total Primary Government Expenses</i>	<u>\$381,777,471</u>	<u>\$394,074,964</u>	<u>\$419,110,468</u>
<b>Program Revenues</b>			
N/A - not available			
Charges for Services			
Instruction	\$1,582,267	\$2,694,477	\$5,213,123
Support Services	5,565,628	6,118,524	6,121,179
Extracurricular Activities	1,351,554	1,737,914	1,488,661
Operating Grants and Contributions	77,972,317	62,289,833	69,932,639
Capital Grants and Contributions	3,315,612	2,658,608	5,746,926
<i>Total Primary Government Program Revenues</i>	<u>89,787,378</u>	<u>75,499,356</u>	<u>88,502,528</u>
<b>Net (Expense)/Revenue</b>			
Governmental Activities	<u>(291,990,093)</u>	<u>(318,575,608)</u>	<u>(330,607,940)</u>
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$291,990,093)</u>	<u>(\$318,575,608)</u>	<u>(\$330,607,940)</u>

*Toledo Public School District*

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2005	2006	2007	2008
\$270,471,446	\$292,680,197	\$189,552,656	\$263,193,272
135,099,356	138,761,857	133,079,110	133,764,377
27,827,829	19,816,003	27,648,071	25,644,073
5,262,095	6,333,665	4,242,542	5,107,505
7,162,151	7,229,719	6,991,726	6,919,481
<u>\$445,822,877</u>	<u>\$464,821,441</u>	<u>\$361,514,105</u>	<u>\$434,628,708</u>
\$6,691,740	\$3,461,903	\$6,053,787	\$5,290,951
5,891,099	9,122,667	13,630,186	13,775,626
4,722,931	3,515,022	3,042,679	2,777,125
63,212,833	72,027,628	89,840,113	95,387,363
1,403,910	577,516	241,467	0
<u>81,922,513</u>	<u>88,704,736</u>	<u>112,808,232</u>	<u>117,231,065</u>
<u>(363,900,364)</u>	<u>(376,116,705)</u>	<u>(248,705,873)</u>	<u>(317,397,643)</u>
<u>(\$363,900,364)</u>	<u>(\$376,116,705)</u>	<u>(\$248,705,873)</u>	<u>(\$317,397,643)</u>

(Continued)

***Toledo Public School District***

*Changes in Net Assets  
Last Seven Years  
(accrual basis of accounting)*

	2002	2003	2004
<b><i>General Revenues and Other Changes in Net Assets</i></b>			
Governmental Activities			
Property Taxes Levied for			
General Purposes	\$103,470,010	\$103,915,412	\$107,245,398
Special Purposes	0	631,432	1,152,249
Debt Service	1,546,765	5,764,724	10,924,204
Capital Outlay	4,661,246	4,364,880	4,244,528
Grants and Entitlements not			
Restricted to Specific Programs	159,082,939	192,462,913	202,381,204
Investment Earnings	2,751,025	2,273,113	2,088,128
Miscellaneous	399,712	329,592	638,024
<b><i>Total Primary Government</i></b>	<b><u>\$271,911,697</u></b>	<b><u>\$309,742,066</u></b>	<b><u>\$328,673,735</u></b>
<b><i>Change in Net Assets</i></b>			
Governmental Activities	(\$20,078,396)	(\$8,833,542)	(\$1,934,205)
<b><i>Total Primary Government Change in Net Assets</i></b>	<b><u>(\$20,078,396)</u></b>	<b><u>(\$8,833,542)</u></b>	<b><u>(\$1,934,205)</u></b>

Source: District Treasurer's Office

Note: District did not implement GASB 34 prior to 2002.

*Toledo Public School District*

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<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$106,736,207	\$104,775,512	\$99,468,836	\$89,303,614
1,258,083	1,196,205	1,196,598	1,099,423
11,700,649	11,621,405	12,429,284	11,056,591
4,460,168	4,380,783	4,410,854	3,984,819
210,387,487	197,630,604	183,776,457	181,133,225
5,983,334	8,437,563	11,334,119	9,683,086
1,195,432	102,585	162,244	406,184
<u>\$341,721,360</u>	<u>\$328,144,657</u>	<u>\$312,778,392</u>	<u>\$296,666,942</u>
<u>(\$22,179,004)</u>	<u>(\$47,972,048)</u>	<u>\$64,072,519</u>	<u>(\$20,730,701)</u>
<u>(\$22,179,004)</u>	<u>(\$47,972,048)</u>	<u>\$64,072,519</u>	<u>(\$20,730,701)</u>

***Toledo Public School District***

*Fund Balances, Governmental Funds  
Last Ten Years  
(modified accrual basis of accounting)*

	1999	2000	2001	2002
General Fund				
Reserved	\$9,506,484	\$11,309,434	\$16,359,040	\$18,424,529
Unreserved	(17,106,056)	(13,758,994)	(1,573,496)	461,475
<i>Total General Fund</i>	<u>(7,599,572)</u>	<u>(2,449,560)</u>	<u>14,785,544</u>	<u>18,886,004</u>
All Other Governmental Funds				
Reserved	5,427,931	2,542,663	4,575,060	4,903,699
Unreserved, Undesignated in:				
Special Revenue Funds	833,506	893,472	6,439,338	4,872,343
Debt Service Funds	0	0	0	0
Capital Projects Funds	(2,231,445)	(786,249)	1,237,199	2,461,875
Permanent Fund	0	0	0	341,106
<i>Total All Other Governmental Funds</i>	<u>4,029,992</u>	<u>2,649,886</u>	<u>12,251,597</u>	<u>12,579,023</u>
<i>Total Governmental Funds</i>	<u><u>(\$3,569,580)</u></u>	<u><u>\$200,326</u></u>	<u><u>\$27,037,141</u></u>	<u><u>\$31,465,027</u></u>

