

Mary Taylor, CPA
Auditor of State

HILLIARD CITY SCHOOL DISTRICT
FRANKLIN COUNTY

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HILLIARD CITY SCHOOL DISTRICT
FRANKLIN COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2008
(CASH BASIS)

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE <i>Passed Through Ohio Department of Education</i>						
Food Donation	N/A	10.550	\$ -	\$ 216,348	\$ -	\$ 216,348
Nutrition Cluster						
School Breakfast Program	047019-05PU-2008	10.553	104,562	-	104,562	-
National School Lunch Program	047019-LLP4-2007/2008	10.555	1,131,363	-	1,131,363	-
Total Nutrition Cluster			1,235,925	-	1,235,925	-
Nutrition Mini Grant	047019-6490E-2006	10.574	300	-	298	-
Child and Adult Care Food Program	047019-CCMO-2007/2008	10.558	5,201	-	5,201	-
Total U.S. Department of Agriculture			1,241,426	216,348	1,241,424	216,348
U.S. DEPARTMENT OF EDUCATION <i>Direct</i>						
Fund for the Improvement of Education	N/A	84.215	162,873	-	162,873	-
Assistive Technology	N/A	84.352	-	-	200	-
<i>Passed Through Ohio Department of Education</i>						
Title I Grants to Local Educational Agencies	047019-C1S1-2007/2008	84.010	495,140	-	501,846	-
Special Education Cluster:						
Special Education Grants to States	047019-6BSF-2007/2008	84.027	2,385,442	-	2,933,394	-
Special Education Preschool Grants	047019-PGS1-2007/2008	84.173	33,116	-	36,131	-
Total Special Education Cluster			2,418,558	-	2,969,525	-
Safe and Drug Free Schools and Communities State Grants	047019-DRS1-2007/2008	84.186	34,078	-	34,832	-
State Grants for Innovative Programs	047019-C2S1-2007/2008	84.298	32,390	-	33,581	-
Education Technology State Grants	047019-TJS1-2007/2008	84.318	4,701	-	4,092	-
English Language Acquisition Grants - Limited English Proficient	047019-T3S1-2007/2008	84.365	157,307	-	170,038	-
Improving Teacher Quality State Grants	047019-TRS1-2007/2008	84.367	222,205	-	255,433	-
Total U.S. Department of Education			3,527,252	-	4,132,420	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES <i>Passed Through Ohio Department of MRDD</i>						
Medical Assistance Program Community Alternative Funding System	31-5400815	93.778	269,337	-	-	-
Total U.S. Department of Health and Human Services			269,337	-	-	-
Total Federal Awards			\$ 5,038,015	\$ 216,348	\$ 5,373,844	\$ 216,348

The accompanying notes are an integral part of this schedule.

**HILLIARD CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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. This non-monetary assistance (expenditures) is reported in the Schedule at the entitlement amount of the commodities received.

NOTE D – MEDICAID COMMUNITY ALTERNATIVE FUNDING SYSTEM

Cash receipts for the Community Alternative Funding System (CAFS) totaled \$269,337 in fiscal year 2008. These amounts related to settlements for CAFS service provided during prior years.



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*

Hilliard City School District
Franklin County
5323 Cemetery Road
Hilliard, Ohio 43026

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 Hilliard City School District, Franklin 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 September 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 opinion on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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

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

Our consideration of 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 did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

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

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

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

Mary Taylor, CPA
Auditor of State

September 30, 2008



Mary Taylor, CPA

Auditor of State

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

Hilliard City School District
Franklin County
5323 Cemetery Road
Hilliard, Ohio 43026

To the Board of Education:

Compliance

We have audited the compliance of the Hilliard City School District, Franklin 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 Hilliard City School 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 September 30, 2008 we reported other matters 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.

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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.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Hilliard City School District, Franklin County, Ohio as of and for the year ended June 30, 2008, and have issued our report thereon dated September 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.

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



Mary Taylor, CPA
Auditor of State

September 30, 2008

**HILLIARD CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
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)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Food Donation (CFDA # 10.550) Nutrition Cluster (CFDA # 10.553 and 10.555) Special Education Cluster (CFDA # 84.027 and 84.173)
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

HILLIARD CITY SCHOOL DISTRICT
FRANKLIN COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2007-001	SAS 112 – Financial Reporting	Partially	Repeated as a control deficiency in the management letter.



Comprehensive Annual Financial Report

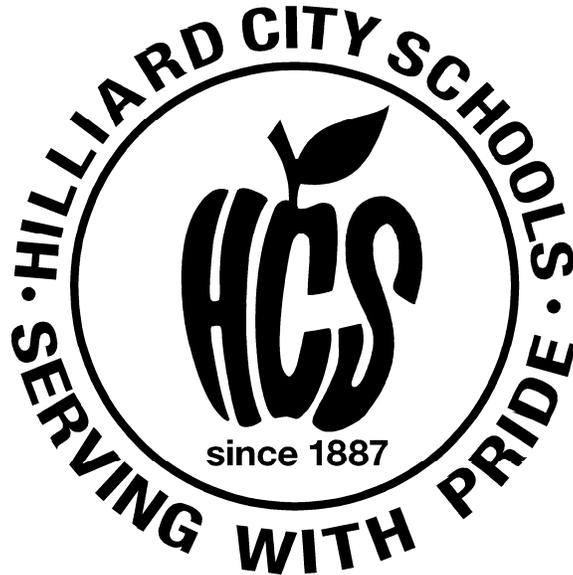
Hilliard City School District | Board of Education | Hilliard, Ohio



For Fiscal Year Ended
June 30, 2008

Hilliard City School District

Hilliard, Ohio



Comprehensive Annual Financial Report

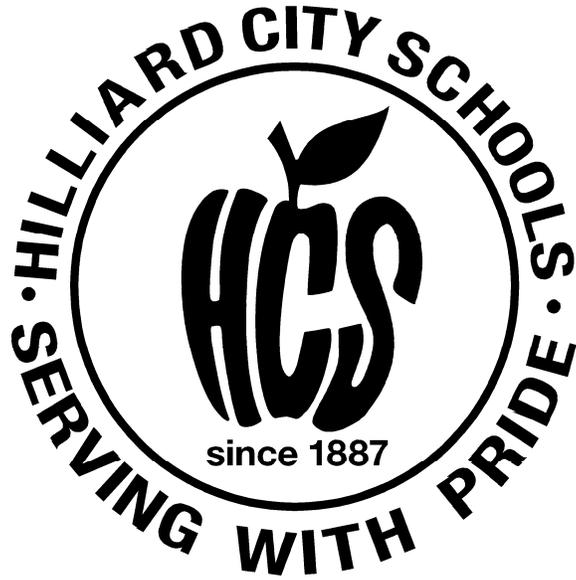
For Fiscal Year Ended June 30, 2008

Issued by:
Office of the Treasurer

Brian W. Wilson
Treasurer/C.F.O

Hilliard City School District

Hilliard, Ohio



Introductory Section



HILLIARD CITY SCHOOL DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT JUNE 30, 2008

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**Hilliard City School District
Elected Officials and Administrative Staff
as of June 30, 2008**

BOARD OF EDUCATION MEMBERS

President
Vice President
Member
Member
Member

Mrs. Denise Bobbitt
Mr. Andy Teater
Mr. David Lundregan
Mr. Doug Maggied
Mrs. Lisa Whiting

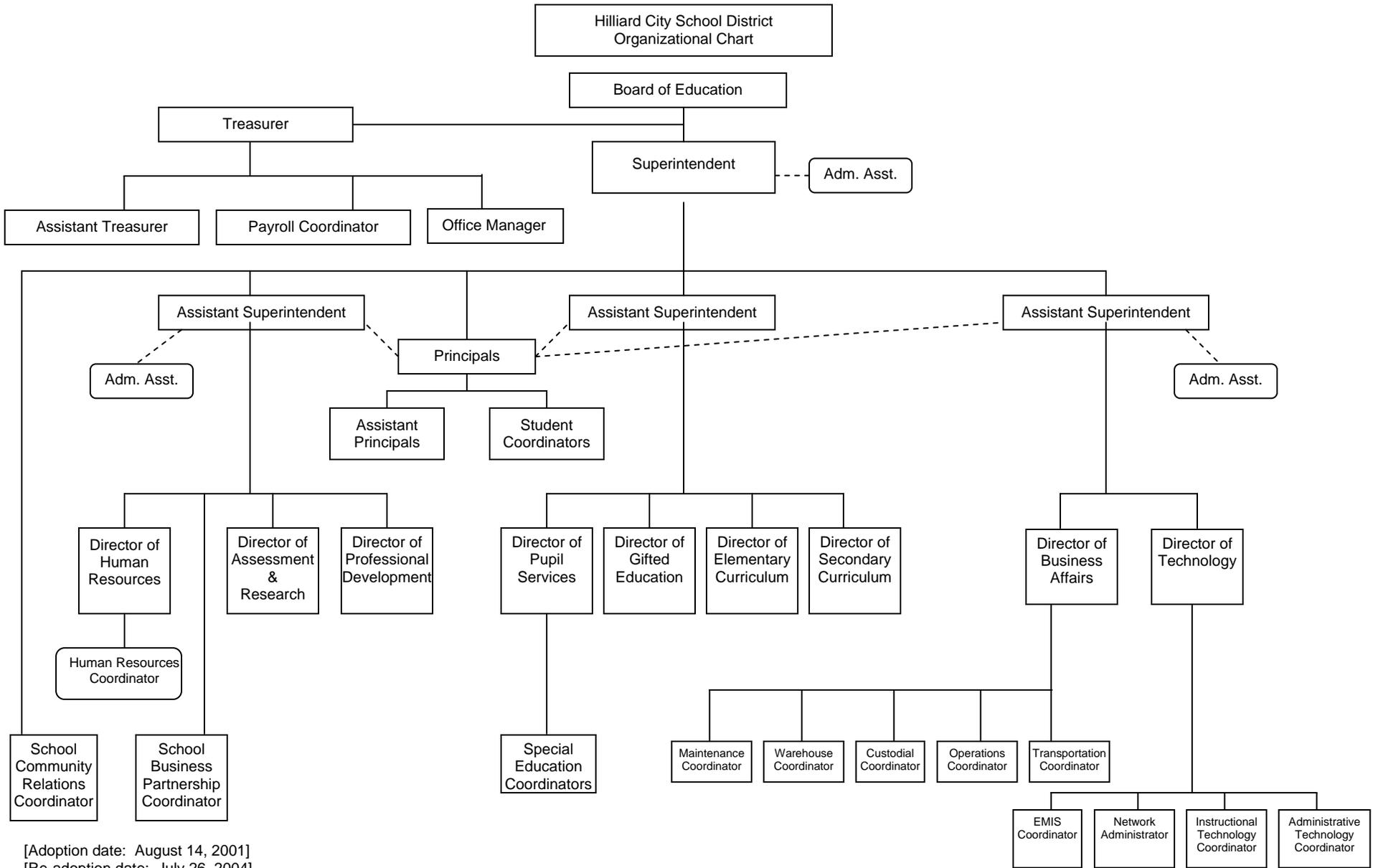
APPOINTED OFFICIALS

Superintendent
Treasurer

Dale A. McVey
Brian W. Wilson

ADMINISTRATIVE STAFF

Assistant Superintendent	Leslie McNaughton	Principal, Hilliard Davidson High School	John Bandow
Assistant Superintendent	Tim Hamilton	Principal, Hilliard Darby High School	Ryan McClure
Assistant Superintendent	Andy Riggle	Principal, Hilliard Bradley High School	David Stewart
Assistant Treasurer	Melissa Lee	Principal, Hilliard Heritage Middle School	Suzanne McCoy
Director, Business Affairs	Jeff Franklin	Principal, Hilliard Memorial Middle School	Doug Lowery
Director of Technology	Garry Orr	Principal, Hilliard Weaver Middle School	Steve Estep
Director, Secondary Curriculum	Thomas Tucker	Principal, Hilliard Station Sixth Grade School	Bruce Stephanic
Director, Elementary Curriculum	Jill Menchhofer	Principal, Hilliard Tharp Sixth Grade School	Craig Heath
Director, Pupil Services	Nancy Schott	Coordinator, Alton Darby Preschool	Sharon Balduf
Director, Gifted Services	Roger Yoder	Principal, Alton Darby Elementary School	Barbara Orr
Director, Assessment and Research	Pam Holden	Principal, Avery Elementary School	Kathy Curtis
Director of Professional Development	Linda Romano	Principal, Beacon Elementary School	Craig Vroom
Director, Human Resources	Roy Walker	Principal, Britton Elementary School	Pat Farrenkopf
Director, School Age Child Care	Camille Bates	Principal, Brown Elementary School	Brian Blum
Coordinator, Human Resources	Vacant	Principal, Darby Creek Elementary School	Vicky Clark
Coordinator, Payroll/Accountant	Anita Dalluge	Principal, Hilliard Crossing Elementary School	Cindi Montgomery
Coordinator, School Community Relations	Carrie Bartunek	Principal, Hilliard Horizon Elementary School	Mary Rykowski
Coordinator, Instructional Technology	Rich Boettner	Principal, Hoffman Trails Elementary School	Denny Thompson
Coordinator, Administrative Technology	Jerry Drobnick	Principal, J.W. Reason Elementary School	Greg Hennes
Coordinator, School Business Partnerships	Christy Farnbauch	Principal, Norwich Elementary School	Karen Lehrer
Coordinator, Transportation	Terry Timlin	Principal, Ridgewood Elementary School	Jennifer Lowery
Coordinator, Custodial	Archie Armentrout	Principal, Scioto Darby Elementary School	Robert Spicer
Coordinator, HVAC	John Kudart	Coordinators, Special Education	Mike Abraham
Coordinator, Maintenance	Dave Huston		Melva Bobbitt
Network Administrators	Steve Hoyda		Jill Donahue
	Marty Hugo		Deb Cochran



[Adoption date: August 14, 2001]
 [Re-adoption date: July 26, 2004]
 [Re-adoption date: January 24, 2005]
 [Re-adoption date: January 22, 2007]

CROSS REF.: CCB, Line and Staff Relations

Hilliard City School District, Hilliard, Ohio



HILLIARD CITY SCHOOL DISTRICT

Dale A. McVey, Superintendent • Brian W. Wilson, Treasurer/CFO

September 30, 2008

To the Citizens and Board of Education of the Hilliard City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Hilliard City School District (the "District"). This CAFR, which includes an unqualified opinion from the Ohio Auditor of State, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with District's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

GAAP requires 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 the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent accountants' report.

This report includes all funds of the District. The District provides a full range of traditional and nontraditional educational programs, services and facilities. These include elementary and secondary curriculum at the general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities, special education programs and facilities.

In addition to providing these general activities the District has administrative responsibility for state funds distributed to St. Brendan's School, Sunrise Academy and Dublin Prep Academy, private schools located within the School District boundaries. In accordance with GASB Statement 24, this responsibility is included in the reporting entity as a special revenue fund. While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, these organizations' financial statements are not included in this report.

HILLIARD CITY SCHOOL DISTRICT

PROFILE OF THE SCHOOL DISTRICT

The District was organized in the late 1800's and is a fiscally independent political subdivision of the State of Ohio. The District is a public school system located primarily in Franklin County, with a small portion (less than 1%) extending into Union County. The District's area is approximately 60 square miles in and around the City of Hilliard. Also included are portions of the cities of Columbus and Dublin, as well as Norwich, Brown, Washington, Prairie, and Franklin Townships. Located approximately 15 miles northwest of the downtown area of the City of Columbus, the District is largely suburban in character and continues to be one of the fastest growing school districts in the State of Ohio.

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

The District had an estimated enrollment of 15,150 students for the fiscal year end June 30, 2008 compared to 15,029 students for the fiscal year ended June 30, 2007. This makes the District the ninth largest public school district in the State of Ohio. These students are housed in 14 elementary schools (grades pre-k to 5), 2 sixth grade centers, 3 middle schools (grades 7 to 8), and 2 comprehensive high schools (grades 9 to 12). The age of buildings varies with the oldest built in 1956 and the latest which opened in fiscal year 2008. Of the District's 21 instructional buildings, 13 have been built since 1989 of which 4 opened in 2002 and 1 in 2008. Additionally, the District operates an administration building, a maintenance/resource center facility, a transportation compound and a support services center. The District estimates enrollment to be 15,251; 15,740; and 16,136 for the fiscal years ended June 30, 2009, 2013, and 2018 respectively. The District's enrollment figures do not include students living within the District's attendance area who attend charter schools. Currently, the District has 206 students attending 24 different charter schools.

Economic Condition and Outlook

Local Economy - The School District is in the Columbus, Ohio Metropolitan Statistical Area (MSA), which is comprised of the counties of Delaware, Fairfield, Franklin, Licking, Madison, Morrow, Pickaway and Union, and is the thirty-first largest MSA of 362 in the United States at the time of the 2000 census.

Employment in Franklin County has worsened slightly with unemployment in June of 2007 of approximately 5.3% increasing to 5.7% as of June 2008. Employment in the District is diversified with a majority in the service sector. One of the largest employers in the District with nearly 1,000 employees is Boehringer Ingelheim Roxane, Inc., a pharmaceutical company located in the Columbus portion of the District. Another employer within the Columbus portion of the District is UPS with approximately 903 employees. Employers in the Hilliard portion of the District include Verizon Business Network with approximately 219 employees and BMW with approximately 560 employees. Additionally, the District is home to many trucking and small manufacturing companies as a result of Interstates 270 and 70 intersecting the District.

Erickson Retirement Communities broke ground in April of 2008 on a campus style retirement community which will have a guaranteed \$140 million valuation when complete. With a TIF created for this community Britton Parkway will be finished between Davidson Road and Cemetery Road. Britton Parkway will then run from Cemetery Road parallel to Route 270 all the way to the City of Dublin. This will open up a significant amount of undeveloped land for commercial development purposes which will benefit the City of Hilliard and the School District.

HILLIARD CITY SCHOOL DISTRICT

In the Columbus portion of the District several new retail businesses opened in particular a new Chase bank branch and a Circuit City Store. Industrial activity for the year included Yachiyo of America, Inc. finishing a new 47,119 square foot research and development facility on 11 acres off of Walcutt Road. Yachiyo will use this facility to support its product lines, including sunroofs, plastic fuel tanks and paint products. This project had a value of approximately \$11.5 million.

The City of Columbus and the City of Hilliard are aggressive in recruiting new businesses and will make use of all economic incentives to increase the tax base. Both entities have made use of tax abatements and Tax Increment Financing to attract businesses. Through negotiations with the cities the District has been reimbursed for property taxes it would have otherwise collected ranging from complete reimbursements to the minimums required by law.

Long-term Financial Planning – The financial forecast of General Fund operations for the next five years demonstrates that the District's fiscal year 2009 ending General Fund cash balance is projected to be approximately \$1.8 million. Negative ending cash balances are projected beginning in fiscal year 2012.

The projected declining General Fund cash balance is a reflection of the challenge of Ohio school district financing. The District has been flat-funded (no increase in state funding) since 2005. In addition, there is no permanent reimbursement plan to replace tangible tax revenues eliminated through House Bill 66 passed in June 2005, and possible further eroding of the Districts tax base through future legislation. While HB 66 contained a reimbursement plan for school districts for lost tangible taxes, these reimbursements will begin to be phased out in 2011 until they are entirely eliminated in 2018 calendar year. This could mean a loss of approximately \$12 million dollars annually to Hilliard City Schools. With student population continuing to grow and no additional assistance from the state, the District will have to place an operating levy on the ballot in the fall of 2008.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Accomplishments for 2008

Financial – The District received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for the thirteenth consecutive year and the Award for Outstanding Achievement in Popular Annual Financial Reporting for the third consecutive year. In addition, the District received the Meritorious Budget Award from the Association of School Business Officials International for the second time for the FY2008 budget document.

Instruction – The District received a rating of Excellent with Distinction on the State of Ohio Local Report card. To obtain this rating the District met 30 out of 30 performance indicators; received a performance index score exceeding 100 or 101.1; met adequate yearly progress; and was above the value-added measure.

All of the District's schools earned a rating of either effective or excellent with seventeen out of the twenty-one schools receiving an excellent rating. Five out of the seventeen excellent rated schools received a rating of excellent with distinction. Finally, 100% of our students with disabilities who were assessed with alternative assessments earned a passing score with 99.3% receiving an advanced or accelerated score.

The kindergarten early literacy intervention program was implemented. This program allowed kindergarten students who were struggling with literacy development to receive intervention assistance along with their regular kindergarten experience during an extended school day. This program was found to be highly effective with 87% of these students reading at or above kindergarten benchmark reading assessments.

HILLIARD CITY SCHOOL DISTRICT

Initiatives for 2009

Financial – The District will apply to receive the Certificate of Excellence in Financial Reporting for its 2008 CAFR and the Award for Outstanding Achievement in Popular Financial Reporting for its 2008 PAFR from the GFOA.

The District will also submit its 2009 Budget Document to the Association of School Business Officials International for the Meritorious Budget Award.

Instruction - The new preK-12 Literacy Course of Study revision was completed and approved by the Board of Education in June of 2008. This revision, scheduled for implementation during the 2009 school year, will further improve the ability of teachers to deliver high quality reading and writing instruction. In addition, the revision process for the new preK-12 Math Course of Study, English Language Learner (ELL) and the Family Consumer Science (FCN) Courses of Study began in January of 2008 and will continue throughout the 2009 school year. The revisions to the new preK-12 Math Course of Study are scheduled to be implemented in the fall of 2009.

The High School 2020 Committee comprised of teachers, administrators, Board members, and business leaders completed their high school restructuring report at the end of the 2007-2008 school year. The committee's culminating report, developed over a two year period of time, contained short and long-term recommendations for producing high school graduates that will be highly competitive in a global 21st century economy. Several of these recommendations were incorporated within the District's improvement plan for the 2009 school year. A new committee will be formulated in the fall of 2008 in correlation with the High School 2020 committee to develop recommendations for producing more globally prepared K-8 students.

FINANCIAL POLICIES AND INFORMATION

Internal Controls

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

Budgetary Controls

The 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 appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

HILLIARD CITY SCHOOL DISTRICT

Risk Management

The District is enrolled in a retrospective rating plan for worker's compensation. In this plan, the individual premium rate is calculated based on the worker's compensation experience of the District. Additionally, the District carries all-risk property insurance on buildings and contents, fleet insurance on all rolling stock, liability and excess liability insurance coverage as well as officers' liability insurance, employee benefits liability, and workers' compensation intentional acts defense coverage. All employees are covered by the District's blanket bond, and medical coverage for employees is provided through a conventional healthcare plan.

Cash Management

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, U.S. agency securities or obligations, State Treasury Asset Reserve of Ohio (STAR Ohio), commercial paper and repurchase agreements. As of June 30, 2008 the maturities of investments ranged from 1 day to less than one year, with a weighted average maturity of the pooled funds of 0.58 years or 211.7 days. The weighted average yield to maturity at June 30 was 2.88%.

Independent Audit

Office of Management and Budget Circular A-133 requires an annual audit by independent accountants. The Ohio Auditor of State conducted the District's 2008 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements is included in the financial section of this report.

Awards

GFOA Certificate of Achievement - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Hilliard City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for their review.

Acknowledgements

Preparation of this report could not have been accomplished without the support and hard work of the staff of the Treasurer's office, Superintendent's office, and the School-Community Relations office. Credit must also be given to the Board of Education. Without their leadership and commitment to excellence this report would not be possible.

Respectfully submitted,



Brian W. Wilson
Treasurer/CFO



Dale A. McVey
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Hilliard 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. Emer

Executive Director

Financial Section





Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Hilliard City School District
Franklin County
5323 Cemetery Road
Hilliard, Ohio 43026

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 the Hilliard City School District, Franklin 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 Hilliard City School District, Franklin County, Ohio, as of June 30, 2008, and the respective changes in financial position thereof 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 September 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.

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

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

Mary Taylor, CPA
Auditor of State

September 30, 2008

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

As management of the Hilliard City School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the District's financial statements, which follow this section.

Financial Highlights

Key financial highlights for 2008 are as follows:

- In total, net assets of governmental activities decreased \$12,683,997 which represents a 21.84% decrease from 2007.
- General revenues accounted for \$154,430,404 in revenue or 91.37% of all revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$14,584,681 or 8.63% of total revenues of \$169,015,085.
- The District had \$181,699,082 in expenses related to governmental activities; only \$14,584,681 of these expenses was offset by program specific charges for services and operating grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$154,430,404 along with beginning net assets were sufficient to provide for these programs.
- As of June 30, 2008 the General Fund reported a positive fund balance of \$22,975,583, which represents a 30.87% decrease from 2007.

Reporting the District as a Whole

The Statement of Net Assets and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's major funds appears on the fund financial statements beginning with the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. These statements provide detailed information about the most significant funds—not the District as a whole. A schedule showing the fund balance and the total change in fund balance from June 30, 2007 to 2008 for the District's major funds appears on page 6. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's two types of funds, governmental and fiduciary, use different accounting approaches as further described in the notes to the basic financial statements.

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 that are available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

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 financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.

Fiduciary Funds

The District's fiduciary funds are Student-managed Activities and the Vision Administration agency funds. The District's fiduciary activities are reported in the Statement of Fiduciary Assets and Liabilities. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$45,391,048 according to the Statement of Net Assets at the close of the most recent fiscal year.

A portion of the District's net assets (10.36%) reflects its investment in capital assets less depreciation and any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves usually are not used to liquidate these liabilities.

A comparative analysis of fiscal year 2008 to 2007 follows from the Statements of Net Assets:

Hilliard City School District		
Net Assets		
	Governmental Activities	
	2008	2007 (Restated)
Current assets	\$ 167,859,559	\$ 205,003,149
Capital assets	<u>170,884,484</u>	<u>139,079,971</u>
Total assets	<u>338,744,043</u>	<u>344,083,120</u>
Current liabilities	98,168,952	93,106,147
Long-term liabilities	<u>195,184,043</u>	<u>192,901,928</u>
Total liabilities	<u>293,352,995</u>	<u>286,008,075</u>
Net Assets:		
Invested in capital, net of debt	4,702,740	8,880,362
Restricted	19,853,220	19,649,575
Unrestricted	<u>20,835,088</u>	<u>29,545,108</u>
Total net assets	<u>\$ 45,391,048</u>	<u>\$ 58,075,045</u>

A portion of the District's net assets (43.74%) represents resources subject to external restrictions on how they may be used. The decrease in "invested in capital assets, net of debt" is attributable to the outflow of previously unspent bond proceeds, reported as a component of restricted for capital projects in the prior year, to construct a new high school slated to open in August, 2009.

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Hilliard City School District
Changes in Net Assets

	Governmental Activities	Governmental Activities
	<u>2008</u>	<u>2007</u>
Program revenues:		
Charges for services	\$ 7,871,847	\$ 6,157,676
Federal grants	5,603,932	4,369,588
State grants	1,108,902	868,163
General revenues:		
Property taxes	92,381,381	112,876,947
State entitlements	54,444,629	51,582,809
Investment earnings	5,146,726	5,606,814
Miscellaneous	<u>2,457,668</u>	<u>2,914,144</u>
Total revenues	<u>169,015,085</u>	<u>184,376,141</u>
Program expenses:		
Instructional	103,738,674	98,600,754
Support services	56,089,959	52,509,197
Community services	2,264,588	1,959,881
Food service	4,337,259	3,987,232
Extracurricular Activities	3,744,410	3,573,573
Interest and Fiscal Charges	11,517,265	9,932,681
Miscellaneous	<u>6,927</u>	<u>2,107</u>
Total expenses	<u>181,699,082</u>	<u>170,565,425</u>
Increase(decrease) in net assets	<u>\$ (12,683,997)</u>	<u>\$ 13,810,716</u>

Governmental Activities

Net assets of the District's governmental activities decreased by \$12,683,997. The decrease in net assets is the result of a decrease in tax revenues and increase in operating expenses. The decrease in tax revenue is related to the phase out of personal property tax to the State CAT tax and a decrease in the amount of taxes available for advance as of the end of the fiscal year. The increase in operating expenses is related to the opening of the new elementary school.

The Statement of Activities shows the cost of program services and the charges for services and operating grants and contributions offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. General revenues including tax revenue, investment earnings and unrestricted State entitlements must support the net cost of program services.

Hilliard City School District
 Management's Discussion & Analysis
 For the Fiscal Year Ended June 30, 2008
 Unaudited

<u>Programs</u>	<u>Total Cost of Services</u> 2008	<u>Net Cost/(Income)</u> of Service 2008
Instructional services	\$ 103,738,674	\$ 98,514,357
Support services	56,089,959	54,834,716
Community services	2,264,588	(166,728)
Food services	4,337,259	(521,386)
Extracurricular Activities	3,744,410	2,935,056
Miscellaneous	6,927	1,121
Interest and Fiscal Charges	11,517,265	11,517,265
Total	<u>\$ 181,699,082</u>	<u>\$ 167,114,401</u>

Local property taxes make up 59.82% of total general revenues for governmental activities. The net services column reflects the need for \$167,114,401 of support indicating the reliance on general revenues to support governmental activities.

The District's Funds

The District's governmental funds reported a fund balance of \$62,600,013 which represents a decrease of \$42,069,098 as compared to last year's total of \$104,669,111 according to the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances. The schedule below shows the fund balance and the total change in fund balance from June 30, 2008 to 2007.

	<u>Fund Balance at</u> June 30, 2008	<u>Fund Balance at</u> June 30, 2007	<u>Increase</u> (Decrease)
General Fund	\$ 22,975,583	\$ 33,237,377	\$ (10,261,794)
Bond Retirement Fund	11,415,734	13,902,046	(2,486,312)
Permanent Improvement Fund	9,734,858	3,248,062	6,486,796
Building Fund	15,748,312	52,205,037	(36,456,725)
Other Governmental Funds	<u>2,725,526</u>	<u>2,076,589</u>	<u>648,937</u>
Total	<u>\$ 62,600,013</u>	<u>\$ 104,669,111</u>	<u>\$ (42,069,098)</u>

General Fund

The District's General Fund balance decreased as a result of expenditures exceeding revenues.

Revenues

	<u>2008</u>	<u>2007</u>	<u>% Change</u>
Property taxes	\$ 76,333,994	\$ 93,712,438	-18.54%
Intergovernmental	52,392,435	49,845,795	5.11%
Investment income	1,956,623	5,231,972	-62.60%
Other revenue	<u>3,817,156</u>	<u>3,267,094</u>	<u>16.84%</u>
Total	<u>\$ 134,500,208</u>	<u>\$ 152,057,299</u>	<u>-11.55%</u>

Hilliard City School District
 Management's Discussion & Analysis
 For the Fiscal Year Ended June 30, 2008
 Unaudited

The decrease in property tax revenues is primarily due to the phase out of personal property tax to the State CAT tax and less available for advance as of June 30. The decrease in investment income is due to the allocation of interest to the Building Fund for Building Fund specific investments and deposits.

As the table below indicates, the largest portion of General Fund expenditures at 62.51% is for instructional services.

Expenditures by Function

	<u>2008</u>	<u>2007</u>	<u>% Change</u>
Instructional services	\$ 92,512,691	\$ 86,480,082	6.98%
Support services	52,039,900	50,174,195	3.72%
Food Service	10,700	27,935	-61.70%
Community Services	-	1,768	-100.00%
Extra Curricular student activities	2,791,339	2,808,148	-0.60%
Other Facilities Acquisition and Construction	100,590	367,308	-72.61%
Capital outlay	-	125,380	-100.00%
Miscellaneous	287	2,107	-86.38%
Debt service	<u>531,273</u>	<u>548,171</u>	<u>-3.08%</u>
Total	<u>\$ 147,986,780</u>	<u>\$ 140,535,094</u>	<u>5.30%</u>

Expenditures are up 5.30% over the prior year due to the hiring of additional staff and other costs associated with the opening of the new elementary school.

Bond Retirement Fund

The Debt Service fund balance has decreased by \$2,486,312 due to a decrease in property taxes. The revenues of the fund are property taxes, calculated by the county auditor, and state homestead and rollback money computed as a percentage of the tax due to the fund. The expenditures of the fund include principal and interest payments as well as county auditor and treasurer fees.

Permanent Improvement Fund

The Permanent Improvement fund is used to account for significant capital projects. In 2008, the increase in fund balance of \$6,486,796 is related to the issuance of tax anticipation notes to fund the improvement of capital facilities.

Building Fund

The Building fund is used to account for significant capital projects. In 2008, the decrease in fund balance of \$36,456,725 is related to an overall increase in expenditures of more than \$16.5 million over the previous fiscal year for building acquisition, construction and improvement costs. The most significant construction project associated with these expenditures is the construction of a new high school which is slated to open in August 2009.

Other Funds

Other governmental funds consist of Special Revenue funds. The aggregate fund balance of these funds showed an increase of \$648,937.

General Fund Budget Information

The District's budget is prepared in accordance with Ohio law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. Changes are made to the District's budget as changes in revenues and spending patterns are experienced. In 2008, there were no updates made to general fund appropriations. Estimated resources were amended during the year as approved by the County Budget Commission. The most significant change was to reduce property tax estimates. The decrease in estimated and

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

actual property tax receipts is related to the phase out of personal property taxes being replaced by the State CAT tax and housing foreclosures causing a decrease in collectible real estate taxes.

The District uses the five-year forecast as the original document from which to form the operating budget. After updating the forecast for changes in revenue and expenditure assumptions, the operating budget begins at the school level. Each school in the District receives a per pupil allocation augmented with resources for special education students in the specific buildings. Budgets are reviewed periodically to ensure management becomes aware of any variations during the year.

Capital Assets

At June 30, 2008 the District has \$170,884,484 invested in capital assets net of accumulated depreciation. The following table shows fiscal year 2008 and 2007 balances:

	Governmental Activities		
	2008	2007	Increase
Land	\$ 18,875,932	\$ 18,875,932	\$ -
Construction in progress	40,154,352	14,822,000	25,332,352
Land Improvements	16,582,961	14,136,344	2,446,617
Building and improvements	155,128,287	145,884,987	9,243,300
Furniture, fixtures and equipment	7,921,658	7,656,574	265,084
Buses, autos and trucks	11,188,500	10,334,515	853,985
Less: Accumulated Depreciation	(78,967,206)	(72,630,381)	6,336,825
Total	\$ 170,884,484	\$ 139,079,971	31,804,513

The primary increase in construction in progress is related to the construction of a third high school slated to open in August 2009. The primary increase in buildings and improvements and land improvements is related to the completion of the construction of the new elementary school opened for the 2008 school year.

Additional information on the District's capital assets can be found in the notes to the financial statements (Note 8).

Debt

On June 30, 2008, the District had \$178,394,572 in outstanding general obligation bonds and energy conservation bonds and \$8,004,617 in outstanding tax anticipation notes. The District paid \$10,145,000 in principal on bonds outstanding and \$6,680,032 in interest payments during the 2008 fiscal year. There were no principal or interest payments due on the tax anticipation notes during the 2008 fiscal year. The District also both issued and retired \$10,000,000 in bond anticipation notes during the fiscal year to retire outstanding notes from the prior year. Detailed information regarding both long-term and short-term debt activity is included in the notes to the basic financial statements (Note 9 and Note 10).

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total taxable valuation of real and personal property with certain exceptions. As of June 30, 2008, the District's general obligation debt was below the legal limit.

Economic Conditions and Outlook

The future financial stability of the District is not without challenges. The biggest challenge facing the District is the current slowing economic climate as the District attempts to pass a property tax operating levy. The District made reductions of approximately \$4.5 million for Fiscal Year 2009 as a new property tax operating levy failed at the March 2008 ballot. If the levy fails in November of 2008, larger reductions for the fiscal year 2010 will be necessary.

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

The other challenge facing the District is the future of state funding. The District's per pupil funding from the State has not increased since fiscal year 2005. The state's fiscal condition has not improved in the past fiscal year which does not bode well for school district funding in the State's next biennium budget which will begin July 1, 2009. We do not know at this time how state funding will change in the next biennium budget. We do believe there is a strong possibility that state funding could decrease which will place a greater burden on local taxpayers.

Request for Information

This financial report is designed to provide the citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show accountability for the money it receives. Questions concerning any information provided in this report should be addressed to the Treasurer of the Hilliard City School District, 5323 Cemetery Road, Hilliard, Ohio 43026.

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BASIC FINANCIAL STATEMENTS



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Hilliard City School District
Statement of Net Assets
June 30, 2008

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$38,337,508
Investments	23,010,763
Receivables	
Taxes - Current	97,932,982
Taxes - Delinquent	7,418,845
Accounts	116,075
Accrued Interest	394,760
Intergovernmental	569,130
Materials & Supplies Inventory	79,496
Land	18,875,932
Construction in Progress	40,154,352
Other Capital Assets, Net	111,854,200
Total Assets	338,744,043
Liabilities	
Accounts Payable	1,139,421
Contracts Payable	3,643,425
Retainage Payable	228,817
Accrued Wages and Benefits	13,228,774
Due to Other Governments	3,676,092
Interest Payable	491,401
Unearned Revenue	65,761,022
Notes Payable	10,000,000
Long-Term Liabilities	
Due within One Year	11,419,986
Due in More Than One Year	183,764,057
Total Liabilities	293,352,995
Net Assets	
Invested in Capital Assets, Net of Related Debt	4,702,740
Restricted for:	
Debt Service	6,781,253
Capital Projects	10,533,957
Other Puposos	2,538,010
Unrestricted	20,835,088
Total Net Assets	\$45,391,048

The notes to the basic financial statements are an integral part of this statement.

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Hilliard City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2008

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Instruction				
Regular	\$ 86,138,528	\$ 1,203,811	\$ 380,645	\$ (84,554,072)
Special	16,504,671	139,276	3,488,081	(12,877,314)
Vocational	1,095,475	12,504	-	(1,082,971)
Support Services				
Pupils	10,346,486	-	179,712	(10,166,774)
Instructional Staff	8,774,032	190	95,273	(8,678,569)
General Administration	9,859,499	218,876	83	(9,640,540)
Board of Education	305,636	-	-	(305,636)
Fiscal Services	3,439,673	-	-	(3,439,673)
Business	871,298	205,829	-	(665,469)
Operation & Maintenance of Plant	13,947,605	95,292	5	(13,852,308)
Pupil Transportation	7,908,945	15,985	254,327	(7,638,633)
Central	636,785	1,655	188,016	(447,114)
Community Services	2,264,588	1,786,838	644,478	166,728
Food Service Operations	4,337,259	3,378,852	1,479,793	521,386
Extra Curricular Activities	3,744,410	809,354	-	(2,935,056)
Interest and Fiscal Charges	11,517,265	-	-	(11,517,265)
Miscellaneous	6,927	3,385	2,421	(1,121)
Totals	<u>\$ 181,699,082</u>	<u>\$ 7,871,847</u>	<u>\$ 6,712,834</u>	<u>\$ (167,114,401)</u>
General Revenues				
Property Taxes Levied for:				
General Purposes				
				75,988,748
Debt Service				
				12,438,423
Permanent Improvement				
				3,954,210
Grants & Entitlements not Restricted to Specific Programs				
				54,444,629
Investment Earnings				
				5,146,726
Miscellaneous				
				2,457,668
Total General Revenues				
				<u>154,430,404</u>
Change in Net Assets				
				(12,683,997)
Net Assets Beginning of Year - Restated				
				<u>58,075,045</u>
Net Assets End of Year				
				<u>\$45,391,048</u>

The notes to the basic financial statements are an integral part of this statement.

Hilliard City School District
Balance Sheet
Governmental Funds
June 30, 2008

	General	Bond Retirement Fund	Permanent Improvement Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 13,386,694	\$ 6,919,510	\$ 8,667,290	\$ 6,387,105	\$ 2,976,909	\$ 38,337,508
Investments	-	-	-	23,010,763	-	23,010,763
Receivables						
Taxes - Current	80,439,963	13,278,705	4,214,314	-	-	97,932,982
Taxes - Delinquent	6,069,203	1,024,137	325,505	-	-	7,418,845
Accounts	97,153	-	-	-	18,922	116,075
Accrued Interest	90,130	-	-	304,630	-	394,760
Intergovernmental	1,427	-	-	-	567,703	569,130
Materials and Supplies Inventory	-	-	-	-	79,496	79,496
Total assets	<u>100,084,570</u>	<u>21,222,352</u>	<u>13,207,109</u>	<u>29,702,498</u>	<u>3,643,030</u>	<u>167,859,559</u>
Liabilities:						
Accounts Payable	628,089	-	258,240	-	253,092	1,139,421
Contracts Payable	-	-	68,902	3,574,523	-	3,643,425
Retainage Payable	-	-	34,340	194,477	-	228,817
Accrued Wages and Benefits	12,780,815	-	-	-	447,959	13,228,774
Due to other governments	3,550,099	-	-	-	125,993	3,676,092
Compensated Absences Payable	185,817	-	-	-	-	185,817
Deferred Revenue	59,964,167	9,806,618	3,110,769	185,186	90,460	73,157,200
Notes Payable	-	-	-	10,000,000	-	10,000,000
Total Liabilities	<u>77,108,987</u>	<u>9,806,618</u>	<u>3,472,251</u>	<u>13,954,186</u>	<u>917,504</u>	<u>105,259,546</u>
Fund Balances						
Reserved						
Encumbrances	1,530,740	-	2,333,580	25,280,259	88,672	29,233,251
Unreserved						
Designated for next fiscal year	26,319,214	4,441,190	1,411,556	-	-	32,171,960
Undesignated, Reported in:						
General fund	(4,874,371)	-	-	-	-	(4,874,371)
Special Revenue funds	-	-	-	-	2,636,854	2,636,854
Debt Service fund	-	6,974,544	-	-	-	6,974,544
Capital Projects funds	-	-	5,989,722	(9,531,947)	-	(3,542,225)
Total Fund Balances	<u>22,975,583</u>	<u>11,415,734</u>	<u>9,734,858</u>	<u>15,748,312</u>	<u>2,725,526</u>	<u>62,600,013</u>
Total Liabilities and Fund Balances	<u>\$ 100,084,570</u>	<u>\$ 21,222,352</u>	<u>\$ 13,207,109</u>	<u>\$ 29,702,498</u>	<u>\$ 3,643,030</u>	<u>\$ 167,859,559</u>

The notes to the basic financial statements are an integral part of this statement.

Hilliard City School District
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2008

Total Governmental Fund Balances	\$62,600,013
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	170,884,484
Other assets are not available to pay for current period expenditures and therefore are deferred in the funds.	7,396,178
Other liabilities are not to be paid from current period resources and are not reported in the funds.	
Interest Payable	(491,401)
Long-Term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences	(8,261,889)
General Obligation Debt	(186,399,189)
Capital Lease Obligations	(337,148)
	<u>(194,998,226)</u>
 <i>Net Assets of Governmental Activities</i>	 \$45,391,048

The notes to the basic financial statements are an integral part of this statement.