S/N/A - not available

*Toledo Public School District*

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2003	2004	2005	2006	2007	2008
\$17,895,690	\$14,681,804	\$16,147,477	\$8,391,654	\$13,272,327	\$13,719,985
(20,506,000)	(24,015,732)	(28,005,685)	(20,963,268)	(7,561,390)	1,776
(2,610,310)	(9,333,928)	(11,858,208)	(12,571,614)	5,710,937	13,721,761
22,401,780	24,704,088	61,721,921	11,261,152	58,835,147	69,496,216
(2,482,855)	(3,246,820)	(1,804,134)	(1,438,040)	3,671,750	(1,834,973)
0	7,145,076	4,438,435	7,129,305	10,450,742	13,863,182
67,880,801	147,612,524	88,974,476	77,119,622	51,056,444	9,668,289
345,762	328,848	313,819	328,736	341,333	350,204
88,145,488	176,543,716	153,644,517	94,400,775	124,355,416	91,542,918
<u>\$85,535,178</u>	<u>\$167,209,788</u>	<u>\$141,786,309</u>	<u>\$81,829,161</u>	<u>\$130,066,353</u>	<u>\$105,264,679</u>

## *Toledo Public School District*

### *Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)*

	1999	2000	2001	2002
<b>Revenues:</b>				
Taxes	\$96,615,531	\$95,815,231	\$101,583,346	\$112,167,580
Tuition	1,406,207	1,110,982	787,750	1,566,401
Transportation Fees	188,280	183,229	298,867	349,851
Food Services	0	0	0	2,335,035
Investment Earnings	2,528,080	2,714,972	3,381,986	2,334,619
Extracurricular Activities	1,535,694	1,398,853	1,377,956	1,600,512
Class Materials and Fees	236,980	280,162	271,571	461,879
Intermediate Sources	41,843	64,896	152,107	79,106
Intergovernmental - State	161,290,355	175,451,658	196,388,112	200,931,402
Intergovernmental - Federal	24,310,111	26,299,736	32,470,513	37,922,340
All Other Revenue	2,808,970	9,260,750	2,612,668	2,559,583
<b>Total Revenue</b>	<u>290,962,051</u>	<u>312,580,469</u>	<u>339,324,876</u>	<u>362,308,308</u>
<b>Expenditures:</b>				
Current:				
Instruction	161,296,020	167,628,439	171,205,309	193,056,559
Supporting Services	114,603,603	112,466,023	116,764,832	129,346,979
Non-Instructional Services	13,368,425	16,338,825	12,328,547	25,028,179
Extracurricular Activities	4,126,715	4,161,708	4,518,128	4,926,855
Capital Outlay	8,744,504	4,421,304	3,085,717	5,551,521
Debt Service:				
Principal Retirement	2,106,304	2,842,359	2,694,798	93,000
Interest and Fiscal Charges	392,248	455,904	372,531	55,765
<b>Total Expenditures</b>	<u>304,637,819</u>	<u>308,314,562</u>	<u>310,969,862</u>	<u>358,058,858</u>
Excess (Deficiency) of Revenues Over Expenditures	(13,675,768)	4,265,907	28,355,014	4,249,450
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	417,805	0	12,700	1,180
Premium on Issuance of General Obligation Bonds	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
New Capital Leases	3,947,773	1,048,687	0	0
Transfers In	997,081	1,164,890	1,405,649	3,831,716
Transfers Out	(2,493,272)	(2,709,578)	(2,936,548)	(4,831,716)
<b>Total Other Financing Sources (Uses)</b>	<u>2,869,387</u>	<u>(496,001)</u>	<u>(1,518,199)</u>	<u>(998,820)</u>
<b>Net Change in Fund Balance</b>	<u>(\$10,806,381)</u>	<u>\$3,769,906</u>	<u>\$26,836,815</u>	<u>\$3,250,630</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	0.86%	1.11%	1.01%	0.04%

Source: District Treasurer's Office

***Toledo Public School District***

2003	2004	2005	2006	2007	2008
\$111,319,491	\$116,690,772	\$119,358,742	\$118,721,351	\$120,520,408	\$114,312,225
2,680,188	5,197,293	3,266,058	3,447,124	3,708,191	4,130,667
440,793	469,959	502,116	561,991	783,273	764,427
2,438,348	2,355,774	2,061,867	1,975,570	1,869,705	1,791,657
2,049,381	2,078,065	5,955,187	8,344,735	11,340,272	9,779,617
1,577,542	1,546,319	1,592,106	1,519,804	1,298,006	1,236,132
454,013	400,782	412,727	378,202	390,068	331,134
52,690	35,239	20,932	0	30,000	60,000
218,580,096	243,734,658	282,962,791	298,841,914	325,177,344	295,700,158
34,184,344	44,480,898	48,193,022	42,192,049	50,008,540	38,934,570
3,340,754	3,479,842	10,673,605	8,309,077	14,795,783	13,948,465
<u>377,117,640</u>	<u>420,469,601</u>	<u>474,999,153</u>	<u>484,291,817</u>	<u>529,921,590</u>	<u>480,989,052</u>
218,665,625	224,080,604	229,062,862	224,652,834	223,368,191	226,968,624
139,042,662	136,780,343	144,862,597	142,938,752	132,585,876	141,432,307
26,550,266	27,486,263	27,795,462	23,196,032	26,451,093	24,870,693
5,237,784	5,149,254	5,166,323	6,326,677	4,064,556	4,871,994
9,126,013	37,290,845	77,944,609	136,541,555	84,731,327	97,176,358
93,000	8,393,000	8,293,000	3,240,506	3,265,000	3,330,000
419,324	5,769,497	7,297,779	7,357,013	7,119,129	7,047,876
<u>399,134,674</u>	<u>444,949,806</u>	<u>500,422,632</u>	<u>544,253,369</u>	<u>481,585,172</u>	<u>505,697,852</u>
(22,017,034)	(24,480,205)	(25,423,479)	(59,961,552)	48,336,418	(24,708,800)
0	0	0	4,404	30,142	46,765
1,627,778	2,554,815	0	0	0	0
72,500,000	103,600,000	0	0	0	0
1,953,851	0	0	0	0	0
4,694,436	3,684,025	3,186,555	3,556,661	11,650,611	7,277,303
(4,694,436)	(3,684,025)	(3,186,555)	(3,556,661)	(11,779,979)	(7,416,942)
<u>76,081,629</u>	<u>106,154,815</u>	<u>0</u>	<u>4,404</u>	<u>(99,226)</u>	<u>(92,874)</u>
<u>\$54,064,595</u>	<u>\$81,674,610</u>	<u>(\$25,423,479)</u>	<u>(\$59,957,148)</u>	<u>\$48,237,192</u>	<u>(\$24,801,674)</u>
0.13%	3.39%	3.50%	2.29%	3.03%	2.52%

***Toledo Public School District***

*Assessed Valuations and Estimated True Values of Taxable Property  
(amounts in thousands)  
Last Ten Calendar Years*

<b>Tax year</b>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
<b>Real Property</b>					
Assessed	1,860,408	1,861,928	1,875,031	2,320,805	2,305,922
Actual	5,315,451	5,319,794	5,357,231	6,630,871	6,588,349
<b>Public Utility</b>					
Assessed	245,271	237,960	223,891	225,416	166,114
Actual	245,271	237,960	223,891	225,416	166,114
<b>Tangible Personal Property</b>					
Assessed	347,725	353,093	367,785	366,623	373,954
Actual	1,390,900	1,412,372	1,471,140	1,466,492	1,495,816
<b>Total</b>					
Assessed	2,453,404	2,452,981	2,466,707	2,912,844	2,845,990
Actual	6,951,622	6,970,126	7,052,262	8,322,779	8,250,279
<b>Assessed Value as a</b>					
<b>N/A - not available</b>	35.29%	35.19%	34.98%	35.00%	34.50%
<b>Total Direct Tax Rate</b>	\$57.80	\$57.80	\$57.80	\$63.00	\$63.00

Source: Lucas County Auditor

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

*Toledo Public School District*

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2003	2004	2005	2006	2007
2,314,937	2,658,992	2,693,299	2,675,627	3,025,038
6,614,106	7,597,120	7,695,140	7,644,649	8,642,966
177,375	152,422	144,678	136,918	137,134
177,375	152,422	144,678	136,918	137,134
345,046	322,160	295,642	281,399	210,923
1,380,184	1,288,640	1,182,568	1,125,596	843,692
2,837,358	3,133,574	3,133,619	3,093,944	3,373,095
8,171,665	9,038,182	9,022,386	8,907,163	9,623,792
34.72%	34.67%	34.73%	34.74%	35.05%
\$68.00	\$67.60	\$67.35	\$67.35	\$67.10

## *Toledo Public School District*

*Property Tax Rates of Direct and Overlapping Governments  
(per \$1,000 of assessed value)  
Last Ten Calendar Years*

	1998	1999	2000	2001	2002
<b>Direct District Rates</b>					
General Fund	55.30	55.30	55.30	60.50	60.50
Permanent Improvement Fund	2.50	2.50	2.50	2.50	2.50
Bond Retirement Fund	0.00	0.00	0.00	0.00	0.00
Total	<u>57.80</u>	<u>57.80</u>	<u>57.80</u>	<u>63.00</u>	<u>63.00</u>
<b>Overlapping Rates</b>					
Townships:					
Harding	3.30	3.30	3.30	3.30	4.30
Spencer	6.00	6.00	6.00	6.00	6.00
Municipalities:					
City of Toledo	4.40	4.40	4.40	4.40	4.40
Village of Ottawa Hills	4.10	4.10	4.10	4.10	4.10
N Lucas County	<u>17.35</u>	<u>17.35</u>	<u>17.35</u>	<u>17.80</u>	<u>17.45</u>
Total	<u><u>92.95</u></u>	<u><u>92.95</u></u>	<u><u>92.95</u></u>	<u><u>98.60</u></u>	<u><u>99.25</u></u>

Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage.

**Source:**

Lucas County Auditor's Office  
Lucas County Treasurer's Office

*Toledo Public School District*

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<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
60.50	60.30	60.05	60.05	59.80
3.00	3.00	3.00	3.00	3.00
4.50	4.30	4.30	4.30	4.30
<u>68.00</u>	<u>67.60</u>	<u>67.35</u>	<u>67.35</u>	<u>67.10</u>
3.60	3.30	3.00	3.00	3.00
6.00	6.00	6.00	6.00	6.00
4.40	4.40	4.40	4.40	4.40
4.10	4.10	4.10	4.10	4.10
17.45	18.30	18.00	18.00	18.00
<u>103.55</u>	<u>103.70</u>	<u>102.85</u>	<u>102.85</u>	<u>102.60</u>



**N/A - not available**

***Toledo Public School District***

*Principal Taxpayers  
Tangible Personal Property Tax  
(amounts in thousands)  
Current Year and Nine Years Ago*

		Calendar Year 2007		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Ohio Bell Telephone Company	Telephone Transmission	\$13,143	1	6.23%
Block Communications	Newspaper	6,441	2	3.05%
Smucker Bakery Manufacturing	Food Processing	5,494	3	2.60%
Buckeye Telesystem, Inc.	Cable Transmission	4,637	4	2.20%
MCI Metro Access Transmission	Telephone Transmission	3,654	5	1.73%
Johnson Controls	Batteries/Auto Parts	2,577	6	1.22%
Heartland Repac Services, LLC	Medical Packaging	2,476	7	1.17%
Textile Leather Corporation	Vinyl Manufacturing	2,305	8	1.09%
Manor Care, Inc.	Nursing Care	1,622	9	0.77%
Daimler Chrysler Corp	Automotive/Manufacturing	1,597	10	0.76%
Subtotal		43,946		20.82%
All Others		166,977		79.18%
Total		\$210,923		100.00%

		Calendar Year 1998		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Chrysler Corporation	Automotive/Manufacturing	\$24,794	1	7.13%
General Mills	Food Processor	21,471	2	6.17%
Libbey, Inc.	Glass Manufacturing	13,198	3	3.80%
Blade Communications	Communications	9,630	4	2.77%
Amerisource Corp.	Health Care	5,142	5	1.48%
Seaway Foodtown	Retail Grocery	5,069	6	1.46%
Johnson Controls	Batteries/Auto Parts	4,963	7	1.43%
Textile Leather Corporation	Vinyl Manufacturing	4,556	8	1.31%
Mercantile Stores Company	Clothing	4,130	9	1.19%
Nabisco, Inc.	Food Processor	3,725	10	1.07%
Subtotal		96,678		27.81%
All Others		251,047		72.19%
Total		\$347,725		100.00%

Source: Lucas County Auditor - Land and Buildings  
Based on valuation of property in 2007 and 1998