Hilliard City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2008

	<u>General</u>	<u>Bond Retirement Fund</u>	<u>Permanent Improvement Fund</u>	<u>Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
From local sources						
Taxes	\$ 76,333,994	\$ 12,496,189	\$ 3,974,025	\$ -	\$ -	\$ 92,804,208
Tuition	214,517	-	-	-	1,928,217	2,142,734
Investments Earnings	1,956,623	-	-	3,107,254	21,551	5,085,428
Other local	2,549,291	-	-	106,582	275,742	2,931,615
Intergovernmental - State	52,061,548	1,665,781	447,963	-	1,108,902	55,284,194
Intergovernmental - Federal	330,887	-	-	-	5,451,922	5,782,809
Classroom Materials & Fees	946,857	-	-	-	-	946,857
Other revenue	106,491	-	1,022	-	92,564	200,077
Extracurricular Activities	-	-	-	-	671,909	671,909
Food Services	-	-	-	-	3,378,852	3,378,852
Total Revenues	<u>134,500,208</u>	<u>14,161,970</u>	<u>4,423,010</u>	<u>3,213,836</u>	<u>12,929,659</u>	<u>169,228,683</u>
Expenditures:						
Current:						
Instruction						
Regular	78,325,242	-	2,763,723	-	543,673	81,632,638
Special	13,010,506	-	-	-	3,517,515	16,528,021
Vocational	1,176,943	-	-	-	-	1,176,943
Support Services						
Pupils	10,142,623	-	-	-	203,334	10,345,957
Instructional Staff	8,631,255	-	-	-	118,471	8,749,726
General Administration	9,338,730	-	3,027	-	226,238	9,567,995
Board of Education	305,636	-	-	-	-	305,636
Fiscal Services	3,198,114	178,411	56,818	-	-	3,433,343
Business	855,111	-	-	-	-	855,111
Operation & Maintenance of Plant	12,104,190	-	-	-	1,670	12,105,860
Pupil Transportation	6,962,786	-	833,945	-	270,647	8,067,378
Central	501,455	-	-	-	132,845	634,300
Community Services	-	-	-	-	2,258,361	2,258,361
Food Service Operations	10,700	-	-	-	4,315,473	4,326,173
Extra Curricular Activities	2,791,339	-	-	-	686,800	3,478,139
Facilities Acquisition & Construction Services						
Site Improvement	-	-	197,517	-	-	197,517
Building Acquisition & Construction Services	11,200	-	-	35,652,181	-	35,663,381
Building Improvement Services	89,390	-	2,085,801	792,657	-	2,967,848
Miscellaneous	287	-	-	945	5,695	6,927
Debt Service:						
Principal Retirement	456,042	9,825,000	-	-	-	10,281,042
Interest and Fiscal Charges	75,231	6,644,871	-	-	-	6,720,102
Total Expenditures	<u>147,986,780</u>	<u>16,648,282</u>	<u>5,940,831</u>	<u>36,445,783</u>	<u>12,280,722</u>	<u>219,302,398</u>
Excess (deficiency) of revenue over expenditures	(13,486,572)	(2,486,312)	(1,517,821)	(33,231,947)	648,937	(50,073,715)
Other Financing Sources (Uses)						
Transfers in	3,224,778	-	-	-	-	3,224,778
Transfers out	-	-	-	(3,224,778)	-	(3,224,778)
Premium on sale of notes	-	-	4,617	-	-	4,617
Tax anticipation notes issued	-	-	8,000,000	-	-	8,000,000
Total other financing sources (uses)	<u>3,224,778</u>	<u>-</u>	<u>8,004,617</u>	<u>(3,224,778)</u>	<u>-</u>	<u>8,004,617</u>
Net Change in Fund balances	(10,261,794)	(2,486,312)	6,486,796	(36,456,725)	648,937	(42,069,098)
Fund balances, July 1	33,237,377	13,902,046	3,248,062	52,205,037	2,076,589	104,669,111
Fund balances, June 30	<u>\$ 22,975,583</u>	<u>\$ 11,415,734</u>	<u>\$ 9,734,858</u>	<u>\$ 15,748,312</u>	<u>\$ 2,725,526</u>	<u>\$ 62,600,013</u>

The notes to the basic financial statements are an integral part of this statement.

Hilliard City School District
 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

Net Change in Fund Balances - Total Governmental Funds \$ (42,069,098)

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 outlays exceeded depreciation in the current period.

Capital Outlay	38,483,843
Depreciation	(6,679,330)

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

Taxes	(422,827)
Earnings on Investments	61,298
Intergovernmental - Federal	90,460
Classroom Materials and Fees	36,042
Other Revenue	21,429

Repayment of long-term debt principal and leases payable are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and does not result in an expense in the statement of activities.

10,281,042

Note proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities.

(8,004,617)

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

(4,797,163)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	314,924
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Change in Net Assets of Governmental Activities

\$ (12,683,997)

The notes to the basic financial statements are an integral part of this statement.

Hilliard City School District
Statement of Fiduciary Assets and Liabilities
June 30, 2008

	<u>Agency</u>
Assets:	
Cash and cash equivalents	\$ 311,482
Accounts Receivable	2,280
Total Assets	<u>\$ 313,762</u>
Liabilities:	
Accounts Payable	15,007
Due to Others	298,755
Total Liabilities	<u>\$ 313,762</u>

The notes to the basic financial statements are an integral part of this statement.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements
June 30, 2008

1. Reporting Entity

The Hilliard City School District (the District) was organized in 1870 and is a fiscally independent political subdivision of the State of Ohio. The District is governed by a five-member board of education (the Board) elected by the citizens of the District.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards (GASB) Statement No. 14, the *Financial Reporting Entity*, and Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, in that the financial statements include all organizations, activities and functions for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of a component unit's board and either (i) the District's ability to impose its will over a component unit, or (ii) the possibility that the component unit will provide a financial benefit or impose a financial burden on the District. The District has no component units.

The Metropolitan Educational Council (MEC) is a jointly governed organization of the District. The organization was formed for the purpose of applying modern technology, with the aid of computers and other electronic equipment, to administrative and instructional functions among member districts. Districts participating in the MEC are within the boundaries of Franklin, Delaware, Union, Pickaway, Madison and Fairfield counties. MEC is governed by a Board of Directors consisting of a member of the Board of Education and a member of the administrative staff from each of the participating members. Financial statements for MEC can be obtained from Metropolitan Educational Council administrative offices at 2100 City Gate Drive, Columbus, OH 43219.

The Central Ohio Joint Vocational School District (COJVS) is a jointly governed organization of the District. The District's Board of Education appoints one member of the seven member Board of Education of COJVS. However, the financial statements of COJVS are not included within the District's reporting entity as the District cannot impose its will and there is no financial benefit, financial burden relationship or related party transactions between the District and COJVS.

The Central Ohio Special Education Resource Center (COSERC) is a jointly governed organization of the District. The District's Board of Education appoints one member of the seventy member Governing Board of COSERC. However, the financial statements of COSERC are not included within the District's reporting entity as the District cannot impose its will and there is no financial benefit, financial burden relationship or related party transactions between the District and COSERC.

The District's reporting entity includes the following:

St. Brendan's School – Within the District's boundaries, St. Brendan School is operated as a private school. Current State legislation provides funding to the parochial school. The monies are received and disbursed on behalf of the parochial school by the Treasurer of the District, as directed by the parochial school. The activity is reflected in a special revenue fund of the District.

Sunrise Academy – Within the District's boundaries, Sunrise Academy is operated as a private school. Current State legislation provides funding to the Academy. The monies are received and disbursed on behalf of the Academy by the Treasurer of the District, as directed by the Academy. The activity is reflected in a special revenue fund of the District.

Dublin Prep Academy – Within the District's boundaries, Dublin Prep Academy is operated as a private school. Current State legislation provides funding to the Academy. The monies are received and disbursed on behalf of the Academy by the Treasurer of the District, as directed by the Academy. The activity is reflected in a special revenue fund of the District.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

2. Summary of Significant Accounting Policies

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

(a) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all non-fiduciary activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used. Governmental Activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Likewise, the primary government is reported separately from legal component units for which the primary government is financially accountable. The District (primary government) has no business-type activities or component units.

The statement of activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to those who benefit from the goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The District has no proprietary funds.

(b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing related to cash flows. Property taxes 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.

Government fund financial statements are reported using the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service principal expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied, provided they are collected and certified by the county auditor by the fiscal year-end. Additionally, taxes collected more than 30 days after fiscal year-end are recorded as a receivable with an offset to deferred/unearned revenue for amounts not collected and available for advance on June 30 by the county auditor. Tuition, grants, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as receivable, revenue, or deferred revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

The District reports the following major funds:

General Fund – The General Fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Bond Retirement Fund – The Bond Retirement Fund, a debt service fund, is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Permanent Improvement Fund – The Permanent Improvement Fund, a capital projects fund, is used to account for permanent improvement tax levy receipts and related expenditures for the purpose of acquiring, constructing, or improving major capital facilities.

Building Fund – The Building Fund, a capital projects fund, is used to account for debt proceeds and other receipts and related expenditures for the purpose of acquisition and construction of capital facilities including real property.

The District's non-major governmental funds include the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes or otherwise segregated for accounting purposes.

Additionally, the District reports the following fund type:

Fiduciary Funds – Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. This consists of Agency Funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds are primarily used for the District's student activities.

(c) *Cash, Cash Equivalents and Investments*

The majority of cash received by the District is pooled in a central bank account with individual fund balance integrity retained throughout, except for deposits and investments separately held by the Building Fund. In 1998, the District adopted GASB Statement No. 31 (GASB 31), *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records its investments at fair value. Repurchase agreements and investments with maturities of one year or less from the date of purchase are valued at amortized costs.

(d) *Encumbrances*

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds. Encumbrances are reported as a reservation of fund balance, since they do not constitute expenditures or liabilities. The District has reported \$29,233,251 in outstanding encumbrances at year-end.

(e) *Inventory*

Inventory is valued at cost (first-in, first-out). The cost of inventory is recorded as an expenditure/expense at the time individual inventory items are consumed.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

(f) *Capital Assets and Depreciation*

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

All capital assets are capitalized at cost (or estimated historical cost) and are updated for additions and retirements during the year. Donated capital assets are recorded at fair market value as of the date received. The District's policy is to capitalize all assets with a cost of \$5,000 or more and a useful life of more than one year. The District has no infrastructure.

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

Land Improvements	20
Buildings & Improvements	20-50
Furniture & Equipment	5-20
Vehicles	8

(g) *Interfund Activity*

Exchange transactions between funds are reported as revenues in the seller fund and as expenditures in the purchaser fund. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers and other financing sources/uses in governmental funds. Short-term interfund loans are classified as due to/from other funds.

Interfund transfers and short-term loans are eliminated on the entity-wide statement of activities and statement of net assets.

(h) *Compensated Absences*

The District has implemented the provisions of GASB Statement No. 16 *Accounting for Compensated absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the 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 is based on sick leave accumulated at June 30 by those employees who are currently eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements and state laws.

Administrators and classified staff who work twelve month contracts are granted vacation leave. The leave amount is based on length of service and position. The District accrues vacation leave benefits as earned. Accrued vacation may be carried forward for the next fiscal year. Administrators may carry over an amount of vacation equal to 15 days. The maximum classified staff may carry over is the amount of vacation earned, but not used, during the preceding two years of continued employment by the District. District employees earn sick leave at fifteen days per year, which, if not taken, accumulates to a maximum of 255 days. Upon retirement, an employee is paid one-fourth of the accumulated sick leave up to a maximum of 60 days for certified staff and 63 and $\frac{3}{4}$ days for classified staff. The General Fund is primarily responsible for liquidating the liability.

The entire compensated absences liability is reported on the entity-wide financial statements. Governmental fund financial statements report a liability for compensated absences to the extent the liabilities mature each period and are expected to be paid using expendable available financial resources.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

(i) *Accrued Liabilities and Long-Term Debt*

All accrued liabilities and long-term debt are reported in the entity-wide financial statements. For governmental fund financial statements, accrued liabilities are generally reported if payment is due as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds are reported as a fund liability only to the extent they are expected to be paid from expendable available financial resources. Long-term liabilities or liabilities with a maturity of more than one year paid from governmental funds are not recognized within the fund financial statements until payment is due.

(j) *Fund Balance Reserves/Designations*

The District records designations for the portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriation. Fund balance designated for next fiscal year represents taxes recorded as revenue under the GAAP basis not available for appropriation under state statute. Unreserved fund balance indicates the portion of fund equity which is available for appropriation. Fund equity reserves have been established for encumbrances.

(k) *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 capital assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws and regulations of other governments.

The District's policy is to first apply restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net assets are available.

(l) *Management Assets*

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related revenues and expenditures for the financial statement reporting period. Actual results may differ from those estimates.

3. Changes in Accounting Principles

In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans*. The District has determined that the adoption of this statement did not have an impact on the District's financial statements; however, note disclosures related to postemployment benefits have been modified.

The following other pronouncements have been issued by the GASB and have been adopted by the District; however, the District has not incurred any of the transactions described below and as a result there has been no impact on the financial statements or note disclosures for the current period:

- In September 2006, the GASB issued Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*.
- In May 2007, the GASB issued Statement No. 50, *Pension Disclosures*. The information is not yet available from the retirement systems for the implementation of GASB 50.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

4. Restatement

The District issued bonds during fiscal year 2006, reporting the premium as miscellaneous revenue on the statement of activities. On an entity-wide basis, premiums received on the issuance of bonds should be recorded as an increase to long-term liabilities and amortized over the life of the bonds. There is no affect on the fund financial statements. The accounting change resulted in the following restatement of beginning net assets of governmental activities:

Governmental Activities Net Assets, July 1, 2007	\$60,577,095
Accounting Change	<u>(2,502,050)</u>
Governmental Activities Net Assets, July 1, 2007 (Restated)	<u>\$58,075,045</u>

5. Cash, Cash Equivalents and Investments

State statutes classify monies held by the District into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings accounts, including passbook accounts.

Cash, Cash Equivalents and Investments

In 1998, the District adopted GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all investments at fair value, except repurchase agreements, and investments with maturities of one year or less from the date of purchase, which are reported at amortized cost.

The investment and deposit of the District's monies is governed by the provisions of the ORC. In accordance with these statutes, the District is authorized to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificates of deposit; banker acceptances; commercial paper notes rated prime and issued by United States corporations; repurchase agreements secured by United States obligations; and STAR Ohio. Earnings on investments are credited to the General Fund except earnings specifically related to the Capital Projects Building Fund and certain Special Revenue Funds, which is in compliance with ORC section 3315.01. In fiscal year 2008 investment income of \$1,956,623 was recorded in the General Fund.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned. The District has no deposit policy for custodial credit risk beyond the requirements of state statute. According to state law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in addition to the amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of all public monies on deposit at the institution. Repurchase agreements must be secured by the specific

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the District's name. During 2008, the District and public depositories complied with the provisions of these statutes.

At year-end, the District carried deposit balances at three banks. The carrying amount of all District deposits was \$30,129,275, exclusive of \$4,050 in cash on hand. The combined bank balance was \$31,181,751 of which \$202,075 was covered by FDIC insurance and \$30,979,676 was uninsured. Of the remaining uninsured bank balance, all was collateralized with securities held by the pledging institution's trust department, not in the District's name.

Investments

Investments are reported at fair value. As of June 30, 2008, the District had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
FHLB	13,012,696	0.08
Commercial Paper	4,929,375	0.44
STAR Ohio	7,715,201	Current
Repurchase Agreement	5,796,000	Current
	<u>31,453,272</u>	
Portfolio Weighted Average Maturity		0.58

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Board policy dictates that the Treasurer may take no more than 25% of the funds to a maximum maturity of five years from the date of purchase as long as cash flow requirements allow the securities to be held to maturity.

Diversification Requirements – The following securities are authorized under both the District's policy and the Ohio Revised Code. District policy requires diversification of the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities.

<u>Diversification by Instrument</u>	<u>Maximum Percent of Portfolio</u>
U.S. Treasurer Obligations (bills, notes and bonds)	100%
U.S. Government Agency/Instrumentalities	75%
Certificates of Deposit/Bank Deposits (collateralized)	75%
Repurchase Agreements (repos)	25%
State and Local Government Securities	25%
State of Ohio Investment Pool	75%
Commercial Paper/Banker's Acceptance	25%

Credit Risk – The Ohio Revised Code requires that investments in commercial paper are rated at the time of purchase in the highest classification. In addition, as noted above, the District's investment policy and the Ohio Revised Code place limitations on the types of investments allowed by the District. The District's investments including the repurchase agreements underlying securities were rated AAA by Standard & Poor's.

Concentration of Credit Risk – The District places limits on the amount the District may invest in any one issuer as disclosed above under diversification requirements. At least 5% of the District's total investments are in FHLB, commercial paper, repurchase agreements and STAR Ohio. These

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

investments are 41.37%, 15.67%, 18.43% and 24.53% respectively, of the District's total investments, for the amounts listed above. Included in the District's investment totals are Building Fund specific investments. The diversification of building fund investments included 59.88% in FHLB, 25.17% in repurchase agreements and 14.95% in STAR Ohio.

6. Receivables

Receivables and due from other governments at June 30, 2008 consist of the following:

	Taxes	Due From Other Governments	Other	Total
Governmental Activities:				
General Fund	\$ 86,509,166	\$ 1,427	\$ 187,283	\$ 86,697,876
Bond Retirement Fund	14,302,842	-	-	14,302,842
Permanent Improvement Fund	4,539,819	-	-	4,539,819
Building Fund	-	-	304,630	304,630
Other Governmental Funds	-	567,703	18,922	586,625
Total	<u>\$ 105,351,827</u>	<u>\$ 569,130</u>	<u>\$ 510,835</u>	<u>\$ 106,431,792</u>

7. Transfers

A transfer of \$3,224,778 was made from the Building Fund to the General Fund to allocate interest earned on Building Fund specific deposits and investments.

8. Property Plant and Equipment

A summary of changes in general capital assets for the year ended June 30, 2008, follows:

	Balance June 30, 2007	Additions	Disposals	Balance June 30, 2008
<i>Governmental Activities</i>				
Capital Assets, Not Being Depreciated:				
Land	\$ 18,875,932	\$ -	\$ -	\$ 18,875,932
Construction in progress	14,822,000	34,561,299	9,228,947	40,154,352
Total Capital Assets, Not Being Depreciated	33,697,932	34,561,299	9,228,947	59,030,284
Capital Assets, Being Depreciated:				
Land improvements	14,136,344	2,446,617	-	16,582,961
Building and improvements	145,884,987	9,243,300	-	155,128,287
Furniture, fixtures and equipment	7,656,574	265,084	-	7,921,658
Buses, autos and trucks	10,334,515	1,196,490	342,505	11,188,500
Total Capital Assets, Being Depreciated	178,012,420	13,151,491	342,505	190,821,406
Less Accumulated Depreciation:				
Land improvements	7,996,053	751,124	-	8,747,177
Building and improvements	53,716,151	4,460,477	-	58,176,628
Furniture, fixtures and equipment	4,558,376	467,184	-	5,025,560
Buses, autos and trucks	6,359,801	1,000,545	342,505	7,017,841
Total accumulated depreciation	72,630,381	6,679,330	342,505	78,967,206
Capital assets, net	<u>\$ 139,079,971</u>	<u>\$ 41,033,460</u>	<u>\$ 9,228,947</u>	<u>\$ 170,884,484</u>

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

Depreciation expense was charged to governmental functions as follows:

Instructional services:	
Regular	\$ 4,830,840
Special	24,719
Support services:	
Pupils	640
Instructional staff	29,978
General administration	338,829
Business	1,412
Operation and maintenance of plant	202,651
Transportation	948,154
Food service operations	38,703
Community services	1,282
Extra curricular activities	262,122
Total Depreciation	\$ 6,679,330

9. Long-Term Obligations

A summary of changes in long-term obligations for the year ended June 30, 2008 follows:

Issue	Interest Rate	Restated Balance at June 30, 2007	Additions	(Reductions)	Bonds Outstanding June 30, 2008	Due Within One Year
1997 Refunding Issue (1)	4.757%	\$ 5,793,354	\$ 463,908	\$ (1,205,000)	\$ 5,052,262	\$ 1,205,000
2001 Refunding Issue (3)	4.781%	24,823,061	1,539,011	(2,635,000)	23,727,072	2,780,000
2004 Refunding Issue (7)	5.351%	2,717,909	39,252	(515,000)	2,242,161	500,000
2005 Refunding Issue (8)	4.353%	41,436,008	727,603	(2,280,000)	39,883,611	2,345,000
1996 School Improvement (4)	5.436%	3,188,399	269,142	-	3,457,541	-
2000 School Improvement (5)	6.689%	32,065,050	1,444,413	(3,035,000)	30,474,463	3,190,000
2001 School Improvement (6)	4.655%	4,533,678	49,234	(145,000)	4,437,912	145,179
2006 School Improvement (10)	4.360%	65,315,339	579,620	(10,000)	65,884,959	10,000
		\$ 179,872,798	\$ 5,112,183	\$ (9,825,000)	\$ 175,159,981	\$ 10,175,179
Premium on Bonds		2,502,050	-	(227,459)	2,274,591	
Total General Obligation Bonds		\$ 182,374,848	\$ 5,112,183	\$ (10,052,459)	\$ 177,434,572	\$ 10,175,179
Energy Conservation Project (9)	3.100%	1,280,000	-	(320,000)	960,000	320,000
Tax Anticipation Note (11)	2.5%-3.75%	-	8,000,000	-	8,000,000	
Premium on Notes		-	4,617	-	4,617	
Compensated Absences		8,773,889	34,999	(361,182)	8,447,706	776,464
Capital Leases Payable		473,191	-	(136,043)	337,148	143,522
Total Governmental Activities		\$ 192,901,928	\$ 13,151,799	\$ (10,869,684)	\$ 195,184,043	\$ 11,415,165

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

General obligation bonds are direct obligations and pledges of the full faith and credit of the District. The bonds include current interest serial bonds, capital appreciation bonds, and current interest term bonds. For fiscal year 2008 the capital appreciation bonds accreted \$5,112,183.