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

***Toledo Public School District***

*Principal Taxpayers*

*Real Estate Tax*

*(amounts in thousands)*

*Current Year and Nine Years Ago*

		Calendar Year 2007		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
One Seagate LLC	Realty	\$11,531	1	0.38%
St. Vincent Medical Center	Hospital	9,316	2	0.31%
AERC	Realty	7,900	3	0.26%
CA New Plan Acquisition	Realty	6,563	4	0.22%
ERT Southland LLC	Realty	5,775	5	0.19%
Toledo Hospital/Promedica	Hospital	5,662	6	0.19%
University Residences at Westwood	Realty	5,558	7	0.18%
Airport Square Investment	Realty	5,110	8	0.17%
Ercelick	Realty	4,934	9	0.16%
Steeplechase Developers	Realty	4,832	10	0.16%
Subtotal		67,181		2.22%
All Others		2,957,857		97.78%
Total		<u>\$3,025,038</u>		<u>100.00%</u>

		Calendar Year 1998		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electric Distribution	124,490	1	6.69%
Ohio Telephone and Telegraph	Telephone Distribution Svc	61,614	2	3.31%
Columbia Gas of Ohio	Natural Gas Transmission	52,849	3	2.84%
Toledo Hospital	Hospital	11,340	4	0.61%
S-S-C Company	Automotive/Manufacturing	7,985	5	0.43%
Medical College of Ohio	Hospital	5,364	6	0.29%
Dana Corp	Automotive/Manufacturing	4,702	7	0.25%
Teachers Insurance/Annuity Assn	Manufacturing	4,365	8	0.23%
Developers Diversified Realty	Realty	3,951	9	0.21%
Toledo's Great Southern	Retail	3,860	10	0.21%
Subtotal		280,520		15.07%
All Others		1,579,888		84.93%
Total		<u>\$1,860,408</u>		<u>100.00%</u>

Source: Lucas County Auditor - Land and Buildings  
Based on valuation of property in 2007 and 1998

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

**Toledo Public School District**

*Principal Taxpayers  
Public Utilities Tangible Personal Property Tax  
(amounts in thousands)  
Current Year and Nine Years Ago*

		Calendar Year 2007		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electric Distributon	\$62,612	1	45.66%
Ohio Bell Telephone	Telephone	0	2	0.00%
Coulumbia Gas	Natural Gas Distribution	16,812	3	12.26%
	Subtotal	79,424		57.92%
	All Others	57,710		42.08%
	Total	\$137,134		100.00%

		Calendar Year 1998		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison		\$48,431	1	19.75%
Ohio Bell Telephone		61,614	2	25.12%
Coulumbia Gas		51,623	3	21.05%
	Subtotal	161,668		65.92%
	All Others	83,603		34.08%
	Total	\$245,271		100.00%

Source: Lucas County Auditor - Land and Buildings  
Based on valuation of property in 2007 and 1998

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

***Toledo Public School District***

*Property Tax Levies and Collections  
(amounts in thousands)  
Last Ten Years*

<b>Collection Year</b>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
<b>Total Tax Levy</b> (1)	\$103,468	\$103,013	\$103,423	\$120,443
<b>Collections within the Fiscal Year of the Levy</b>				
Current Tax Collections (2)	100,600	103,607	99,727	116,838
Percent of Levy Collected	97.23%	100.58%	96.43%	97.01%
Delinquent Tax Collections (3)	<u>4,742</u>	<u>4,081</u>	<u>3,893</u>	<u>4,688</u>
Total Tax Collections	105,342	107,688	103,620	121,526
<b>Percent of Total Tax Collections To Tax Levy</b>	101.81%	104.54%	100.19%	100.90%
<b>Accumulated Outstanding Delinquent Taxes</b> (4)	13,406	11,908	10,835	14,173
<b>Percentage of Accumulated</b>				
<b>Delinquent Taxes to Total Tax Levy</b>	12.96%	11.56%	10.48%	11.77%

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

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

N/A - not available

(3) The County does not identify delinquent tax collections by tax year.

(4) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

Source: Lucas County Auditor's Office

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

*Toledo Public School District*

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<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$119,636	\$129,385	\$127,874	\$126,939	\$120,463	\$121,796
115,839	122,349	125,522	124,222	117,366	116,283
96.83%	94.56%	98.16%	97.86%	97.43%	95.47%
<u>5,598</u>	<u>6,778</u>	<u>6,563</u>	<u>6,183</u>	<u>7,589</u>	<u>11,023</u>
121,437	129,127	132,085	130,405	124,955	127,306
101.51%	99.80%	103.29%	102.73%	103.73%	104.52%
15,570	16,946	19,187	21,979	24,532	14,411
13.01%	13.10%	15.00%	17.31%	20.36%	11.83%

**Toledo Public School District**

*Ratio of Outstanding Debt By Type  
Last Ten Years*

	1999	2000	2001	2002
<b>Governmental Activities</b> <sup>(1)</sup>				
EPA Long-Term Note Payable	\$598,506	\$505,506	\$412,506	\$319,506
General Obligation Bonds Payable	1,910,000	980,000	0	0
Capital Leases	0	0	2,888,215	1,606,436
Total Primary Government	<u>\$2,508,506</u>	<u>\$1,485,506</u>	<u>\$3,300,721</u>	<u>\$1,925,942</u>
 <b>Population</b> <sup>(2)</sup>				
City of Toledo	325,767	325,767	313,619	313,619
Outstanding Debt Per Capita	\$8	\$5	\$11	\$6
 <b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	8,954,358	9,430,629	9,354,314	9,535,272
Percentage of Personal Income	0.03%	0.02%	0.04%	0.02%

**Sources:**

- (1) District Treasurer's Office
- (2) US Bureau of Census of Population

N/A - not available

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

N/A = Not available

*Toledo Public School District*

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2003	2004	2005	2006	2007	2008
\$226,506	\$133,506	\$40,506	\$0	\$0	\$0
74,127,778	171,679,762	163,339,963	160,000,164	156,595,365	153,125,566
2,040,666	828,655	421,765	221,896	0	0
<u>\$76,394,950</u>	<u>\$172,641,923</u>	<u>\$163,802,234</u>	<u>\$160,222,060</u>	<u>\$156,595,365</u>	<u>\$153,125,566</u>
313,619	313,619	313,619	313,619	313,619	313,619
\$244	\$550	\$522	\$511	\$499	\$488
9,654,447	9,964,616	9,856,732	10,098,532	N/A	N/A
0.79%	1.73%	1.66%	1.59%	N/A	N/A

***Toledo Public School District***

*Ratios of General Bonded Debt Outstanding  
(amounts in thousands)  
Last Ten Years*

Year	1999	2000	2001	2002
<b>Population</b> (1)	325,767	325,767	313,619	313,619
<b>Assessed Value</b> (2)	\$2,452,981	\$2,466,707	\$2,912,844	\$2,845,990
<b>General Bonded Debt</b> (3)				
General Obligation Bonds	\$1,910	\$980	\$0	\$0
<b>Resources Available to Pay Principal</b> (4)	\$87	\$85	\$94	\$95
<b>Net General Bonded Debt</b>	\$1,823	\$895	(\$94)	(\$95)
<b>Ratio of Net Bonded Debt to Assessed Actual Value</b>	0.07%	0.04%	0.00%	0.00%
<b>Net Bonded Debt per Capita</b>	\$6	\$3	\$0	\$0

N/A - not available

**Source:**

- (1) U.S. Bureau of Census of Population
- (2) Lucas County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

*Toledo Public School District*

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2003	2004	2005	2006	2007	2008
313,619	313,619	313,619	313,619	313,619	313,619
\$2,837,358	\$3,133,574	\$3,133,619	\$3,093,946	\$3,373,095	\$3,272,309
\$74,128	\$171,680	\$163,340	\$160,000	\$156,595	\$153,126
\$6,929	\$7,611	\$5,070	\$7,669	\$11,268	\$13,863
\$67,199	\$164,069	\$158,270	\$152,331	\$145,327	\$139,263
2.37%	5.24%	5.05%	4.92%	4.31%	4.26%
\$214	\$523	\$505	\$486	\$463	\$444



**N/A - not available**

***Toledo Public School District***

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
(amounts in thousands)  
June 30, 2008*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to Toledo Public School District	Amount Applicable to Toledo Public School District
<b>Direct:</b>			
Toledo Public School District	\$153,126	100.00%	\$153,126
<b>Overlapping:</b>			
Lucas County	N/A	N/A	0
City of Toledo	N/A	N/A	0
		Subtotal	0
		Total	<u>\$153,126</u>

**Source:** Lucas County Auditor

N/A - not available

***Toledo Public School District***

*Debt Limitations  
(amounts in thousands)  
Last Ten Years*

	1998	1999	2000	2001
<b>Net Assessed Valuation</b>	\$2,453,404	\$2,452,981	\$2,466,707	\$2,912,844
<b>Overall Direct Debt Limitation</b>				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	220,806	220,768	222,004	262,156
Applicable District Debt Outstanding	3,487	2,509	1,486	413
Less: Applicable Debt Service Fund Amounts (2)	(88)	(91)	(88)	(96)
Net Indebtedness Subject to Limitation	<u>3,399</u>	<u>2,418</u>	<u>1,398</u>	<u>317</u>
Overall Legal Debt Margin	<u><u>\$217,407</u></u>	<u><u>\$218,350</u></u>	<u><u>\$220,606</u></u>	<u><u>\$261,839</u></u>
<b>Unvoted Direct Debt Limitation</b>				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	2,453	2,453	2,467	2,913
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u><u>\$2,453</u></u>	<u><u>\$2,453</u></u>	<u><u>\$2,467</u></u>	<u><u>\$2,913</u></u>
<b>Energy Conservation Bond Limitation</b>				
N/A - not available	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	22,081	22,077	22,200	26,216
Authorized by the Board	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation Bond Legal Debt Margin	<u><u>\$22,081</u></u>	<u><u>\$22,077</u></u>	<u><u>\$22,200</u></u>	<u><u>\$26,216</u></u>

(1) Ohio Bond Law sets a limit of 9% for overall debt, 1/10 of 1% for unvoted debt, and 9/10 of 1% for energy conservation debt.

(2) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

***Toledo Public School District***

2002	2003	2004	2005	2006	2007
\$2,845,990	\$2,837,358	\$3,133,574	\$3,133,619	\$3,093,944	\$3,373,095
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
256,139	255,362	282,022	282,026	278,455	303,579
320	145,227	167,934	159,600	156,400	153,135
(96)	(6,926)	(7,612)	(5,070)	(7,669)	(11,268)
<u>224</u>	<u>138,301</u>	<u>160,322</u>	<u>154,530</u>	<u>148,731</u>	<u>141,867</u>
<u>\$255,915</u>	<u>\$117,061</u>	<u>\$121,700</u>	<u>\$127,496</u>	<u>\$129,724</u>	<u>\$161,712</u>
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
2,846	2,837	3,134	3,134	3,094	3,373
0	0	0	0	0	0
<u>\$2,846</u>	<u>\$2,837</u>	<u>\$3,134</u>	<u>\$3,134</u>	<u>\$3,094</u>	<u>\$3,373</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
25,614	25,536	28,202	28,203	27,845	30,358
0	0	0	0	0	0
<u>\$25,614</u>	<u>\$25,536</u>	<u>\$28,202</u>	<u>\$28,203</u>	<u>\$27,845</u>	<u>\$30,358</u>

***Toledo Public School District***

*Demographic and Economic Statistics  
Last Ten Years*

Calendar Year	1998	1999	2000	2001
<b>Population</b> (1)				
City of Toledo	325,767	325,767	325,767	313,619
Lucas County	462,361	462,361	455,054	455,054
<b>Income</b> (2) (a)				
Total Personal (in thousands)	8,649,440	8,954,358	9,430,629	9,354,314
Per Capita	26,551	27,487	28,949	29,827
<b>Unemployment Rate</b> (3)				
Federal	4.5%	4.2%	3.8%	4.8%
State	4.3%	4.3%	3.7%	4.3%
Lucas County	5.5%	5.2%	4.9%	5.0%
Fiscal Year	1999	2000	2001	2002
<b>School Enrollment</b> (4)				
Grades K - 5	23,439	22,376	22,049	21,043
Grades 6 - 8	5,350	5,258	5,408	5,562
Grades 9 - 12	9,412	9,309	9,533	9,733
N/A - not available	668	764	325	361
Total	<u>38,869</u>	<u>37,707</u>	<u>37,315</u>	<u>36,699</u>