- (1) Advance refunded 1992 school improvement bonds issued to construct, furnish and equip two new elementary schools, one middle school and additions and renovations to an existing elementary school.
- (3) Advance refunded 1995 school improvement bonds issued to construct, furnish and equip a new elementary school and middle school; additions to existing elementary schools, middle school and bus garage; preparation of site for new high school; and District-wide technology improvements. The bond proceeds were invested in obligations guaranteed as to both principal and interest by the United States Government and were placed in an irrevocable escrow account which, including interest earned, will be used to pay the principal and interest of the refunded bonds. As of June 30, 2008 the refunded bonds have an outstanding balance of \$14,275,000, not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.
- (4) Issued to construct a new high school, athletic facility and elementary school and improve existing facilities.
- (5) Issued to construct two elementary schools, renovate a sixth grade school, improve existing facilities and acquire land.
- (6) Issued to construct two elementary schools, renovate a sixth grade school, improve existing facilities and acquire land.
- (7) Current refunded serial portion of 1993 bonds issued to advance refund 1990 bonds issued to construct, furnish and equip a new sixth grade building, administrative building and additions to three new elementary buildings.
- (8) Advance refunded portions of (4) and (5) described above. The bond proceeds were invested in obligations guaranteed as to both principal and interest by the United States Government and were placed in an irrevocable escrow account which, including interest earned, will be used to pay the principal and interest of the refunded bonds. As of June 30, 2008 the refunded bonds have an outstanding balance of \$23,940,000, not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.
- (9) Energy conservation bonds issued for energy conservation improvements and are retired from the General Fund
- (10) Issued to construct, furnish and equip a third high school and new elementary school.
- (11) Issued in anticipation of permanent improvement tax levy money to acquire, construct, enlarge, renovate and finance permanent improvements.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

The annual maturities of the general obligation bonds, energy conservation bonds, and tax anticipation note as of June 30, 2008, and related interest payments are as follows:

Year ending June 30,	General Obligation Bonds		Tax Anticipation Note		Energy Conservation Project		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 10,175,179	\$ 5,847,464	\$ -	\$ 274,038	\$ 320,000	\$ 24,800	\$ 10,495,179	\$ 6,146,302
2010	10,855,996	5,385,457	685,000	266,912	320,000	14,880	11,860,996	5,667,249
2011	10,201,586	8,055,968	710,000	248,988	320,000	4,960	11,231,586	8,309,916
2012	9,531,585	9,105,845	730,000	227,012	-	-	10,261,585	9,332,857
2013	10,007,411	9,386,792	755,000	203,407	-	-	10,762,411	9,590,199
2014-2018	39,214,133	43,845,086	4,190,000	583,655	-	-	43,404,133	44,428,741
2019-2023	37,164,089	26,186,324	930,000	17,719	-	-	38,094,089	26,204,043
2024-2028	40,005,000	7,005,436	-	-	-	-	40,005,000	7,005,436
2029	8,005,000	184,891	-	-	-	-	8,005,000	184,891
Totals	\$ 175,159,979	\$ 115,003,263	\$ 8,000,000	\$ 1,821,731	\$ 960,000	\$ 44,640	\$ 184,119,979	\$ 116,869,634

10. Notes Payable

A summary of bond anticipation note (BAN) transactions for the fiscal year ended June 30, 2008 follows:

Issue	Interest Rate	Issue Date	Maturity Date	Original Amount	Retired in 2008	Outstanding June 30, 2008
BAN	4.500%	6/14/2007	6/12/2008	10,000,000	10,000,000	-
BAN	2.107%	6/11/2008	7/1/2009	10,000,000	-	10,000,000

The District both retired and issued \$10,000,000 in bond anticipation notes during fiscal year 2008. The BANs issued are to be used to fund construction and other capital issues. The government-wide and fund financial statements reflect notes payable of \$10,000,000.

11. Capital Lease Obligation

Hilliard City School District entered into capital leases for copiers. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, *Accounting for Leases*, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

Capital assets consisting of copiers have been capitalized in the Statement of Net Assets in the amount of \$623,059. This amount represents the present value of minimum lease payments at the time of acquisition. A corresponding liability was recorded in the Statement of Net Assets. Principal payments from the General Fund for fiscal year 2008 totaled \$136,043.

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

Fiscal Year Ending June 30,	Capital Lease Obligations
2009	170,036
2010	168,303
2011	31,973
2012	7,971
Total minimum lease payments	\$378,284
Less: amount representing interest	(41,136)
Present value of minimum lease payments	\$337,148

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
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The principal portion of the capital lease obligation due during fiscal year 2009, \$143,522 has been reported on the Statement of net assets as a long-term liability due within one year. The remaining capital lease obligation principal amount of \$193,626 has been reported as a long-term liability due within more than one year.

12. Operating Lease

The District leases fourteen modular classroom buildings, which are presently being used at its two high schools. The lease term is currently thirty-six months, commencing March 2005. Total rental expenditures for the year ended June 30, 2008, were \$66,800.

The following is a schedule of future minimum rental payments:

Fiscal Year Ending June 30, <u>2009</u>	Operating Lease <u>\$16,800</u>
Total minimum lease payments	<u><u>\$16,800</u></u>

At the conclusion of the current lease obligation in September 2008, the District will have the option to continue the lease contract on a month-to-month basis with an expected increase in cost of approximately 5% over the current monthly obligation.

13. Defined Benefit Pension Plans

State Teachers Retirement System

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone comprehensive annual financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, Ohio 43215-3371 or by calling toll-free 1-888-227-7877, or by visiting the STRS website at www.strsoh.org.

New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. DC and Combined Plan members will transfer to the DB plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

The DB Plan benefits are established under Chapter 3307 of the Ohio Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the formula benefit the retirement allowance is based on years of credited service and final average salary, which is the average of the members' three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5% with an additional one-tenth of a percent added to the calculation for every year over 31 years until 100% of the final average salary is reached. For members with 35 or more years of Ohio contributing services, the first 30 years will be calculated at 2.5%. Under the money-purchase benefit, members' lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. The total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance. Benefits are increased annually by 3% of the original base amount.

HILLIARD CITY SCHOOL DISTRICT
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The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. Benefits are established under Sections 3307.80 to 3307.89 of the Ohio Revised Code. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the members' designated beneficiary is entitled to receive the member's account balance.

Combined Plan offers features of the DC Plan and the DB Plan. Member contributions are allocated to investments selected by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Plan members' defined benefit is determined by multiplying 1% of the members' final average salary by the members' years of service credit. The defined benefit portion of the Combined Plan is payable to members on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

For fiscal year ended June 30, 2008 members were required to contribute 10% of their annual covered salary and the District was required to contribute 14%. Member and employer contributions were established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers provided by Chapter 3307 of the Ohio Revised Code. Of the 14% contributed by the District, 13% was the portion used to fund pension obligations.

The District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2008, 2007 and 2006 were \$11,221,658, \$10,738,434 and \$10,037,216, respectively; 74.94% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006. \$2,812,085 representing the unpaid contribution for fiscal year 2008 is recorded as a liability within the respective funds. Member and employer contributions actually made for DC and Combined Plan participants will be provided upon written request.

School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined pension plan. SERS provides retirement, disability, and survivor benefits; annual cost-of-living adjustments; and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report can be obtained by contacting SERS, 300 E. Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free 1-800-878-5853. It is also posted on SERS' website at www.ohsers.org under *Forms and Publications*.

Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The District's contributions to SERS for the years ended June 30, 2008, 2007 and 2006 were \$2,701,207, \$2,568,265 and \$2,634,357, respectively; 74.94% has been contributed for fiscal year 2008 and 100% for fiscal year 2007 and 2006. \$676,907 representing unpaid contributions for fiscal year 2008 is recorded as a liability within the respective funds.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

14. Post-employment Benefits Other Than Pension Benefits

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

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

Under Ohio law funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contribution rate, 1% of covered payroll was allocated to post-employment health care. For the fiscal years ended June 30, 2008, 2007 and 2006 the District's contributions to post-employment health care were \$112,216, \$107,384 and \$100,372, respectively; 74.9% has been contributed for 2008 and 100% for fiscal years 2007 and 2006.

SERS administers two post-employment benefit plans, the Medicare Part B Plan and the Health Care Plan as permitted by Ohio Revised Code Sections 3309.69 and 3309.375. The Medicare Part B Plan reimburses for Medicare Part B premiums paid by eligible retirees. The Health Care Plan provides health care and prescription drug plans administered by two third-party administrators. The Retirement Board establishes rules for premiums paid by retirees for health care coverage and varies depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The Medicare Part B premium reimbursement plan reimburses eligible retirees for the lesser of January 1, 1999 Medicare Part B premiums or the current premium. The Medicare Part B premium for calendar year 2007 (most recent information available) was \$93.50. SERS' reimbursement to retirees was \$45.50. The Retirement Board, with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare Part B Fund. For fiscal year 2007 (most recent information available) the actuarially required allocation was .68%. For the fiscal years ended June 30, 2008, 2007 and 2006 the District's contributions to Medicare Part B were \$131,200, \$124,743 and \$127,953 respectively; 74.9% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

The Health Care Plan is funded through employer contributions. Each year after allocation for required benefits the Retirement Board allocates the remainder of the employers' 14% contribution. At June 30, 2007 (the most recent information available) the health care allocation was 3.32%. The actuarially required contribution (ARC), as of December 31, 2006 annual valuation, was 11.50% of covered payroll. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities of the plan over a period not to exceed thirty years.

An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2008, the minimum compensation level was established at \$35,800.

For fiscal years ended June 30, 2008, 2007 and 2006 District contributions to the Health Care Plan, including the surcharge, were \$1,055,481, \$1,021,750 and \$1,021,754, respectively; 74.9% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

15. Property Taxes

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the school district. Due and collection dates, as established by Franklin County, were January 20, 2008 and June 20, 2008, for taxes due during 2008.

HILLIARD CITY SCHOOL DISTRICT
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June 30, 2008

Real property and tangible personal property taxes collected during 2008 had a lien and levy date of January 1, 2007 and December 31, 2007, respectively.

Assessed values are established by State law at 35% of appraised market value for Real Estate and Public Utility and 6.25% for Tangible Property. A reappraisal of all property is required to be completed no less than every six years. A revaluation of all property is required to be completed no less than every three years. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 50% of costs). The assessed values for collection in 2008, upon which 2007 levies were based, were as follows:

Real Estate	\$2,279,605,140
Public Utility	48,132,690
Tangible Personal	<u>48,731,453</u>
Total	<u><u>2,376,469,283</u></u>

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the District's share is .445% (4.45 mills) of assessed value.

The Franklin County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Hilliard City School District. The Franklin County Auditor periodically remits to the District its portion of the taxes collected. Property taxes may be paid on an annual or semiannual basis.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2008. Although total property tax collections for the next fiscal year are measurable, they are not (exclusive of advances) intended to finance the current year operations. The net receivable (total receivable less the amount available for advance and delinquent taxes intended to finance the current year) is therefore offset by the unearned revenue liability.

16. Set-Aside Calculation

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. State law has set the amount for the set-aside at the number of students times 3% of the average cost per pupil.

The following cash basis information describes the change in the year-end set-aside amounts for textbooks and capital acquisition reserves. Disclosure of this information is required by State statute.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

	Textbook Reserve	Capital Acquisition Reserve
Set-aside balance, July 1, 2007	\$ -	\$ -
Current year set-aside requirement	2,286,437	2,286,437
Qualifying expenditures	(4,738,053)	(39,486,718)
Total	(2,451,616)	(37,200,282)
Set-aside balance, June 30, 2008	\$ -	\$ -

Amounts listed as qualifying disbursements in this table are the total amounts for the year. The District had an excess of qualifying disbursements, however, the set-aside cash balance carried forward is \$0 for textbooks and capital acquisition.

17. Construction Commitments

As of June 30, 2008, the District had the following commitments with respect to building projects:

<u>Building Project</u>	<u>Amount Remaining</u>	<u>Estimated Completion Date</u>
Hilliard Bradley High School	\$ 22,831,916	August 2009
TOTAL	\$ 22,831,916	

18. Contingent Liabilities

The Hilliard City School District is party to various legal proceedings seeking damages or injunction relief generally incidental to its operations and pending projects. The ultimate disposition of such proceedings is not presently determinable, but will not, in the opinion of District Management, have a material adverse effect on the financial condition of the District.

19. Federal and State Grants

The Federal and State Grants remain subject to review and audit by the grantor agencies or their designees. Such audits could lead to request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the District administration believes such disallowances, if any, would be immaterial.

20. Risk Management

The District carries all-risk property insurance on buildings and contents, fleet insurance on all rolling stock, liability and excess liability insurance coverage as well as officers' liability insurance, employee benefits liability and workers' compensation intentional acts defense coverage. All employees are covered by the District's blanket bond and medical coverage for employees is provided through a conventional healthcare plan, as well as a health maintenance organization plan offered by the District.

There have been no changes in the aforementioned insurance coverage. Additionally, there were no settlements in excess of insurance coverage over the past three years.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2008

The District is enrolled in the retrospective rating plan for workers' compensation. In this plan, the individual premium rate is calculated based on the workers' compensation experience of the District.

21. Compliance and Accountability

The following funds had a deficit balance as of June 30, 2008:

<u>Special Revenue Funds</u>	<u>Deficit Fund Balance</u>
Part B, IDEA	\$ (86,480)
Title III	(7,487)
Title I	(38,050)
Title V	(2,258)
Preschool Grant	(3,467)
Title II-A	(21,677)
Other Federal	(12,921)

The deficit fund balances are the result of the application of generally accepted accounting principles. The General Fund provides advances to cover deficit balances; however, this is done when cash is needed rather than when an accrual occurs.

Expenditures exceed appropriations in the Title V fund by \$8,285. The District will request amended appropriations as is necessary to avoid expending in excess of appropriations in the future.

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REQUIRED SUPPLEMENTARY INFORMATION



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**Hilliard City School District
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive/ (Negative)
	Original	Final	Actual	
REVENUES:				
Property taxes	84,845,493	81,058,181	81,343,621	285,440
Intergovernmental:				
Federal-				
Unrestricted grants-in-aid	326,421	327,475	330,887	3,412
State-				
Unrestricted grants-in-aid	51,207,203	51,372,653	51,907,876	535,223
Restricted grants-in-aid	150,189	150,674	152,244	1,570
Investment income	5,082,003	5,098,423	5,151,541	53,118
Tuition fees	211,720	212,404	214,617	2,213
Classroom materials & fees	933,742	936,758	946,518	9,760
Miscellaneous	2,533,163	2,541,348	2,567,825	26,477
Total revenues	145,289,934	141,697,917	142,615,129	917,212
EXPENDITURES:				
Instructional services:				
Regular	77,429,280	77,429,280	77,277,734	151,546
Special	13,168,705	13,168,705	13,065,469	103,236
Vocational	1,209,876	1,209,876	1,205,582	4,294
Total instructional services	91,807,861	91,807,861	91,548,785	259,076
Support services:				
Pupils	10,041,602	10,041,602	9,968,987	72,615
Instructional staff	9,103,074	9,103,074	8,779,546	323,528
Board of education	332,149	332,149	327,886	4,263
General administration	9,482,692	9,482,692	9,385,686	97,006
Fiscal services	3,264,423	3,264,423	3,251,062	13,361
Business	953,023	953,023	915,348	37,675
Operation and maintenance of plant	12,696,380	12,696,380	12,629,161	67,219
Student transportation	7,110,775	7,110,775	7,095,529	15,246
Central services	584,152	584,152	533,275	50,877
Total support services	53,568,270	53,568,270	52,886,480	681,790
Food service operations	10,700	10,700	10,700	-
Extracurricular student activities	2,806,627	2,806,627	2,783,597	23,030
Facility acquisition and improvement	338,794	338,794	338,755	39
Debt service	540,200	540,200	531,273	8,927
Total expenditures	149,072,452	149,072,452	148,099,590	972,862
Excess (deficiency) of revenues over expenditures	(3,782,518)	(7,374,535)	(5,484,461)	1,890,074
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of equipment	6,903	6,925	6,997	72
Refund of prior year expenditure	51,279	51,445	51,981	536
Refund of prior year receipt	(290)	(290)	(287)	3
Advance In	-	-	10,000	10,000
Total other financing sources (uses)	57,892	58,080	68,691	10,611
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(3,724,626)	(7,316,455)	(5,415,770)	1,900,685
Fund balances at beginning of year	15,383,326	15,383,326	15,383,326	-
Prior Year Encumbrances Appropriated	1,550,480	1,550,480	1,550,480	-
Fund balances (deficit) at end of year	13,209,180	9,617,351	11,518,036	1,900,685

See accompanying footnotes to the required supplementary information.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information
For the Year Ended June 30, 2008

A. Budgetary Information

All governmental funds are subject to annual expenditures budgets. The Board follows the procedures outlined below in establishing the expenditures budget data:

- (1) A Tax Budget of estimated cash receipts and disbursements is submitted to the Franklin County Auditor, as secretary of the County Budget Commission, by January 20 of each year, for the fiscal year commencing the following July 1. The Hilliard Board of Education holds a budget hearing when it normally adopts the Tax Budget at the first regular meeting in January, following the budget hearing.
- (2) The County Budget Commission certifies its actions to the District by March 1. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about July 1, this certificate is amended to include any unencumbered balances from the preceding year.
- (3) An annual appropriation measure must be passed by October 1 of each year for the period July 1 to June 30. Unencumbered appropriations lapse at year-end and encumbered appropriations are carried over to the following fiscal year and need not be re-appropriated. The Hilliard Board of Education adopted its 2008 permanent appropriation measure at its August 27, 2007 regular meeting. The Board of Education adopted at the June 11, 2007 regular meeting a temporary appropriation measure to allow the District to operate until its annual appropriations were adopted. The appropriation measure may be amended or supplemented during the year as new information becomes available. Individual buildings and/or departments may transfer funds within their budgets. Revised appropriations are presented during the year and include the transfers requested by staff and any amendments to fund unanticipated expenditures. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations at the fund level.

B. Reconciling Budgetary Basis and GAAP

The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule—General Fund in accordance with the budget basis of accounting.

The major differences between the budgetary basis of accounting and GAAP are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- B. Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis); and
- C. Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance (GAAP basis).

HILLIARD CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information, Continued
For the Year Ended June 30, 2008

A reconciliation of the General Fund results of operations at the end of the year on the GAAP basis to the budget basis follows:

Net change in fund balance	\$ (10,261,794)
Adjustments	
Due to revenues	4,957,490
Due to expenditures	(113,099)
Due to other financing sources	1,633
Excess of revenues and other financing sources over expenditures and other financing uses (Budget Basis)	<u><u>\$ (5,415,770)</u></u>

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SUPPLEMENTAL DATA



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Hilliard City School District

MAJOR GOVERNMENTAL FUNDS (Other than General Fund)

BOND RETIREMENT FUND

The Bond Retirement Fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

PERMANENT IMPROVEMENT FUND

A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Section 5705, Ohio Revised Code.

BUILDING FUND

The Building Fund is used to account for financial resources to be used for the acquisition and/or construction of major capital facilities and/or the acquisition of land.

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HILLIARD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2008

MAJOR GOVERNMENTAL FUNDS

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget positive (negative)</u>
Bond Retirement Fund			
Total Revenues and Other Sources	\$ 24,116,732	25,003,012	886,280
Total Expenditures and Other Uses	26,651,000	26,648,283	2,717
Net Change in Fund Balance	(2,534,268)	(1,645,271)	888,997
Fund Balance, July 1	8,564,780	8,564,780	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	<u>\$ 6,030,512</u>	<u>6,919,509</u>	<u>888,997</u>
Permanent Improvement Fund			
Total Revenues and Other Sources	\$ 9,910,207	12,702,488	2,792,281
Total Expenditures and Other Uses	11,331,476	8,399,452	2,932,024
Net Change in Fund Balance	(1,421,269)	4,303,036	5,724,305
Fund Balance, July 1	615,485	615,485	-
Prior Year Encumbrances Appropriated	1,081,476	1,081,476	-
Fund Balance, June 30	<u>\$ 275,692</u>	<u>5,999,997</u>	<u>5,724,305</u>
Building Fund			
Total Revenues and Other Sources	\$ 10,000,000	112,377	(9,887,623)
Total Expenditures and Other Uses	65,164,170	64,948,399	215,771
Net Change in Fund Balance	(55,164,170)	(64,836,022)	(9,671,852)
Fund Balance, July 1	493,194	493,194	-
Prior Year Encumbrances Appropriated	64,670,976	64,670,976	-
Fund Balance, June 30	<u>\$ 10,000,000</u>	<u>328,148</u>	<u>(9,671,852)</u>

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Hilliard City School District

NONMAJOR OTHER GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes or otherwise segregated for accounting purposes.

PUBLIC SCHOOL SUPPORT FUND

A fund provided to account for specific local revenue sources, other than taxes (i.e., profits from vending machines, sales of pictures, etc.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular 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.

UNDERGROUND STORAGE TANKS FUND

A fund used to account for the deductible amount as required by the Ohio Bureau of Underground Storage Tank Regulation. The District has 3 underground petroleum tanks at its transportation facility.

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 corps, and other similar types of activities.

OTHER LOCAL FUND

A fund used to account for assets held by a school system in a trustee capacity or as an agent for individuals, private organizations, and other governmental and/or other funds. Principal and interest may be expended for the benefit of the District in accordance with trust agreements.

FOOD SERVICE FUND

A fund used to record financial transactions related to the District's food service operation.

ROTARY SPECIAL SERVICES FUND

A fund provided to account for income and expenses made in connection with goods and services provided by a school district. Activities using this fund tend to be curricular in nature.

EDUCATIONAL MANAGEMENT INFORMATION SYSTEM GRANT FUND (EMIS)

A fund provided to account for the monies received and expended for the implementation of EMIS required by Ohio legislation.

OHIO EDUCATION COMPUTER NETWORK FUND (OECN Data Comm.)

A fund to account for the monies received from The State of Ohio with expenditures for installation and support costs for data communication links to connect schools to the Data Acquisition Sites, and to help offset upgrade and support costs necessary to increase data communication links.