**Sources:**

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
  - (a) Per Capita Income is only available by County (2006 not available),  
Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) District Treasurer's Office

N/A - not available

***Toledo Public School District***

2002	2003	2004	2005	2006	2007
313,619	313,619	313,619	313,619	313,619	313,619
455,054	455,054	455,054	437,901	437,901	437,901
9,535,272	9,654,447	9,964,616	9,856,732	10,098,532	10,098,532
30,404	30,784	31,773	31,429	32,200	32,200
5.8%	6.0%	5.5%	5.0%	4.6%	4.6%
5.7%	6.1%	6.0%	5.9%	5.5%	5.6%
6.9%	7.8%	7.4%	6.9%	6.3%	6.7%
2003	2004	2005	2006	2007	2008
20,038	19,230	18,275	16,668	13,305	13,100
5,525	5,324	4,886	4,498	6,717	6,297
9,701	9,485	9,452	9,092	8,685	8,269
340	277	385	38	352	583
35,604	34,316	32,998	30,296	29,059	28,249



**N/A - not available**

## *Toledo Public School District*

### *Principal Employers Current Year and Nine Years Ago*

Employer	Nature of Business	Fiscal Year 2008		
		Number of Employees	Rank	Percentage of Total Employment
ProMedica Health Systems	Hospital	9,820	1	11.97%
The University of Toledo	Education	8,700	2	10.61%
Mercy Health Partners	Hospital	6,777	3	8.26%
Toledo Public Schools	Education	4,489	4	5.47%
Lucas County	Government	3,912	5	4.77%
Chrysler Holding	Automotive/Manufacturing	3,854	6	4.70%
The City of Toledo	Government	2,855	7	3.48%
Kroger, Inc.	Retail Grocery	2,847	8	3.47%
Wal-Mart	Retail	2,451	9	2.99%
State of Ohio	Government	2,363	10	2.88%
Total		48,068		58.60%
Total Employment within the District		33,958		41.40%
		82,026		100.00%

Employer	Nature of Business	1999		
		Number of Employees	Rank	Percentage of Total Employment
Toledo City Schools	Education	5,740	1	6.96%
Chrysler Corporation	Automotive/Manufacturing	5,600	2	6.79%
University of Toledo	Education	5,245	3	6.36%
General Motors/Power Train	Automotive/Manufacturing	4,600	4	5.58%
Seaway Foodtown, Inc.	Retail Grocery	4,548	5	5.51%
The Toledo Hospital	Hospital	4,506	6	5.46%
Lucas County	Government	4,300	7	5.21%
Medical College of Ohio	Hospital	3,300	8	4.00%
St. Vincent Hospital & Medical Center	Hospital	3,239	9	3.93%
City of Toledo	Government	3,017	10	3.66%
Total		44,095		53.46%
Total Employment within the District		38,393		46.54%
		82,488		100.00%

**Sources:**

Source: Toledo Chamber of Commerce and Ohio Job and Family Services

***Toledo Public School District***

*School District Employees by Type  
Last Ten Years*

	1999	2000	2001	2002	2003
<b>Supervisory</b>					
Instructional Administrators	53	55	43	50	51
Noninstructional Administrators	76	62	60	64	66
Principals	61	60	60	62	60
Assistant Principals	49	53	49	52	55
<b>Instruction</b>					
Classroom Teachers					
Elementary	1,513	1,593	1,590	1,594	1,569
Middle	397	399	374	379	395
High	660	657	593	623	674
Other	183	168	143	163	164
<b>Student Services</b>					
Guidance Counselors	67	68	67	70	72
Psychologists	25	20	24	25	25
Other Professionals (noninstructional)	29	30	32	31	36
<b>Support Services</b>					
Clerical/Secretaries	384	385	352	362	358
Tutors/Aides	429	439	436	427	434
Food Service	241	254	230	231	267
Maintenance/Grounds	466	454	406	384	367
Transportation	219	227	228	234	241
<i>Total Employees</i>	<u>4,852</u>	<u>4,924</u>	<u>4,687</u>	<u>4,751</u>	<u>4,834</u>

**Method:** 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: District Treasurer's Office

*Toledo Public School District*

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<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
49	44	40	38	44
61	71	67	63	62
61	66	60	56	51
55	46	45	42	51
1,456	1,405	1,253	1,188	1,057
354	365	340	262	299
618	659	638	597	655
152	141	151	156	169
71	71	68	64	67
24	26	25	24	23
35	36	36	34	31
347	333	312	297	311
414	370	373	345	358
265	253	233	219	243
349	354	333	326	346
206	205	205	202	212
<u>4,517</u>	<u>4,445</u>	<u>4,179</u>	<u>3,913</u>	<u>3,979</u>

***Toledo Public School District***

*Operating Indicators - Cost per Pupil  
Last Ten Years*

Fiscal Year	1999	2000	2001	2002	2003
Enrollment	38,869	37,707	37,315	36,699	35,604
Modified Accrual Basis					
Operating Expenditures	304,637,819	308,314,562	310,969,862	358,058,858	399,134,674
Cost per Pupil	7,838	8,177	8,334	9,757	11,210
Percentage of Change	13.3%	4.3%	1.9%	17.1%	14.9%
Accrual Basis					
Expenses	N/A	N/A	N/A	\$381,777,471	394,074,964
Cost per Pupil	N/A	N/A	N/A	10,403	11,068
Percentage of Change	N/A	N/A	N/A	N/A	6.4%
Teaching Staff	2,690	2,725	2,687	2,809	2,638
Pupil to Teacher Ratio					
Toledo	14.4	13.8	13.9	13.1	13.5
State Average	18.6	18.1	18.0	16.9	16.9

N/A - not available

Source: District Treasurer's Office and Ohio Department of Education

N/A = Not available

***Toledo Public School District***

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2004	2005	2006	2007	2008
34,316	32,998	30,296	29,059	28,249
444,949,806	500,422,632	544,253,369	481,585,172	505,697,852
12,966	15,165	17,965	16,573	17,901
15.7%	17.0%	18.5%	(7.75%)	8.02%
419,110,468	445,822,877	464,821,441	361,514,105	434,628,708
12,213	13,511	15,343	12,441	15,386
10.3%	10.6%	13.6%	(18.91%)	23.67%
2,428	3,276	3,077	2,929	2,509
14.1	10.1	9.8	9.9	11.3
18.5	18.5	18.5	18.5	18.6