Hilliard City School District

OTHER STATE GRANTS FUND

A fund used to account for revenues and expenditures related to grants received by the District for SchoolNet Professional Development, Timeline Mini Mural Grant, Ohio Reads Volunteer Fund, Safe School Help Line, Entry Year Teacher Grant, Student Assistance Program, Promising Practice Grant SIRI Professional Development and Government Highway Safety.

EDUCATION OF HANDICAPPED CHILDREN ACT TITLE VI-B FUND (Part B-IDEA)

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

TITLE III FUND

A fund provided to account for the Foreign Language Grant program, which is funded with U.S. Department of Education grant monies.

TITLE I FUND

To provide financial assistance to State and Local Educational Agencies to meet the special reading needs of educationally deprived children.

TITLE V FUND

To consolidate various programs into a single authorization of grants to States to be used in accordance with the educational needs and priorities of the state and local agencies. The District allocates these funds toward math remediation.

DRUG FREE GRANT FUND

To provide funds to local educational agencies and consortia of these agencies to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

EHA PRESCHOOL GRANTS FOR THE HANDICAPPED FUND (Preschool Grant)

The Preschool Grant Program, Section 69 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

TITLE II-A FUND

A fund to account for grants providing financial assistance to State and Local Educational Agencies to improve teacher quality.

OTHER FEDERAL GRANTS FUND

A fund used to currently account for revenues and expenditures related to grants received for Heritage Middle School Family & School Partnership.

AUXILIARY SERVICES FUND

A special revenue fund used to account for monies which provide services and materials to pupils attending non-public schools, located within the School District.

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Hilliard City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	SPECIAL REVENUE FUNDS				
	Public School Support	Other Grants	Underground Storage Tanks	Student Activity	Other Local
Assets:					
Cash and Cash Equivalents	\$ 242,567	\$ 33,938	\$ 11,000	\$ 357,125	\$ 52,365
Receivables					
Accounts	355	2,902	-	8,003	-
Intergovernmental	-	-	-	-	-
Inventory	-	-	-	-	-
Total assets	<u>242,922</u>	<u>36,840</u>	<u>11,000</u>	<u>365,128</u>	<u>52,365</u>
Liabilities:					
Accounts Payable	30,912	16	-	4,958	750
Accrued Wages and Benefits	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Total Liabilities	<u>30,912</u>	<u>16</u>	<u>-</u>	<u>4,958</u>	<u>750</u>
Fund Balances					
Reserved for encumbrances	7,954	823	-	10,827	491
Unreserved, Undesignated	204,056	36,001	11,000	349,343	51,124
Total Fund Balances	<u>212,010</u>	<u>36,824</u>	<u>11,000</u>	<u>360,170</u>	<u>51,615</u>
Total Liabilities and Fund Balances	<u>\$ 242,922</u>	<u>\$ 36,840</u>	<u>\$ 11,000</u>	<u>\$ 365,128</u>	<u>\$ 52,365</u>

Hilliard City School District

SPECIAL REVENUE FUNDS

<u>Food Services</u>	<u>Rotary Special Services</u>	<u>EMIS</u>	<u>OECN Data Comm.</u>	<u>Other State</u>
\$ 1,073,602	\$ 1,184,497	\$ -	\$ -	\$ 28,527
-	7,662	-	-	-
-	-	-	-	-
79,496	-	-	-	-
<u>1,153,098</u>	<u>1,192,159</u>	<u>-</u>	<u>-</u>	<u>28,527</u>
192,443	6,667	-	-	135
-	15,553	-	-	11,993
9,124	11,198	-	-	2,932
-	-	-	-	-
<u>201,567</u>	<u>33,418</u>	<u>-</u>	<u>-</u>	<u>15,060</u>
61	7,816	-	-	8,023
951,470	1,150,925	-	-	5,444
<u>951,531</u>	<u>1,158,741</u>	<u>-</u>	<u>-</u>	<u>13,467</u>
<u>\$ 1,153,098</u>	<u>\$ 1,192,159</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,527</u>

continued

Hilliard City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

SPECIAL REVENUE FUNDS

	<u>Part B, IDEA</u>	<u>Title III</u>	<u>Title I</u>	<u>Title V</u>	<u>Drug-Free Grant</u>
Assets:					
Cash and Cash Equivalents	\$ (180,193)	\$ 1,121	\$ 41,953	\$ 1,092	\$ -
Receivables					
Accounts	-	-	-	-	-
Intergovernmental	495,837	20,191	16,473	1,974	1,435
Inventory	-	-	-	-	-
Total assets	<u>315,644</u>	<u>21,312</u>	<u>58,426</u>	<u>3,066</u>	<u>1,435</u>
Liabilities:					
Accounts Payable	-	-	378	-	-
Accrued Wages and Benefits	271,701	19,495	65,271	3,344	-
Due to Other Governments	66,356	4,764	15,954	806	-
Deferred Revenue	64,067	4,540	14,873	1,174	1,435
Total Liabilities	<u>402,124</u>	<u>28,799</u>	<u>96,476</u>	<u>5,324</u>	<u>1,435</u>
Fund Balances					
Reserved for encumbrances	7,500	-	4,830	-	-
Unreserved, Undesignated	(93,980)	(7,487)	(42,880)	(2,258)	-
Total Fund Balances	<u>(86,480)</u>	<u>(7,487)</u>	<u>(38,050)</u>	<u>(2,258)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 315,644</u>	<u>\$ 21,312</u>	<u>\$ 58,426</u>	<u>\$ 3,066</u>	<u>\$ 1,435</u>

Hilliard City School District

SPECIAL REVENUE FUNDS

<u>Preschool Grant</u>	<u>Title II-A</u>	<u>Other Federal</u>	<u>Auxiliary Services</u>	<u>Total Special Revenue Funds</u>
\$ 345	\$ (6,533)	\$ 609	\$ 134,894	\$ 2,976,909
-	-	-	-	18,922
3,404	28,026	363	-	567,703
-	-	-	-	79,496
<u>3,749</u>	<u>21,493</u>	<u>972</u>	<u>134,894</u>	<u>3,643,030</u>
-	-	13,530	3,303	253,092
5,272	31,990	-	23,340	447,959
1,289	7,827	-	5,743	125,993
655	3,353	363	-	90,460
<u>7,216</u>	<u>43,170</u>	<u>13,893</u>	<u>32,386</u>	<u>917,504</u>
-	-	-	40,347	88,672
(3,467)	(21,677)	(12,921)	62,161	2,636,854
<u>(3,467)</u>	<u>(21,677)</u>	<u>(12,921)</u>	<u>102,508</u>	<u>2,725,526</u>
<u>\$ 3,749</u>	<u>\$ 21,493</u>	<u>\$ 972</u>	<u>\$ 134,894</u>	<u>\$ 3,643,030</u>

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

	SPECIAL REVENUE FUNDS				
	Public School <u>Support</u>	Other <u>Grants</u>	Underground Storage <u>Tanks</u>	Student <u>Activity</u>	Other <u>Local</u>
Revenues:					
From local sources					
Tuition	\$ -	\$ -	\$ -	\$ -	\$ -
Other local	260,963	-	-	14,779	-
Intergovernmental - State	-	30,466	-	-	-
Intergovernmental - Federal	-	-	-	-	-
Investment Earnings	-	-	-	-	-
Other revenue	-	484	-	-	75,453
Extracurricular Activities	12,412	-	-	659,497	-
Food Services	-	-	-	-	-
Total Revenues	<u>273,375</u>	<u>30,950</u>	<u>-</u>	<u>674,276</u>	<u>75,453</u>
Expenditures:					
Current:					
Instruction					
Regular	15,983	6,584	-	-	-
Special	930	-	-	-	-
Support Services					
Pupils	-	20,908	-	-	-
Instructional Staff	200	-	-	-	36,221
General Administration	198,358	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Pupil Transportation	2,641	-	-	-	-
Central	-	16,169	-	-	-
Community Services	54,769	-	-	-	1,762
Extra Curricular Activities	2,352	-	-	684,409	39
Food Service Operations	-	-	-	-	-
Miscellaneous	16	-	-	250	-
Total Expenditures	<u>275,249</u>	<u>43,661</u>	<u>-</u>	<u>684,659</u>	<u>38,022</u>
Excess (deficiency) of revenue over expenditures	(1,874)	(12,711)	-	(10,383)	37,431
Fund balances, July 1	213,884	49,535	11,000	370,553	14,184
Fund balances, June 30	<u>\$ 212,010</u>	<u>\$ 36,824</u>	<u>\$ 11,000</u>	<u>\$ 360,170</u>	<u>\$ 51,615</u>

Hilliard City School District

SPECIAL REVENUE FUNDS

<u>Food Services</u>	<u>Rotary Special Services</u>	<u>EMIS</u>	<u>OECN Data Comm.</u>	<u>Other State</u>
\$ -	\$ 1,928,217	\$ -	\$ -	\$ -
-	-	-	-	-
27,520	5,201	52,179	63,000	361,399
1,452,273	-	-	-	-
18,659	-	-	-	-
505	9,421	-	-	6,463
-	-	-	-	-
3,378,852	-	-	-	-
<u>4,877,809</u>	<u>1,942,839</u>	<u>52,179</u>	<u>63,000</u>	<u>367,862</u>
-	128,460	-	-	185,848
-	149	-	-	-
-	-	-	-	125,132
-	-	-	-	57,802
-	27,880	-	-	-
-	1,670	-	-	-
-	12,198	-	-	-
-	1,497	52,179	63,000	-
-	1,569,754	-	-	-
-	-	-	-	-
4,315,473	-	-	-	-
-	3,049	-	-	-
<u>4,315,473</u>	<u>1,744,657</u>	<u>52,179</u>	<u>63,000</u>	<u>368,782</u>
562,336	198,182	-	-	(920)
389,195	960,559	-	-	14,387
<u>\$ 951,531</u>	<u>\$ 1,158,741</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,467</u>

continued

Hilliard City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the Fiscal Year Ended June 30, 2008

	SPECIAL REVENUE FUNDS				
	<u>Part B, IDEA</u>	<u>Title III</u>	<u>Title I</u>	<u>Title V</u>	<u>Drug-Free Grant</u>
Revenues:					
From local sources					
Tuition	\$ -	\$ -	\$ -	\$ -	\$ -
Other local	-	-	-	-	-
Intergovernmental - State	-	-	-	-	-
Intergovernmental - Federal	2,817,212	172,958	496,740	33,190	34,078
Investment Earnings	-	-	-	-	-
Other revenue	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Food Services	-	-	-	-	-
Total Revenues	<u>2,817,212</u>	<u>172,958</u>	<u>496,740</u>	<u>33,190</u>	<u>34,078</u>
Expenditures:					
Current:					
Instruction					
Regular	-	-	-	33,837	-
Special	2,526,713	156,906	519,232	-	18,601
Support Services					
Pupils	51,894	-	-	-	5,400
Instructional Staff	22,500	-	1,748	-	-
General Administration	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Pupil Transportation	247,338	-	-	-	8,470
Central	-	-	-	-	-
Community Services	53,643	12,401	4,886	-	2,000
Extra Curricular Activities	-	-	-	-	-
Food Service Operations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Expenditures	<u>2,902,088</u>	<u>169,307</u>	<u>525,866</u>	<u>33,837</u>	<u>34,471</u>
Excess (deficiency) of revenue over expenditures	(84,876)	3,651	(29,126)	(647)	(393)
Fund balances, July 1	(1,604)	(11,138)	(8,924)	(1,611)	393
Fund balance, June 30	<u>\$ (86,480)</u>	<u>\$ (7,487)</u>	<u>\$ (38,050)</u>	<u>\$ (2,258)</u>	<u>\$ -</u>

Hilliard City School District

SPECIAL REVENUE FUNDS				Total Special Revenue Funds
Preschool Grant	Title II-A	Other Federal	Auxiliary Services	
\$ -	\$ -	\$ -	\$ -	\$ 1,928,217
-	-	-	-	275,742
-	-	-	569,137	1,108,902
35,865	246,878	162,728	-	5,451,922
-	-	-	2,892	21,551
-	-	-	238	92,564
-	-	-	-	671,909
-	-	-	-	3,378,852
<u>35,865</u>	<u>246,878</u>	<u>162,728</u>	<u>572,267</u>	<u>12,929,659</u>
-	-	172,961	-	543,673
37,069	253,661	4,254	-	3,517,515
-	-	-	-	203,334
-	-	-	-	118,471
-	-	-	-	226,238
-	-	-	-	1,670
-	-	-	-	270,647
-	-	-	-	132,845
-	-	-	559,146	2,258,361
-	-	-	-	686,800
-	-	-	-	4,315,473
-	-	-	2,380	5,695
<u>37,069</u>	<u>253,661</u>	<u>177,215</u>	<u>561,526</u>	<u>12,280,722</u>
(1,204)	(6,783)	(14,487)	10,741	648,937
(2,263)	(14,894)	1,566	91,767	2,076,589
<u>\$ (3,467)</u>	<u>\$ (21,677)</u>	<u>\$ (12,921)</u>	<u>\$ 102,508</u>	<u>\$ 2,725,526</u>

HILLIARD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget positive (negative)
SPECIAL REVENUE FUNDS			
Public School Support			
Total Revenues and Other Sources	\$ 200,000	273,020	73,020
Total Expenditures and Other Uses	287,760	262,894	24,866
Net Change in Fund Balance	(87,760)	10,126	97,886
Fund Balance, July 1	275,968	275,968	-
Prior Year Encumbrances Appropriated	17,305	17,305	-
Fund Balance, June 30	<u>\$ 205,513</u>	<u>303,399</u>	<u>97,886</u>
Other Grants			
Total Revenues and Other Sources	\$ 20,000	28,048	8,048
Total Expenditures and Other Uses	61,749	45,855	15,894
Net Change in Fund Balance	(41,749)	(17,807)	23,942
Fund Balance, July 1	39,173	39,173	-
Prior Year Encumbrances Appropriated	11,749	11,749	-
Fund Balance, June 30	<u>\$ 9,173</u>	<u>33,115</u>	<u>23,942</u>
Underground Storage Tanks			
Total Revenues and Other Sources	\$ -	-	-
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance, July 1	11,000	11,000	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	<u>\$ 11,000</u>	<u>11,000</u>	<u>-</u>
Student Activity Fund			
Total Revenues and Other Sources	\$ 520,000	666,423	146,423
Total Expenditures and Other Uses	895,210	699,386	195,824
Net Change in Fund Balance	(375,210)	(32,963)	342,247
Fund Balance, July 1	358,929	358,929	-
Prior Year Encumbrances Appropriated	20,210	20,210	-
Fund Balance, June 30	<u>\$ 3,929</u>	<u>346,176</u>	<u>342,247</u>
Other Local Fund			
Total Revenues and Other Sources	\$ 60,000	75,454	15,454
Total Expenditures and Other Uses	70,161	38,273	31,888
Net Change in Fund Balance	(10,161)	37,181	47,342
Fund Balance, July 1	14,534	14,534	-
Prior Year Encumbrances Appropriated	161	161	-
Fund Balance, June 30	<u>\$ 4,534</u>	<u>51,876</u>	<u>47,342</u>

HILLIARD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget positive (negative)
Food Service Fund			
Total Revenues and Other Sources	\$ 4,200,000	4,661,460	461,460
Total Expenditures and Other Uses	4,486,279	4,123,891	362,388
Net Change in Fund Balance	(286,279)	537,569	823,848
Fund Balance, July 1	336,253	336,253	-
Prior Year Encumbrances Appropriated	24,490	24,490	-
Fund Balance, June 30	<u>\$ 74,464</u>	<u>898,312</u>	<u>823,848</u>
Rotary Special Services			
Total Revenues and Other Sources	\$ 1,700,000	1,938,490	238,490
Total Expenditures and Other Uses	1,788,873	1,762,775	26,098
Net Change in Fund Balance	(88,873)	175,715	264,588
Fund Balance, July 1	989,964	989,964	-
Prior Year Encumbrances Appropriated	9,228	9,228	-
Fund Balance, June 30	<u>\$ 910,319</u>	<u>1,174,907</u>	<u>264,588</u>
Educational Management Information Systems (EMIS Grant)			
Total Revenues and Other Sources	\$ 55,000	52,179	(2,821)
Total Expenditures and Other Uses	53,000	52,179	821
Net Change in Fund Balance	2,000	-	(2,000)
Fund Balance, July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	<u>\$ 2,000</u>	<u>-</u>	<u>(2,000)</u>
Ohio Education Computer Network (O.E.C.N.)			
Total Revenues and Other Sources	\$ 63,000	63,000	-
Total Expenditures and Other Uses	63,000	63,000	-
Net Change in Fund Balance	-	-	-
Fund Balance, July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>
Other State			
Total Revenues and Other Sources	\$ 395,000	367,862	(27,138)
Total Expenditures and Other Uses	416,413	372,960	43,453
Net Change in Fund Balance	(21,413)	(5,098)	16,315
Fund Balance, July 1	22,584	22,584	-
Prior Year Encumbrances Appropriated	3,016	3,016	-
Fund Balance, June 30	<u>\$ 4,187</u>	<u>20,502</u>	<u>16,315</u>

HILLIARD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget positive (negative)
Part B - IDEA			
Total Revenues and Other Sources	\$ 3,100,000	2,385,442	(714,558)
Total Expenditures and Other Uses	3,373,046	2,940,894	432,152
Net Change in Fund Balance	(273,046)	(555,452)	(282,406)
Fund Balance, July 1	231,051	231,051	-
Prior Year Encumbrances Appropriated	63,594	63,594	-
Fund Balance, June 30	<u>\$ 21,599</u>	<u>(260,807)</u>	<u>(282,406)</u>
Title III			
Total Revenues and Other Sources	\$ 195,000	157,307	(37,693)
Total Expenditures and Other Uses	200,567	170,039	30,528
Net Change in Fund Balance	(5,567)	(12,732)	(7,165)
Fund Balance, July 1	13,852	13,852	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	<u>\$ 8,285</u>	<u>1,120</u>	<u>(7,165)</u>
Title I			
Total Revenues and Other Sources	\$ 530,000	495,140	(34,860)
Total Expenditures and Other Uses	571,735	507,054	64,681
Net Change in Fund Balance	(41,735)	(11,914)	29,821
Fund Balance, July 1	31,550	31,550	-
Prior Year Encumbrances Appropriated	17,110	17,110	-
Fund Balance, June 30	<u>\$ 6,925</u>	<u>36,746</u>	<u>29,821</u>
Title V			
Total Revenues and Other Sources	\$ 50,000	32,390	(17,610)
Total Expenditures and Other Uses	25,296	33,581	(8,285)
Net Change in Fund Balance	24,704	(1,191)	(25,895)
Fund Balance, July 1	1,900	1,900	-
Prior Year Encumbrances Appropriated	383	383	-
Fund Balance, June 30	<u>\$ 26,987</u>	<u>1,092</u>	<u>(25,895)</u>
Drug-Free Grant			
Total Revenues and Other Sources	\$ 60,000	34,078	(25,922)
Total Expenditures and Other Uses	36,053	34,832	1,221
Net Change in Fund Balance	23,947	(754)	(24,701)
Fund Balance, July 1	(1,546)	(1,546)	-
Prior Year Encumbrances Appropriated	2,300	2,300	-
Fund Balance, June 30	<u>\$ 24,701</u>	<u>-</u>	<u>(24,701)</u>

HILLIARD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget positive (negative)
Preschool Grant			
Total Revenues and Other Sources	\$ 45,000	33,116	(11,884)
Total Expenditures and Other Uses	40,300	36,131	4,169
Net Change in Fund Balance	4,700	(3,015)	(7,715)
Fund Balance, July 1	3,359	3,359	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	<u>\$ 8,059</u>	<u>344</u>	<u>(7,715)</u>
Title II-A			
Total Revenues and Other Sources	\$ 270,000	222,205	(47,795)
Total Expenditures and Other Uses	289,559	255,432	34,127
Net Change in Fund Balance	(19,559)	(33,227)	(13,668)
Fund Balance, July 1	26,694	26,694	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	<u>\$ 7,135</u>	<u>(6,533)</u>	<u>(13,668)</u>
Other Federal Grants			
Total Revenues and Other Sources	\$ 210,000	167,873	(42,127)
Total Expenditures and Other Uses	210,136	167,463	42,673
Net Change in Fund Balance	(136)	410	546
Fund Balance, July 1	(9,874)	(9,874)	-
Prior Year Encumbrances Appropriated	10,074	10,074	-
Fund Balance, June 30	<u>\$ 64</u>	<u>610</u>	<u>546</u>
Auxiliary Services			
Total Revenues and Other Sources	\$ 560,000	572,268	12,268
Total Expenditures and Other Uses	686,038	613,461	72,577
Net Change in Fund Balance	(126,038)	(41,193)	84,845
Fund Balance, July 1	21,562	21,562	-
Prior Year Encumbrances Appropriated	111,038	111,038	-
Fund Balance, June 30	<u>\$ 6,562</u>	<u>91,407</u>	<u>84,845</u>

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Hilliard City School District

FIDUCIARY FUND TYPE

Agency Funds

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

VISION ADMINISTRATION FUND

A fund established to account for the employee vision insurance contributions and resulting expenditures to a third party administrator of the plan.

STUDENT ACTIVITY AGENCY FUND

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. This fund typically includes those student activities, which consist of a student body, student president, student treasurer, and faculty advisor.

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Hilliard City School District
Combining Schedule of Assets and Liabilities - Agency Funds
June 30, 2008

	<u>Vision Administration Fund</u>	<u>Student Activity Agency Fund</u>	<u>Total Agency Funds</u>
Assets:			
Cash and cash equivalents	\$ 2,494	\$ 308,988	\$ 311,482
Accounts Receivable	-	2,280	2,280
Total assets	<u>\$ 2,494</u>	<u>\$ 311,268</u>	<u>\$ 313,762</u>
Liabilities:			
Accounts Payable	-	15,007	15,007
Due to Other	2,494	296,261	298,755
Total Liabilities	<u>\$ 2,494</u>	<u>\$ 311,268</u>	<u>\$ 313,762</u>

Hilliard City School District
Combining Statement of Changes in Assets & Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2008

	Beginning Balance <u>July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2008</u>
Vision Administration				
Assets				
Cash and cash equivalents	\$ 18,056	\$ -	\$ 15,562	\$ 2,494
Total Assets	<u>\$ 18,056</u>	<u>\$ -</u>	<u>\$ 15,562</u>	<u>\$ 2,494</u>
Liabilities				
Due to Other	18,056	-	15,562	2,494
Total Liabilities	<u>\$ 18,056</u>	<u>\$ -</u>	<u>\$ 15,562</u>	<u>\$ 2,494</u>
Student Activity				
Assets				
Cash and cash equivalents	\$ 295,207	\$ 483,914	\$ 470,133	\$ 308,988
Accounts Receivable	-	2,280	-	2,280
Total Assets	<u>\$ 295,207</u>	<u>\$ 486,194</u>	<u>\$ 470,133</u>	<u>\$ 311,268</u>
Liabilities				
Accounts Payable	\$ 7,049	\$ 15,007	\$ 7,049	\$ 15,007
Due to Other	288,158	8,103	-	296,261
Total Liabilities	<u>\$ 295,207</u>	<u>\$ 23,110</u>	<u>\$ 7,049</u>	<u>\$ 311,268</u>
Total Agency Funds				
Assets				
Cash and cash equivalents	\$ 313,263	\$ 483,914	\$ 485,695	\$ 311,482
Accounts Receivable	-	2,280	-	2,280
Total Assets	<u>\$ 313,263</u>	<u>\$ 486,194</u>	<u>\$ 485,695</u>	<u>\$ 313,762</u>
Liabilities				
Accounts Payable	\$ 7,049	\$ 15,007	\$ 7,049	\$ 15,007
Due to Other	306,214	8,103	15,562	298,755
Total Liabilities	<u>\$ 313,263</u>	<u>\$ 23,110</u>	<u>\$ 22,611</u>	<u>\$ 313,762</u>

Statistical Section



STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	72
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	80
These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	
Debt Capacity	94
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.	
Demographic and Economic Information	98
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	100
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 for the year ended June 30, 2003; schedules presenting government-wide information include information beginning in that year.

Hilliard City School District
Net Assets by Component
Last Six Fiscal Years
(accrual basis of accounting)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental Activities						
Invested in Capital Assets,						
Net of Related Debt	\$ 4,702,740	\$ 8,880,362	\$ 6,097,994	\$ 12,536,822	\$ 5,937,505	\$ 25,451,988
Restricted	19,853,220	19,649,575	13,142,113	21,988,141	21,886,461	6,048,566
Unrestricted	<u>20,835,088</u>	<u>29,545,108</u>	<u>25,024,222</u>	<u>318,508</u>	<u>(1,312,307)</u>	<u>3,988,279</u>
Total governmental activities						
Net Assets	<u>\$ 45,391,048</u>	<u>\$ 58,075,045</u>	<u>\$ 44,264,329</u>	<u>\$ 34,843,471</u>	<u>\$ 26,511,659</u>	<u>\$ 35,488,833</u>

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Hilliard City School District
Changes in Net Assets
Last Six Fiscal Years
(accrual basis of accounting)

	2008	2007	2006 *	2005	2004	2003
Expenses:						
Governmental Activities:						
Instruction						
Regular	\$ 86,138,527	\$ 80,768,738	\$ 75,248,613	\$ 69,555,707	\$ 64,587,894	\$ 59,425,864
Special	16,504,671	16,412,601	15,860,883	15,225,235	13,521,829	12,433,387
Vocational	1,095,475	1,419,415	1,219,138	1,007,262	840,016	789,702
Other	-	-	-	-	65,402	324,425
Support Services						
Pupils	10,346,486	9,685,260	8,364,608	8,403,900	7,602,064	6,831,418
Instructional Staff	8,774,032	8,996,674	7,099,637	8,674,563	8,677,728	9,327,248
General Administrative	9,859,499	9,412,344	8,917,487	8,484,849	8,106,716	7,485,472
Board of Education	305,636	306,505	535,760	214,327	455,554	477,574
Fiscal Services	3,439,673	3,385,951	2,924,253	2,823,240	3,052,360	3,592,887
Business	871,298	654,354	588,133	405,766	706,361	553,300
Operation & Maintenance of Plant	13,947,605	11,697,001	11,322,766	9,814,371	10,256,386	9,868,347
Pupil Transportation	7,908,945	7,838,069	7,845,387	5,964,869	5,200,507	6,388,867
Central	636,785	533,039	520,081	1,004,185	394,074	482,814
Community Services	2,264,588	1,959,881	1,770,217	1,667,847	1,553,777	1,596,524
Food Service Operations	4,337,259	3,987,232	3,847,634	3,374,943	3,301,938	3,348,203
Extra Curricular Activities	3,744,410	3,573,573	3,506,953	2,430,606	2,866,754	2,663,286
Enterprise Operations	-	-	22,724	25,806	4,891	-
Facilities Acquisition & Construction	-	-	-	-	796,466	-
Interest and Fiscal Charges	11,517,266	9,932,681	7,860,106	6,678,285	7,697,400	6,201,510
Miscellaneous	6,927	2,107	-	-	8,073	-
Total Governmental Activities						
Expenses	<u>181,699,082</u>	<u>170,565,425</u>	<u>157,454,380</u>	<u>145,755,761</u>	<u>139,696,190</u>	<u>131,790,828</u>

* - Restated

Hilliard City School District
Changes in Net Assets (continued)
Last Six Fiscal Years
(accrual basis of accounting)

	2008	2007	2006 *	2005	2004	2003
Program Revenues						
Governmental Activities:						
Charges for Services						
Instruction						
Regular	\$ 1,203,811	\$ 240,537	\$ 204,640	\$ 200,677	\$ 303,709	\$ 936,881
Special	139,276	232,404	255,403	914,892	329,001	-
Vocational	12,504	-	-	-	-	-
Support Services						
Pupils	-	653	5,864	-	-	-
Instructional Staff	190	2,862	25,364	-	-	-
General Administrative	218,876	-	-	-	-	-
Board of Education	-	188,449	134,168	-	-	-
Business	205,829	204,219	160,620	-	-	-
Operation & Maintenance of Plant	95,292	2,404	137,558	-	-	-
Pupil Transportation	15,985	142,806	109,553	-	-	-
Central	1,655	-	-	-	-	-
Community Services	1,786,838	1,448,208	1,399,826	1,264,415	1,285,973	1,327,114
Food Service Operations	3,378,852	3,074,733	2,965,175	2,704,845	2,625,788	2,499,615
Extra Curricular Activities	809,354	620,401	530,973	476,383	494,569	442,997
Miscellaneous	3,385	-	-	-	-	-
Operating Grants and Contributions	6,712,834	5,237,751	5,441,483	5,054,067	4,369,772	3,842,993
Total Governmental Activities	<u>14,584,681</u>	<u>11,395,427</u>	<u>11,370,627</u>	<u>10,615,279</u>	<u>9,408,812</u>	<u>9,049,600</u>
Program Revenues						
Net (Expense)/Revenue						
Governmental Activities	\$ (167,114,401)	\$ (159,169,998)	\$ (146,083,753)	\$ (135,140,482)	\$ (130,287,378)	\$ (122,741,228)
General Revenues and Other						
Changes in Net Assets						
Governmental Activities						
Property Taxes Levied for:						
General Purposes	\$ 75,988,748	\$ 93,656,960	\$ 89,822,463	\$ 79,739,497	\$ 70,555,812	\$ 58,037,278
Debt Service	12,438,423	14,947,957	12,708,308	12,599,625	13,060,846	10,743,494
Permanent Improvement	3,954,210	4,272,030	-	-	-	-
Grants and Entitlements not						
Restricted to Specific Programs	54,444,629	51,582,809	49,168,376	47,324,508	43,475,009	40,443,840
Investment Earnings	5,146,726	5,606,814	1,594,740	754,324	337,270	1,029,779
Miscellaneous	2,457,668	2,914,144	2,210,724	1,402,787	1,086,917	721,144
Total Governmental Activities	<u>154,430,404</u>	<u>172,980,714</u>	<u>155,504,611</u>	<u>141,820,741</u>	<u>128,515,854</u>	<u>110,975,535</u>
Change in Net Assets						
Governmental Activities	<u>\$ (12,683,997)</u>	<u>\$ 13,810,716</u>	<u>\$ 9,420,858</u>	<u>\$ 6,680,259</u>	<u>\$ (1,771,524)</u>	<u>\$ (11,765,693)</u>

* - Restated

Hilliard City School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund				
Reserved	\$ 1,530,740	\$ 1,383,439	\$ 1,433,453	\$ 22,890,540
Unreserved	<u>21,444,843</u>	<u>31,853,938</u>	<u>20,156,339</u>	<u>(9,259,370)</u>
Total General Fund	<u>\$ 22,975,583</u>	<u>\$ 33,237,377</u>	<u>\$ 21,589,792</u>	<u>\$ 13,631,170</u>
All Other Governmental Funds				
Reserved	\$ 27,702,511	\$ 62,633,142	\$ 6,951,429	\$ 9,264,757
Unreserved, designated for next fiscal year	5,852,746	7,041,177	3,447,081	-
Unreserved, reported in:				
Special Revenue Funds	2,636,854	1,832,813	1,841,424	1,439,808
Debt Service Fund	6,974,544	8,564,780	10,008,235	7,608,448
Capital Projects Fund	<u>(3,542,225)</u>	<u>(8,640,178)</u>	<u>66,250,038</u>	<u>3,967,319</u>
Total All Other Governmental Funds	<u>\$ 39,624,430</u>	<u>\$ 71,431,734</u>	<u>\$ 88,498,207</u>	<u>\$ 22,280,332</u>

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$15,431,474 (6,796,417)	\$ 8,637,746 938,064	\$ 8,643,461 10,726,579	\$ 3,210,215 16,401,555	\$ 2,592,994 13,108,188	\$ 2,204,205 19,196,917
<u>\$ 8,635,057</u>	<u>\$ 9,575,810</u>	<u>\$ 19,370,040</u>	<u>\$ 19,611,770</u>	<u>\$ 15,701,182</u>	<u>\$ 21,401,122</u>
\$ 2,787,919	\$ 6,203,811	\$ 8,600,529	\$ 11,064,951	\$ 10,296,467	\$ 410,643
-	-	-	-	-	-
1,237,199	(9,413)	169,661	370,827	295,108	148,723
6,392,056	5,231,371	5,751,100	6,337,743	6,398,365	7,249,382
<u>10,675,178</u>	<u>13,675,897</u>	<u>19,965,830</u>	<u>28,665,872</u>	<u>44,730,485</u>	<u>942,484</u>
<u>\$21,092,352</u>	<u>\$ 25,101,666</u>	<u>\$34,487,120</u>	<u>\$ 46,439,393</u>	<u>\$ 61,720,425</u>	<u>\$ 8,751,232</u>

Hilliard City School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2008	2007	2006	2005	2004
Revenues:					
From Local Sources					
Taxes	\$ 92,804,208	\$ 112,479,976	\$ 99,565,898	\$ 95,708,397	\$ 83,312,930
Tuition	2,142,734	1,943,573	1,849,133	1,626,140	1,736,908
Earning on Investments	5,085,428	5,534,832	1,501,965	769,001	322,245
Other Local	2,931,615	2,423,468	1,626,580	959,555	336,771
Intergovernmental - State	55,284,194	52,384,420	49,757,619	47,790,731	44,475,772
Intergovernmental - Federal	5,782,809	4,436,140	4,852,240	4,587,844	3,831,984
Classroom Materials & Fees	946,857	926,316	894,466	878,766	705,944
Other Revenue	200,077	117,974	252,703	318,310	225,977
Extracurricular Activities	671,909	581,556	491,924	476,383	494,569
Food Services	3,378,852	3,074,733	2,965,175	2,704,845	2,625,788
Total Revenues	169,228,683	183,902,988	163,757,703	155,819,972	138,068,888
Expenditures					
Current:					
Instruction					
Regular	81,632,638	73,728,857	69,935,006	63,935,736	58,197,203
Special	16,528,021	16,389,505	15,772,377	15,475,079	13,358,750
Vocational	1,176,943	1,430,059	1,167,904	1,001,720	828,526
Other Instruction	-	-	-	-	38,056
Support Services					
Pupils	10,345,957	9,673,614	8,276,930	8,455,545	7,553,890
Instructional Staff	8,749,726	8,995,107	7,077,372	8,501,902	7,918,285
General Administration	9,567,995	9,184,437	8,399,003	8,483,620	8,556,691
Board of Education	305,636	306,505	535,760	214,327	456,090
Fiscal Services	3,433,343	3,393,790	2,919,263	2,846,934	3,046,475
Business	855,111	636,323	582,015	405,076	694,887
Operation &					
Maintenance of Plant	12,105,860	11,979,133	11,131,700	11,062,535	10,430,726
Pupil Transportation	8,067,378	6,847,701	7,374,760	6,661,848	4,558,379
Central	634,300	553,049	508,308	382,777	399,883
Community Services	2,258,361	1,959,839	1,756,061	1,661,911	1,543,772
Food Service Operations	4,326,173	3,960,729	3,821,398	3,337,318	3,224,496
Extra Curricular Activities	3,478,139	3,311,308	3,301,468	2,229,829	2,567,706
Enterprise Operations	-	-	22,724	25,806	4,891
Facilities Acquisition and Construction	38,828,746	20,691,242	1,918,636	2,137,181	1,570,658
Miscellaneous	6,927	2,107	13,149	-	1,511
Capital Outlay	-	125,380	-	619,615	6,367,705
Debt Service					
Principal Retirement	10,281,042	9,293,989	9,919,942	8,052,269	6,483,178
Interest and Fiscal Charges	6,720,102	6,984,582	4,309,367	4,802,449	5,287,591
Refunding Bond Issuing Costs	-	-	-	-	-
Total Expenditures	\$ 219,302,398	\$ 189,447,256	\$ 158,743,143	\$ 150,293,477	\$ 143,089,349
Excess (deficiency) of revenue over (under) expenditures	\$ (50,073,715)	\$ (5,544,268)	\$ 5,014,560	\$ 5,526,495	\$ (5,020,461)
Other Financing (Sources) Uses					
Transfers In	3,224,778	-	-	35,900	1,207,780
Transfers (out)	(3,224,778)	-	-	(35,900)	(1,207,780)
Proceeds of Capital Lease	-	125,380	-	619,615	-
Proceeds Sale of Fixed Assets	-	-	-	-	-
Premium and interest on Bonds Sold	4,617	-	2,561,937	37,983	70,394
Bonds Issued	-	-	66,600,000	-	-
Refunding Bonds Issued	-	-	-	42,209,905	2,764,999
Notes Issued	8,000,000	-	-	-	-
Payments to Refunded Bond Escrow	-	-	-	(42,209,905)	(2,764,999)
Total Other Financing (Sources) Uses	8,004,617	125,380	69,161,937	657,598	70,394
Net Change in Fund Balance	\$ (42,069,098)	\$ (5,418,888)	\$ 74,176,497	\$ 6,184,093	\$ (4,950,067)
Debt Service as a Percentage of Noncapital Expenditures	10.40%	10.68%	9.98%	9.54%	9.54%

2003	2002	2001	2000	1999
\$ 70,972,300	\$ 74,805,054	\$ 71,350,080	\$ 53,823,395	\$ 62,960,943
1,595,438	163,424	238,313	132,223	155,948
1,029,779	1,961,608	5,817,555	4,296,915	2,197,976
31,750	16,407	28,445	-	-
41,475,237	37,872,463	31,136,490	26,520,139	24,212,863
2,664,511	1,361,236	1,356,308	1,306,816	800,686
705,115	650,510	621,822	560,258	505,142
684,586	709,896	1,075,410	285,976	315,952
442,997	440,346	408,323	407,527	339,602
2,499,615	-	-	-	-
<u>122,101,328</u>	<u>117,980,944</u>	<u>112,032,746</u>	<u>87,333,249</u>	<u>91,489,112</u>
54,875,474	50,523,879	44,479,563	39,897,807	35,953,393
11,944,937	9,685,077	8,267,502	7,127,825	5,760,524
773,396	707,873	634,516	506,226	482,114
324,425	2,090,081	2,425,867	1,300	1,750
6,700,739	5,871,012	5,202,082	4,560,666	4,059,374
9,158,361	8,326,575	6,606,889	4,833,936	3,316,436
7,875,322	7,395,377	6,079,164	5,509,790	5,289,920
477,550	446,334	306,205	396,541	304,644
3,585,546	2,978,626	2,765,066	2,464,833	2,320,708
539,142	435,640	393,241	258,637	242,181
9,660,590	9,245,509	7,795,642	7,622,208	7,016,144
5,800,396	5,724,797	5,585,378	4,478,565	4,744,997
490,931	366,823	297,395	132,354	219,955
1,331,249	358,912	319,408	214,972	216,122
3,334,698	-	-	-	-
2,498,434	1,921,211	1,622,961	1,547,220	1,317,651
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,948,044	11,569,517	22,019,097	2,917,741	1,979,456
6,891,004	6,454,836	7,250,000	5,900,000	5,250,000
6,201,510	6,535,788	6,368,702	6,859,585	4,724,532
-	-	6,259,413	-	-
<u>\$141,411,748</u>	<u>\$ 130,637,867</u>	<u>\$ 134,678,091</u>	<u>\$ 95,230,206</u>	<u>\$ 83,199,901</u>
\$ (19,310,420)	\$ (12,656,923)	\$ (22,645,345)	\$ (7,896,957)	\$ 8,289,211
915,974	800,000	800,000	1,894,394	1,264,977
(915,974)	(800,000)	(800,000)	(1,894,394)	(1,264,977)
137,458	458,610	-	-	-
37,157	4,310	-	950	11,050
-	-	-	966,445	-
-	-	5,000,000	54,198,815	-
-	-	37,704,069	-	-
-	-	-	-	-
-	-	(31,444,656)	-	-
<u>174,615</u>	<u>462,920</u>	<u>11,259,413</u>	<u>55,166,210</u>	<u>11,050</u>
<u>\$ (19,135,805)</u>	<u>\$ (12,194,003)</u>	<u>\$ (11,385,932)</u>	<u>\$ 47,269,253</u>	<u>\$ 8,300,261</u>
10.97%	12.25%	13.75%	16.04%	14.00%

**Hilliard City School District
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection Years**

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)		Total		Tax Rate (d)
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2008	\$ 2,279,605,140	\$ 6,513,157,543	\$ 48,731,453	\$ 779,703,248	\$ 48,132,690	\$ 137,521,971	\$ 2,376,469,283	\$ 7,430,382,762	\$ 43.37
2007	2,254,686,370	6,441,961,057	91,572,454	\$ 732,579,632	55,970,360	\$ 159,915,314	2,402,229,184	7,334,456,003	44.18
2006	2,183,565,840	6,238,759,543	129,417,796	690,228,245	59,705,360	170,586,743	2,372,688,996	7,099,574,531	42.21
2005	1,881,529,090	5,375,797,400	186,803,986	747,215,944	59,046,430	168,704,086	2,127,379,506	6,291,717,430	48.49
2004	1,794,956,850	5,128,448,143	257,185,467	1,028,741,868	58,958,850	168,453,857	2,111,101,167	6,325,643,868	39.84
2003	1,720,019,110	4,914,340,314	266,034,379	1,064,137,516	61,488,430	175,681,229	2,047,541,919	6,154,159,059	40.32
2002	1,514,961,350	4,328,461,000	223,691,355	894,765,420	46,530,060	132,943,029	1,785,182,765	5,356,169,449	43.79
2001	1,460,389,470	4,172,541,343	240,607,331	962,429,324	66,058,070	188,737,343	1,767,054,871	5,323,708,010	44.58
2000	1,376,821,610	3,933,776,029	217,372,611	869,490,444	64,454,980	184,157,086	1,658,649,201	4,987,423,559	38.83
1999	1,169,078,190	3,340,223,400	203,301,812	813,207,248	60,927,550	174,078,714	1,433,307,552	4,327,509,362	42.06

Source : Franklin County Auditor

- (a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.
- (b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and will reach 0 in 2009.
- (c) Assumes public utilities are assessed at true value which is 35%.
- (d) Tax rates are per \$1,000 of assessed value. The rate represents the weighted average of all the effective (assessed) rates applied by property type.