**Toledo Public School District**

*Operating Indicators by Function  
Last Ten Years*

	1999	2000	2001	2002
<b>Governmental Activities</b>				
Instruction				
Regular	N/A	N/A	N/A	31,809
Special	N/A	N/A	N/A	4,890
Support Services				
Pupils				
Enrollment	38,869	37,707	37,315	36,699
Graduates	N/A	N/A	N/A	942
Percent of Students with Disabilities	14.30%	13.50%	N/A	15.37%
Percent of Students with English as Second Language	N/A	N/A	N/A	1.50%
Administration				
School Attendance Rate	91.40%	91.90%	N/A	90.90%
Fiscal Services				
Purchase Orders Processed	N/A	25,194	27,346	27,867
Checks Issued (non payroll)	28,484	27,301	26,702	29,195
Operation and Maintenance of Plant				
N/A District Square Footage Maintained	6,318,863	6,318,863	6,318,863	6,318,863
District Square Acreage Maintained	145	145	145	145
Pupil Transportation				
Average Daily Students Transported	6,356	10,909	8,023	8,515
Average Daily Bus Fleet Miles	5,524	5,929	5,803	6,374
Number of Buses	138	150	155	170
Operation of Noninstructional Services				
Food Service				
Students Meals Served Daily	17,103	16,703	16,432	15,886
Free/Reduced Price Meals Daily	14,929	14,298	13,933	13,595
Extracurricular Activities				
High School Varsity Teams	109	111	111	110

Source: District Treasurer's Office

N/A = Not available

***Toledo Public School District***

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2003	2004	2005	2006	2007	2008
29,757	28,540	27,529	24,953	23,767	22,995
5,847	5,809	5,456	5,343	5,292	5,254
35,604	34,349	32,985	30,296	29,059	28,249
1,079	1,041	1,171	1,348	1,519	1,284
15.90%	16.60%	17.40%	18.30%	17.90%	18.60%
0.60%	0.30%	0.50%	0.30%	0.50%	1.80%
93.30%	93.10%	93.20%	93.20%	92.30%	95.20%
29,352	26,053	25,745	25,218	23,753	23,998
30,585	29,349	26,321	26,058	26,369	26,306
6,318,863	6,318,863	6,634,127	6,271,055	5,533,138	5,449,806
145	145	152	144	127	125
8,385	7,756	8,642	9,229	11,182	10,323
6,253	11,043	11,598	10,348	10,711	10,892
174	178	167	171	172	162
15,285	14,368	13,523	12,667	12,833	14,290
13,186	12,550	11,944	11,181	11,247	12,977
110	114	115	115	115	115

***Toledo Public School District***

*Operating Indicators - Teacher Base Salaries  
Last Ten Years*

Fiscal Year	1999	2000	2001	2002	2003
Minimum Salary	29,098	29,098	31,447	32,697	32,697
Maximum Salary	56,906	56,906	63,670	65,520	65,520
District Average Salary	37,541	38,504	40,345	43,374	45,544
County Average Salary	39,814	40,599	42,203	44,955	46,224
State Average Salary	40,746	41,713	42,892	44,266	45,515

Source: District Treasurer's Office and Ohio Department of Education

*Operating Indicators - Teacher by Education  
Last Ten Years*

Fiscal Year	1999	2000	2001	2002	2003
N/A - not available					
Bachelor's Degree	1,598	1,637	1,592	1,614	1,844
Master's Degree	1,078	1,076	1,102	1,181	1,240
Doctorate	14	12	12	14	15
Total	2,690	2,725	2,706	2,809	3,099

Source: District Treasurer's Office

N/A = Not available

*Toledo Public School District*

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2004	2005	2006	2007	2008
32,697	32,697	32,697	32,697	32,697
65,520	65,520	65,520	65,520	65,520
45,949	48,274	49,862	50,294	50,083
41,964	51,376	53,411	54,696	56,228
47,495	49,436	50,771	53,534	53,410

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2004	2005	2006	2007	2008
1,785	1,635	1,101	1,033	1,010
1,550	1,624	1,254	1,202	1,180
13	17	13	13	11
3,348	3,276	2,368	2,248	2,201

## *Toledo Public School District*

### *Capital Asset Statistics by Building Last Ten Years*

	1999	2000	2001	2002
<b>School Buildings</b>				
<b>High Schools</b>				
Number of Buildings	7	7	7	7
Square Footage	1,977,346	1,977,346	1,977,346	1,977,346
Enrollment	N/A	N/A	5,408	9,733
<b>Junior High Schools *</b>				
Number of Buildings	7	7	7	7
Square Footage	725,903	725,903	725,903	725,903
Enrollment	N/A	N/A	5,258	5,562
<b>Middle Schools *</b>				
Number of Buildings	0	0	0	0
Square Footage	0	0	0	0
Enrollment	0	0	0	0
<b>Elementary Schools</b>				
Number of Buildings	44	44	44	44
Square Footage	2,581,410	2,581,410	2,581,410	2,581,410
Enrollment	N/A	N/A	22,049	21,043
<b>Special Schools</b>				
Number of Buildings	14	14	14	14
Square Footage	823,914	823,914	823,914	823,914
Enrollment	N/A	N/A	325	361
<b>All Other</b>				
<b>Central Administration Building</b>				
Square Footage	79,354	79,354	79,354	79,354
<b>Transportation Building</b>				
Square Footage	10,950	10,950	10,950	10,950
<b>Maintenance Building</b>				
Square Footage	119,986	119,986	119,986	119,986

Source: District Treasurer's Office

N/A = Not available

\* Resturcturing program began in 2006, completed in 2008.