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HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING
Last Ten Years
City of Hilliard (District #050)
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Franklin County	City of Hilliard	Columbus Metropolitan Library	Tolles Vocational School	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2008	75.89	18.49	1.60	2.20	1.30	17.50	116.98	67.850147	82.503159
2007	75.89	18.44	1.60	2.20	1.30	17.50	116.93	67.790845	82.593156
2006	73.14	18.44	1.60	2.20	0.50	17.50	113.38	63.535059	78.407879
2005	74.40	18.44	1.60	2.20	0.50	17.50	114.64	71.884877	81.172255
2004	64.44	17.64	1.60	2.20	0.50	17.50	103.88	61.276859	70.334307
2003	64.44	17.64	1.60	2.20	0.50	17.50	103.88	61.645226	70.641946
2002	65.61	17.64	1.60	2.20	1.10	17.50	105.65	67.831317	75.649651
2001	65.61	17.64	1.60	2.20	1.10	17.50	105.65	68.282835	76.214978
2000	59.71	17.64	1.60	2.20	1.60	17.50	100.25	63.369134	71.939652
1999	59.71	17.54	1.60	2.20	1.60	17.50	100.15	68.972442	73.826606

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

**HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
City of Hilliard/Washington Township (District #052)
(Per \$1000 Assessed Value)**

Collection Year	Hilliard City School District	Franklin County	City of Hilliard	Columbus Metropolitan Library	Tolles Vocational School	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2008	75.89	18.49	1.60	2.20	1.30	14.47	113.95	67.324364	81.512312
2007	75.89	18.44	1.60	2.20	1.30	14.45	113.88	67.321732	81.464991
2006	73.14	18.44	1.60	2.20	0.50	14.49	110.37	63.169837	77.264360
2005	74.40	18.44	1.60	2.20	0.50	14.49	111.63	70.776472	79.264983
2004	64.44	17.64	1.60	2.20	0.50	14.50	100.88	60.175479	68.155248
2003	64.44	17.64	1.60	2.20	0.50	14.50	100.88	60.530455	68.364866
2002	65.61	17.64	1.60	2.20	1.10	14.50	102.65	66.764387	73.067154
2001	65.61	17.64	1.60	2.20	1.10	14.50	102.65	67.212983	73.636286
2000	59.71	17.64	1.60	2.20	1.60	14.50	97.25	60.946688	68.184455
1999	59.71	17.54	1.60	2.20	1.60	13.01	95.66	64.512120	68.920900

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
Brown Township (District #120)
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Franklin County	Columbus Metropolitan Library	Tolles Vocational School	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2008	75.89	18.49	2.20	1.30	12.80	110.68	66.517936	78.973076
2007	75.89	18.44	2.20	1.30	12.80	110.63	66.403072	79.068341
2006	73.14	18.44	2.20	0.50	12.80	107.08	62.264321	75.078742
2005	74.40	18.44	2.20	0.50	12.80	108.34	70.358970	79.581998
2004	64.44	17.64	2.20	0.50	9.60	94.38	56.581285	65.473290
2003	64.44	17.64	2.20	0.50	9.60	94.38	56.931749	65.675575
2002	65.61	17.64	2.20	1.10	9.60	96.15	63.054570	69.685910
2001	65.61	17.64	2.20	1.10	9.60	96.15	63.500294	70.122365
2000	59.71	17.64	2.20	1.60	9.60	90.75	58.512449	65.574665
1999	59.71	17.54	2.20	1.60	9.60	90.65	63.773089	68.831997

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
Franklin Township (District #142)
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Franklin County	Columbus Metropolitan Library	Tolles Vocational School	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2008	75.89	18.49	2.20	1.30	21.31	119.19	72.745794	90.811766
2007	75.89	18.44	2.20	1.30	21.31	119.14	72.624060	91.016783
2006	73.14	18.44	2.20	0.50	18.05	112.33	65.066219	83.866516
2005	74.40	18.44	2.20	0.50	18.05	113.59	74.088339	86.560460
2004	64.44	17.64	2.20	0.50	13.05	97.83	58.410069	70.622720
2003	64.44	17.64	2.20	0.50	13.05	97.83	58.698682	69.933144
2002	65.61	17.64	2.20	1.10	13.05	99.60	64.818439	74.078042
2001	65.61	17.64	2.20	1.10	13.05	99.60	65.181867	74.542600
2000	59.71	17.64	2.20	1.60	13.05	94.20	60.148543	69.954069
1999	59.71	17.54	2.20	1.60	13.05	94.10	65.747923	71.595150

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
Norwich Township (District #200)
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Franklin County	Columbus Metropolitan Library	Tolles Vocational School	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2008	75.89	18.49	2.20	1.30	21.60	119.48	68.877231	83.867230
2007	75.89	18.44	2.20	1.30	21.60	119.43	68.817795	83.957227
2006	73.14	18.44	2.20	0.50	21.60	115.88	64.560718	79.770976
2005	74.40	18.44	2.20	0.50	21.60	117.14	73.266356	82.591920
2004	64.44	17.64	2.20	0.50	21.60	106.38	62.630459	71.753972
2003	64.44	17.64	2.20	0.50	21.60	106.38	62.997289	71.913435
2002	65.61	17.64	2.20	1.10	18.80	105.35	66.706216	74.266145
2001	65.61	17.64	2.20	1.10	18.80	105.35	67.160040	74.831472
2000	59.71	17.64	2.20	1.60	18.80	99.95	62.245651	70.555437
1999	59.71	17.54	2.20	1.60	18.80	99.85	67.916683	72.508755

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
Prairie Township (District #241)
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Franklin County	Columbus Metropolitan Library	Tolles Vocational School	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2008	75.89	18.49	2.20	1.30	18.20	116.08	70.722955	85.558470
2007	75.89	18.44	2.20	1.30	18.20	116.03	70.538196	85.615721
2006	73.14	18.44	2.20	0.50	18.20	112.48	66.232660	81.678438
2005	74.40	18.44	2.20	0.50	14.20	109.74	71.290266	81.540384
2004	64.44	17.64	2.20	0.50	14.20	98.98	60.630383	70.771147
2003	64.44	17.64	2.20	0.50	14.20	98.98	60.947423	71.002727
2002	65.61	17.64	2.20	1.10	14.20	100.75	67.250562	75.460507
2001	65.61	17.64	2.20	1.10	14.20	100.75	67.613731	75.951272
2000	59.71	17.64	2.20	1.60	14.20	95.35	62.616960	71.581722
1999	59.71	17.54	2.20	1.60	14.20	95.25	66.266049	72.542192

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
Washington Township (District #272)
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Franklin County	Columbus Metropolitan Library	Tolles Vocational School	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2008	75.89	18.49	2.20	1.30	14.47	112.35	65.724364	79.912312
2007	75.89	18.44	2.20	1.30	19.95	117.78	67.817416	82.257314
2006	73.14	18.44	2.20	0.50	19.99	114.27	63.671523	78.064243
2005	74.40	18.44	2.20	0.50	19.99	115.53	71.448881	80.168667
2004	64.44	17.64	2.20	0.50	20.00	104.78	60.858383	69.058932
2003	64.44	17.64	2.20	0.50	20.00	104.78	61.235945	69.287395
2002	65.61	17.64	2.20	1.10	20.00	106.55	67.876987	74.314228
2001	65.61	17.64	2.20	1.10	20.00	106.55	68.316940	74.905430
2000	59.71	17.64	2.20	1.60	20.01	101.16	62.081763	69.508406
1999	59.71	17.54	2.20	1.60	18.51	99.56	66.225186	70.527093

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
City of Dublin/Washington Township (District #274)
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Franklin County	City of Dublin	Columbus Metropolitan Library	Tolles Vocational School	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2008	75.89	18.49	2.95	2.20	1.30	14.47	115.30	67.667841	81.984880
2007	75.89	18.44	2.95	2.20	1.30	14.45	115.23	67.667894	81.932568
2006	73.14	18.44	2.95	2.20	0.50	14.49	111.72	63.518029	77.727021
2005	74.40	18.44	2.96	2.20	0.50	14.49	112.99	71.167107	79.746566
2004	64.44	17.64	2.96	2.20	0.50	14.50	102.24	60.567932	68.628725
2003	64.44	17.64	2.97	2.20	0.50	14.50	102.25	60.934732	68.848585
2002	65.61	17.64	2.97	2.20	1.10	14.50	104.02	67.198544	73.576695
2001	65.61	17.64	2.97	2.20	1.10	14.50	104.02	67.650122	74.150774
2000	59.71	17.64	2.97	2.20	1.60	14.51	98.63	61.385264	68.706571
1999	59.71	17.54	2.97	2.20	1.60	13.01	97.03	64.981559	69.472688

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
City of Columbus (District #560)
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Franklin County	City of Columbus	Columbus Metropolitan Library	Tolles Vocational School	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2008	75.89	18.49	3.14	2.20	1.30	101.02	60.946338	73.376310
2007	75.89	18.44	3.14	2.20	1.30	100.97	60.839816	73.471575
2006	73.14	18.44	3.14	2.20	0.50	97.42	56.561822	69.368294
2005	74.40	18.44	3.14	2.20	0.50	98.68	63.947554	71.752198
2004	64.44	17.64	3.14	2.20	0.50	87.92	53.275333	60.843490
2003	64.44	17.64	3.14	2.20	0.50	87.92	53.568197	61.045775
2002	65.61	17.64	3.14	2.20	1.10	89.69	58.780618	65.056110
2001	65.61	17.64	3.14	2.20	1.10	89.69	59.136726	65.492565
2000	59.71	17.64	3.14	2.20	1.60	84.29	58.277137	62.508061
1999	59.71	17.54	3.14	2.20	1.60	84.19	58.277137	62.508061

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Franklin County, Ohio

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING (continued)
Last Ten Years
Union County - Washington Township of Franklin County
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District	Union County	City of Dublin	Vocational School	Township	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2008	75.89	10.85	2.95	1.30	14.37	105.36	62.173900	73.894000
2007	75.89	10.60	2.95	1.30	14.35	105.09	62.781200	73.894700
2006	73.14	10.60	2.95	0.50	14.39	101.58	59.595800	70.177900
2005	74.40	10.60	2.96	0.50	14.39	102.85	65.468300	71.738700
2004	64.44	10.60	2.96	0.50	14.40	92.90	55.391600	62.190300
2003	64.44	10.60	2.97	0.50	14.40	92.91	55.715400	62.470000
2002	65.61	10.60	2.97	1.10	14.40	94.68	61.478580	66.925823
2001	65.61	9.10	2.97	1.10	14.40	93.18	60.742275	66.401290
2000	59.71	9.10	2.97	1.60	14.41	87.79	54.400026	60.724691
1999	59.71	9.10	2.97	1.60	12.91	86.29	57.338500	61.084700

Note: The Hilliard City School District consists of ten taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
Hilliard City School District - City of Hilliard/Washington Township (District #052)
Hilliard City School District - Brown Township (District #120)
Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township of Franklin County

Source: Office of the County Auditor, Union County, Ohio

Hilliard City School District
Principal Taxpayers
June 30, 2008 and June 30, 1999

June 30, 2008		
	Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1 . Columbus Southern Power Company	\$38,313,630	1.61%
Real Estate		
1 . RPH Industrial LLC	11,375,860	0.48%
2 . Westpointe Plaza LP	8,116,920	0.34%
3 . Meritex Properties LLC	6,658,770	0.28%
4 . Avalon Oaks LLC	6,650,000	0.28%
5 . United Dominion Realty	6,580,000	0.28%
6 . Kenhio LLC	6,510,010	0.27%
7 . Boehringer Ingelheim	6,197,350	0.26%
8 . JAL Realty Co.	5,818,490	0.24%
9 . Firstcal Industrial 2	5,458,330	0.23%
10 . Market at Mill Run	5,101,860	0.21%
Tangible Personal Property *		
1 . Boehringer Ingelheim Roxane Inc.	3,303,340	0.28%
2 . Cincinnati SMSA Ltd Partnership	1,990,205	0.16%
3 . Ball Metal Food Container Corp	1,423,815	0.12%
4 . Ohio Bell Telephone Company	1,357,535	0.12%
5 . Simpson Strong-tie Company Inc	1,334,255	0.12%
6 . R J F International Corporation	1,108,640	0.10%
7 . Allied Mineral Products Inc	984,795	0.08%
8 . Parker Hannifin Corporation	980,845	0.08%
9 . Sygma Network Inc	979,457	0.08%
10 . Rich Products Manufacturing Corp	885,455	0.08%
ALL OTHERS	<u>2,240,991,381</u>	<u>94.30%</u>
TOTAL ASSESSED VALUATION	<u>\$2,376,469,283</u>	<u>100.00%</u>

June 30, 1999		
	Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1 . Columbus Southern Power Company	\$30,856,300	2.15%
2 . Ohio Bell Telephone Company	12,801,070	0.89%
3 . Columbia Gas of Ohio Inc.	11,116,930	0.78%
4 . Consolidated Rail Corp.	4,303,850	0.30%
Real Estate		
1 . Sfers Real Estate KLP	20,067,220	1.40%
2 . Keystone-Ohio Property Holding Co.	9,783,130	0.68%
3 . JAL Realty Co.	6,192,950	0.43%
4 . Market Village Investment Company	5,722,490	0.40%
5 . Richard J Solove & John J Chester	5,036,710	0.35%
6 . Aetna Casualty & Surety Co.	4,869,400	0.34%
7 . Wal-Mart Stores, Inc.	4,756,970	0.33%
8 . One Mill LLC	4,370,720	0.30%
9 . First Industrial LP	4,097,830	0.29%
10 . Cleve Corp.	3,884,470	0.27%
Tangible Personal Property		
1 . Roxane Laboratories Inc,	23,916,160	1.67%
2 . Compuserve, Inc.	8,881,590	0.62%
3 . Stanley Mechanics Tools Inc.	6,425,460	0.45%
4 . Combibloc Inc.	4,604,940	0.32%
5 . Dana Corporation	4,266,820	0.30%
6 . Pressware International	4,193,387	0.29%
7 . ISP Fine Chemicals, Inc	3,634,640	0.25%
8 . Ball Metal Food Container Corp.	3,400,960	0.24%
9 . Parker Hannifin Corporation	3,349,150	0.23%
10 . Herbert's Powder Coating	3,072,360	0.21%
ALL OTHERS	<u>1,239,702,045</u>	<u>86.49%</u>
TOTAL ASSESSED VALUATION	<u>\$1,433,307,552</u>	<u>100.00%</u>

Source : Franklin County Auditor's Office

Assessed Values are for the valuation year of 2007 and 1998 respectively

* House Bill 66 (the State's biennial budget) begun the phase out of Tangible Personal Property Tax (TPP) in FY 2006, which will continue over three years.
The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate will continued to decrease by 6.25% in 2008 and will reach 0 in 2009.

**HILLIARD CITY SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Years**

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2008	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2007	\$112,228,154	\$ 108,234,517	96.44	\$ 2,874,305	\$111,108,822	99.00	\$ 7,418,844	6.61
2006	106,099,774	102,960,210	97.04	3,081,982	106,042,192	99.95	7,444,671	7.02
2005	105,716,738	105,135,147	99.45	2,195,359	107,330,506	101.53	4,972,651	4.70
2004	82,815,737	79,354,096	95.82	5,184,243	84,538,339	102.08	3,854,253	4.65
2003	81,365,322	81,773,234	100.50	2,505,364	84,278,598	103.58	7,451,654	9.16
2002	83,014,896	77,249,924	93.06	4,171,222	81,421,146	98.08	7,148,374	8.61
2001	79,683,579	76,991,913	96.62	2,457,396	79,948,809	100.33	9,339,902	11.72
2000	75,189,849	65,675,676	87.35	2,040,762	67,716,438	90.06	5,394,910	7.18
1999	61,832,795	61,171,877	98.93	2,040,762	63,212,639	102.23	3,096,157	5.01

Note: The information above is for real estate, public utilities and tangible personal property collections and levies.

n/a - The information was not available at the time of this document's preparation.

Source: Office of the County Auditor, Franklin County, Ohio

**Hilliard City School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Governmental Activities						
Year	(a) Net Bonded Debt	(b) Capital Leases	Total Primary Government	(c) Percentage of Personal Income	(c) Per Capita	(c) Per Enrollment
2008	\$ 174,978,838	\$ 337,148	\$ 175,315,986	8.02%	2,264	11,572
2007	167,250,752	473,191	167,723,943	7.67%	2,186	11,160
2006	174,137,250	500,898	174,638,148	8.08%	2,301	11,759
2005	115,876,533	630,548	116,507,081	4.38%	1,249	8,010
2004	116,475,524	317,050	116,792,574	4.39%	1,252	8,213
2003	125,657,276	430,224	126,087,500	4.83%	1,377	9,282
2002	131,925,553	393,774	132,319,327	5.32%	1,517	9,922
2001	138,867,757	0	138,867,757	5.78%	1,647	10,788
2000	145,057,454	0	145,057,454	11.44%	1,833	11,690
1999	90,907,622	0	90,907,622	8.05%	1,290	7,572

Sources :

- (a) See schedule "Ratios of Net General Bonded Debt Outstanding" for net bonded debt information
- (b) See notes to the financial statements regarding the District's capital leases payable
- (c) See Schedule "Demographic and Economic Statistics, Last Ten Years" for personal income, population and enrollment information

Hilliard City School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Year	(a) Assessed Value	(b) Gross Bonded Debt	(c) Less Debt Service	Net Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d) Net Bonded Debt Per Capita	(d) Net Bonded Debt Per Enrollment
2008	\$ 2,376,469,283	\$ 186,394,572	\$ 11,415,734	\$ 174,978,838	7.36%	2,260	11,550
2007	2,402,229,184	181,152,798	13,902,046	167,250,752	6.96%	2,180	11,129
2006	2,372,688,996	187,592,566	13,455,316	174,137,250	7.34%	2,295	11,726
2005	2,127,379,506	127,158,923	11,282,390	115,876,533	5.45%	1,539	7,966
2004	2,111,101,167	125,655,499	9,179,975	116,475,524	5.52%	1,569	8,191
2003	2,047,541,919	132,025,500	6,368,224	125,657,276	6.14%	1,732	9,250
2002	1,785,182,765	138,815,500	6,889,947	131,925,553	7.39%	1,862	9,892
2001	1,767,054,871	145,205,500	6,337,743	138,867,757	7.86%	2,000	10,788
2000	1,658,649,201	151,455,819	6,398,365	145,057,454	8.75%	2,134	11,690
1999	1,433,307,552	98,157,004	7,249,382	90,907,622	6.34%	1,390	7,572

Sources :

(a) County Auditor

(b) General Obligation debt outstanding end of fiscal year. School District Records

(c) Balance of General Obligation Bond Retirement fund at end of fiscal year

(d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for population and enrollment information

**Hilliard City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 as of June 30, 2008**

Governmental Unit	<u>Gross Debt Outstanding</u>	<u>Percent Applicable to School Dist.</u>	<u>Amount Applicable to Hilliard City School District</u>
Hilliard City School District	\$ 186,394,572	100.000%	\$186,394,572
Tolles Career & Technical Center	6,590,000	37.180%	2,450,162
Franklin County	201,685,000	8.450%	17,042,383
Union County	31,500,000	0.010%	3,150
City of Columbus	1,209,892,243	6.580%	79,610,910
City of Dublin	44,390,000	8.320%	3,693,248
City of Hilliard	33,050,000	99.720%	32,957,460
Washington Township	2,374,999	9.180%	218,025
Solid Waste Authority of Central Ohio	<u>89,860,000</u>	8.110%	<u>7,287,646</u>
Total Direct and Overlapping Debt	<u><u>\$1,805,736,814</u></u>		<u><u>\$329,657,556</u></u>

Note: Percent applicable to Hilliard City School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

Overlapping governments with no outstanding debt are not reflected.

Source: Ohio Municipal Advisory Council

**Hilliard City School District
Legal Debt Margin Information
Last Ten Years**

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Assessed Valuation	2,376,469,283	2,402,229,184	2,372,688,996	2,127,379,506	2,111,101,167	2,047,541,919	1,785,182,765	1,767,054,871	1,658,649,201	1,433,307,552
Voted Debt Limit - 9% of Assessed Valuation	213,882,235	216,200,627	213,542,010	191,464,156	189,999,105	184,278,773	160,666,449	159,034,938	149,278,428	128,997,680
Net Indebtedness (a)	186,394,572	167,250,752	174,137,250	115,876,533	116,475,524	125,657,276	131,925,553	138,897,757	145,057,454	90,907,622
Less Unvoted Debt	(960,000)	(1,280,000)	(1,600,000)	-	-	-	-	-	-	-
Net Voted Indebtedness	185,434,572	165,970,752	172,537,250	115,876,533	116,475,524	125,657,276	131,925,553	138,897,757	145,057,454	90,907,622
Legal Debt Margin	28,447,663	50,229,875	41,004,760	75,587,623	73,523,581	58,621,497	28,740,896	20,137,181	4,220,974	38,090,058
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	87%	77%	81%	61%	61%	68%	82%	87%	97%	70%
Unvoted Debt Limit - 9/10 of 1% of Assessed Valuation (b)	21,388,224	21,620,063	21,354,201	19,146,416	18,999,911	18,427,877	16,066,645	15,903,494	14,927,843	12,899,768
Unvoted Net Indebtedness	960,000	1,280,000	1,600,000	-	-	-	-	-	-	-
Legal Debt Margin	20,428,224	20,340,063	19,754,201	19,146,416	18,999,911	18,427,877	16,066,645	15,903,494	14,927,843	12,899,768
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	4%	6%	7%	0%	0%	0%	0%	0%	0%	0%

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt exclusive of certain exemptions and exceptions.

(a) - See schedule of Ratios of Net General Bonded Debt Outstanding

(b) - Unvoted debt of District is for energy conservation measures issued under 133.06(G) of the Ohio Revised Code.

Source: Franklin County Auditor and School District financial records

**Hilliard City School District
Demographic and Economic Statistics
Last Ten Years**

Year	(a) Estimated Population	(b) Per Capita Income	Personal Income	(c) Unemployment Rate *	(b) % of Population 25 Years and Older with Bachelor's Degree or Higher	(d) Enrollment Membership
2008	77,426	28,496	2,206,331,296	5.70%	46.10%	15,150
2007	76,731	28,496	2,186,526,576	5.30%	46.10%	15,029
2006	75,893	28,496	2,162,646,928	5.10%	46.10%	14,851
2005	75,313	28,496	2,146,119,248	5.60%	46.10%	14,546
2004	74,254	28,496	2,115,941,984	5.80%	46.10%	14,220
2003	72,540	28,496	2,067,099,840	6.10%	46.10%	13,584
2002	70,852	28,496	2,018,998,592	5.50%	46.10%	13,336
2001	69,431	28,496	1,978,505,776	3.60%	46.10%	12,873
2000	67,959	28,496	1,936,559,664	3.60%	46.10%	12,409
1999	65,381	16,029	1,047,992,049	2.80%	21.43%	12,005

Sources :

(a) Population for the District is estimated based on estimates from Mid-Ohio Regional Planning Commission

(b) US Census Bureau 2000 and 1990 Census Demographic Profiles for the City of Hilliard

(c) June Data of Ohio Bureau of Employment Services or Ohio Department of Jobs and Family Services

* Specific employment figures for the Hilliard City School District area are not available.
Unemployment figures presented are for Franklin County.