***Toledo Public School District***

2003	2004	2005	2006	2007	2008
7	7	7	7	7	7
1,977,346	1,977,346	1,977,346	1,977,346	1,793,255	1,943,186
9,701	9,485	9,452	9,092	8,685	8,272
7	7	7	7	6	0
725,903	725,903	725,903	725,903	634,563	0
5,525	5,324	4,886	4,498	5,353	0
0	0	0	1	2	7
0	0	0	83,299	179,743	652,097
0	0	0	521	1,206	4,346
44	44	44	44	37	37
2,581,410	2,581,410	2,581,410	2,376,163	2,327,553	2,290,095
20,038	19,230	18,275	16,668	15,468	12,860
14	14	14	11	8	8
823,914	823,914	823,914	582,790	372,463	358,143
340	277	385	313	359	2,770
79,354	79,354	79,354	79,354	79,354	79,354
10,950	10,950	10,950	10,950	10,950	10,950
119,986	119,986	119,986	119,986	115,981	115,981

***Toledo Public School District***

*Capital Asset Statistics by Function  
Last Ten Years*

	1999	2000	2001	2002
<b>Governmental Activities</b>				
Instruction				
Land and Improvements	\$14,828,911	\$14,828,911	\$14,828,911	\$17,186,218
Buildings and Improvements	122,349,987	125,309,558	126,568,438	97,370,855
Machinery and Equipment	37,629,105	40,226,403	42,311,014	622,000
Vehicles	1,134,200	1,134,200	1,134,200	71,449
Construction In Progress	0	0	7,233,211	0
Administration				
Land and Improvements	1,466,581	1,466,581	1,466,581	565,488
Buildings and Improvements	8,108,303	8,147,213	8,147,213	4,228,050
Machinery and Equipment	8,302,406	8,133,342	8,483,047	823,437
Vehicles	594,031	576,160	641,272	0
Operations and Maintenance of Plant				
Land and Improvements	150,953	150,953	150,953	411,952
Buildings and Improvements	478,701	478,701	478,701	1,502,625
Machinery and Equipment	945,687	954,333	971,447	300,599
Vehicles	755,263	727,596	739,696	1,335,755
Transportation Services				
Land and Improvements	60,122	60,122	60,122	584,422
N/A Buildings and Improvements	260,698	273,370	273,370	207,077
Machinery and Equipment	356,726	356,726	356,726	42,700
Vehicles	6,542,138	7,409,076	7,409,076	6,107,356
Non-Instructional Activities				
Land and Improvements	0	0	0	127,175
Buildings and Improvements	0	0	0	4,046,820
Machinery and Equipment	0	0	0	1,170,600
Extracurricular Activities				
Land and Improvements	0	0	0	0
Machinery and Equipment	0	0	0	0
Vehicles	0	0	0	0

Source: District Treasurer's Office

***Toledo Public School District***

2003	2004	2005	2006	2007	2008
\$17,186,218	\$17,930,709	\$21,401,277	\$21,237,747	\$21,206,948	\$21,221,762
97,370,855	98,807,735	98,448,522	124,467,992	180,471,518	303,328,623
767,167	820,189	1,080,631	1,422,417	1,679,106	2,026,764
265,561	265,561	372,411	372,411	372,412	372,412
2,848,748	12,191,262	45,957,833	84,155,459	151,589,221	96,291,759
565,488	565,488	565,488	207,367	207,367	207,367
4,228,050	4,228,050	4,228,050	1,028,140	4,001,663	8,943,955
2,025,156	2,348,835	3,705,058	3,690,836	3,849,683	4,043,960
0	0	0	0	0	0
411,952	411,953	411,953	411,953	411,952	411,952
1,502,625	1,502,625	1,502,625	1,502,625	1,502,625	1,502,625
467,244	1,398,411	1,731,391	2,212,966	2,316,700	2,391,276
1,512,200	1,530,343	1,530,343	1,575,448	1,643,155	1,789,849
584,422	584,422	584,422	584,422	584,422	584,422
207,077	207,077	207,077	207,077	207,077	207,077
42,700	42,700	42,700	42,700	42,700	42,700
7,456,491	7,552,128	7,552,128	7,552,128	7,912,620	8,053,881
127,175	127,175	127,175	127,175	127,175	127,175
4,046,820	4,046,820	4,046,820	3,199,962	4,046,820	4,046,820
1,267,426	1,316,505	1,316,505	1,261,155	1,251,855	1,168,102
0	0	0	140,221	140,221	140,221
0	0	0	4,046,768	3,199,910	3,199,910
0	0	5,204	284,226	284,226	284,226

***Toledo Public School District***

*Educational and Operating Statistics  
Last Ten Years*

	1999	2000	2001	2002	2003
<b>ACT Scores (Average)</b>					
Toledo	19.2	19.5	19.0	19.3	19.2
Ohio	21.4	21.4	21.4	21.4	21.4
National	21.0	21.0	21.0	20.8	20.8
<b>SAT Scores (Average)</b>					
Toledo					
Verbal	507	N/A	540	521	528
Mathematical	510	N/A	541	505	517
Ohio					
Verbal	534	533	534	534	536
Mathematical	538	539	539	539	541
National					
Verbal	505	505	506	504	507
Mathematical	511	514	514	514	519
<b>Cost per Student (ODE)</b>					
Toledo	7,236	8,210	7,860	8,726	9,980
Ohio (Average)	6,642	7,057	7,591	8,073	8,441
<b>Attendance Rate</b>					
Toledo	91.40%	91.90%	N/A	90.90%	93.30%
Ohio (Average)	94.20%	97.20%	94.70%	95.00%	94.90%
<b>Graduation Rate</b>					
Toledo	58.50%	66.90%	N/A	65.60%	70.40%
Ohio (Average)	81.40%	80.70%	81.20%	82.80%	83.90%

**Source:**

District's Student Records and Ohio Department of Education

N/A = Not available

Prior to 2006 the SAT reported Verbal Scores, it is presently separated into Reading and Writing

***Toledo Public School District***

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2004	2005	2006	2007	2008
18.8	18.7	18.7	18.5	N/A
21.4	21.1	21.5	21.6	N/A
20.9	20.6	21.1	21.2	N/A
519	526	519	N/A	N/A
529	515	519	N/A	N/A
540	539	535	536	N/A
540	543	544	542	N/A
508	508	503	502	N/A
510	520	N/A	515	N/A
10,279	10,604	11,202	11,209	10,770
8,768	9,048	9,356	9,586	9,939
93.10%	93.20%	93.20%	92.30%	95.20%
95.30%	95.20%	94.10%	94.10%	94.20%
70.40%	80.20%	90.40%	87.60%	N/A
84.30%	85.90%	86.20%	86.90%	N/A



**N/A - not available**



**Mary Taylor, CPA**  
Auditor of State

**TOLEDO CITY SCHOOL DISTRICT**

**LUCAS 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 7, 2010**