(d) Educational Management Information System

**Hilliard City School District
Principal Employers
Current Year and Nine Years Ago***

2008		
Employer	Employees	Type of Business
Hilliard City Schools	2,672	Public School District
Boehringer Ingelheim Roaxane Inc.	982	Pharmaceuticals
United Parcel Service Inc.	903	Package Delivery Service
BMW Financial Services	560	Automotive Financing
Micro Center, Inc.	412	Distributor/Wholesaler Computer Equipment
Redemtech, Inc.	411	Technology Recovery, Recycling & Disposition
City of Hilliard	327	Municipal Government
Norwich Township	327	Township Government
Verizon Business Network	219	Telecommunication Services
Honda of America	<u>204</u>	Automotive Parts Manufacturing
	<u><u>7,017</u></u>	

2000		
Employer	Employees	Type of Business
Hilliard City Schools	1,770	Public School District
United Parcel Service Inc.	1,300	Package Delivery Service
Roxane Labs, Inc.	1,100	Pharmaceuticals
MCI WorldCom	1,040	On-line Computer Network
Red Roof Inns, Inc.	664	Corporate Headquarters
Gates McDonald & Company	629	Insurance
Micro Center, Inc.	451	Distributor/Wholesaler Computer Equipment
Novus Services	440	Credit Card Processing Center
Medex, Inc.	359	Medical and Hospital Products
Honda of America Mfg., Inc.	<u>276</u>	Automotive Parts Manufacturing
	<u><u>8,029</u></u>	

Note: Percentage of total employment is not available, as total employment figures for the District were not available.

* Information for ten years ago was not available.

Source: Cities of Hilliard Tax Department, City of Columbus - Economic Development Division, and Individual Employers - December 1999 and December 2007

**Hilliard City School District
Staffing Statistics - Full Time Equivalents (FTE) by Type and Function
Last Ten Fiscal Years**

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Professional Staff:										
Teaching Staff:										
Regular Education Teaching	766.54	748.25	735.11	728.91	745.39	784.14	747.83	664.49	635.42	592.68
Special Education Teaching	144.58	94.50	96.57	104.00	97.00	102.99	91.00	82.50	73.50	65.50
Vocational Education Teaching	9.00	9.00	9.00	9.00	9.00	13.00	14.00	9.00	8.00	8.00
Tutors	67.74	65.43	63.44	63.68	63.33	56.83	47.91	54.28	63.79	49.89
Administrators										
District/Building	69.50	68.50	66.00	67.50	67.29	66.29	62.79	55.39	52.34	51.57
Auxiliary Positions										
Psychologists	18.95	17.95	18.28	16.96	15.96	15.86	15.18	12.18	10.18	8.18
Counseling	31.50	32.21	31.00	31.21	31.50	27.00	26.50	26.50	23.80	24.30
Nurses	12.00	13.00	12.00	12.00	12.00	13.00	15.00	11.00	10.00	9.50
Speech	14.41	15.06	13.92	14.40	14.39	14.40	14.90	10.90	10.40	9.20
Adapted Phys Ed/Occupational Therapist	12.20	12.20	12.20	11.60	11.40	6.80	6.20	5.20	4.50	3.50
Physical Therapist	1.65	1.65	1.65	1.65	1.65	1.61	1.60	1.60	2.00	1.00
Social Work	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
Librarian/Media	23.30	20.80	20.80	20.80	21.30	21.00	22.00	17.00	17.00	12.00
Planning, Curriculum	13.25	48.25	39.25	39.75	34.00	31.00	20.50	24.00	21.00	16.00
Other Professional	58.12	75.97	72.98	67.98	58.50	4.80	4.30	3.80	3.00	3.00
Support Staff										
Secretarial	88.50	89.00	85.50	85.50	88.00	85.00	85.00	78.00	66.50	62.75
Teaching Aides	111.90	115.10	108.10	104.20	105.58	96.84	92.50	69.62	57.64	53.21
Accounting, Auditing, Editing	7.50	7.50	8.00	8.50	9.50	9.00	9.00	8.00	8.00	7.00
Technical	20.00	14.75	14.75	15.50	17.00	15.25	15.75	15.75	13.00	13.00
Messenger	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Custodial	86.00	93.00	92.00	91.00	98.00	98.00	96.00	84.00	77.00	76.00
Maintenance	24.00	24.00	24.00	24.00	24.00	21.00	18.00	9.00	6.00	6.00
Grounds	7.00	9.00	8.00	8.00	7.00	5.00	5.00	4.00	4.00	4.00
Bus Drivers	74.50	70.00	60.00	56.00	60.00	59.86	59.85	51.10	53.96	58.13
Mechanics	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	3.00	3.00
Total	<u>1,670.14</u>	<u>1,653.12</u>	<u>1,601.55</u>	<u>1,591.14</u>	<u>1,600.79</u>	<u>1,554.67</u>	<u>1,476.81</u>	<u>1,303.31</u>	<u>1,225.03</u>	<u>1,138.41</u>

Function	2008	2007	2006	2005
Governmental Activities				
Instruction				
Regular and Special	1,099.76	1,032.28	1,012.22	1,009.79
Support Services				
Pupils	164.08	218.29	203.28	197.55
Instructional Staff	76.80	70.55	68.55	71.30
School Administration	108.50	108.50	103.50	103.50
Fiscal	9.50	9.50	10.00	10.00
Business	7.00	7.00	7.00	7.00
Maintenance	117.00	124.00	123.00	122.00
Transportation	84.50	80.00	70.00	66.00
Central	3.00	3.00	4.00	4.00
Total Governmental Activities	1,670.14	1,653.12	1,601.55	1,591.14
Total Primary Government	<u>1,670.14</u>	<u>1,653.12</u>	<u>1,601.55</u>	<u>1,591.14</u>

Note - Staffing Statistics by Function were not available prior to 2005.

(a) - Category did not exist on Staff EMIS reports prior to FY 1999.

Source - School District EMIS (Education Management Information System) Records

**Hilliard City School District
Operating Indicators by Function
Last Four Fiscal Years**

Function	2008	2007	2006	2005
Governmental Activities				
Instruction				
Regular and Special				
Support Services - Pupil				
Enrollment (Students)	15,150	15,029	14,851	14,546
Graduates	1,011	965	968	912
% of Students with Disabilities	11.5%	11.8%	11.6%	11.2%
% of Limited English Proficient Students	6.3%	5.4%	4.4%	3.9%
Support Services				
Instructional Staff				
Information Technology Services				
Work Orders Completed	4,526	6,344	8,118	5,412
School Administration				
Student Attendance Rate	96.2%	95.6%	95.3%	95.3%
Fiscal				
Purchase Orders Processed	7,088	6,953	8,595	8,452
Nonpayroll Checks Issued	10,007	9,672	9,930	9,350
Maintenance				
District Square Footage Maintained by				
Custodians and Maintenance Staff	1,850,447	1,795,447	1,795,447	1,795,447
District Acreage Maintained by				
Grounds Staff	224	206	206	206
Transportation				
Avg. Public and Parochial Students				
Transported Daily (includes special education)	10,034	9,734	10,831	10,904
Avg. Daily Bus Fleet Mileage	8,682	8,682	8,668	8,668
Number of Buses in District Fleet	144	141	139	124
Community Services				
Number of Students Enrolled in District				
Latchkey Program	874	792	696	657
Extra Curricular Activities				
High School Varsity Teams	52	52	52	52
Food Service Operations				
Meals Served to Students				
Lunch	1,793,815	1,711,086	1,647,745	1,613,485
Breakfast	85,417	-	-	-

Note - Indicators by Function were not available prior to 2005. Indicators were not available for the following functions: Business and Central.

Source - School District Records and Ohio Department of Education Report Card Data

**Hilliard City School District
Capital Assets by Function/Program
Last Six Fiscal Years**

	2008	2007	2006	2005	2004	2003
Governmental Activities						
Regular Instruction						
Land and Improvements	\$ 29,546,553	\$ 27,099,936	\$ 24,124,886	\$ 24,144,415	\$ 24,129,691	\$ 19,655,250
Buildings and Improvements	143,533,182	134,301,331	134,301,330	134,274,304	134,575,582	133,495,783
Furniture Fixtures and Equip.	4,910,871	4,861,801	4,983,756	5,054,986	9,782,913	14,777,785
Special Instruction						
Land and Improvements	237,847	237,847	237,847	-	-	-
Buildings and Improvements	74,101	74,101	74,101	-	-	-
Furniture Fixtures and Equip.	24,712	24,712	24,712	84,732	368,713	368,713
Pupil Support						
Furniture Fixtures and Equip.	18,246	18,246	18,246	35,146	79,624	79,624
Instructional Staff Support						
Furniture Fixtures and Equip.	435,422	430,422	441,966	441,966	2,062,195	2,062,195
General and School Administration						
Land and Improvements	498,647	498,647	498,647	502,981	502,981	502,981
Buildings and Improvements	7,545,581	7,545,581	7,406,386	7,422,461	7,422,461	7,422,461
Furniture Fixtures and Equip.	702,633	684,016	632,032	796,598	1,123,850	1,123,850
Business						
Furniture Fixtures and Equip.	11,295	11,295	39,644	39,644	41,273	41,273
Operations and Maintenance						
Land and Improvements	22,071	22,071	22,071	25,885	17,401	17,401
Buildings and Improvements	1,726,731	1,715,281	1,299,276	1,213,346	37,929	37,929
Furniture Fixtures and Equip.	797,903	686,536	637,219	539,913	762,673	762,673
Other Vehicles	796,213	776,090	662,511	709,724	701,916	697,546
Pupil Transportation						
Land and Improvements	718,154	718,154	718,154	722,034	722,034	722,034
Buildings and Improvements	555,008	555,008	555,008	563,121	563,121	563,121
Furniture Fixtures and Equip.	27,429	27,429	27,429	27,429	56,918	56,918
Buses	10,392,286	9,558,425	10,387,024	8,996,884	8,117,445	8,117,445
Central						
Furniture Fixtures and Equip.	-	-	-	-	1,544	1,544
Food Service Operations						
Furniture Fixtures and Equip.	765,199	695,727	686,867	681,528	1,348,746	1,348,746
Community Services						
Buildings and Improvements	32,054	32,054	32,054	32,054	32,054	32,054
Furniture Fixtures and Equip.	-	-	-	-	77,276	77,276
Extracurricular Activities						
Land and Improvements	4,435,621	4,435,621	4,435,621	4,373,432	4,373,431	4,373,431
Buildings and Improvements	1,661,631	1,661,631	1,661,631	1,674,497	1,674,497	1,674,497
Furniture Fixtures and Equip.	227,948	216,392	210,859	197,991	263,507	263,507
Total Governmental Activities Capital Assets	\$ 209,697,338	\$ 196,888,354	\$ 194,119,277	\$ 192,555,071	\$ 198,839,775	\$ 198,276,037

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**Hilliard City School District
School Building Information
Last Ten Fiscal Years**

	2008 **	2007	2006	2005	2004	2003	2002	2001	2000	1999
Alton Darby Elementary (2002)										
Square Feet	60,247	60,247	60,247	60,247	60,247	60,247	60,247	N/A	N/A	N/A
Capacity (Students)	600	600	600	600	600	600	600	N/A	N/A	N/A
Enrollment	564	562	576	551	556	540	463	N/A	N/A	N/A
Avery Elementary (1960)										
Square Feet	45,745	45,745	45,745	45,475	45,475	45,475	45,475	41,655	41,655	41,655
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	513	483	484	501	512	518	553	591	567	542
Beacon Elementary (1968)										
Square Feet	46,220	46,220	46,220	46,220	46,220	46,220	46,220	46,220	46,220	46,220
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	512	489	487	498	523	547	502	547	522	494
Britton Elementary (1968)										
Square Feet	70,338	70,338	70,338	70,338	70,338	70,338	70,338	70,338	70,338	70,338
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	427	426	419	466	510	476	498	489	516	549
Brown Elementary (1965)										
Square Feet	48,323	48,323	48,323	48,323	48,323	48,323	48,323	48,323	48,323	48,323
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	538	521	457	448	419	391	407	658	650	607
Darby Creek Elementary (1998)										
Square Feet	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	552	676	676	664	634	564	524	556	463	335
Hilliard Crossing Elementary (1993)										
Square Feet	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	587	563	562	609	617	590	622	643	672	679
Hilliard Horizon Elementary (1997)										
Square Feet	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	572	564	571	539	554	547	517	604	560	578
Hoffman Trails Elementary (2002)										
Square Feet	60,247	60,247	60,247	60,247	60,247	60,247	60,247	N/A	N/A	N/A
Capacity (Students)	600	600	600	600	600	600	600	N/A	N/A	N/A
Enrollment	484	565	531	455	373	311	223	N/A	N/A	N/A
J.W. Reason Elementary (1958)										
Square Feet	44,295	44,295	44,295	44,295	44,295	44,295	44,295	44,295	44,295	44,295
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	411	540	585	595	583	560	571	572	563	653
Norwich Elementary (1993)										
Square Feet	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	505	610	586	562	554	563	567	584	608	605
Ridgewood Elementary (1961)										
Square Feet	45,404	45,404	45,404	45,404	45,404	45,404	45,404	45,404	45,404	45,404
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	504	495	413	447	479	514	519	541	557	587
Scioto Darby Elementary (1989)										
Square Feet	64,897	64,897	64,897	64,897	64,897	64,897	64,897	64,897	64,897	64,897
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	502	507	522	535	531	555	550	641	590	570
Washington Elementary (2007)										
Square Feet	60,247	N/A								
Capacity (Students)	600	N/A								
Enrollment	261	N/A								

Hilliard Station Sixth Grade School (2002)											
Square Feet	56,515	56,515	56,515	56,515	56,515	56,515	56,515	56,515	N/A	N/A	N/A
Capacity (Students)	650	650	650	650	650	650	650	650	N/A	N/A	N/A
Enrollment	611	605	590	591	609	609	578	578	N/A	N/A	N/A
Hilliard Tharp Sixth Grade School (2002)											
Square Feet	62,000	62,000	62,000	62,000	62,000	62,000	62,000	62,000	N/A	N/A	N/A
Capacity (Students)	650	650	650	650	650	650	650	650	N/A	N/A	N/A
Enrollment	580	491	556	565	435	426	487	487	N/A	N/A	N/A
Hilliard Heritage Middle School (1996)											
Square Feet	12,405	12,405	125,405	125,405	125,405	125,405	125,405	125,405	125,405	125,405	125,405
Capacity (Students)	800	800	800	800	800	800	800	800	800	800	800
Enrollment	839	820	820	800	766	732	701	1,118	983	939	939
Hilliard Memorial Middle School (1956) (a)											
Square Feet	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Capacity (Students)	800	800	800	800	800	800	800	800	800	800	800
Enrollment	735	793	724	660	692	657	658	1,023	1,020	940	940
Hilliard Weaver Middle School (1994)											
Square Feet	124,785	124,785	124,785	124,785	124,785	124,785	124,785	124,785	124,785	124,785	124,785
Capacity (Students)	800	800	800	800	800	800	800	800	800	800	800
Enrollment	691	752	757	696	735	761	713	906	909	878	878
Hilliard Darby High School (1997)											
Square Feet	290,809 *	290,809 *	290,809 *	276,553	276,553	276,553	276,553	276,553	276,553	276,553	276,553
Capacity (Students)	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Enrollment	2,275	2,234	2,310	2,256	2,128	2,065	1,892	2,265	1,789	1,669	1,532
Hilliard Davidson High School (1989)											
Square Feet	252,680 *	252,680 *	252,680 *	245,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000
Capacity (Students)	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Enrollment	2,196	2,079	1,974	1,887	1,861	1,786	1,684	1,595	1,516	1,470	1,470
Alton Darby Preschool (2002)											
Square Feet	18,640	18,640	18,640	18,640	18,640	18,640	18,640	18,640	(b)	(b)	(b)
Capacity (Students)	200	200	200	200	200	200	200	200	(b)	(b)	(b)
Enrollment	283	254	251	219	142	136	107	78	58	46	46
Central Office (1990)											
Square Feet	20,520	20,520	20,520	20,520	20,520	20,520	20,520	20,520	20,520	20,520	20,520
Central Office Annex (1990)											
Square Feet	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Maintenance (1991)											
Square Feet	701	701	701	701	701	701	701	701	701	701	701
Support Services Facility (2003)											
Square Feet	82,000	82,000	82,000	82,000	82,000	82,000	82,000	N/A	N/A	N/A	N/A
Transportation (1989)											
Square Feet	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000

Source : School District Records

Note: Year of original construction in parentheses. Increases in square footage and capacity are the result of renovations and additions.

Capacity is the "program " capacity and can increase/decrease as a result of changes in federal, state, or local standards.

(a) A portion of Memorial Middle School was used as the District's Sixth grade building until the Hilliard Station conversion was completed and Hilliard Tharp was built, both of which opened in 2002. At this time, the building began functioning as a middle school.

(b) In FY 1996-2001 Preschool was housed at various elementary buildings, including Darby Creek and J.W. Reason. Space was allocated on an as-needed basis and square footage falls within the elementary building as presented.

N/A - Not available, building was not open

* In 2005-06 modulars were added to both of the District's high schools to help in accommodating growth.

5 modulars were added at Davidson and 9 were added at Darby.

** Redistricting at the elementary level went into effect for the 2007-08 school year, with the opening of Washington Elementary.

**Hilliard City School District
Educational and Operating Statistics
Last Ten School Years**

	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99
ACT Scores (Averages)										
Hilliard	23.4	22.4	23.4	22.2	22.4	21.7	21.8	21.7	21.9	21.5
Ohio	21.7	21.6	21.5	21.4	21.4	21.4	21.4	21.4	21.4	21.4
National	21.1	21.2	21.1	20.9	20.9	20.8	20.8	21.0	21.0	21.0
SAT Scores (Averages)										
Hilliard										
Verbal/Critical Reading	530	513	520	514	522	513	510	518	512	508
Mathematics	553	530	540	526	540	528	530	532	531	531
Writing	518	494	505	n/a						
Ohio										
Verbal/Critical Reading	534	536	535	539	538	536	534	534	533	534
Mathematics	544	542	544	543	542	541	539	539	539	538
Writing	521	522	521	n/a						
National										
Verbal/Critical Reading	502	502	503	508	508	507	506	506	505	505
Mathematics	515	515	518	520	518	519	514	514	514	511
Writing	494	494	497	n/a						
National Merit Scholars										
Finalist	7	1	3	4	2	0	0	0	0	0
Semi-Finalist	8	1	3	4	2	3	0	3	1	1
Commended Scholars	8	7	9	4	10	11	0	8	0	0
State Testing Indicators										
Total Number of Indicators	30	30	25	23	18	22	22	27	27	27
Hilliard Met	30	28	25	21	16	21	19	20	19	20
State Average Met	18	19	17	11	8	11	12	16	15	11
Performance Index Score *	101.1	100.2	101	97.2	96.1	93.7	90.5	87.5	(b)	(b)
ODE Per Pupil Costs										
Hilliard	\$ 10,968	\$ 10,234	\$ 9,806	\$ 9,382	\$ 8,759	\$ 8,365	\$ 8,367	\$ 7,602	\$ 6,932	\$ 6,369
State Avg.	(a)	\$ 9,623	\$ 9,343	\$ 9,047	\$ 8,758	\$ 8,438	\$ 8,073	\$ 7,590	\$ 7,057	\$ 6,642
Cost to Educate Graduate										
Hilliard	\$ 100,773	\$ 94,569	\$ 89,262	\$ 83,957	\$ 78,880	\$ 74,699	\$ 70,628	\$ 65,966	\$ 62,083	\$ 60,387
State Avg.	(a)	\$ 95,086	\$ 92,869	\$ 88,351	\$ 84,129	\$ 79,747	\$ 75,655	\$ 71,601	\$ 67,621	\$ 64,002
Average Teacher Salary										
Hilliard	\$ 60,326	\$ 59,195	\$ 56,139	\$ 52,932	\$ 50,743	\$ 48,111	\$ 44,686	\$ 45,352	\$ 43,010	\$ 41,378
State Avg.	\$ 53,410	\$ 53,536	\$ 50,772	\$ 49,438	\$ 47,659	\$ 45,645	\$ 43,755	\$ 42,995	\$ 41,833	\$ 40,835
Average Teacher Years' Experience	12.5	12.4	12.3	11.9	11.4	10.0	10.0	(a)	(a)	(a)
Percentage of Teachers with a Master's Degree or Higher	69.6%	67.3%	66.5%	65.7%	60.6%	(a)	(a)	(a)	(a)	(a)
ODE Teacher/Pupil Ratio										
Hilliard	18.8	18.8	18.5	18.4	17.5	15.8	16	17.8	17.9	18.5
State Avg.	18.6	19.6	18.6	18.5	18.5	16.5	16.9	18.0	18.1	18.6
Percentage of Students on Free/Reduced Lunch	14.62%	14.10%	13.86%	11.58%	9.73%	10.65%	7.03%	7.01%	7.15%	(a)

n/a - Test did not exist at this time.

(a) - Information is not available.

(b) - The score was not compiled until 2000-01.

* - The Performance Index Score reflects the achievement of every tested student. The score is a weighted average of all tested subjects in grades 3-8 and 10. The most weight is given to advanced students (1.2) and the weights decrease for each performance level. This creates a scale of 0 to 120 points, with 100 being the goal.

Source : School District Student Records and Ohio Department of Education



Hilliard City School District | 5323 Cemetery Road | Hilliard, Ohio 43026





Mary Taylor, CPA
Auditor of State

HILLIARD CITY SCHOOL DISTRICT

FRANKLIN 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
OCTOBER 16, 2008